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UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 80th CONGRESS
FIRST SESSION

VOLUME 93—PART 9

NOVEMBER 18, 1947, TO DECEMBER 19, 1947
(PAGES 10645 TO 11764)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1947

United States of America

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HOUSE OF REPRESENTATIVES

TUESDAY, NOVEMBER 18, 1947

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Breathe upon us, O breath of God; fill us with an unshakable conviction that these are days of challenge. Amid the perplexities of a changing order, let us be rid of all devastating influences, putting the privations and hunger of the world above selfishness, for there can be no peace nor security without good will among individuals and among nations. Face to face with great new tasks, give us eyes to see, that in Thy light we may see light; make us loyal and true to those immortal verities which hold our Republic as the sanctuary of human rights and the ultimate hope of man.

Grant blessings of wisdom and good health upon our beloved Speaker, the leaders and all Members, that by our decisions we may demonstrate to the world the righteousness of free government. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

ADJOURNMENT OVER

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 o'clock noon on Thursday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

CORRECTION OF ROLL CALLS

Mr. STEVENSON. Mr. Speaker, I have just discovered that on roll calls 17 and 18 I was recorded as not voting. I voted "yea" on both those occasions. I have a 100-percent record in answering roll calls, and I ask unanimous consent that the RECORD so state.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

EXTENSION OF REMARKS

Mr. POTTS asked and was given permission to extend his remarks in the RECORD and include therewith a radio address.

Mr. STEVENSON asked and was given permission to extend his remarks in the RECORD and include an article from the World Report entitled "Cause of French Hunger Failure of Farm Policy."

Mrs. ST. GEORGE asked and was given permission to extend her remarks in the Appendix of the RECORD and include a letter she received from a constituent.

Mr. AUCHINCLOSS asked and was given permission to extend his remarks in the Appendix of the RECORD and include a speech.

Mr. ROBERTSON asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address by the Honorable Robert E. Freer, Commissioner of the Federal Trade Commission.

EFFECT OF THE MARSHALL PLAN ON THE AMERICAN PEOPLE

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, whoever is for the so-called Marshall plan, or anything that smacks of that plan, is of necessity for the President's proposal to enslave the American people, which he put before the Congress yesterday.

Pass the Marshall plan and compliance with the President's request will follow as night follows day.

With ever-mounting shortages of vitally needed supplies and increasing prices, caused in great measure by giving away so much of our goods to foreign countries, the carrying out of the Marshall plan would inevitably exaggerate these evils. These forces—and not the Congress—would determine the issue of price controls, rationing, and regimentation in general.

President Truman and his strategists know this.

Is the Republican Party going to permit itself to be tricked into betraying its pledge to the country to save the Nation from regimentation by supporting the Marshall plan?

EFFECT OF REDUCTION OF WOOL TARIFF

Mr. D'EWART. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. D'EWART. Mr. Speaker, today's newspapers inform us that once again the administration's free-traders have sat down with foreign experts, and the western wool producer loses some more of his market, and the American consumer gains nothing. Foreign nations may, when and if they see fit, remove the import bans which now keep our goods off their markets. Once again we learn that reciprocity is a one-way street.

Wool is one of the items on which the tariff is to be cut 25 percent. This news leaked some time ago. We learned about it from Australia, not from our own State Department, when the world price of wool increased 8½ cents, exactly the amount of our tariff reduction. The British wool organization is no free-trade outfit, and the American consumer is not going to benefit by one penny from the reduction in our tariff.

If the American consumer does not benefit, and free trade is not promoted, what is the effect of this wool tariff reduction?

First. Wool in 1946 provided one-third of all the duties collected by the United States Treasury, $146,000,000. On that basis the reduction in tariff will cost our Treasury $35,550,000—money which must come from some other source.

Second. Wool duties provided $10,650,000 in section 32, funds which support many farm programs and agricultural commodities. Wool has never received any benefits from this fund. Now the farm programs will have to go looking elsewhere for money.

Third. The American wool industry, one of the keystones of our agricultural economy, will suffer another set-back in its fight for survival. Wool is a vital strategic material which we need, and we must have an adequate domestic supply. A firm tariff is essential to a strong American wool industry.

To sum it up, the free-traders have not helped the American consumer, they have definitely injured the American producer, and they have cost our Treasury a great source of income. The only winner in this strange game is the low-cost foreign producer, to whom our State Department has handed another huge subsidy.

EFFECT OF REDUCTION OF WOOL TARIFF

Mr. BARRETT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

Mr. BARRETT. Mr. Speaker, with the cuts announced by the State Department yesterday, we now have the lowest tariffs since the turn of the century. The livestock industry has been sacrificed in order to close the bargain with the 14 other countries at Geneva. Otherwise the whole negotiations at Geneva would have collapsed. In fact, Australia demanded the scalp of the American wool grower, and got it.

are being "bushed" out of 4 to 8 cents per pound on chicken this very hour. No. 3, I want to ask that the President sometime give a little recognition to the Department of Agriculture and to the farm organizations, if he is really interested in food. I also hope that he takes his political New Deal economists and puts them on the side line forever and forever.

TARIFF REDUCTIONS

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker and Members of Congress, greetings. I am glad to see you all here from your few weeks spent at your homes.

I am very much interested in the fact that my good friend the gentleman from North Carolina [Mr. DOUGHTON], sitting there, and the Committee on Ways and Means, a wise, judicious, and honorable committee of the House of Representatives, has always had the privilege of determining in what manner we in this country should secure the revenues to finance the affairs of this Government. However, in the last 15 years, under the New Deal, the tariffs of this country were turned over to the State Department and taken out of the hands of the great Committee on Ways and Means. That was a dreadful shame and a catastrophe as far as America is concerned. It should be placed in the committee's hands again for the good of the country.

If you will refer to the agreement made in Geneva, Switzerland, just recently, you will find that the tariffs on many items coming into this country were reduced. I assure you that within 5 years you will be sorry for that, when you see the laborers of this country sitting on the side lines and the products that are manufactured in foreign countries coming in here to replace those manufactured by our American workmen. The workmen in foreign countries are paid one-fourth or one-fifth what our American workmen receive. That day is coming just as sure as the sun will rise tomorrow, and the New Deal Congress of the United States will be blamed because it put that power in the hands of the State Department. Oh, what a grave error.

Another thing that happened this last week was that Mr. Luckman closed up the breweries of this country and refused to permit them to make liquor in order to conserve foodstuffs—a good move. Yet liquors are being permitted to be brought in from foreign countries, which are operating on the wheat we are sending over there. Wheat as gifts for charity to sustain life, used for manufacture of liquor, while our breweries are closed. Not very consistent. Further, the tariffs on those liquors have been cut 50 percent by the State Department.

We will be importing liquors at a reduced tariff, putting our workers out of jobs, and using important grains that should be used as foods. Congress passed a law at the last session for the Commodity Credit Corporation to buy all wools at the highest price ever paid for wools to aid the American farmer, yet the State Department reduced the tariff on wools and wool products 25 percent—not a very wise thing for America. Also the Congress passed laws to guarantee price for copper, lead, zinc, and magnesium, and the State Department cut the tariffs on these items. Does it make sense for our country? I say "No." We will live to regret it only too soon. Many things happen that should not happen.

THE LATE IRA CLIFTON COPLEY

Mr. REED of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. REED of Illinois. Mr. Speaker, it becomes my sad duty to announce to the House the death on November 2, 1947, of Col. Ira Clifton Copley, formerly a Member of Congress from the Eleventh Congressional District of Illinois.

Congressman Copley's service in this House was for 12 years—from 1911 to 1923—Sixty-second to Sixty-seventh Congresses, inclusive. There remains in this Congress one Member who came to this legislative body at the same time as did Congressman Copley. He and Colonel Copley, though of opposite political faiths, early appraised and respected the capabilities of each other. Both were experts in the field of revenue and taxation. Fitness brought them together as members of the important Committee on Ways and Means. At the time of Colonel Copley's retirement from Congress he was third ranking Republican member of that committee. Had he remained, he would have become its chairman. The other gentleman, Hon. ROBERT L. DOUGHTON, of North Carolina, did remain and for several terms rendered distinguished service to his country as chairman of that important committee.

Congressman Copley was a successful businessman. He started at the foot of the ladder and worked his way, rung by rung, to the top. At the time of his service in Congress he was president of an expanding public utility corporation of northern Illinois. Later he severed his utility connections and entered the field of journalism. At the time of his death he was chairman of the board of the Copley Press, a newspaper syndicate engaged in the publication of 17 progressive, up-to-date daily newspapers in Illinois and California. He was widely known for his business acumen, his sound judgment, his widespread and varied philanthrophies, and his adherence to American traditions. As Congressman, he believed in the principle of protective tariffs. He was an ardent advocate of strong national defense. He supported the League of Nations. He introduced the first anti-child-labor measure and the first mother's pension bill.

As a journalist, the tremendous influence he exerted was in the right direction. He summarized his views in an interview in June of 1946 when he said, "I have but one general policy for all my papers. It is simply, 'Play the game on the square.' We absolutely have no political axes to grind. Not one of my papers has ever asked a thing of a public official."

Mr. Speaker, Colonel Copley's activities have come to an end. His successful career must be an inspiration to the youth of a free nation. America is richer because he lived.

EXTENSION OF REMARKS

Mr. RAMEY asked and was given permission to extend his remarks in the RECORD and include an article from the American Bar Association Journal of August 1947.

EUROPEAN ROYALTY AND AMERICAN CHARITY

Mr. RAMEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. RAMEY. Mr. Speaker, the first speech I heard on my arrival in the Seventy-eighth Congress was delivered by the gentleman who is now chairman of the Committee on Ways and Means. In that speech he recited the story told by Trotsky of the Russian noblewoman who went to the theater one evening when it was 20 degrees below zero and wept copious tears for the heroine in the play while she left her coachman outside who froze to death. We have heard over the radio and in the press about the English noblewoman who received over $2,000,000 worth of jewels as a wedding gift. That is happening while they send out appeals to us to send them a great many things, which we have been willing to do and have done. I wonder—I wonder about these appeals when the nobility there have jewels and great riches, while little girls and boys in this country are going to do without their Thanksgiving and Christmas dinners in order to send things to them voluntarily. Hundreds of our children are going without winter coats to send to their people food and clothes. Every citizen has voluntarily contributed.

The United States of America spells charity in action. Yes, the United States of America pays and pays and pays while the royalty of the Old World plays and plays and plays.

Royalty of the Old World, why will you not give up your vanity, your pleasure, and only give to your own who need as we give of our own to you?

EXTENSION OF REMARKS

Mr. DONDERO asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. WOODRUFF asked and was given permission to extend his remarks in the RECORD.

EUROPEAN AID AND OUR FINANCIAL SITUATION

Mr. HUGH D. SCOTT, JR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HUGH D. SCOTT, JR. Mr. Speaker, last Sunday the people of my community gathered clothes to be sent forward against the European winter.

What the people of my little part of America, and of yours, are doing in their homes, they want us to do on the Hill—face to face with human misery, we are indeed our brother's keeper.

Stopgap aid is a challenge to share our goods, a charitable must.

The larger program, the chance that we can help to put Europe on a self-supporting basis is, as Secretary Marshall concedes, not a guaranteed certainty. All the goods we promise cannot be bought with the money we vote unless we have money which will stay hitched. We must give money a fixed meaning in men's minds.

We ought to start with the United States Treasury, put our gold behind our paper, and stop our own dollars from dying at the rate of 2 percent a month.

The way to easier living is to get our money to stand still as we pay our bills with it.

EUROPEAN AID

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. Mr. Speaker, I think it is evident that the Congress during this special session and in the session to come is faced and will be faced with problems of great import to all the people of the United States. We shall be called upon, as you know, to appropriate some money for immediate interim or emergency relief for the European countries. Later on we will be asked to go much, much further. If I should give a word of advice, I would suggest that inasmuch as a great many Members of Congress have gone to Europe with special committees and made studies that the Congress may be able to get some information from some or perhaps all of the Members who had that opportunity.

I think we should approach this matter and weigh it with great consideration, because of the impact it will have not only on the world, but particularly the impact it will have on our own Nation. In my judgment, this is no time for headline hunters. This is no time to overplay the picture one way or the other. It will require sound thinking, and taking into consideration the ability of our own country to supply the things that are needed in other countries. We had better approach these problems with a minimum of hysteria and with a maximum of sound judgment, taking into consideration the whole picture as it affects this country.

The SPEAKER. The time of the gentleman from Illinois [Mr. VURSELL] has expired.

EXTENSION OF REMARKS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to revise and extend the remarks which I expect to make later in the day, immediately after the remarks of the gentleman from Illinois [Mr. DIRKSEN].

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

CEMENT FOR VETERANS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, this Nation will continue, as it always has to be charitable and to extend aid to all needy people wherever they may be.

Permit me to call attention to a situation which exists in my district, at Benton Harbor, Mich. Forty veterans have organized a corporation under the laws of the State of Michigan, for the purpose of building homes for their families. They intend to do this without any aid from local, State, or Federal governments. They have members who are carpenters, blacksmiths, plasterers, plumbers, and electricians. They will do the work of building these houses if they can get material. All they ask is an opportunity to buy, with their own money, the materials which are necessary to construct these homes. Now, if that is not the American way, I do not know what would be.

But here is what they ran up against, and they have asked me to help them and I am asking 434 of you Members of this Congress to help me do it. They want to buy some cement and they cannot get it. Cement is being exported. They are asking me to try to get it for them. They want to buy it. They want to pay the market price for it. If any of you gentlemen, who are so anxious to aid the suffering in other lands, will help these veterans get a little cement so they can finish these houses, I know these veterans will appreciate your help. If you think those who fought to win the war should have a house to shelter them before the cement goes into construction abroad, then help me get it for these veterans.

The SPEAKER. The time of the gentleman from Michigan has expired.

CONSERVATION OF NATURAL RESOURCES

Mr. WELCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include therewith a resolution.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. WELCH]?

There was no objection.

Mr. WELCH. Mr. Speaker, one of the most important functions of the Committee on Public Lands of the House of Representatives, of which I am chairman, is the progressive development of a continuing policy to conserve the natural resources of the United States to the greatest possible advantage. Our national defense and our whole economy rests squarely upon the proper utilization and conservation of natural resources. Every thinking American must recognize this fact.

At the 1947 convention of the American Federation of Labor, held in San Francisco, that great organization of American working men and women unanimously adopted Resolution 190 dealing with this question. Under leave to extend my remarks, I include it herewith:

Whereas there is an imperative necessity to conserve this Nation's fast diminishing natural resources, which are largely in the 11 Western States; and

Whereas at the present time there is being cut yearly one and one-half times more timber than is being replaced by natural growth (last year over 1,000,000,000 board feet of lumber was shipped out of this country. Twenty-five percent of the timber cut in the State of Washington was shipped out of the United States); and

Whereas it can be readily seen that it will be only a matter of limited years until the entire United States will be as completely denuded of its forests as are the great onetime lumber-producing States of Michigan, Minnesota, and Wisconsin, unless we follow the wise policy of Belgium, Norway, Sweden, and Germany in the removal of trees on a sustained-yield basis with compulsory reforestation; and

Whereas bills are now pending before Congress authorizing private interests to cut trees in our national parks, and these private interests are today slaughtering and slashing our redwood forests (these giants of the forest are known only to certain sections of California. They are the oldest and largest living things in the world. They were there when Moses was a baby in the bulrushes and when the Saviour was carrying His cross up Calvary Hill. These historical facts, however, have no appeal to those who, if permitted, would destroy the remaining forests of this country); and

Whereas oil and electrical energy are two of the greatest assets in our national economy and our national defense, the American Petroleum Institute estimates that the oil reserves—the known petroleum deposits in the United States—at the end of 1946 amounted to slightly over 20,000,000,000 barrels of crude oil. Consumption is now at the rate of 1,750,000,000 barrels per year, which means our known reserves will be exhausted in 12 years; that regardless of this alarming situation, and according to the Department of Commerce, Office of International Trade, there was shipped out of this country during the months of January, February, and March, 1947, 35,012,347 barrels of crude petroleum, gasoline, and other petroleum products. Running at this rate, at the end of this year, we will have shipped approximately 140,000,000 barrels of irreplaceable crude petroleum products out of the United States; and

Whereas hydroelectric power is inexhaustible, every reclamation project developing hydroelectric power conserves just that much of our oil reserves for future use. Money advanced by the Federal Government for irrigation and conservation projects from which hydroelectric power can be developed is not a Government subsidy but an investment in the future of America, nearly every dollar of which must be paid back; and

Whereas there is no honest objection to the development of hydroelectric power by private capital; on the other hand, private power interests have no moral or proper right to

interfere with public development of hydroelectric-power projects beyond their scope, or with infant projects which are made economically feasible by Government participation; and

Whereas the natural resources of the West belong to the Nation, our national defense and peacetime economy depend upon them. The great Central Valley in the State of California contains an area as large as the entire State of Michigan. Thousands of acres of this valley containing some of the richest land in the world was fast being destroyed due to lack of water and salt-water infiltration. The Federal Government has spent nearly $200,000,000 in the construction of great storage dams, power plants, and canals to conserve this great national asset, all but a minor part of which will be returned to the Government through the sale of water and power: Therefore be it

Resolved, That the American Federation of Labor, in convention assembled, is unalterably opposed to the ultimate destruction of the Nation's natural resources; and be it further

Resolved, That we favor the comprehensive development and completion of the Central Valley project and its multiple-purpose features, including hydroelectric power, irrigation, and conservation, at the earliest possible time.

EXTENSION OF REMARKS

Mr. EBERHARTER asked and was granted permission to extend his remarks in the RECORD and include an editorial from the New York Times.

Mr. ALBERT asked and was granted permission to extend his remarks in the Appendix of the RECORD and insert an editorial.

INFLATION OF THE CURRENCY

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks and include some circulating statements from the President.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, it is just as useless to talk about controlling inflation by fixing prices or the rationing of purchases as it would be to attempt to fill an empty barrel by pouring water into the bunghole with both ends knocked out.

Inflation in prices comes from the inflation of the currency.

Prices in a free economy are governed by two things: The volume of a nation's currency multiplied by the velocity of its circulation. Today, with approximately five times as much money in circulation as we had in 1930—more than five times as much, for on August 31, 1930, we had only $4,553,000,000 in circulation—and with the present rapid velocity of its circulation, you may expect prices to spiral. If you undertake to regulate it by price-fixing law, or by rationing purchases, you are simply going to drive commodities into the black market, as they have been driven into the black markets all over Europe.

I want to say to my friends on the left that not a single candidate for President on the Republican side has even mentioned this question; I am sorry to say that the leaders on neither side of either House have mentioned it. But today we are in inflation of prices because of the inflation of the currency through the Federal Reserve System.

A letter from Dr. Wilifred I. King, a noted economist, this morning pointed out one of two ways to cure inflation. One was to raise the rediscount rate of the Federal Reserve System and the other would be for Congress to take back its power to coin money and regulate the value thereof.

I have before me two Treasury statements, one dated October 31, 1937; the other dated September 30, 1947, the last one that was issued. According to the statement of October 31, 1937, at that time we had $6,555,000,000 in circulation. On September 30 of this year we had $28,567,000,000 in circulation, and it had increased over $400,000,000 since July 31.

This is the responsibility of Congress: If the Congress is going to stop inflation, it is going to have to take back the power to coin money and regulate the value thereof or assume some control over inflation through the Federal Reserve System, or else the Federal Reserve System is going to have to raise the rediscount rate, as it did in the twenties, and thereby check this inflation of the currency. As long as it goes on, prices are going to continue to rise.

I say it is time for the Congress to take back the power vested in it by the Constitution to coin money and regulate the value thereof and stop this inflation of the currency now, without attempting to further regiment the American people by fixing prices or rationing purchases.

ECONOMIC BUNGLING

Mr. BENDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BENDER. Mr. Speaker, I especially address my remarks to the Republican side of the House. This morning at the Mayflower Hotel newsstand I observed a good many headlines reporting President Truman's speech, which he delivered in this Chamber yesterday. The outstanding headline was one which read, "Truman Puts GOP on Spot," so I bought the paper, and here it is. How do you Republicans like it? A goodly number of you have been going along with Mr. Truman's foreign policy, and some of you have even gone along with him in some of his domestic planning. I confess that I have been guilty of doing exactly that myself; however, on very rare occasions. What are we doing about giving the people the facts as to who is responsible for what has been happening here and throughout the world during the past 16 years? You know the Republicans have not been running the show. We have not been in the driver's seat except in a horrible sort of way in the Eightieth Congress. We have had a comfortable majority in the House and a majority of only two or three in the other body. Incidentally, I think that BOB TAFT has been doing a perfectly magnificent job in the other body with his majority of two or three, especially since he has had a number of 10-percent Republicans included in the majority. Have the Republicans been on the ball in telling the country that it was Mr. Truman who abolished controls 2 or 3 weeks before the last congressional election? Our good colleague, the gentleman from Massachusetts, JOHN MCCORMACK, begged the President to do away with controls on foodstuffs a month before election, but we Republicans have permitted the Democrats to sell the country a bill of goods that the Republicans were responsible for controls being removed. You know that Truman and his party are responsible for high prices—that they are responsible for bungling not only in our domestic economy but in our foreign policy as well. They are trying to shift it off on to us, and if we permit them to get away with it we are a bunch of saps. It is about time that somebody on the floor of the House had the courage to tell the American people the truth about who is running the Government, who is responsible for inflation, and who was responsible for turning over practically all of Europe to the Communists. Did the Republicans turn Poland, Czechoslovakia, Yugoslavia, a part of Germany, and the Balkan States over to Russia? Were the Republicans at Yalta, Potsdam, and at Tehran? And did the Republicans make the secret agreements with Stalin? Is not it possible for a Member of Congress to be a defender of the Constitution and not convict himself of isolationism? Are we going to permit these labels to be pinned on us?

There was a decidedly political aura about Mr. Truman's message yesterday. He knows very well that no such program of peacetime controls as he proposed will be enacted by the Congress of the United States. It seems clear that Mr. Truman is less concerned about the welfare of this Nation than he is in getting on the record a political platform on which he will run for reelection. Except for its trimmings, the Truman message was a partisan document which sought to shift the responsibility for inflation from the bungling policies of the administration to the Congress and the Republicans. If Mr. Truman is really interested in the welfare of the people of this country he will get down to the serious business of building the peace of the world. The whole direction of the Truman foreign policy is one which promotes continued inflation at home and instability and unrest abroad.

EXTENSION OF REMARKS

Mr. FOOTE asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address he delivered at an Armistice Day program of New Haven Post, No. 86.

CALL OF THE HOUSE

Mr. CANFIELD. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and sixty-four Members are present, not a quorum.

Mr. ARENDS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 135]

Allen, Ill.	Grant, Ala.	O'Konski
Beall	Harless, Ariz	O'Toole
Bloom	Harrison	Owens
Bolton	Hart	Pfeifer
Brooks	Havenner	Phillips, Calif.
Brown, Ohio	Hays	Poulson
Buchanan	Hendricks	Powell
Buckley	Henshaw	Price, Ill.
Bulwinkle	Hobbs	Rabin
Byrne, N. Y.	Jackson, Calif.	Reed, N. Y.
Cannon	Kelley	Rizley
Carroll	Kersten, Wis.	Rockwell
Clippinger	Kilday	Rooney
Corbett	King	Sabath
Courtney	Kirwan	Scoblick
Curtis	Lea	Sikes
Dawson, Ill.	Lewis	Smith, Kans.
Dingell	Ludlow	Spence
Domengeaux	Lynch	Thomas, N. J.
Elliott	Mack	Thomas, Tex.
Fernandez	Mansfield	Towe
Fletcher	Marcantonio	Vorys
Fogarty	Meade, Md.	Weichel
Fulton	Murray, Tenn	Wood
Gallagher	Norblad	Youngblood
Gillie	Norton	
Granger	O'Brien	

The SPEAKER. On this roll call, 347 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. CHENOWETH asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article from the Pueblo Chieftain.

Mr. BONNER asked and was given permission to extend his remarks in the RECORD and include an address made by Dr. I. Beverly Lake, professor of law, Wake Forest College, Wake Forest, N. C., the occasion being Armistice Day exercises in Mr. BONNER's home town of Washington, N. C.

Mr. VURSELL asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. COLE of New York asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article in reference to the Marine Corps anniversary.

The SPEAKER. Under the previous order of the House, the gentleman from Illinois [Mr. DIRKSEN] is recognized for 1 hour.

REPORT ON THE WORK OF THE JOINT COMMITTEE ON ARMED SERVICES

Mr. DIRKSEN. Mr. Speaker, tomorrow marks the anniversary of an event that probably will not be heralded very much in the country. At least it never has been. It is the eighty-fourth anniversary of a speech. It was a very short speech. It was delivered by a very distinguished son of my native State. I refer to the Gettysburg Address. It was on the 19th of November 1863, in the blue haze of Gettysburg that Abraham Lincoln stated a fact, raised a question, and expressed a hope. The fact he uttered was that this was a Nation conceived in liberty and dedicated to equality. The question he asked was whether a nation so conceived could endure. The hope he uttered was that we might have a new birth of freedom. He was a great apostle of freedom. I say frankly that freedom has become a fetish and a faith with me, which transcends all else.

I have listened to the speeches this afternoon with respect to our responsibility in the foreign field. I have listened to the yardsticks that have been expressed as worthy of application. I have only one yardstick, and I think it is an infallible one. It is the yardstick of my own conscience, and with that conscience I went abroad this summer, not that I wanted to go, but in the belief that perhaps I could serve the cause of freedom. When my good friend the gentleman from New York [Mr. ANDREWS], chairman of the Armed Services Committee, first accosted me about going abroad, my answer was "No." I had been abroad for a hundred days in 1945. It is not easy work, I assure you; it is not a junket, I assure you. It was well among the hardest work I had ever done, and it proved so in 1947. But at long last I did agree to go abroad as the senior member of the joint special committee of this House, consisting of members of the Armed Services Committee and members of the Appropriations Committee. May I say to you that they worked diligently and earnestly at the job. I went under the condition that I could leave the committee at Vienna and return to Germany for more intensive work, because I felt that Germany was the key to revival in Europe.

On the day that we landed in Austria, my good friend the gentleman from Pennsylvania [Mr. GAVIN], for whom I share such a fond affection, asked: "Do we get any rest at all?" I said, "Yes, tomorrow you will get a rest." But I assure the Members of the House and I assure the country that the Members labored earnestly and diligently in order to get the story, in order to get the foundation and the background upon which to predicate their judgments when we should be confronted with the policies and the problems that now beset us. So, today, I feel privileged for the opportunity in a free country to tell my story. It is based on more than a month of continuous study and observation in Germany. In addition I spent a week in England.

In Germany and Austria I conferred with our military and civilian leaders, British military and civilian leaders, German officials including Minister-Presidents and cabinet members, businessmen large and small, labor leaders, coal miners, steel workers, children, housewives, members of the clergy, and everyone from whom I might derive a point of view.

I may say parenthetically that I did have the benefit of language. In 1919 it was my privilege to be with the army of occupation in Germany as a part of military intelligence for 8 months. I developed some knowledge of the economics and geography of the country and also some fundamental knowledge of the language. As a consequence, there was an opportunity to visit with people in all walks of life and get a first-hand story.

We are doing the thing we did before. We have won a war and are losing the peace. God grant that it is not irretrievably lost.

The war which we waged had a purpose. It was a moral purpose. It was morally wrong for dictators to trample peaceful people in the dust. It was morally wrong to outrage human decency. It was morally wrong to make a mockery of human dignity and to enslave millions. It was morally wrong to despoil freedom. It was morally wrong to fill the whole world with an overtone of morbid fear.

Had there been no Pearl Harbor we would doubtless still have gone to war at long last. The moral issue was simply too clear and too inescapable for decent people. It was inevitable that we should roll back that very evil thing for which Hitler stood and give humble people a chance to live and move in an atmosphere of freedom with at least a reasonable security from fear.

For that we fought, we scraped, we skimped, we fretted, and we sacrificed. For that we sent hundreds of thousands of young men to death. For that we dislocated our country, we accepted controls, and we went deeply into debt. For that we inherited the bitter and unhappy aftermath of war in the form of the problems which now beset us and the world.

WHICH WAY, AMERICA?

Today we are confronted with a very simple question. Do we say good-by now to the dreams, the hopes, the purposes of war and of peace? Are we willing to take the long gamble despite our problems at home in the hope that peace and the purposes for which we fought may yet be retrieved? In more specific terms, do we dare gamble the equivalent of 2 or 3 months of the cost of a 4-year war to win the peace? It is as simple as all that.

Every Member of Congress who has been abroad will agree that the world is surely sick. The hoped-for "healing peace" has not come. In fact, it will be closer to truth to say that the war is not over. It has merely shifted from the battlefield to the diplomatic front. It is the warfare of infiltration, propaganda, pressure, and terror. The Soviet Union is feverishly preparing for military war. In my book that statement requires no further refinement or qualification.

There is a morbid, intense fear on the part of people in western Europe that we may abandon Europe, that we may abandon the purposes for which we fought and leave millions of people to darkness, chaos, and communism. In fear people speak of the next war among the ruins of the last, and it is easy to obtain an even-money wager that it will not be too long.

So why not abandon Europe with its shattered cities, its ruins and debris, its devastated industries, its impoverished people, its pitiful scroungers who seek to keep body and soul together? Why not throw it all overboard? After all, what is to be gained by nursing a country which may become a corpse? Why not abandon the sacrifices we made, the hopes we nurtured, the purposes we pursued, the ideals we so loudly extolled? After all, it would be so easy to say good-by to all that.

But the answer is simple enough. To abandon Europe now is to abandon freedom not only for them but for ourselves.

It means placing western culture and western civilization in peril. It would at long last—and not so long at that—mean regimentation for us. It would finally mean forsaking a way of life for which millions of people in Europe yearn today as the one priceless thing in this generation.

Yes; it sounds a bit dreamy when reduced to words, and it may sound a bit farfetched and emotional, but let us see.

And, first, let us agree that aside from the human considerations which may be involved in feeding hungry people and clothing the naked, that further full-scale aid to Europe nearly 30 months after VE-day is justifiable only if it preserves our freedom, safeguards our free right to do business with the world, keeps open the market places of the world for the products of our soil and our industries, and enlarges the hope that another generation of blessed young Americans will not be subjected to a baptism of blood.

From this last war, as you know, the total casualties were about thirty-eight million. That is a simple, monstrous, and ungraspable fact. Just how can a human mind appreciate and understand so ghastly a toll. But the next time—and God grant there may not be a next time—well, who will say what the casualty lists would be like.

Now the equations with which we must deal appear fairly simple.

THE PATTERN OF COMMUNISM

The pattern in the Soviet Union and the patterns in those eastern European countries which are either entirely under Soviet domination or within the Soviet orbit of influence, are both simple and total.

That goes for Bulgaria, Rumania, Albania, and Yugoslavia. Perhaps in lesser degree it goes for Hungary and Czechoslovakia. The Red spider is already spinning a web in Finland, Austria, and Poland, and it is more than a gossamer web.

In the main, this Soviet pattern is one of nationalization, state planning, redistribution of the land, industrialization, the exclusion of foreign capital, and government control of all business and foreign trade.

Every American businessman, every farmer, every laboring man, every housewife in America should be interested in these and very especially in the two latter items, those of government control of all business and foreign trade. They mean much to the future of our own country.

The operating methods behind this pattern are also quite simple. They abolish all political opposition to the Communist state. They jail all opponents under trumped-up charges and keep them confined without trial or the right of habeas corpus. They inundate the country with spies and secret police. They liquidate all freedom. They carry on a campaign of fear. They hang a few leaders for salutary effect, like Petkov in Bulgaria, and so by easy stages the triumph of brutality over freedom becomes complete.

Now it is elementary that this brutal doctrine of communism cannot stand still because that would be dangerous. Having liquidated all freedom in the Soviet Union and gradually dominated that whole cordon of small nations in eastern Europe, communism must move further. There is a reason. That reason is something more than the boast of Lenin and Stalin that communism and Americanism cannot coexist in the same world. The reason is a bit more practical than that. When communism becomes static and ceases to expand, it will be in jeopardy back home in the Soviet Union and the Politburo from Stalin on down will be imperiled.

Communism having inundated eastern Europe with secret police and struck grave fear into the hearts of young and old, must move westward.

In the litany of communism its security requires control of the coast lands of Europe. That means the lands which extend to the blue sea. Naturally, that means Turkey and Greece and Italy because it involves the Mediterranean. It means France because that means the Atlantic. It means Holland and Belgium, Spain and Portugal, because they look out upon the Atlantic. It means Germany because that embraces the North Sea. It means Finland because that means the Baltic. It is an expansion of the dream of Peter the Great, who yearned for a window on the Baltic. Today communism seeks a bridgehead on the Atlantic, and if that bridgehead is ever established Great Britain and the Western Hemisphere will be islands in a great Red ocean.

THE OBSTACLES TO EXPANSION

But to this imperial dream of the Politburo and the Communists there is an obstacle. It is Germany. Once Germany falls, France and Italy will be easy. Lenin, whose body lies in state in Red Square in Moscow, once said that "whoever controls Germany controls Europe." He is the same Lenin whose gospel is still the faith of communism and whose textbooks, so recently revised by Stalin, are still faithfully adhered to by the Communists. He is the same Lenin who was the author of chaos and hate.

The coal and steel of the German Ruhr when coupled with Soviet resources would be an invincible combination. Of course, slave labor would do the work. Already 15,000,000 or more slave laborers work under guard in the Soviet Union. Few of them ever come back.

Today the notorious slave-labor camp at Buchenwald is again in operation. The only difference is that it is under Soviet operation. It is filled with political prisoners—with men who dared disagree with the brutal concept of communism. Thousands of prisoners are now confined in another slave-labor camp at Sachsenhausen. An even larger slave-labor operation is now under way throughout the Soviet zone of Germany. Germans of all types, and especially those with technical or craft experience, are now being forcibly recruited. The plan is as simple as it is brutal. A notice is sent to a citizen. At the bottom of the notice there is indicated what type of work he is expected to perform. He is given 2 hours to report and sign an application. His signature, obtained under fear and duress, is regarded as a voluntary offer to perform such labor. If he signs the application it is the equivalent of suicide. If he fails to sign, it means liquidation. Already, the citizens who have received notices move from the home of one friend to another, night after night, to evade the secret police, who have charge of the slave-labor program.

All this is but a part of the Communist pattern to take over Germany, and time fights on the Soviet side.

To be sure, the occupational troops of the Americans, the British, and the French are in Germany and presently stand in the way. But they must be pressured and needled at every turn. The tried and true technique so successfully used in other countries must be employed at every point. At long last they must be driven from Germany. The purposes of war for freedom must be made a mockery and western Europe must be engulfed by communism even as eastern Europe has been. This is the objective, and if achieved, what about freedom and the destiny of the United States?

COMMUNIST PRESSURES AND METHODS

Their techniques are simple and familiar. First, of course, the Soviets must dig in, in their own zone. They must integrate German industry into the state-controlled corporations, indoctrinate the children in the schools, exercise control over the banks, live off of the land, swamp the zone with secret police, keep hundreds of thousands of soldiers in uniform and handy, put other thousands of soldiers in civilian clothes so they will be available. They must consolidate the left-wing forces into a single Communist Party, put the squeeze on officials and businessmen, large and small, to join up, and permanently establish the propaganda facilities. They can then use the zone as an operating base for the squeeze on the rest of Germany now occupied by Americans, French, and British.

They must make the Americans their especial targets. They must be insulted because that develops prestige.

General Clay is insulted almost daily by the Soviet commandant and his associates.

The people of the United States who furnished eleven billions of lend-lease to the Soviet Union must be vilified. From Berlin radio and Leipzig radio, both under Soviet control, insults and vilification pour out daily.

Motives must be impugned and particularly those of the United States. On September 29 Tulpanov, political Soviet adviser to Marshal Sokolovsky, addressed a meeting in Berlin and openly charged Americans with supporting criminal elements and with leading Germans to a bloody massacre in an imperialist war.

They must use every propaganda art. Make it appear that a free exchange of information between the Soviet zone and the other occupied zones is most agreeable and have an agreement in principle. Then proceed to inundate the other zones with printed material and confiscate every newspaper and circular that comes into the Soviet zone. I speak from knowledge. I saw the telegrams from the newspaper distributors stating that every issue had been confiscated.

By stealth they must throw additional burdens upon the other occupying powers in Germany. This provides more hungry people to feed. The western zones of Germany are already overcrowded by nearly 10,000,000 people but the Soviets by duplicity and stealth and force are pouring an estimated 25,000 additional persons per month into the American and British zones.

They must use the veto freely even as it is used by Gromyko on the United Nations. Marshal Sokolovsky in Berlin is an old hand at exercising the veto. Today the legally elected mayor of Berlin cannot serve because Marshal Sokolovsky took it upon himself to veto the entire election. How the Communists must smile when they read of the single-handed power of Marshal Sokolovsky to veto Americans, British, French, and Germans alike. They must prevent unification of Germany so that production cannot go forward and the burden of aiding Germany cannot be lifted from the backs of the American taxpayers. What difference does it make that Stalin over his signature to the Potsdam Agreement agreed to unification. There is no unification. There is no central government. There are no common policies to which the Soviet Union agreed. There is no currency reform. In principle the Soviet Union agreed to currency reform provided they could have a duplicate set of plates and their own printing plant in their own zone at Leipzig. Yes; it would be under guard, and the other powers would be entitled to have supervisors in the plant, but if the Soviet authorities decided to print a quantity of money in a printing plant in their zone surrounded by their soldiers, what would prevent it? Once before we had the painful experience of having provided them with duplicate plates from which they joyously printed 10,000,000,000 marks in occupational currency. No wonder Soviet soldiers could pay a thousand marks for a watch. Why not? We paid the bill.

The technique of snubbing and shaming the other powers must be freely indulged. How earnestly the American authorities invited the Soviet athletes to the Olympic tourney in Berlin in September. They did not appear. They did not even appear at the luncheon, although places were set for them. They must be sure that they will win or otherwise they do not play.

THE TECHNIQUE OF TERROR AND FEAR

The people of Germany must be kept in constant terror. The technique is to issue false reports in the press and over the radio that Americans will withdraw, and what frenzied fear every one of those reports arouses. But it does something more. The people are afraid that we might withdraw, and if we do they know full well what might happen to anyone who is tainted with association with Americans. Those guilty of this heinous offense are promised liquidation. It accounts for the reticence of German businessmen and German leaders to come forth and give their talents to the reestablishment of business enterprises so that the proceeds of manufactured goods may be used to buy food and ease the burden on the American taxpayer. In the light of all this, how much free choice is actually left to these millions of men, women, and children?

But the program must go further. Openly organize and begin a concerted drive to push the British and the Americans out of Europe so that the whole Continent can be brought under the bestial heel of communism.

On October 5, 1947, the new Communist organization representing nine countries held a convention in Belgrade, Yugoslavia. This will now be the central point from which communism will operate to achieve the objective of engulfing the rest of Europe. Money in generous quantities will come from Moscow. There is no longer any pretense about Communist methods and Communist objectives. At every turn they will endeavor to smear the United States particularly, and to persuade the remaining countries of Europe that we are nothing more than an imperialist nation bent upon enslaving Europe in pursuance of some imperialist design. They will keep other occupational troops in the dark concerning Soviet moves in the Soviet zone; insist on free movement for all the Soviet officials in the western zones of Germany but maintain a tight security in the Soviet zone; make it difficult by requiring political clearances before anyone is admitted. Already this zone is filled with secret police and any informed intelligence agent will affirm the fact that it is an intensely tight security, designed to screen every move including troop maneuvers from the eyes of other countries. They will gradually take over all industry and make it a part of the state-controlled Soviet scheme. It is so very easy and the program is going forward at a steady pace. They will assert pressure on every industry to obtain raw materials and to pay for such materials from bank loans; seize the manufactured goods and send them to Russia or sell them to any country for dollar exchange; compel industry to operate on this bankruptcy schedule until it can operate no longer and then use the indebtedness at the bank to take control and to integrate it into a Soviet corporation. They will, even as they are now doing, compel German officials and particularly mayors of cities and towns, large and small, by threat and duress to become members of the Communist Party in Germany. After all, there are so many things that can happen to a public official unless he enjoys the protection of the Communist Party.

They will compel businessmen, large and small, to join the party. The hindrances which can be put in the way, the difficulties that might ensue in securing raw material, the petty annoyances from constant visitation by the secret police, can all be used as persuaders.

They will indoctrinate the German children. After all, there are 15,000,000 youngsters under the age of 14 in Germany and if this new generation can be indoctrinated with the Marxist philosophy and can be taught to speak the Soviet language, it may become a fruitful source of party leaders sometime in the future.

THE ART OF HARASSMENT

They will harass at every turn, remembering that Berlin is but an Allied island completely surrounded by a Soviet sea. One must fly through a special air corridor to get to Berlin. There are three such air corridors. There is one from Hamburg to Berlin, another from Frankfort to Berlin, and another from the western boundary of the Soviet zone to Berlin. The corridors are 25 miles wide. If a pilot for any reason flies outside the limit of the corridor, there is a warning; and, then too, who knows when a trigger-happy Soviet soldier may take a shot at the plane. Why this should be, nobody knows. On top of it all they add insult to injury by insisting that this air corridor should be narrowed from 25 miles to 10 miles in width. Of course, the reason is obvious. The Kremlin wants to be sure that no mass demonstration of aircraft might be employed no matter how peaceful its purposes might be.

There are other ways to harass. They will live off the land even though people go hungry. Let the Americans worry about that and find ways and means to feed the starving.

They will demand everything, admit nothing, concede nothing. When Colonel Tulanov, political adviser to Marshal Sokolovsky, gathered German leaders together under threat and duress and made an official speech which was a positive insult to the United States in its official capacity, the American protest was referred to Moscow. There it will die. That is the accepted technique.

They interpret the Potsdam agreement in tricky and devious ways. They violate the agreement with impunity even though it was signed by Stalin and offer neither explanation nor apology.

They send agents into the refugee and internment camps and stir up the people against the Germans and the Americans. They plant spies in these camps and use them as sources of information for the secret police.

They permit border jumpers to infiltrate into the American zone and refuse to take them back even where an American court has given them a fair trial and determined that they were not entitled to come into the western zone. Let the Americans feed them and house them.

The accepted program is to charge us with warmongering, make it difficult at every turn, weaken us at home and abroad, and in due time take over Germany and establish a Soviet bridgehead on the Atlantic.

This could be an endless documented recital of the difficulties with which General Clay and his staff have had to contend but it is enough to indicate the tried-and-tested Soviet techniques now being used in Germany in order to communize the country and add it to the string of conquests in eastern Europe from the Baltic to the Mediterranean, with the exception of Greece.

WHY IS GERMANY SO IMPORTANT?

Why is Germany so important in the Soviet scheme of things, and why must it be engulfed by communism?

Consider what is at stake. There is he Ruhr, with its unlimited quantities f hard coal, so essential in the making f steel. There is German talent, techni- al skill, and ingenuity which can be tilized under the lash to build industry nder Soviet domination.

Germany means control of the rim- ands on the North Sea. It also fur- ishes access to France and to the At- antic. Bridgeheads on the blue waters f the Atlantic and the North Sea would ninimize the effectiveness of American aval power.

Combined with Greece and Turkey and he countries already under Soviet dom- nation, it would also provide control f the rimland of the Mediterranean nd cut the western lifelines to the Orient.

In prewar days Germany was the prin- ipal supplier of goods to, and the prin- ipal outlet for the goods of a dozen ountries in Europe. Think of the im- portance of this business resource when ntegrated under Soviet control.

Germany is the key to the communi- ation of the entire Continent of Europe nd would add 65,000,000 people to the Soviet orbit. Then, too, the Germans re innately religious, and religious peo- ple hate communism. This devotion to eligion must be broken at all costs, for Communists are convinced that religion s the opiate of the people.

Germany is, indeed, important to the westward march of this brutal and evil oncept of communism and so the tech- niques which have been so long tried and ested on other countries must be used to the full to accomplish this purpose.

The Soviet leaders believe that it may be reasonably easy. It was not so long ago that the Soviet Ambassador to France remarked to an acquaintance of his that "Americans are saps."

BEHIND IT ALL

Behind it all there is a threatening force.

If propaganda, vilification, insult, pressure, and abuse will not do the job there is still something else to be sum- moned to achieve this objective. That something else is force. The cold war can be quickly transformed into a hot war.

Over the years there has been much speculation as to what happened to Gen- eral von Paulus, the well known and very capable German general and his staff who were captured in the Soviet Union. The reports are too conclusive that today Von Paulus is being used. To be exact he is being used to train a Rus- sian army and those who know their military history will agree that General von Paulus has the capacity for it.

How strange that so shortly after the termination of hostilities in World War II that a huge Soviet army should be trained.

In addition thereto, there are thou- sands of Soviet officers in the Polish Army today. The 450,000-man army of Tito has good Soviet direction, for Tito was once a lieutenant in the Soviet forces.

In Rumania and Bulgaria, army offi- cers of doubtful loyalty have long since been liquidated and replaced by Soviet officers, or by those local officers whose devotion and loyalty is above question.

Today the Soviet Union by itself and from its satellites can command a huge military force.

In many quarters one can secure an even money wager that war is in the offing.

Why should we cover and appease this state of affairs? It is too real and too sinister. The time for glittering gen- eralities is passed. It is time for truth and blunt truth at that.

OFFENSIVE WEAPONS

Remember the speculations of 1939 as to how long the Soviet Union could withstand the Stukas and the Panzers. Even in the best informed military quar- ters there was general agreement that the Soviet Union could not endure be- cause it lacked both defensive and of- fensive weapons.

Similar speculation and similar view- points are entertained today. It has been said that they do not have the steel. It has been said that they do not have the know-how. It has been said that they do not have the craftsmanship or the manpower. It has been said that they do not have the electric power or machine tools. It has been said that they do not have the coal or the plant facilities.

Despite these speculations concerning the capacity and capability of the So- viet Union for the manufacture of weapons and matériel, the sinister and disturbing truth of the matter is that today—right now—the Soviet Union is producing tanks and guided missiles, tac- tical planes and jet planes at an alarming rate. It is a known fact that they have jet bombers in the air. It is a known fact that with slave labor they are ex- ploiting every uranium deposit in the Soviet Union and in the satellite nations under their domination. Exact figures, derived from credible sources, could be supplied to establish the truth of these observations. And if the figures, derived from widely diffused sources, were great- ly discounted, the numbers would still be alarming.

And what is the nature and purpose of these weapons? They might be regarded as defensive in nature but every informed person knows very well that these are also the weapons of offensive warfare. These are the weapons of motion. They are the weapons of distance.

What can possess an allegedly starving country, operating under the heel of a dictatorship, to lavish so much time and material on offensive weapons at the ex- pense of the welfare of the people unless its purposes and designs are sinister and menacing.

How ironical that Vishinsky should upbraid us for warmongering and im- perialist designs when the steady and unheralded business of preparing for war goes steadily forward in the Soviet Union.

Why do they maintain such tight se- curity throughout the Soviet zone of Germany unless it be to make certain that our inspection teams will be pre- vented from learning to what extent Ger- man facilities and German techniques are being employed in the manufacture of weapons in the Soviet zone of Ger- many?

And why are extensive troop ma- neuvers in progress in the Soviet zone of Germany?

THE CHOICE BEFORE US

The Red spider spins his web and pre- pares to enmesh a devastated country of 67,000,000 men, women, and children which provides access to the rim lands of Europe, the domination of a continent, and a very substantial step toward the communization of the world.

If the Germans had a free choice, free from intimidation and fear, it would be logical to say that knowing the evils of communism as they must, to buy them away from communism with the bribery of bread, would not be very lasting and it might be just as well to throw them overboard first as last and to retreat within our shell.

But it is not a free choice and the natu- ral inclination of the Germans is away from communism, not toward it. The choice before us is something more than a mere buffer against this evil and hide- ous thing.

It involves the ultimate destiny of America, the safeguarding of our free- dom, the preservation of a free market for our goods and an escape from the regimentation of American industry, ag- riculture, and business. It involves the preservation of human dignity and hu- man decency.

One choice might be that we abandon Europe and particularly Germany. That means retreat from the Elbe and retreat from the bastion of freedom.

If we do, let us remember that we are playing for keeps.

To abandon them means Communist domination in all of Europe and a bridge- head on the Atlantic.

In cold terms it means that henceforth Stalin will write the ticket and we shall do business with European countries on his basis.

If this needs further argument, one need only point out that before Finland, Czechoslovakia, Rumania, Bulgaria, and other countries could consider the invita- tion to send delegates to Paris to partici- pate in the deliberations on the Marshall plan, they first called the Kremlin. When the Kremlin said "No," the dele- gates unpacked their bags.

A second choice is to provide nig- gardly aid. It may have been too nig- gardly already.

While questioning a perspiring worker who was shoveling dolomite into an open-hearth furnace in one of the Ruhr steel mills concerning food, his answer was: "It is too little to live on, too much to die on."

Here was eloquence in a single sen- tence. Niggardly aid simply means a continuation of slow stagnation in Ger- many and its ultimate engulfment by communism.

A third choice is to provide decent, se- lective, adequate aid, having due regard for the availability of supplies and the capacity of our own country to produce.

Manifestly, the American economic machine must be kept intact and efficient, for to do otherwise would be a disservice not only to ourselves but to the world.

TEN-POINT PROGRAM FOR GERMANY

First. There should be assurance to France and Poland that in carrying out a program for the revitalization of German industry so that the proceeds of manufactured goods can be used to purchase food and make her self-contained that we do not intend to build a level or type of industry which might one day be converted into a war potential.

Argue as we might with the people of Poland and France on this point, the realities of history rise up to confute every argument. French memory still extends to 1871, 1914, and 1940. The memory of the Poles is equally long. These countries are entitled to formal assurance on this point, and it should be done without delay.

Second. To develop and expand the production of coal, steel, and manufactured goods in Germany to make her self-contained involves the simple equation of human vitality. No matter how strong the will to work, there must be energy to implement that will. That will require food.

Third. There must be some creature comforts in the form of bare essentials as an incentive for work. A worker and his family require some shoes and clothing not only to withstand the rigors of winter but to be able to carry on the hard physical work in the mines and mills.

Fourth. There must be definite assurances against the withdrawal of our troops and our military government officials until the job for which the war was fought has been completed. Without such assurances and under the constant threat of liquidation or concentration by the Soviet commissars, how shall German leadership be brought forth to do the job of rehabilitating a devastated country?

Incidentally, ladies and gentlemen, let me express my joy and my pride in the American troops, from General Clay down to the humblest private first class GI wherever he may be found. What a magnificent job they have done. Their average age obviously is on the young side. You would not expect them to be exactly saints all the time. Sometimes they run afield. But when you look at the average GI, the lieutenants, the captains, the majors, the colonels, and the generals and every one, it gives you a real sense of pride; because they are workers, holding up the torch of freedom in typical American fashion. I want to defend them on every occasion.

I get just a little impatient with some of the folks who have gone over there for very short surveys and then come back and say that the American GI is holed up with some fraulein and he has gone to pot. There are street tarts over there just like there are in New York City, San Francisco or Chicago, who practice their wiles and allurements upon men. But I am thinking about our troops in general. I am thinking generally about them, and I am so very proud of them and the job that has been done in maintaining their morale.

We had microphones set up so we could address them. I told them who was on the committee, introduced them to thousands. I said, "Now, look, here is GAVIN, of Pennsylvania." I said, "Fellows, believe it or not, he is an old top-kicker, and he never got over the effects of his service. He is just like that today."

I said, "There is SASSCER, of Maryland; used to be a first louie in artillery."

I said, "There is LEROY JOHNSON, who used to fly these flaming crates of planes in World War I, and he was a great ace." Here is DEWEY SHORT. I introduced them all, and then after a speech over the microphone I said, "Pick out your Member and take your hair down and talk to him."

And there was MARGARET SMITH. Where is Margaret? Is she here? She got the most interesting question that was posed to any Member, and it showed that the boys were able to think of something besides immediate surroundings. She was asked, "Are the girls' skirts getting longer in the States?"

Yes, I am for our people over there. They have done a magnificent job.

Fifth. Complete reparations must be concluded at the earliest possible date. What incentive can there be to establish or to expand a factory and to produce goods for export unless there is assurance that the plant and machinery will not be seized as reparations?

Three times the Siemens electric plant was set up at Leipzig and Kemnitz, and three times the Soviets came and pulled out the machinery and sent it over into their own country. How can you industrially rehabilitate a country unless there is some assurance that capital investments as rehabilitation will not be seized and shipped out of the country as reparations?

Sixth. There must be currency reform at the earliest possible date. Without it there can be no rehabilitation. The present German mark has little purchasing value and no exchange value, none in the world. Until the currency is reformed and bank deposits are devaluated, there can be no stable finance and no medium for business.

And, incidentally, most of the people know it; the bankers and the humble people know that there has to be a 90-percent revaluation, and they do not quarrel about it, but you cannot devalue until you can get new money and, you see, the Soviet Union wants to have a duplicate set of plates and their own printing plant. If the Soviets fail or refuse to cooperate, we should proceed with this reform for the rest of western Germany without them. Unstable, worthless currency is like a millstone around the neck of German economic revival.

Seventh. There must be an implemented informational program. World War II, if it taught anything, should have persuaded us that warfare is psychological as well as military. Already the term "cold war" has caught on as a definition of warfare by means of infiltration, propaganda, pressure, and Trojan-horse tactics. Why do we assume that the world knows our purposes? Our story must be told and retold. In this feverish world, freedom also needs a press agent. How little we have actually done to develop the pageantry of freedom to offset the heraldry of communism. American living standards are high because American advertising created wants to be satisfied. One approach to the reestablishing of freedom in those areas where it has been eclipsed by communism is to create a desire so intense and so all-pervasive that it will at long last rise up to throw off the shackles of communism. Too long has the light of freedom been hidden under a bushel. The story must be adequately told because it constitutes an enduring investment in truth.

The SPEAKER pro tempore (Mr. ARENDS). The time of the gentleman from Illinois has expired.

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to proceed for five additional minutes.

The SPEAKER pro tempore. There are three other special orders pending, but the Chair will put the gentleman's request.

The gentleman from Illinois asks unanimous consent to proceed for five additional minutes. Is there objection?

There was no objection.

Mr. DIRKSEN. Eighth. There must be raw materials. Without them, there can be no production of manufactured goods in the volume which is needed to make Germany self-contained, thereby relieving the American taxpayer of this burden.

Ninth. Existing restrictions on the free flow of travel and communication must be speedily modified, so that businessmen and entrepreneurs both within and without the country can move freely in pursuit of the business of producing, buying, and selling. This is the core of free enterprise. There has been some improvement in expediting the movement of tradesmen in and out of Germany, but much remains to be done.

And last but not least, more attention must be devoted to children. There are in Germany today an estimated 15,000,000 children under the age of 14. They represent the hope of the future. Democracy in Germany will not succeed if it is written only on paper and parchment. It must be written into the hearts and minds of people. Where shall we find an equal or greater hope for the success of democracy in Germany than among those who will be the citizens of the Germany of tomorrow?

I would add one further observation to this program. In the Domesday Book of England which chronicles the survey caused to be made by William the Conqueror nearly 900 years ago, it is recorded that when a man was found guilty of homicide, the family of the deceased person could demand that the corpse of the victim be strapped upon the back of the guilty one and that he be compelled to carry the corpse about until infection and putrefaction encompassed his death.

A devastated Germany could in due time become as a corpse upon the back of the world and so infect the economic and political structure as to invite genuine disaster. Only by revitalizing her industry can economic health be restored and the world and us relieved of this burden.

A PROGRAM TO COMBAT COMMUNISM

It is not enough to have a program for the rehabilitation of a devastated country without a program to roll back this offensive plague of communism which menaces the world.

Communism is a conspiracy against freedom. At home, vigorous steps should be taken to stamp it out. This should include a broad and intensive educational program to show what it is and how it works. Too long have we generalized about the theories of communism. This is a time for action.

It is time to stop all pretense about freedom-loving countries which are in truth and in fact dictatorships in which freedom has been liquidated. Communists are enemies of freedom and they must be treated as such both at home and abroad.

Appeasement must stop. There must be a firm, tough policy. We must proceed with the business of freedom and the purposes for which the war was fought and won, with or without the Soviet Union and its satellites.

There must be an economic boycott on the materials and goods which strengthen the economic and military power of communism.

Immediate attention should be given to the development of a United States of western Europe as an answer to the united dictatorships of eastern Europe.

And finally, we must prepare. We must be strong. Anything can happen, anytime, anywhere.

POSTLUDE

A strange overtone has developed in our country in the last year.

It is not exactly fear. Call it alarm or concern, if you will.

Never in our history have we known it before. We were not alarmed about Germany in 1914 nor of Germany and Japan in 1941.

But today there is alarm.

Will communism engulf Europe? Will it expand to menacing proportions in the United States? How can we project the future of the United States with any degree of certainty? Will a "cold war" continue on and on to disturb the serenity and peace for which we so long hoped? Will the "cold war" at long last become a "hot war"? These are elements in this strange overtone that we have never known before.

What a strange thing it is that a free America, the greatest country in any generation in the history of mankind, with the highest living standards and the greatest achievements in every field, should be alarmed.

Perhaps we have been lukewarm too long toward this menace. Perhaps it is a good thing that our complacency has been disturbed. The menace to freedom and western culture today is the greatest since the Barbarian sacked civilization. This is a time to reassert the purpose for which and out of which America was born. Our business is freedom.

In Revelations we can find this advice: "I know thy works that thou art neither cold nor hot: I would thou wert cold or hot. So because thou art lukewarm and neither cold nor hot, I will spue thee out of my mouth."

No longer can we be lukewarm toward this peril.

DETERMINED TO DESTROY US

Mr. HOFFMAN. Mr. Speaker, self-preservation is the first law of nature. It governs nations as well as individuals.

Necessity will teach a man, however slow he be, to be wise.

Our ancestors, because they desired to live, of necessity learned to grub for food, to carry a club or a rock, to destroy those who would kill them. The individual, if he be alert and intelligent, will always do that which is necessary for his continued existence.

Nations, made up of and controlled by a few individuals who substitute their own personal advancement for the welfare of the nation and its continued existence, do not have the continued power and ability to exist which they otherwise would possess.

"Dust thou art; to dust thou shalt return" is the fate of man's physical body. But there is no apparent reason why, if those who guide the destinies of a nation are wise, have courage and are willing to act, the nation should not continue on through eternity.

While the existence of man is limited, there is no such limitation upon the existence of a nation. Government, soundly conceived and properly operated, should continue indefinitely. Nations, like men, are born, grow to power and decline, but they decline, not because of the physical limitations imposed upon man, but because of the lack of judgment, desire, and determination to make them perpetual which exists on the part of those who guide their destiny.

History teaches us that nations have been born, have reached the zenith of their power, have decayed and passed out of existence because those who determined their policy were greedy, ambitious; sought to impose their will upon all others; carried on succeeding wars of aggression, until, exhausted, they were unable to defend themselves, much less conquer other peoples. Nations fall because those who fix their policy refuse to sacrifice their individual interests, put national welfare first.

From the time when the Father of our Country advised us to avoid foreign entanglements, down through the years and to the present moment, there have been those who have sincerely believed that the interests of our country should come first; that self-preservation should be our guiding principle.

Evidently, Washington had faith in his countrymen; in the form of government which he aided in establishing; in the soundness of the freedom won by the armies which he had commanded, and was thoroughly convinced that, if, in plain language, we would attend to our own business, refuse to be involved in the quarrels of foreign nations, our future would be secure.

Because he believed that the interests of the United States of America were above and superior to those of any other nation, of individuals, Washington and those who followed his policies in the early days of the Republic were honored, were considered patriots.

Following the policies established by Washington and his associates, the United States of America became so strong that it was enabled to fight two world wars. Its fighting men and its productive capacity were the deciding factors in both of those wars. The Government established by our forefathers was so sound, so efficient, that even two wars and the disastrous policies of the New Deal were not able to wreck us.

At the end of the last war and on Thanksgiving Day, November 23, 1944, Winston Churchill, who should know, declared that—

Americans never had more justification for thanksgiving than today "when we see that in 3 or 4 years the United States has, in sober fact, become the greatest military, naval, and air power in the world."

More recently, those who believed that the interests and the preservation of the United States should determine our policy were denounced as being disloyal by those who are determined to promote and advance the interests of other nations, of other peoples, even though the acts and the procedure they advocate destroy our ability, not only to help others, but to defend and preserve our own institutions, our own Nation.

Today there are those in high places, who, whatever be their motive, are determined to give aid to other peoples, to other nations, although disaster may be the effect of that policy upon our own prosperity, happiness, and continued existence. They count not the cost. They profess that their purpose is good; that they want to feed the hungry, clothe the naked, provide shelter for those who may need it. They give no consideration to realities. They neither estimate the total need nor ascertain our ability to comply with their demands.

Notwithstanding their assertions that the "four freedoms" should be spread throughout the world and their willingness to conscript millions of young Americans to fight a war under that slogan, some are now determined, either through bribery by the payment of fabulous sums of money, the distribution of millions of tons of material things, or, if need be, by force of arms, to impose our form of government upon every other nation; to deny to other nations the right to determine their own form of government.

This procedure they now attempt to justify by asserting that Russia is attempting to impose communism upon these lesser nations; hence, we must save those nations from communism. Inconsistently, they insist that these lesser na-

tions, which should be free from domination by Russia, shall adopt and follow our political philosophy; thus be deprived of the right to choose and follow the political philosophy they think best.

In short, the path they insist we take makes us an aggressor, imperialistic nation, imposing, either by the use of dollars or by force of arms and at whatever cost, even though it necessitate the sacrifice of the lives of a million or more of our youth, our form of government, our ideologies, upon people who insist they want none of us or our way of life.

At a tremendous sacrifice of our natural resources and of the youth of our land, our people have fought two world wars.

The first, we were told, was a war to end all wars. Although our armed forces were victorious, the objective of the war was not won.

The second war was fought, some said, to carry the "four freedoms" to the uttermost corners of the world. Others said it was fought to maintain our national integrity; that, if we did not fight and win it, Germany would overwhelm us. Through our efforts, Germany was defeated; but, by our efforts, Russia, the home of communism, was made, other than our own, the most powerful nation in the world.

Today we are told that, unless we extend aid to and assume control of all nations subject to influence by Russia, communism, through her efforts, will overthrow us. It may be urged that those who adhere to that belief have little confidence in our form of government, in the courage, the endurance and the fighting ability of our youth.

We have abandoned the principles of self-determination and self-government for other nations—a right which we said every nation should have. We now assume that, if the people of other nations had a full, free opportunity to determine the form of government under which they would live, they would establish a republic.

That assumption may, or may not, be sound. Nevertheless, to induce them to adopt our form of government, we hold out the promise of financial aid and perhaps military force as well. We hint at dire consequences to them if they do not accept our political philosophy. Does that put us in the role of an aggressor or a dictatorial nation? You answer.

At the same time, here at home, where we have a constitution and a representative, republican form of government, we are drifting more and more toward a government by men rather than by law under the Constitution. The administration is asking, and all too often the Congress is granting, to the Executive the power to regiment us.

Today we are asked to extend aid to every nation which either is or might become a potential enemy of Russia—this, notwithstanding the fact that we have been extending aid to Russia, given her aggressive ability, and are today, while many consider her a potential enemy, aiding her in building up her military power.

No one yet has made an accurate estimate of our natural resources—of how much, when our resources are compared with those of other countries, we can give away without vitally weakening ourselves.

Few know what we have been doing in the way of aiding others, what we are now doing, and what we propose to do. Let us for a moment look at a few figures, which, to some, will be enlightening.

Our postwar assistance program for the relief, rehabilitation, and reconstruction of other countries authorized by Congress gives us these figures:

Postwar foreign aid already authorized

	Fiscal year 1946	Fiscal year 1947	Fiscal year 1948	After fiscal 1948	Total all aid
Direct assistance:					
Military civilian supply	$722,000,000	$98,000,000			$820,000,000
Government and relief in occupied areas		515,000,000	$807,000,000		1,322,000,000
British loan		2,050,000,000	1,700,000,000		3,750,000,000
Export-Import Bank loans	469,600,000	916,400,000	473,600,000	$40,000,000	1,899,600,000
Office of Foreign Liquidation Commissioner, surplus property	192,000,000	727,000,000	100,000,000	70,000,000	1,089,000,000
Lend-lease aid	1,601,000,000	137,000,000			1,738,000,000
Maritime Commission (ships)		131,100,000			131,100,000
Philippine aid	12,000,000	155,500,000	103,700,000	426,100,000	697,300,000
Postwar UNRRA			317,000,000		317,000,000
Greek-Turkish aid (civilian)			150,000,000		
Through international organizations:					
UNRRA	1,184,000,000	1,433,000,000			2,617,000,000
International Bank	159,000,000	476,000,000			635,000,000
International Refugee Organization			71,100,000		
International Children's Emergency Fund			15,000,000		
Total					15,300,000,000

Excluded from the compilation were the following which called for an additional $8,000,000,000:
(1) Items transferred to China and Latin-American countries under military lend-lease.
(2) Military portion of Greek-Turkish-aid program.
(3) Payments by U. S. Government for procurement of strategic and other materials, including advances.
(4) Stock [illegible] Export-Import Bank credits.
(5) Postwar [illegible] in goods or cash for supplies, services, and currencies furnished by foreign countries to the United States as a phase of military operations during and after the war, such as payments for currencies acquired for use of troops.
(6) Postwar [illegible] for supplies and services furnished to foreign countries during the war, such as bills for foreign relief furnished through the Red Cross and for wartime lend-lease.
(7) Aid for currency stabilization, such as the 1946 advance to China and the United States subscription to the International Monetary Fund ($2,750,000,000 of which $687,500,000 was paid in gold and $2,062,499,999.89 in United States dollars.)

Aid which has been authorized to eight countries in western Europe is as follows:

Authorized aid to 8 countries in western Europe

Country and instrument of aid	Fiscal year 1946	Fiscal year 1947	Fiscal year 1948	After fiscal 1948	Total authorized aid
United Kingdom:					
Office of Foreign Liquidation Commissioner, surplus property	$60,000,000				$60,000,000
British loan		$2,050,000,000	$1,700,000,000		3,750,000,000
Lend-lease	896,000,000	20,000,000			916,000,000
Total					4,726,000,000
France:					
Office of Foreign Liquidation Commissioner		320,000,000	30,000,000		350,000,000
Maritime Commission (ships)		40,100,000			40,100,000
Lend-lease	333,000,000	43,000,000			376,000,000
Export-Import Bank, loans	287,000,000	711,000,000	202,000,000		1,200,000,000
Total					1,966,100,000

Authorized aid to 8 countries in western Europe—Continued

Country and instrument of aid	Fiscal year 1946	Fiscal year 1947	Fiscal year 1948	After fiscal 1948	Total authorized aid
Italy:					
Office of Foreign Liquidation Commissioner	$74,000,000	$86,000,000			$160,000,000
Manu[illegible]		39,300,000			39,300,000
[illegible]	199,700,000	6,000,000			205,700,000
UNR[illegible]	140,700,000	334,500,000			475,200,000
[illegible]			$100,000,000		100,000,000
Total					980,200,000
Germany:					
Aid in occupied areas	153,800,000	208,000,000	319,000,000		680,800,000
UNRRA	3,100,000	10,200,000			13,300,000
Total					694,100,000
Austria (all sources)	58,200,000	102,700,000	22,000,000	$8,500,000	191,400,000
[illegible]	130,600,000	150,900,000	10,000,000	8,700,000	300,200,000
[illegible]	143,400,000	65,600,000			209,000,000
Greece:					
Office of Foreign Liquidation Commissioner	200,000	30,100,000	24,700,000		55,000,000
[illegible]		41,300,000			41,300,000
[illegible]	13,900,000				13,900,000
UNR[illegible]	217,600,000	105,600,000			323,200,000
[illegible]		4,900,000	8,000,000		12,900,000
[illegible]			150,000,000		150,000,000
Total					596,300,000
Grand total					9,663,300,000

Aid furnished in fiscal year 1946	$2,711,200,000	Aid [illegible] year 1948	$2,565,700,000
Aid furnished in fiscal year 1947	4,369,200,000	To [illegible] year 1948	17,200,000

NOTE.—With respect to property transferred to the 8 countries by the Office of Foreign Liquidation Commissioner, State Department, the figures quoted represent the sales value of surplus properties disposed of which amounts are stated in [illegible] July 31, 1947, to be as follows:

Country	Surplus property we sold to nations named, cost us—	They paid us but 14 million; promised to pay something more, sometime
United Kingdom	$587,800,000	$60,000,000
France	1,398,000,000	300,000,000
Italy	427,433,000	129,091,000
Belgium	380,000,000	53,800,000
Total	2,793,233,000	542,891,000

Examination of the records of the Treasury Depart[illegible] sales to all foreign governments throughout the world.

Mr. Speaker, few people realize what our aid to the eight countries of western Europe means in dollars and cents to each individual of those countries; what it costs each individual and each family in the United States to extend that aid. Here are the figures, which you can check for yourself:

Postwar relief and rehabilitation aid authorized for 8 countries in western Europe, with populations and a per capita analysis

Country	Population	Authorized aid	Per capita
United Kingdom	49,700,000	4,726,600,000	$95 09
France	41,100,000	1,960,100,000	47.84
Italy	46,000,000	980,200,000	21 30
Germany (occupied)	45,417,000	694,100,000	15 28
Austria (occupied)	4,150,000	191,400,000	46 12
Netherlands	9,300,000	300,200,000	30 18
Belgium	8,180,000	209,000,000	24 64
Greece	7,700,000	596,300,000	77.44
Total:			
Population	212,047,000		[1] 45.57
Postwar relief		9,663,300,000	

[1] Average.

On the basis of a United States population estimated to be 143,000,000 as of July 30, 1947, the contribution to the aid of the 8 European countries since VJ-day amounts to a per capita [illegible] on the part of United States citizens averaging $67.57. On the basis of a family of 4 [illegible] to the 8 countries would amount [illegible]

These figures show that we have extended enough aid to the eight countries named above to give to every man, woman, and child in those countries $45.57, and that it has cost every man, woman, and child in these United States of ours $67.57 to extend that aid.

Nor is that the whole story.

We are now told that we must extend aid to countries in eastern Europe so as to prevent those countries falling under the control and domination of Russia.

Nor has our program of aiding Russia been ended.

The following is a statement of our postwar relief and rehabilitation aid authorized for seven countries in eastern Europe:

Postwar relief and rehabilitation aid authorized for 7 countries in eastern Europe

Country	Population	Authorized aid	Per capita
[illegible]	[illegible]	[illegible]	$2.28
[illegible]	[illegible]	[illegible]	21.06
[illegible]	[illegible]	[illegible]	18.82
[illegible]	[illegible]	[illegible]	23.80
[illegible]	[illegible]	[illegible]	2 29
[illegible]	[illegible]	[illegible]	19.91
[illegible]	[illegible]	[illegible]	22.68
Total	257,710,000	1,643,900,000	[1] 6.38

[1] Average.

On the basis of a [illegible] the aid extended [illegible] amounts to a per [illegible] United States [illegible] family of 4 persons, [illegible]

NOTE.—Aid to Russia consisted of $161,000,000 lend-lease in 1946 and $50,000,000 in 1947 and relief supplies through UNRRA in the amount of $110,300,000 in 1946 and $110,500,000 in 1947. Worthy of note is the fact that after Congress directed that lend-lease be ended by Dec. 31, 1946, it appears that $16,300,000 of lend-lease supplies were shipped to Russia in the period from Jan. 1, 1947, to August 1947.

Because of its bearing upon our ability to give, we should know of the postwar relief and rehabilitation aid authorized for China, Korea, Japan, and the Philippines. We should also have the estimated population and per capita analysis of what it will cost us, what it will do for them. The figures are as follows:

Country	Population (estimated)	Authorized aid	Per capita
China	450,000,000	$459,300,000	$1.02
Korea (American zone)	12,000,000	200,700,000	16.72
Japan	60,000,000	775,900,000	12.93
Philippines	12,250,000	712,800,000	58.19
Total	534,250,000	2,148,700,000	[1] 4.01

[1] Average.

[illegible] the burden will fall on everyone. However, in 1946, the Bureau of Agricultural Economics and the Federal Reserve Bank Board, after a [illegible] claims 9,300,000 [illegible] while 12,400,000 [illegible]

An additional 7,000,000 families had incomes less than $4,000.

The per capita share of the national debt as of Sept. 30, 1947, [illegible]

The average American family of four will be required to pay, in order to liquidate the national debt, more than $7,372.45.

No one would deny food to the hungry, clothing to the naked, or shelter to those exposed to the inclemencies of the weather. However, a population of some one-hundred-and-forty-odd million in these United States of ours just cannot support the rest of the world.

Especially is this true when we learn that in some of these countries, as in socialistic England and in France, many refuse to do an honest day's work or any work whatsoever.

An analysis of the food situation in the 16 European nations which are interested in the Marshall plan, compiled from volume II, Technical Reports of the Committee of European Economic Cooperation, Ernest Bevin, chairman, gives us the following:

Analysis of food situation in 16 European nations interested in the Marshall plan

[Compiled from Vol. II, Technical Reports of the Committee of European Economic Cooperation; Ernest Bevin, chairman]

	Average for 1934–38	Estimate, 1946–47	Estimate, 1950–51	Percent of 1934–38 average
16 countries	206, 500, 000	219, 300, 000	225, 800, 000	
Plantings (all countries):				
Hectares:				
Wheat and rye	19, 702, 500	18. 858, 800	20, 987, 000	0. 95
Barley and oats	15, 775, 900	16, 326, 900	17, 445, 300	1. 03
Sugar beets	. 839, 000	750, 000	916, 000	.89
Potatoes	3, 138, 000	2, 886, 000	3, 162, 000	.92
Livestock:				
Cattle (including cows) [1]	62, 694, 000	63, 639, 000	69, 550, 000	1. 01
Swine	28, 759, 300	19, 525, 200	28, 883, 000	.67
Sheep	104, 206, 900	98, 348, 400	107, 223, 000	.94
Horses	11, 797, 300	10, 793, 000	10, 239, 000	.91
Poultry	482, 291, 000	406, 036, 000	578, 121, 000	.84
Sugar production (raw basis) (metric tons)	2, 946, 000	2, 779, 000	3, 155, 000	.94
Fats (metric tons)	2, 337, 000	1, 685, 000	2, 542, 000	.72
Butter production (metric tons)	963, 000	683, 000	975, 000	.70
Production of fish (metric tons)	3, 325, 000	3, 331, 000	4, 497, 000	1. 00

[1] United States has [illegible] cattle at the end of 1947. We should have 97,000,000 head. We enter 1948 with 21,000,000 head of cattle short [illegible].

NOTES.—Nations included in the committee's report included in this study are: Austria, Belgium, Denmark, France, Greece, Iceland, Ireland, Italy, Luxemburg, Netherlands, Norway, Portugal, Sweden, Switzerland, Turkey, [illegible].

A hectare [illegible] equivalent to (in the United States system) 2 471 acres.

A metric [illegible] by weight, equal to 2,204.6 pounds avoirdupois.

Figures for barley and oats also include maize and other rough grains.

European crops for 1947

[Compiled from Cargill Crop Bulletin, Oct. 30, 1947, by countries with averages, 1935–39]

Countries	Oats		Barley		Corn	
	Average	1947	Average	1947	Average	1947
Austria	28, 865, 000	17, 000, 000	13, 338, 000	6, 200, 000	6, 732, 000	
[illegible]	40, 940, 000	44, 500, 000	3, 570, 000	8, 000, 000		
[illegible]	70, 205, 000	62, 000, 000	52, 881, 000	62, 923, 000		
France	259, 702, 000	255, 000, 000	53, 015, 000	55, 000, 000	22, 559, 000	10, 000, 000
Greece	8, 479, 000	5, 000, 000	9, 267, 000	6, 200, 000	10, 078, 000	10, 000, 000
[illegible]	2, 910, 000	2, 400, 000				
[illegible]	39, 265, 000	45, 000, 000	5, 413, 000	6, 200, 000		
[illegible]	38, 360, 000	32, 500, 000	10, 000, 000	10, 335, 000	113, 174, 000	92, 500, 000
[illegible]	25, 314, 000	25, 500, 000	5, 683, 000	8, 500, 000		
[illegible]	12, 940, 000	11, 700, 000	5, 467, 000	3, 700, 000		
[illegible]	6, 555, 000	7, 019, 000	1, 783, 000	3, 700, 000	13, 083, 000	15, 700, 000
[illegible]	87, 198, 000	55, 100, 000	9, 951, 000	8, 730, 000		
[illegible]	1, 593, 000	5, 500, 000	430, 000	3, 000, 000		
[illegible]	16, 900, 000	13, 800, 000	96, 129, 000	68, 700, 000	22, 971, 000	22, 036, 000
[illegible]	138, 628, 000	178, 290, 000	36, 596, 000	78, 307, 000		
[illegible]	[illegible]		[illegible]		[illegible]	
[illegible]						150, 236, 000
[illegible]						
[illegible]						38, 361, 000
[illegible]						

Mr. Speaker, the food situation in western Germany is perhaps the worst in all Europe at the present time, as shown by the following table:

Analysis of food situation in western Germany

[A study compiled from Vol. II, Technical Reports of the Committee of European Economic Cooperation. Department of State Publication 2952]

	Average, 1934–38	1947	Estimate, 1951	Percent recovery, 1947
Bi-zone	36, 400, 000	43, 300, 000	45, 500, 000	
French zone	5, 900, 000	5, 600, 000	5, 600, 000	
Saar	800, 000	900, 000	900, 000	
Total	43, 100, 000	49, 800, 000	52, 000, 000	
Planting (hectares):				
Wheat and rye	2, 822, 800	2, 372, 200	2, 823, 000	0. 84
Barley, oats, maize, and others	2, 385, 500	2, 027, 900	2, 128, 500	.85
Sugar beets	133, 000	141, 000	193, 000	1. 06
Potatoes	1, 177, 000	1, 063, 000	1, 525, 000	.90
Livestock				
Cattle (including milk cows)	12, 261, 000	11, 258, 000	10, 820, 000	.91
[illegible]	12, 322, 000	6, 526, 000	8, 726, 000	.53
[illegible]	2, 101, 000	2, 265, 000	2, 326, 000	1. 08
[illegible]	1, 576, 000	1, 566, 000	1, 614, 000	.99
[illegible]	55, 788, 000	26, 818, 000	33, 332, 000	.48
[illegible]	551, 000	509, 000	779, 000	.92
Fats (oil from oilseeds, animal fats) (metric tons)	501, 000	273, 000	391, 000	.54
Butter production (metric tons)	231, 000	188, 000	248, 000	.81
Production of fish	370, 000	170, 000	175, 000	.46

Let us continue, as we always have in the past, to aid the needy and the unfortunate of whatever race, color, or creed they may be, wherever they may live. Let us have common sense enough to insist that, while we feed the hungry, clothe the naked, and shelter the cold, each and every one of them make an honest, earnest, and determined effort to help himself. Let us not encourage idleness and waste and extravagance by gifts not needed.

There is an old saying that the Devil finds work for idle hands to do. If some of those, who, in other lands, are idle, who will not work, are forced by hunger and by cold to earn their own livelihood, they will have less time to curse this Nation for what they term the inadequacy of the relief given them.

It is quite true that the Lord helps those who help themselves and well might we follow that thought and extend aid only to those who are willing to make an effort to relieve their own need. Let us insist that the people of these other countries go to work and stay at work until they have exerted their utmost efforts to help themselves.

Let us see to it that every ounce of food, of clothing, of building material, reach the one who is in need and that no one profit through the transaction.

Let us insist that the French and the British return to their homeland the German prisoners of war who are now held as labor slaves; not only permit but compel those prisoners to do a day's work in the factories or on the land of Germany.

Let us insist that Russia quit dismantling the factories of Germany, taking from its people their means of livelihood, the crops which they have planted, cultivated, and harvested. Let us insist that Russia get out of Germany and enable it to rehabilitate itself.

Let us then see to it that the warmongers, the manufacturers of implements of war, the international financiers, who on previous occasions have grown enormously wealthy out of war and postwar activities, be prevented from making a profit out of war-torn Europe.

Yes; let us give to the extent of our ability to those who are in need. But let us at all times remember and act upon the theory we have so often advanced—that we are not an imperialistic nation; that we do not seek to impose our form or any other form of government upon any other people; that neither we as a nation nor any of our people are to make a profit out of the suffering of others.

Let us be on guard against those who would frighten us with the argument that we are about to be overwhelmed by Communists from without by Soviet Russia; that our only salvation lies in giving to them unlimited power over our national resources, over our domestic economy—giving them the power to regulate, regiment our domestic affairs as well as the authority to establish our national defense. Let us be sure that they do not, under the guise of national defense, establish a military dictatorship.

Let us be on guard that ambitious, military-minded individuals in this country do not establish themselves as little princelings in the conquered lands; that they do not impose upon us a militaristic form of government; that they do not destroy the civil liberties of our own people;

that they do not waste the resources of our Nation; that they do not again conscript the youth of our land to fight on foreign soil.

In short, let us follow the principle of thinking first of America. Let us disregard the name-calling of our political adversaries; hew to the line; think and act for and in the interests of the United States of America.

We who believe in America first, who give first consideration to her interests, who think first of the preservation of our own Government, are not disloyal. We are not traitors.

Let us ask those who so charge whether the disloyal are not those who would haul down the Stars and Stripes and for it substitute a world flag; whether the disloyal are not those who would surrender our sovereignty to an international organization.

Let us ask them whether the disloyal are not those who would conscript our young men and our young women, put them under the command of an international military staff, empowered to order them to fight whenever, wherever, and for whatever cause this international staff might wish.

Are not the disloyal those who would bleed this country and its people white in order to impose upon other peoples and other nations their theory of government; those who would give to the world planned economy such as that which has brought us to national bankruptcy?

Let us prepare for our own national defense, and while doing it remember that the conservation of our own national resources, of our own manpower, is an integral part of that defense.

Let us not forget that the future of America is, indeed, dark if, either through gift or by war, we impoverish ourselves by the unnecessary waste of all that goes to make us strong; that if we send our young men, the prospective fathers of future generations, to die on foreign soil, we are not preparing a national defense. We are rather destroying the future ability of our Nation to defend itself.

Let us retain our faith in the soundness of our form of government, our confidence in the fighting ability, the courage, and the endurance of the youth of our land.

Let us above all remember and act upon the thought that we are not an aggressor nation. Let us keep ever in mind the lesson which history teaches—that the nation which insists on forever meddling in the affairs of other nations, of endeavoring to settle the quarrels between other nations in the end itself is destroyed.

Let us remember that we have nothing to fear from foreign aggression; that our danger lies here at home, grows out of the thoughts and the actions of those who consider that we have outgrown our Constitution and the principles therein laid down; who are now attempting here in America to establish a government by men rather than by law.

If we keep those principles in mind, adhere to them, our future is assured. If we forsake them, we, like those nations of old which sought to conquer the world, like the Kaiser and Hitler of yesterday, are on the way out.

EXTENSION OF REMARKS

Mr. CRAWFORD asked and was given permission to extend his remarks in the RECORD and include a press release and telegram sent by Mr. C. W. Harder, president, National Federation of Small Business, Inc.

Mr. WEICHEL asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

SPECIAL ORDER GRANTED

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent that on Thursday next, after disposition of matters on the Speaker's desk and at the conclusion of *any special orders heretofore granted*, I may be permitted to address the House for 1 hour.

The SPEAKER pro tempore (Mr. ARENDS). Is there objection to the request of the gentleman from Ohio?

There was no objection.

EXTENSION OF REMARKS

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD and include an address he recently delivered in Boston.

Mr. MUNDT asked and was given permission to extend his remarks in the RECORD and include an article he wrote for the New York Times magazine on the subject of American information program.

SPECIAL ORDER GRANTED

Mr. MUNDT. Mr. Speaker, I ask unanimous consent that on Thursday next, at the conclusion of the legislative program and following any special orders heretofore entered, I may address the House for 1 hour for the purpose of making a report to the Congress on the financial and economic conditions observed while serving overseas on a joint committee of the Senate and the House during the past 6 weeks.

The SPEAKER pro tempore. (Mr. ARENDS). Is there objection to the request of the gentleman from South Dakota?

There was no objection.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. CRAWFORD] is recognized for 20 minutes.

CAUSES OF INFLATION

Mr. CRAWFORD. Mr. Speaker, I wish to direct my remarks primarily to item No. 1 on page 7 of the President's message of yesterday in which he points out that we should enact legislation to restore consumer credit controls and to restrain the creation of inflationary bank credit.

For 14 years this Government, including the administrations in power, and public opinion, as it has been evidenced by the support of the policies of the administrations in power, has taken almost every imaginable step that could be taken to promote the price level upward. The economic consequences of a 14-year program running in that direction have now created a political liability which the present administration cannot ignore as it moves into a Presidential year, 1948. Even if the party in power could confidentially move forward under that political liability, the course which has been followed has brought us to a position where it is extremely difficult for the people to longer bear the economic burden; and by that I mean to say the policy which has been followed has bordered on economic treason against our people in that it has substantially destroyed the buying power of their past accumulated savings and the buying power of their current wages and salaries. That is the cold-blooded economic fact which the President faces and which the country faces and which those on low income especially have to face today. So the President tops his list of recommendations by asking for legislation to restore consumer credit controls and to restrain the creation of inflationary bank credit. He now substantially recommends a return to orthodox methods of money management and debt management and directs us away from the course we have far too long followed.

At the moment we have the greatest degree of price inflation that we have ever suffered since this country was founded. The price movement is upward on the necessities of life. At this particular moment the Secretary of State and the President come before Congress asking for a long-term program which substantially calls for another outpouring of goods estimated in the general neighborhood of from fifteen to twenty-two billion dollars on today's price level. Naturally the administration wonders what kind of an economic effect such an additional demand will have on present price levels, and the administration can well wonder about that. I should not be too surprised if this Congress votes for the short-term and long-term program from fifteen to twenty billion dollars of additional goods and services for western Europe. If that buying power is turned loose in the present market without some kind of control on bank credit, we can well witness an increase in price levels ranging anywhere from 20 to 40 percent above today's price level, and it could easily go beyond that. I shall give a few reasons why.

Let us get as simple and practical about this matter as we can be. During the war period the Secretary of the Treasury went to millions of our people and said in substance what I am now going to say: "You citizens buy these savings bonds which the Treasury is offering for sale, and when the war is over you can cash them in and buy those things you want." Did you hear of any savings certificates being sold on that basis? Did you hear anything like that during the war? Of course that was the sales talk used on our many millions of citizens who bought over $60,000,000,000 worth of these savings bonds.

Time and time again during that period I kept asking where the goods would come from to redeem the dollars which

the Treasury hands to a man when he turns in his savings bonds. So when the war was over our people started cashing those bonds and calling for goods, and they have been calling for them since. The private enterprise system finances itself as it goes along. Not only has current wages and salaries been calling for goods, but likewise the past savings which were invested in savings bonds and which now are being cashed in are calling for goods—beyond the market's ability to supply. They are still selling savings certificates on the proposition that when you get ready to cash them you can have the currency, and the redemptions are running pretty strong at the present time, although we are still selling a few. Why did we not go to our people and say, "Here is a great national emergency. We are involved in a war, and you should buy these bonds on a 25- to 50-year basis and hold them until maturity"; not kid them and mislead them and deal with them in an intellectually dishonest manner by telling them they could have the goods when the war was over, when we knew good and well the goods would not be produced. That is part of the inflation that is now pressing on the market, and that is not all.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. We not only said the people would have the money with which to buy the goods, but we said the dollar would be just as good as when they had invested it in the Government bonds.

Mr. CRAWFORD. That was substantially the meaning of the words which were put out.

Here is something else again. We have had a situation over in the hearings of the other body the last few days which high-lights this proposition. The negotiable bonds which were sold during the war period to finance the deficit were put out on a joy-rider's basis. The fiscal policy of this Government for the past several years has been based on the proposition that the price of Government bonds would be supported substantially above the par value, which means that if the Secretary of the Treasury puts out an issue at par and I rush in, as a certain general is alleged to have rushed in, and purchase some of those bonds through borrowing at the bank the money with which to make the purchase, paying par for the bonds, 60 or 90 or 120 days after the bond issue is disposed of I can walk out and sell the bonds at $2 or $3 premium per $100 and enjoy a joy ride of $1 or $2 or $3 per $100 of bonds purchased. Just how far did this joy riding extend during the issuance of those many billions of dollars of bond sales? Why was not the whole public cut in on the deal? Let the people now be told the whole story to the end that it not happen again.

That went on all during the war. A few Members of the House knew what was going on, and we criticized it openly. Now it comes out, and you see how the game was played. The people all over the country who were on the inside and were sufficiently sagacious piled up hundreds of thousands of dollars to their personal credit.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Pennsylvania.

Mr. RICH. Was it not a fact, and did not I hear the gentleman from Michigan, as I did myself, state on the floor of the House that Mr. Morgenthau was carrying a $25,000,000,000 open credit in the banks of this country in the form of cash on hand, and is it not alleged that Mr. Morgenthau told them that the bonds would not go below par, and that they did go in and speculate—all the banks did it—and a great many other people speculated with the $25,000,000,000 that the Federal Government had.

Mr. CRAWFORD. Let us consider the Victory loan drive, for instance, where we went out and sold some ten or eleven billion dollars' worth of bonds in excess of the needs of the Treasury. How many joy riders do you suppose got in on that deal? Then a few months later we did the terrible thing of taking the excess proceeds of those bonds over and above what the Treasury needed, and turned them back, and called in some of the Government paper, thus leading the people to believe that we were soundly reducing the amount of the Federal debt. Of course, it was proper to reduce the debt and dispose of the cash not needed, but the damaging part was in making the people believe the transaction all the way through was a sound one.

Now, the third thing is that the bonds were sold to individuals in the form of savings certificates; some were sold to individuals in the form of negotiable paper that could be traded in in the market; some bonds were sold to savings institutions and insurance companies; some were sold to industrial corporations, partnerships, and proprietorships. But look at the tens of billions of dollars of Government bonds that were sold to the Federal Reserve banks and the commercial banks of the country. That was outright inflation. Nothing could be worse except sheer printing-press money. We did not get quite that far, but we went almost that far, because you now have a provision in the law where the commercial banks can take their bonds down to the Treasury and to the Federal Reserve System and trade them for Federal Reserve notes and then turn around and use the Federal Reserve notes so obtained and pay off the bank's liabilities to the depositors. So you are using Government issues as the basis for the printing of Federal Reserve notes, which comes awfully close to being printing-press money.

Mr. BUFFETT. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Nebraska.

Mr. BUFFETT. Is it not true in Germany during their great inflation that the German Centralized Bank maintained a market for their Government bonds in the same fashion and kept them at par in that way?

Mr. CRAWFORD. I think it is almost a universal practice of central banks in government to follow such a course, because, if you want to continue to sell bonds, of course the banking machinery has to maintain a market value on them, because otherwise if they go down in the price, then you have to raise your interest rate or stop selling them. So you maintain your market value, and that enables you to issue them at a low interest rate and induces somebody else to buy bonds or sell bonds.

Mr. BUFFETT. Is it not true that the interest-rate method of putting a brake on inflation has been eliminated by the action of the Government in selling demand bonds?

Mr. CRAWFORD. Thirty years ago or a little over that we set up a Federal Reserve System, which was designed to expand and contract credit according to the needs of the country. They got along pretty well for a few years, but finally we built the Federal debt up to the point where the weight of the debt on one side of the scale became so overwhelming insofar as political liabilities are concerned from the standpoint of the interest rate and so on down the line that it steps into the picture and takes the ball away from the Federal Reserve Banking System, and now the President comes here and suggests that we return to some orthodox procedure to save the country from the inflation bear that is literally eating the country up. That is what the gentleman from Nebraska refers to.

Mr. RICH. Will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. RICH. Is it not a fact that one of our former administrations had asked for $2,500,000,000 of Government funds for the President and the Treasury to stabilize the price of American bonds with Government money?

Mr. CRAWFORD. Of course, that was one way to stabilize the price of Government bonds, to offer currency in exchange. But what our people are concerned about, and apparently what the President is now becoming concerned about, is the buying power of the currency after it gets into the hands of the people. And that is an important thing.

Now, there is another proposition. This very day you have one agency of the administration insisting that banks of this country loan up to 100 percent of the value of certain things that certain people want to buy. Many lending institutions did that thing until their lending power became exhausted.

It so happens that last summer I was one of those who voted against the removal of installment-buying credit control. I knew then it was unsound to remove those controls. I voted against it. I spoke against it. They should not have been removed, and they should be reinstated today just as quick as the Congress can reinstate them, for this basic

reason: I sit here as a citizen, with full knowledge that the buying power of my currency is decreasing. You offer me an automobile or a washing machine or a cultivator or something else on the installment plan, paying 10 percent down, under the mail-order house procedure, as I believe it was advertised the other day. By going in and signing an installment contract I can fix the selling price to me. I hedge against further inflation of the buying power of my dollar. Why should I not go out and buy on the installment basis and thus create a greater demand in the market, and thus call for more and more goods, while if I had to pay 50 or 75 or 100 percent of the purchase price I would not be putting that additional strain on the market by calling for goods and this because I do not now have the dollars to pay cash for the articles. So installment sales do bull the market price upwards. But, if you are going to continue to decrease the buying power of my currency, then you should let me go out and obligate, and fix the price of what I am about to buy. So by removing installment credit controls, together with this decrease in buying power of the currency and destruction of the people's buying power or past wages, we promote inflation in the worst manner imaginable.

Mr. BUFFETT. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. BUFFETT. The gentleman may be interested in knowing that since November 1, when the credit controls went off, there are columns of ads in the newspapers, in Chicago particularly, advertising cars, no money down.

Mr. CRAWFORD. Why not? Because if you give an outlet for these goods through installment sales, what necessity is there for Mr. A to reduce his inventory by reducing the price and moving the goods out? He continues to sell his goods on advancing markets, not on a declining market.

We come along here and we propose this Marshall long-range plan. I suggest that every one of you get a copy of this report and study it. That should be the textbook in the United States today. It is the report of the Committee on European Economic Cooperation, September 1, 1947, forwarded to the Secretary of State by Mr. Bevin, of London, and to the President of the United States by the Secretary of State, in which 16 western European countries call upon us for $22,440,000,000 worth of goods during the coming 4 years.

Mr. RICH. Will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. RICH. Did they not ask for $42,000,000,000 until Marshall said, "Go sharpen your pencils and go to work again"?

Mr. CRAWFORD. I just have the report before me. That is all I know.

What is this $19,000,000,000 for? You take this report and find in there any language which says that any of the $19,000,000,000 will be used to prevent the spread of communism in the United States. Just find one word in there about communism. Yet that bill of goods is being sold to the people of the United States on the proposition of preventing the spread of communism throughout western Europe.

Mr. RAMEY. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Ohio.

Mr. RAMEY. Is it apparent there, or is there any report from the committee, that none of this $19,000,000,000 will be received by propagandists who call themselves screeners and consultants?

Mr. CRAWFORD. Oh, no; there is nothing like that in there.

This $19,000,000,000 will implement the easy transfer of European industries from centers established under a considerable degree of economic freedom to those who promote a continent-wide social and economic revolution.

This $19,000,000,000 will perpetuate the continuance in office of that particular group. This $19,000,000,000 will fortify the political position of the group that has manipulated an economic and social revolution across Europe.

This $19,000,000,000 will do this, and you will find it in the committee's summary. It will, according to the summary, not only solve the immediate production problem but will also provide the basis for a future raising of European production in following years to levels never before contemplated in Europe.

Then take the report and see what the position of these 16 countries was before the war and ask yourself why you should submit the people of this country to those full 10 propositions placed before us yesterday by the President of the United States.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. CASE of South Dakota. I want the gentleman, if he will, to dwell a little more on this idea that it will even improve conditions in many of these nations to that existing before the war, and then to ask the gentleman whether or not he thinks there is an obligation on the part of the American taxpayer to promote a condition in these countries better than, and greater than, their prewar position?

Mr. CRAWFORD. I do not believe the obligation exists, and one of the most unusual parts about this report is that I have not been able to find any language in it which even suggests or assumes that there is any limit whatsoever to what the people of the United States can put up in the way of financial support or material goods.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan may proceed for five additional minutes.

The SPEAKER pro tempore. There are two additional special orders pending. The Chair will, however, put the request.

The gentleman from Minnesota asks unanimous consent that the gentleman from Michigan may proceed for five additional minutes. Is there objection?

There was no objection.

Mr. CRAWFORD. I want particularly in these remarks to point out the fact that in paragraph 172, page 60, you will find this language:

> In the last analysis the external means of recovery can in largest measure only come from the United States, which, by its assistance in the last 2 years, already rescued Europe from collapse and chaos.

That is the only language you will find anywhere in the report which justifies this statement:

> The European civilization from which ours is descended would eventually be blotted out and a new Dark Age would descend upon the continent.

That last statement was made by Dr. Willard Thorp, October 23, before the Chicago Council on Foreign Relations, discussing the need for reimposition of controls on the American economy. Dr. Thorp would apparently have all of these controls established, not reestablished—because we have not had all of those controls before—and placed on our people to help the 16 western European countries to attain levels of prosperity and economic development clear beyond anything they ever enjoyed prior to the war. Certainly, they had the trade of the world in their hands up until a few years ago, and they went out and wasted their substance in carrying on an internecine warfare between each other.

Mr. CLEVENGER. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. CLEVENGER. I want to amplify a little what the gentleman said. As the gentleman sitting in front of him knows, I visited one of the chancelleries with his questionnaire which was the best thing we had to take. The representatives of this Government informed us that they were elected first to discuss with us our mission there. They said: "We have asked your Government for nothing. We were asked to come to Paris and tell you what we could use." Am I right or wrong, Mr. Chairman?

Now I want to give some thought to the workingmen and the manufacturers of America in the effect this is supposed to have. They want $500,000,000 worth of machine tools, 4,000,000 tons of American steel, and to have the tariff cut in two. I wonder what will happen when competition comes. In every country we visited they were not thinking of raising the standards of living of Europe, they were thinking of exporting goods to America. Now, if your competitor's tools are given to him and his raw materials are given to him and the tariff is cut in two, who is going to work and who is going to look for a job?

Mr. CRAWFORD. Well, they will continue to look to us for their life sustenance.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Pennsylvania.

Mr. RICH. Why is it that the United States is trying to grab the ball and play the whole game itself without letting the United Nations or the Bretton Woods Agreement, by which they established an international bank and in which all nations participated, try to solve the problems of Europe?

Mr. CRAWFORD. The gentleman knows that there is a lot of this story that has not yet been made public.

Mr. Speaker, let me call attention to a nine-page address by Allen Sproul, president of the Federal Reserve Bank of New York, which he delivered on December 7, 1946, wherein he gave this country and the commercial banks of this Nation what I think is ample notice of what the country was heading into. We have had plenty of weather vanes pointing the way had we paid any attention to them.

This Congress will either watch its step carefully during the next 60 to 90 days or it will be a party to destroying the buying power of the people of this country which has come about through their thrift and savings in the past, because it will not take long for this buying power to evaporate in the heat of the inflation that is now running throughout the Nation where currencies are not stabilized. Yet we talk about stabilizing the currencies of the 16 western European nations. Let us stabilize our own currency first and retain the confidence of our own people.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Mississippi.

Mr. RANKIN. I am informed that not a one of these 16 countries is as deeply in debt per capita as the United States is today. Is that correct?

Mr. CRAWFORD. Regardless of what their debt is, where are they obligated to pay anything to anybody? You never know whether a country over there will be stable 24 hours or 24 months. The joker in the whole thing is that unless this Government, it seems, supports the popular government over there that government falls; so I do not consider they have any debt whatsoever.

Mr. RANKIN. Why not let them float some bonds against their own countries?

Mr. CRAWFORD. Nobody would buy the bonds because of the instability of the government and the unwillingness of the people to go out and produce goods and services.

SPECIAL ORDER

The SPEAKER pro tempore. Under previous special order, the gentleman from Illinois [Mr. CHURCH] is recognized for 15 minutes.

Mr. CHURCH. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include certain articles, namely, first, an article appearing in the Chicago Herald-Examiner of Friday, October 31, headed "Outsiders see WAA rule here"; and two articles, one each, in the Sunday Chicago Tribune of November 2, Kansas Citians Invade WAA Chicago Zone, and the Chicago Tribune of November 6, Chicago WAA Income Runs Below Operating Expenses.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

THE WAR ASSETS ADMINISTRATION

Mr. CHURCH. Mr. Speaker, while President Truman and others bring our attention to the trouble abroad, let me call attention to some skullduggery of the President and his appointees in Chicago. Today I do not intend to talk about the recent public scandal—the President's Federal Parole Board's parole by telephone of the successors of Al Capone, at the request of a Kansas City Pendergast attorney—which the gentleman from Michigan, Representative CLARE HOFFMAN, and his committee so well exposed in his hearings in Chicago.

Two or three times previously I have presented to this body certain facts concerning the operation of the War Assets Administration.

Today I would like to present for your early and earnest consideration very pertinent facts that have been brought to my attention by officials of the Chicago region. Some of these operations that have already been put into effect and that are now projected for the future seem to me to be the very poorest kind of business procedure that could be imagined.

War Assets Administration came into being as a governmental agency on March 25, 1946. Since that time in the Chicago region—and naturally I am dealing particularly with the Chicago region because that is my congressional district—there have been eight different regional directors appointed. The Chicago region formerly consisted of the States of Iowa, the northern half of Illinois, the northern half of Indiana, and the southern three-fourths of Wisconsin. Iowa was transferred out of the Chicago region several months ago, and only within the past 2 or 3 weeks Wisconsin, including the big warehouses in Milwaukee, have been transferred to the Minneapolis region.

These eight different regional directors are: Fred A. McLauchlan, of Chicago; Colonel Miller, Washington, D. C., whose appointment was later rescinded by Washington within 4 hours; Col. Stanley G. Backman, Cleveland, who had also just been appointed as the first zone 3 administrator; Stanley B. Adams, Chicago; Col. Robert Isham Randolph, Chicago; Bruce J. Brown, Kansas City; Richard F. Going, Chicago; Kenneth J. Munro, Kansas City.

Gentlemen, I ask you, how in the world could any business, even one that has been operating successfully over a period of years, have a successful operation with such constantly changing administration? However, this is typical of Administrator Littlejohn's operation, as it was common gossip during the war that all Army officers reporting to this general for service kept their suitcases packed in preparation for an early departure.

However, it is the flagrant, unethical, and unbusinesslike moves of the past 6 weeks that I desire to bring to your attention. Under date of October 13, Littlejohn in the face of a constantly improving operation in the Chicago region decided to replace the zone administrator. Administrator Hamilton Morton was removed as zone 3 administrator and "kicked upstairs" to the Board of Review in Washington and replaced by John E. Kirchner, zone administrator from Kansas City. Kirchner's first move was to replace the regional director, Richard F. Going, under whose brief supervision the Chicago regional operation had shown more progress than at any time in the past. Going was replaced by Kenneth J. Munro, Deputy Administrator for Acquisitions from Kansas City.

One of Munro's first steps was to replace James P. Connery, Deputy Regional Director for Acquisitions in Chicago, with Col. Ellsworth Young, also from Kansas City. Munro's next moves were to replace two outstanding Chicago businessmen serving on the Board of Review, Col. Robert Isham Randolph and Max Kahn.

Col. Robert Isham Randolph has long been one of Chicago's most outstanding citizens and has many splendid accomplishments to his credit. His reputation for honesty and integrity are beyond reproach. Max Kahn, also a Chicagoan, has had a most unusual and successful experience in the merchandising field. For instance, he was for 30 years one of the top-notch operators in the Chicago Mail Order Co.

Mind you, these men, Colonel Randolph and Max Kahn, whose responsibilities were to inspect and approve all sales of over $100,000, have been terminated. Their successors, as of yesterday at least, had not been named.

The WAA operation in Chicago under the Kirchner-Munro Kansas City regime has steadily deteriorated, despite the lame aid of twenty-odd so-called experts in addition to Kirchner, Munro, and Colonel Young from the Pendergast bailiwick in Kansas City. The actual facts of the case are that the personnel of the Chicago region are infinitely much better qualified to perform the jobs than the job-seekers from Kansas City.

An example of the delirium-Trumanized, Kansas City-Pendergast, cockeyed decisions to be expected from this administration may be seen in the foolhardy decision to transfer $30,000,000 in inventory located in the Milwaukee area to the Minneapolis region for disposal. This decision to transfer was made despite the fact that the Minneapolis region had in its control inventory in the Milwaukee area for over 5 months, and failed to dispose of it. In fact, they recently requested the appropriation of $120,000 to move 2,400 tons of material from Kenosha to the Government-owned

nd operated warehouse at Carrollville, Vis., a suburb of Milwaukee. Their record indicates that had they followed their customary past performance they would not have disposed of this $30,000,000 of inventory under a year's time.

Now here is the pay-off, the decision has been made to transfer Minneapolis into the Chicago region on January 15, 1948. What kind of a crazy move is this?

This all looks to me like a plan to transfer three-fourths of a billion dollars' worth of Government surplus property, consisting of machine tools, industrial equipment, clothing, drugs, medical supplies, and real estate to the control of Truman's Pendergast crowd from Kansas City.

Gentlemen, what in the world do all these confused moves mean? Is the President, or someone for him in War Assets just trying to prolong the disposal of all this surplus Government property forever and forever?

Officials in the Chicago War Assets Administration have informed me that the Chicago region would have been substantially sold out by April 30, 1948, had they been permitted to carry on their program without interruption by the Kansas City crowd. Under existing conditions God only knows when it will be sold.

Gentlemen, it is my understanding that all of the top-level supervisors in the War Assets Administration in Washington, with rare exceptions, are either retired or inactive military personnel without any business experience whatsoever. It is my earnest conviction that this disposal job that War Assets has been supposed to do will never in this world be accomplished as long as military heads, who are only interested in prolonging their tenure of duty, are permitted to run it. Turn over the operation of this agency to qualified businessmen who know how to merchandise material.

[From the Chicago Herald-American of October 31, 1947]

OUTSIDERS SEIZE WAA RULE HERE—750 MILLIONS IN SURPLUS RICH "PLUM"

(By L. W. Meredith)

"Missouri boys" have moved in and taken over the Chicago offices of the War Assets Administration, richest "plum" in disposal of surplus war properties in the Nation.

From Kansas City WAA headquarters, bailiwick of the Truman-Pendergast political organization, a crew of more than 25 appointees have taken the top jobs in the Chicago zone and regional WAA offices, with control over more than three-quarters of a billion dollars' worth of surplus war goods and properties.

Experienced officers are being ousted, and the entire WAA set-up has been thrown again into a state of confusion—a condition that has prevailed ever since WAA was established as an independent government agency a year and a half ago.

It is the ninth change in top command of WAA in Chicago since March 25, 1946.

And changes in command, bringing changes in systems, has resulted in blocking legitimate would-be purchasers of surplus war goods, delaying for months liquidation of WAA, veteran WAA workers declare.

Here is what happened:

On November 13 John E. Kirchner, WAA zone administrator at Kansas City, was transferred to Chicago as administrator for the midwestern zone 3, which has supervision over regional offices in Chicago, Detroit, Cleveland, Cincinnati, Louisville, and Minneapolis. He is the fourth zone administrator for this area since March 1946.

With Kirchner came Kenneth J. Munro, former deputy zone administrator at Kansas City, who took over as Chicago area director—the ninth director since March 1946. For purposes of the record, Kirchner and Munro had long records of Government service, and handled disposal of more than $1,000,000,000 worth of surplus properties from the Kansas City office, which covered the States of Kansas, Missouri, Nebraska, Colorado, New Mexico, Wyoming, Iowa, and western Illinois.

But among the 25 or more brought in with them, these are known:

Col. Ellsworth Young, who displaced James P. Connery, of 8201 South Throop Street, veteran WAA executive and high in the ranks of Chicago Democrats, as acting regional director in charge of acquisition and inventories, one of the most important posts in WAA.

JOB UNKNOWN

Clarence Franklin, of Independence, Mo., former neighbor of President Truman, whose exact job assignment here has not been disclosed.

Clarence Nettler, Kansas City politician and reported slated for one of three places on the board of review, a three-man board that passes on all WAA contracts involving $500,000 or more. This board is now composed of Col. Robert Isham Randolph, widely known Chicago engineer; Col. Fred Gallagher, war veteran and engineer, and Colvin Brown, former WAA regional director.

Others of the 25 or more brought in from Kansas City office are as yet unknown to even remaining high officials of the Chicago WAA offices.

But the separation of Connery, who had charge of the registration in the draft of Chicagoans for World War II, and reports of removal or resignation of at least one of the board of review members, presaged the taking over of other high offices by the Kansas City crew.

One move shoved Colonel Randolph and his fellow board of review members, Colonels Gallagher and Brown, from their private offices, where the secrecy necessary to their work in passing on contracts involving $500,000 or more was possible, out into open rooms, easily accessible to scores of the 2,600 regional office employees.

HERE'S THE HISTORY

Here is the history of the nine rapid changes in Chicago regional WAA directors: One director actually served only about 4 hours; others less than 3 weeks.

Fred A. McLaughlin, who had been a deputy commissioner in charge of disposal of surplus consumer goods under the Treasury Department, appointed first Chicago regional director March 25, 1946, when WAA was created as an independent Government agency.

At 10 a. m. on an August 1946 day, a teletype message informed McLaughlin that a Colonel Miller had been appointed to succeed him. McLaughlin called former—then Mayor—Edward J. Kelly—and that night the appointment of Colonel Miller was rescinded. But—

In that same month WAA announced the creation of six WAA zones, and McLaughlin was ordered to Washington, to be succeeded as regional director by Col. Stanley C. Beckman, who served for 2 weeks as Acting Director, to be succeeded by Stanley B. Adams, former War Production Board member, who remained until February 1947, when, after he had strongly opposed lease of the big Chicago Dodge plant to the Tucker Automobile Corp., he was "kicked upstairs" to the Washington WAA board of review, to be succeeded by Col. Robert Isham Randolph, who served only a fortnight, to be succeeded by Max Kahn, for 15 years a Chicago mail-order-house executive, who served until mid-March—a period of a fortnight—to be succeeded by Bruce J. Brown, Chicago chain-store executive and former Kansas City WAA deputy director, who held office until a month ago, when he was sent to the "reading room"—an office in the Chicago WAA zone headquarters where occupants have no executive authority. He was succeeded by Richard F. Going, of Chicago, World War I veteran, engineer, and formerly Treasury Department procurement division executive, who took office September 29, only to be notified October 17 that he was succeeded by Kenneth J. Munro, the No. 2 man from the Truman-Pendergast Kansas City bailiwick district.

[From the Chicago Sunday Tribune of November 2, 1947]

KANSAS CITIANS INVADE WAA CHICAGO ZONE

The accession of two Kansas City, Mo., War Assets Administration officials to positions of top authority in the Chicago zone and regional WAA offices yesterday brought the following developments in its wake:

1. Assertion by officials of the Chicago headquarters that a big contingent from President Truman's home territory is taking over this, the richest surplus property disposal area in the country.

2. Further reports that the new regime will bolster Minneapolis' shrinking operations by giving the regional office there some of Chicago's property to sell.

3. Stout denials from official WAA spokesmen that the extra Kansas City representatives present are [illegible] other than a survey team that will go back where it came from in a few days.

KIRCHNER HEAD OF ZONE

John E. Kirchner, formerly WAA zone administrator in Kansas City, now holds that position in the Chicago zone office where he has jurisdiction over regional offices here and in Detroit, Cleveland, Cincinnati, Louisville, and Minneapolis. Kenneth J. Munro, who was Kirchner's deputy in Kansas City, is Chicago regional director of surplus-property disposal. Kirchner is the fourth zone administrator and Munro the ninth regional director in Chicago since March 1946.

They were accompanied by other Kansas City executives and subexecutives who, according to those close to the agency's management, are assuming ranking authority in virtually every department. Col. Ellsworth Young already has been appointed acting deputy regional director in charge of sales and inventories. Clarence Nettler, active in Kansas City politics, was said to be scheduled to replace Col. Fred Gallagher on the three-man regional board of review, which passes on all sales involving $500,000 or more.

MAKE BRIEF SURVEY

"About a week before Kirchner was assigned here, three of WAA Administrator Littlejohn's righthand men spent a day and a half in the Chicago offices, then determined a complete change in management was necessary," said one observer.

"You can't really determine anything in a day and a half here, so everybody figured Washington had some people they wanted to put in. As a matter of fact, the region had been doing better under Richard Going [Chicago engineer and former Treasury Department executive] than under any of its other directors."

The reported plan to transfer some property in the Chicago region to the Minneap-

olis office was described as an expedient to keep in operation a region office which otherwise would have to close for lack of surplus to handle. The property earmarked for transfer was said to be in warehouses in and near Milwaukee and was variously estimated at 12 to 40 million dollars.

RECORDS ARE INACCURATE

Several sources asserted the Chicago region's inventory records still are only about 60 percent accurate. Efforts a year ago to take inventory and sell goods at the same time merely resulted in an item being sold one week but not shipped, therefore listed by the inventory takers again as available for sale.

"If the office really had a firm inventory it could be liquidated in 60 to 90 days," said one. "But when it can deliver only about 60 percent of the items in a catalog, but takes orders and money for all of them, it gets into trouble. Inaccurate inventories are the cause of 90 percent of the gripes you get from war veterans about the way surplus property is handled."

[From the Chicago Daily Tribune of November 6, 1947]

CHICAGO WAA INCOME RUNS BELOW OPERATING EXPENSES

The Chicago regional office of the War Assets Administration is not taking in enough money from the sale of Government surplus property to pay its operating expenses, informed sources said yesterday. One office incumbent placed the region's disbursals in August and September at approximately $1.32 for every $1 received. Another asserted September receipts were substantially below the amount required to meet the monthly pay roll for the region's more than 2,000 employees.

The WAA was organized to recover some of the money spent on war goods by selling those remaining as surplus to civilians or to other Government agencies. The sales made through the Chicago office have been among the highest of any region in the country. If maintenance of Chicago's disposal staff is costing more money than sales are bringing in, the other regional offices in poorer market areas are probably in the same situation, spokesmen said.

LOSS IS EVEN LARGER

"The regional offices are the only branches of the WAA that take in any money at all," said an agency executive. "Add the expenses of maintaining the zone offices and the Washington headquarters to the sum to be compared with the region's sales and the loss is even greater. The effect is that the taxpayer is a stockholder in a corporation that is losing more money in its efforts to recover on previous losses."

The unprofitable operations were attributed in part to an alleged slowdown in disposal procedure caused by the formation of WAA zone offices last year. The zone offices were established as liaison between Washington and the various regional headquarters. The Chicago zone office, with about 400 persons on its pay roll, has jurisdiction over six regions.

"The zone offices could have helped, but they have been staffed with retired or inactive military personnel without sales experience," said a former regional official. "There has never been an experienced merchandiser in the zone office."

DELAY ON PROBLEMS

"What the zone office has done is to make it impossible for the sellers in the regional office to take their problems straight to Washington headquarters. What's more, a Washington representative cannot go into a regional office without the zone's permission. The result is that it takes 2 weeks or more to settle problems that could be solved in a few minutes by a telephone call to the capital."

The Kansas City, Mo., contingent that recently moved into top offices in the Chicago zone and regional offices was reportedly considering consolidation of the two, followed by a transfer of the headquarters back to Kansas City. Such a move would leave only a customer service center in Chicago, the largest market for surplus property outside New York, and would place jurisdiction over all sales in the Midwest in the Pendergast city, a relatively minor disposal center.

WITHDRAWAL OF PAPERS FROM FILES OF THE HOUSE

By unanimous consent, Mr. CUNNINGHAM was permitted to withdraw from the files of the House papers in the case of John F. Brown, H. R. 883, Seventy-ninth Congress, evidence presented to the Committee on Claims.

ADJOURNMENT

Mr. ARENDS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock p. m.), under its previous order, the House adjourned until Thursday, November 20, 1947, at 12 o'clock noon.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. ROGERS of Massachusetts (by request):

H. R. 4488. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

By Mr. ANDREWS of New York:

H. R. 4489. A bill to amend section 1 of Public Law 604 (79th Cong.); to the Committee on Armed Services.

H. R. 4490. A bill to authorize the Secretary of the Navy to provide salvage facilities, and for other purposes; to the Committee on Armed Services.

H. R. 4491. A bill relating to the restrictions on the use of crypt and window spaces of the United States Naval Academy chapel; to the Committee on Armed Services.

H. R. 4492. A bill to authorize the advancement of certain lieutenants on the retired list of the Navy, and for other purposes; to the Committee on Armed Services.

H. R. 4493. A bill to provide for the disposition of unclaimed personal effects of naval personnel; to the Committee on Armed Services.

H. R. 4494. A bill to authorize the crediting of moneys received from the disposition of serviceable supplies, materials, and equipment of the Navy Department, to the applicable current Navy Department appropriation; to the Committee on Armed Services.

H. R. 4495. A bill to amend the act entitled "An act to authorize an increase of the number of cadets at the United States Military Academy and to provide for maintaining the corps of cadets at authorized strength," approved June 3, 1942 (56 Stat. 306); to the Committee on Armed Services.

H. R. 4496. A bill to provide for retention in the service of certain disabled Army personnel, and for other purposes; to the Committee on Armed Services.

H. R. 4497. A bill to authorize attendance of civilians at schools conducted by the Departments of the Army, Navy, and Air Force, and joint-service schools, and for other purposes; to the Committee on Armed Services.

H. R. 4498. A bill to amend the act of Congress entitled "An act to credit certain service performed by members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service prior to reaching 18 years of age for the purpose of computing longevity pay, or for other pay purposes," approved March 6, 1946; to the Committee on Armed Services.

H. R. 4499. A bill relating to the pay of the Superintendent of the Naval Academy, and for other purposes; to the Committee on Armed Services.

H. R. 4500. A bill to amend the act of July 24, 1941 (55 Stat. 605), as amended, so as to provide an equitable adjustment of retired pay for certain naval officers; to the Committee on Armed Services.

H. R. 4501. A bill to authorize the Secretary of the Navy to accept donations of land and improvements for Naval Reserve training purposes and to purchase certain lands and improvements for such purposes; to the Committee on Armed Services.

H. R. 4502. A bill to increase the number of midshipmen allowed at the United States Naval Academy from the District of Columbia; to the Committee on Armed Services.

H. R. 4503. A bill to repeal section 1 of the act of April 20, 1874, prescribing regulations governing inquiries to be made in connection with disbursements made by disbursing officers of the Army (18 Stat. 33; 10 U. S. C. 174); to the Committee on Armed Services.

H. R. 4504. A bill to amend the act of June 3, 1916, as amended, to make it applicable to the Canal Zone, Guam, American Samoa, and the Virgin Islands; to the Committee on Armed Services.

H. R. 4505. A bill to provide for the preservation of the frigate *Constellation* and to authorize the disposition of certain replaced parts of such vessel as souvenirs, and for other purposes; to the Committee on Armed Services.

H. R. 4506. A bill to authorize the disposition of certain lost or abandoned personal property coming under the jurisdiction of the War Department, and for other purposes; to the Committee on Armed Services.

H. R. 4507. A bill to amend that part of the act of June 24, 1910 (36 Stat. 619), as amended (34 U. S. C. 542), relating to disposition of profits from sales of ships' stores; to the Committee on Armed Services.

H. R. 4508. A bill to authorize the Houston Council, Navy League of the United States, to construct a reflecting pool at the United States naval hospital, Houston, Tex.; to the Committee on Armed Services.

By Mr. KNUTSON:

H. R. 4509. A bill for the relief of the Minnesota Chippewa Tribe; to the Committee on Public Lands.

By Mrs. ROGERS of Massachusetts (by request):

H. R. 4510. A bill to require motor vehicles to be provided with suitable illuminated license plates; to the Committee on Interstate and Foreign Commerce.

By Mr. SABATH:

H. R. 4511. A bill to extend unexpired patents for periods equal to the length of time such patents shall have been in force during the war; to the Committee on the Judiciary.

By Mr. STIGLER:

H. R. 4512. A bill to provide for the conveyance of certain land to the Northeastern State Teachers College at Tahlequah, Okla.; to the Committee on Public Lands.

By Mr. WELCH:

H. R. 4513. A bill to eliminate the requirement of oaths in certain land matters, and for other purposes; to the Committee on Public Lands.

H. R. 4514. A bill authorizing the transfer of certain lands from the Yuma auxiliary

project, Arizona, to the Gila project, Arizona, and for other purposes; to the Committee on Public Lands.

H. R. 4515. A bill to provide for selection of superintendents of national cemeteries from meritorious and trustworthy male members of the armed forces who have been disabled in line of duty for active field service; to the Committee on Public Lands.

By Mr. COLMER:

H. J. Res. 258. Joint resolution to provide emergency relief for victims of the extraordinary disaster in the counties of Jackson, Harrison, and Hancock in the State of Mississippi, and for the restoration and reconstruction of the devastated areas, and for other purposes; to the Committee on Appropriations.

By Mr. KLOCH:

H. J. Res. 259. Joint resolution proposing an amendment to the Constitution of the United States relating to the eligibility of foreign-born citizens of the United States to the office of President of the United States; to the Committee on the Judiciary.

By Mr. PHILBIN:

H. J. Res. 260. Joint resolution to designate payments to disabled veterans as partial repayment of debt owed, and not as gratuities; to the Committee on Veterans' Affairs.

By Mr. HOFFMAN:

H. Res. 358. Resolution authorizing the Committee on Expenditures in the Executive Departments, House of Representatives, to have printed for its use additional copies of the hearings held before said committee, current session, relative to the establishment of the Commission on Organization of the Executive Branch of the Government; to the Committee on House Administration.

By Mr. KNUTSON:

H. Res. 359. Resolution authorizing the printing as a document the reports of the Special Tax Study Committee to the Committee on Ways and Means, dated November 4, 1947, and providing for additional copies thereof; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California:

H. R. 4516. A bill for the relief of the Moore Dry Dock Co., of Oakland, Calif.; to the Committee on the Judiciary.

H. R. 4517. A bill for the relief of the Central Bank, a California corporation, as assignee of John C. Williams, an individual operating under the fictitious name and trade style of Central Machine Works, of Oakland, Calif.; to the Committee on the Judiciary.

By Mr. CASE of New Jersey:

H. R. 4518. A bill for the relief of Gerald S. Furman; to the Committee on the Judiciary.

By Mr. CASE of South Dakota:

H. R. 4519. A bill authorizing the issuance of a patent in fee to John (Crazy Bull) F. Compton; to the Committee on Public Lands.

By Mr. KEEFE:

H. R. 4520. A bill for the relief of Mrs. Helen J. Martin; to the Committee on the Judiciary.

By Mr. KNUTSON:

H. R. 4521. A bill for the relief of Robert Fletcher McCutcheon; to the Committee on the Judiciary.

By Mr. McMILLAN of South Carolina:

H. R. 4522. A bill for the relief of Mrs. Oteein Foxworth; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 4523. A bill for the relief of Lee Kavork Kassarjian; to the Committee on the Judiciary.

By Mr. RAMEY:

H. R. 4524. A bill for the relief of Doris E. Snyder; to the Committee on the Judiciary.

H. R. 4525. A bill for the relief of Philip Candela; to the Committee on the Judiciary.

By Mr. ANDREWS of New York:

H. R. 4526. A bill to validate certain payments of allowances made to Kilbourne Johnston when serving in the National Recovery Administration as a second lieutenant, United States Army; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

790. By Mr. HALE: Petition of the Maine State Conference of Social Welfare to go on record as favoring the admission by the United States of its fair share of displaced people, such share amounting to 400,000 over the period of the next 4 years, and urging Congress to provide emergency legislation to accomplish this result; and resolution advocating an old-age and survivors' insurance base to provide coverage for all workers not presently included under comparable retirement systems; to the Committee on the Judiciary.

791. By Mr. WELCH: Petition carrying some thousands of signatures from American citizens from the motion-picture industry and general Hollywood area directed to him as chairman of the California delegation urging support for the Sabath House Resolution 46; submitted by George Pepper, executive director, Arts, Sciences, and Professions Council, Progressive Citizens of America, Hollywood, Calif.; to the Committee on Rules.

792. By the SPEAKER: Petition of John Jacob Janzen, petitioning consideration of his resolution with reference to compensation for his claim against Russia; to the Committee on Foreign Affairs.

793. Also, petition of F. N. Parkinson, Los Angeles, Calif., and others, petitioning consideration of their resolution with reference to requesting establishment of a commission by which producers, processors, and consumers become arbiters in establishing prices, storage, and distribution; to the Committee on Agriculture.

794. Also, petition of the Fifth Congressional District Townsend Club Council, of Florida, petitioning consideration of their resolution with reference to requested completion of signing of Discharge Petition No. 7—endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

SENATE

THURSDAY, NOVEMBER 20, 1947

Rev. John W. Rustin, D. D., minister of the Mount Vernon Methodist Church, Washington, D. C., offered the following prayer:

Eternal God, Father of us all, we come humbly before Thee, praying that Thou wilt forgive our blindness, stupidity, and selfishness. Open our eyes so that we may see the needs of our world. Clarify our thinking so that we shall know the truth. Purify our hearts so that the evil that is within us may be blotted out. Broaden our horizons so that we shall indeed know that all men everywhere are our brothers.

Help us, we pray Thee, as we approach our day of thanksgiving, to remember those men and women who, surrounded as they were by every danger, were not afraid because their trust was in Thee. May we hear a voice speaking to our hearts this day, saying, "The Eternal God is thy refuge, and underneath are the everlasting arms."

And now, ven though we be unworthy to follow in their stead, guide our faltering feet so that we shall not wander from the pathway that leads to righteousness and peace. Amen.

THE JOURNAL

On request of Mr. WHITE, and by unanimous consent, the reading of the Journal of the proceedings of Monday, November 17, 1947, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, communicated to the Senate the resolutions of the House adopted as a tribute to the memory of Hon. Theodore G. Bilbo, late a Senator from the State of Mississippi.

The message also communicated to the Senate the intelligence of the death of Hon. Charles L. Gifford, late a Representative from the State of Massachusetts, and transmitted the resolutions of the House thereon.

The message further communicated to the Senate the intelligence of the death of Hon. Raymond S. Springer, late a Representative from the State of Indiana, and transmitted the resolutions of the House thereon.

ORDER OF BUSINESS

Mr. WHITE. Mr. President, I ask unanimous consent that I may speak briefly before the Senate proceeds to the transaction of morning business.

The PRESIDENT pro tempore. Without objection, the Senator from Maine is recognized.

Mr. WHITE. Mr. President, I think most Senators, perhaps all Senators, have in mind that earlier in the week the Foreign Relations Committee unanimously authorized a report to the Senate of the emergency aid bill, so-called. I take it that it will be reported to the Senate today.

It seems to be the part of wisdom that the consideration of this emergency aid bill should be as consecutive as possible, and for that reason I understand the chairman of the committee is not to make an effort at this time to start consideration of it, but that he approves that it should go over until Monday, at which time the emergency aid bill will be proceeded with and we hope to a conclusion by Wednesday night. If the measure is disposed of by Wednesday night, we can then take a recess until Friday, and on Friday it had been our purpose to move a further recess until the Monday following. So that if this bill is out of the way by Wednesday night, we can have a full week-end recess beginning with Thanksgiving Day.

EUROPEAN RECOVERY PROGRAM—AUTHORITY TO REPORT BILL AND PRINT CERTAIN DOCUMENTS (S. DOC. NO. 108)

The PRESIDENT pro tempore. The Chair asks the indulgence of the Senate to submit two unanimous-consent requests in his capacity as chairman of the Foreign Relations Committee. The bill to which the Senator from Maine referred is not yet ready to be reported because the documentation is not complete. The unanimous-consent request, therefore, is submitted that the Committee on Foreign Relations be permitted to file the bill and the report thereon for the calendar during the recess following today's session. Is there objection? The Chair hears none, and the order is made.

In the same connection, it is very important that the draft of legislation and background information on the interim European-aid program submitted by the Department of State to a joint session of the Senate Committee on Foreign Relations and the House of Representatives Foreign Affairs Committee should be printed as a Senate document for the use of the Senate. The Chair requests that that order be made. Is there objection? The Chair hears none, and it is so ordered.

Subsequently Mr. VANDENBERG submitted the following resolution (S. Res. 167), which, with the accompanying document, was referred to the Committee on Rules and Administration:

Resolved, That the compilation entitled "The European Recovery Program—Basic Documents and Background Information," prepared by the staffs of Senate Foreign Relations Committee and House Foreign Affairs Committee, be printed, with illustrations, as a Senate document and that 1,000 additional copies be printed for the use of the Committee on Foreign Relations of the Senate.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

SUSPENSION OF DEPORTATION OF ALIENS

A letter from the Attorney General, transmitting, pursuant to law, a report reciting the facts and pertinent provisions of law in the cases of 1,479 individuals whose deportation has been suspended for more than 6 months by the Commissioner of Immigration and Naturalization Service under the authority vested in the Attorney General, together with a statement of the reason for such suspension (with accompanying papers); to the Committee on the Judiciary.

REPORT ON COSTS OF LAND OR INTEREST IN LAND ACQUIRED BY THE NAVY

A letter from the Acting Secretary of the Navy, transmitting, pursuant to law, a consolidated report showing the costs as of June 30, 1947, of land or interest in land acquired by the Navy (with an accompanying report); to the Committee on Armed Services.

HERBERT L. HUNTER

A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation for the relief of Herbert L. Hunter (with an accompanying paper); to the Committee on the Judiciary.

AUDIT REPORT OF RECONSTRUCTION FINANCE CORPORATION AND AFFILIATED CORPORATIONS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, volume 5 of the report on the audit of the Reconstruction Finance Corporation and affiliated corporations for the fiscal year ended June 30, 1945, dealing exclusively with the activities of the subsidiary Defense Supplies Corporation (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

REPORT OF PUBLIC PRINTER

A letter from the Public Printer, transmitting, pursuant to law, his report for the fiscal year ended June 30, 1947 (with an accompanying report); to the Committee on Rules and Administration.

REPORT OF NATIONAL SOCIETY, DAUGHTERS OF AMERICAN REVOLUTION

A letter from the Secretary of the Smithsonian Institution, transmitting, pursuant to law, the annual report of the National Society of the Daughters of the American Revolution for the year ended April 1, 1947 (with an accompanying report); to the Committee on Rules and Administration.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. LANGER and Mr. CHAVEZ members of the committee on the part of the Senate.

PETITION

Mr. WILEY presented the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Foreign Relations:

Assembly Joint Resolution 64

Joint resolution memorializing the President and Congress of the United States to take steps necessary to authorize immediate development of the Great Lakes-St. Lawrence waterway

Whereas the President has termed the proposed development of the Great Lakes-St. Lawrence waterway for travel by seagoing vessels more important to this Nation than any other comparable project; and

Whereas for 50 years outstanding Americans in official and civilian life, concerned with the economic welfare of the people of this country, have urged this undertaking as vital to the full development of the country's resources and inland transportation facilities; and for 20 years the Governors and Legislatures of the State of Wisconsin, regardless of political affiliation, have gone on record as favoring this great project; and

Whereas every effort in the past to make this seaway a reality has failed because of vigorous opposition from selfish and sectional interests; and

Whereas the urge for this seaway is today strong and virile and will continue so to be until the Great Lakes-St. Lawrence waterway is made adequate for navigation of seagoing vessels and furnishes Midwest farm, factory, mine, and shipyard products access to the markets of the world; and

Whereas a seaway from the Great Lakes to the tidewaters of the Atlantic will increase our national security in time of crisis, aid in the restoration of our foreign markets, stimulate development of the resources of the Midwest, will lower transportation costs, and will conserve our natural resources; and

Whereas if authorized and undertaken as an immediate postwar work program, this project will furnish a full measure of opportunity for employment to military veterans; and

Whereas legislation is now pending before both Houses of the National Congress to authorize construction of the St. Lawrence seaway project by agreement between the United States and Canada, Senators WILEY and MCCARTHY, of Wisconsin, being included among the distinguished sponsors of this legislation, reflecting Wisconsin's unalterable and continuing support of this great project: Now, therefore, be it

Resolved by the assembly (the senate concurring), That the Legislature of the State of Wisconsin memorializes the President and Congress of the United States to enact such legislation as may be necessary to authorize development of the Great Lakes-St. Lawrence waterway for navigation by seagoing vessels at the earliest practicable date; and be it further

Resolved, That properly attested copies of this resolution be sent to the President, to the clerks of both Houses of the Congress, and to each Wisconsin Member thereof.

PRICE CONTROL AND WAGE RECOMMENDATIONS

Mr. CAPPER. Mr. President, I received a telegram from R. D. McKay, a leading businessman of Wichita, Kans., who expresses his disapproval of the message delivered by President Truman at the opening of the special session of the Congress. I ask unanimous consent to have this telegram printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

WICHITA, KANS., *November 18, 1947.*

Senator ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.:

Wichitans I have talked to last 24 hours are unbelievably shocked at Truman's proposals and are bitterly against his price controls and wage recommendations. Sentiment here definitely against his program and open fear of our spending program is apparent in every discussion of our national executive branch of government. Congress cannot afford to appropriate money so lavishly for either foreign or domestic proposals. The grass roots are talking louder and louder.

R. D. MCKAY.

PROTEST AGAINST APPROPRIATIONS FOR EUROPE

Mr. CAPPER. Mr. President, I ask to have printed in the RECORD an interesting letter I have received from Mr. J. R. LaMont, a prominent businessman, of Lawrence, Kans., who protests against the reckless appropriation of money by our Government for the benefit of people in western Europe who do not need it.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LAWRENCE, KANS., *November 9, 1947.*

Hon. ARTHUR CAPPER,
Senator for Kansas,
Washington, D. C.

DEAR SENATOR: Here is one man's opinion on some of the legislation you will be called upon to judge during the special session and later at the regular one.

No European relief. You have heard all the arguments pro and con and I shall not try to influence your conclusions, but my

belief is that all the money we give and loan to Europe in the next few years will impoverish us by that amount, weaken us and strengthen our enemies. If there are needy, hungry people in Europe our churches and Red Cross, etc., can and should take care of them. It is not the business of Government. I resent being taxed for charity to anyone, least of all someone who is probably as well off as I am myself, and a potential enemy. If we are trying to bribe someone to be a democrat instead of a Communist, I also object to that plan. To be sure our beloved President was raised up on the idea of buying votes under the Pendergast regime and sees no evil in the system. We do expect our Kansas Senators and Congressmen, however, who have breathed the free air of this State to object to this kind of ballot-box influence.

I further object to any appropriation whatever to the Voice of America program of the State Department. Common sense tells anyone who will listen that foreign propaganda shoved at anyone creates more ill than good will. How many converts would Russia make here with a high-powered radio program to tell us our business.

We do want a reduction in Government boards and bureaus by about 90 percent and a corresponding reduction in taxes. We would like to have the Federal Government reduced in scope and power on every hand. No rationing. No Federal controls of business. If you can be a leader in getting us some of the things we need and prevent us a further expansion of the federal bureaus, your 30 years in the Senate will be of some use to the average American.

Yours truly,

J. R. LAMONT.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

(Mr. ELLENDER introduced Senate bill 1758, further amending Section 603 (a) of the National Housing Act, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

By Mr. MARTIN (by request):

S. 1759. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Finance.

By Mr. THYE (for himself and Mr. BUTLER):

S. 1760. A bill to provide free postage for gift packages of food and clothing mailed to certain foreign countries; to the Committee on Civil Service.

By Mr. GREEN:

S. 1761. A bill to reduce postage rates on parcels containing food and clothing sent abroad by mail for relief purposes; to the Committee on Civil Service.

S. 1762 A bill authorizing the naturalization of Antoine Gazda and Leopoldine Gazda; to the Committee on the Judiciary.

By Mr. MYERS:

S. 1763. A bill for the relief of Mrs. Liba Eichenstein; to the Committee on the Judiciary.

(Mr. KNOWLAND introduced Senate bill 1764, to enable certain adopted children of United States citizens to enter the United States as nonquota immigrants and to become naturalized, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. CORDON:

S. 1765. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Forest Lumber Co.;

S. 1766. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Algoma Lumber Co.; and

S. 1767. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Lamm Lumber Co.; to the Committee on the Judiciary.

(Mr. MORSE introduced Senate bill 1768, to amend the Social Security Act, as amended, so as to permit agricultural and domestic employees and employees of State and local governments to obtain coverage under title II of such act, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. HOLLAND:

S. 1769. A bill for the relief of Hedvig Abarick Pocaterra; to the Committee on the Judiciary.

(Mr. TOBEY (for himself, Mr. BUCK, Mr. CAPEHART, Mr. FLANDERS, Mr. CAIN, Mr. BRICKER, Mr. MCCARTHY, Mr. WAGNER, Mr. MAYBANK, Mr. TAYLOR, Mr. FULBRIGHT, Mr. ROBERTSON of Virginia, and Mr. SPARKMAN) introduced Senate bill 1770, to amend the National Housing Act, as amended, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

By Mr. ROBERTSON of Wyoming:

S. 1771. A bill authorizing the Secretary of the Interior to convey certain lands in Powell Townsite, Wyo., Shoshone reclamation project, Wyoming, to the James S. McDonald Post, No. 5054, Veterans of Foreign Wars, Powell, Wyo.; to the Committee on Public Lands.

By Mr. MCMAHON:

S. 1772. A bill to provide free postage for gift packages of food and clothing mailed to certain foreign countries; to the Committee on Civil Service.

S. 1773 (by request). A bill for the relief of Ali Umit Kutsay; to the Committee on the Judiciary.

(Mr. CONNALLY (for himself and Mr. VANDENBERG) introduced Senate bill 1774, to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis, which was referred to the Committee on Foreign Relations, and appears under a separate heading.)

By Mr. BUCK:

S. J. Res. 157. Joint resolution to provide for the regulation of consumer credit for a temporary period; to the Committee on Banking and Currency.

By Mr. MYERS:

S. J. Res. 158. Joint resolution to authorize the issuance of a special series of stamps commemorative of the eighty-fifth anniversary of Lincoln's Gettysburg Address; to the Committee on Civil Service.

By Mr. HOLLAND (for himself and Mr. PEPPER):

S. J. Res. 159. Joint resolution to provide emergency relief for victims of floods in Florida, and for the restoration and reconstruction of the devastated areas; to the Committee on Appropriations.

AMENDMENT OF NATIONAL HOUSING ACT

Mr. ELLENDER. Mr. President, I introduce for appropriate reference a bill to further amend the National Housing Act, and I ask unanimous consent that the bill, together with a short explanation in connection therewith, may be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill, together with the statement presented by the Senator from Louisiana, will be printed in the RECORD.

There being no objection, the bill (S. 1758) further amending section 603 (a) of the National Housing Act, introduced by Mr. ELLENDER, was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD as follows:

Be it enacted, etc., That section 603 (a) of the National Housing Act, as amended, is hereby amended by striking out "$4,000,000,000 except that with the approval of the President such aggregate amount may be increased to not to exceed $1,200,000,000" and inserting in lieu thereof "$5,200,000,000."

The statement presented by Mr ELLENDER was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ELLENDER

This bill would increase by $1,000,000,000 the authority of the Federal Housing Administration to insure home mortgages under title VI of the National Housing Act.

Just prior to the recess of the Congress last August, when it appeared that the then existing title VI mortgage-insurance authorizations would be used up before the end of the year, we increased that authorization by $400,000,000. We felt that this additional amount, along with the unused portion of the authorization, would be sufficient to continue this vital form of governmental assistance to the home-building industry until March 31, 1948, its present termination date.

However, the record volume of applications for Federal Housing Administration insurance has continued. The result has been that the present insurance authorization is almost exhausted and it was necessary for the Federal Housing Administration last week to discontinue receiving any more applications under title VI.

In order that the Government may continue this vital form of assistance to the home-building industry, this bill would make an additional insurance authorization of a billion dollars available to the Federal Housing Administration. With this increase in the insurance authorizations, the Federal Housing Administration would be in a position to continue without interruptions its operations under title VI of the National Housing Act until March 31, 1948, when, in the absence of further action by the Congress, the authority would expire.

ENTRANCE INTO THE UNITED STATES OF CERTAIN NONQUOTA IMMIGRANTS

Mr. KNOWLAND. Mr. President, during the recent trip that I made to Europe, there came to my notice a number of cases of people in the armed services, officers, enlisted men, and their wives, who themselves were childless couples, and who desired to adopt orphans, overseas. I found that the laws as they now exist present a barrier to those people, which prevents their bringing into this country orphans whom they desire to adopt. I introduce for appropriate reference a bill which would permit those who adopt children under 8 years of age to bring them in as nonquota immigrants.

The bill (S. 1764) to enable certain adopted children of United States citizens to enter the United States as nonquota immigrants and to become naturalized, introduced by Mr. KNOWLAND, was received, read twice by its title, and

referred to the Committee on the Judiciary.

AMENDMENT OF SOCIAL SECURITY ACT

Mr. MORSE. Mr. President, I introduce for appropriate reference a bill to amend the Social Security Act, and I ask unanimous consent that the bill, together with a brief press statement by me in connection therewith, be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred, and, without objection, the bill together with the statement of the Senator from Oregon will be printed in the RECORD.

There being no objection, the bill (S. 1768) to amend the Social Security Act, as amended, so as to permit agricultural and domestic employees and employees of State and local governments to obtain coverage under title II of such act, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) subparagraphs (1) and (2) of section 209 (b) of the Social Security Act, as amended, are amended to read as follows:

"(1) Agricultural labor (as defined in subsection (h) of this section), unless the individual performing such labor shall have given notice with respect thereto as provided in section 211;

"(2) Domestic service in a private home, local college club, or local chapter of a college fraternity or sorority, unless the individual performing such service shall have given notice with respect thereto as provided in section 211;".

(b) Subparagraph (7) of such section is amended by adding, after the semicolon at the end thereof, the following: "unless (A) such service is performed in the employ of a State, or any political subdivision or instrumentality thereof, which has granted its consent to the imposition of such tax, and (B) the individual performing such service shall have given notice with respect thereto as provided in section 212;".

SEC. 2. Title II of such act is amended by adding the following new sections:

"OPTIONAL COVERAGE OF EMPLOYEES PERFORMING AGRICULTURAL LABOR OR DOMESTIC SERVICE

"SEC. 211. Any individual who performs for the person employing him any service described in subparagraph (1) or subparagraph (2) of section 209 (b), and who desires to secure the benefits of this title, may give notice of such desire to such person and to the Administrator in such form and at such time or times as the Administrator shall prescribe.

"OPTIONAL COVERAGE OF STATE AND LOCAL PUBLIC EMPLOYEES

"SEC. 212. Any individual who performs service in the employ of a State which shall have consented to the imposition of the tax imposed by section 1410 of the Internal Revenue Code, or in the employ of any political subdivision or instrumentality of such State, and who desires to secure the benefits of this title, may give notice of such desire to the State, political subdivision, or instrumentality, and to the Administrator, in such form and at such time or times as the Administrator shall prescribe."

SEC. 3. (a) Subparagraphs (1) and (2) of section 1426 (b) of the Federal Insurance Contributions Act (section 1426 (b) of the Internal Revenue Code) are amended to read as follows:

"(1) Agricultural labor (as defined in subsection (h) of this section), unless the individual performing such labor shall have given notice with respect thereto as provided in section 211 of the Social Security Act, as amended.

"(2) Domestic service in a private home, local college club, or local chapter of a college fraternity or sorority, unless the individual performing such service shall have given notice with respect thereto as provided in section 211 of the Social Security Act, as amended."

(b) Subparagraph (7) of such section is amended by adding, after the semicolon at the end thereof, the following: "unless (A) such service is performed in the employ of a State, or any political subdivision or instrumentality thereof, which has granted its consent to the imposition of such tax, and (B) the individual performing such service shall have given notice with respect thereto as provided in section 212 of the Social Security Act."

SEC. 4. The amendments made by this act shall take effect on the first day of the first calendar quarter following the date of its enactment.

The statement presented by Mr. MORSE was ordered to be printed in the RECORD, as follows:

The bill which I am introducing today will bring under the Social Security Act domestic and agricultural workers and employees of States and municipalities. In my opinion the present social-security set-up is very unfair in that it violates what I consider to be a basic American principle of justice, namely that of equality of treatment under the law. I think it is unjust in the field of social legislation to have American taxpayers' dollars used for the social benefit of some of our people and at the same time have the same benefits denied the other groups of citizens whose needs are identical.

In my legislation I have sought to apply the principle of making it optional on the part of those groups to be covered under social-security law by giving them the right to elect to come within the program. I think the principle of election provided for in my legislation is a complete answer to those who are opposed to compulsory advantages of the social-security coverage. Such opponents of social security cannot very well deny, at least fairly deny, the right to the various groups included in this legislation to equal protection under the social-security law or to the opportunity to elect to come under the benefits of the law if they so desire.

Further I believe that the amendments which I am offering can be considered only as a stopgap intended to correct some of the most glaring inadequacies of the present law pending a complete overhauling and revision of the law to eliminate all of its discriminatory features.

The amounts of money involved in my legislation are on a comparable rate with other benefits under the social-security law as it is presently written. In my opinion when the major revision of the social-security system is undertaken by the Congress there should be a general upward adjustment of the rates, because if we are to have a social-security system that really gives protection to people at the time of old age or disability, it should provide for benefits and amounts sufficient to maintain the beneficiaries in health and decency.

AMENDMENT OF NATIONAL HOUSING ACT

Mr. TOBEY. Mr. President, I introduce for appropriate reference a bill to amend the National Housing Act, as amended. I call attention to the rather unique fact that this bill is signed and endorsed by every member of the Banking and Currency Committee, of both political parties, which to my mind suggests the scriptural comment. "Behold, how good and how pleasant it is for brethren to dwell together in unity!"

The bill (S. 1770) to amend the National Housing Act, as amended, introduced by Mr. TOBEY (for himself, Mr. BUCK, Mr. CAPEHART, Mr. FLANDERS, Mr. CAIN, Mr. BRICKER, Mr. MCCARTHY, Mr. WAGNER, Mr. MAYBANK, Mr. TAYLOR, Mr. FULBRIGHT, Mr. ROBERTSON of Virginia, and Mr. SPARKMAN) was received, read twice by its title, and referred to the Committee on Banking and Currency.

FREE POSTAGE FOR CERTAIN PARCELS MAILED TO FOREIGN COUNTRIES

Mr. BUTLER. Mr. President, early today the Senator from Minnesota [Mr. THYE] introduced for himself and me, jointly, Senate bill 1760, to provide free postage for gift packages of food and clothing mailed to certain foreign countries. I should like to make the request that the bill together with a short statement in connection therewith prepared by me may be printed in the body of the RECORD.

There being no objection, the bill and statement were ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That, subject to such rules and regulations as the Postmaster General may prescribe, a package containing food or clothing, intended as a gift for relief purposes and not for resale, may be sent by parcel post free of postage for delivery in a foreign country if—

(a) such package is addressed to (1) an individual, or (2) an organization (not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual) which is engaged in the relief of economic distress in such foreign country;

(b) such foreign country has received or is eligible to receive, during the fiscal year in which such package is mailed, funds appropriated by act of Congress for the relief of economic distress in, or for the rehabilitation of, such country.

SEC. 2. The Postmaster General shall, at the close of each quarter of each fiscal year, submit to the department, agency, or instrumentality of the Government of the United States charged with the duty of administering relief in foreign countries the cost to the Post Office Department of transmitting during such quarter packages of food and clothing under the first section of this act. The Post Office Department shall thereupon be reimbursed by such department, agency, or instrumentality for such cost out of any funds available to such department, agency, or instrumentality for the relief of economic distress in, or for rehabilitation of, foreign countries.

STATEMENT BY SENATOR HUGH BUTLER, OF NEBRASKA, UPON INTRODUCTION OF A BILL TO PROVIDE FREE POSTAGE FOR GIFT PACKAGES OF FOOD AND CLOTHING MAILED TO CERTAIN FOREIGN COUNTRIES

Mr. President, the bill introduced today by the Senator from Minnesota [Mr. THYE], in his own and my behalf, is intended to stimulate the flow of private charity from this country to foreign countries to which our Government has been extending relief.

The bill is very simple, and simply provides that any gift packages to be sent to such countries may be sent by parcel post, free of postage.

For several years now, we have been appropriating gigantic sums to relieve starvation and distress in many countries all around the world. Right now, we are faced with the question of appropriating additional large sums for this same purpose.

Although I have voted for some of these appropriations in the past, I must confess that I have done so with profound misgivings. My experience with relief on a governmental level is that it is usually wasteful and overexpensive, and that in many cases the relief supplies do not go to those in greatest need but may be diverted to political purposes. UNRRA is the most notorious case of that—with which we are all familiar.

For that reason, I have always preferred that charity be handled by private individuals or organizations wherever possible. I believe in charity where it is needed. Individual charity benefits the giver in a way that governmental charity does not.

For that reason, I hope that charity on an individual basis will be stimulated by this bill. Thousands of the good people of my State and other States, during recent years, have been active in securing supplies of old clothing, stocks of food, and the like, and sending them to relatives, acquaintances, or organizations in these foreign countries. In some cases, these good people cannot afford anything but the time and energy devoted to collecting and wrapping up the food and clothing they can secure from their neighbors, but there is always the item of postage to be paid by someone. For an individual who does a good deal of this work systematically, the postage can amount to a rather large expense. I believe that activities like this should be encouraged by relieving them of this expense. The value of the relief supplies shipped through these channels is, of course, many, many times the slight item of postage. As a matter of fact, the Post Office Department would not be put to any expense by this bill as drafted, since the bill provides that the Post Office shall be reimbursed out of the funds elsewhere appropriated for relief.

EUROPEAN AID PROGRAM

Mr. CONNALLY. Mr. President, on behalf of the Senator from Michigan [Mr. VANDENBERG] and myself, I reintroduce the interim-aid bill with the amendments, which the committee has adopted, incorporated in it, so that it can be a clean bill, without any necessity for considering amendments, unless amendments are offered from the floor.

The bill (S. 1774) to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis, introduced by Mr. CONNALLY (for himself and Mr. VANDENBERG), was received, read twice by its title, and referred to the Committee on Foreign Relations.

Mr. CONNALLY. Mr. President, as I understand, permission has already been granted to file the report on the emergency-relief bill.

The PRESIDENT pro tempore. Yes; permission has been granted.

Mr. CONNALLY. In the case of this particular measure would it be necessary to obtain such permission?

The PRESIDENT pro tempore. No, the Chair thinks the order is complete, and that the committee has the privilege of filing any bill and report during the adjournment that it wishes to.

Mr. CONNALLY. Very well. Otherwise, I would request unanimous consent for that purpose.

CERTAIN FUNERAL EXPENSES OF THE LATE SENATOR BILBO

Mr. EASTLAND submitted the following resolution (S. Res. 166), which was referred to the Committee on Rules and Administration:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the Committee appointed by the President pro tempore in arranging for and attending the funeral of Hon. Theodore G. Bilbo, late a Senator from the State of Mississippi, on vouchers to be approved by the Committee on Rules and Administration.

TEMPORARY EMPLOYMENT OF SENATE PAGES

Mr. BUSHFIELD submitted the following resolution (S. Res. 165), which was referred to the Committee on Rules and Administration, as follows:

Resolved, That the Sergeant at Arms hereby is authorized to employ 21 pages for duty in the Senate Chamber to be paid from the contingent fund of the Senate from November 13 to December 31, 1947, at the basic rate of $1,800 per annum.

AMENDMENT OF DEFICIENCY APPROPRIATION BILL

Mr. HOLLAND (for himself and Mr. PEPPER) submitted an amendment intended to be proposed by them, jointly, to the deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

At the proper place, insert the following:

"WAR DEPARTMENT

"Emergency flood-control work, $3,000,000, to be expended in accordance with the provisions of the act entitled 'An act to provide for emergency flood-control work made necessary by recent floods, and for other purposes,' approved June 23, 1947, and to remain available until expended."

THE VOICE OF AMERICA IN EUROPE—ADDRESS BY SENATOR SMITH

[Mr. SMITH asked and obtained leave to have printed in the RECORD a radio address entitled "The Voice of America in Europe," recently delivered by him, which appears in the Appendix.]

LEADERSHIP IN ASIA UNDER A NEW JAPAN—ADDRESS BY SENATOR THOMAS OF UTAH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an address entitled "The Leadership in Asia Under a New Japan," delivered by him at the University of Michigan, Ann Arbor, Mich., August 5, 1947, which appears in the Appendix.]

ISSUES BEFORE CONGRESS—ADDRESS BY SENATOR TAFT

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an address delivered by Senator TAFT before the Ohio Society of New York, November 10, 1947, which appears in the Appendix.]

FOREIGN AID AND DOMESTIC ECONOMY—ADDRESS BY SENATOR TAFT

[Mr. WHERRY asked and obtained leave to have printed in the RECORD a radio address on the foreign aid and anti-inflation program delivered by Senator TAFT, November 17, 1947, which appears in the Appendix.]

THE VALUE OF HUMOR—ADDRESS BY SENATOR WILEY

[Mr. COOPER asked and obtained leave to have printed in the RECORD an address delivered by Senator WILEY at a dinner of the Rock County, Wis., Republican organization referring to the book Laughing With Congress, written by him, which appears in the Appendix.]

RECLAMATION AS INSURANCE FOR FOOD SUPPLY—ADDRESS BY SENATOR BUTLER

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an address on reclamation delivered by him before the sixteenth annual convention of the National Reclamation Association in Phoenix, Ariz., October 30, 1947, which appears in the Appendix.]

ADDRESS BY SENATOR McCLELLAN BEFORE THE ARKANSAS WOOD PRODUCTS ASSOCIATION

[Mr. McCLELLAN asked and obtained leave to have printed in the RECORD an address delivered by him, on October 28, 1947, before the second annual convention of the Arkansas Wood Products Association, at Little Rock, Ark., which appears in the Appendix.]

THE IMPACT OF THE MARSHALL PLAN ADDRESS BY SENATOR O'MAHONEY

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD an address entitled "The Impact of the Marshall Plan," delivered by him before the Cosmos Club of Washington, D. C., on November 17, 1947, which appears in the Appendix.]

RELATIONS WITH RUSSIA—ADDRESS BY THE SECRETARY OF STATE

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an address dealing with the relations between the United States and Russia, delivered by the Secretary of State in Chicago, November 18, 1947, which appears in the Appendix.]

ADDRESS BY SECRETARY OF LABOR BEFORE CONVENTION OF AMERICAN FEDERATION OF LABOR

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an address delivered by Hon. Lewis B. Schwellenbach, Secretary of Labor, before the convention of the American Federation of Labor at San Francisco, Calif., October 6, 1947, which appears in the Appendix.]

DO HIGHER WAGES ACCOUNT FOR HIGH PRICES?—ARTICLE BY THE SECRETARY OF LABOR

[Mr. MYERS asked and obtained leave to have printed in the RECORD an article entitled "Do Higher Wages Account for High Prices?" written by Hon. Lewis B. Schwellenbach, Secretary of Labor, and published in the New York Times magazine of November 16, 1947, which appears in the Appendix.]

MEDICAL CARE AND NATIONAL HEALTH ADDRESS BY BERNARD M. BARUCH

[Mr. MYERS asked and obtained leave to have printed in the RECORD an address delivered by Bernard M. Baruch at a dinner sponsored by the Medical Society of the State of New York and other medical organizations, at New York City on November 19, 1947 which appears in the Appendix.]

FOREIGN AID—STATEMENT BY ROBERT M. HARRISS

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD

a statement by Mr. Robert M. Harriss on the subject of foreign aid, which appears in the Appendix.]

STATEHOOD FOR HAWAII—ADDRESS BY HON. JOSEPH R. FARRINGTON

[Mr. KNOWLAND asked and obtained leave to have printed in the RECORD an address entitled "Statehood for Hawaii," delivered by Hon. JOSEPH R. FARRINGTON, Delegate in Congress from Hawaii, in the opening program of the New York Herald Tribune Forum, on October 20, 1947, in New York City, which appears in the Appendix.]

FOREIGN AID—EDITORIAL COMMENT

[Mr. MYERS asked and obtained leave to have printed in the RECORD several editorials relating to the foreign-aid program, which appear in the Appendix.]

RACIAL RELATIONSHIPS—EDITORIAL COMMENT

[Mr. HOEY asked and obtained leave to have printed in the RECORD two editorials from the Raleigh News and Observer relating to the report of the Civil Rights Committee, which appear in the Appendix.]

TRAINING FOR DEMOCRACY—EDITORIAL FROM THE WASHINGTON POST

[Mr. MORSE asked and obtained leave to have printed in the RECORD an editorial entitled "Training for Democracy," from the Washington Post of November 15, 1947, which appears in the Appendix.]

AN APPEAL TO AMERICANS OF ITALIAN ORIGIN—LETTER FROM GEORGE J. SPATUZZA

[Mr. BROOKS asked and obtained leave to have printed in the RECORD an appeal to all Americans of Italian origin, signed by George J. Spatuzza, supreme venerable, Order Sons of Italy in America, which appears in the Appendix.]

INDUSTRIAL RESEARCH AT UNIVERSITY OF CHATTANOOGA—ARTICLE BY DR. RAYMOND B. SEYMOUR

[Mr. MCKELLAR asked and obtained leave to have printed in the RECORD an article entitled "Industrial Research at University of Chattanooga," written by Dr. Raymond B. Seymour, and published in the fall 1947 issue of Dixie Business, which appears in the Appendix.]

LEAVE OF ABSENCE

Mr. BALDWIN. I ask unanimous consent to be absent from the Senate on Monday

The PRESIDENT pro tempore. Without objection, consent is granted.

DEATH OF FORMER SENATOR LONERGAN, OF CONNECTICUT

Mr. BALDWIN. Mr. President, the people of the State of Connecticut were saddened to learn on October 18 of the passing of one of our most distinguished citizens, the late United States Senator Augustine Lonergan, who not only had served many years in the House of Representatives as well as in this body, but had enjoyed a notable career at the Connecticut bar. He was born in Thompson, Conn., in 1874, and through his own efforts achieved the education upon which he built his splendid record of public service. An eloquent speaker, a thoughtful and competent legislator, he earned a place in the hearts of thousands of the citizens of our State. I know that many of our colleagues here remember him with great affection and will wish to join me in expressions of sympathy to his widow and his four daughters.

As a mark of the esteem in which Senator Lonergan was held, the Hartford Courant on October 19 set forth a sketch of his life and a review of some of his splendid accomplishments while a Member of the Congress. I ask unanimous consent that the article to which I have referred be printed in the body of the RECORD to follow my remarks.

There being no objection, the article referred to was ordered to be printed in the RECORD, as follows:

SENATE SEAT WAS AMBITION OF LONERGAN—REACHED THAT GOAL IN 1932 AFTER THREE UNSUCCESSFUL EFFORTS

Augustine Lonergan, who died Saturday in Washington, was born in Thompson, May 20, 1874, the son of Michael and Mary (Quinn) Lonergan and subsequently moved to Bridgeport and to Rockville where he graduated from Rockville High School.

Following his graduation he worked in stores and factories but continued to study nights in preparation for Yale Law School.

He was admitted to practice at the Connecticut bar a year before his graduation from Yale in 1902. When he received his degree he entered the office of Charles E. Perkins of Hartford, where he had worked as a clerk during summer vacations.

He opened his own law office in Hartford 3 years later and subsequently became associated with the late Lewis S. Stanton, and with David A. Wilson, who later became postmaster of Hartford.

NAMED TO COMMISSION

At the time he made his first Congressional bid in 1910 he was appointed to the Hartford City Plan Commission. He also served that city as assistant corporation counsel under the late William Waldo Hyde.

He married Miss Lucy G. Waters, daughter of a prominent Washington physician, October 29, 1921.

A Catholic, Lonergan was elected president of the advisory board of the Diocesan Bureau of Social Service in 1927. He also served as Connecticut chairman of the Thomas Jefferson Memorial Foundation.

While at the peak of his political prominence he was an active member of numerous fraternal organizations, including the Knights of Columbus, Ancient Order of Hibernians, and The Foresters.

He was a member of the Connecticut and American Bar Associations, the Bar of the United States Supreme Court, University Club of Washington, and City Club of Hartford.

The greatest ambition of Augustine Lonergan was to be a United States Senator. He reached that goal in 1932, after three unsuccessful attempts, and became the first Connecticut Democrat in the Senate in more than half a century.

It was this goal that prompted him in 1910, only 8 years after his graduation from law school, to give his life over to one political campaign after another until his defeat and retirement from public life in 1939.

During that period he was a forceful and leading figure in the Connecticut political arena. His familiar shock of gray hair, florid complexion, round face, and short, stocky figure made him easily identified at political and State functions. He waged his campaigns with tireless energy, willing to skip from one end of the State to the other, never too fatigued to visit one more rally.

Quick with mind and tongue, he was in his element in the heat of a political battle and ever ready for debate on current issues.

Mr. Lonergan's first congressional bid in 1910, when he was nominated for the House, ended in defeat as a result of overwhelming Republican strength in the First District. He lost the election to E. Stevens Henry, of Vernon, who had held the post 14 years. In 1912 he came back strong, won the nomination and election and served from 1913 to 1915.

In the 1914 election his political fortunes went into reverse but he rallied to win in 1916, repeated in 1918, and held office as a Representative until 1921.

HELPED SERVICEMEN

As a Member of President Wilson's War Congress in 1917, Lonergan fostered much aid to the servicemen of World War I. He successfully sponsored legislation providing free postage for soldiers of the American Expeditionary Forces. His efforts to extend that measure to include servicemen in camps and stations in the United States were not successful.

While the Government was operating the railroads during the war days, Lonergan proposed to President Wilson a plan to establish a 1-cent-a-mile fare for soldiers on furlough.

He reported the President told him nothing could be done to force the issue. The plan was placed in effect shortly thereafter by the Railroad Administration, however.

He also had a hand in the official communications which went forward from the offices of the Secretaries of War and Navy suggesting that servicemen write home on Mother's Day. The communications were issued by the two service heads after conference with Lonergan.

Among his principal interests as a Member of Congress was the establishment of a probation system for the Federal courts. He was among those who opposed and voted against passage of the Volstead prohibition law.

He was instrumental in obtaining liberal provisions in the War Risk Act for the dependents of men called to service. He was also a prime mover in the plan to give preference to World War veterans on civil-service lists.

LOST IN 1920

Mr. Lonergan was the Democratic Party's choice for the Senate in 1920 but lost in the Republican landslide which carried President Harding into office. He displayed his ability as a vote getter in Hartford County, however, by running 25,000 votes ahead of his ticket.

A growing internal strife in the Connecticut Democratic Party kept Mr. Lonergan from achieving his senatorial goal for several years after that. A member of the so-called new guard faction, he was often at sword points with the old guard group headed by the late National Committeeman David E. Fitzgerald, of New Haven, and former Hartford Mayor Thomas J. Spellacy.

In 1922 the two factions split widely when Spellacy defeated Mr. Lonergan in a convention fight for the nomination for Senator, only to be defeated himself in the ensuing election. The old guard had backed Spellacy.

The next decade took Mr. Lonergan back to his law practice. His third unsuccessful bid for the Senate was made in 1928. In 1930 he returned to the campaigns and was elected for his fourth and last term to the House of Representatives.

The record for this term showed him in favor of the Hoover war-debt moratorium and disarmament. He served on the Interstate and Foreign Commerce Commissions.

Winning the backing of the old guard element at a Democratic State convention in 1932, Lonergan was nominated for the Senate and went on to defeat Senator Hiram Bingham despite the fact that President Hoover and other Republican candidates, excepting former Governor Trumbull, carried the State.

He was the first Connecticut Democrat to fill a Senate seat since 1875.

Realization of his ambition was also the beginning of his end as a power in the Connecticut Democratic Party. During his Senate term he maintained the independent position for which he had built a reputation. He opposed Roosevelt's Supreme Court "packing" proposal, and conducted a prolonged fight with the Democratic National Committee, in which he favored removal of many important Government posts from patronage.

In 1938 he was one of the Democrats reportedly scheduled for the Roosevelt "purge" until Attorney General Homer Cummings announced that Mr. Lonergan's first campaign speech for reelection had "removed all reasonable objection" to his choice.

He won a renomination decisively, but was defeated by Republican John A. Danaher.

He did not return to his native State after this defeat but elected to make his home in Washington, returning to the practice of law.

Mr. McMAHON. Mr. President, I join with my colleague [Mr. BALDWIN] in expressing very deep regret at the passing of a distinguished former Member of this body—Augustine Lonergan.

Former Senator Lonergan was known to thousands in Connecticut as "Gus" Lonergan. He was a friendly man, incapable of meanness or small thought. He served the State of Connecticut and the United States faithfully and well. His was a useful life. His integrity and his ability, his kindness and his character will be remembered with affection and respect by the people of the State of Connecticut without regard to party. I send to his beloved wife and children my deepest sympathy in their bereavement.

THE STATE OF THE NATIONAL DEFENSE

Mr. LODGE. Mr. President, I shall ask to have printed in the RECORD a report which I made to the chairman of the Foreign Relations Committee following a recent tour of military establishments, and I should like to be recognized for 3 minutes to make an introductory statement relative thereto.

The PRESIDENT pro tempore. Without objection, the Senator from Massachusetts will proceed.

Mr. LODGE. Mr. President, due to the failure of the voluntary recruiting system to attract a sufficient number of men, we are at present between 60 percent and 70 percent short of the minimum strength of 5 divisions which the Army requires in combat ground troops, not counting occupation forces.

There is no published plan to make up this difference. The only manpower plan which is proposed, in addition to the continuation of voluntary recruiting, is universal military training and this will, at least initially, have an adverse effect on the question of getting sufficient personnel for a standing army, because about 80,000 officers and enlisted men would be needed to put it into operation. There is also reason for believing that universal military training may discourage voluntary enlistments, although the expectation of its enthusiastic proponents is that many young men, after having been in the Army for a while, will like it so well that they will want to stay for 3 years more.

Unless we are prepared to return to selective service, which is indeed a last resort, this leaves two methods for bringing the combat Army up to strength.

The first is to increase the number of civilian employees in the Army so as to relieve the soldiers of as many noncombat duties as possible, thereby enabling them all to serve in combat units.

The second method is to recruit aliens for occupation duty. In connection with this proposal it should be said, first, that it will fill up the gaps which the present system of voluntary recruiting is unable to fill and, secondly, that it will relieve the very bad condition which is caused by the policy now being forced on us by circumstances of sending 18-year old boys to Germany. I am told reliably, Mr. President, that to many of these boys this is such a demoralizing experience that they will never get over it. Moreover, it is not possible to send the older men to replace the 18-year-olds because they have all served their time abroad and it would not be fair to them to send them back.

But there are many young men of Polish, Czech, anti-Nazi German, Russian, Byelorussian, and other stocks who would gladly serve. There is no doubt that such a corps could be constituted and that it would be an efficient force. It would provide excellent training for our Army officers. Such troops could certainly be used to garrison occupied areas such as Germany, Austria, Trieste, Korea, Japan and the Pacific Islands, and they might even be used in Panama, Hawaii and Alaska where the use of long-service professionals, as compared with short-term citizen soldiers, is indicated. They should, of course, only serve overseas, never in the United States, and their number should be limited—say 50,000 at the start, and in any case never more than 15 percent of our total Army. Their pay of course, should be very much less than that of the American soldier.

Arguments against such a plan are twofold: First, that perhaps the Russian Government might not like it; and, second, that it is a sign of decadence for a country not to do its own fighting.

Insofar as the first argument is concerned, it seems superfluous to say that our efforts to please the Russians have not been crowned with success and that the Soviets are sure to vilify us no matter what we do. Having already compared our President with Hitler, it is hard to see what there is left for them to say. Moreover, they have not criticized the French Foreign Legion and could not consistently criticize us for doing a similar thing.

Although it is not an exact parallel, it is interesting to note that Britain in her zone in Germany has eased her manpower problem by using Danish, Norwegian, and Belgian units.

Insofar as the second argument is concerned—that it is a sign of decadence for a country to use foreign troops—it should be noted that we are at present employing mercenaries to guard our supplies, and so forth, in Germany so that no new principle would be established. Moreover, the downfall of the Spanish Empire many years ago, to mention but one example, can be traced to the fact that all the men it sent overseas were Spaniards, and that many of them stayed overseas, never to return. Finally the men employed for such service would not be used for fighting, but for garrison duty—which are two very different things, indeed. In setting up such a force we would free our own men for combat units.

Transcending all these arguments, however, is the fact that there are millions of people the world over who look to the United States as the guardian of democracy. It is only right that the young and able-bodied men among these people should have the privilege of helping us carry the torch. For many reasons, they cannot put their own armies into the field. But their young men can help, and should be enabled to do so. We may well recall the help which Lafayette, Kosciusko, Steuben, and Pulaski rendered in the War of the Revolution and which their descendants gave in the Civil War. It may also be remembered that the United States Army has had successful experience in organizing units of foreign troops. Both the Indian scouts and the Philippine scouts were in this category.

It can in any case not be denied that the failure of the voluntary recruiting system leaves us with the alternative of either adopting conscription, hiring more civilians, or enlisting aliens for occupation duty. Conscription is a desperate last resort. The hiring of civilians will probably not greatly affect the total, and, in any event, would not cure the present evil of exposing our 18-year-old soldiers to demoralizing influence in occupation areas. This leaves the alien soldier as the best solution.

I present this idea for discussion and would like to hear what others have to say about it.

If we do nothing, we shall have an Army which is not prepared for war. Without a combat Army to seize and hold bases neither our Navy nor our Air Force can give us a balanced armed force which is immediately ready to fight. Earlier this year I offered an amendment to a bill providing for 70 air groups. No one is a stronger believer in that branch of the service than I am. But modern war is a balanced affair between the three branches of land, sea, and air. We must be ready now because we are told that in the war of the future there will be no time to prepare. As General Eisenhower has said, the issue may well be decided in the first 60 days.

Mr. President, I ask unanimous consent to have printed at this point in my remarks a report which I recently made to the chairman of the Foreign Relations Committee following a tour of active

Army duty which I took in October and the first part of November.

I hope that Members of the Senate will find time to read it, and I particularly desire to call their attention to the fact which is stated in the report that the United States is not obtaining a sufficient number of men by the present system of voluntary recruiting to meet the absolute rock-bottom minimum requirements for a combat Army.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS.

Hon. ARTHUR H. VANDENBERG,
Chairman, Committee on Foreign Relations, United States Senate, Washington, D. C.

DEAR MR. CHAIRMAN: When Congress adjourned last summer you asked me to make certain investigations on matters closely affecting our foreign policy. I have already reported to you confidentially on (1) the political findings which I made on my trip to Europe and (2) I have prepared a report and recommendation on the United States information program which I will submit to the subcommittee on that subject which you have set up under the chairmanship of the Senator from New Jersey [Mr. SMITH]. In concluding my reports on my recess investigations into matters affecting our foreign policy I now deal (3) with the most vital single factor underlying an effective foreign policy—the state of our national defense. Certainly our words would not be heeded abroad if our military defenses were weak.

It seemed to me that the best way for me to get intimate and dependable information on the state of our defense was to go on active duty in the reserve, of which I have been a member for more than 20 years. In this capacity one actually lives with those who are in our armed forces and thus learns their problems and their thoughts.

During my tour in October and early November I had the opportunity of visiting Army Ground Force Headquarters at Fort Monroe, the infantry school at Fort Benning, the armored cavalry school at Fort Knox, the ground general school at Fort Riley, the command and general staff school at Fort Leavenworth, the artillery school at Fort Sill, the armed forces staff college at Norfolk, Va., and several Navy and air activities which worked jointly with the Army in the Seminole exercises which featured an amphibious operation at Panama City, Fla., on November 3. This was the first joint exercise to be held since passage of the unification bill.

There appear to me to be three basic weaknesses in our national defense organization today insofar as its immediate readiness for war is concerned:

1. Our Air Force, which is the point of the spear, is below the 70 air groups considered to be the minimum.

2. There is no Nation-wide organization in being which is ready to deal with massive bombardment of our population centers and of our industrial and Military Establishments.

3. All three services are having manpower difficulties, the Army in particular being about 70,000 below strength. Voluntary recruiting is not producing the men and there appears to be no plan to provide the personnel necessary to give us even a small standing army. Universal military training will, of course, contribute nothing to a force which is immediately ready for war. In the light of General Eisenhower's statement to the Compton Commission that "the decision in a future conflict would be determined by our ability to act and react in the first 60 days," is a grave and profoundly disturbing condition.

Mention should also be made of the present system, which is forced on us by circumstances, of sending 18-year-old boys to military service in foreign countries. This is, in my view, most undesirable, and adds another argument in favor of the United States setting up a military force of foreign personnel, officered by Americans, to take over occupation duties, thereby releasing American soldiers for service in units which are immediately ready for war.

These serious weaknesses should, however, once and for all dispose of the preposterous charges by Messrs. Vishinsky and Molotov that the United States desires war. It is, of course, true that we cannot have peace without being strong, but it is also true that a nation desiring war does not neglect its defenses.

It is encouraging to report that at the schools, which are the repositories of military knowledge, the instruction appears to be efficient and progressive. There is much activity in the field of new developments, some of which are: The C–82 plane, which is a much larger personnel carrying plane for paratroopers; a technique for picking up gliders; and a device to lay telephone wire from the air. Progress is being made in infrared devices, which enable one to see at night. Projects range all the way from a new light tank which has an engine which will run in 4 feet of water to a project to "devoice" mules so that their bray will not reveal one's position to the enemy in mountain fighting.

I was favorably impressed by the fact that there are so many officers who are not fighting the last war and who are forward-looking.

I heard good reports about our colored soldiers. There were many companies in which colored and white soldiers were serving together successfully. There was a colored paratroop unit at Fort Benning with a fine record of performance.

I inspected the universal military training camp at Fort Knox and found it to be conspicuously well run.

Perhaps the greatest encouragement can be derived from activities such as the Armed Forces Staff College at Norfolk, Va., which consists of 150 picked officers, most of whom are in the grade of lieutenant colonel or commander, 50 each being taken from the three services. At this college they study joint operations. The presidency of the college rotates among the three services. At the present time the president is General Emmons of the Air Force. This school fills a great need in laying the foundation for effective joint command and staff.

The "Seminole" exercises at Panama City, Fla., involved the use of Army, Navy, and Air Forces, with the mission of putting ashore a combat command of an armored division consisting of about 2,400 men and 50 tanks, with attached artillery and supporting troops. All who were interested in the passage of the unification bill would be tremendously encouraged at the way this legislation has already begun to facilitate and promote cooperation between personnel of land, sea, and air. The "Seminole" exercises and the Armed Forces Staff College are the most encouraging recent developments I have seen in the defense of America because it was evidence of real teamwork between our services.

The progressive attitude and the spirit of team play which I saw are foundations for a military establishment on land, sea, and air which will indeed give meaning to our foreign policy.

With kind regards,

Very sincerely yours,

H. C. LODGE, Jr.

THE GENEVA TRADE AND TARIFF AGREEMENTS

Mr. ROBERTSON of Wyoming. Mr. President, on Monday evening the State Department released the general trade and tariff agreements signed at Geneva by 23 nations.

These agreements show that tariff reductions had been made up to 50 percent of present tariff rates on major imports into this country and affecting some 60 percent of the United States trade.

The State Department also endeavored to show that foreign countries were making concessions or bindings to maintain present duties that would affect about $1,500,000,000 of United States exports.

It was indicated that early in December a Presidential proclamation would be issued setting forth the items on which tariff cuts would be made, and that the revisions would become effective on January 1, 1948.

Among the most vicious cuts in tariff rates, so far as the United States is concerned, is the 25-percent reduction on imported raw wool—that is, from the present 34 cents to 25½ cents a pound scoured basis.

Woolens and worsteds are reduced 25 percent from the present tariff of 35 to 45 percent.

Tariff reduction on cattle, beef, and veal is 50 percent, and the import quota has been doubled.

According to the analysis in the New York Times of Tuesday, November 18, 1947, the United States tariff level on January 1, 1948, will be the lowest in 34 years.

Mr. President, I am particularly interested in calling the attention of the Senate to the slashing of the import tariff duties on raw wool and woolen goods.

Prior to Pearl Harbor there were approximately 51,000,000 sheep in the United States, and the annual wool clip from those sheep amounted to some 450,000,000 pounds. At that time the annual raw-wool consumption in the United States was between 600,000,000 and 650,000,000 pounds, necessitating an importation of some 200,000,000 pounds of foreign wool. Since Pearl Harbor there has been a yearly decrease in the number of sheep in this country and an increase in the wool consumption, so that today the number of sheep has been reduced from 51,000,000 head down to approximately 32,000,000 head, and the wool clip from those 32,000,000 is less than 300,000,000 pounds.

The picture showing the consumption of wool in the United States during the same period is remarkable in that our consumption of wool has increased from 650,000,000 pounds to around 1,000,000,000 pounds, and there is every justification to believe that this is more or less a permanent increase in the wool consumption. It does not need an expert mathematician or analyst to figure out that today the importation of foreign wool in this country has risen from 200,000,000 pounds to 700,000,000 pounds, and that 700,000,000 pounds has been coming

into this country and paying the existing tariff. While I am one of those who believe that the main objective of a tariff is protective and not revenue raising, I believe it well to note in passing that the tariff on imported wool has amounted to 30.3 percent of the total revenue received from all tariffs on all imported goods. From 1941 to 1946, inclusive, the amount of duty paid on imported wool was $714,400,000, or an average of more than $119,000,000 a year.

To students of the price of imported wool it is extremely interesting to note the week-by-week or month-by-month raising or lowering of the import price according to the price of domestic wool in this country. The 34-cent tariff today has nothing to do with the fluctuation in the price of wool. The objective of foreign nations is naturally to keep the price of their imported wool, whatever it may be, as high as possible—just a few cents below the price of our domestic wool.

As a result of a bill which I introduced in the first session of the present Congress, the wool grower in this country, through 1948, is assured a price which will take care of his operating costs, but it would be sheer stupidity to think for a moment that the price of imported wool in this country in 1948 will be in any way reduced, even with a tariff reduction from 34 cents to 25½ cents. The price of imported wool through 1948 will remain a few cents below the price of our domestic wool. The foreign nations intend to get every cent they can out of us, and it seems to me that in this case they are receiving ample support from our State Department.

The American woolen manufacturers will have to compete with woolen manufacturers abroad on all woolens and worsteds on which the tariff in this country has been reduced 25 percent. In addition, they must fight a flood of propaganda in this country that the foreign-made article is superior to that made in the United States. Nothing is further from the truth. Mr. President, I say to Senators—and I believe I know what I am talking about—that there are no finer woolen goods produced in the world than are produced in the United States.

In the last war our soldiers were the finest equipped on either side of the fight. The woolen cloth and materials produced in the United States for their uniforms were without equal in the world.

This tariff agreement is a damaging blow to the great wool-producing industry.

We were given to understand, during the negotiations at Geneva, that the question of the tariff on wool imported into the United States was the crux of the whole agreement. Without the United States giving in to the United Kingdom on the question of wool tariff, the whole Geneva Conference would have collapsed.

It is well to remember that the United Kingdom purchases the entire wool clip of its colonies—Australia, New Zealand, and South Africa—and then uses that immense power to force a reduction in the United States tariff rates in order to trade in certain other commodities.

As I examine the excerpts from the State Department's agreements with 23 other nations, on page 14 of the New York Times of Tuesday, November 18, I look among the items listed as concessions to the United States, and I look in vain for anything equivalent or even comparable to this slashing blow to one of our essential industries for the production of a critical war material.

Under the heading "Grain and cereal products," I find that France reduced the duty on wheat by 66 percent. At the present time our administration is collecting all the grain it can to give to France. South Africa bound the duty on cereal products, except oatmeal.

On dried fruit I see that France reduced the duty on raisins and prunes, and on canned fruit I see that the United Kingdom granted a 20-percent reduction in duty and preference on canned apricots, peaches, and pears. Moderate rates on canned apples, loganberries, and pineapple were bound. This is an interesting item. We are to be allowed to send fruit salad of a certain type on a duty-free basis to the United Kingdom.

Under "Vegetables and preparations," I find that Australia, from which comes the greater portion of wool, has granted us a reduction in tariff on canned asparagus. It almost makes one feel that our wool industry is being eliminated for the sake of a few cases of canned asparagus going to Australia.

Under "Dairy products," the United Kingdom, Canada, China, India, Burma, Brazil, Newfoundland, and Ceylon are all prepared to reduce their tariff on sweetened and unsweetened condensed milk and other preserved milks.

Under "Meats," I find that Australia eliminated the 10-percent preference on sausage casings and placed them on the free list.

Under "Tobacco and tobacco products," Australia granted a duty reduction on stemmed and unstemmed cigar leaf.

Under "Automobiles and parts," Australia granted concessions on 20 items in the automotive schedule, involving for the most part a moderate to substantial reduction on automobiles assembled and unassembled and parts.

Under "medicinals and toilet preparations," I note that Australia, the big wool producer, granted a substantial reduction on medicinal paraffin oil and turpentine, and under "Miscellaneous products," I see that Australia eliminated the duty on cameras.

In the excerpts less than three columns were taken up listing concessions to the United States and about 6½ columns listing the concessions by the United States to foreign countries.

The extra cost of producing many of these articles in the United States arises from the fact that we pay our labor a much higher rate of wages. It is through these high rates of wages that we have obtained a standard of living far and away above that of any other nation in the world. If we want to protect those wages and protect the American standard of living we must protect the industries that produce those things.

The wool grower in this country, the woolen manufacturer in this country, and all the labor they pay wages to supply just as many men and women to our armed forces—and buy just as many bonds as does any other group in the United States.

The wages in the wool-growing industry have increased probably to a greater degree than in any other major industry in this Nation. Before Pearl Harbor the sheep herder who tends the flocks received $50 a month and his board and living quarters. Today that man receives $150 a month plus his board and living quarters.

Prior to Pearl Harbor the ranch hand who helps to grow the hay and feed necessary for the wintering of the sheep of this Nation was paid $40 a month plus his board and living quarters. Today that same man is paid $125 a month plus his board and living quarters. The wool growers who employ these men are not complaining at paying these wages. They are glad to do it; but to continue to do so they must be assured a reasonable return for the products they produce. They do not want a rate varying from year to year with all the uncertainty that that entails, but they want to be able to operate on a sound, assured business basis.

The tariff and quotas on cattle and meat coming into this country, while not *as serious as the reduction of the wool* tariffs, are still of importance to show *the trend of thinking which promoted* and agreed to this extraordinary sched*ule of tariff agreements. The tariff on* fresh and frozen beef and veal was re*duced from 6 to 3 cents, but the import* quotas on cattle were almost doubled.

So far as concerns the number of cattle in this country before the war and today, it is entirely the reverse of the sheep numbers, in that before Pearl Harbor there were approximately 65,000,000 head of cattle in the United States and today the estimate is 80,000,000 head. There are ample cattle in the country for the requirements. The only possible answer is that this is a bald attempt to reduce the price of cattle on the market.

Look at the world today! We are pouring out billions of dollars to help suffering nations maintain even the very limited standard of living which they have. We want to be able to do this. We are proud that we can do it. The United States has always been ready and willing to lend a hand to relieve suffering humanity, but we are in no sense helping them if in doing so we are dragging ourselves down; and that, I firmly believe, will be the result of the tariff reductions, of which I have spoken.

The hope of the world today is a strong and powerful United States. Appeasement by tariff reduction, permitting the flow of cheap foreign labor material, and goods into this country can have only one effect—that of reducing wages in this country and lowering the standard of living.

Mr. BUTLER. Mr. President, I think I can keep well within the limit of 5 minutes in presenting a short statement which I wish to make in connection with the subject covered by the Senator from Wyoming [Mr. ROBERTSON.]

Although I realize we have been called into special session to deal with an emergency situation, I want to place on record my protest against the general agreement on tariffs and trade announced day before yesterday. In that agreement, the State Department has attempted to reverse our long-standing policy of granting adequate encouragement and protection to domestic industry and agriculture, and American standards of wages and prices, and has put through a general revision of our tariff structure. Statements issued by the State Department indicate that the new level of tariffs will be the lowest since the Underwood Act of 1913—35 years ago. In fact, the Christian Science Monitor refers to them as possibly the lowest since 1821—125 years ago.

To read off the lists of products affected by these tariff cuts is to read the roster of American agriculture and industry. It includes live cattle, potatoes, butter, cheese and other dairy products, fish, egg products, leather, shoes, gloves, other leather articles, fur products, wheat and wheat flour, tomatoes, whisky and other liquors, sugar, tobacco and cigars, rubber, wool, woolen goods and rugs, cotton yarn and cotton cloth, lace of all kinds, rayon yarn and rayon fabrics, rayon staple fiber, cotton and linen table damask and various other finished textile products, lumber, furniture, various types of paper and paperboard, various petroleum products, pottery and chinaware of various sorts, sheet and plate glass, portland cement, zinc, bauxite and aluminum, copper, manganese and tungsten, all sort of iron and steel products from pig iron through to the finished products, electrical and metalworking and textile machinery, bicycles, a variety of chemicals, and hundreds of other items I have not mentioned.

The authority under which this action was taken is the Reciprocal Trade Agreements Act, which grants the President the right to make adjustments in our rates in particular cases where those rates are considered to be unduly restrictive of international commerce. I think it is fair to say that it was not contemplated when this act was passed that it would be used as the vehicle for a general revision of our entire tariff system.

In the case of some commodities, such as wool, the increased competitive impact will be immediate and severe. Other industries may not feel the effects of the agreement quite so promptly. Temporarily, at least, foreign countries do not have the goods to ship us to take advantage of many of these low rates. Nevertheless, the rates will stay in effect at least 3 years and perhaps longer, extending into a period when we shall face renewed competition from abroad. In other words, the State Department has tried to commit us permanently to a reversal of our long-standing policies by putting this agreement through during a temporary period of world shortages. We may not realize fully what has happened to us for some little time.

The joker, of course, is that we gain from foreign countries no corresponding advantages to speak of. Almost all foreign countries at present regulate their imports primarily by means other than tariffs. If they desire to protect their industries, they use exchange controls and other exchange restrictions, bilateral agreements, quotas, governmental monopolies, and other such measures. Generally speaking, they are permitted to continue to use measures of that type.

Nothing really concrete has yet been done to wipe out the multitude of exchange restrictions and controls of that sort. This was graphically illustrated by the Canadian action announced the very same day as the announcement of this agreement, that Canada had prohibited imports of a long list of American products, including many of those on which we were supposed to have secured concessions from Canada. There is no particular reason to think that such restrictions will be wiped out within the 3-year period of the agreement, if ever. The concessions made by the United States, on the other hand, go into effect on the first of next January.

I do not intend to discuss this matter at great length at the present time. I am convinced that the policy now being followed by the State Department will be disastrous to our American system of free enterprise and high wages. Fortunately the State Department does not have blanket authority to do everything it would like to do. Before our entire system of tariff protection is destroyed completely the Congress will have an opportunity to reverse its past mistakes. Present authority to negotiate these treaties under the Trade Agreements Act will expire next year. I believe the Congress will scrutinize very, very carefully any request for an extension of this authority with this sample of the State Department's work before them.

ORDER FOR ADJOURNMENT TO MONDAY

Mr. WHITE. Mr. President, I desire to ask whether morning business is concluded.

The PRESIDENT pro tempore. The Senate is not proceeding under the order of morning business. The Senate is just proceeding.

Mr. WHITE. I ask unanimous consent that when the Senate adjourns today, it stand in adjournment until 12 o'clock noon on Monday next.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. LUCAS. If we are not proceeding under the morning hour rule, let me inquire under what rule of the Senate we are proceeding.

The PRESIDENT pro tempore. The Senate is simply proceeding by unanimous consent.

DEATH OF REPRESENTATIVE CHARLES L. GIFFORD, OF MASSACHUSETTS

The PRESIDENT pro tempore. The Chair lays before the Senate a resolution from the House of Representatives, which will be read.

The resolution (H. Res. 355) was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S., *November 17, 1947*

Resolved, That the House has heard with profound sorrow of the death of Hon. CHARLES L. GIFFORD, a Representative from the State of Massachusetts.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect the House do now adjourn.

Mr. LODGE. Mr. President, I send to the desk a resolution which I ask to have read, and for which I ask present consideration. I should like to add my personal tribute to the memory of the late Representative GIFFORD. I had known him for a great many years. I always enjoyed my contacts with him. He had a delightful sense of humor, a great capacity for work and for analysis, together with complete courage in confronting his public duty, and a profound sense of devotion to his country. He was a typical citizen of Cape Cod. He was a fine son of Massachusetts, a distinguished American. I hope his family will derive the comfort and the strength to which they are entitled from the thought of the quality and the caliber of his public service.

The PRESIDENT pro tempore. The resolution submitted by the Senator from Massachusetts will be read.

The resolution (S. Res. 168) was read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. CHARLES L. GIFFORD, late a Representative from the State of Massachusetts.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

DEATH OF REPRESENTATIVE RAYMOND S. SPRINGER, OF INDIANA

The PRESIDENT pro tempore. The Chair lays before the Senate a resolution from the House of Representatives, which will be read.

The resolution (H. Res. 356) was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S., *November 17, 1947.*

Resolved, That the House has heard with profound sorrow of the death of Hon. RAYMOND S. SPRINGER, a Representative from the State of Indiana.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect the House do now adjourn.

Mr. JENNER. Mr. President, I send to the desk a resolution which I ask to have read, and for which I ask immediate consideration.

The PRESIDENT pro tempore. The resolution will be read.

The resolution (S. Res. 169) was read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the

death of Hon. RAYMOND S. SPRINGER, late a Representative from the State of Indiana.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Mr. WHITE. Mr. President, as a further mark of respect to the memory of the deceased Representatives, I move that the Senate do now adjourn.

The motion was unanimously agreed to; and (at 12 o'clock and 54 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Monday, November 24, 1947, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

THURSDAY, NOVEMBER 20, 1947

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou whose mercy flows in unresting silence, we pray Thee to direct us ere we undertake the duties of another day. Help our spirits to seek Thy guidance; keep us true because of those who love us; true because of those who trust us; and true because of those who care. Undaunted in the presence of these troubled times, let not Thy servants fail Thee; help us to be brave where courage is needed and strong when sacrifice is demanded. O lead us on into the adventure of compelling faith, that in Thee we may find the secret of peace and spiritual progress.

We pray in our Master's holy name. Amen.

The Journal of the proceedings of Tuesday, November 18, 1947, was read and approved.

ADJOURNMENT OVER

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

SPECIAL ORDERS VACATED

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that the special order I had for today be vacated.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent that the special order I had for today be vacated.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

THE MARSHALL PLAN

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, the Marshall plan is but a new name for lend-lease.

Communist Russia converted lend-lease into a two-edged sword. She used one edge to defend herself—and herself alone—against the German war machine The other she used to mangle liberty and freedom of contract in other parts of the world, particularly in the United States.

Here, with the cooperation and encouragement of New Dealism, which is itself collectivistic, she was amazingly successful in utilizing the lend-lease program to honeycomb and infiltrate the economy and what we call government with the toxin of communism. Except for the favorable climate provided by New Dealism, Stalin's plants which lend-lease made possible could not have taken root in this country.

In the interest of fairness and understanding, it must be said that neither the starting nor developing of New Dealism is solely attributable to any particular political party.

EXTENSION OF REMARKS

Mr. COLE of New York asked and was granted permission to extend his remarks in the RECORD and include an address by Mr. Lilienthal.

Mr. BOGGS of Delaware asked and was granted permission to extend his remarks in the RECORD and include a radio broadcast.

Mr. MEYER asked and was granted permission to extend his remarks in the Appendix and include a report of a grassroots tour of his district which he recently made.

SPECIAL ORDER GRANTED

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent that after the other special orders today I may address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

EUROPEAN RELIEF

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. STEVENSON. Mr. Speaker, the Foreign Relations Committee of the other body has unanimously voted out the so-called stopgap aid bill for Europe to the tune of approximately $600,000,000 with the window-dressing preamble that it is for the immediate shipment of food, fuel, and "other commodities" to Italy, France, and Austria.

Yes; "other commodities"—there is the rub. The bill provides that oil shall be shipped over there, and as much oil as possible must be purchased outside the United States. I wonder just how much oil the hungry people of Europe will be able to digest. It is about time that the people on the inside of foreign relations should explain to Congress whether they really mean to feed the hungry or whether the "other commodities" mentioned in the bill will comprise the major portion of the $600,000,000 in the form of heavy machinery, automobiles, locomotives, and steel in addition to oil.

There are a lot of hungry people in this country who need help. There are postal workers in Wisconsin whose wives have to take jobs as clerks to keep the wolf away from the door. Postal workers themselves have to seek outside employment, such as driving taxicabs, working in restaurants, setting up pins in bowling alleys. School teachers who educate our children are paid an average of less than $40 a week. Men and women workers who are retired and are enjoying the fruits of social security are receiving an average of only $4.60 per week. And the way we take care of our blind is nothing to be proud of.

Thousands of our elder citizens are looking through the portals of the poorhouse because they are paid less than an average of $35 a month old-age assistance from the great Government of this country that now proposes to dish out billions of dollars for foreign relief. My colleagues, I appeal to you: When are you going to wake up to the fact that there are millions of Americans who also deserve the fruits of American largess, who are hungry, and who will be cold this winter?

The SPEAKER. The time of the gentleman from Wisconsin has expired.

DISMISSALS FROM WAR DEPARTMENT ON ACCOUNT OF DISLOYAL CONNECTIONS

Mr. REES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES. Mr. Speaker, my attention has just been directed to a statement issued by Kenneth D. Johnson, special assistant to Secretary of the Army Royall, wherein he states that since 1942 there have been 55 dismissals of employees because of disloyal connections. He says that 9 of these were dismissed since the adjournment of Congress last summer.

This is a far different story from the one given our committee last summer when we requested that all agencies of government furnish information as to the number of Federal employees who were removed from Federal service because of loyalty reasons. On July 15 our committee was furnished with information by the War Department through the Civil Service Commission, wherein the War Department advised that 190 persons were removed from employment for loyalty reasons in one of four areas. The report further states that, based upon figures submitted by the War Department, there was a total of 793 persons removed from the Federal pay rolls during a 9-month period between July 1, 1946, and March 31, 1947.

This is another case where the right hand does not seem to know what the left hand is doing within one of the most important agencies in our Government.

It is a further reason why the loyalty bill that has passed the House and now pending before the other body should be passed. It is disappointing to say the least that there should be such a discrepancy in the information furnished by an important agency in our Government. The least we can do is to ask the War Department for an explanation.

The SPEAKER. The time of the gentleman from Kansas has expired.

EXTENSION OF REMARKS

Mr. GOODWIN asked and was granted permission to extend his remarks in the RECORD and include an editorial.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I have asked for this time after consultation with the Speaker and the minority leader to announce the plans for next week.

We will meet on Monday and Tuesday. Citations from the Committee on Un-American Activities, I understand, being privileged, are to be called up on Monday.

On Tuesday we hope to determine what may be ready for floor action, if anything, for the balance of the week. If there is nothing ready for floor action next week—and I might suggest, without making any definite commitment about it, that at the moment it seems fairly probable there will not be—it would be our purpose to adjourn from Tuesday until Friday, with the understanding there would be nothing of any controversial nature on Friday.

Of course the program for the latter part of the week, as I have stated, is dependent upon the progress made in the committees, and as to that I will be prepared to make an announcement on Tuesday next.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield.

Mr. HOFFMAN. I understood that there was to come up a resolution introduced by the gentleman from Ohio [Mr. BROWN]. Will that be taken up in the first part of the week?

Mr. HALLECK. I am not familiar with that resolution.

Mr. HOFFMAN. It has to do with the amendment of the act which created the Commission.

Mr. HALLECK. That has not been called to my attention. I know nothing about it.

The SPEAKER. The time of the gentleman from Indiana has expired.

EXTENSION OF REMARKS

Mr. JENNINGS asked and was given permission to extend his remarks in the Appendix of the RECORD.

SPECIAL ORDER GRANTED

Mr. BUFFETT. Mr. Speaker, I ask unanimous consent that on Friday of next week I may address the House for 30 minutes following the business for the day and any other special orders heretofore entered for that day.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

THE LATE HON. CARROLL LINWOOD BEEDY

Mr. HALE. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. HALE. Mr. Speaker, it is my sad duty to speak to the House at this time of the death on August 30 last of the Honorable Carroll Linwood Beedy, of Maine, who represented from the Sixty-seventh through the Seventy-third Congress—1921–34—the First Maine District, which I now have the honor to represent.

Carroll Beedy was born in Phillips, Maine, August 3, 1880, son of Clarence Edgar and Myra Mildred (Page) Beedy. He was graduated from Lewiston High School in 1899, from Bates College in 1903, and from Yale Law School in 1906. He practiced law in Portland from the time of his graduation from law school until his election to Congress, serving for 4 years as county attorney.

Beedy won his seat in the House in 1920 over four opponents, all of whom had had more political experience than he. He won because he made the most industrious and painstaking campaign. Industry distinguished him in his whole political and professional career. He was also known far and wide as a brilliant speaker. While in Congress his services as a speaker were sought all over the country.

Beedy served on the House Committees on Insular Affairs, Banking and Currency, and Expenditures in the Executive Departments. He was also chairman of one of the election committees.

In the Seventy-second Congress, when the House had fallen into the control of the Democrats, Beedy was frequently a leading spokesman for the Hoover administration. Some of his speeches at this time drew Nation-wide attention. He was fervent in his loyalty to his party, but he was not always fervent in support of the Tilson leadership.

Beedy was an ardent "dry." Nobody could doubt the sincerity of his conviction. He was a teetotaler who honestly believed that constitutional prohibition was the true solution of the liquor problem. He incurred considerable political unpopularity on this account and also by voting for the soldiers' bonus legislation. He survived this unpopularity but finally succumbed to the Democratic landslide in the New Deal election of 1934.

After his retirement from the House he entered the practice of law in Washington, but he always hoped that he could return to spend the closing years of his life in his native State. He won distinction at the District of Columbia bar, where he had a remunerative practice, appeared in many important cases, and won high esteem. In the course of his practice he served as counsel for a period in 1944 to a subcommittee of the Senate Committee on Agriculture. Two years later he served 6 months with the Veterans' Administration. It was as a lawyer rather than as a legislator that he would prefer to be remembered, but his quality was the same wherever it was exercised.

Two years or so before his death he was attacked by the malignant disease which finally overcame him. I saw him somewhat frequently in these years when he was constantly undergoing surgical operations which must have been profoundly discouraging to him, besides causing him great physical pain and distress. I have never seen anything more remarkable than Beedy's courage and determination. As one friend of his said about him in these last days, "Death was in his face, but he still talked gaily about getting well."

Mr. Beedy represented the First Maine District longer than it had been represented by any single man since the days of Speaker Thomas B. Reed. He will certainly have a very high place in the long roster of the Members of this House from Maine. Although he did not spend his last days in Maine, his death deprived the State of one of its most gifted citizens and ablest public servants. I cannot forbear to express my personal sorrow at this parting with a warm friend and a very gallant personality.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. HALE. I am glad to yield to the distinguished gentleman from Mississippi.

Mr. RANKIN. Members on this side of the House who served with Mr. Beedy certainly join the gentleman from Maine in these expressions of regrets at his untimely passing away.

Carroll Beedy and I came to the House at the same time. We served through the stormy years that followed; and I want to say that in my opinion I have never seen a more honest, a more courageous, or a more patriotic American than Carroll Beedy, of Maine.

Mr. HALE. I thank the gentleman from Mississippi.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. HALE. I yield to the gentleman from Georgia.

Mr. COX. I beg the privilege of being permitted to join with my friend in expressing sorrow over the passing of this distinguished American.

Mr. Speaker, when I came to Congress, Carroll Beedy was very kind to me. Our offices were located near each other and I developed a fond affection for him throughout the years. He was a finished scholar; he was a distinguished and effective legislator; he was a fine man. He was an ornament to this House in which he served so ably, and I am sorry to learn of his untimely passing.

Mr. HALE. I appreciate the contribution the distinguished gentleman from Georgia has made.

EXTENSION OF REMARKS

Mr. McDOWELL asked and was given permission to extend his remarks in the

RECORD and include a letter from a distinguished American minister.

Mr. KILBURN asked and was given permission to extend his remarks in the RECORD and include an article by Walter Lippmann appearing in today's Washington Post.

Mr. GEARHART asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances—in each to include extraneous matter.

Mr. RIZLEY asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter from a constituent.

Mr. TIBBOTT asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address by Mr. Arthur J. Morris, of New York City.

Mr. McMILLEN of Illinois asked and was given permission to extend his remarks in the RECORD and include a statement by the Honorable RALPH A. GAMBLE, of New York, chairman, Joint Committee on Housing, in reference to the proposal made this week by the State Department that 30,000 additional tons of pig iron be shipped to Italy.

Mr. CHURCH asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address by Sterling Morton before the Association of Republican Men and Women of New Trier, Inc., Winnetka, Ill.

Mr. MURRAY of Wisconsin asked and was given permission to extend his remarks in the RECORD.

SPECIAL ORDER GRANTED

Mr. BAKEWELL. Mr. Speaker, I ask unanimous consent that on Friday, November 28, after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

RESIGNATION OF CHARLES LUCKMAN

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Speaker, there is good news tonight. It is not wholly about the white-collar worker. It will help him to get something to eat, however.

The radio last night said that Mr. Luckman is going to resign. I say that is good news tonight and it is good news forever.

THE LATE HENDERSON M. JACOWAY

Mr. HAYS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise my remarks and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HAYS. Mr. Speaker, I seek recognition at this time to announce the death during the recess of a former Member of this body, the much-beloved Henderson M. Jacoway, who served in the House from 1911 to 1923. There is not time today to pay a deserved tribute, but I can describe him as one of the kindest men I have ever known and one of the best men. In addition he was an able, popular, and effective public servant

I feel some emotion in referring to him because of our close personal relationship. When I was an employe of the Treasury Department in my student days he was my great benefactor, not only mine but of many other young men who came to Washington to secure an education while working in the departments.

Mr. Jacoway's family life was ideal. He married Miss Margaret Cooper, the daughter of one of his colleagues, the distinguished gentleman from Texas, Samuel Bronson Cooper, of Beaumont. She and a daughter, Miss Margaret Jacoway, and a son, Cooper Jacoway, former city attorney of the city of Little Rock, survive him.

Some of the older Members of the House will remember him and his father-in-law, who represented the district now served by the gentleman from Texas [Mr. COMBS].

I yield to the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Speaker, I served all of the terms in Congress with Henderson M. Jacoway except one that he served here. I knew him well. As the gentleman from Arkansas has just said, he married a Texas girl, the daughter of a distinguished former Congressman, Bronson Cooper. I knew him well and all the members of his family, not only his wife but his children. I have this to say about Henderson Jacoway. He was a patriot; he was an earnest, honest lawmaker; he was a fine father; he was a fine husband; he was a real American.

Mr. HAYS. Mr. Speaker, I appreciate very much the comments made by the gentleman from Texas, as I am sure will the family and the great multitude of friends of "Hence" Jacoway.

As evidence of the high esteem in which he was held by the people of Arkansas, I include the following editorial from the Arkansas Gazette:

HENDERSON M. JACOWAY

Henderson Madison Jacoway possessed sincerity, good will and human qualities that contributed to his success in public life and played their part in establishing his place among his fellow men. His family had its roots in Arkansas and he spent his life in his native State. Arkansas' welfare was always his chief concern. No other representative of this State in the House at Washington was ever more zealous and painstaking in doing his best for the interests of his district and his State, and none was more ready in serving as a link between the individual and the Government. He devoted his committee labors largely to the Agriculture Committee because he saw agriculture as a legislative subject of peculiar importance for Arkansas.

There are many people throughout his former congressional district and the State at large who will feel a deep sense of personal loss in the passing of one whom they valued as friend and as citizen.

SPECIAL ORDERS GRANTED

Mr. KENNEDY. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that on Tuesday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

EXTENSION OF REMARKS

Mr. DEVITT asked and was given permission to extend his remarks in the RECORD in reference to his former colleague, Mr. Springer, of Indiana.

Mr. KARSTEN of Missouri asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the St. Louis Globe-Democrat, Wednesday, November 19.

Mrs. LUSK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a resolution adopted by the New Mexico Bankers Association. I feel that this recommendation will offer material assistance to the GI loan program.

The SPEAKER. Is there objection to the request of the gentlewoman from New Mexico?

There was no objection.

TRADING WITH RUSSIA

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BRYSON. Mr. Speaker, along with a group of Representatives I went to see the then Secretary of State Hull long before Pearl Harbor, regarding the sale of scrap iron and other war materials to Japan. We protested said sales to the Secretary and I fear that little or nothing was done before Pearl Harbor. It is awful to think that some of the very metals we shipped to Japan were later returned to us as shrapnel in the bodies of our honored dead.

In like manner, I have now protested the sale of materials to Russia until there is a better and safer understanding between that country and ours.

It does seem inconsistent that we should continue to provide funds to feed and clothe the war-torn countries of Europe with the hope of staying the hand of communism; while at the same time we trade with Russia, the mother of communism.

It is gratifying to note the firmer stand now taken by our Secretary of State, General Marshall, against Russia. Should we refrain from trading with Russia we would have more goods for

our own needy and for our friends around this troubled world. Russia is becoming strong, we are told, within herself and we certainly should not contribute to her strength. Adequate markets await our goods in friendly countries.

I sincerely hope and respectfully demand that further trading with Russia be discontinued until better understanding and a more cooperative spirit is shown.

EXTENSION OF REMARKS

Mr. BOYKIN asked and was given permission to extend his remarks in the RECORD and include an editorial from the Mobile Register.

Mr. DAWSON of Utah asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. LECOMPTE asked and was given permission to extend his remarks in the RECORD and include resolutions from the Wayne County Farm Bureau Administration.

Mr. MILLER of Connecticut asked and was given permission to extend his remarks in the RECORD.

Mr. NIXON asked and was given permission to extend his remarks in the RECORD and include a radio address delivered by Mr. J. PARNELL THOMAS.

Mr. KEATING asked and was given permission to extend his remarks in the RECORD regarding a bill he is introducing today.

Mr. SADLAK asked and was given permission to extend his remarks in the RECORD and include a radio address delivered by the gentleman from Connecticut [Mr LODGE].

Mr. CRAWFORD asked and was given permission to extend his remarks in the RECORD in two instances, and in one to include a statement by Mr. Bert Andrews of the New York Herald Tribune and in the other a short editorial from the Washington Post.

Mr. STEVENSON asked and was given permission to extend his remarks in the RECORD and include an excerpt from the commentary of Albert L. Warner on November 15, 1947, over a national hook-up.

Mr. CLASON asked and was given permission to extend his remarks in four instances, and in one to include a statement by Mrs. Clare Boothe Luce on justice for Poland, in another remarks made at a farewell dinner given in honor of Col. Stephen H. MacGregor, former commanding officer of the Springfield Armory, and in further extensions to include certain excerpts.

INSERTIONS IN THE CONGRESSIONAL RECORD

Mr. DOMENGEAUX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. DOMENGEAUX. Mr. Speaker, I regret very much to make this statement on the floor at this moment, but there appeared in the CONGRESSIONAL RECORD of November 18 an extension of remarks by the gentleman from Louisiana [Mr. MORRISON]. Those remarks are unparliamentary and out of order, and should be stricken from the RECORD. I understand that a resolution will be offered for that purpose next Monday. These remarks are directed against a person who is held in high esteem in the State of Louisiana, a man who is beloved and respected, and who has rendered a great service to his State. There irresponsible and hysterical remarks are resented by the right-thinking people of the State of Louisiana.

Mr. LARCADE. Mr. Speaker, I wish to join the other members of the Louisiana delegation in deploring the attack upon the honor and character of a most distinguished citizen from Louisiana by another Louisianian.

While I realize that the remarks referred to are brought about in the heat of a political campaign for the governorship of the State of Louisiana, I regret that the same are brought into the national spotlight and recorded.

So far as I am concerned, I am not taking any part in the pending gubernatorial campaign in Louisiana, nor is it my intention to do so, except that I expect to cast my vote on election day for one of the candidates for Governor of Louisiana, exercising the prerogative of every American citizen.

However, Mr. Speaker, in view of the disgraceful attack upon one of the most beloved and distinguished citizens of Louisiana, I cannot remain silent and in my humble way, I come to the defense of a man who it is my privilege and honor to have as a close personal friend, a man whom I have loved, revered, admired, and known intimately for many, many years.

Mr. Speaker, in 1944, when elections were being held in Louisiana and the time came to qualify for reelection, and when this distinguished statesman announced that he could no longer make the sacrifice to continue to serve our State, I was one of those, together with the galaxy of leading citizens and businessmen of the State of Louisiana, who importuned him to again agree to serve his native State, and notwithstanding he was not in the best of health, the demand was so urgent and general from his constituents, he finally reconsidered and agreed to become a candidate for reelection. There never was any question about his reelection. This was a foregone conclusion. This magnificent patriot had served his State ably and with honor and his service and efforts for the State of Louisiana and our country are too well known for me to reiterate the same here.

Mr. Speaker, I remember a tribute which could be well applied in this instance.

Mr. Speaker, during his active and useful career this fine man witnessed the greatest strides in material development the world has ever seen.

He saw the Republic grow from the chaos of civil war to its present commanding place among the nations of the world. He saw the great State of Louisiana leap forward with giant bounds, valiantly maintaining her place at the head of the mighty procession of the States of our majestic Union. His pride in the forward strides of the State and Nation was justified, for in the upbuilding of both he played the part of an active, earnest, and public-spirited citizen.

Neither a laggard nor a drone, all of his life he was in the thick of the conflict which accompanies and stimulates progress.

Throughout his whole life he was a popular type of the American optimist, and he imparted confidence and enthusiasm to all within the influence of his delightful, magnanimous personality. Industrious and successful in his chosen profession of law, and successful in private enterprise, he is alert and influential in public affairs, and he ably contributes to the ceaseless mental combat and attrition of thought whose constant flashes light the guiding torch of civilization that illumines the pathway of liberty and law.

His impulses are generous, his sympathies broad, his intellect keen. Wherever this good man is, whatever sphere in which he moves, the friendless have a friend, the poor man, though unable to reward his kindness, has an advocate.

It is when the rich oppress the poor, when powerful menace the defenseless, when truth is disregarded or the eternal principles of justice are violated—it is on these occasions that he exerts all his strength, it is on these occasions that he sometimes soars so high and shines with a radiance so transcendent, as fill those around him with awe and give him the force and authority of a prophet.

He is beloved by the majority of the citizens of Louisiana; he has the respect and esteem of all who know him, and his honesty, character, and honor are above reproach.

Mr. Speaker, I could write volumes about the distinguished gentleman from Louisiana, but I know that he is too well known to require any expressions from me in respect to his veracity, character, wisdom, and love for his State and his country, and I hope that he will have many more years of life and service to his people, who love and respect him so much.

EXTENSION OF REMARKS

Mr. BONNER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article by I. Beverly Lake. I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost $177.50, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. RAMEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article from the American Bar Association of August. I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost $236.67, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

INSERTIONS IN THE CONGRESSIONAL RECORD

Mr. BOGGS of Louisiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BOGGS of Louisiana. Mr. Speaker, I concur wholeheartedly in the remarks made a moment ago by my distinguished friends and colleagues from Louisiana [Mr. DOMENGEAUX and Mr. LARCADE]. The insertion placed in the CONGRESSIONAL RECORD of November 18 by my colleague [Mr. MORRISON] was intemperate, in bad taste, and uncalled for. The reflections contained therein upon one of the ablest citizens of the State of Louisiana do not represent the sentiment of the people of Lousiana, as has been attested time and time again by the large majorities by which they have elected him. He is most able. He is greatly respected. He is extremely effective. His honor and good name are known throughout America. I am proud to number him among my friends.

EXTENSION OF REMARKS

Mr. JAVITS asked and was given permission to extend his remarks in the RECORD and insert a speech.

PERMISSION TO ADDRESS THE HOUSE

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

[Mr. PASSMAN addressed the House. His remarks appear in the Appendix.]

SPECIAL ORDER GRANTED

Mr. LODGE. Mr. Speaker, I ask unanimous consent that on Tuesday next after the disposition of business on the Speaker's desk and the conclusion of special orders heretofore granted, I may address the House for 1 hour.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

INSERTIONS IN CONGRESSIONAL RECORD

Mr. ALLEN of Louisiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. ALLEN of Louisiana. Mr. Speaker, the gentleman who was attacked in the RECORD by one of my colleagues from Louisiana was an able Member of this House some years ago and hailed from the district which I now have the honor to represent. He is my constituent. He is honored in the State of Louisiana and is now an able Member of another body. If the resolution just referred to is offered on Monday, as I understand it will be, I will support it.

SPECIAL ORDER GRANTED

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that on Friday next after the disposition of business on the Speaker's desk and the conclusion of special orders heretofore granted, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

INSERTIONS IN THE CONGRESSIONAL RECORD

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I want it distinctly understood that I am not running for office in Louisiana, and I do not propose to get mixed up in any Louisiana contest, but my attention has been called to both of these articles—one inserted at the other end of the Capitol attacking the gentleman from Louisiana [Mr. MORRISON], and the reply of the gentleman from Louisiana [Mr. MORRISON]—which has been referred to here several times.

Both of these articles violate the rules of comity between the two Houses.

I would suggest that the best thing to do would be to ask these two gentlemen to withdraw these untimely remarks from the RECORD and let the two Houses proceed with legislative matters.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. RICH] is recognized for 15 minutes.

(Mr. RICH asked and was given permission to revise and extend his remarks and include some excerpts.)

Mr. RICH. Mr. Speaker, to pass laws that will be of great benefit to our Nation is commendable.

To pass a law in a hurry unless we know it is good legislation is unwise.

Class legislation certainly is deplorable.

Moral legislation by force is unthinkable.

Legislation that will break down our private initiative is foolish.

For us to pass legislation that is for the good of all our people and others is laudable.

To pay as we go from now on is absolutely necessary.

To pass laws requiring great sums of money on top of our already overburdened national debt of $260,000,000,000 and the great annual national budget, without knowing where you are going to get the money, spells bankruptcy and disaster.

So I make the plea to Congress to stop, look, and listen before enacting legislation at this special session.

First, what are the conditions in our own country?

Second, after giving our own country prior consideration, we will take up the second consideration of looking after the rest of the world.

Are all people in America nourished and happy? Well, after 5 weeks with our eastern price subcommittee, trying to find an answer to why we have high prices, I would say many people are worried because of low incomes and their inability to purchase the necessities of life because of existing high prices. Agriculture commodities are at an all-time high in production and in price. Manufactured production is at an all-time high, with many high prices. In the foodstuff class, the chief resistance to increased prices is shown in canned goods, such as orange and grapefruit juice, canned corn, beans, peas, tomatoes, and so forth. Meats, eggs, butter, milk, and so forth, are all too high, as well as clothing and coal, steel, lumber, wheat, corn, and machinery. Why? Because the demand is so great. And where is this greatest demand for our products? Why, outside our own country, of course. The demand abroad is swamping our supply at home. Production is high in this country, but the domestic and foreign demand is even greater, and the more the supply falls short of the demand in Europe the higher prices will rise in the United States.

In this country we have found out in the past 15 years that the more you do for some people the more they expect—yes, the more they request; yes, the more they demand. The way to spoil people is to do for them what they should do for themselves. Therefore, our own country having been plunged into a gigantic debt without any rhyme or reason, to the tune of over $260,000,000,000 and more, must now engage itself in trying to pay off this monster and free ourselves of its burden. The interest charge alone on this debt amounts to about $5,000,000,000 annually. It will require at least 80 good years to pay off the ruthless spending of the past 15 years.

To aid foreign countries our country gave over $58,000,000,000 in UNRRA, lend-lease, and outright gifts. Since the termination of World War II we have given over $15,300,000, or a per capita debt to our people of $376.32 for every family of four people. Therefore, as of September 30, 1947, we have a per capita debt of $1,798.16 on every man and woman, boy and girl in the United States. Does that not make you shudder to think of it? Are you ready to pay your share now? How many of our people could? Now, in addition, are we as a nation able to take on the responsibilities of the whole world? How far can we go in extending aid financially to other nations? Where is our breaking point? Do you want our country to go into bankruptcy?

These questions are serious and call for our every consideration. I think the United States of America is in a very, very critical condition. It will require the best brains and business ability to pull us out of our plight. Therefore it is most essential that we be careful of our commitments to others until we get our own house in order. We cannot afford to

commit ourselves for more than 1 year in advance to any nation or nations.

Here is what Sam Pettengill, former Democratic Member of Congress, says about our aid to foreign countries, and I quote:

How much help has Uncle Sam given to foreign countries?

Since the beginning of the war it has amounted, net, to $58,206,741,335.

But as no one knows what a billion dollars is, much less fifty-eight billion, let's measure this by yardsticks we know something about.

At $8,000 per house this gigantic sum would build over 7,000,000 homes.

It is $3,000,000,000 more than the total purchases in all our retail stores in the year we entered the war.

It is $10,000,000,000 more than the total assets of all our life insurance companies—the backlog of security for 65,000,000 insurance policyholders.

It is $6,000,000,000 more than the net worth of all our business companies. These assets are the backlog for jobs for nearly all of us—manufacturing, mining, railroading, merchandising, shipping, etc.

It is 23 times as much as we spend on the education of all children in our public schools.

It is almost three times as much as all our farmers and cattlemen received for their cattle, crops, poultry, etc., in our biggest farm income year.

It is five times the value of all farm buildings, houses and barns in the United States. Hence, if all our farm buildings were completely destroyed by five successive fires, it would rebuild them five times.

It is two and one-half times the value of all our farm lands.

It is $15,000,000,000 more than the total national income of all our people in 1933.

It is 29 times as much as all our old and sick people received in social security payments the year we entered the war.

It is $10,000,000,000 more than the total wages and salaries paid in America the year the war broke out in Europe.

It is 14 times the amount of all business profits that same year.

It is 11 times the value of all United States exports to foreign countries in 1929, the peak export year before the war.

It is $6,000,000,000 more than the total spent to run the Federal Government during the first 7 years of Mr. Roosevelt's administration.

Consider these facts, Mr. Vishinsky, Deputy Foreign Secretary of the Soviets, and then tell us that we entered this war to make money.

Of this huge total, how much went to Russia in lend-lease, direct loans, and UNRRA relief?

The answer is $11,681,393,782

How much is that by some yardstick we can understand?

Well, it is almost 11 times the value of our cotton crop in 1945; 10 times the value of our wheat crop; almost 8 times the value of all hard and soft coal dug in 1945; and 6 times the value of all gold, silver, iron, copper, lead, zinc, and other metals mined that year.

Mr. Vishinsky, you can tell your people, behind your iron curtain of censorship, that we went into the war to make money. But you can't make our taxpayers believe your story.

They still have to pay all those eleven billions of American aid to your country.

It is part of their debt.

And, besides, don't you forget this. We depleted our coal, petroleum, iron and timber reserves in this process.

In the wheat we sent abroad were millions of tons of our fertile soil.

We sent your country $11,297,883,000 of the real wealth of the United States.

In reverse lend-lease you gave us back $2,219,000. Or $1 for every $5,310 we sent you.

While we were doing this, your country has seized 274,000 square miles of other people's land—eight times the size of Indiana—with 24,355,000 people.

Stop calling us greedy.

The President knows this country is in precarious shape, so with the aid of Congress he has had the following investigations made this year:

We have had the so-called Anderson report—by a Cabinet Committee on Food Problems—made public on September 26, when the Citizens Food Committee was appointed.

We have had the so-called Krug report on World Needs and United States Capacities, made public on October 19.

We have had the so-called Nourse report—by the President's Council of Economic Advisers—published on November 9.

Other reports submitted to Mr. Truman or to Congress have been the Wedemeyer Report on China—for some mysterious reason never made public—the Additional Report of the Joint Committee on Reduction of Nonessential Federal Expenditures, Congress of the United States; the report of the Emergency Economic Commission for Europe; the report on the Luckman operation; and now at last, the voluminous Harriman report.

Besides the above, Congress authorized the so-called Herter committee composed of 19 Members of the House, who traveled over Europe studying conditions and have made seven reports for us to digest. In addition, the Foreign Affairs Committee had at least five subcommittees traveling in Europe this summer; the Appropriations Committees of the House and Senate sent subcommittees to Europe; also the Interstate and Foreign Commerce Committee; and others. We will hear many reasons why we should do varied things for other countries, but in doing so let us not overlook our own country and the help our own people need.

At this point permit me to insert in the RECORD a comparative statement of the public debt as of October 31, 1947, issued by the Senate Committee on Expenditures in the Executive Departments:

Comparative statement of the public debt, as of Oct. 31, 1947

Public debt, Oct. 31, 1947		$259,071,042,154
Interest rate on public debt:		
Average on total debt	2.129	
Average on short-term securities	.932	
Average on long-term securities	2.474	
Reduction of public debt since Dec. 31, 1945		20,693,327,194

Period	Amount	Per capita	Interest paid on public debt	
			Fiscal year	Amount
WORLD WAR I				
Prewar (Mar. 31, 1917)	$1,282,044,346	$12.36	1917	$23,212,376
War debt, highest (Aug. 31, 1919)	26,596,701,648	250.18	1920	1,020,251,623
Postwar, lowest (Dec. 31, 1930)	16,026,087,087	129.66	1931	611,559,705
WORLD WAR II				
Debt before defense program (June 30, 1940)	48,499,935,184	367.73	1940	1,040,935,697
Pre-Pearl Harbor (Nov. 30, 1941)	61,363,867,932	459.69	1942	1,260,085,336
War debt, highest (Feb. 28, 1946)	279,764,369,348	1,989.76	1946	4,721,957,683
Public debt (June 30, 1946)	269,898,484,032	1,911.14	1946	4,721,957,683
Public debt (June 30, 1947)	258,375,903,293	1,795.62	1947	4,957,922,484

Now how many of you Members of Congress want to obligate your constituents for billions more to foreign countries? How many feel that you can saddle a greater debt around their necks? How many think we owe others a greater responsibility than we owe our own people? Think, think, think before we plunge this country deeper into debt; think of the consequences. There is not one of us who is not willing to aid the starving, but why cannot we do it through our church organizations, the Red Cross, Salvation Army, Friendship Trains, and through our gifts of food and clothing. One dollar spent that way will do the work of 20 Government dollars, where there is a 30-percent overhead, besides great inefficiency and extravagance—and, yes, graft.

The foreign diplomats have and are even now outdiplomatizing us. They manage to get things for themselves at our expense.

Why must the United States do it all? Where is the United Nations? Where is the World Bank, set up by the Bretton Woods Agreements at the greatest expense to this country? Why does it not function?

We were told that all the world's difficulties would be solved if we would get behind the Bretton Woods agreement and set up new instruments to provide the various nations with facilities to stabilize their currencies and provide sound credits. So we went into the proposition wholeheartedly. We subscribed and paid $2,750,000,000 to the International Monetary Fund.

Our subscription to the International Bank for Reconstruction and Development was in the amount of $3,175,000,000. We have not actually paid in the full amount of our subscription, but as of September 30, 1947, we had paid in $635,000,000. The monetary fund has not operated to halt inflation, and the bank has operated at a loss for the period ending June 30, 1947, of $1,063,805.37.

When neither the fund nor the bank cured the ills of the United Kingdom, we were then told that a loan of $3,750,000,000 to Great Britain would solve all

ner problems, increase our trade, and help halt the disintegration of western Europe.

All of these remedies apparently have failed, and now we are about to continue our international enterprises by putting international charity on a compulsory basis for the millions of overtaxed Americans who already have the burden of liquidating a $260,000,000,000 national debt upon their shoulders. Mr. Speaker, it is only fair to ask how long can we continue on the road to ruin? Where are we going to get the money?

We are not the only people who can help rehabilitate Europe. It is not our job alone. Let the other nations of the world have a part. According to Dun's Review for October 1947, industrial production in the listed countries is at the following production:

	Percent
Norway	123
Denmark	100
Belgium	99
Poland	97
France	93
Netherlands	90
Germany:	
American zone	46
British zone	33
Japan	41

Give these and other countries a little more time and they will all be 100 percent or better. Then watch them send their merchandise to America, at their low-wage scale and a State Department reduced tariff. I give you 5 years in which to see them with their low-wage scale undermine our own economy, disrupt our markets, and sell goods for less in America to get dollars; and our mills will slow down, our employees will be out of work. Then, with our great national debt, what will happen to us? Do you think Europe will come to our aid?

America, wake up. Look after our own people. Do not be outdiplomatized. Do not let hysteria about communism abroad dull us to the danger in our own midst. Keep America strong; keep America solvent; else we will be no good to ourselves or to anybody else. Weaken ourselves and we are gone.

Why make loans or gifts to foreign countries without some obligation to repay in future years? We did not do business that way before the New Deal came into being, and it worked out and we were sound. It is time now to return to a sound business basis with all peoples and nations. Do it now before it is too late.

Why try to tell foreign peoples what kind of a government they should have, and whom they should elect. Look at Britain with her Labor government. How well have they succeeded working coal mines 27 hours a week, and also striking. The result—no coal; industries down; the country in bad shape. Now it is proposed that our miners work 40 hours or more and furnish coal to Britain. Nonsense I say. Why should we furnish a ton of coal or the money to buy coal or the money to buy coal mines for socializing Britain? I am not for that in America and why should we be for it in Britain?

Did you read the article in the Washington Sunday Star, November 16, by Raymond P. Brandt, chief of the St. Louis Post-Dispatch? Brandt was a Rhodes scholar. Recently he spent several weeks in Europe. He says: "Britain does not regard the United States as indispensable." I think he is right. So why should we do our utmost to socialize her. Nor do I consider that Britain is indispensable to America. She will do business with us only when she can do it to her advantage, or else "pull our leg" for a billion or four. The United States should do business with any and all nations when it is a mutually agreed business deal. If we think any foreign government is going to turn to us just because we are the United States, we are dreaming. We can be fair, honest, and just to all people, just as we should be to our own people.

So wake up, America. Wake up, Members of Congress, before it is too late. Wake up before we sell ourselves down the river. A strong America is an inspiration to the world and to ourselves. A weak America is a disaster to the world and ourselves.

Be wise and economize.

Mr. BENDER. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Ohio.

Mr. BENDER. The gentleman knows that in Britain the miners are working approximately 27 hours a week.

Mr. RICH. And we are shipping 2,000,000 tons of coal over there to keep them from getting cold and starving to death when they do not know enough to try to help themselves. I say shame on the English coal miners. We are giving the British money to socialize their Government in billions of dollars. I would not give them a penny to socialize their Government any more than I would give a penny to socialize our own Government. I would do everything in my power to keep that from being done, yet we do the things for them we would not think of doing over here. Why, I ask?

Mr. ROBSION. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Kentucky.

Mr. ROBSION. Of course, the gentleman spoke about the miners over there working only 27 hours a week. One of the troubles has been that they have not been working at all. A great many of them went on strike. In France they quit work at 11:30 on Saturday and began work again on the following Tuesday. Now they are on strike all over the country.

Mr. RICH. That is what I am complaining about. In our own country we need to work more hours; we need to produce more to take care of ourselves. We will send the surplus over there to take care of the starving and we can take care of the starving over there, but we cannot set about running all the countries of the world and financing them to the tune of billions of dollars and expect the taxpayers of America to pay the bill. Oh, let the American people and the American Congress wake up ere it is too late. A bankrupt America is no good to anybody, let alone ourselves.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

SPECIAL ORDER GRANTED

Mr. SHORT. Mr. Speaker, I ask unanimous consent that on Tuesday next, after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 75 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

EXTENSION OF REMARKS

Mr. POULSON asked and was given permission to extend his remarks in the RECORD and include two editorials.

Mr. HORAN asked and was given permission to extend his remarks in the RECORD and to include an editorial.

SPECIAL ORDER GRANTED

Mr. BENDER. Mr. Speaker, I ask unanimous consent that on Tuesday next, at the conclusion of the address delivered by the gentleman from Missouri [Mr. SHORT], I may be permitted to address the House for 75 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PERMISSION TO EXTEND REMARKS AT THIS POINT

Mr. BENNETT of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BENNETT of Missouri. Mr. Speaker, I read in the paper this morning where some general had denounced "sinister forces" who were trying to undermine public faith in Army officers. I do not know what forces he referred to. He did not identify them. However, in all due respect, I venture to suggest that the Army itself is not doing all it can to improve the odor surrounding the Pentagon Building.

Maj. Gen. B. E. Meyers is charged by a Senate committee with astonishing irregularities in letting of Air Force contracts during the war. Some of these he let to himself at vast profit. This dollar patriot is today drawing $550 per month from the American taxpayers, including an allotment of $88.20, as retirement benefits. No man who has so obviously betrayed the public trust and cast discredit on the armed forces, and Truman administration, should continue to fatten his coffers from the public treasury. If the Army does not soon take action to court-martial that scoundrel I shall introduce legislation to require it.

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 10 minutes.

DESTROYING THE PEOPLE'S CONFIDENCE IN THEIR CONGRESS—SMEARING CONGRESS

Mr. HOFFMAN. Mr. Speaker, the very first amendment to the Constitution provided, among other things, that the Congress shall make no law abridging the freedom of speech or of the press.

The right to speak freely and to write freely is exercised to its fullest extent only by the people of the United States of America. Because the right is so precious, is so necessary in a people's government, it should be jealously guarded, fairly and intelligently used.

With the right goes the corresponding duty imposed alike upon individual and the press to be honest, to be truthful, for it is axiomatic that a right given by the people through a constitutional provision can be by the people, by a constitutional amendment, taken away.

It is unfortunate that some individuals and some of those who control publications apparently believe that the right of free speech and the right to a free press automatically carries with it a denial of the right of others to freely and, so long as the truth is told, unreservedly criticize the use of the right to free speech and a free press.

The right of the publisher, of the editorial writer or the radio commentator or of a Senator or Congressman or even of the President to freely and without restraint express an opinion carries with it the right of the hearers or the readers to call attention to the inaccuracies of the so-called statements of fact, the error in the conclusion reached.

All too often, whenever an editorial is criticized, the publisher and the editor, ignoring the critic's right to free speech and a free press, seek to shut him up by an unfair, smearing attack.

My right to free speech is not to be lightly restricted. Equally true is it that your right to criticize what I may say is equally broad.

That a public official, especially a Congressman who must periodically be reelected if he would continue in public service, invites disaster by entering into a controversy with a reporter, editor, publisher, newspaper columnist, or radio commentator is a well-recognized truism.

"Fools rush in where angels fear to tread."

When a principle has been involved caution has never been my watchword, avoidance of opposition my guardian angel When, in my opinion, duty calls for a course of action the easy road will be passed by, and that which runs between vilification and falsehood, on the one side, and intimidation and coercion on the other, will be followed in the hope that those who listen or read may know the truth.

A CONGRESSIONAL INVESTIGATION AND A CHARGE OF CONGRESSIONAL DISLOYALTY

Recently a local paper, the Washington Star, captioned an editorial referring to a congressional investigation with the words "Disloyal Congressmen."

Inasmuch as the editorial was a comment upon the action of a congressional committee, the House is entitled to know what the committee was doing, the basis for its authority, and the truth or falsity of the Star's charge. Hence these remarks.

The House Committee on Expenditures in the Executive Departments was established on December 5, 1927. A brief statement of its duties and its powers will be given, marked "Exhibit A."

At this time it is sufficient to quote from a subsection of rule XI, found on page 13 of Public Law 601 of the Seventy-ninth Congress, which declares that—

Such committee shall have the duty of (b) studying the operation of Government activities at all levels with a view to determining its economy and efficiency.

House Resolution 118 of the Eightieth Congress further authorizes the committee, as a whole or by subcommittee—

to conduct studies and investigations of any action, rule, procedure, regulation, order, or directive taken or promulgated by any department or independent agency of the Federal Government where complaint is made to the committee, or subcommittee thereof, that such action, rule, regulation procedure, order, or directive—

(1) is beyond the scope of the power or authority granted to such department or independent agency by Congress or by Executive order;

(2) invades the constitutional rights, privileges, or immunities of citizens of the United States;

(3) inflicts penalties for failure to comply with such rules, regulations, or directives, without affording those accused of violation an opportunity to present their defense before a fair and impartial tribunal.

Early in October complaint was made to the proper subcommittee of the Committee on Expenditures in the Executive Departments, in substance and to the effect that the Civil Service Commission had without authority expended public funds to compile and maintain a "lead" file which contained facts, gossip, rumors, falsehoods and untruths, bearing upon the views, opinions, and activities of Senators, the wives of Senators, of Congressmen, of individuals in public life who neither held nor sought an official position, who were not applicants for Federal jobs, as well as information about applicants for Federal jobs, and Federal employees.

Your humble servant, acting as chairman of the full committee and as chairman of a subcommittee, was of the opinion that the Civil Service Commission not only had the right and the power, but that it was its duty, to inquire into the background of every Federal employee, of every applicant for a Federal job.

The chairman did not believe that the Civil Service Commission had any authority to expend public funds in collecting information having to do with the views, opinions, or actions of Senators, the wives of Senators, of Congressmen, or of individuals in public life who were not Federal employees and who would not, in the ordinary course of events, become applicants for a position with the Federal Government.

It was the opinion of the chairman that it was, in the first instance, the duty of the people of the respective States to determine the fitness and the responsibility of the individuals selected as Senators; that it was the duty of the respective congressional districts to pass upon the qualifications of those who became candidates for Congress; that if after Senators and Congressmen were elected to office their qualifications were questioned, it then became the duty of the respective Houses to pass upon that issue.

The chairman recognized the fact that it is not only the right, but the duty, of the press—which should serve the public interest as well as the interests of the owners—to, when it so desires, at all times comment freely and without restraint upon the views and the actions, not only of Senators and of Congressmen, but of all public officials.

Your humble servant has no knowledge of any individual Member of either House who has ever questioned the right or the duty of the Federal Bureau of Investigation, of the Department of Justice, of State police or constabulary, of a sheriff or his deputies, or of the police of a city or village, to inquire into the conduct of a Senator or a Congressman.

No claim is made that any Member of either House is entitled to any privilege or immunity that is not granted to every citizen of the Republic, other than that expressed in the Constitution which grants certain privileges and immunities to the Members of Congress while—and only while—engaged in their constitutional duties, while going to or from sessions of Congress.

It was, however, and it is now the opinion of the chairman of the committee that when a congressional committee is performing its proper functions, and the committee or members of the committee are accused of acts which amount to malfeasance or misfeasance, or which reflect upon the integrity of the actions of the committee or of the Congress, it is not only the right of a congressional committee, but the duty of a congressional committee, to ascertain the truth or the falsity of such charges, to report to the Congress so that appropriate action may be taken if that body so desires.

This for the reason that, if the charges be true and the committee or a member of the committee has exceeded or abused the authority granted by the Congress, the Congress itself should discipline the individual or the committee so offending; that, in order to preserve the integrity of Congress, if false charges which reflect upon that integrity are publicly and widely made by responsible individuals, then that fact should be made known, be spread upon the record in order that the Congress may retain the respect and the confidence of the people.

In the opinion of the chairman of the committee, any failure to promptly meet false charges which tend to destroy the people's confidence in the Congress, in its committees, in the official action of the Congress or its committees, would be cowardly and tend to encourage the making of false charges and would, ultimately, destroy the power of Congress to carry out the duties imposed on it by the Constitution, entrusted to it by the people who elect the Congress.

What has just been said applies not so much to the investigation of the Civil Service Commission which was made by the committee as it does to certain newspaper comments bearing upon that investigation.

The general proposition is here stated only to lend background to what follows.

As to the investigation itself. The easiest, most economical, and accurate way of determining the truth or the falsity of the charge which had been made

against the Civil Service Commission was, of course, to hold a committee hearing and ask the members and employees of the Commission to state the facts.

On October 3 the committee called James E. Hatcher, Chief of the Investigations Division of the United States Civil Service Commission; Elliott A. Bartlett Assistant Chief; and Leonard Konkel, investigator of the fourth region, United States Civil Service Commission.

From these and other witnesses it was learned—and the stenographer's minutes are available to the Members who desire to examine them—that there were some 75,000 cards in what was known as an "investigators' leads file," some of which carried information, statements, rumors, hearsay and gossip bearing upon the views, opinions, and actions of Senators, Senators' wives, Congressmen, and individuals in public life, who were not Federal employees; who, in all probability, would not be applicants for positions under the jurisdiction of the Civil Service Commission.

Mr. Hatcher was Associate Chief of the Investigations Division in 1940 but was assigned to active duty with the Army in May of 1941. He returned in November of 1941 and was appointed Chief of the Investigations Division, Central Office.

He stated that the Commission had authority to investigate "only those cases in which the Commission, Civil Service Commission, has jurisdiction." He was asked:

The CHAIRMAN. Where do you get the authority to investigate Congressmen or Senators or make a record of their opinions or beliefs or activities?

He answered:

I know of no such authority.

Asked to explain how there were cards in the file carrying reports "as to activities, beliefs, and opinions of Senators and Congressmen," after samples of such cards were produced, he answered:

I would like to add that my personal opinion is that, if they were in there, they should never have been placed there.

The record also shows the following:

The CHAIRMAN. Assuming, and this is a hypothetical question, assuming the facts to be this: That there is in that particular file, or that there was, at least, within the week, a card on a Member of Congress, in which he was designated as being a Nazi, and that the card referred for proof of that to the files of the Friends of Democracy, Inc. Will you tell me whether in your opinion anyone connected with civil service, your organization in particular, had any authority to collect that information and put it in the Government file, and, if so, will you indicate the source of that authority?

Answer:

I would say to you, Mr. Congressman, that if such a card were placed in the file that whoever placed that card in there not only had no right to place it there, but I am sure that it was done without the authority from the proper channels.

We also find this in the stenographer's record:

The CHAIRMAN. It is my understanding that on many of those cards, or at least on some of them, there is a notation, or was a notation like this: "The above was copied from the subversive file in the possession of attorneys Mintzor and Levy, 39 Broadway, New York City, room 3305. Their files were made up in cooperation with the American Jewish Committee and the Antidefamation League. The sources of this information must not be disclosed under any circumstances nor be quoted. However, further information concerning above may be secured by contacting officers of Mintzor and Levy."

That notation is on the bottom of cards which carry information to the effect that the individuals named, Senators and Congressmen, were disloyal, belonged to subversive groups, engaged perhaps in traitorous activities.

My thought was that inasmuch as the Senate and the House were the judges of the qualifications of their Members, and Senators and Congressmen were elected by their constituents, that it was not within the jurisdiction of the Civil Service Commission or any of its branches or agents, employees, to either make any investigation or to make a record of their investigations of any Member of either body. I would like to know what you think about that. Am I correct in that, in your opinion, or am I just wrong about that idea?

Mr. HATCHER. I do not think you are incorrect at all. I think you are entirely correct, and I think anyone placing such cards in the file—I not only think, I am sure, I am positive—that they did it without authority from the Commission.

The CHAIRMAN. Then I hope and trust that you can see why I, as an individual, and members of this committee, when it was brought to our attention that there were files down there with the names of many of the Members of both bodies, with cards carrying information of the class that I mentioned, we were disturbed about that and we wanted to do something to get those files in a place where they would not be used.

Mr. HATCHER. I think, Mr. Congressman, that your point—I certainly would share any feelings that you have on that, and I think that as an American I feel that it is highly improper. And definitely I feel such things should not be in the files.

I say to you that if I have anything to do with it, and what influence I have, would certainly be toward getting those things out of the file that have to do with Members of Congress. I do not think that any of us over there are in position to sit not only as a judge on Members of Congress but also to furnish information to persons pertaining to Members of Congress.

Subsequently and on the 6th day of October, the Honorable Harry B. Mitchell, Frances E. Perkins, Commissioner; Arthur S. Flemming, Commissioner of the Civil Service Commission, appeared before the committee.

At that time, Mr. Mitchell, president, speaking for the other members of the Commission, who signified their approval of his statements, among other things, said:

We had no knowledge of the existence of such a file; we had no knowledge that there was the name of any Congressman mentioned. * * * We had no knowledge there was any name of any Member of Congress in that file. We have no business whatsoever investigating Members of Congress. That is entirely out of our field. Our whole business is with the executive service. Nor have we any other files (other than the "investigators' lead file") giving information about Members of Congress and so far as there are names in that file of Members of Congress I believe anyone on the Commission will agree that they should be taken out.

Later, Mr. Flemming, a member of the Commission, stated:

Mr. Chairman, I am in complete agreement with the statement of President Mitchell. We had no knowledge of the fact that there were names of Members of the House or the Senate in that particular file and, if there are such names in the file, they should be taken out.

Mr. Flemming admitted that, in 1943, the Commission had expended some $10,000 in compiling this file, but he insisted that, while some of that money had apparently been used to collect information about Congressmen, it was not with his knowledge or approval and should not have been spent for that purpose.

The hearings show conclusively that they brought home to all three Commissioners several facts which they did not know, namely, that their own employees were expending funds for an unauthorized purpose; collecting and maintaining a file which the Commission had no authority to create or maintain.

They also show that the Commission willingly agreed, when the knowledge was brought home to the Commissioners, that the unauthorized, illegal practice would be ended and at least a portion of the file destroyed.

It is apparent that, in this particular instance at least, the committee acted in performance of its duty; assisted in ending an illegal expenditure of public funds and the exercise of an authority never conferred upon it by the Congress.

THE RIGHT OF THE PRESS AND ITS DUTY

To what has previously been said about freedom of the press and the duty of the press, it might be added that the chairman of the committee which held the hearings to which reference has just been made is also chairman of the committee which, at the request of a large number of publishers and editors and in line with a resolution adopted by the American Society of Newspaper Editors has held and will hereafter hold hearings designed to make more secure a free press, more extensive the opportunity of the press to obtain information as to the activities of public officials, of the departments and agencies which they control and conduct.

Only by hearings such as this and other committees have been holding can the press in many instances obtain the information which it is seeking to give to the public. Yet, when congressional committees hold such hearings, some members of the press are the first to criticize, and many times unjustly, the very activities which tend to give them the information which they seek.

To me it seems a little inconsistent, to say the least, for some members of the press—and they are few in number—to insist that public officials, the departments and the agencies of the Government, give to them all information as to governmental activities, except that the publication of which would endanger the public welfare, and to, at the same time, criticize a committee or the actions of the chairman of a committee which is only attempting in good faith to comply with a duty imposed upon it by statute.

In recent years, it has become what might be termed a national sport for certain publications, publishers, editors, and radio commentators to belittle the Congress as a whole; to ridicule, vilify, and smear individual Members of Congress, with whose actions and views the

publisher, editor, or commentator was not in accord.

In fact, the practice in some instances became so widespread, so false, so absurd, that it reacted and added to the political prestige of those it was sought to defeat.

As an illustration, it might be said that one publication went so far as to name some 75 or 90 Members of Congress as being either seditious, disloyal, or traitorous.

It is a tribute to the good sense, the fairness, and the sound judgment of the American people that such charges were invariably repudiated at the polls. Nevertheless, the practice has continued.

In my humble judgment, while the Congress and Congressmen should not complain when the press in good faith criticizes either, it is the duty of the Congress and of its committees, when the loyalty of the Members of Congress or the authority of congressional committees is challenged, to call before the proper committees those who make such charges and to without delay ascertain the basis or lack of basis therefor.

As stated, the first hearings of the committee were held on the 3d day of October 1947. Subsequent hearings were held on the 6th day of October.

On Monday, the 6th day of October, there appeared in the Evening Star of Washington the following editorial:

DISLOYAL CONGRESSMEN

Very few people will share the reported indignation of certain Members of the House at the discovery that the names of disloyal Congressmen may have been filed away by the Civil Service Commission.

Actually, it is not certain that the names of any Congressmen are in this file. But if there are any they got there in the course of investigations which the Commission has been directed to make. The Commission, of course, does not investigate Congressmen as such. But, for example, it does investigate Federal job applicants. In the course of such an investigation it might discover that the applicant had signed some Communist or Fascist petition. If so, that fact would be recorded in his file, and the other names on the petition would go into what is called a lead file—a file which could be used to get a line on future job applicants. It might very well be that a signer of the petition might be a Congressman, or someone who is subsequently elected to Congress. In that event his name would be in the lead file. And why not?

Congress has not hesitated to authorize investigations of the loyalty of everyone else in the United States. It investigates the executive departments. It investigates private citizens, and if John Doe's name happens to appear on the mailing list of some off-color organization, he has every reason to expect that this fact will be made a matter of public record by the Congress.

Why should immunity from investigation, especially from what is purely an incidental investigation, extend to Congressmen, and to no one else? What is there so sacred and untouchable about the position which these gentlemen happen to hold?

If there are Members of Congress who are affiliated with the Communist Party, or with any other subversive group, it would seem that the people who pay their salaries ought not to be foreclosed from any possibility of ascertaining that fact. And in any event a Congress which insists upon its right to investigate others can hardly expect the people to believe that its own Members should be beyond the reach of even such a routine investigation as that which the Civil Service Commission has been making.

However accurate or inaccurate the views expressed in the editorial may be, the only complaint here made is as to the caption and the first paragraph.

The editorial as a whole refers to the investigation which the committee was making as to the right of the Civil Service Commission to spend Federal funds for the compilation and the custody of the file in question insofar as it related to Senators, Senators' wives, Congressmen, and individuals who were not Federal employees, and who in all probability never would make application for a Federal job.

The editorial is captioned, "Disloyal Congressmen." I pause now to ask any individual Member of Congress who desires so to do to put on the record his understanding of the meaning of that caption.

Permit me to read the first sentence of this editorial:

Very few people will share the reported indignation of certain Members of the House at the discovery that the names of disloyal Congressmen may have been filed away by the Civil Service Commission.

If that sentence and the caption "Disloyal Congressmen" do not mean that there are disloyal Congressmen in the Congress and that the names of those disloyal Congressmen may have been filed away by the Civil Service Commission, what does it mean? Nine hundred and ninety thousand intelligent individuals, reading that caption and that editorial, would arrive at the conclusion that there were in Congress disloyal Congressmen.

Hence it was in an effort to ascertain whether the author of the editorial knew of any disloyal Congressmen, or intended to make the charge that there were disloyal Congressmen in Congress, that he was asked to appear before the committee on the 7th day of October, the day following the publication of the editorial.

The author of the editorial was John H. Cline. He appeared in answer to the committee's request, and with him came Mr. B. M. McKelway, editor of the Evening Star, who stated that he and Mr. Cline appeared "in response to the committee's invitation and out of respect to a committee of the Congress."

He further said:

We have nothing to defend or explain, but Mr. Cline will be glad to help the committee if he can.

The chairman then stated that that was his understanding of the situation; that Mr. Cline was invited to appear; that—

There has been no charge made against anyone. We are merely seeking information. That is why Mr. Cline was asked to come.

Mr. Cline then identified himself, and stated, in substance, that he wrote the editorial; that it was not his intention to convey the impression that there were Members of Congress who were disloyal and that the text of the editorial, in his opinion, "makes it very clear that" he "did not intend to say that and in fact it does not say it."

The hearings will be printed shortly and will be available to every Member of the House.

Mr. Cline read into the record a letter which reads as follows:

OCTOBER 6, 1947.

Mr. B. M. MCKELWAY,
Editor, Evening Star,
Washington, D.C.

DEAR SIR: I read with a great deal of interest the original story saying that somebody had made a fuss about a report of an investigation, in the files of the Civil Service Commission, that named some Members of Congress, and, subsequently, your editorial of Monday, October 6, entitled "Disloyal Congressmen." Your editorial is very good and very logic, and states the case exactly.

I doubt if very many people will be indignant in that Civil Service Commission has somewhere in its office information regarding Members of Congress. As a Member I do not see why any Member of a legislative body of the Nation should mind being investigated. Without exception, each one of us campaigns vigorously for our seats, and it has become traditional in American politics that if your background cannot stand investigation, it would be very unwise to enter the political arena.

I do not know of any Congressman who is objecting to what may be in the files of the Commission, and I am inclined to doubt that any would make an objection. Most certainly, if the United States Congress has among its membership any individual who may be disloyal to his country in its traditions and its ideals, America should know about it. May I remind you, sir, that all Members of Congress take an oath to preserve, protect, and defend the Constitution of the United States, and if there are any who withhold any mental reservation to that historic oath, they should not be here in the Capitol.

I commend you for your good editorial.

Yours very truly,

JOHN MCDOWELL,
Member of Congress.

My comment is that the casual reader, the average individual, reading that caption and that editorial, would be justified in assuming that the writer intended to convey the impression that there were disloyal Members in Congress, and that the Member of Congress who wrote the letter approving of the editorial was wholly unaware of the authority of the Committee of the charge which it was investigating, and of the duty of the Civil Service Commission.

The record shows, and there is no dispute, that Federal funds were expended by the Commission for a purpose which was unauthorized; that it had collected, compiled, and indexed, and had the custody of, a file containing information which it had no authority to collect, compile or keep.

The action of the committee put a stop to an illegal expenditure of public funds; to an improper and illegal practice. To characterize such actions as being an effort on the part of those conducting the hearings to claim for themselves and their colleagues special privileges and immunities, is, in the opinion of the speaker, most unjust and unfair.

To use the caption "Disloyal Congressmen" at the top of an editorial criticizing the activities of those holding the hearings, is an indirect, if not a direct, charge that they are disloyal. The subsequent statement of the editorial writer that he had no such intention does not remedy the situation. We have heard of the place that is paved with good intentions.

To state, as does the first paragraph of the article, and I again repeat it, that "Very few people will share the reported indignation of certain Members of the House at the discovery that the names of disloyal Congressmen may have been filed away by the Civil Service Commission," is again a charge, whatever the writer may have meant or written, that there were disloyal Congressmen in Congress.

In my humble judgment, that is not only inaccurate, unfair, but tends to create a lack of confidence in the Congress; to impair its authority.

I express no criticism of the gentleman from Pennsylvania [Mr. McDOWELL] who, commenting on the editorial, wrote:

Your editorial is very good and very logic, and states the case exactly.

The right of free speech is his. The justness of his conclusion can be determined by those who read the editorial and have a knowledge of the committee's action, its authority and the results of the hearing.

A SUGGESTION TO THE CIVIL SERVICE COMMISSION

Why not, in fairness to the American public, withdraw from the file all cards carrying the names of individuals who are not either employees or applicants for positions coming under the jurisdiction of the Civil Service Commission and who, in all probability, never will apply for a Federal job?

For the information of the Congress and as bearing upon the broad, general subject of the right of congressional committees to ascertain the manner in which the funds appropriated by the Congress are being expended and the manner in which the various departments, commissions, and agencies are performing their duties, it should be stated that the members of the Commission, although admitting the Commission had no authority to spend the taxpayers' money to collect, compile, and classify information relating to Senators and Congressmen did insist upon the Commission's right to collect such information about individuals who were not Federal employees, who had not made applications for Federal jobs. This authority, the chairman of the committee denies.

Another difference of opinion grew out of the fact that the Commission, after stating that all cards carrying information about Senators and Congressmen would be destroyed, refused to permit a representative of the Congress to examine the file to ascertain whether that promise had been carried out.

The chairman of the committee insists that, inasmuch as the Commission frankly admitted it had no knowledge as to who authorized the making of the file in the first instance, had no knowledge that it existed, had no knowledge of its contents, someone more vigilant than the Commission should supervise the removal and destruction of the objectionable information contained in it.

Put in a different way, the Chairman's position was and is this: If a file of that magnitude could be, as it was, compiled through the use of Federal funds and without the knowledge of the members of the Commission, the members of the Commission should not be trusted to see that the admittedly objectionable material is removed.

Mr. McDOWELL. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. McDOWELL. I think the gentleman should read all of the letter that I sent to the Washington Star.

Mr. HOFFMAN. I am placing it all in the RECORD.

Mr. McDOWELL. The gentleman just made the point that I made in my letter. I said nothing at all, of course, about Senators or Senators' wives or anything of the kind. I was speaking about Congressmen. The effect of the letter was exactly this: There are 435 Members of this body, and I cannot see how any one of them would object to any sort of an investigation into his character or his loyalty. Without any reference at all to any of the present Members of either this House or the other body, I would like to remind the gentleman that there have been disloyal Members of Congress in the history of the United States. I can still see no reason why any Member of Congress should object to any sort of an investigation into his own loyalty.

Mr. HOFFMAN. Will the gentleman answer me this: Does the gentleman approve of the exercise by the Civil Service Commission of investigatory powers which are not granted it?

Mr. McDOWELL. I do not.

Mr. HOFFMAN. Does the gentleman approve of the expenditure of public funds by that Commission, when it has no authority to spend them?

Mr. McDOWELL. I do not. I do not think the Civil Service Commission has any business investigating any person except those having to do with the Civil Service Commission. If I recall my letter to the Star, that point was made also. I believe I said in that letter that if they had incidentally run across something about a Member of Congress, there was no harm in that. If they are investigating Congress, I am right with the gentleman.

Mr. HOFFMAN. The point is this, that Commission has no authority to investigate Members of the Senate, Senators' wives, or Congressmen.

Mr McDOWELL. I agree.

Mr. HOFFMAN Or individuals who are not applicants for Federal office, and they so stated. Then, why should they spend public money in violation of the law, and when the Star came out with an editorial captioned, "Disloyal Congressmen," does the gentleman believe that the whole Congress, 435 Members, should rest silent under that sort of a charge? If there are disloyal Congressmen, then we owe it to ourselves and we owe it to our constituents to forthwith either through the Committee on Un-American Activities, or some other committee, to investigate that charge and find out who is disloyal, and expel that individual from the House. That is my point.

What the gentleman by his letter did was to express his approval of the editorial. That editorial on its face charges that there are disloyal Congressmen. It refers not to some previous Congress, but to the present Congress.

If the gentleman desires to let his approval of that editorial stand, that is his business—not mine.

Mr. McDOWELL. If the gentleman will yield further, I do not believe the gentleman has made the point he is trying to make against the Star. The gentleman says 435 Members should say nothing. Four hundred and thirty-four Members, apparently, were not offended by it.

Mr. HOFFMAN. The answer to that statement is that it is more than probable that many of the Members of the House neither had nor have any knowledge of the editorial nor of what the subcommittee was doing.

Moreover, many Members of the House do not care to risk the retaliation of a publisher or an editor by challenging the accuracy of his statements.

The assumption that the Members of the House who have not protested to the Star agree with the editor's statement is not only unjustified, but, in my humble opinion, absurd.

The SPEAKER. The time of the gentleman from Michigan has again expired.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended one additional minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HOFFMAN. Have you finished?

Mr. McDOWELL. Yes; I have finished.

Mr. ROBSION. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. ROBSION. If that policy was carried to its logical conclusion, they could go out and investigate not only a few hundred or a few thousand but they could investigate millions.

Mr. HOFFMAN. One hundred and forty million

Mr. ROBSION. And the policy is wrong.

Mr. HOFFMAN. The policy is wrong.

EXHIBIT A

THE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS—ITS POWERS UNDER THE STATUTE AND THE REORGANIZATION ACT

The Committee on Expenditures in the Executive Departments was established December 5, 1927 (70th Cong., 1st sess.). It superseded 11 separate committees on expenditures in the several executive departments.

On March 17, 1928, the rule was amended to include:

"Independent establishments and commissions of the Government and the manner of keeping the same; the economy, justness, and correctness of such expenditures; their conformity with appropriation laws; the proper application of public moneys; the security of the Government against unjust and extravagant demands; retrenchment; the enforcement of the payment of moneys due to the United States; the economy and accountability of public officers; the abolishment of useless offices, shall all be subjects within the jurisdiction of the Committee on Expenditures in the Executive Departments." (Rule 11 subsec. 34.)

Section 105-A of title V of the United States Code, adopted May 29, 1928, reads as follows:

"Every executive department and independent establishment of the Government shall, upon request of the Committee on Expenditures in the Executive Departments

of the House of Representatives, or of any seven members thereof, or upon request of the Committee on Expenditures in the Executive Departments of the Senate, or any five members thereof, furnish any information requested of it relating to any matter within the jurisdiction of said committee."

Section 101 of the Reorganization Act (Public Law 601, 79th Cong.), page 3, reads:

"The following sections of this title are enacted by the Congress:

"(a) As an exercise of the rule-making power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, or of that House to which they specifically apply; and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

"(b) With full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House."

Section 121 (a) of the Reorganization Act, page 12, provides: "For a Committee on Expenditures in the Executive Departments, to consist of 25 members."

The applicable words of rule XI, section 121, of the Reorganization Act are:

"All proposed legislation, messages, petitions, memorials, and other matters relating to the subjects listed under the standing committees named below shall be referred to such committees, respectively: *Provided,* That unless otherwise provided herein, any matter within the jurisdiction of a standing committee prior to January 2, 1947, shall remain subject to the jurisdiction of that committee or of the consolidated committee succeeding generally to the jurisdiction of that committee."

Subsequent pertinent provisions of rule XI, page 15, of the act are as follows:

"(h) (1) Committee on Expenditures in the Executive Departments.

"(A) Budget and accounting measures, other than appropriations.

"(B) Reorganizations in the executive branch of the Government.

"(2) Such committee shall have the duty of—

"(A) Receiving and examining reports of the Comptroller General of the United States and of submitting such recommendations to the House as it deems necessary or desirable in connection with the subject matter of such reports;

"(B) Studying the operation of Government activities at all levels with a view to determining its economy and efficiency;

"(C) Evaluating the effects of laws enacted to reorganize the legislative and executive branches of the Government;

"(D) Studying intergovernmental relationships between the United States and the States and municipalities, and between the United States and international organizations of which the United States is a member."

Precedents bearing upon previous activities of Committee on Expenditures in the Executive Departments will be found in Cannon's Precedents, sections 2041–2042.

[80th Cong., 1st sess. H. Res. 118 (Rept. No. 73). In the House of Representatives, February 26, 1947. Mr. HARNESS of Indiana, from the Committee on Rules, reported the following resolution; which was referred to the House Calendar and ordered to be printed]

Resolution

Resolved, That the Committee on Expenditures in the Executive Departments, acting as a whole or by subcommittee, is authorized to conduct studies and investigations of any action, rule, procedure, regulation, order, or directive taken or promulgated by any department or independent agency of the Federal Government where complaint is made to the committee, or subcommittee thereof, that such action, rule, regulation, procedure, order, or directive—

(1) is beyond the scope of the power or authority granted to such department or independent agency by Congress or by Executive order;

(2) invades the constitutional rights, privileges, or immunities of citizens of the United States;

(3) inflicts penalties for failure to comply with such rules, regulations, or directives, without affording those accused of violation an opportunity to present their defense before a fair and impartial tribunal.

For such purposes the said committee or any subcommittee thereof is hereby authorized to sit and act during the present Congress at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require by subpena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member. The chairman of the committee or any member thereof may administer oaths to witnesses.

That the said committee shall report to the House of Representatives during the present Congress the results of their studies and investigations with such recommendations for legislation or otherwise as the committee deems desirable.

The SPEAKER. The time of the gentleman from Michigan has again expired.

EXTENSION OF REMARKS

Mr. VAN ZANDT asked and was given permission to extend his remarks in the RECORD and include a letter from Mr. Lawrence Trainor, chairman, hospital construction committee, Duquesne, Pa.

Mr. DONOHUE asked and was given permission to extend his remarks in the RECORD.

Mr. FORAND asked and was given permission to extend his remarks in the RECORD and include an article entitled "Whose Liberty?" written by Thomas L. Stokes.

Mr. MUNDT asked and was given permission to extend his remarks in the Appendix of the RECORD and include therein correspondence received from the gentleman from Illinois [Mr. GORDON] and a copy of his very excellent report on current conditions in Poland.

Mr. VURSELL asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

The SPEAKER. Under the previous order of the House the gentleman from South Dakota [Mr. MUNDT] is recognized for 1 hour.

REPORT ON TRIP TO EUROPE

Mr. MUNDT. Mr. Speaker, in conformity with established custom which seems to require that after a Member of Congress has spent some time on a congressional mission overseas he make a report back to the Members of Congress concerning his findings and observations, I have asked for this hour today to use this time for that purpose. Since it was my privilege and honor to head a committee composed of Members of the Senate and the House which spent some 6 weeks in studying economic and political conditions in 22 countries of Europe this summer, I want to report back some of my personal observations and conclusions. In doing so I speak not as chairman of the committee or for the other members of my committee, but I speak for myself alone.

The members of the committee were Senator SMITH, of New Jersey, who served as chairman of the Senate group during the part of the trip that he was able to accompany us; Senator HICKENLOOPER of Iowa; Senator BARKLEY, of Kentucky; and Senator HATCH, of New Mexico. On the House side my associates on the committee were the following Members: Mr. JUDD, of Minnesota; Mr. SMITH, of Wisconsin; Mr. LODGE, of Connecticut; Mr. JARMAN, of Alabama; Mr. GORDON, of Illinois; and Mr. MANSFIELD, of Montana.

During our travels we visited all of the countries of Europe except Russia, Yugoslavia, and Albania. I am not just sure whether Albania is entitled to be listed as an autonomous country any more, it is so completely under the domination of Russia; and, as you know, we have withdrawn our diplomatic mission from Albania, so we maintain no relations with that country at this time.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MUNDT. I yield to my distinguished friend from Massachusetts but serve notice that until I have completed my statement I cannot yield further.

Mr. McCORMACK. The gentleman is making a very important speech. I think there ought to be more Members on the floor to hear him. I am going to make a point of order that a quorum is not present unless the gentleman asks me to withdraw it.

The SPEAKER pro tempore (Mr. McDOWELL). Evidently no quorum is present.

CALL OF THE HOUSE

Mr. MICHENER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 136]

Allen, Ill.	Dingell	Hope
Andrews, N. Y.	Dirksen	Jones, N. C.
Barden	Domengeaux	Kean
Bates, Ky.	Dondero	Kearns
Bland	Dorn	Kee
Blatnik	Douglas	Keogh
Bloom	Eaton	Kersten, Wis.
Boggs, La.	Elliott	Kilburn
Bolton	Elsaesser	King
Brooks	Elston	Kirwan
Buchanan	Flannagan	Klein
Buckley	Fogarty	Landis
Bulwinkle	Foote	Lane
Busbey	Fulton	Lanham
Byrne, N. Y	Gallagher	Lea
Canfield	Gamble	Lesinski
Cannon	Gary	Lewis
Celler	Gillie	Lichtenwalter
Chadwick	Gorski	Ludlow
Clements	Gross	McCulloch
Clippinger	Hagen	McMillen, Ill.
Cooley	Hall,	Macy
Cooper	Leonard W.	Mahon
Corbett	Hartley	Mansfield
Cotton	Heffernan	Marcantonio
Coudert	Hendricks	Mathews
Courtney	Herter	Meade, Ky.
Dague	Hess	Miller, Md.
Dawson, Ill.	Hinshaw	Morrison
Delaney	Hobbs	Morton

Multer	Riehlman	Stigler
Murray, Tenn.	Sabath	Stratton
Norblad	Scott, Hardie	Taylor
O'Brien	Scott,	Thomas, N. J.
O'Konski	Hugh D., Jr.	Thomas, Tex.
Owens	Seely-Brown	Trimble
Pfeifer	Sikes	Wadsworth
Philbin	Simpson, Pa.	Wilson, Ind.
Ploeser	Smith, Ohio	Wilson, Tex.
Powell	Smith, Va.	Wolcott
Preston	Smith, Wis.	Worley
Rabin	Snyder	Zimmerman
Reed, N. Y.	Spence	

The SPEAKER. On this roll call, 306 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. WELCH. Mr. Speaker, will the gentleman yield?

Mr. MUNDT. I yield.

Mr. WELCH. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include an editorial published in the San Francisco Call-Bulletin with reference to the necessity of an adequate American merchant marine.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

REPORT ON TRIP TO EUROPE

Mr. MUNDT. May I say, Mr. Speaker, I think I shall not yield again now until I have completed my report, because I want to do this in a consecutive fashion. However, I am happy to yield to the distinguished former majority leader. The gentleman from Massachusetts [Mr. MCCORMACK] makes a point of order a quorum is not present.

I was saying at the time the quorum call was made that our committee visited all of the countries of Europe with the exception of Russia, Yugoslavia, and Albania; and I explained our reasons for excluding Albania. We did not ask permission to go to either Yugoslavia or Russia for several reasons. In the first place, we were studying the impact of the Russian-Yugoslav Communist movement in countries outside of Russia and Yugoslavia rather than making a further analysis of what is occurring in those unhappy countries. Many members of the committee had been in those countries in 1945 and 1946. I myself had been in Russia and Yugoslavia somewhat extensively 2 years before. So we did not get our invitation turned down, but we had the uneasy feeling that had we tried to go to Russia or Yugoslavia, our experience would have been very similar to that of the Members of the other body, who this year were denied visas to Russia.

As a backdrop for what I want to say, let me give it as my opinion in the first place that Europe today has become a gigantic battlefield, a great flaming battlefield of clashing ideologies, of conflicting political camps; and a shouting war is taking place over there which can easily turn into a shooting war unless things are done which I think must be done to hold the line for peace.

I feel that this is of intimate concern to every American primarily at this moment, because we have an army of occupation in Europe of some fine, gallant, able soldiers and officers doing a splendid job with the resources available to them to keep aflame a little spark of freedom in that area of the world. I call attention to the fact also that the major peace treaties have not yet been signed. So we are faced with the stark, naked fact that while we have won a military victory we are very far from having won or even having concluded a peace in Europe.

As I see the picture, therefore, we face two major alternatives which you and I as Members of this body and every American during the next 2 months is going to have to confront and answer to the satisfaction of his own conscience and his own convictions.

One alternative is to pull out of Europe entirely. We can withdraw our occupation troops, we can pull out our economic aid and advisory missions; we can turn Europe over entirely to this new totalitarian tyrant which is rushing in from the east. Having done that we can begin the slow and expensive job of trying to arm this country to the teeth, beyond the imagination of anybody who ever has conceived of making America impregnable. We can try our best through collections of atom bombs, the development of bacterial weapons, the utilization of supersonic military devices of every type to make ourselves impregnable, and hope and pray that when war then comes and communism comes knocking at our own front door that we can win the conflict when it is brought to us.

The second alternative it seems to me is to resolve to project our influence into Europe and the world now in such way that we can help to hold the lines established between the free peoples of Europe and those who have been compelled to come under the domination of the red masters of Moscow. We can exercise that leadership in hopes, in other words, that if it succeeds it may make it unnecessary ever again for America to exercise a leadership in war such as that which we have just concluded victoriously in the battles of the past but only after a cruel and tragic sacrifice of life, of limb, and of our resources and usual liberties.

Neither of these alternatives is very desirable in my opinion nor very attractive, nor very economical, nor easy to contemplate. But I have searched my mind as carefully as I can for a third possible alternative, for some happy middle ground to which we could all repair and say, "This is the easy, inexpensive, comfortable way to meet these challenges which are rushing in upon us." I cannot find that happy middle ground. I can find variations and modifications of the two general broad avenues of approach which I have set before you, but I cannot find a third alternative or any other course or any other program of action which does not have to follow in large part one or the other of these two major alternatives.

If we select the first alternative and succeed, it means we win another shooting war. It means that when this great movement looms up from the east and challenges us directly in a military manner as indicated in its printed documents, its own accounts, its own Mein Kampf, by some 33,000,000 copies of the Interpretations of Leninism, written by one Joe Stalin now being circulated in Europe, which says in so many specific words that communism and capitalism cannot live at peace together in the same world, we will be prepared. If we choose the alternative of pulling out and withdrawing our occupation troops and turn our back on the situation and say we are not going to look over our shoulder in that direction again; if we choose that alternative and win with our gigantic armament program, we have won another war. However, we then confront the problems that now confront us as what to do with the victory which is ours. We shall even then still have to win a peace to be secure.

If we select the second alternative and succeed, it means that by exercising positive leadership in a period of peace, we have averted the necessity of becoming involved in another war. It means that without fighting and without shooting we have taken steps to maintain a portion of the world strong enough to stop military attacks from starting by a portion of the world which is weaker than we are and which, while it is weaker than we are, will never attack us.

May I point out that we do not have to make our decision on this matter today or tomorrow. We are going to have before us shortly a program calling for interim European aid. It is a sort of a stopgap aid program, for which most people in America manifest their support in one form or another. This gives us several months in which to look for other alternatives. It gives us several months in which to get down to the facts of life so that all of us can understand them, assemble, assimilate, and carry them back to the people in our various districts and States. It gives us several months before we determine finally what our long-term course of action is to be.

But when that determination is made, it seems to me then we confront this wicked fact. Unless we can do something through positive American leadership to help prevent this outward moving flow of red fascism or communism from Moscow, we face this inevitable situation: Either we must withdraw our occupation forces now in Germany and in Japan which are trying to maintain order and restore peace and develop an environment in which victory can pay dividends to those who sacrificed so much for it, or else witness the possibility or the probability, if you please, that our occupation troops will simply be there on little isolated islands of freedom, surrounded by the swirling seas of red communism on every side. Unless we can build dikes or help build dikes to hold back these outward rushing red waters from Moscow, we face the very serious possibility that our boys will be there unprotected, alone, on isolated hilltops with the Stars and Stripes above them, but surrounded by an area occupied, controlled, and dominated by men who have avowed themselves to be the enemies of Christianity, of freedom, of democracy, and specifically, of America.

In the days and weeks ahead, therefore, we must all seriously ponder the proposition—which course is best for

American self-interest? For peace? For security? For the safeguarding of our cherished American institutions? Do we evacuate Europe completely now, surrender our victory to a red dictator after having defeated a black and a brown one or do we exercise positive, prudent, prompt leadership now so as to win the peace and put an end to future war?

Let us take a look now at the map of Europe as we found it this summer and see whether it portrays an exaggerated situation or whether in this unhappy hour you and I are promptly up against a mighty significant decision to which there is no easy and no certain and no clear-cut answer.

If we were to take Europe and look at its countries as a group of actors on a stage, I think that the stage of Europe today would appear like this. On the bright side of the curtain, on the free side, where the footlights can illuminate the movements of the actors, we find the following countries: Norway, Sweden, Denmark, Holland, Luxemburg, Belgium, Switzerland, and England. Off in the wings of the stage in an indeterminate position, with nobody being just sure whether they should march on and take their places with those upon whom the lights shine or whether they should march back and take their places in the dark recesses of the stage or whether they should be called upon at all, we find two countries, Portugal and Spain, in a rather anomalous position.

Then, in the dark places on the stage behind the curtain, away from the footlights, moving darkly, we find the 12 members of the Red parade. We tried successfully in wartime to work with Red Moscow and with Russia as an ally. Russia made mighty good use of the supplies we made available to her, and I sort of think that as members of a free-enterprise country we ought to always keep in mind, too, that those lend-lease shipments were American supplies, produced by the private-enterprise system, made by capitalism, management, and labor working together, under the private-profit system, and providing the weapons which helped turn the tide of war. But our hats were off and are off to the heroism of the Red soldier. We tried to continue cooperating in peace as we had in war. In my opinion, we tried too long and we tried too hard and we tried improperly, but we tried. We conceded at Cairo, we yielded at Yalta, and we appeased at Tehran. We signed our name ignominiously to the document at Potsdam, trying as hard as any nation ever did or ever could, even though our efforts were clumsy and improperly conceived, to work cooperatively in peace with the Russians. But we failed. Perhaps our appeasement policies made failure inevitable and contributed to its magnitude and seriousness.

While we were making concessions to Russia she was picking up pieces of real estate all over Europe, and the evidence in the geography of Europe today proves that to be a fact. While we with the dove of peace were cooing to ourselves, with our head pretty much tucked under our wings, the Russian Bear was moving out pulling into its bosom a swarm of little countries, little independent areas, making them part of its domain.

Let us look at these 12 actors back behind the curtain now where there is no light. We have, first of all, the fact that the one country, great Communist Russia, with whom we cooperated so successfully during the war, today has become 12.

Witness, first, the hard core of communism, the 6 countries most completely controlled and dominated by Russia. Russia, of course, despite the fact that the vast majority of her people are not Communists, despite the fact that the vast majority of her people have the yearning to worship God and the desire to be free, is completely dominated by the Communists. Russia, Lithuania, Albania, Estonia, Latvia, and Yugoslavia represent the hard core, the 6 countries which have gone most completely and totally Communist. Add to that in almost the same identical category, Bulgaria and Rumania, countries that are completely controlled today, not alone by Communists, but by Communists who were trained in Russia, who spent most of their lives in Russia. In the case of Rumania, Anna Paulker even is a citizen of Russia, and is controlling the destinies and the lives of numerous peoples in the Balkans who have great histories and notable achievements and cultural ambitions to their credit but she and Bulgaria's Russian-trained Dimitrov control them as completely as Russia controls Leningrad or White Russia or Baku.

Countries 9 and 10 in the Red parade, only a slight degree less completely dominated than the other eight, are Poland and Hungary. These countries tried valiantly in elections and through resistance movements to throw off the yoke of communism as it was being attached upon them, but today they are hopelessly lost because of their inability to extricate themselves with their own devices from the iron clutch of the Communists. Now Mikolajczyk, with whom we conferred in Warsaw, has had to leave the field of contest and come out into the free world with the hope of organizing perhaps a "Green International" or some other movement among the peasants and their people to keep alive the hope of eventual freedom, and he no longer operates in his native land to help the people organize as best they can to recapture the freedom they have lost. Poland is gone, controlled completely by the Communists, and Hungary, too, despite the fact that in the last free election 70 percent of the people of Hungary, voting in Budapest 2 years ago, about the time that I was there, voted against the Communistic regime. By the Communists getting control of the ministry of the interior, by establishing a secret police, by pressure, by persecution, by pillorying the people who tried to be free, Hungary is gone, and you can read the whole sad story in detail in the current issue of the Reader's Digest. I know that many of you have already done so.

Countries 11 and 12 in this parade are pathetic cases, two little soulmates of freedom, with whose leaders and people we conferred at some length. They would like to be on the free side of the curtain, but because of their geographic location and the exigencies of world politics and war they are controlled and dominated in their international affairs completely and almost completely in internal affairs as well by the same Communists at Moscow. I refer to Czechoslovakia and Finland. Geopolitics in Europe today has become a matter in large part where it is only 5 percent politics and 95 percent geography. Czechoslovakia and Finland, against their will and against the desires of their people, but because of their size and their location, comprise members 11 and 12 of this Red parade.

So there they are, and nobody can deny the facts. There they stand out as acquisitions of this great Communist power conquest of Russia occurring since World War II began. The 195,000,000 people of Russia have become over 320,000,000 people in Europe alone, whose every effort can be harnessed and directed and controlled and dominated by the men of the politburo sitting in the Kremlin in Moscow. All their farms and factories, their mines, all their fabricating plants, all their armaments, all their guns, and all their uranium answer to the direction of a single group of Communists in Moscow.

So I say as we look at this map we realize on the stage of Europe that some of the actors are free and move in the light, and some of the actors move only in the dark and are controlled from beyond their own borders. You know and I know who they are. The record is clear.

Can we afford to turn our back upon the situation? Have we reason to hope that the growth from the one to the twelve will stop before it grows to include all countries of Europe? And after it gets the countries of Europe, is there any reason to hope it will stop then, when even now, in these early stages, in our own country, even in some of our own Government offices, the Communists have been able, through intrigue and indoctrination, to implant certain of their members in important positions? There is small cause to hope that the Communists want all of Europe and nothing which lies beyond.

In this line of march there are other countries, too, sort of standing out there with the floodlights and the spotlights from all over the world turning their brightest beams upon them. Nobody is just sure as yet when the curtain comes finally down whether these countries will be found on the bright side, on the free side, or the black side and the controlled side of the curtain. Greece and Turkey are two of those countries, and Italy and France and Germany and Austria are the rest, thus concluding the roll call of the countries of Europe.

You and I are meeting now in extra session to determine what, if anything, we can or should do to help in some way to have these six significant countries when the curtain is finally rung down to be standing out on the free side of the curtain. Up to now, in my opinion, the money which we have expended in Greece and Turkey has been a good investment. It has not been spent perfectly. Mistakes have been made. Things have been done which might better not have

been done. But at least it has maintained in that area a firm resistance to those floodtides of communism and they have not, as they anticipated, been able to include among the nations that they now have the thirteenth and fourteenth countries of Turkey and Greece. I am sure the Communists anticipated when they had the coup d'état in Hungary 120 days or so ago and took Hungary over that they anticipated at that time taking in Greece and Turkey as well, because each of them is a more important acquisition than Hungary is standing there alone. So at least in Turkey and in Greece the decision is still to be made.

And in Italy and in France, despite shortages, and serious shortages, of fuel and of food, the governments have been able to resist up to now not only the outside pressure, but the inside intrigues of communism. De Gasperi's government in Italy has removed from office all Communists and has refused to form a coalition with them. So, too, has the government in France, which unfortunately, however, is having many difficulties. But at least it has not yet agreed to compromise its position by forming a coalition with the Communists, even though, through general strikes and riots, they are making life almost unbearable for Ramadier or Blum, or any other non-Communist who tries to establish order and speed recovery in France.

In Austria and Germany we find, too, good cause for hope. In Austria some very able young men have gotten control of the government. Their eyes are turned definitely toward the West. Their biggest plea is that we can have a peace treaty with Austria so that they can ask the armies of occupation to remove themselves, because they want to get rid of the many thousands of Red soldiers who now are depriving them of their liberties in Austria—not because they want us to leave but because all have to leave or none will leave.

A little assistance, perhaps, may help the Austrians to move over definitely on the American side—on the right side—on God's side of the curtain which is being rung down in Europe.

In Germany the situation is pretty pathetic. We have not operated at all wisely in Germany up to now. The ill-fated Morgenthau plan has proved itself to be a colossal calamity and a terrific costly mistake. It was based on the idea that the Germans should not be able to produce industrially the things which they would export in order to bring in food to feed themselves. The plan was that they should have a pastoral state or a farming economy. A large part of their equipment was removed to Poland, which means Russia, under agreements which we accepted and many acres of German farm land also went to communized Poland. We found idle people in Germany and hungry people there as well. We found a lack of food supplies, all of which puts your country and mine in the incongruous position of having to tax our people seriously and grievously to purchase food to feed the former enemies whom we have just defeated.

But that is one of the incongruities of war. You and I at least are proud of the fact that Old Glory never has, and we hope never will, fly over a country in which we have well-fed American soldiers and diplomatic machines moving around through cities at a time when the people living there are dying of starvation. That is not the Christian, that is not the humanitarian thing to do. So we have been feeding them and taxing our people, because our ill-fated policy has stalemated recovery not only in Germany but throughout Europe, since most of Europe relies on the products of the German mines for fuel.

Now, happily, I believe, that program will be abandoned. I feel Congress will compel its abandonment if necessary. Today we face more dispassionately the problems of the peace, and now we know better the economic principles which govern Europe. We shall probably soon operate on the principle that instead of saying to the Germans, "You cannot work here; you cannot work there," we say to them, "You must go to work; you must produce coal, you must produce steel, you must produce the products of your mills and your mines and make them available to other European countries to start the whole European stream of recovery to moving. You cannot use them to build another military establishment in Germany to threaten another war in Europe, because our armies of occupation will stop that. There must be a quickening of the stream of prosperity at its source, however, and your steel and coal must help supply the impetus for European recovery."

So we shall say, "If we feed you, we feed you for the purpose of putting you to work, and you work for the purpose so that you can begin to feed yourselves and to help Europe recover and feed itself"; and the money that Americans are now paying to feed the hungry people in occupied countries can then be used to better purpose to help to insure and hold the peace throughout the world.

FOUR BIG COMMUNIST GAMBLES

By and large, the Russians are making four big gambles in Europe today with the hope that if any one throw of the dice comes up right, they can win. The first big bet is they gamble that there will be an American depression. They have advertised that American depression through Europe now for 20 months. We are away behind schedule in the Russian record books on our depression. We should now have over 10,000,000 people unemployed, according to their predictions and prophesies. They are more concerned than we are about the high level of prices which prevails in this country and the inflationary tendencies, because with over 60,000,000 people employed in America their propaganda about an American depression is wearing rather thin. But they have been telling Europe, "Don't tie your kite to these capitalistic countries. There will be a depression pretty soon, and when it comes all the capitalistic world will fold up and you will have to turn to a controlled economy, you have to turn to totalitarianism. You cannot have common cause with a 'decadent democracy.' Capitalistic depression is inevitable."

There is a certain amount of truth in the fact that an American depression can go far toward giving the Communists victory for their plans in Europe and in the world. We must do nothing ill-advisedly which will contribute to a depression. We have to take every legitimate precaution to safeguard ourselves against such economic chaos. We must continue to make freedom work here at home.

The second bet the Communists make is that they can retard western European recovery, whether or not there is any economic aid from America. They are doing the best they can to stop recovery. The headlines of every newspaper bear testimony to that. At least, the Russians are not very subtle about the techniques in which they engage. You can see them with the naked eye in Europe today. We know what the problem is. We know what the Communist plan is. Our difficulty is to decide on the wise course of action for us to take to meet the challenge which we can define and describe on the spot today. The Communists know that chaos is the mother of communism. They know that hunger contributes to chaos; that unemployment contributes to hunger. So, if they can destroy or retard any semblance of western European recovery they have good cause to hope that communism can step in as the only organized receiver in bankruptcy ready to take over, with a plan and program to project and a career of conquest to pursue.

Hence we read about these strikes at Marseille, we read about these slowdowns all over Europe, we read about the Communist efforts to disrupt transportation and upset orderly government. We read about these devices, some obvious and some not so clear, by which they destroy as much as they can of any sustained march toward recovery in western Europe.

The third gamble the Russian Communists—these Red Fascists—make is that they can drive the United States and Great Britain out of Europe altogether. Suppose we chose that first alternative I spoke about, pulling out of Europe; and if we do pull out, Mr. Speaker, let us not leave a group of unprotected American soldiers of occupation there alone. We cannot do that. If we pull out we have got to bring home the boys. But suppose we choose that alternative and pull out, and the British pull out, who moves into all the empty chairs? Why, they even have an old legend I heard about while I was in Moscow in 1945, brought down through the historic pages of Russian histories which says, "The Russians always occupy all the empty chairs." Certainly they would move in where we have been if we pull out, and are gone, and away. Where and when we leave, they move in. So their device is obviously to drive us out if they can. How? By making our experience there distasteful, unpleasant, expensive, humiliating, embarrassing, disagreeable, unworkable. They are doing all those things. We know they are doing them and we know why, but it is a bet they make, and if they win we lose. And if we lose, peace is lost, and victory is lost, and this time perhaps all is lost.

There is a fourth bet they make, that they can continue to block the United Nations from doing anything significant in a constructive way to preserve the peace. And they are doing a pretty effective job of that by castigating our American leaders, by dilatory tactics, by absenting themselves from meetings, by using the veto where they must. They have pretty well now since the very beginning of the United Nations succeeded in blocking it from doing the major things that every thinking man and woman in the world knows need to be done if we are going to have peace; and while they block the United Nations they build their domain in Europe and Asia. It is an old football tactic, there is nothing very complicated or subtle about it. You block and you build.

So while they block the United Nations from getting in and doing something effective, for example, to control atomic energy internationally to know who is making bombs, and how many, and why; while they block us from establishing an effective police force big enough even to settle a little neighborhood brawl in the Balkans, they build up their domain from 1 to 12 and they have been building the strength of their Red Fascist movement throughout the world and throughout Asia with alarming speed. There then is the tactic, there is the gamble they make. They hope to win, because they hope they can keep on blocking the decent nations of the world long enough to enable them to complete the program they are building abroad. While blocking the United Nations they hope to build their Red bastions so strong and so large that they can defeat us in a military struggle should that eventuate.

What weapons did we find the Communists using in this cold war? Because you have got to have weapons with which to fight a war. There are many, but I want to suggest just a few so we have them in mind. The first is propaganda. What a job they are doing to us with propaganda in Europe. Why, the things that Vishinsky says about Truman, Vandenberg, and Marshall in his vile utterances at Lake Success sound like the cooing of a lovesick dove on a moonlight night in June compared to what the Communists are saying about Americans all over Europe. They are maligning us and slandering us and lying about us, and in large part we are mute and helpless people lacking facilities to give the lie to the things they are saying about us. Thus they are using propaganda against us as a weapon in what we have come to call a cold war.

Next, they are using the police state because they do not care how they win an election. Any way they can get control they take it. Steal it like they stole the election in Poland, or they can get it through dismay and despair and confusion as they hope to do in France where far less than half of the people conceivably believe in communism. But once they are in, once they have control, they use the pistol in the back, they use the bayonet, they use the police state and they use the concentration camp to maintain control. That is a weapon they use.

The third weapon they use is pressure from within. I think we Americans have got to realize one significant fact that seems somehow it is impossible to get the general public to accept and to appreciate fully. Today communism, better described, in my opinion, by J. Edgar Hoover when he calls it red fascism, is the only internationally organized political party in the world. That is one of the reasons for our difficulty. We do not have any great world-wide, globe-encircling program or party or union, or battalion, or group that can uniformly fight this closely knit international Communist party, which has its mouthpieces in Washington, in New York, and other places in America, as well as in every other civilized country of the world, all speaking, thinking, acting, and planning communism in accordance with directions coming from Moscow. That has been demonstrated. There is no question about that. We just are not going to be able to protect America now unless we recognize directly the kind of ism and the kind of force we are up against and recognize it both at home and abroad. It is a terrific weapon that they have in this internationally organized and directed combat team they so deceptively call the Communist Party.

On our side of this cold war, of this great struggle, we have some weapons too. Some of them are in moth balls, some of them we are not using, but we have them. I think one of our most important weapons is the productive capacity of the free world, especially America. We still have all the production units that we had when we were called upon to furnish and so successfully supplied the arms for most of the people fighting against nazism in the recent war. We have that productive capacity today. We have a productive capacity which, once it has determined upon a goal and set its mind on a project, so excels so completely the productive capacity of the slave world that no comparisons are logical at all. That is an important weapon, in my opinion, on our side of this cold war.

The second weapon we have is publicity. The one place, it would seem, that America should not lose ground to the Communist is in the field of publicity and advertising, or call it propaganda if you will. A country that has been able to sell Bayer aspirin and Buick automobiles in every area of the world, a country which specializes in techniques of publicity, advertising, and information, a country with the greatest school system under the canopy of heaven, a country with public relation officials who can build a rambling circus into the greatest show on earth, a country that can use the radio, the press, the pen, and the platform to the extent that a man dying of pneumonia in a pneumonia ward will get up in a hospital and ask his nurse for an Old Gold cigarette because he thinks it will cure a cough, a country like that should certainly not lose in a contest on publicity. We just lose that aspect of the war because we are not working at it, because we have not established an adequate, a respectable, and an effective program of United States information abroad.

If we concentrate long enough on the policy of taxing our people to feed the unfortunates of Europe while the Communists spend their time feeding the minds of Europe, at the end of the trail we will have nations who will have avoided starvation but whose minds are poisoned against us and who look at us as enemies instead of friends, and you and I and America will be to blame because we have not given them the facts.

A large part of Europe is hungry for food, but Europe, by and large, today is hungrier for American facts than it is for American food. I think we should get busy on a program of supplying those facts and that information and that publicity not only to answer the villianous propaganda of the Communists, but to explain the American message and the American concept and the American ideal around the world where people can use it and take advantage of it and help use it in assisting to maintain peace.

We have another weapon. It is a unique weapon. It really fell into our laps. Several of our committee members remarked about it as we went around about Europe. There is a great revival of national patriotism taking place all over Europe today, and it is a great Achilles heel in the armament of the Communists, because a Communist in any country, including ours, who pays a greater loyalty to his own flag than he does to the hammer and the sickle, is of no use to the men in the Kremlin. They say, "You have to stamp out patriotism, you have to eliminate national pride, you have to subjugate your own national interest and your own national destinies for the interest of the whole," or as they say over there, "for the interest of the Soviet," or on occasion, "for the interests of the Center," meaning the Kremlin.

Well, GI Pole and GI Bulgar who went off to war were a good deal like GI Joe and GI Jane. They came back better citizens and better patriots. They sacrificed something of their lives, of their limbs, of their opportunities, for their loved ones, for the cause of their country, and they came back inspired and more patriotic as our veterans have come back. But, when GI Pole and GI Bulgar came back to the city square in front of the post office and looked at the flag mast, they saw not the national flag for which they fought, but the hammer and the sickle, and a queer feeling came over them, and one day they went home to eat with the folks at noon or at night, and they said, "Ma, what happened to the flag back home? I cannot understand that red piece of bunting." His folks then say, "Look, son, after the meal we will go out in the garden, because you do not even talk to your own family behind the iron curtain in this home. Since even the walls have ears and dictaphones now, we will go out in the garden." Then the father or mother says, "Son, while you were off to war fighting for Poland, or Bulgaria, or any other country behind the iron curtain, the Russians have come over now and they

are our allies; the Communists are in control of the Government. Their leader is Stalin, and they have other leaders like Dimitrov, Tito, and Anna Paulker. We have to salute them, respect their flag, we have to revere the Communists and the Russians. That is why you see the strange faces and the hammer and the sickle in our public places." And the foreign GI says, "That is not the flag for which I fought. Those were not part of my regimental colors. I fought for the flag of Poland or I fought for Bulgaria," and he goes upstairs and he gets out his little national flag from his battered trunk and puts it in his bedroom window. He is proud of it, and the Communists have not dared to take those national flags out of the bedroom windows. They lack the courage and the confidence to meet this new rising tide of national patriotism in Europe.

All over Europe there is a revival of patriotism and an upsurge of love of country, which is a great threat to this encircling Communist movement which tries to stamp patriotism out of the hearts of the people of all these countries. This is a weapon we can use, and it is one we can augment and supply and feed with a proper information program overseas.

Then, of course, we have the weapon of our superior military strength—something we must maintain in a superior status, something which we must maintain strong and effective. We cannot afford to be weak in this wicked old world because we have become the choicest apple on the tree. While we are strong, we are safe. The question is, Can we become strong enough to offset a whole continent and perhaps several continents enlisted against us?

I want to say something now of a more hopeful nature. Apparently, when I came back and told the press which assembled at my office that morning that I was somewhat encouraged about the possibility of maintaining peace in Europe, it made much greater news than I anticipated. So many people apparently have thrown up their hands in despair and accepted war with communism or with Russia as inevitable that talk of peace is news. I do not agree with that. I think that it would certainly be a colossal calamity to follow our recent victory by another war. Yet we hear so much talk about war that when a man says he is hopeful there can be peace it makes news of an importance which I did not even contemplate. Still I am hopeful.

I am hopeful partially because communism, which has made this mad march through Europe, which I have described to you country by country, from the 1 to the 12, has been brought down to an insidious crawl today. The rapid movement has subsided to a slower pace. There are reasons for that that you and I should know about and think about.

The first reason is that the end of the American era of appeasement has made the going rougher and more dangerous and less predictable for the Communists. That is one reason why the fast march has become a slow crawl.

During the era of appeasement certainly there were reasons to have a false sense of security since we were conceding to a former ally things which we should never have conceded because they have brought us to this unhappy pass. With the end of that period of appeasement, the countries of Europe which before then had thrown up their hands and said, "In our spot in the world, small as we are, what can we do?" began to take on new courage and new hope and to take steps of their own to curtail communism within and to resist Communist pressure from without. Italy is a case in point.

The second reason is the experience of the satellite countries. Try as they can, the Russians cannot put an iron curtain so completely around their domain that nobody can ever get out, so that nobody can ever send out a message and so that no news from the outside can get in. Without exception, the experience of all the 11 satellite countries has been that they have suffered a reduction in their living standards under the Communists instead of having an advance. Consequently their people are sending out to the free world a message, "Do not be tricked by the promises of communism. They do not deliver. Do not be lured into a feeling that you may acquire more for yourselves, be you laboring men or peasants or poverty-stricken individuals, by adopting the concept of communism, because in our experience we have lost what we had, plus freedom, plus hope, plus the right to worship God." Yes, friends, these messages are getting out into Europe and they have tended to stiffen the backs of those who are still able to resist communism.

The third reason: Our interest in Turkey and Greece. Our presence there and the availability of our supplies over there and the counsel and leadership we have given through men like Griswold and Cochran of Nebraska, and our able Ambassador Lincoln MacVeagh. The efforts that we are making is a tangible indication that America has been trying to help two countries that are trying to remain free and has tended to bring back new hope and new faith to the other countries of Europe, and to give them the resistance and confidence to hold off against the efforts of the Communists to increase the number of their captive countries beyond the figure 12.

The fourth reason is the revival of patriotism. If further evidence is needed that this unchallenged and apparently unchallengeable mad rush of Communism across Europe can be slowed down and can be stopped—if further evidence is needed, we can get it from the books. Take the election in Rome—DeGasperi's recent municipal election. Remember in Italy as in America, communism does not thrive on the sun-lit prairies of the country or on the farms but it thrives in the dark alleys of the cities. It thrives in the great centers of population. Rome is a great city in Italy, and in that municipal election instead of increasing their strength, the Communists barely held their own while the strength of the forces opposing the Communists the hardest made the greatest gains. So we see there a clear-cut indication that with new hope and with a new chance in a municipal election the people of Italy cast their votes against communism. Had the peasants voted, the conservative sane-thinking peasants and farm population, who are always the basis of good citizenship in any country, had they voted in that election, Italy would have thrown out the Communists to a much greater extent than they did in that municipal election.

The same thing happened in France. In the municipal elections, if you please, de Gaulle, running almost solely on the theory that he was the rallying point against communism, made one of the most spectacular percentage gains in French history from the standpoint of any political party. It was in a municipal election and it is an indication of a slow-down, an indication of a chance, an indication that the Communists also have their difficulties when they go up against situations such as they now confront in Europe.

Communism is far from stopped in Europe but its made rush of aggression has been slowed down. I believe it can be stopped. I believe it must be stopped short of war and short of its complete conquest of Europe.

You can add to this evidence the recent election in Norway and the recent election in Denmark. The same thing happened in both of those countries, communism lost ground. In my book you can add to that also the "tough talk" by Vishinsky at Lake Success. I think he is talking tough, because his satellites are beginning to be suspicious about the fulfillment of his promises. They see signs of Soviet weakness. My worry about the atomic bomb is not going to stem from the fact that in a theater in Moscow Molotov says, "We have got it. Look out for us." I am going to start worrying when they quit talking about it. When they quit whistling in the dark to keep up their courage, that is the time to be disturbed. The Communists are having difficulties. This movement which has gone on so terrifically fast has reached a point where I think we have an opportunity to do something to help bring it to a stop. What should we do?

May I make a few suggestions on that?

The SPEAKER pro tempore. The time of the gentleman from South Dakota [Mr. MUNDT] has expired.

Mr. BENDER. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended another 60 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio [Mr. BENDER]?

There was no objection.

Mr. MUNDT. I assure you all I shall require only a few minutes more. In the first place, to answer my question, I think that now we have an opportunity—it is no certainty, but I think we have an opportunity now—of containing communism to its present conquests. Those are serious enough. My heart bleeds for unhappy Poland, Hungary, Finland, and Czechoslovakia, but there is very little immediate chance of extricating them without war. I do not want to have us go to war with Russia to liberate any of these countries. Much though I sympathize with them, I do not want us to be forced into a war with Russia even to protect our own national security. I want that security safeguarded and per-

petuated without war. I want to avoid war, so I would like to contain the Communists to at least their present conquests. I think we have an opportunity to do that if America acts positively, prudently, and promptly at this time.

If in addition to doing that we will cleanse Communists completely from places of authority in America, which in my opinion is equally important, so that we know that here at home we are being safeguarded through having only good Americans in positions of responsibility in public office, so we know our policies will not be sabotaged from within, and not be destroyed because of the insane desire of alien-minded men to destroy the country which we all hold dear. So if we contain communism abroad, where it is, if we can do that, and if we cleanse Communists out of positions of authority in our own country, which we can do, then we may be able to compel the Communists to remain at peace with us, because they are not going to fight at a time when we are superior in strength. We must not give them an opportunity to attain that superiority.

If we can compel Communists to remain at peace I think that communism will decay of its present iniquities, intolerances, and inefficiency in less than a quarter of a century. The satellite countries will begin getting out, people will begin setting up resistance movements, the disappointments will begin to pyramid; and we shall find that because of its incompetency and unholiness, once contained to its present area, communism will begin to collapse.

I think communism is like a man on a bicycle, it has to keep moving along rapidly to maintain momentum and keep control; it has to move rapidly and steadily ahead to have efficiency. When you slow it down it begins to wobble.

My thesis is that communism today is beginning to wobble in Europe as demonstrated by the elections, as demonstrated by its present activities, as demonstrated by the fact that where it is brought out into the open once it is slowed down it begins to wobble. When you stop it, like a man on a bicycle it falls over; and, like a man on a bicycle, it cannot back up or retreat either gracefully or effectively.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MUNDT. No; I must decline to yield now until I have finished my statement; I have already taken longer than anticipated.

Communism has one other similarity to a man on a bicycle and it is this: If it falls over at a time when it is moving slowly or standing still it does damage only to its rider, but if you are compelled to stop it, like a man on a bicycle dashing downhill, frequently the man who does the stopping gets as much injury as the fellow on the "bike." I believe we should think about that as we look at the situation now and whether we agree that its advance has been reduced to a slower movement than it once had or not, we can all agree that it can at least gain more momentum if we are not careful and that the faster it moves the harder and more costly it is to stop.

Unfortunately we face this dilemma at a serious time in American history with a great national debt, with serious inflationary spirals, with problems of great consequence at home; and so we are bound to make our dollars wherever possible do double duty at this time if we make them available for aid abroad, as I think we should and as I think we must if we are going to prevent a resurgence and a revival of a great new outward movement of fast-stepping, peace-threatening communism in Europe.

I think we should look to these expenditures and insist that if they are spent that they must help to develop an economy overseas which will form a sound basis for a good, stable, political economy, which must result if they are going to do the job successfully. In the second place they must be used in such a way as to support political stability in areas where instability will mean insecurity for all of us. In the third place they should be used in the direction of getting dividends in good will and peace for the world, or our efforts overseas will be futile and wasted.

OUR DOLLARS MUST DO DOUBLE DUTY

I have six suggestions I am going to list without discussing in detail how I think perhaps our dollars can be made to do this double duty. I think we should approach this problem as realists in the interest of American self-interest with a tough-minded attitude to see what these dollars and supplies are going to do in this very perilous world before appropriating them or releasing them. Here are my six suggestions:

First. We have available in this country millions of tons of Liberty ships now idle which can be used to transport supplies overseas to foreign countries. Foreign countries have the men to pilot the ships and the capacity to use them. If we lend these ships to foreign countries without cost, it means that an American dollar instead of producing perhaps 60 cents or 70 cents of food will supply a full dollar's worth of food over there. It means that we do not have to deduct the cost of shipping overseas. I think it is better to lend these Liberty ships in peacetime than to lend warships to foreigners in time of war. I think we ought to do this in order to make our dollars do double duty. The ships should be returned to us when the aid program is completed.

Second. We should insist on the maximum amount of self-help from the people of Europe, both to themselves and to their neighbors, to help themselves and make available the food and supplies which are there, and to share these with their neighbors to the extent they can.

Third. We should give some thought to local currencies. It is not only dollars with which you can buy food. Many of the countries over there that lack dollars have an abundance of local currency. Some of our supplies and some of our food can be sold for local currency. We can make good use of that local currency as Americans spending it over there for purposes which will help restore peace and prosperity. Let us not think in terms of "dollars or nothing." There are "dollars or nothing" and also possible payments in local currency. Some of this local currency we can spend in building an adequate information program abroad.

Fourth. Every state over there, every country except Luxemburg, owns its own radio. It is owned by the government. Certainly the least we can ask them in exchange for the economic aid we make available to them is to compensate us with time on their radios, at the best spot on the dial, so that we can broadcast in their own language, over their own wave lengths, and over their own radio the true story about American aid and the true story about American ideals and the American peace program.

Fifth. If we send money and supplies, we must send men to monitor and chaperone the money and the supplies. I do not think that all the printing presses in America can manufacture money fast enough to buy peace in Europe today. But I do think that the judicious use of American methods, American leadership, and American counsel, combined with American supplies, has better than a fighting chance of building peace for the world in Europe today. I think we should keep that in mind. We cannot simply dump a shipload of hamburger sandwiches at Le Havre and expect the French to defeat communism. It is going to require something a little more comprehensive than that.

Sixth. We need a United States information program abroad, a big one, bigger than any of us realized when we were debating that matter back last summer, one which carries the message of America to people who are eagerly seeking it throughout the world today.

I wonder if we cannot ask ourselves some searching questions as we approach these economic-aid problems, especially the longer and more comprehensive program, because the one which comes up involving only emergency aid will be over very soon. This emergency aid program involves a short period of time. But certainly in considering the longer, larger program, if not before, we should apply some tests to determine the desirability and efficacy of such a program.

SEVEN TESTS TO APPLY TO AN AID PROGRAM

There are some questions I would like to ask and have answered directly if we engage in a program of extended aid.

First. Is it in America's self interest? Is it better for America to use some supplies and some money in helping to keep alive the forces of freedom over there now, or is it better to pull out and come home with our men and our interests and wait for the inevitable to happen here? Is it in our national interest? Can we afford it? Are we cutting the cloth according to our own pattern?

Here is the second question: Is it accompanied by an adequate information program? Without that I think it is certain to fail regardless of how much we send, how hard we try, or how generously we spend.

Third. How much use is being made of all the food available in the non-Communist areas? We have a big American bread basket by comparison, but other

countries too have a few loaves of bread tucked away under the shelves. Are we making the maximum use of all the available supplies in the noncommunistic world? Are other free countries aiding in the program?

Fourth. Is the program flexible and adaptable enough to meet changing circumstances? Have we reposed its administration in men or in an agency in whom we have confidence enough so it can have the flexibility to meet this ever-changing picture? Or are we getting ourselves in the position of a clumsy boxer who telegraphs his blows so far in advance that they never have any effectiveness?

We need flexibility. We need adaptability. I do not think we should commit ourselves 4 years in advance or 5 years in advance or 3 years in advance to any definite program, strung out so far in advance that the Communists have ample time and opportunity in which to figure out its weaknesses and map out their strategy for defeating it. We should maintain some of the elements of surprise on the side of freedom in a contest of this type instead of rolling the whole pattern out so that the eye of man can see it down the whole corridor of time.

Fifth. Does it provide for American counsel and leadership to go with those supplies so that the program will produce benefits which will go beyond the period when our aid continues to become available? Unless we produce that kind of benefit and that kind of gain the program cannot succeed. We must project the benefits beyond the time when we are able to provide assistance. It is going to require American counsel and American leadership and American methods to achieve that.

Sixth. Does it contain communism both at home and abroad? Does it contain it abroad wherever it is dangerous, or does it simply deal with isolated centers of communism in specific areas of attack, leaving loopholes at home and setting up a three-sided fence abroad through which the Red rampagers can run without obstruction in an equally dangerous and devastating direction? We should ask ourselves that question before we spend the people's money in a program of such magnitude. Surely it is clear there could come no real benefit from resisting communism abroad while appeasing or ignoring it at home.

Finally, the seventh question I would like to apply as the test to any aid program is this: Does it include concurrently with the economic approach, efforts on our part in the United Nations to make that organization a workable and effective instrumentality for peace? Do we concurrently attack the blocking tactics which have made of the United Nations pretty much of a name-calling debating club? Do we concurrently do something so that gradually the United Nations themselves as an organization can assume these responsibilities which we are now being asked to undertake and underwrite? I think that is a fair question which should be met and answered in these uncertain times.

Mr. Speaker, I give you this report for whatever assistance it may be to Congress and the country from the viewpoint of one Member of this body who spent some 6 weeks in 22 countries of Europe this summer looking at the situation and studying its implications.

The task ahead of us is neither easy nor pleasant. These are prodigious problems. We must proceed with calm deliberation and with open minds. There are no easy answers and no sure cures. In all humility I have offered some specific suggestions and detailed recommendations for your consideration with the hope they will stimulate thinking, provoke discussion, and perhaps lead to better and wiser policies. I have offered them not as the final answers but with the desire that when in our collective judgment we reach the final answers they will preserve our peace, project prosperity, and protect the cherished institutions of freedom and liberty which mean so much to all of us.

The SPEAKER pro tempore (Mr. SCHWABE of Missouri). Under previous order of the House, the gentlewoman from New York [Mrs. ST. GEORGE] is recognized for 20 minutes.

FOREIGN AID

Mrs. ST. GEORGE. Mr. Speaker, it was a great pleasure and a matter of instruction to listen to the recent speech of the gentleman from Illinois [Mr. DIRKSEN] and again today to listen to the very full and very complete report of the gentleman from South Dakota [Mr. MUNDT]. But, after hearing this—and I am only sorry that the entire Membership did not hear both reports—it seems to me that we ourselves stimulated by all this, must give careful thought and try to make our contribution, however small and however poor.

First of all, may I say that as far as I am concerned we must go back and look upon our responsibilities, and they are many. We must look at the facts like adults, and then we must bow our heads over conditions in Europe and say sincerely, "Mea culpa."

Yes, Germany is indeed the industrial heart of Europe, we know that. Lenin knew it. The world knows it. If the heart is diseased, the whole continent is dying and sick. When we advocated and carried out the carving of Germany, when we put all the food portions of Europe under the Soviet Union—and make no mistake, we did that as much as anybody else; we did it under the infamous Morgenthau plan, and at that time we laid up for ourselves woes beyond repair.

Yes, we can propose now that they get together and form a United States of western Europe, but there are big ifs in any such suggestion. There are the hates, there are the rivalries of generations, and they are still smoldering in ruins. But even if we do accomplish that, we will still be face to face with this giant that we have built ourselves, and to whom we have given the bread basket of Europe. That is why we indeed have to say, "Mea culpa."

Then we are told that all we have to do is turn around and feed all these people. That is some of the old optimistic American boy spirit, saying, "My pop is so all-fired rich." To be perfectly frank, we produce only 12 percent of the food of the world. We cannot feed the world. Even if we want to do it, it is not a possible thing.

No, we have a great many obstacles in the way of this program. So what can we do? What can we try to do because I do not believe we are going to succeed in all this.

First of all, we can try to form a bloc, a United States of Western Europe, and in order to do that we must insist upon and ask these people to pool all their resources, military and economic, and also destroy their tariff barriers. That will be a great step forward. Then, after feeding the hungry, we must do everything to restore solvency and, above all, self-respect, to these people. These are proud people, these European nations. They do not want to be objects of charity forever.

The saddest thing I heard in the speech of the gentleman from Illinois was when he quoted the remark of the German workman who was describing his living conditions and said that it was too little to live on and too much to die on. That is the epitome of despair, and that is the cry of western Europe and perhaps of western civilization.

Our work has to be undertaken by men outside of and above politics. The woes of Europe must not be used to reelect this or any other administration in the United States. Some outstanding American of national stature should be sent to Europe as administrator, and all government services should be distributed by world-acknowledged American agencies such as the Quakers, the Salvation Army, or the International Red Cross.

It is significant that the gentleman from Illinois [Mr. DIRKSEN] told us that the German children called the food that is given them by America "Hooverspeisen"—"Hoover food." They do not call it UNRRA food. They do not give it any of those new names. Ah, no, because they know and we know that the name of Herbert Hoover is associated in everyone's mind all over the world with true relief and with true charity, but not with electioneering and not with politics. So much for relief.

What about a solvent, reasonably prosperous western Europe? Because it will only be reasonably prosperous as long as the iron curtain hangs between Europe and its natural food supply. Until that condition is changed, Europe will always be the amputee of the five continents. She can only be reasonably prosperous if we insist on putting her back to work, and if we supply the tools and the seed. We must try by every means to make the peoples of western Europe pool their resources and destroy anything that stands between them and unity and even then they will not be strong enough. Then why should not we insist that they take the fourteen or eighteen billion dollars worth of American securities held by foreign nationals in these United States and have their government put them up as collateral against future loans of this country? You would not think much of a banker who, when he was asked by one of his stockholders for a loan, said, "Do not give

me any collateral—pay me back when you are able." That is exactly what this country of ours is doing today.

Here again the peoples of Europe would be better off and happier if they could be made to feel that they are assuming their responsibilities and that they are pulling their own weight in the boat. Last and most important, let us try—all, every one of us here with all the strength and spiritual fortitude that is within us—to write a just peace. Ah, but that is the rub—we are facing the next war. What is a just peace? A just peace is a peace that does not hold in itself the seeds of the next war. Let us all remember that. We must have a just peace now. By God's help and only with God's help can we have it. Then let us remember that eternal truth, that great verity, in all our dealings with our enemies, past and present, at home and abroad, a truth that we have ignored and because of which the whole world today is suffering—that "Vengeance is Mine," saith the Lord.

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. KENNEDY] is recognized for 15 minutes.

AID TO ITALY

Mr. KENNEDY. Mr. Speaker, I rise to speak on the need and wisdom of aiding Italy immediately. As we talk here today, riots and strikes are now ravaging the Italian Peninsula. Today the press reports violent outbreaks in 20 cities. If Italy is to be saved, we must act immediately. If we do not act immediately, Italy may soon fall before the onslaught of the Communist minority.

As we gather here in a special session of Congress to do what we can to meet the aftermath of the second great World War, I am reminded of a scene which took place on August 10 of last year in the Luxemburg palace at the plenary session on the conference of Paris. That was the day on which Premier Alcide de Gasperi spoke for Italy and the Italian people.

The aims of the Government which this distinguished statesman so nobly and ably leads, were set forth in glowing language:

I lift my voice as the representative of a new republic which blends the humanity of Mazzini's vision with the universal aims of Christianity and the international hopes of the working class, a republic striving toward that lasting and constructive peace which you are also seeking, and toward that cooperation between nations which it is your task to establish.

The delegates listened to de Gasperi in silence. When he finished his speech, the greatest of the conference, there was no applause but only the same cold silence. Herbert L. Matthews, of the New York Times, reports the rest of the scene:

As the Italian Premier walked slowly and dejectedly up the main aisle to the back of the auditorium where his delegation was sitting Mr. Byrnes leaned forward as Signor De Gasperi approached, smiled, held out his hand, and shook Signor De Gasperi's warmly, with a little friendly pat on the back of the Italian's hand for good measure. * * * Curiously enough, a few minutes later Soviet Foreign Minister Vyacheslav M. Molotov walked back along the same central aisle toward where the 10 Italians were sitting. Premier De Gasperi seemed to think the Soviet Foreign Minister also was going to shake hands and he sat up expectantly, but Mr. Molotov went by stolidly without even looking at him.

This scene is indicative of the problems we face in this special session of Congress and the approach we must take in solving them. Premier De Gasperi asked for the assistance of the world in establishing a democratic government in Italy and called for the creation of "a more just, a more human world." He met with silence on the part of the delegates. He met with cold contempt on the part of the Soviet Foreign Minister. This cold contempt has continued to be the attitude of the Soviet Government, which seeks to destroy the freedoms of all peoples everywhere. This is the challenge which this Congress must meet.

Peace will not be found in the unrelenting bitterness and hostility of the Soviet Union and her satellites, but in mutual understanding and good will. The only great hope for world recovery and peace at the Paris Conference was the handshake of the United States Secretary of State with the Italian Premier. In that moment of despair the one hand of friendship extended to the Italian people was the hand of the United States.

Mr. Byrnes did not forget the words of the Potsdam declaration:

Italy was the first of the Axis Powers to break with Germany, to whose defeat she had made a material contribution.

Mr. Byrnes did not forget the Italian contribution to the Allied victory. He knew that 100,000 Italian men had fallen in resisting Germany and that the Italian people had suffered ruin and devastation from the bitter war that raged from Sicily to the Po Valley.

Mr. Byrnes' action symbolizes the approach which this Congress must take if we are to meet successfully the challenge of Russian aggression and Russian dictatorship. The United States must extend the hand of friendship to democratic governments everywhere. To the goal of a peaceful and democratic world we must pledge our material resources as we so recently pledged the lives of our manhood.

Today I speak particularly of Italy, for I feel that Italy stands in the most perilous position of any country in Western Europe. Italy, along with France, has been chosen by the Russians as the initial battleground in the Communist drive to capture western Europe.

The bitter struggle with the Communist Party of Italy is now reaching the crucial stage. Luigi Longo and Eugenio Reale attended the recent conference of Communist Parties setting up the Cominform, which is apparently the successor of the Communist International. A few days after the conference Palmiro Togliatti, leader of the Italian Communist Party, announced:

A great new battle for progressive democracy is about to begin.

As the first step in this plan Italy is now being ravaged by Communist stormtroopers.

What are Togliatti's weapons in his battle for Italy? His weapons are hunger and depression.

HUNGER

Italy uses 8,000,000 tons of wheat annually. Her normal production is 6,000,000 tons. This year, with an Italian crop of only 4,500,000 tons, the situation is appalling. Unless the Italian shortage of 3,500,000 tons of wheat is made up by imports from abroad, Italy, already reduced to a state of poverty by the war's devastation, will starve.

DEPRESSION

The key to a peaceful, democratic Italy is industrial production. Despite the shortage of food, Italy's workers already have taken real strides in restoring production. The worth of the Italian effort is shown by the fact that she has now achieved an industrial production which is 61 percent of her 1938 volume. For a continued increase in production and to avert depression the northern industrial cities of Milan, Turin, and Bologna, need coal. Prior to the war, Italy produced some coal from the Istrian mines but, with the award of Istria to Yugoslavia, these mines are now under Yugoslavian control. Most of her coal, however, Italy received from Germany and England, paying for it in fruits and vegetables. Today, Germany and England themselves face a coal shortage. If Italy's industry is to survive, she must receive coal from the United States.

Through the action of this Congress we can wrest Togliatti's weapons from his hands. We can help the Italian people achieve democracy and peace.

The Secretary of State has asked the Congress to grant $227,000,000 in interim aid to Italy. Interim aid now is most important for it will enable Italy to take a real step forward in the solution of her problems.

The Italian spirit, too, is most heartening. Italy has offered France and Engand 2,000,000 men to meet their manpower shortage. To France and Austria she wishes to make available her waterpower resources.

The outlook for Italy will be hopeful if we give her funds and goods now. With food to carry the Italian people through the winter, and with coal to keep her factories in operation, Italy can begin the establishment of a self-sustaining economy.

Italy can become a bastion of democracy in Europe. Italy must receive assistance from the United States.

I most strongly endorse Secretary Marshall's request for aid to Italy.

SPECIAL ORDERS GRANTED

Mr. GAVIN. Mr. Speaker, I ask unanimous consent that on Friday next, after the disposition of business on the Speaker's desk and the conclusion of special orders heretofore entered, I may address the House for 35 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. JAVITS. Mr. Speaker, I ask unanimous consent that on Tuesday next, after the disposition of business on the

Speaker's desk and the conclusion of special orders heretofore entered, I may address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

ADJOURNMENT

Mr. MICHENER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 6 minutes p. m.), under its previous order, the House adjourned until Monday, November 24, 1947, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1116. A letter from the Comptroller General of the United States, transmitting a report on the audit of Reconstruction Finance Corporation and affiliated corporations for the fiscal year ended June 30, 1945 (H. Doc. No. 439); to the Committee on Expenditures in the Executive Departments and ordered to be printed.

1117. A letter from the Archivist of the United States, transmitting lists or schedules covering records proposed for disposal by various Government agencies; to the Committee on House Administration.

1118. A letter from the Attorney General, transmitting a report reciting facts and pertinent provisions of law in the cases of 1,479 individuals whose deportation has been suspended for more than 6 months, together with a statement of the reason for such suspension; to the Committee on the Judiciary.

1119. A letter from the Acting Secretary of the Navy, transmitting a report showing the costs as of June 30, 1947, of land or interest in land acquired by the Navy; to the Committee on Armed Services.

1120. A communication from the President of the United States, transmitting First Report to Congress on Assistance to Greece and Turkey, for the period ended September 30, 1947 (H. Doc. No. 440); to the Committee on Foreign Affairs and ordered to be printed, with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HOFFMAN: Committee on Expenditures in the Executive Departments. H. R. 4469. A bill to amend the act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof; with an amendment (Rept. No. 1127). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FELLOWS: Committee on the Judiciary. H. R. 387. A bill for the relief of Hayato Harris Ozawa; without amendment (Rept. No. 1116). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 560. A bill to record the lawful admission to the United States for permanent residence of Wilhemina Piper Enz; without amendment (Rept. No. 1117). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 899. A bill for the relief of Mrs. Keum Nyu Park; with an amendment (Rept. No. 1118). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 1139. A bill for the relief of Dr. Gisela Perl (Krausz); with an amendment (Rept. No. 1119). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 1298. A bill for the relief of Anastasios Panage Ioannatos (known as Anastasios Panage Ionnetos or Tom Panage Yanatos); without amendment (Rept. No. 1120). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 2303. A bill for the relief of Mitsu M. Kobayashi, who is the wife of Edward T. Kobayashi, a citizen of the United States; without amendment (Rept. No. 1121). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 2218. A bill for the relief of Lawrence Edgar Edwards; with amendments (Rept. No. 1122). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 2250. A bill for the relief of Mrs. Daisy A. T. Jaegers; with an amendment (Rept. No. 1123). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 2250. A bill for the relief of August Dane Tetuaearo; without amendment (Rept. No. 1124). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R 3061. A bill for the relief of Victor C. Kaminski (also known as Victor Kaminski); with an amendment (Rept. No. 1125). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 3263. A bill for the relief of Tech. Sgt. Tsuyoshi Matsumoto; without amendment (Rept. No. 1126). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GOFF:

H. R. 4527. A bill to insure the safety of the United States, to authorize the construction of certain aircraft, and for other purposes; to the Committee on Armed Services.

By Mr. KEATING:

H. R. 4528. A bill to provide for the application and enforcement of provisions of the fourteenth amendment to the Constitution of the United States and article 55 of the Charter of the United Nations and to assure the protection of citizens of the United States and other persons within the several States from mob violence and lynching, and for other purposes; to the Committee on the Judiciary.

By Mr. MILLER of Connecticut:

H. R. 4529. A bill relating to the disposition of permanent housing acquired or constructed by the United States; to the Committee on Banking and Currency.

By Mr. POTTS:

H. R. 4530. A bill to provide free postage for gift packages of food and clothing mailed to certain foreign countries; to the Committee on Post Office and Civil Service.

By Mr. WELCH:

H. R. 4531. A bill for the relief of the city and county of San Francisco; to the Committee on the Judiciary.

By Mr. BUCK:

H. R. 4532. A bill to amend the Social Security Act with reference to deductions to be made from old-age and survivors insurance benefit payments; to the Committee on Ways and Means.

H. R. 4533. A bill to amend the Social Security Act with reference to the time in which claims for lump-sum death payments may be filed; to the Committee on Ways and Means.

By Mr. KNUTSON:

H. R. 4534. A bill for expenditure of funds for cooperation with independent school district No. 3, Cass County, Minn., at Cass Lake, Minn., for the construction and equipment at Cass Lake, Minn., of public-school facilities to be available to Indian children in the district; to the Committee on Public Lands.

By Mr. POTTER:

H. R. 4535. A bill to amend the Armed Forces Leave Act of 1946 so as to permit certain payments to be made to the estates of former members of the armed forces; to the Committee on Armed Services.

By Mr. WIGGLESWORTH:

H. R. 4536. A bill to grant certain veterans' preference benefits to certain persons who served in the armed forces of nations allied with the United States in World War II; to the Committee on Post Office and Civil Service

By Mr. AUCHINCLOSS:

H. R. 4537. A bill to provide for certain payments to States and their political subdivisions as compensation for loss of revenues occasioned by the acquisition of real property by the United States for military purposes; to the Committee on Public Lands.

By Mr. SUNDSTROM:

H. Res 360. Resolution providing for the payment of salaries of pages, Doorkeeper's department, from November 12 to December 31, 1947, inclusive; to the Committee on House Administration.

By Mr. SIMPSON of Illinois:

H. Res. 361. Resolution to authorize the Speaker to appoint two of the membership of the House to consult personally with the head of the Russian Government; to the Committee on Rules.

H. Res. 362. Resolution to authorize the Speaker and minority leader of the House to consult personally with Premier Joseph Stalin; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:

H. R. 4538. A bill for the relief of the Bank of Kodiak, Kodiak, Alaska; to the Committee on the Judiciary.

H. R. 4539. A bill for the relief of John Picco, of Kimshan Cove, Alaska; to the Committee on the Judiciary.

By Mr. COLE of Kansas:

H. R. 4540. A bill for the relief of Sae Sun Kim; to the Committee on the Judiciary.

By Mr. DAWSON of Utah:

H. R. 4541. A bill for the relief of Jesse F. Cannon, Jackson Jones, and the estate of John Halstadt; to the Committee on the Judiciary.

By Mr. JOHNSON of Indiana:

H. R. 4542. A bill for the relief of Mrs. Hattie Truax; to the Committee on the Judiciary.

By Mr. KING:

H. R. 4543. A bill for the relief of Lt. (jg) Svend J. Skou; to the Committee on Armed Services.

By Mr. LATHAM:

H. R. 4544. A bill for the relief of Robert W. Macrae; to the Committee on the Judiciary.

By Mr MILLER of California:

H. R. 4545. A bill for the relief of the General Engineering & Dry Dock Corp., of San Francisco, Calif; to the Committee on the Judiciary.

By Mr. WALTER:

H. R 4546. A bill for the relief of Michele Francesco Fasolo; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

795. By Mr GRAHAM: Petition of 27 residents of Slippery Rock, Pa., opposing the world calendar bill, H. R. 1345; to the Committee on Foreign Affairs.

796. By Mr. SMITH of Wisconsin: Petition of residents of Racine, Wis., urging passage of the Stratton bill, H. R. 2910; to the Committee on the Judiciary.

797. Also, resolution adopted by the Three Hundred and Tenth Engineers Last Man's Club, a World War I veterans' association, at its annual meeting on November 8, 1947, at Milwaukee, Wis., urging Congress to pass legislation granting pensions to veterans of World War I similar to those granted veterans of the Spanish-American War; to the Committee on Veterans' Affairs.

798. By the SPEAKER: Petition of members of the Townsend Club of Greater Tampa, Tampa, Fla., petitioning consideration of their resolution with reference to signing of Discharge Petition No. 7, endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

799. Also, petition of H. C. Curtis, secretary, West Palm Beach Townsend Club, No. 1, West Palm Beach, Fla., petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

800 Also, petition of H. C. Curtis, secretary, West Palm Beach Townsend Club, No. 1, petitioning consideration of their resolution with reference to signing of Discharge Petition No. 7, relative to Townsend plan; to the Committee on Ways and Means.

801. Also, petition of H. J. Gramlich, Winter Garden, Fla , and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

SENATE

MONDAY, NOVEMBER 24, 1947

The Chaplain, Rev. Peter Marshall, D. D., offered the following prayer:

God of our fathers, and our God, give us the faith to believe in the ultimate triumph of righteousness, no matter how dark and uncertain are the skies of today.

We pray for the bifocals of faith—that see the despair and the need of the hour, but also see, further on, the patience of our God working out His plan in the world He has made.

So help Thy servants to interpret for our time the meaning of the motto inscribed on our coins.

Make our faith honest by helping us this day to do one thing because Thou hast said, "Do it," or to abstain because Thou hast said, "Thou shalt not."

How can we say we believe in Thee, or even want to believe in Thee, when we do not anything Thou dost tell us?

May our faith be seen in our works. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. WHITE, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, November 20, 1947, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

DEATH OF FORMER SENATOR JAMES J. DAVIS

Mr. MARTIN. Mr. President, it is my sad duty to inform the Senate that James John Davis, a Member of this body for 14 years, who served also as Secretary of Labor in the Cabinets of three Presidents, passed away at the Washington Sanitarium Saturday, November 22, after an illness of more than a year.

James J. Davis was a distinguished Pennsylvanian. He was a statesman of exceptional ability, whose paramount concern was to serve his country and to promote the welfare of his fellow man.

His long and honorable career exemplifies the spirit of American progress and points with emphasis to the vast opportunities offered by our great country to those who dedicate their lives, as Jim Davis did, to public service and humanitarian causes.

James J. Davis rose to eminence in our Nation's affairs, but he never lost the common touch, which had its origin in his humble beginnings. He was one of that vast army of Americans of foreign birth whose parents left their homes overseas to find a better way of life in America for themselves and their children.

Born in South Wales, he worked as a boy in the steel mills of western Pennsylvania while preparing himself for a life of usefulness.

He won recognition as wise counselor and vigorous leader of organized labor.

A keen student of economic conditions, he became an authority in that field. Although his formal education was limited, his achievements won for him honorary degrees from many of our great colleges and universities.

In 1921 President Harding named him Secretary of Labor. He was continued in that office under President Coolidge, and was reappointed by President Hoover.

Perhaps his greatest achievement—the one closest to his heart—grew out of his love for children and the memories of his own childhood.

No man could have a finer monument than Mooseheart, the City of Childhood, home and school for orphans, which he founded in 1913, as director general of the Loyal Order of Moose.

His philosophy of love and kindness to children less fortunate than his own was expressed in his own words, as follows:

No man ever stands so straight or so tall as when he stoops to lift up a little child.

I know that I express the sentiment of all Members of the Senate in extending deepest sympathy to the family of James J. Davis.

Mr. President, I now send to the desk a resolution and request unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. The resolution will be read.

The resolution (S. Res. 170) was read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow and extreme regret the announcement of the death of Hon. James J. Davis, for 14 years a Senator from the Commonwealth of Pennsylvania, and Secretary of Labor for nearly 10 years.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased, together with a transcript of remarks made in the Senate in praise of his distinguished service to the Nation.

Mr. MYERS subsequently said: Mr. President, the Senate has already heard with deep sorrow and profound regret the announcement of the death of former Senator James J. Davis, the Welsh immigrant boy, the iron worker, who became the first American to serve as Secretary of Labor in the Cabinets of three Presidents, and who won election three times to the Senate of the United States. He died early Saturday morning at the Washington Sanitarium, Takoma Park, Md., where he had been seriously ill since September.

Senator Davis, "Puddler Jim," as he was affectionately known throughout his political life, lived the story of America in his own life. Born in Tredegar, South Wales, October 27, 1873, he came to Pennsylvania in 1881 with his mother and her five other children to join the father who had migrated here to the promised land of opportunity the year before. Mr. President, Jim Davis did find opportunity in America, and he rose to the highest elective office for which he was eligible—a Senator of the United States. The honors which came to him in his lifetime were honors which America as a land of opportunity did not hand to him on any silver platter, but, rather, gave him the chance to earn, and earn them he did.

Mr. President, I, who found him a vigorous antagonist in the political battles of Pennsylvania, can say with all sincerity that I found Jim Davis to be an American of whom all of us in Pennsylvania can be proud.

Despite the defection of organized labor generally from his political party when he was in the Senate, Jim Davis always managed to retain the personal following of large elements of labor, both organized and unorganized, because they recognized in him a man who had shared their experience in manual labor, in industrial exploitation of years gone by, in hardship and hard work. I do not think Jim Davis ever let them down. His name is recorded on legislation, the Davis-Bacon Act, which was an early recognition on the part of the Congress of the responsibility of the Federal Government to see to it that those who profit

from business placed by the Government must maintain enlightened conditions of work for their employees.

To the fraternal organizations of America, Senator Davis' name was synonymous with the Loyal Order of Moose, an organization which he joined early in life, and which he soon rose to head as director general, a position he held to the time of his death.

Mr. President, he earned for himself the respect, the admiration, the esteem, and the affection of all Pennsylvanians. His official biography lists numerous honors which came to him during a long career of public service. I ask unanimous consent that that biography may be made a part of my remarks.

Finally, Mr. President, let me say that his story is, in truth, the story of America.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

James John Davis, Republican, of Pittsburgh, was born in Tredegar, South Wales, October 27, 1873; his father migrated to Pittsburgh in August 1880, his mother and their six children following him in April 1881; later moved to Sharon; attended public schools and Sharon Business College; has received honorary degree of doctor of laws from Bucknell University, Pennsylvania Military Academy, University of Pittsburgh, Drake University, Muhlenberg College, and St. Bonaventure's Seminary and College; at the age of 12 began working and learning his trade as a puddler in the iron and steel works at Sharon; worked in the iron and steel works at Pittsburgh and Birmingham, Ala., and later in the steel and tinplate mills at Elwood, Ind.; joined the Amalgamated Association of Iron, Steel, and Tin Workers of America, was elected to various offices therein, and is still a member in good standing; elected city clerk of Elwood in May 1898; elected recorder at Madison County, Ind., in November 1902; joined the Loyal Order of Moose in 1906; in 1907 became director general of the order and still holds that office; chairman Moose War Relief Commission, visiting early in 1918 the military camps of the United States, Great Britain, and Canada, and the American, British, Belgian, French, and Italian war fronts; immediately after the armistice was signed, went with the troops into Germany; visited the battlefields of Belgium, Germany, and that part of France which had been in possession of the Central Powers; after appointment as Secretary of Labor made two trips to Europe and one to South America to study immigration problems and economic conditions; married Jean Rodenbaugh, 1914 (deceased), and has five children—James J., Jr., Jane Elizabeth, Jean Allys, Joan and Jewel; a member of the Chevy Chase Club of Washington, D. C.; is also a member of the Masons (thirty-third degree), Mystic Shrine, Grotto, Odd Fellows, Knights of Pythias, Elks, Eagles, Foresters, Protected Home Circle, Knights of the Golden Eagle, Woodmen of the World, Maccabees; honorary member, Delta Sigma Phi, Veterans of Foreign Wars, and Spanish War Veterans; appointed by President Harding and took oath of office as Secretary of Labor March 5, 1921; continued throughout the administration of President Coolidge and reappointed by President Hoover March 4, 1929; while Secretary of Labor was Chairman, Federal Board for Vocational Education, member of the United States Council of National Defense and of the Smithsonian Institution; elected to the Senate November 4, 1930; resigned as Secretary of Labor December 2, 1930, and on same day took the oath of office as Senator; reelected to the Senate November 8, 1932; reelected November 8, 1938; his term expired January 3, 1945.

THE LATE REPRESENTATIVE GIFFORD, OF MASSACHUSETTS

Mr. SALTONSTALL. Mr. President, at the session of the Senate on Thursday of last week, the Senate adopted a resolution regarding the death of Representative Gifford, of Massachusetts. The resolution was submitted by my colleague the junior Senator from Massachusetts [Mr. LODGE]. I join with everything my colleague said concerning Mr. Gifford, a man whom I had known for a great many years, whose courage and integrity in public service were unquestioned.

MEETING OF COMMITTEE ON BANKING AND CURRENCY

Mr. TOBEY. Mr. President, I ask unanimous consent that the Senate Committee on Banking and Currency may sit the remainder of the day, after 2:30 this afternoon.

The PRESIDENT pro tempore. Without objection, the order is made.

MEETING OF COMMITTEE ON APPROPRIATIONS

Mr. CORDON. Mr. President, I ask unanimous consent that the members of the Appropriations Committee may be excused from attendance on the Senate in order that the committee may resume its session at 2:30 o'clock today.

The PRESIDENT pro tempore. Without objection, the order is made.

MEETING OF SENATE SMALL BUSINESS COMMITTEE

Mr. WHERRY. Mr. President, I ask unanimous consent that if the Senate continues in session later than 2 o'clock p. m. today, the Special Committee to Study Problems of American Small Business may be permitted to hold a hearing while the Senate is in session this afternoon.

The PRESIDENT pro tempore. Without objection, consent is granted.

REPORT OF ALIEN PROPERTY CUSTODIAN (H. DOC. NO. 465)

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on the Judiciary.

(For President's message, see today's proceedings of the House of Representatives on p. 10769.)

REPORT ON FOREIGN RELIEF PROGRAM (H. DOC. NO. 466)

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Foreign Relations.

(For President's message, see today's proceedings of the House of Representatives on p. 10768.)

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

EXEMPTION OF POST OFFICE DEPARTMENT FROM PROVISIONS OF THE FEDERAL REGISTER ACT AND ADMINISTRATIVE PROCEDURE ACT

A letter from the Acting Postmaster General, transmitting a draft of proposed legislation to exempt the Post Office Department from the provisions of the Federal Register Act, as amended, and the Administrative Procedure Act, and for other purposes (with an accompanying paper); to the Committee on Civil Service

DONATIONS BY NAVY DEPARTMENT TO NONPROFIT INSTITUTIONS AND ORGANIZATIONS

A letter from the Acting Secretary of the Navy, reporting, pursuant to law, a list of institutions and organizations, all nonprofit and eligible, which have requested donations from the Navy Department; to the Committee on Armed Services.

LAWS ENACTED BY MUNICIPAL COUNCILS OF ST. THOMAS AND ST. JOHN AND ST CROIX, V. I.

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the Municipal Councils of St. Thomas and St John and St. Croix, V. I. (with accompanying papers); to the Committee on Public Lands.

REPORT ON PAYMENT OF FEDERAL TORT CLAIMS BY VETERANS' ADMINISTRATION

A letter from the Administrator of the Veterans' Administration, transmitting, pursuant to law, a report of the tort claims paid by that Administration for the period August 2, 1946, to June 30, 1947 (with an accompanying report); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the city commissioners of the city of Stuart, Martin County, Fla., favoring the enactment of legislation to provide sufficient funds to give proper water control to the entire area adjacent to the Kissimmee River and Lake Okeechobee, including the southern end of the mainland of Florida; to the Committee on Appropriations.

A resolution adopted by the American Association of State Highway Officials, New York City, N. Y., favoring the appropriation of sufficient funds authorized for forest highways provided in the Federal Aid Highway Act of 1944; to the Committee on Appropriations.

A resolution adopted by the American Association of State Highway Officials, New York City, N. Y., favoring the enactment of legislation to authorize the expenditure of $500,000,000 for each of the fiscal years 1949, 1950, and 1951 for Federal-aid highway construction so that the orderly continuation of the highway program can advance uninterruptedly and expeditiously; to the Committee on Public Works.

A resolution adopted by the sixty-second convention of the Connecticut Federation of Labor at Stamford, Conn., favoring the enactment of legislation to restore price controls; to the Committee on Banking and Currency.

A resolution adopted by James J. Sextion Post, No. 224, Veterans of Foreign Wars of the United States, Aberdeen, Wash., favoring the enactment of legislation to restore price controls; to the Committee on Banking and Currency.

A resolution adopted by the Tennessee State (CIO) Political Action Committee, of Nashville, Tenn., praying for the enactment of legislation to restore price controls; to the Committee on Banking and Currency.

A resolution adopted by the Delta Council of Stoneville, Miss., supporting the work of the Un-American Activities Committee of the House of Representatives and the Federal Bureau of Investigation relating to communism; to the Committee on the Judiciary.

A resolution adopted by the Southern California Continuations Committee of the California Legislative Conference, favoring

the enactment of House bill 46, to abolish the Un-American Activities Committee of the House of Representatives; to the Committee on the Judiciary.

A resolution adopted by the delegates of the Arizona Education Association, Phoenix, Ariz., favoring the enactment of legislation providing adequate assistance for the needy, education for the children, and health care for the sick and crippled; to the Committee on Labor and Public Welfare.

By Mr. CAPPER:

A petition signed by 123 members of the Hebron Mennonite Church, Buhler, Kans., remonstrating against the enactment of legislation providing peacetime military training, to the Committee on Armed Services.

REPORT FILED DURING ADJOURNMENT

Under authority of the order of the Senate of the 20th instant,

Mr. VANDENBERG, on November 21, 1947, from the Committee on Foreign Relations, reported favorably without amendment the bill (S. 1774) to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis, and submitted a report (No. 771) thereon.

TEMPORARY EMPLOYMENT OF SENATE PAGES

Mr. BROOKS. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, Senate Resolution 165, submitted by the Senator from South Dakota [Mr. BUSHFIELD] on November 20, 1947, and I ask unanimous consent for its immediate consideration.

There being no objection, the resolution (S. Res. 165) was considered and agreed to, as follows:

Resolved, That the Sergeant at Arms hereby is authorized to employ 21 pages for duty in the Senate Chamber to be paid from the contingent fund of the Senate from November 13 to December 31, 1947, at the basic rate of $1,800 per annum.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MORSE:

S. 1775 A bill for the relief of Jack Stanley Long; to the Committee on Finance.

By Mr. LANGER:

S. 1776. A bill to provide free postage for gift packages of food and clothing mailed to Germany or Japan; to the Committee on Civil Service.

By Mr. BRIDGES:

S. 1777. A bill to equalize certain inequalities between community- and non-community-property interests existing in present Federal income, estate, and gift tax statutes; to the Committee on Finance.

By Mr. THOMAS of Utah:

S. 1778. A bill for the relief of Jesse F. Cannon, Jackson Jones, and the estate of John Halstadt; to the Committee on the Judiciary.

By Mr. HOLLAND (for himself and Mr. PEPPER):

S. 1779. A bill to repeal the prohibition against the filling of a vacancy in the office of district judge for the northern and southern districts of Florida; to the Committee on the Judiciary.

(Mr. BUTLER introduced Senate bill 1780, to provide temporary pensions for veterans suffering total disability not the result of service, without regard to the permanence of such disability, and for other purposes, which was read twice by its title, and referred to the Committee on Finance, and appears under a separate heading.)

By Mr. GURNEY:

S 1781. A bill for the relief of Howard A. Yeager; to the Committee on the Judiciary.

S. 1782. A bill to provide for selection of superintendents of national cemeteries from meritorious and trustworthy male members of the armed forces who have been disabled in line of duty for active field service; to the Committee on Public Lands.

S. 1783. A bill to provide for retention in the service of certain disabled Army personnel, and for other purposes;

S. 1784. A bill relating to the pay of the Superintendent of the Naval Academy, and for other purposes;

S. 1785. A bill to authorize the Secretary of the Navy to provide salvage facilities, and for other purposes;

S. 1786. A bill to authorize the crediting of moneys received from the disposition of serviceable supplies, materials, and equipment of the Navy Department, to the applicable current Navy Department appropriation;

S. 1787. A bill to authorize the disposition of certain lost or abandoned personal property coming under the jurisdiction of the War Department, and for other purposes;

S. 1788 A bill to amend section 1 of Public Law 604 (79th Cong.);

S. 1789. A bill to amend that part of the act of June 24, 1910 (36 Stat. 619), as amended (34 U. S. C. 542), relating to disposition of profits from sales of ships' stores;

S. 1790. A bill to amend the act of Congress entitled "An act to credit certain service performed by members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service prior to reaching 18 years of age for the purpose of computing longevity pay, or for other pay purposes," approved March 6, 1946;

S. 1791. A bill to transfer certain lands at Camp Phillips, Kans., to the War Department;

S. 1792. A bill to amend the act of July 24, 1941 (55 Stat. 605), as amended, so as to provide an equitable adjustment of retired pay for certain naval officers;

S. 1793. A bill to authorize the Secretary of the Navy to accept donations of land and improvements for Naval Reserve training purposes and to purchase certain lands and improvements for such purposes;

S. 1794. A bill to authorize the Houston Council, Navy League of the United States, to construct a reflecting pool at the United States Naval Hospital, Houston, Tex.;

S. 1795. A bill to repeal section 1 of the act of April 20, 1874, prescribing regulations governing inquiries to be made in connection with disbursements made by disbursing officers of the Army (18 Stat. 33; 10 U. S. C. 174);

S. 1796. A bill to provide for the preservation of the frigate *Constellation* and to authorize the disposition of certain replaced parts of such vessel as souvenirs, and for other purposes;

S. 1797. A bill to authorize the advancement of certain lieutenants on the retired list of the Navy, and for other purposes;

S. 1798. A bill to provide for the disposition of unclaimed personal effects of naval personnel;

S. 1799. A bill to amend the act of June 3, 1916, as amended, to make it applicable to the Canal Zone, Guam, American Samoa, and the Virgin Islands;

S. 1800. A bill relating to the restrictions on the use of crypt and window spaces of the United States Naval Academy chapel;

S. 1801. A bill to authorize attendance of civilians at schools conducted by the Departments of the Army, Navy, and Air Force, and Joint-Service schools, and for other purposes; and

S. 1802. A bill to authorize the President to award the Medal of Honor to the unknown American who lost his life while serving overseas in the armed forces of the United States during the Second World War; to the Committee on Armed Services.

By Mr. MAGNUSON:

S. 1803. A bill for the relief of Diomedes Caravias; and

S. 1804. A bill for the relief of Dr Richard Grunberg; to the Committee on the Judiciary.

TEMPORARY PENSIONS FOR CERTAIN VETERANS

Mr. BUTLER. Mr. President, I introduce for appropriate reference a bill to provide temporary pensions for veterans suffering total disabilitiy not the result of service, without regard to the permanence of such disability, and I ask unanimous consent that the bill, together with a short explanatory statement by me be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and statement of the Senator from Nebraska will be printed in the RECORD.

The bill (S. 1780) to provide temporary pensions for veterans suffering total disability not the result of service, without regard to the permanence of such disability, and for other purposes, introduced by Mr. BUTLER, was read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That part III, Veterans Regulation numbered 1 (a), as amended, is amended by adding at the end thereof the following new paragraph:

"IV. (a) Subject to the provisions of this paragraph, any person who shall have performed active military or naval service which would render him eligible, if permanently and totally disabled, to receive a pension under paragraph I of this part, shall be entitled to receive a pension for temporary total disability not the result of his misconduct and which is not shown to have been incurred in any period of military or naval service.

"(b) No pension shall be payable under this paragraph for temporary disability less than total. A temporary total disability shall be taken to exist when there is present any impairment of mind or body which shall have rendered such person incapable, for a period of 6 months or longer, of carrying on his normal occupation or employment. The Administrator of Veterans' Affairs is authorized to classify as temporary and total those diseases and disorders, the nature and extent of which in his judgment is such as to justify such a determination.

"(c) Upon a determination by the Administrator of Veterans' Affairs of the existence of such temporary total disability a pension shall be payable for the period beginning with the date upon which such disability is shown to have begun and ending upon (1) the cessation of such disability, or (2) the date upon which such person shall be entitled to receive a pension under paragraph I of this part, whichever is earlier.

"(d) Subject to the limitations of paragraph II of this part and to the provisions of the act entitled 'An act relating to veterans' pension, compensation, or retirement pay during hospitalization, institutional or domiciliary care, and for other purposes,' approved August 8, 1946, the amount of the

pension payable under this paragraph shall be equal to the amount which the person entitled thereto would receive under paragraph I (f) of this part, as amended, if his disability were permanent and total."

The statement presented by Mr. BUTLER was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUGH BUTLER, OF NEBRASKA, IN EXPLANATION OF A BILL TO PROVIDE PENSIONS FOR TEMPORARY NON-SERVICE-CONNECTED TOTAL DISABILITY FOR VETERANS

Mr. President, it may surprise many people to know that there is a large class of totally disabled veterans who do not draw any pension from the Federal Government at all. I refer to those veterans whose disabilities are not service connected and have not been adjudged permanent.

We have previously recognized the responsibility of the Federal Government to give financial assistance to all veterans with service-connected disabilities, whether total or partial, and whether permanent or temporary. We have also previously recognized our responsibility for veterans with non-service-connected disabilities, provided disability is total and permanent.

Veterans with temporary total disabilities, however, receive nothing at all, even during the period of the disability unless they can prove that it is connected with their service. This seems to be a manifest injustice to me. A man who is totally disabled needs assistance, regardless of the cause of his disability. If he is disabled only temporarily, he needs the assistance only temporarily, but still he needs it.

For that reason, I am introducing today a bill to permit payment of pensions to veterans with non-service-connected temporary total disabilities on the same basis as if such disabilities were permanent.

INTERIM EUROPEAN AID PROGRAM—AMENDMENTS

Mr. BALL submitted three amendments, and Mr. LUCAS submitted two amendments, intended to be proposed by them, respectively, to the bill (S. 1774) to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis, which were severally ordered to lie on the table and to be printed.

CHANGE OF REFERENCE

On motion by Mr. WILEY, the Committee on the Judiciary was discharged from the further consideration of the bill (H. R. 1049) to repeal certain acts of Congress, known as Indian liquor laws, in certain parts of Minnesota, and it was referred to the Committee on Public Lands.

THE MEANING OF INTERNATIONAL TRADE—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address on the subject of International Trade—Its Meaning, delivered by him before the International Trade Club, at Milwaukee, Wis., November 4, 1947, which appears in the Appendix.]

FOREIGN AID AND PRICES—ADDRESS BY SENATOR THOMAS OF UTAH

[Mr. HILL asked and obtained leave to have printed in the RECORD an address on the subject of foreign aid and prices, delivered by Senator THOMAS of Utah over radio station WRC, November 21, 1947, which appears in the Appendix.]

LOWERING OF THE COST OF GOVERNMENT—ADDRESS BY SENATOR O'CONOR

[Mr. TYDINGS asked and obtained leave to have printed in the RECORD an address on lowering the cost of government, delivered by Senator O'CONOR in Boston, Mass., before the National Association of Attorneys General, which appears in the Appendix.]

INTERNATIONAL ECONOMIC STABILITY—ADDRESS BY THE SECRETARY OF THE TREASURY

[Mr FULBRIGHT asked and obtained leave to have printed in the RECORD an address by the Secretary of the Treasury before the National Industrial Conference Board at the Waldorf-Astoria Hotel, New York City, November 20, 1947, which appears in the Appendix.]

ADDRESS BY HON. JAMES A. FARLEY BEFORE ASSOCIATED INDUSTRIES OF GEORGIA

[Mr. GEORGE asked and obtained leave to have printed in the RECORD an address delivered by the Honorable James A. Farley at the annual meeting of the Associated Industries of Georgia, Atlanta, Ga., October 31, 1947, which appears in the Appendix.]

CANADIAN IMPORTS AND EXPORTS—ADDRESS BY HON. DOUGLAS ABBOTT

[Mr FULBRIGHT asked and obtained leave to have printed in the RECORD a radio address explaining restrictions imposed upon imports and exports by the Canadian Government delivered by the Honorable Douglas Abbott, Minister of Finance, of the Dominion of Canada, which appears in the Appendix.]

WARNING ON HAWAII—LETTER BY NICHOLAS MURRAY BUTLER

[Mr. IVES asked and obtained leave to have printed in the RECORD a letter on the subject of admission of the Territory of Hawaii to statehood, written by Nicholas Murray Butler, and published in the New York Herald Tribune, Monday, August 25, 1947, which appears in the Appendix.]

THE FOOD CRISIS IN EUROPE—ARTICLE BY DR. CLINTON N. HOWARD

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an article entitled "*On the Brink of Chaos*," by Dr. Clinton N. Howard, which appears in the Appendix.]

LONG-RANGE PROGRAM FOR EUROPEAN AID

[Mr. CAPPER asked and obtained leave to have printed in the RECORD letters addressed to him by J. E. McDonald, Texas Commissioner of Agriculture, and George A. Raymer, secretary of the Orange County Taxpayers' Association, Santa Ana, Calif., relative to the proposed long-range program for aid to Europe, which appears in the Appendix.]

EDITORIAL COMMENT ON EUROPEAN SITUATION

[Mr. BUSHFIELD asked and obtained leave to have printed in the RECORD an editorial commenting on the European situation, published in the Vermillion (S. Dak.) Plain Talk, which appears in the Appendix.]

ORDER DISPENSING WITH CALL OF CALENDAR

Mr. WHITE. Mr. President, I ask unanimous consent that the call of the calendar be dispensed with.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

INTERIM EUROPEAN AID PROGRAM

Mr. WHITE. Mr. President, I move that the Senate proceed to the consideration of Senate bill 1774, the European interim aid bill, so-called.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1774) to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis, which was read, as follows:

Be it enacted, etc., That this act may be cited as the "European Interim Aid Act of 1947."

SEC. 2 It is the purpose of this act to provide immediate assistance in the form of food, fuel, and other commodities urgently needed by the peoples of Austria, France, and Italy, hereinafter referred to as the recipient countries, to alleviate conditions of intolerable hunger and cold and prevent serious economic retrogression which would jeopardize any general European economic recovery program based on self-help and cooperation.

SEC. 3. The President, acting through such departments, agencies, or independent establishments of the Government as he shall direct, may, by allocation of funds to any such departments, agencies, or independent establishments, or by making funds available to the government of a recipient country, whenever he finds it in furtherance of the purposes of this act and upon the terms and conditions set forth in this act and upon such other terms and conditions as he may determine—

(a) procure, or provide funds for the procurement from any source, food, seed, and fertilizer; coal, petroleum, and petroleum products; other fuel; fibers; pesticides; medical supplies; and such commodities as the President finds are necessary for the accomplishment of the purposes of this act as set forth in section 2;

(b) transport and store, or provide funds for transportation and storage of, such commodities;

(c) transfer such commodities to any recipient country;

(d) incur and defray expenses, including accessorial and administrative expenses and expenses for compensation and travel of personnel for carrying out the purposes of this act.

SEC. 4. (a) There is hereby authorized to be appropriated not to exceed $597,000,000, out of any money in the Treasury not otherwise appropriated, to carry out the provisions and accomplish the purposes of this act. This act, however, shall not imply any obligation to give assistance to any of the countries mentioned nor shall it imply or guarantee the availability of any specific commodities.

(b) Funds authorized under this act, when allocated to any department, agency, or independent establishment of the Government, shall be available for obligation and expenditure in accordance with the laws governing obligations and expenditures of such department, agency, or independent establishment or organizational unit thereof concerned, and without regard to sections 3709 and 3648 of the Revised Statutes, as amended (41 U. S. C. 5; 31 U. S. C. 529).

SEC. 5. After March 31, 1948, no funds may be obligated for the procurement of commodities provided for under this act. It is further provided that no more than 25 per cent of the amount herein authorized shall be used for the procurement of supplies outside the United States and its Territories and possessions. The procurement of petroleum and petroleum products shall, to the maximum extent practicable, be made from petroleum sources outside of the United States.

SEC. 6. Before any commodities or funds are made available to any recipient country under the authority of section 3 of this act,

an agreement shall be entered into, pursuant to the limitations and provisions of section 4 of this act, between such country and the United States containing, in such detail as practicable, an undertaking by such country—

(a) to make efficient use of any commodities made available under the authority of this act and to take insofar as possible the economic measures necessary to increase its ability to achieve a self-sustaining economy;

(b) to the extent that supplies procured with funds authorized under this act are not furnished on terms of repayment in dollars, they shall be furnished only upon condition that the government of the receiving country agree that when it sells such supplies for local currency (a) the amounts of such local currency will be deposited by it in a special account; (b) such account will be used within such country, as a revolving fund, until June 30, 1948, only for such purposes as may be agreed to between such country and the Government of the United States, for relief and work relief purposes, including local currency expenses of the United States incident to the furnishing of assistance; and (c) any unencumbered balance remaining in such account on June 30, 1948, will be disposed of within such country for such purposes as may be agreed between such country and the Government of the United States subject to approval by act or joint resolution of the Congress;

(c) to give full and continuous publicity within such country, so as to inform the ultimate consumers, as to the purpose, source, character, and amounts of commodities made available by the United States under this act;

(d) to furnish promptly upon request of the President information concerning the method of distribution and use of commodities made available under this act;

(e) to make available to its people at reasonable prices, consistent with economic conditions in the recipient country, such commodities as it may sell under the terms of this act;

(f) to make all possible efforts to secure the maximum production and distribution of locally produced supplies, and not to permit any measures to be taken involving sale, distribution, or use of any articles of the character covered in this act which would reduce the locally produced supply of such articles or the utilization of foreign sources of supply other than the United States;

(g) not to export or permit removal from such country, while need therefor continues, of commodities made available to such country under this act or such commodities produced locally or imported from outside sources;

(h) to permit representatives of the Government of the United States to observe and report on the distribution among the people of such country with respect to the commodities transferred or otherwise made available pursuant to this act.

SEC. 7. The President shall promptly terminate the provision of assistance under this act for any country whenever he determines (a) that such country is not adhering to the terms of its agreement entered into in accordance with section 6 of this act; or (b) whenever he finds, by reason of changed conditions, that the provision of assistance authorized by this act is no longer necessary or desirable.

SEC. 8. All commodities made available pursuant to this act or the containers of such commodities shall, to the extent practicable, be marked, stamped, branded, or labeled in a conspicuous place as legibly, indelibly, and permanently as the nature of such commodities or containers will permit, in such manner as to indicate to the people of the country of destination that such commodities have been furnished or made available by the United States.

SEC. 9. The President shall take appropriate steps to encourage other countries to make available to recipient countries such assistance as they may be able to furnish.

SEC. 10. The President may, from time to time, promulgate such rules and regulations as he may find necessary and proper to carry out any of the provisions of this act; and he may delegate to the Secretary of State or any other official or officials of the Government any of the powers or authority conferred on him under this act. In accordance with the direction of the President, the responsibility for administering in Europe the program of assistance provided for in this act shall be vested in the field administrator of the United States foreign-relief program appointed pursuant to section 4 of the act of May 31, 1947, providing for relief assistance to the devastated areas. The provisions of this act relating to United States supervision, control, or observation of distribution of supplies made available under this act shall not apply to distribution of supplies in Austria: *Provided*, That the President shall have determined, upon recommendation of the United States High Commissioner for Austria, that supplies furnished to Austria hereunder are being distributed under control systems embodied in agreements between the High Commissioner and the other occupying authorities or the Austrian Government which assure compliance with the objectives of the occupation and with the provisions of this act which are consistent therewith.

SEC. 11. Personnel employed to carry out the purposes of this act shall not be included in computing limitations on personnel established pursuant to the Federal Employees Pay Act of 1945 (59 Stat. 298), as amended by section 14 of the Federal Employees Pay Act of 1946 (60 Stat. 219).

SEC. 12. The President, from time to time, but not less frequently than once every calendar quarter, and until the end of the quarterly period after all operations under the authority of this act have been completed, shall transmit to the Congress a report of operations under this act. Reports provided for under this section shall be transmitted to the Secretary of the Senate or the Clerk of the House of Representatives, if the Senate or the House of Representatives, as the case may be, is not in session.

SEC. 13. If any provisions of this act or the application of such provision to any circumstance shall be held invalid, the validity of the remainder of the act and the applicability of such provision to other circumstances shall not be affected thereby.

Mr. WHITE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Fulbright	Magnuson
Baldwin	George	Malone
Ball	Gurney	Martin
Bricker	Hatch	Maybank
Bridges	Hawkes	Millikin
Brooks	Hayden	Moore
Buck	Hickenlooper	Morse
Bushfield	Hill	Murray
Butler	Hoey	Myers
Byrd	Holland	O'Conor
Cain	Ives	O'Daniel
Capehart	Jenner	O'Mahoney
Capper	Johnson, Colo.	Overton
Chavez	Kem	Pepper
Connally	Kilgore	Reed
Cooper	Knowland	Robertson, Va.
Cordon	Langer	Russell
Donnell	Lodge	Saltonstall
Downey	Lucas	Smith
Dworshak	McClellan	Sparkman
Ecton	McFarland	Stennis
Ellender	McGrath	Taft
Ferguson	McKellar	Taylor
Flanders	McMahon	Thomas, Okla.
Thomas, Utah	Vandenberg	Wiley
Thye	Watkins	Williams
Tobey	Wherry	Wilson
Tydings	White	Young

Mr. WHERRY. I announce that the Senator from Maine [Mr. BREWSTER] is absent on official business, attending the Geneva Conference.

The Senator from West Virginia [Mr. REVERCOMB] is necessarily absent because of illness in his family.

The Senator from Wisconsin [Mr. MCCARTHY] and the Senator from Wyoming [Mr. ROBERTSON] are necessarily absent.

Mr. LUCAS. I announce that the Senator from Kentucky [Mr. BARKLEY] is unavoidably detained.

The Senator from Mississippi [Mr. EASTLAND] is absent because of illness in his family.

The Senator from Rhode Island [Mr. GREEN], the Senator from Tennessee [Mr. STEWART], and the Senator from North Carolina [Mr. UMSTEAD] are detained on public business.

The Senator from South Carolina [Mr. JOHNSTON] is absent because of a death in his family.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business.

The Senator from New York [Mr. WAGNER] is necessarily absent.

The PRESIDING OFFICER (Mr. CAIN in the chair). Eighty-four Senators having answered to their names, a quorum is present.

Mr. VANDENBERG. Mr. President, I have an earnest desire to do two things today. I am very anxious to answer all the questions which may be directed toward me in the course of this discussion, but I think it would be helpful if I were permitted to make my initial presentation without interruption, for the sake of continuity. I shall reluctantly make that request, reluctantly because ordinarily I do not like to proceed in that fashion, but I think it advisable.

Mr. President, I present to the Senate the bill for interim aid to France, Italy, and Austria in their battle against winter hunger and winter cold and against the lurking tyranny which feeds upon such disaster. The original text has been amended in numerous important particulars, as will be evidenced by the accompanying committee report. I present the amended text in one clean bill for the greater convenience of the Senate. It is unanimously recommended by the Senate Committee on Foreign Relations after public hearings and scrupulous study. The bill is further recommended, in my opinion, by its appeal, one, to traditional American humanities; two, by its unescapable necessity if western Europe is to preserve a free chance to order its own liberty; and, three, by the unavoidable American self-interest in a free, solvent, and peaceful world.

I know and share the anxieties of other Senators in connection with all these foreign-aid programs. I know and share their disappointments regarding some previous programs that have gone wrong. I know and share their conviction that we must vigilantly guard our own resources against fatal drain. I shall

undertake to speak frankly about these things. I shall also undertake to make it plain that Senators can support this bill without any sort of a commitment to any other relief programs which Congress may subsequently confront. Then I shall prove, I prayerfully believe, that the bill is worthy of that degree of Senate support which the unanimous report of your committee bespeaks for it.

But, Mr. President, before I deal with the bill I want—just speaking for myself—to linger for a few brief moments on the general background against which legislation of this character must be judged, in my opinion, if we shall be faithful to our own national welfare.

Mr. President, in close cooperation with our brave allies, emphatically including Soviet Russia, which rendered heroic effort to the common cause, we won a complete military victory against Axis aggression in World War II. The victory was repeatedly and specifically dedicated by all of us to a just peace that would insure maximum self-determination for freemen in a free world. This unequivocal pledge was taken by every Allied power. There were no vetoes and no abstentions. Those who either violate or evade this pledge will repudiate the most sacred obligation ever written in the blood and tears of martyrs. Worse, they will dissipate the victory, lose the peace, and hazard their own destiny. This goes for every capital on earth. It goes for Washington. It goes equally for Moscow.

Peace on any other basis would be a grim affront to the sacrifice of those who died for an ideal. It would be a slumbering shambles. It would threaten free society. It would threaten the United States. In this fore-shortened world, in which science does its best to do its worst, peace on any other basis would be no more than an uneasy truce which, through miscalculation of the tenacity of our own ideals, might light the guns again. That must not occur.

But we must face the facts. This international unity which won the war and which pledged these ideals has fallen apart. A new type of Communist aggression is on the march. In the United Nations, which is still the world's best bridge across this ominous gap, this new aggression often boycotts what it cannot defeat or veto. It operates not only through ruthless pressures on often terrorized satellites, it operates through internal subversion and sabotage in other lands where its trained and disciplined minorities faithfully contribute to the chaos and confusion which encourage Communist conquest. When 16 western European nations join in a cooperative plan to restore their self-reliant stabilities in a pattern of their own free choice communism, which had an equal invitation to participate and refused, promptly and angrily repudiates the enterprise, swiftly proceeds to the rival and ruthless expansion of its police-state jurisdictions, and frankly organizes the equivalent of a new Comintern with the announced purpose of wrecking Western Europe's hopes. And there seems to be ample evidence that the wrecking crews already have been turned loose.

All this proceeds, Mr. President, under cover of the most viciously unfair propaganda which ever belabored the ears of the world. Communism hides behind charges that America is guilty of "economic imperialism" because we respond to the pleas of our friends for aid in their extremity—precisely as we have previously responded, with well-nigh prodigal abandon, to previous pleas for aid from those who now revile us. We are said to be "economic aggressors"—we who seek no reparations, no booty, no territory—we who protest the intolerant appetites of others in these respects.

We are said to be "warmongers"—we who demobilized so fast that our viewpoints may have been unfortunately misunderstood by those who still count their armed divisions by the hundreds—we who, possessing atomic bombs, unsuccessfully beg our critics to join us in dependably outlawing atomic warfare everywhere forever. It is a fantastic libel.

What this tragically dividing world needs above all else is an agreement upon what is truth; and, as I said upon another occasion, we should be prepared, with others, to obey, in this connection, the scriptural injunction regarding motes and beams. In the absence of truth, however, we are blind not to take warning of the potential consequences. I speak of the rift this afternoon for just one purpose; namely, to assert, with total conviction, that it would be a defiance of all logic and a desertion of all statesmanship to deny that these events have a direct impact upon the status of our own United States. That being so, we have a direct self-interest in doing everything within our peaceful power to sustain democratic freedoms, based on self-determination, in other lands.

But let us so clearly identify this "self-interest" Mr. President, that no honest man can misunderstand. It is not conquest. It is not dominion. It is not dictation of a way of life to others. It is not any sort of war—either "cold" or "hot"—with anybody. It is the "self-interest" which knows there can be no peace for us or anybody else which does not stem from justice. It is the "self-interest" which knows that this precious thing called western civilization is a common asset which we cannot indefinitely preserve alone. It is the "self-interest" which knows that we cannot indefinitely prosper in a broken world. It is the "self-interest" which knows that any "world revolution" would rate America as the top-prize scalp.

So, Mr. President, my plea is that we recognize, with an equivalent determination, that the keeping of the peace is just as important to us as the winning of a war. In that spirit, we can be comparably invincible. There is no danger of our failure to recognize the national interest when we are forced to defend ourselves in war. I shall never forget, for example, that on the afternoon of June 29, 1944, this Senate, without even stopping for a roll-call vote, unanimously passed one military appropriation bill for $59,034,839,673. And the House passed it by a vote of 344 to 0. I draw no present analogy. There is none between peace and a war regime. Furthermore, peace and liberty are not for sale. They grow in the hearts and souls of men. They need wisdom long before and long after they need cash. I am simply saying that intelligent American self-interest equally serves the national interest if we can readily grip the concept, with our typical tenacity, that peace investments in this splitting world may relatively be the best of God-blessed bargains. I am saying that the stakes are just as great on November 24, 1947, this afternoon, as they were on June 29, 1944, when we appropriated $59,000,000,000 in one uncontested shot, even though the situations are expressed in different terms.

By all means, Mr. President, let us be realists. As realists we must look to a wholly adequate armed defense until such time as dependable alternatives have proven their reliability. As realists we must ever guard our own resources against suicidal depletions. As realists we must zealously protect our own solvency. As realists we must protect our peace aids against exploitation, mismanagement and waste. As realists we know we cannot underwrite the world. As realists we must, at long last, get down to brass tacks in all these aspects. As realists we must know the total balance sheet. As realists we know these post-war recuperations must embrace Germany—permanently demilitarized—and the Far East. We must be hard boiled, if you please, when we face all of these calculated risks. But, as in the instant case, let us, with equal zeal, equal candor, and equal purpose, consider the calculated risks—not as sentimentalists but as realists—the calculated risks to us if we turn our backs upon our foreign friends and let them sink for want of aid which might have kept them alive and free.

I quote the quiet but impressive eloquence of Ambassador Douglas speaking a few days ago before our committee:

> One has to measure the risks implicit in the program with the risks of doing nothing. While there are risks in undertaking the program, there are incalculably greater risks to the United States in doing nothing. * * * I think it is impossible to expect that the standards of living (in Europe) will be such that the traditional freedoms and liberties that have characterized that part of the world can be preserved. I think it is unrealistic to expect, doing nothing, that the political institutions from which we derive at least some elements of our own can long survive. I think it is almost a certainty that if we do nothing, such chaos, disorder, and confusion will exist that men's minds will take hold of queer ideas hostile to their own traditions and inimical to ours. In a Western World the consequences to us can be profound. The cost to us may be expressed in an incalculable number of billions of dollars. It may be expressed in impairments of our own historic free institutions. So it seems to me that our vital national interests are deeply concerned

I wish to make it entirely plain that this is my own view. With the greatest respect for those who disagree with this premise, I can only assert my own deep belief that American rejection of this concept may only postpone an ultimate conflict which otherwise need never oc-

cur, and which never should be allowed to occur.

Now, Mr. President, let us come directly to the pending bill. I want to make it plain that the Senate is not confronting in this pending vote any sort of an obligation to other and subsequent relief programs of greater magnitude. The only question here—and there are no other implications—is interim, emergency aid for France, Italy, and Austria for the period ending March 31, 1948. It is not a reconstruction bill. It is a human relief bill. In general categories it deals with $301,000,000 for food; $184,000,000 for coal; $35,000,000 for petroleum; $38,000,000 for cotton; $35,000,000 for fertilizers, pesticides, and seed; and $4,000,000 for medicine. We do not here pass upon the long-range, so-called Marshall plan. That proposal has not as yet even reached our committee. We here deal exclusively with an authorization not to exceed $597,000,000 for interim relief terminating with the first quarter of 1948. Even this is not final because the actual appropriations must still be screened by the Appropriations Committee and then submitted to a final Senate vote.

I readily concede that there are interlocking factors between this interim plan and the ultimate long-range plan. There is a common consideration inherent in each. In each there is a common challenge if what we call western civilization is to survive in a decent, democratic world. One is to some extent the lengthened shadow of the other. The immediate interim problem cannot be considered in a vacuum. Our committee recognized this fact, and took sufficient testimony to establish the general outline of the long-range plan for background purposes. Furthermore, it is entirely true that the interim plan, like the long-range plan, is a plan to meet overall deficits in dollar balances—with the relief items arbitrarily segregated against our credits. Nevertheless, despite their common stem, the two bills are separate, and different. The long-range program will deal with a prospectus for economic recuperation for 16 nations on a contractual self-help basis running down to 1951, when its authors hope to see a reestablished western world which will no longer require our aid. It is a complicated formula of tremendous magnitude which will require exhaustive congressional exploration. But the pending proposal is comparatively simple. It is confined to offsets which measure the deficit needs in 3 countries, instead of 16, for just 1 ominous winter instead of 4 years. These needs press upon free sectors of the world where bare existence, to say nothing of free institutions, may be an early casualty without our aid. It furnishes food, fuel, fertilizer, cotton, petroleum, pesticides, seeds, and medicines. It involves elemental human survival in a free society. It is an appeal which would be valid without reference to any subsequent undertakings. It is, however, completely indispensable if there are to be any of these subsequent undertakings.

This is what I am trying to say, Mr. President. Senators inevitably will be thinking of both short- and long-range plans in this debate. But Senators can support the short-range, emergency plan without any commitment in respect to subsequent attitudes. I am not for an instant minimizing the dreadful importance of the ultimate decision. But I am saying that it would be entirely understandable why a Senator might hesitate to take any action today which would be construed as committing him to subsequent decisions which he is not yet prepared to make, and which he ought not to make without far more information than he has at the moment. It is for this reason that the following colloquy may be found in the committee hearings:

Senator VANDENBERG. It is my conception that a Member of Congress can support this interim program on the basis of bare human need for a winter crisis without any commitment whatever to support the long-range program. In other words, what he does is to give himself an option upon sufficient time to adequately investigate the long-range program.

Under Secretary LOVETT. That is absolutely correct.

Now, Mr. President, whence come these immediate needs? I shall not burden the Senate with all the detailed figures which are completely available in the documents which have been furnished to all Senators. I particularly refer to the State Department's so-called blue book and the Senate committee's digest of all the relevant papers relating to this problem. I say, in general, that the problem is to keep the people of Italy, France, and Austria alive and free this winter.

The deterioration which has been occurring in the position of European countries regarding the means available to them to procure essential imports has reached an acute stage in the case of France, Italy, and Austria. The evidence indicates that these countries have practically exhausted all of their available means for paying for the essential imports which they need to feed and clothe their people and to prevent an immediate and drastic reduction in agricultural and industrial activities, with consequent unemployment and internal instability.

The financial position of these countries has been affected by the following factors:

(a) Severe losses in agricultural products, particularly grain, due to last winter's freeze and the past summer's drought. These losses can be made up only by imports of grain from abroad far exceeding normal import requirements;

(b) The general retardation of European production resulting from shortages of food, coal, consumers' goods, and industrial supplies. This has seriously limited exports to the dollar area and thereby restricted the availability of dollars for these countries;

(c) The higher costs of essential imports caused by rise in prices, particularly in the United States; and

(d) The effects of the unexpected inconvertibility of sterling. France and Italy had counted upon conversion of sterling holdings into dollars for imports of essential commodities.

The current assets of Austria are negligible and her essential imports at the present time are being supplied principally through the United States foreign-relief program.

France and Italy have acted forthrightly in scaling down the level of dollar expenditures by taking all feasible measures to eliminate supplies which are not absolutely essential. In June 1947, Italy stopped making governmental purchases of all commodities except cereals, coal, and petroleum products. France took action late in August in stopping the placement of all new dollar contracts, except those for cereal, coal, and petroleum products. Indications are that before the end of December, France will have no funds even to buy food and fuel. In the case of Italy, funds will be needed early in December to procure food, fuel, and other essential supplies for shipment in January.

After making allowance for all their available resources, it is estimated that these three countries need a total of $597,000,000 for the period ending March 31, 1948, as follows:

Austria	$42,000,000
France	328,000,000
Italy	227,000,000
Total	597,000,000

In meeting these necessities, Mr. President, I have said we must be realists. We have already been prodigal in previous postwar aid, which, unfortunately, seems often to have missed its mark and defaulted in its purpose. The average American citizen is tired of this sterile process. I am sure he still has vision, and that he understands "where there is no vision the people perish." I am sure he has not forgotten why we fought two wars. But he is fed up on expensive failures. He has a right to ask how these new plans differ from the old and why there is greater promise of success. I want to discuss this with him.

There can never be any guaranties of success in the affairs of nations. All life is the sum total of uncertainties. But, in my opinion, there has been more prudent and exhaustive preparation for these new programs than ever before. I think our administrators have learned their lessons from previous mistakes. I think we are getting down to business. Our committee has seen enough of the long-range plan to know that it is to be constantly and continuously geared abroad to cooperative results in self-help programs which can make western Europe stable and autonomous again. It will be proposed that our aid shall constantly be contingent upon satisfactory progress in these directions. All this we shall explore in detail later. But similarly, in the case of the interim plan now before us, I want to identify some of the reasons why I am urging its right to our confidence and support.

I have already referred to the amazing documentation which is available on every point involved. I now refer to the scrupulous screening which has been given the cost estimates. We have not simply invited these three hard-pressed countries to ask us what they want and

to come and get whatever they please—as seems to be the suspicion in some quarters. On the contrary, their requests have been carefully studied by every availabe device. The final figures are not theirs. The final figures are ours. They are cut to the bone. They represent a minimum basis of rock-bottom subsistence and survival in the kind of a world we want to save for our own sakes. France asked for four hundred and fifty-nine millions. She was cut one hundred and thirty-one millions. Italy asked for five hundred and seventy-five millions. She was cut three hundred and forty-eight millions. Austria asked for eighty-five millions. She was cut forty-three millions. Such ultimate figures are not the work of star-gazers. They are the work of realists. They will still be subject to further review when the actual appropriation is submitted.

But that is not all. Every relief commodity will be paid for in the local currency of the beneficiary country and these funds will be trusteed in each country for whatever relief expenditures we can make in those local currencies or for other relief or rehabilitation enterprises in each country consistent with these recovery objectives, subject to our approval. Thus our aid does not become a windfall to release the budgets of these countries from the impact of these expenditures. It becomes what it purports and is intended to be, namely, the provision of food, fuel, and fertilizer, pesticides, seeds, and medicines which are only available for dollars which these countries do not possess and which they cannot get. This again is realism, I submit. It is not blind charity. It is humane and purposeful because it proposes to alleviate conditions of intolerable hunger and cold—I am quoting from the bill—and prevent serious economic retrogression which would jeopardize any general European economic recovery program based on self-help and cooperation. But it builds on a business basis.

Before any commodities or funds are made available—I am still discussing the specific short-range program here pending for present action—each beneficiary country must enter into a bilateral agreement with us for the faithful performance of its reciprocal obligations including an obligation "to give full and continuous publicity * * * as to the purpose, source, character, and amounts of the commodities made available by the United States." We are not repeating UNRRA's mistakes. The President is ordered to "promptly terminate the provision of assistance whenever he finds that any country is not adhering to the terms of its agreement." The formula is down to hard-pan.

Let me point to some of the other specifications in the bill as reported by the committee.

We recognize the fact that no irrevocably firm commitments are possible if we have due regard for our own economy and if we are to avoid pledges which it would be unwise or impossible to complete. The pending bill says:

> This act shall not imply any obligation to give assistance to any of the countries mentioned nor shall it imply or guarantee the availability of any specific commodities.

In other words, we again are being realists. We are frankly recognizing the contingencies in the situation and protecting against them in advance. For example, there is only one point at which the figures of the Department of Agriculture collide with the figures of the Department of State and with the figures of the Herter committee of the House, namely, the availability of sufficient wheat to meet the Italian allocation. If wheat is insufficient, the Secretary of Agriculture points out that adequate and ample substitutes are available. This language permits the substitution.

We recognize that many other contingencies effect events in these tinder areas of western Europe. Therefore we must reserve other latitudes. Under the terms of this bill the President can promptly terminate this relief whenever he finds, by reason of changed conditions, that assistance is no longer necessary or desirable. This is no strait-jacket which we recommend.

The original proposal left the President wide-open option to administer this relief to suit himself. The amended bill denies any such open-ended Presidential prerogative. It requires that, "in accordance with the direction of the President," which certainly is appropriate, the responsibility for administering in Europe the program of assistance shall be vested in the field administrator of the United States foreign relief program appointed pursuant to the act of May 31, 1947. Thus, there is a warrant against any new or duplicating set-up. The present field administration of the post-UNRRA relief was approved by the Senate. By the testimony of all who have been in a position to get the facts, it is doing a notably efficient job. It has escaped from the mistakes of UNRRA in large degree. It will carry on in this new adventure.

There are numerous other protections in the bill. They speak for themselves. They represent the work of realists who do not propose that the errors of yesterday shall persist today and tomorow.

As for the impact of this short-term relief program on our domestic economy—on prices and inflation— I want to be equally candid. Any exports of commodities in short supply will have some effect upon domestic prices. But the exports here concerned are relatively inconsequential in size and cannot become a major influence. Indeed, Secretary Harriman testified that our net export balance—meaning the over-all measure in dollars of the net drain of our goods and services going into foreign trade—has been receding since the second quarter of 1947 and seems unlikely to present larger pressures on our economy as a result of this interim foreign aid.

With continuing frankness, I am forced to say that I regret that the President saw fit to tie this interim aid program into his anti-inflation message. It could invite an erroneous public reaction. It may have seemed to imply that the interim aid program necessitates his discussion of inflation. That would not be true. I agree that there is vital need to intelligently fight inflation. I agree that the subject urgently requires congressional attention. I agree that it is an important element of consideration in respect to any long-range, 4-year relief program which may be subsequently submitted. There are many other far more important elements, but this is neither the time nor the place to pursue them in respect to that problem. This pending bill, however, is not one of them in any significant degree.

Certainly we must be eternally vigilant in respect to conditions on the home front. We could ruin the world quicker by ruining America, as prayerfully prophesied from Moscow, than in any other way. But I revert for just an instant to my opening theme to say that it would be folly not to take judicial notice of the total regimentation which would be necessary in the United States to save our economic system if we ever find ourselves economically isolated in a Communist world. We must keep our feet upon the ground. But we must keep our eyes on the horizons.

I revert to the text of the pending bill just once more to say that, as realists, we recognize the changed inflationary conditions in the United States since the last relief bill was passed. Then we were seeking maximum domestic expenditure of the relief funds and required that not more than 6 percent of them should be spent abroad. Now our anxiety is to relieve these domestic pressures. Therefore the ceiling is raised from 6 to 25 percent and, in addition, a directive requires all petroleum under the program, so far as practicable, to be procured elsewhere.

I regret that the bill does not include interim aid for China. I think it should. But there seems to be no practical way in which this can be initiated by Congress. It will be heartening, however, to note that China will be included in subsequent plans which the State Department is developing. The stabilities of Germany and the Far East are indispensable to a sound, free, world economy—and time is running out.

One other comment: Neither this program nor its contemplated successor, Mr. President, is a declaration of economic war between western and eastern Europe, unless Moscow persists in its apparent pathetically mistaken purpose to make it such—to its own everlasting detriment. There is grievous need for the restoration of East-West trade and friendship in a "live and let live" world. Nothing projected in our short- or long-range plans will interfere—except on Soviet initiative. The only thing involved is mutual self-help and cooperation between war-scarred nations, staggering under the burdens of postwar disaster, determined to recuperate in the pattern of freedom, and turning to a friendly United States for aid in the achievement of a purpose which is almost as important to us as it is to them.

Mr. President, I think this bill should promptly pass. I think it is pertinent, as a final word in its behalf, to draw one last analogy in respect to the problem which here confronts us. We have been witnessing a dramatically significant coincidence in the life of the nation these recent days. Two special railroad trains

have been steaming across the broad expanse of our great and precious America. One is the Freedom Train. The other is the Friendship Train.

The Freedom Train, Mr. President, reminds our people that their heritage stems from liberty under law; that their richest blessing is a Constitution and a Bill of Rights which protect the spiritual dignity of man and the independence of the citizen; and that there are no values in life which could compensate us for the loss of these democratic privileges.

The Friendship Train, Mr. President, exemplifies the devotion of our people to the humanities which make most of the world akin; demonstrates our instinct, our tradition, and our impulse to feed the hungry and to heal the sick; and personifies the friendliness which is the genius of a lasting peace.

Mr. President, in my view this bill is both a Freedom Train and a Friendship Train when it reaches those for whom these benedictions are intended. I hope that Senators will choose to ride.

Mr. DONNELL. Mr. President, at the outset of the exceedingly persuasive, powerful, and eloquent address of the senior Senator from Michigan, he indicated that he was willing to respond to any and all inquiries which might be made of him. I am wondering whether the Senator would mind at this time responding to two inquiries which I should like to address to him.

Mr. VANDENBERG. I should be very happy to do so—or to any others.

Mr. DONNELL. The first inquiry is based upon the fact that the distinguished Senator pointed out that Austria needs $42,000,000, that Italy needs $227,000,000, and that France needs $328,000,000. The distinguished Senator, in presenting these figures, used the same figures submitted by the President of the United States on November 17 with respect to the needs of each of these three countries.

The point to which I invite the Senator's attention, and to which I should like to have him give consideration, is that section 4 of the bill before the Senate, Senate bill 1774, while authorizing an appropriation of not to exceed $597,000,000, which is the total of the figures mentioned by the President and by the Senator from Michigan, as I have stated them, representing the needs of Italy, France, and Austria, does not specify how the sum not in excess of $597,000,000 is to be divided. Therefore, as I see it, in voting for Senate bill 1774 Member of Congress would be authorizing an appropriation which, so far as the bill itself states, could be substantially all used for any one or more of the respective countries.

The inquiry which I desire to address to the Senator is whether he would be willing, not necessarily at this moment to commit himself, but would be willing to consider amending the first sentence of section 4 (a) of the bill so that it would read as follows:

There is hereby authorized to be appropriated not to exceed $597,000,000, out of any money in the Treasury not otherwise appropriated, to carry out the provisions and accomplish the purposes of this act: *Provided, however*, That of said sum there may be applied toward assistance to the people of Austria not to exceed $42,000,000, toward assistance to the people of France not to exceed $328,000,000, and toward assistance to the people of Italy not to exceed $227,000,000.

Before the Senator makes response, I should like to call attention to the fact that this would still leave in full force and effect the sentence to which the Senator has carefully called attention today, which reads:

This act, however, shall not imply any obligation to give assistance to any of the countries mentioned nor shall it imply or guarantee the availability of any specific commodities.

I now ask the Senator whether he would be willing to consider such an amendment as I have just read.

Mr. VANDENBERG. Mr President, I am very happy to respond to the able Senator from Missouri. I share his anxiety that every obligation shall be as definite and specific as possible when we are completing legislation of the character of the bill before us.

I suggest to the Senator that it might be more appropriate for him to discuss specific limitations of the character mentioned when the actual appropriations are made under the authorization. I confess I dislike to write into the general authorization any sort of what might seem to be obligatory commitments.

The Senator has referred to the saving clause which is in the bill at a later point, which specifically denounces any special obligation. The fact remains that I think the Congress would be moving in the direction of at least inviting a feeling of commitment if in the basic act it were to undertake the allocation.

So far as I am concerned, I should have no particular objection to the amendment, except in the general way I have announced, because there is no question about the purpose and intent of the break-down of the figures. I merely ask the Senator whether he would not reach his objective just as well, and more logically from a legislative procedural standpoint if he were to direct his limitations to the actual appropriation bill, which the Senator knows will have to come to the Senate floor and be passed before anything happens even under the authorization.

Mr. DONNELL. Mr. President, I thank the Senator for his response. To my mind the logical place to make the insertion is in the fundamental act which creates the authorization to appropriate. As I see it, when the bill is passed, as I have no doubt it will be, either as it now is before the Senate or with some amendments, there will be no limitation with respect to how or with respect to the peoples of what countries any portion of this money shall be used. That is to say, there is no limitation which would require any particular proportion or amount of the fund to be recommended by the Committee on Appropriations for appropriation, and to be used. However, I shall certainly consider the Senator's suggestion before undertaking to offer an amendment along this line, but my present view is that the logical place for the insertion is at the point I have indicated.

Mr. VANDENBERG. If I may make a further observation to the Senator——

Mr. DONNELL. Certainly.

Mr. VANDENBERG. I should not resist such an amendment, although I think it would be preferable in connection with the appropriation bill.

Mr. DONNELL. Now let me ask the Senator the second question to which I referred in my opening request.

I call attention to the fact that at page 7, lines 6 and 7, the President is authorized to delegate to any "official or officials of the Government any of the powers or authority conferred on him under this act." It thus follows that (a) the President may authorize any official, regardless of the department in which he is, or regardless of his rank or his experience, to determine the terms and conditions on which provision of funds may be made.

(b) The President may authorize any official, regardless of any of these considerations, namely, the department in which he is, his rank or experience, to terminate the provision of assistance and to make the determination of whether or not conditions have changed.

(c) The President may authorize any official, regardless of the department in which he is, or his rank or experience, to take steps to encourage other countries to make available to recipient countries such assistance as they may be able to furnish.

(d) The President may authorize any official, regardless of the department in which he is, or his rank or experience, to direct the program of assistance to be vested in the field administrator of the United States foreign relief program.

(e) The President may authorize any official, regardless of the department in which he is, or his rank or experience, to determine whether or not supplies furnished to Austria are being distributed under control systems which assure compliance with the objectives of the occupation and with the provisions of the act.

Mr. President, I desire to call to the Senator's attention the fact that the very section in which this extensive power of delegation is granted to the President refers to the act of May 31, 1947, which was the act providing for relief assistance to the devastated areas, and that in that act, at page 4, the authority which the President is authorized to delegate is limited as follows:

The authority of the President under sections 2 and 3 and under this section may, to the extent the President directs, be exercised by the Secretary of State.

In other words, Mr. President, as I see it—I have no doubt the Senator has given thought to this consideration—the bill which we now have before us—goes further than is necessary and perhaps further than it should go, in authorizing the President, without any limitation, to select any official, regardless of his rank of standing, to carry out these exceedingly important functions.

I appreciate the fact, of course, that we should have confidence in the President. I have no doubt the President would use the very best judgment he has, and I have no doubt that he would exercise excellent judgment. On the other hand, we are legislating here, we are

establishing precedents on the grant of the power of delegation, and it seems to me that one of two things should be done, either that the bill now before us should be so limited that the President should not have the right to delegate any of the authority, which lack of power would of course still leave it within his authority to use any officials he desired to carry out the administrative features of the authority which the President is exercising; or, if that be deemed too comprehensive, the authority of the President to delegate should be so limited that he should not have authority to delegate perhaps beyond the Secretary of State or some Cabinet official or officials.

I should like to ask the Senator to give us his views upon the point which I have endeavored to present along those lines, if he will.

Mr. VANDENBERG. The Senator has posed quite a question, in the magnitude of presentation, at least. Do I understand that the crux of the Senator's inquiry is this question of the delegation of Presidential power?

Mr. DONNELL. The crux of it is that I think the bill goes too far by authorizing the President to delegate, not only to the Secretary of State but to any other official or officials of the Government, any of the powers or authority conferred upon him under this act. It seems to me that it would be certainly sufficient if the President should be given the authority to delegate these functions to some official such as the Secretary of State, or perhaps some two or three of the Cabinet officers.

It seems to me that when he is given authority to delegate power to any official of the United States Government, without any limitation whatever, we are establishing an unwise precedent, regardless of the wisdom or soundness of judgment which the President might show in the instant case.

Mr. VANDENBERG. I am very glad to respond to the Senator. As the bill came down to us in its original draft form, it left the President with total and complete authority to choose any sort of administration he desired in respect to the enterprise. The Senate Foreign Relations Committee, sharing substantially the general viewpoint which the able Senator from Missouri asserts, felt that that was too wide open and was indefensible. Furthermore, the committee found that the existing field administration of the last relief bill, the post-UNRRA relief bill, under the general responsibility of Mr. Allen, is doing such a thoroughly splendid job that we wanted, if possible, to tie down this very temporary extension of further relief to the existing administrative instrumentality, particularly in view of the fact that it is already the instrumentality administering relief in Italy and in Austria. The only necessity is to expand it to France. Therefore we wrote specifically into the bill the provision which the Senator has noted:

> In accordance with the direction of the President, the responsibility for administering in Europe the program of assistance provided for in this act shall be vested in the field administrator of the United States foreign-relief program appointed pursuant to section 4 of the act of May 31, 1947, providing for assistance to the devastated areas.

We felt that in that fashion we had very specifically identified the instrumentality which is to be used in the administration of this trust. I do not think it occurred to any of us—it did not occur to me—that there was any undue exercise of administrative option left in the President as the result of that directive.

Mr. DONNELL. Mr. President, will the Senator yield at that point?

Mr. VANDENBERG. I yield.

Mr. DONNELL. I have not made it clear, obviously, which sentence it is to which I refer.

Mr. VANDENBERG. Yes, I know the sentence to which the Senator refers.

Mr. DONNELL. I referred to the sentence preceding what the Senator just read, which reads as follows:

> The President may, from time to time, promulgate such rules and regulations as he may find necessary in order to carry out any of the provisions of this act; and—

This is the portion to which I directed my remarks—

> he may delegate to the Secretary of State or any other official or officials of the Government any of the powers or authority conferred on him under this act.

That is the sentence to which I directed my attention. I have no objection to the next sentence, to which the Senator has referred, but it does seem to me that the sentence which I have quoted goes much further than Public Law 84, namely, the act of May 31, 1947, which says:

> The authority of the President under sections 2 and 3 and under this section, may, to the extent the President directs, be exercised by the Secretary of State.

I say that the sentence to which I have referred, and which I have now read, goes much further than that, enabling the President not only to delegate to the Secretary of State, but to any official or officials of the Government, any of the powers or authority conferred on the President under this act. It would appear to me that it goes too far. I submit that very respectfully to the Senator for his consideration.

Mr. VANDENBERG. I understood the Senator's point, and he misunderstood my reply. I was simply pointing to the subsequent language as an indication in my mind that this previous general delegation was sharply limited by the subsequent restraint, and that that was the reason why my attention had not lingered at all upon the language to which the Senator points. I am quite willing to take under consideration the point raised by the Senator.

My theory of writing the act was that we should preserve the structure of Public Law 84 very generally throughout, because I felt that since it was only for a 3 or 4 months' interim term, is was highly desirable to avoid all possible duplication in administrative functions and concentrate as far as possible on those administrative agencies which are now operating under Public Law 84. I should be very glad to consider the point the Senator has made.

Mr. DONNELL. I thank the Senator.

Mr. VANDENBERG. I would immediately agree with the Senator, except that I should like to inquire of the State Department whether there is some other official, in addition to the Secretary of State, who might necessarily be involved in the evolution of the program.

Mr. DONNELL. It may be, Mr. President, that there is some such official. If there is, of course, I should have no objection to his inclusion. But it does seem to me that when the bill goes so far as to permit the President to select any official whomsoever, regardless of his experience, or of the department he is in, or of any other qualification, the bill is establishing an unfortunate precedent.

Mr. VANDENBERG. I suggest to the Senator that, for example, inclusion of the Secretary of Agriculture might be required in respect to allocations of wheat, and so forth.

Mr. DONNELL. That had occurred to me also, and I think it would be perfectly proper procedure.

Mr. VANDENBERG. I will inquire into that matter.

Mr. BALL. Mr. President, will the Senator yield to me for the purpose of asking him a few questions?

Mr. VANDENBERG. I yield.

Mr. BALL. The Senator from Michigan in his very eloquent address quoted a couple of paragraphs of the testimony of Ambassador Douglas, which begins on page 100 of the record of the committee hearings, and I certainly agree with the thesis of Ambassador Douglas that we cannot sit back and do nothing in this situation. But there was one sentence in his testimony which rathered bothered me. It reads:

> I think it is impossible to expect that the standard of living will be such that the traditional freedoms and liberties that have characterized that part of the world can be preserved.

The implication in that sentence seems to me to be one that has bothered me right along respecting one of the major approaches to this whole program, namely, that only a people who have achieved a very high standard of living can afford the luxury of freedom, which is exactly what the totalitarians are always trying to foist upon us. The actual fact, of course, is just the opposite—that only free peoples have ever achieved a standard of living anywhere near comparable to that of the people in the United States. I wonder if the Senator from Michigan would comment just a little on that.

Mr. VANDENBERG. Well, I agree with the conclusion which the Senator from Minnesota reaches regarding the relative opportunities of democracy and totalitarianism in terms of human advantages. I suspect that the able ambassador was referring particularly to the immediate period which lies ahead of us, and that he was undertaking to point out that there is a level below which it is impossible to expect human nature to persist in its devotion to any ideals if it is driven to utter extremity.

Mr. BALL. The Senator from Michigan thinks it refers, then, to the particular situation that we are facing, hunger

and starvation, rather than the long-range situation?

Mr. VANDENBERG. That is my view.

Mr. BALL. In his address the Senator from Michigan emphasized the fact that voting for this interim relief bill—and I think all of us feel we must do something to relieve the situation in Europe—would not commit any Senator, and certainly would not mean that he had passed judgment on the long-range plan, the so-called Marshall plan, or the economic recovery program for Europe, whatever it is called. But I call the Senator's attention to the last phrase in section 2 of the bill, in which it is stated that one of the purposes of the bill is "to alleviate conditions of intolerable hunger and cold and prevent serious economic retrogression."

I do not think anybody can quarrel with that. But then the section goes on to say, "which would jeopardize any general European economic recovery program based on self-help and cooperation." It speaks of "any general European economic recovery program." It seems to me that that is an implied commitment. Certainly if I were in the government of one of these countries in Europe I would say that the passage of the pending legislation with that language in it pretty thoroughly committed the United States Congress to go ahead with the general recovery program, whereas, as the Senator has said, what we are doing with this bill is buying time really to study the longer range program.

Mr. VANDENBERG. My comment on what the Senator has said is simply this. The language the Senator has read in section 2 is a statement of fact. Of course it is a fact, an indisputable fact, that except as the winter crisis is alleviated there is no chance subsequently to consider any sort of a general economic recovery program in Europe on a basis of self-help and cooperation or any other basis.

I would think that if that is a commitment, it is only a commitment to a reality which no one can deny. I would not think it was any sort of a commitment of the sort the Senator suggests, and if in my position as chairman of the committee handling this legislation my interpretation has any authority whatever, I reiterate that the Under Secretary of State himself, in the colloquy with me in the hearings, has agreed that he will not consider that any affirmative vote on the pending bill contains any commitment or implication whatsoever, and I reassert that as my own interpretation.

I call the Senator's attention to the language further on in the bill which categorically denies that the act itself is even any commitment.

Mr. BALL. Will the Senator yield further?

Mr. VANDENBERG. Yes.

Mr. BALL. Can the Senator tell us of any action which the President and the State Department cannot take under this bill if we place a period after the words "prevent serious economic retrogression," and strike out the rest, indicating that that is all the bill is going to do?

Mr. VANDENBERG. No; this whole section is just a speech.

Mr. BALL. Well, it states a broad purpose, after all.

Mr. VANDENBERG. It is a pretty good speech.

Mr. BALL. And then sections 3 and 4 provide for authorization of appropriation of money to be spent for this purpose. But this is no initial installment of the Marshall plan.

Mr. VANDENBERG. Quite the contrary.

Mr. BALL. This is simply to prevent economic retrogression?

Mr. VANDENBERG. That is entirely correct.

Mr. BALL. Why could not the language stop there?

Mr. VANDENBERG. The Senator can stop there if he wishes. If the rest of the truth annoys him, why, it can be deleted.

Mr. BALL. Will the Senator yield further?

Mr. VANDENBERG. I yield.

Mr. BALL. In section 3, line 7, the President is authorized to carry out these purposes "by making funds available to the government of a recipient country." I have not yet had time to read all through the hearings. Is there any testimony as to just why that language must be in the bill?

Mr. VANDENBERG. My impression is that that is the same language that is in the present relief act. I would have to check on that. What is the point the Senator makes?

Mr. BALL. I just wonder if it is necessary. In view of our own tight economy in many of the items which are proposed to be shipped overseas, rather than providing funds to other countries to buy them from us, thus competing with those who wish to buy them in our own country, should not all this purchasing be done by the United States Government?

Mr. VANDENBERG. It is my understanding that insofar as it is practicable—and that covers most of the program—the purchasing is controlled by the Government of the United States, and the item is followed by the Government of the United States, not only from the moment of its purchase down through its delivery, but even into the hands of the final beneficiaries.

Mr. BALL. Where is that authorization to be used? That is what bothers me. I feel, as I think the Senator does, that the purchases, certainly those made in this country, and probably any purchases made abroad, should be made by the United States Government, so that it all will be one coordinated program.

Mr. VANDENBERG. That would be the precise fashion in which I would anticipate the program would operate, and I think the precise fashion in which the existing relief law is operated. I think this language deals with a bilateral situation, because the basis of the relationship is a bilateral contract made between the two governments, and it is in that sense, I would think, that the word "government" is used in this part of the bill.

Mr. BALL. Actually, though, what the Senator calls a bilateral contract provides for the delivery of certain amounts of certain commodities rather than of money.

Mr. VANDENBERG. Bearing on the Senator's question further, I read from page 36 of the State Department's Blue Book, as follows:

> It is proposed that, upon passage of enabling legislation and appropriation of funds to the President for interim aid, the President authorize the Secretary of State to control the allocation of funds to carry out the program as has been done in the case of the United States foreign relief program. These operations could then be integrated into the existing organization responsible for carrying out the relief assistance program. The increased burden placed on the organization will not be considerable, in view of the fact that France is the only country added to present operations.
>
> Two methods of providing for the procurement and shipment of supplies would be used. Wherever it seems feasible, particularly in the cases of commodities in short supply where unified procurement is advisable, allocations would be made to the Department of Agriculture (Commodity Credit Corporation), the War Department, or the Bureau of Federal Supply in the Treasury Department, which would then enter into procurement contracts. To the extent necessary they would also contract for shipment of the supplies. Supplies would then be transferred to the receiving government, to be utilized by it in accordance with general understandings contained in an agreement with the country.

I think the process for which the Senator is asking is substantially the one which is in effect, and which will be followed.

Mr. BALL. That was my impression.

The next paragraph states that in certain cases the foreign governments would be authorized to procure certain supplies directly in this country through commercial channels. I wonder if the Senator's committee has any record of how extensive that kind of operation is under the present relief act, and how extensive it might be under the proposed act.

Mr. VANDENBERG. I do not have the testimony in mind if it is available. I invite the Senator's attention to the fact that we have just received today the first report to Congress on the United States foreign relief program, and I have not yet had an opportunity to read it. There may be some pertinent information in that document.

Mr. BALL. I thank the Senator.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. MORSE. Before I ask the distinguished Senator from Michigan two or three questions, let me say that he has my sincere compliments for another magnificent address to this body on foreign affairs.

Mr. VANDENBERG. I thank the Senator.

Mr. MORSE. I think the record will speak for itself as to the complete support, without exception, which I have always given to the position taken by the Senator from Michigan on the foreign affairs and policies of this country.

Mr. VANDENBERG. The Senator is correct, and the Senator from Michigan is grateful.

Mr. MORSE. I have not lost hope in the ideal of a one-world philosophy because I still cling to the view that there can be no peace in a two-world globe. I think the Senator from Michigan is well aware of the views of the junior Senator from Oregon with regard to the relationship of foreign relations in Asia to world peace. I think the Senator from Michigan is well aware of the fact that in times past the junior Senator from Oregon has been somewhat critical of Republican leadership in the Senate, because of the fact that the west coast is not represented on the Foreign Relations Committee of the Senate. I still say that it is a committee policy that cannot be justified. We on the west coast are very much concerned about and not a little fearful of Russian policies in Asia. We think it very important that the Pacific coast viewpoints on Asiatic problems be represented at all times on the Foreign Relations Committee of the Senate. Some of the questions I am raising today are questions which should be publicly considered by the Foreign Relations Committee in cooperation with the administration if we are to have a bipartisan foreign policy in fact rather than just in name.

It seems to the junior Senator from Oregon that as we consider the bill before us we are once again confronted with the problem of making another necessary payment on the cost of winning the peace. If we are to have any hope of preserving world peace, we must support this bill as the Senator from Michigan says, first from the standpoint of justice; second, from the standpoint of national self-interest; and third, from the standpoint of humanitarianism. I was particularly interested in the statements made by the Senator from Michigan toward the close of his remarks. I think his language was to the effect that he regretted that the bill contained no provision for aid to China, but that the State Department has the problem under study and will, in due course of time, submit to this body a report in regard to a relief-aid program for China.

I make these remarks by way of preface because I do not believe that we can meet any one of the problems about which the Senator from Michigan has spoken, from the standpoint of international justice, from the standpoint of national self-interest, or from the standpoint of humanitarianism, without proceeding at a very early date to consider relief problems in Asia. When the Senator from Michigan talks about the danger of Russian conquest and the encirclement of this country by communism, I remind him that in my opinion we cannot afford to wait much longer to give early consideration to Russian policies in Asia.

Mr. VANDENBERG. I agree with the Senator completely.

Mr. MORSE. As the Senator well knows, the people of the west coast are very much concerned about Asiatic problems. I see the junior Senator from California [Mr. KNOWLAND] in the Chamber. I know that he will not deny it. The people of California, Oregon, and Washington are very much concerned about Asiatic problems, because Asia is very close to us in these days of modern transportation. Every report which I have been able to obtain this summer from persons in China representing American commercial interests, from those in China representing the Government interests of this country, and from newspapermen who have made observations in China, points to the fact that there is a general breakdown of the economic life of China. I am sad to say it but I feel I must say it that apparently the national government of China is not living up to the great ideals of the San Francisco Charter, which the distinguished senior Senator from Michigan was so instrumental in writing.

When we come to questions of humanitarian principles, of course, humanitarianism knows no geographic boundaries; nor should it know any prejudice based upon color of skin. People are suffering and dying in Asia because of a lack of the necessities of life as well as in Europe. Both communism and economic fascism are suppressing freedom in China.

With that statement as a preface, I should like to ask the Senator from Michigan, with regard to procedure, whether or not the Foreign Relations Commitee of the Senate is at the present time being apprised officially by this administration of the administration's contemplated steps in regard to an Asiatic program of relief.

Mr. VANDENBERG. We have been advised, in the official testimony of the Secretary of State, that the program is already in preliminary form for 15 months commencing April 1, 1948. My recollection is that it involves an ultimate amount of $300,000,000 for 15 months.

Mr. MORSE. I should like to ask a second question.

Mr. VANDENBERG. I have not quite finished my answer.

Beyond that, I do not believe I can say that we are on official notice in respect to any aspect of the matter. However, I want the Senator from Oregon to know that, sharing his general feeling about the importance of China in our consideration, I have had many conversations on the subject with the Secretary of State. I feel that there is a far greater interest than heretofore being generated in the problem in which both the Senator and I are interested.

Mr. MORSE. The next question is another one pertaining to procedure. I am very much interested in our so-called bipartisan foreign policy. I am a strong supporter of the concept. However, I believe that if it is to be made to work it must be a program in which there is bipartisanship in its evolution, and not merely bipartisanship in rubber stamping it once commitments are made.

Using the Asiatic problem as a test, I ask the Senator from Michigan whether it is the policy of the administration to consult with the Foreign Relations Committee of the Senate in regard to factual information obtained by the administration from such sources as the Wedemeyer report, for example.

Mr. VANDENBERG. The identification of the so-called bipartisan foreign policy sometimes becomes rather difficult in respect to its application, because of the fact that from time to time there are formalities and informalities involved. I do not believe that the Senate Foreign Relations Committee has been consulted in any substantial degree regarding Asiatic policy during the past year or two.

Mr. MORSE. Mr. President, would the Senator from Michigan be willing to answer these questions? Do the members of the Senate Foreign Relations Committee have any information which has been made available to them by the administration about critical political, economic, and military problems in China? Has the administration taken the Senate Foreign Relations Committee into its confidence about shipping conditions, for example, on some of the Chinese rivers? I refer to what I think available proof will show is a fact, that there are many hundreds of tons of needed supplies, which could bring relief to many starving people in China, backlogged on Chinese rivers because apparently under the National Chinese Government policy no ships can get transport permits except Chinese-controlled transports. Has there been any discussion before the Foreign Relations Committee as to the existing economic, political, and military crisis in China?

Mr. VANDENBERG. We have not had the China problem before us in any detail whatever.

Mr. MORSE. I infer, then—it is the only inference which one can make from what the Senator from Michigan says—that when the administration has completed its apparently secret plans in regard to Chinese relief it will then lay the blueprint before the Senate Committee on Foreign Relations and that committee will then be asked to approve it or modify it according to the opinion of the committee as developed at that stage of a supposedly bipartisan foreign policy?

Mr. VANDENBERG. The Senator is correct. We shall then have a take-off point at which to enter the subject.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. MORSE. Mr. President, I have a few more questions and comments, and then I shall be through.

Mr. CONNALLY. I have a question right on that point.

Mr. MORSE. I shall be glad to yield to the Senator from Texas.

Mr. CONNALLY. Let me ask the Senator from Michigan this question. Would the Senator say that the administration has in anywise discriminated as between the two parties who are members of the Senate Foreign Relations Committee about giving information or advising the committee as to the status of the different matters to be considered?

Mr. VANDENBERG. Oh, not at all. I am sure there was no inference of that sort.

Mr. CONNALLY. The Senator made no inference of that kind, but the Senator from Oregon raised the question.

Mr. VANDENBERG. Let us have no doubt on the subject. I have never

found the Secretary of State unwilling to express complete candor at any time I have talked to him. Unfortunately, it is a pretty big world at the moment, and so far as the chairman of the committee has been concerned, he has had his hands pretty full with the immediate problems under his authority.

Mr. MORSE. First let me say the Senator from Texas is mistaken if he thinks I charge the administration with discriminating against Republicans on the Foreign Relations Committee. I want the Senator from Michigan to understand that I implied no criticism of the chairman of the committee or of the committee itself. I regret to express the personal view, however, that I think the American people, or a great many of them, are misjudging the meaning of the term "bipartisan foreign policy," as that so-called policy actually operates in this country today.

Mr. VANDENBERG. I entirely agree with the Senator.

Mr. MORSE. I say that because I think the American people think that the Senator from Michigan, as the distinguished chairman of the Foreign Relations Committee, and the other members of that committee are apparently in much closer consultation with the administration while our foreign-relations policies are being evolved than is the fact.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. VANDENBERG. Just a moment, before we leave the point just under discussion.

There are situations in which the bipartisan cooperation of which the Senator speaks starts at the very roots and goes to the utter finish. That was true with respect to the evolution of the charter of the United Nations. It was true in respect to the first two general assemblies, which the Senator from Texas [Mr. CONNALLY] and I attended. It was true in connection with the conference held at Rio de Janeiro. But the Senator is quite correct in saying that some people seem to have the idea that bipartisan foreign policy means that the chairman of the Senate Committee on Foreign Relations is sitting at the desk of the Secretary of State every afternoon and participating in all the detailed minutiae which go into the continuing evolution of foreign policy. That, of course, just is not so and could not be so. I have no complaint that it is not so. There is not time enough in the day, to begin with, for the chairman of the Senate Foreign Relations Committee to contribute his effort in that sort of an arrangement, and I know of no way on earth that the Secretary of State could proceed under any such inhibitions.

Mr. PEPPER. Mr. President, will the Senator yield for a comment?

Mr. VANDENBERG. Yes.

Mr. PEPPER. Nor does the able chairman of the Senate Committee on Foreign Relations, or, I am sure, the Senator from Oregon [Mr. MORSE], intend to suggest that the fact that we have what is called a bipartisan foreign policy means that the constitutional demarkation of authority in respect to foreign policy is to be eliminated, namely, that there is to be any denial of the long recognized prerogative of the President to carry on the principal negotiations of the country in its relationship with other nations.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. VANDENBERG. May the chairman of the Foreign Relations Committee say, if the question is addressed to him, that he completely agrees with the statement made by the able Senator from Florida. He would hesitate to attempt to contemplate any other sort of system, because finally there must be nailed down, under our constitutional theory, the ultimate responsibility for foreign policy; and that responsibility is squarely on the President of the United States.

Mr. MORSE. May I make a brief comment on the statement of the Senator from Florida? The junior Senator from Oregon has no intention of interfering with the constitutional powers of the President of the United States. Those powers are delegated to him under the Constitution. However, I think there is a great difference between the junior Senator from Oregon and the Senator from Florida and, in the light of the last remarks of the Senator from Michigan, with the senior Senator from Michigan. I say that we cannot have a bipartisan foreign policy unless both parties in the legislative branch play a very definite part in the evolving of that policy as it comes into creation. The junior Senator from Oregon simply wishes to express the view that to too great an extent we do not have sufficient participation on this side of the aisle in the development of our foreign policy before the Congress is asked to rubber stamp or approve a policy or commitment already for all practical purposes entered into at the other end of Pennsylvania Avenue, or at least so highly propagandized throughout the Nation that Congress would seem to break faith with a so-called bipartisan foreign policy if we challenged it. That is the only point the Senator from Oregon is endeavoring to make. I think the present situation in China is a perfect example of my point, because I think it is very clear from what the Senator from Michigan says that the members of the Senate Foreign Relations Committee cannot take an oath and testify that they are familiar at the present time with the information available to the Administration in the State Department as to the deplorable conditions in China. Much of the responsibility for those terrible conditions of human suffering must be laid at the door of the national government of China. What the Senator from Michigan and the Senator from Florida say about the constitutional powers of the President of the United States does not change the fact that cooperation between the Congress and the President is as much his responsibility as ours. It must work both ways. We must have a bipartisan foreign policy in fact as well as in name. We cannot have it unless there is much closer consultation with the Foreign Relations Committee than I think is the case at the present time. We must eliminate the long lag between the time the Administration has vital information as is contained in the Wedemeyer report and the time the Congress is asked in the name of a bipartisan foreign policy to approve some course of action that the Administration proposes to follow as a result of that information. My point is not answered by saying that in the last analysis it is the responsibility of the President. That does not answer the American people who I think very clearly are demanding a closer cooperation between the President and the Congress.

On the basis of the three major premises of the great speech delivered by the senior Senator from Michigan today, American self interest, international justice, and our national moral and humanitarian obligations, are we justified in directing our eyes entirely toward Europe while we are faced also with Russian encirclement in the Pacific? The people on the west coast are very much concerned as to what the Communists are doing in China and Korea. The Senator from Michigan referred to a future relief program for China. I am sure he meant to include in his reference to China, Korea, the Philippines, and other areas in the Pacific in which there is a crying need today for a humanitarian relief program on the part of this country. Let us not forget that in the early days of the war many of the people of the Pacific bore a very large share of the brunt of the fight and suffering while we were directing, as we should have directed, our major attention to Europe, in finishing the war against Hitler. But I want to say, as one who is devoted to the one-world philosophy and who believes that the only way we can possibly maintain peace in the world is to demonstrate to free men in Asia as well as in Europe that we intend to help them within reason in their struggle for freedom. Only by the adoption of that attitude have we any hope of carrying out what the Senator from Michigan referred to when he talked about supporting the bill now before the Senate on grounds of international justice, humanitarianism, and national self interest. The meeting of the Russian program of expansion is as vital to the welfare and national self-interest of this country in Asia as it is in Europe today. Hence I think it about time this Administration makes clear to the country what its plans are in Asia as well as in Europe.

Mr. MYERS. Mr. President, will the Senator yield?

Mr. VANDENBERG. Does the Senator ask me to yield? I am quite ready to yield the floor.

Mr. WHERRY. Mr. President——

Mr. VANDENBERG. Mr. President, I am quite willing to answer questions.

Mr. LANGER. I should like to ask a question.

Mr. LUCAS. Mr. President, will the Senator yield to me?

Mr. VANDENBERG. I yield.

Mr. LUCAS. Before propounding several questions to the able Senator from Michigan, I wish to take this opportunity to offer him my sincere congratulations upon the magnificent speech he made in the Senate this afternoon. It seems to me that the logic in connection with the portrayal of the purport of this bill is unanswerable, and I am glad to ride on his train in connection with this important humanitarian program for the

relief of those in Europe who are cold and hungry, as well as for our own safety and security in the future.

In the examination of any program of aid to Europe, it seems to me, Mr. President, that it is of the utmost importance that we give consideration to the necessity of seeing to it that Europe is adequately informed of the American purposes. I now direct the Senator's attention to paragraph (c) of section 6 of the bill, which is to be found on page 5. It provides as follows:

(c) To give full and continuous publicity within such country, so as to inform the ultimate consumers, as to the purpose, source, character, and amounts of commodities made available by the United States under this act.

I now read the report submitted by the Committee on Foreign Relations, which is as follows:

The committee was of the opinion that full information about the program should be disseminated with the assistance of the recipient government. Such assistance should include time over government-controlled radios, the allocation of adequate space in the newspapers, and such other facilities as will give to the people of the recipient countries a true description of American assistance with a view to avoiding misrepresentation of the motives and acts of the people of the United States in furnishing the assistance in question.

My question is: Under the bill, will the terms and conditions as set forth in the committee report be carried out by our Government, or will the bill stand as it is—which seems to me to be not entirely adequate for our own protection from the standpoint of disseminating the proper information about the source, character, and purpose of all we are attempting to do in aiding Europe.

Mr. VANDENBERG. I am sure the Senator has in mind the fact that we are to make with each country bilateral agreements which will contain the details of their obligations.

It remains to be seen whether an obligation can be written into those bilateral agreements covering Government controlled radios. I would rather think perhaps it can. But of course we could not demand a contractual promise to allocate adequate space in the newspapers, because that would be entirely beyond the control of the Government, except as it exercised an authority which under similar circumstances we would not tolerate for an instant under our theory of a free press. So my general answer to the question is that I would hope the bilateral agreements would undertake to be as specific as possible in arriving at the result which I agree with the Senator from Illinois is highly essential. I doubt whether it is possible to spell it out in the language of the bill.

Mr. LUCAS. I merely asked this question, let me say to my distinguished friend from Michigan, because of what has happened in the past, which was so adequately portrayed by the Senator in his address today, I for one desire to have our Government do everything it can in a legislative way that will give to the people of France, Italy and Austria the true picture of what is going on with respect to this relief program. It does seem to me that now is the time for us to lay down the necessary propaganda program, in behalf of America and her principles, as well as to furnish information with regard to what we are doing in Congress in the way of giving aid and relief, if we expect to go through with the Marshall plan later, and many of us expect to support that. It did seem to me that this provision was wholly inadequate.

Mr. VANDENBERG. May I interrupt the Senator?

Mr. LUCAS. Certainly.

Mr. VANDENBERG. The paragraph to which the Senator has called attention is purely incidental, and relates only to the committee's thought that if it were possible to require or to attain the cooperation of the foreign implements of public information, it would be highly desirable. This has nothing to do with the fact that we, on our own responsibility, certainly must do everything the Senator is talking about by way of making this plain in the beneficiary countries. The purpose is to try to see to what extent in these bilateral contracts we can actually tie the recipient governments into this sort of cooperation.

Mr. LUCAS. Let me ask the Senator a question with respect to paragraph (b) of section 6. As I understand, under paragraph (b) of section 6, found on page 4 of the bill, there will be a revolving fund which could be used "within such country" by the United States of America up until June 30, 1948. I am wondering whether or not we could add an amendment to that section, after the word "expenses" in line 22, in these words, "incident to the dissemination of information in such countries concerning the program of assistance, including local currency expenses," so that it would read:

Such account will be used within such country, as a revolving fund, until June 30, 1948, only for such purposes as may be agreed to between such country and the Government of the United States, for relief and work-relief purposes, including local currency expenses, incident to the dissemination of information in such countries concerning the program of assistance, including local currency expenses.

In other words, what I am seeking is to have something included in the bill whereby this Government will be given the right to augment any program which may be laid down by either France, Italy, or Austria, when our Government feels that those Governments are not doing what they should in spreading the proper information about the origin, the character, and the source of the materials we are going to send to them.

Mr. VANDENBERG. I shall turn the Senator over to the able junior Senator from New Jersey for an answer to his question. The Senator from New Jersey has been making an intimate first-hand study of this whole subject abroad, and has brought home with him an amazingly comprehensive understanding of the entire situation.

I might add that my recollection is that the Senator from New Jersey inquired, in the course of the hearings, whether the precise thing which the Senator now suggests might not be done, and my recollection is he was discouraged by the Secretary of State. But I shall ask the Senator to speak for himself.

Mr. LUCAS. I shall be glad to have the Senator from New Jersey answer. I wish to preface my questions to the Senator from New Jersey by saying that the records will show that long have I been a supporter of the Voice of America, and when I saw it going by the wayside as the result of the economy action applied to it during the last session I thought the action was a grave mistake, in view of the fact that I knew what Russia was doing, and the Senator from New Jersey knows better than I what Russia has done and is doing, with respect to spreading false propaganda about this country throughout Europe and Asia. So it seemed to me that if we are to give any interim aid, or if we are ultimately to go into the Marshall plan, one of the finest things we could do for America and her free system of government, as well as in the interest of persuading the people of the other countries that we are doing the right thing for them would be to have the Voice of America operating overtime, so to speak.

I now yield to the Senator from New Jersey.

Mr. SMITH. Mr. President, I wish to thank the Senator from Illinois for raising this question, because it means a great deal to me in connection with what I have been studying the past summer. I thank the distinguished Senator from Michigan for turning the question over to me temporarily to make reply to the Senator from Illinois.

At the proper time I shall make an extended address on the floor of the Senate on this whole question of the Voice of America, because I remind the distinguished Senator that the so-called Mundt bill, which was the Voice of America bill, passed the House of Representatives before we adjourned last summer, it also was reported out of the Committee on Foreign Relations of the Senate, I think unanimously, or with only one or two dissenting votes, and is today on the Senate Calendar.

The Senator will recall that before we adjourned we did not bring the bill up, but it was provided that a committee be appointed from the Senate to study this matter in Europe last summer, and I am happy to report now that the distinguished Senator from Kentucky [Mr. BARKLEY], the distinguished Senator from Iowa [Mr. HICKENLOOPER], the distinguished Senator from New Mexico [Mr. HATCH], the distinguished Senator from Massachusetts [Mr. LODGE], and I were appointed as the committee. I was asked to be chairman of it by the distinguished Senator from Michigan.

We made an extended trip in Europe, about which I shall report at a later date, as I have said, when it seems proper, and with the approval of the leadership on both sides bringing the matter up for debate and action in the Senate. I hope that can be done at this session.

We did find certain conditions which have prompted me to prepare some amendments to the Voice of America

bill along the line of the questions raised by the Senator from Illinois, and I hope to have those amendments ready when the proper time comes to present the bill for discussion.

As the Senator from Michigan has said, at the hearings I raised the question why some of the funds which are to be received by us in foreign currency should not be used by us to develop the type of information referred to. I do not think we were absolutely turned down, but the suggestion was made that the accumulation of those funds might cause certain currency difficulties in the foreign countries, and the matter would have to be handled in connection with the governments themselves.

The point also was raised that we would not want to impose conditions in a form which might in a sense poison the gift we are making. We also do not wish to try to paint a grandiose picture of the great generosity of America when what we are doing is done from different motives. I think it will be possible to work out, possibly using some of these funds, a Voice of America program, which is absolutely vital if we are to enter upon the Marshall Plan.

There is no use in doing abroad the things proposed, I agree with the Senator, unless it is understood by the world why we are doing them and the motives behind our actions, because we are being misrepresented today. Right at this moment we are probably being misrepresented by the Russian radio to the whole world about our program. It is only intelligent to put out in the "Voice of America" propaganda we will need. That means cultural programs, it means working through libraries, and properly-handled radio broadcasts.

I am glad the Senator raised this question, because I hope to have the chance to speak on it later, and hope the Senate will pass the bill now on the calendar, and I trust that before long we can have the bill passed through the Congress and enacted, because it is a part of the integral program we will have to carry out. I certainly trust we may be able to do something along this line.

Mr. LUCAS. I am very grateful to the Senator for those remarks. His statement has cleared up for me the point I had in mind, and it helps me in my thinking about the program we are considering at the present time. While I for one am not in favor of bringing anything before this special session other than the measures which have been submitted by the President, on the other hand this so nearly fits in with what the President is requesting that certainly I for one would be glad to support the so-called Mundt bill which is now pending upon the calendar of the United States Senate.

I raise this question because I know, and the Senator knows, that we literally sent boatloads of goods to France, Italy, and other countries, both before VE-day and since, and apparently no one in the Government anywhere saw to it that the people of those countries receiving our help understood just who was sending these materials to them. I contrast that to something that happened last year, when Russia sent one boatload of grain into one of those countries, in advance of an election, primarily for the purpose of controlling that election. I understand that when the ship entered the French harbor, whistles were blown, the ship was covered with banners, flags were waving, and a real celebration was held, all because one boatload of grain came into that port from Russia. I use that illustration to show what the Russian people are doing, and to point out how inadequate our "propaganda," so to speak, has been. Under our inadequate system the recipients of the goods do not thoroughly understand who is responsible for the shipments that have been made. A great number of people, I am told, have been led to believe that Russia was the prime mover and sponsor in the sending of a great amount of food, coal, and grain into their countries when the aid was actually sent by the United States.

Mr. SMITH. The Senator is entirely right. The illustration was brought to our attention this summer, and I may say, further, the Senator is right in considering that this is a measure which is closely related to what we are discussing in this special session. I would not favor anything that would divert our attention from what we are legislating in this special session, but I do feel that this is a part of the whole picture of aid to Europe, and that it is revelant to our discussion at this time. I am glad the Senator raised the point.

Mr. LUCAS. We are charged by the Russians with everything—American imperialism, dollar diplomacy, and exploitation of the needs of others.

Mr. SMITH. That is true.

Mr. LUCAS. We were told by the people of certain countries that there is a sinister motive back of all we are attempting to do for the people of Europe. Many of them have come to believe it, and it is about time that America awakes and acts, through the Voice of America, to counteract vicious propaganda of that sort, otherwise the value of a great number of things we are going to do, even in this interim-aid program, in my humble opinion will be lost.

Mr. SMITH. The Senator is entirely right, and I thank him for raising the question, because it gave me an opportunity to offer the simple explanation I have made. This matter will be brought up for consideration by the Senate at the proper time.

Mr. CORDON. Mr. President, I think the Senate would be interested in some of the information which certain members of a subcommittee of the Committee on Appropriations brought back from France, namely, with reference to the boatload of Russian grain that was delivered to France. It was paid for by the French Nation with American dollars.

Mr. LUCAS. That is very significant. That just adds more weight to what I previously said. The Senator speaks accurately and eloquently, as far as I am concerned, for the very point about which I am talking, and shows why something should be done at once. I definitely think the pending bill should not be passed without proper amendments, unless we have a definite commitment, somewhere, that the Mundt bill, which the Senator from New Jersey is discussing, is going to pass the Senate at this special session, so that money may be appropriated to be used by the Voice of America in doing the very things which I hope can be done to counteract the propaganda carried on by Russia.

Mr. McCLELLAN. Mr. President, will the Senator from New Jersey yield?

Mr. LUCAS. I have the floor, have I not?

The PRESIDING OFFICER. The Senator from New Jersey has the floor.

Mr. LUCAS. I am sorry; I thought I had the floor.

The PRESIDING OFFICER. At the time the floor was yielded by the Senator from Michigan, it was assumed by the Senator from New Jersey.

Mr. SMITH. Unless there are other questions on this point, I may say, Mr. President, that I expect to address myself to the interim-aid bill tomorrow. I am not prepared to do so today. Unless there are other questions on this particular point, I shall yield the floor.

Mr. WHERRY. Mr. President, if the Senator from New Jersey has the floor, I should like to ask him a question before he takes his seat.

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Nebraska?

Mr. SMITH. I am glad to yield.

Mr. LUCAS. I do not have the floor, and I apologize.

Mr. WHERRY. I defer to the Senator from Illinois. I thought he had finished.

Mr. LUCAS. No, I have concluded. I have asked all the questions I wanted to ask of the Senator from New Jersey He has been very kind.

Mr. WHERRY. I should like to ask the distinguished Senator from New Jersey if I heard him correctly a moment ago, when he said this was a part of the general-aid program.

Mr. SMITH. I think, whether one considers the Voice of America from the standpoint of the interim-aid program or of the long-range program, it is relevant to both.

Mr. WHERRY. The Senator is talking about the Voice of America?

Mr. SMITH. Yes; I am talking about the Voice of America; nothing else. I was speaking about the Voice of America, because of the point raised by the Senator from Illinois about our giving adequate publicity to what we are doing, and why.

Mr. WHERRY. Mr. President, I should like to ask another question, if the Senator will yield. It is the Senator's understanding, then, that the interim-aid bill is entirely distinct from and not connected in any way with the so-called long-range plan?

Mr. SMITH. My understanding is that the relief aid is what might be called a pipe line to keep nations in Europe alive during this emergency, while we are considering what the next steps shall be. As the Senator from Michigan says, it has no definite relation to the long-range plan, except to that extent. It commits no one in voting for this bill. I agree with the Senator from Michigan absolutely that it commits no one to vote for

the long-range program. The two programs are related in the sense that the question of our future program with respect to Europe is a continuing one. It is first a matter of keeping people alive, of giving them food and fuel. It is then a question of whether we can get into the economic reconstruction program. That is not a relief program, but an entirely different approach, which arose in the debates earlier in the year. Is that clear to the Senator?

Mr. WHERRY. Mr. President, I refer Senators to the report entitled "Hearings, Committee on Foreign Relations, United States Senate," to the matter found on pages 41, 42, 43, and a part of 44. I think it would be of interest to me, and I should like to have the information, either from the chairman or from the Senator who now has the floor, as a member of the committee, as to what is meant by the figures $2,657,000,000. What I am trying to find out, and what I think the chairman of the committee was attempting to find out, is what was in the minds of the Secretaries of State and of the Army with regard to commitments, other than the commitments we have already made, up to and including the fiscal year 1948. Am I correct in my assumption of what that is?

Mr. SMITH. I yield to the chairman of the committee.

Mr. WHERRY. I do not want to take the Senator away from the subject he is discussing.

Mr. VANDENBERG. If the Senator from New Jersey will yield to me, I should like to answer the question of the Senator from Nebraska. The Senator from Michigan opened the hearings on the theory that Congress and the American people are entitled to a total balance sheet, to know precisely what it is they confront in respect to these necessities. Therefore, when the Secretary of State was on the stand, the chairman explored the other appropriations which may be required by collateral enterprises which may be in the mind of the State Department. It is from a sum total of those other projects that the Senator finds the final figure of $2,000,000,000.

Mr. WHERRY. It is $2,657,000,000, is it not?

Mr. VANDENBERG. Very well, now, how is that figure arrived at? Let me point out to the Senator that it starts with the $600,000,000, in round figures, for the pending relief bill. Then it includes $500,000,000 which will apparently be sought by way of supplemental War Department requests in connection with the military administration of Germany and Korea. Now we are up to about $1,100,000,000. Then if the long-range plan were adopted effective the first of April, the figures for the present fiscal year would include 3 months of the long-range plan, the cost of which, on the basis on which the Secretary is presenting the long-range plan, would be an additional $1,500,000,000 for the last quarter in respect to the long-range plan, plus the contemplated Chinese program for the last 3 months of the year, at $20,000,000 a month. In that fashion we got what I was after, namely, the total prospectus which might be in the mind of the State Department in respect to the requirements for additional appropriations.

Mr. WHERRY. May I rephrase my question so there can be no doubt that the Members of the Senate understand what they will be called upon to appropriate? If the long-range plan is not adopted, what in the opinion of the chairman of the committee is the amount of money the Congress will be called upon to appropriate if the interim aid bill is passed, if the requests which will be made for the Army needs in Germany and Korea are granted, and if the so-called Chinese loan measure is passed, or if any other relief measure is passed, or any other appropriation made which the Senator can think of that the Senate would be called upon to make in the event the long-range plan is not adopted? Does the Senator understand what I have in mind?

Mr. VANDENBERG. Yes; I understand what the Senator is saying. Of course, the only answer I can give is the answer based upon the figures that have been submitted in our committee. On the basis of those figures the total to which the Senator refers would be $600,000,000, in round figures, for the pending bill, $500,000,000 in additional military appropriations for Germany and Korea, which would make $1,100,000,000, $20,000,000 a month for 3 months for China, which would be $60,000,000, which would all total in the neighborhood of $1,200,000,000.

Mr. WHERRY. Is it the opinion of the distinguished Senator from Michigan that there is any difference between the China loan and the relief measure now under consideration? If the pending bill should be passed would it not be the same kind of legislation as the proposed China loan?

Mr. VANDENBERG. Well, I assume so.

Mr. WHERRY. Would not the China loan be a relief measure?

Mr. VANDENBERG. We do not yet know upon what basis the China program, which is to be a 15 months program, is to be developed.

Mr. WHERRY. In other words, all but 2 or 3 months of the proposed China loan would be absorbed by the long-range plan? Is that what the Senator means?

Mr. VANDENBERG. No, the China plan provides for payment for 15 months at the rate of $20,000,000 a month, which is a total of $300,000,000, of which $60,000,000 is in this fiscal year and $240,000,000 is in the next fiscal year.

Mr. WHERRY. So that the Members of the Senate may be advised, I ask this question: Then there could be legislation offered authorizing appropriations to the extent of $1,200,000,000, if the long-range program were not adopted, and that $1,200,000,000 would be used to take care of the needs of not only Europe but Asia also between now and the end of the fiscal year 1948?

Mr. VANDENBERG. I think the Members of the Senate not only may be asked for such an amount, but I think it is almost inevitable that they will be asked for it, because I do not know how we can escape the $500,000,000 which the Army will require for Germany and Korea.

Mr. WHERRY. So that in the consideration of the proposed appropriation of $597,000,000 the Members of the Senate really should have in mind not only the long-range program, which the Senator says is distinct and separate, but also the commitments which will have to be made regardless of whether the long-range program is adopted or not?

Mr. VANDENBERG. Most emphatically.

Mr. WHERRY. To the extent of $1,200,000,000?

Mr. VANDENBERG. And it would be a very imprudent Senate which did not survey the whole picture.

Mr. WHERRY. Is it the Senator's opinion that in the event that happens there will be a more severe impact upon the domestic economy than that which was discussed today in his speech relative to the $600,000,000?

Mr. VANDENBERG. Well, I think the Senator's opinion on that point would be as good as mine. The size and character of the impact is relative in degree. Regardless of the impact, I know of no way in which we can escape the increased military appropriation.

Mr. WHERRY. Will the Senator indulge me for a further question?

Mr. VANDENBERG. Yes.

Mr. WHERRY. I read the hearings of the committee yesterday. I read the committee report. I have tried to read all the matter which the Senator from Michigan has suggested the Members of the Senate read. I cannot find anywhere any testimony, except, I think, a short statement by Secretary Harriman, relative to the severity of the impact resulting from the proposals for relief and what might happen relative to controls. Now, I ask the distinguished Senator a question which he can either answer as chairman of the committee or personally, or decline to answer, because I am not sure that the question should be asked of the Senator. Is it the Senator's opinion, as chairman of the committee, and has any evidence been adduced to show, that if the legislation providing for $597,000,000 were enacted, or if legislation providing for the appropriation of $1,200,000,000 were enacted, or even if the long-range program were adopted, the severity of the impact under either one of those programs would be such as to involve the enactment of controls?

Mr. VANDENBERG. The Senator will have to realize that he has asked me really to look into a crystal ball.

Mr. WHERRY. Such a suggestion, however, appears in the President's message.

Mr. VANDENBERG. However, I am perfectly willing to look into the crystal ball as far as I can see, which is not far. The reason why there is no substantial body of testimony in the record regarding the domestic economic impact of the short-range plan is that all the investigations of the Harriman committee; the Krug committee, and the Nourse committee, deal with the long-range plan. Therefore, the best we could get out of

the witnesses presenting the reports was a pretty sketchy opinion respecting the impact of the short-range plan. But I believe all of them, if my memory serves me correctly—and by all of them I mean Secretary Harriman, Assistant Secretary Warne, of the Interior Department, speaking for Secretary Krug, and Secretary Anderson, speaking for Agriculture—agreed that the impact of the pending short-range plan is relatively inconsequential, and I think the most either of them ever said would be required, if anything were required as a result of the impact, would be export controls, and perhaps some sort of domestic allocation. I think the Senator will find also in the testimony a categorical denial that there is anything in the interim short-range plan which by any stretch of the imagination could require price controls or rationing.

Mr. WHERRY. Does the Senator mean at the consumer level?

Mr. VANDENBERG. That is correct.

Mr. WHERRY. Do the allocations which the Senator mentioned, and with respect to which he referred to testimony adduced, refer to point 5 of the President's message relative to livestock?

Mr. VANDENBERG. I cannot give the Senator a bill of particulars. My impression is that the reference to allocations, when made by Mr. Harriman and Assistant Secretary Warne, had more to do with perhaps the basic need for steel or something of that character.

Mr. WHERRY. Did Secretary Anderson, to the Senator's knowledge, testify anywhere in the hearings relative to the necessity of controls—either of allocations or prices—which might have to be invoked if the impact upon the economy was more severe than some others thought it would be?

Mr. VANDENBERG. If the Senator will bear with me a minute——

Mr. WHERRY. I am very much interested in that point, and should like to get the Senator's opinion in the RECORD, because I think we ought to know about it. It is one thing to make the appropriation requested, if it is the opinion of all those in authority that the impact upon our domestic economy will not be so severe but that we can continue to operate as we have operated heretofore. However, with the controls and policies which have been suggested, I should like to know if there is any evidence anywhere, especially from the Department of Agriculture, showing that the Secretary feels that the appropriation of interim aid or the commitments we shall have to make, not included in the long-range program, will require the imposition of controls in any form in our domestic economy.

Mr. VANDENBERG. I think the best thing I can do is to let the Secretary speak for himself.

Mr. WHERRY. Is that in the record?

Mr. VANDENBERG. It is not in the printed record, because the Secretary's testimony came too late to be included, in view of the fact that the Printing Office was not operating Saturday and Sunday.

I now read from Secretary Anderson's testimony in response to a question relating to crops in connection with interim relief. I read from page 48 of the transcript for November 18:

> I would say that they—

He is referring to Members of Congress who vote for interim aid—

> are not voting themselves into controls except as it relates to allocations and set-asides. It seems to me that this interim aid program is not, on the food front, so greatly in excess of what we had normally planned to ship, and would ship, to these countries. The most it would do would be to require us to use some allocation powers, and maybe some set-aside powers, in those fields where grain became somewhat scarce next spring as a possible result of the publication of an unfavorable crop report.

That is the end of that particular quotation. Later Secretary Anderson agreed generally that the aid proposal would not, by itself, be responsible for the necessity of any further controls. On page 58 he was asked the following question:

> You do not think it calls for any price controls in foodstuffs? That is my question.
>
> Secretary ANDERSON. I do not. But I say to you, as I tried to say a minute ago, that the publication of an extremely adverse crop report might change all of our calculations, but that would not be a direct result of interim aid.

My recollection is that he was constantly warning us that there are some crop reports which must be made this winter, which, in spite of anything or everything, can have an impact one way or the other, which might be contemporaneous with the interim aid, although interim aid would not be responsible for it.

Mr. WHERRY. Is there any place in the testimony of Secretary Anderson or of anyone else who testified, where there is a definition of what the supposed allocations and set-asides might be with reference to agriculture? At the moment I am not interested in steel.

Mr. VANDENBERG. I do not think so.

Mr. WHERRY. Did anyone ask the Secretary what the proposed program might be so far as allocations are concerned?

Mr. THYE. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. THYE. I heard the Secretary make the statement just read by the senior Senator from Michigan. The situation now depends upon the condition of the winter wheat crop in the Southwest. We have had excellent rains in the past week or 10 days. Should there be additional moisture in that area, we might have a crop which would insure sufficient grain to carry us through. That is a question which no one can answer until we go through the season and determine what the winter wheat crop will be.

Mr. WHERRY. So long as the Senator has taken a part in this colloquy, I should like to ask him a question. What I am trying to find out is not whether the crop will be greater than the estimate, but whether the Secretary of Agriculture or anyone else defined what was meant by allocations and set-asides. What is the proposed control to be, in the event it comes? Is there any evidence in the hearings which shows what would be suggested in the event that controls were to be imposed? I am interested primarily in agriculture. The statement which was read indicates not that the interim aid would be responsible for the controls, but that eventualities beyond control might cause the administration, through the proper authorities, to impose controls. I am interested in knowing whether there was any evidence as to what allocations or controls would be used in the event the President desired to control agriculture.

Mr. VANDENBERG. To repeat, my answer to the Senator is that the subject was not pursued in detail by the committee. The impact which the Secretary's testimony made on me—and I think on the other members of the committee—was that no sort of control will be primarily necessitated by the thing which is proposed here. The Secretary constantly referred to the effect of the publication of an adverse crop report on wheat, and referred rather slantingly to allocations and set-asides in connection with what might happen as a result of such a report. But at no point was he discussing—or so it seemed to me—what he considered to be any sort of necessity for new controls of any nature arising from the interim arrangement, except export controls.

Mr. WHERRY. I trust the Senator will place the Secretary's letter in the RECORD at this point. I think it is informative.

Mr. VANDENBERG. I am speaking of his testimony before the committee.

Mr. WHERRY. Of course, that will be made available in printed form.

Mr. VANDENBERG. Yes.

Mr. WHERRY. Mr. President, will the Senator yield for another question?

Mr. VANDENBERG. I yield.

Mr. WHERRY. With respect to the 25 percent which those in authority are to be empowered to spend outside the country, was there any testimony in the hearings with respect to acquisitions which have already been made, or agreements which have been made with other countries to supply, for example, farm machinery to Argentina, which in turn will supply grain to France?

Mr. VANDENBERG. Will the Senator repeat his question?

Mr. WHERRY. Was there any evidence in the hearings to show what is contemplated in connection with the 25 percent which those in authority are to be authorized to spend outside the country? Was there any evidence as to how it was to be used? Was the question raised in the hearings, or has there been any evidence offered as to what any agricultural agency has done with respect to exchanging farm implements with Argentina for grain, which, in turn, will be shipped to France?

Mr. VANDENBERG. I have no information in response to the latter part of the Senator's question. So far as the first part of his question is concerned, the 25-percent ceiling on so-called offshore purchases was a purely arbitrary figure which the State Department said would be a safe maximum in

respect to offshore purchases. The Department had no objection to it, although as originally written the bill would have had no ceiling in respect to offshore purchases. Among the categories of commodities which are to be purchased offshore is petroleum. The Senator from Massachusetts [Mr. LODGE] was responsible for the additional amendment, with which the Senator from Nebraska is familiar, requiring all petroleum purchases, so far as practicable, to be made outside the country. As I understand the Senator's question, it is, What offshore purchases are contemplated by the Department of Agriculture? That would refer to cereals and other foods.

Mr. WHERRY. As I understand, an exchange of manufactured products for grain was proposed, under the theory that the inflationary effect would not be so great if the grain were obtained in Argentina. It does not make any difference whether we furnish implements or grain. It seems to me that the inflationary impact on the domestic economy is the same.

Mr. VANDENBERG. The Senator will understand that agricultural implements and machinery are not contemplated under the terms of this bill.

Mr. WHERRY. None whatever?

Mr. VANDENBERG. None is contemplated.

Mr. WHERRY. Is there none contemplated in connection with the 25 percent procurement offshore? Is it not contemplated that there might be such an exchange in the case of food commodities to be sent to France?

Mr. VANDENBERG. There is no other purchase contemplated under this bill, with the possible exception of spare parts for agricultural machinery.

Mr. WHERRY. There is one further question which I should like to ask with regard to the bill.

Mr. VANDENBERG. Does the Senator wish the information with regard to off-shore purchases?

Mr. WHERRY. Yes. I did not know that the Senator had it before him.

Mr. VANDENBERG. So far as cereals are concerned, there are apparently no off-shore purchases. With respect to other foods, the only offshore purchase is $6,000,000 for Italy. With respect to coal, there is contemplated an off-shore purchase of $11,000,000 for Austria, $9,000,000 for France, and $10,000,000 for Italy, or a total of $30,000,000. With respect to petroleum products, offshore purchases of $18,000,000 are contemplated for France, and $8,000,000 for Italy, a total of $26,000,000. With respect to fertilizers and other agricultural supplies, offshore purchases are contemplated to the extent of $1,000,000 for Austria, $6,000,000 for France, and $10,000,000 for Italy, or a total of $17,000,000.

With respect to medical supplies, no offshore purchases are contemplated.

Mr. WHERRY. Would the Senator answer this question, please? On page 2, section 3, subparagraph (a), there is this language:

(a) procure, or provide funds for the procurement from any source, food, seed, and fertilizer; coal, petroleum, and petroleum products; other fuel; fibers; pesticides; medical supplies; and such commodities as the President finds are necessary for the accomplishment of the purposes of this act.

What other commodities are contemplated?

Mr. VANDENBERG. I do not think the Senator's question can be answered specifically. This latitude is intended, as I understand, to cover exigencies which might arise in which some trucks might be needed to deliver supplies. It is purely incidental to the administration of the act, with the single exception of cotton in France, which is specified in the report.

Mr. WHERRY. Will the Senator advise me if it would be possible, with reference to goods which are to be fabricated, to make a loan through the Export-Import Bank under that portion of the relief bill?

Mr. VANDENBERG. I do not think there is any such portion of the relief bill. The commodities are admittedly incidental, with the single exception of cotton.

Mr. WHERRY. In other words, it is a very small amount.

Mr. VANDENBERG. A very small amount, and only one commodity.

Mr. WHERRY. My understanding is that cotton for France would amount to approximately $38,000,000.

Mr. VANDENBERG. That is correct, and that is all.

Mr. WHERRY. So that the Senator feels that this is not a broad power?

Mr. VANDENBERG. Quite the contrary.

Mr. WHERRY. There are some other questions I should like to ask, though, I did not intend to ask them today. Inasmuch as this point was brought up, however, by the distinguished Senator from Illinois, I should like to ask this question for the information of myself and other Members of the Senate. Referring to the goods sent over in the food train, they are in a different category, and go over as charity?

Mr. VANDENBERG. Entirely.

Mr. WHERRY. I want the Senator to know that I am just as much interested as anyone else in seeing that people who are starving and hungry are fed. I voted for the relief bill. But as I understand, the food we send to France and Italy is literally sold to those governments and paid for in their currency, the money being placed in a revolving fund. After the Government buys the food, where does it go, and what assurance can the Senator give to the Senate that it actually gets down to the level of the ones who are hungry and need to be fed? What assurance is there that those persons will get it? The Senator well knows that the Secretary of State said that the same agencies would be used in this relief as under the general relief act.

Mr. VANDENBERG. Somewhere in the miasma of papers before me I have specifications regarding the way in which Mr. Allen's organization works, and I have been trying to put my hand on it.

Mr. WHERRY. That is the organization which is now distributing post-UNRRA relief?

Mr. VANDENBERG. That is correct. I think the Senator will agree with me, from anything which he himself has seen or heard in Europe or from reports from other Senators who have come home, that the administration of Mr. Allen's responsibilities has been very substantially satisfactory, relatively speaking.

Mr. WHERRY. If the distinguished Senator will bear with me, it is my opinion that things have not changed very much over there, and that is why I think that if any further safeguards can be written into the bill which will make possible better distribution, it might be helpful. Let us consider wheat. After it is sent over, the allocation is made, and the money is put up, then it is certified to, and the money is paid out of the loan. As I understand, under the present plan the wheat is sold to the millers and they distribute it to the wholesalers, it goes down through the retail channels, and finally gets to the consumer, who pays for it under a ration card and an alleged price ceiling. He is given that card either by the one who has charge in the municipality or in the rural district. The system is similar in Austria, where the burgomaster hands out a ration card. Am I correct in my assumption that that is the way it is distributed?

Mr. VANDENBERG. I think that is substantially the system.

Mr. WHERRY. I should like to read the distinguished Senator from a report which was handed me, prepared by the staff of the Appropriations Committee. Under the heading of "Appraisal of the agricultural situation in France and interim aid requirements," figures are given showing commodities to be supplied to France during the period from December 1, 1947, to March 31, 1948, expressed in terms of millions of dollars. I am not sure where they obtained the information, but no doubt it is material which has been assembled by the Department of Agriculture.

Here is a point which I should like to raise in the mind of the Senator, for one purpose only, that is, whether any safeguards can be written into the bill. I think there should be, if the distinguished Senator wants to accomplish the purpose which he so dramatically, forcefully, and eloquently described in his speech. We should get the relief to those in Europe who actually need it. There is a big question in my mind as to whether it actually gets to them.

I read from the report to which I have referred, as follows:

French agricultural recovery has been hampered by the exceptionally poor wheat harvest in 1947, which is expected to reduce food production in 1947–48 to about 80 percent of the prewar average; the inability to enforce agricultural and food controls effectively—

When I was in France it certainly was ineffective. That has been within the past 10 months.

With the black market——

Mr. VANDENBERG. We did not have much luck here, either.

Mr. WHERRY. We should have some guarantee that the people who are hungry will receive the food.

I did not finish reading. The report continues:

with the black market and the illegal feeding of food grains to livestock reducing the amounts available for rationed distribution; the shortage of labor and of work stock.

There is quite a difference between the food going in the ordinary way and that going on the Friendship Train. There is a lot of difference, I think, in distributing the food to the millers who in turn sell it. I suppose that is about the way it will have to be done in order to continue those political societies, which I am not going to quarrel with because if the purpose is to keep them going that is probably the only way to do it.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. WHERRY. Just a moment. There is a difference between that system, and filtering the food down through the different channels of trade, if we do not have closer supervision than we have had. If we are going to distribute food according to that system, what assurance have we that those who need the food will receive it? If the Senator can write any safeguards into the bill such as have already been written in the Relief Act, that is what should be done in this interim-relief bill or any other relief bill with reference to any countries other than France and Italy.

Mr. VANDENBERG. Now may I answer the Senator?

Mr. WHERRY. Certainly.

Mr. VANDENBERG. My answer will be very brief. If the Senator can devise any language which would amplify the protections which we have tried to write into the bill, I should be delighted to consider them, because I agree fundamentally with his point of view that we wish to pursue the protections to the last practicable degree.

Mr. WHERRY. Yes.

Mr. VANDENBERG. In regard to the question of guaranties, I remind the Senator that when I began to speak this afternoon I specifically said that there are no guaranties that can possibly be made in respect to enterprises of this nature, either at home or abroad, and that all we can do is do the best we can.

Mr. WHERRY. So if price ceilings are ignored and if black markets flourish in France, and if price ceilings cannot be enforced or black markets prevented there, what will be done?

Mr. LODGE. Mr. President, will the Senator yield?

Mr. WHERRY. I am glad to yield.

Mr. LODGE. I think there are three paragraphs in the bill which bear on that point.

Mr. WHERRY. Does the Senator refer to the withdrawal of aid?

Mr. LODGE. That would be one of them. Of course that is the underlying power behind everything.

Mr. WHERRY. Certainly. But once we make a commitment, we have a moral obligation to keep it or carry it out. Would not it be worse for us to make the commitment and then withdraw the aid after we had said we would give it to them? The Senator knows that it would be very difficult to handle the distribution under the method set forth.

Mr. LODGE. I should like to state that section 2 of the bill provides that "it is the purpose of this act to provide immediate assistance to alleviate conditions of intolerable hunger," which, of course, is a condition.

Then we find that on page 5, subsection (e) provides the following:

(e) to make available to its people at reasonable prices, consistent with economic conditions in the recipient country, such commodities as it may sell under the terms of this act.

I think that is very clear. I believe that if a government violates the provisions of that subsection, we should suspend the aid; and I think that would be an extremely good thing to do, and a thing which would enhance our popularity in the recipient country.

Mr. WHERRY. Directly on that point, let me inquire whether the Senator thinks we can supervise the distribution of this aid any better under any requirements we write into this measure than has already been done by the government in France.

Mr. LODGE. I think we are getting to know more and more about this business every year, and are getting smarter; at least, I hope we are.

Mr. WHERRY. I thank the Senator.

Mr. LODGE. In connection with the Senator's question, I wish to present a point which has arisen in my mind. The Senator attributes the poor wheat crop in France to the bad weather—which of course is true—and also to the fact that some of the farmers in France are feeding wheat to their cattle or other animals, as a result of which they get a better price for the wheat when those animals are sold in the black market.

Subsection (f) reads in part as follows:

not to permit any measures to be taken involving sale, distribution, or use of any articles of the character covered in this act—

Which includes feeding wheat to cattle—

which would reduce the locally produced supply of such articles or the utilization of foreign sources of supply other than the United States.

In other words, there is something that can be, and I am sure, will be written into every agreement our representatives make with the recipient country; and if it were not lived up to, we would be justified in suspending the aid, and I think we should.

Mr. WHERRY. How would that be policed? Does the Senator know how many farmers there are in France?

Mr. LODGE. I do not know.

Mr. WHERRY. Certainly the number of farms in France is very great. How would they be policed?

Mr. LODGE. That could be done only by means of spot checks here and there; and if a case of that type of wrongdoing were found, the enforcement authorities should crack down good and hard. When that is done, they will begin to learn the lesson, in my opinion.

Mr. MILLIKIN. Mr. President, will the Senator yield to me?

Mr. VANDENBERG. I yield.

Mr. MILLIKIN. The distinguished senior Senator from Michigan began a while ago, as I understood, to read from a report which will show the exact system of distribution which will take place in the case of these particular materials. I think it most important that that be presented, because then we shall know how the law as to the distribution will read.

Mr. WHERRY. I appreciate that. However, I understood the Senator from Michigan to say that it will be the exact procedure now used in connection with the relief bill, which is under the head of Mr. Allen, and is set forth in the report.

I ask again, very humbly, what assurance will we have, if we pass the bill, that the wheat and the bread will reach the people we are trying to feed? To my mind, that is the vital point. I am sure the people of America do not understand it. We are to sell the wheat, and France is to put up the money and then allocate the wheat to the millers, who will sell it to the retailers, and they will sell it to the people we are feeding for humanitarian purposes. Will they get it? It seems to me that we must enforce that administration if they are to receive the desired assistance.

It seems to me that the humanitarian appeal is not sufficient. After all, is it not one of the purposes of this bill to provide that each government have a currency that will operate effectively? When I was in Paris, I was told, believe it or not, that there were 34,000 persons on the pay roll of that city. Just think of that. I do not know whether that is true; I was told that by a high official in government.

Furthermore, I think we should know the number of persons who are on the pay roll of the entire French Government, because, after all, if we are going to help bolster the French political economy by selling this food and helping maintain the status quo of that government until a long-range program is inaugurated, I think we should have something to say about the administration of the food and something to say about how to stabilize their government and their currency, all the way down the ladder to those to whom we expect the food to go.

Mr. VANDENBERG. Mr. President, I know the Senator is in good faith about this matter.

Mr. WHERRY. Certainly.

Mr. VANDENBERG. I should like to ask the Senator whether he thinks that a relief program which expires in 90 days can be preceded by the setting up of a system which will follow the food all the way down to the ultimate consumers.

Mr. WHERRY. That question was asked during the hearings, and I think the Secretary of State replied that it could not be done, and that they thought the system would be reasonably satisfactory. There is not much in the report to show what they have done. From reading the report, I cannot find any change in the conditions under this general administration, as compared to the situation under the administration they had before.

I am simply saying in good faith that if in connection with this legislation

there is anything that can be done which will give our Government more authority and more power to make the necessary checks and supervise the distribution of the food so that it will go where we want it to go, certainly that will be in the interest of those who are hungry and who need the food. That is not an unfair request; is it?

Mr. VANDENBERG. I have not suggested that it was an unfair request; but I am trying to find out precisely how the Senator would pursue his objective, because I should like to join him in it. I know of nothing along the line the Senator suggests that cannot be done under the authority that is provided in the bill.

Mr. WHERRY. If the Senator from Michigan will bear with me, let me say it was my humble opinion that it could not be done under the bill as it is now written. If the grain were sold and were to go down through the various segments of their economy, I do not know how it could be done.

I appreciate the suggestions of the Senator from Massachusetts, namely, to make some spot checks and if a black market is found, to stop it. But I appeal to the Senator that it will be most difficult to stop it even if we find from a spot check that there is a violation. Is not that true?

Mr. VANDENBERG. I am trying to explore the Senator's mind. Is he suggesting that he objects to the plan of making payment in the local currency?

Mr. WHERRY. No. I think one way to find out whether the food reached the people to whom we wanted it to go would be to make a check through an organization such as the Red Cross. I am not sure; I am simply giving my reactions to the proposed legislation, because I do not have a constructive plan to offer. I am not criticizing the relief program or the general procedure under which we are operating, but I wish to do all I can do to make sure that those who need the food get it. I venture to say to the distinguished Senator that if the distribution works as it worked 10 months ago, I think he will agree with me that there is grave doubt whether those we want to feed will get the food.

Mr. VANDENBERG. At that very point I wish to reiterate that the mistakes which were made 10 months ago were so grotesque that they are almost beyond apology, and in my opinion neither the Senator from Nebraska nor any one else has heard criticism against the post-UNRRA administration, which is headed by Mr. Allen, remotely approaching the criticisms that were made of UNRRA.

I do not know whether we are guilty of a lapse in not making an investigation overseas on our own responsibility to determine to what extent the administration of these new relief funds has succeeded in rising above these previous mistakes, but when we find an almost uniform agreement among all our returning colleagues that they do not find a repetition of the old mistakes in the new administration, I submit to the Senator as a matter of fairness that for a period of 90 days we are entitled to assume that things are very substantially improved in the aspects to which the Senator very appropriately adverts.

Mr. WHERRY. From where does Mr. Allen operate?

Mr. VANDENBERG. From Rome.

Mr. WHERRY. Would it be necessary to set up a branch agency in France?

Mr. VANDENBERG. They do have a mission in Austria, and they will have a mission in France.

Mr. WHERRY. That has to be set up?

Mr. VANDENBERG. The mission in France has to be set up.

Mr. MILLIKIN. Mr. President, will the Senator from Nebraska yield?

Mr. WHERRY. I yield.

Mr. MILLIKIN. I should like to take, for example, a boatload of wheat landed in Naples, and trace it to the hungry person we desire to feed. Is there anything in the report giving such information, or can anyone tell us what will happen to the wheat that lands in Naples until it gets into the mouth of the hungry person?

Mr. VANDENBERG. Did the Senator say inside the mouth of the hungry person?

Mr. MILLIKIN. I should like to get it inside the mouth of the hungry person.

Mr. VANDENBERG. I do not think we have gotten quite that far, but I think that is a fair question, and I should like to have a written reply to that question from the administrators of the bill.

Mr. MILLIKIN. That is a very important question. That is the one concern and the only concern in the minds of the American people, that the food shall get into the mouths of the hungry people, and that it will not be a gravy train for the black marketeers.

Mr. VANDENBERG. If the Senator thinks there should be any guaranties written from Washington against gravy trains for black marketeers 5,000 miles from home, I suggest to him that we look at our own experiment in that aspect and see to whom we might turn to show us how to achieve this ideal purpose right here under our own roof.

Mr. MILLIKIN. I have despaired, as far as the local implications are concerned. I think we are entitled to have perhaps the Italian Government's statement to us as to how it will administer the wheat from the port to the mouth of the hungry person.

Mr. VANDENBERG. Let me remind the Senator that bilateral contracts are written between the Government of the United States and each of the beneficiary governments, in which our requirements are set forth in detail, and it is just our fault if we do not make the requirements what they should be.

Mr. MILLIKIN. I should like to find out exactly what they should be.

Mr. VANDENBERG. I cannot overemphasize, as I tried to cover in my original statement, the totally different reactions we had from the State Department, the Department of Agriculture, and the Commerce Department, in respect to the kind of preparation which is being made now in the light of the mistakes from which we have learned our lesson. I think the picture is a very encouraging one.

Mr. MILLIKIN. I do hope that during the course of the debate we shall have in detail an illustration of the type I have mentioned, or some other fair type, so that we can trace a shipment from the landing in the port of the foreign country to the ultimate recipient to see that the people we want to get the food do get it.

Mr. VANDENBERG. I publicly instruct the chief of staff of the Senate Committee on Foreign Relations to demand that the State Department forthwith prepare a complete written timetable and inventory showing precisely what the Senator wants to know, from the port at which the commodity lands, clear down to the ultimate consumer.

Mr. MILLIKIN. I appreciate that very much.

Mr. VANDENBERG. Let me call the attention of the Senator from Colorado to one other matter. There is on our desks here a report which has just been released, and I have not had time to read it in detail yet. It is the report on the first quarter of the United States foreign-relief program, the post-UNRRA program. From what I have seen in glancing at it, I think the Senator will find a large mass of pertinent and persuasive testimony and information bearing upon the type of question he has submitted.

Mr. MILLIKIN. I may say that I have at least skimmed the material that has been furnished us, and the same questions have lingered in my mind that have been in the mind of the Senator from Nebraska. At least, in the State of Colorado, I have found no objection to the type of aid proposed, but I find a uniform desire on the part of the most enthusiastic supporters of the program that this time the commodities shall go where we intend them to go, and shall serve their intended purposes.

Mr. VANDENBERG. I now repeat myself once more, and finally, in this connection, because I do not think there should be any misconception in the RECORD. All those prejudices—and that is really the wrong word, because it is far more than prejudice, it is a highly justified condemnation—all these condemnations to which the Senator refers go back to the UNRRA period, without exception.

Mr. WHERRY. That is correct.

Mr. VANDENBERG. The Senator will find nothing of the sort applying to the post-UNRRA administration under the foreign-relief program during the last 90 days, certainly, with very few exceptions, and even those are generalities.

I submit that a tremendously advantageous advance has been made in the technique of this administration. I state that, from the information that comes to us, the administration of these matters has overtaken, practically, all the outstanding outrages against which American public opinion rebelled. I think the people are entitled to feel some degree of confidence as they approach this post-UNRRA evolution.

Mr. LUCAS. Mr. President, will the Senator from Nebraska yield for one question?

Mr. WHERRY. Just a moment, and I shall yield. I should like to express my appreciation to the Senator from Colorado for the observations he has made. I am glad he has asked the distinguished Senator from Michigan a question which brought out a very constructive sugges-

tion as to requiring the State Department to give us the picture of the procedure that is followed from the time the food lands in the port until it is inside the mouths of the people.

I hope conditions have changed. I have not read the report which is on our desks, but I hope that what the distinguished Senator from Michigan says is absolutely correct. If conditions have changed, if we have assurance that the food will reach the people for whom it is intended, that will eliminate one of the big obstacles in the way of the pending bill or any other bill under which aid is extended.

I was dumbfounded when I read the report of the Committee on Appropriations that was referred to on Saturday night. If there has been such a revolution in practice in Europe and conditions have grown so good, it seems to me that kind of report would not be made relative to the situation in France today.

I attended a farm sale in Europe during the past summer and saw a 2-year-old colt, which in my section of this country would sell for $75, or perhaps $50, bring 187,000 francs.

Just think of it. Currency does not mean anything over there. The man sold the colt because he wanted to buy a cow, and the other man sold the cow because he wanted to buy a horse. It was a case of barter. The only medium of exchange over there is gold, and I am not sure but what it ought to be the medium today, if we are going to stabilize the currencies of those countries. Gold would bring the desired results, but the currency would not. All I am asking is, If we are going to distribute food into the black-market channels referred to on page 19 of the report, which was handed to me just a day ago, and which indicates that it will go right into the black markets unless we have some supervision over it or some way of investigating or some way of handling it, are we accomplishing the purposes sought to be accomplished in the bill? I am just as anxious to see the relief distributed, and almost anything done in order to get the food to the hungry, as is any other person in the United States, but I do not want to see the food that is to go to the people who are hungry and starving pass into the black market, to be sold for gold or sold to people who can afford to buy it while others go hungry. That is just what I would like to see eliminated.

I appreciate that the distinguished Senator from Michigan has brought this legislation to the floor at this time, and that it is an emergency matter. I want to cooperate absolutely to the best of my ability. I was glad that the Senator from Massachusetts referred to the one or two restrictions written into the bill, but if there is any way in the world in which we can send our representatives with the shipments, it seems to me we should do so, because we know now from reports just what we might expect if we send it over there without them. I do not know whether enough Americans can be sent with the shipments and whether they could be paid with currency, or whether it would be possible to enforce what we should like to have enforced, so far as the proper distribution of the food is concerned.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. LUCAS. The Senator has raised a very important point, and I agree with him, that the food ought to get to the hungry people of France. The amendment I am going to propose to this bill deals with the revolving fund that is set up in one of the sections of the bill, and this would permit our Government to go into France and do some work in newspapers and over the radio. It would not only be a challenge to Russian propaganda but it very well could do what the Senator is suggesting in the way of informing the people of France just exactly what is being done, and that, itself, would seem to me to be a strong deterrent to corrupt politicians or black marketeers who hope to profit through this interim aid plan.

I think the Senator has made a powerful argument in behalf of the amendment that I am going to offer, which will give our country the right to use some of the money in the revolving fund for propaganda purposes. It could well be applied to what the Senator is discussing now, and at least over the radio and through the newspapers, the people of France, in that part of society that really needs it, could obtain the proper information from our country and perhaps cause the individuals who are ready to violate the law to have a more respect for it.

Mr. WHERRY. Let me ask the Senator a question, since he has referred to the revolving fund. I read about it on Sunday. I remember the admonitions given, and also the reasons urged as to why it should not be used for the very purposes suggested. Will the Senator tell me for what purpose the revolving fund is to be used? As I gather it, the only use we could make of the fund is to pay relief workers and those who are on our staff handling relief. Is that correct?

Mr. LUCAS. It is for relief, and totally for relief purposes.

Mr. WHERRY. That is correct.

Mr. LUCAS. I want to add an amendment to that.

Mr. WHERRY. I understand.

Mr. LUCAS. I do not want to do anything that will interfere with the sovereignty of France, and I do not believe that my proposed amendment would do so. I believe the countries involved in the program would accept the amendment, without serious objection.

Mr. WHERRY. Can the Senator answer me, or will the chairman answer, as to what the revolving fund is set up to do? Are we restricted from doing what we want to do? What is to be done with the revolving fund? What is to be done with the currency? Why can we not pay an ambassador's complete personnel? Why can we not pay our American workers out of this fund, if they are working in France? We paid the soldiers in francs, did we not? Why can we not place a provision in the agreement that if we are to send the food and administer it, the fund can be used in the manner suggested by the Senator? The money can be used in many ways to help pay expenses in connection with relief.

Mr. LUCAS. I think we can do anything, if we can get the agreement between the two governments.

Mr. WHERRY. It would be in the agreement.

Mr. VANDENBERG. That is correct.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. McCLELLAN. As I understand the revolving fund, it emanates from those commodities that we make available directly to the government, or the cash that we make available to the governments of those countries.

Mr. WHERRY. That is correct.

Mr. McCLELLAN. If they can accept our cash, to be used for relief purposes, I see nothing that would prevent an agreement that the revolving fund should be continuously used for that purpose, or used to reimburse the United States. We are not undertaking to get reimbursement, except that we do not want the money we turn over to a government to be used to make a profit for that particular government. If so, then I think the purposes of relief will be thwarted, because those who are most able to buy will be the ones who would get the benefit of commodities that would be for sale. If I may, I would like to ask one or two questions for information.

Mr. WHERRY. I shall be glad to yield the floor, if the Senator cares to have me do so.

Mr. McCLELLAN. I should like to ask the chairman of the Foreign Relations Committee one or two questions.

Mr. WHERRY. I yield the floor.

Mr. McCLELLAN. Mr. President, I should like to ask the distinguished committee chairman whether it is contemplated that any of the relief to Austria would be made available to that part of Austria now occupied by the Soviets.

Mr. VANDENBERG. The Senator will find a special section of the bill relating to the situation in Austria.

Mr. McCLELLAN. I did not discover it in reading the bill.

Mr. VANDENBERG. It is section 10.

Mr. HOLLAND. Page 7.

Mr. VANDENBERG. I shall have something to say to the Senator about that. The Senator will note at the bottom of page 7 of the bill that special arrangements have to be made in connection with the agreements in Austria, due to the fact that, while Austria has an independent government with which we make our contact, all of Austria is occupied under military control, in four military sectors. Therefore it is impossible for us to make the same type of independent agreements with the Austrian Government that are made with France or Italy, because they have to be subject to the negotiations of the high commissioner with his opposite members in control of the other militarily occupied areas. The relief goes to the Austrian people as a whole regardless of the area in which they live. But the relationships in respect to the distribution in these various sectors are on the basis of

an agreement negotiated by the high commission; and the testimony we have had, believe it or not, is that we are obtaining more from the Russian sector in Austria in connection with this arrangement than is going into the sector, and that except as the existing arrangements were continued there would be grave danger of an arbitrary division of Austria and the Austrian Government.

Mr. McCLELLAN. I do not quite understand how we are getting more from the Russian sector.

Mr. VANDENBERG. Well, I cannot explain in detail to the Senator except that there is a common pool made of the supplies for feeding Austrians, and the sectors themselves contribute in addition to the thing that we are talking about. We are advised that at the present time the contributions coming in from the Russian zone are greater than those going into the Russian zone.

Mr. McCLELLAN. I was concerned about that point, because the opposition to this program being what it is from that source, I did not feel that this country should carry out a relief program in the Soviet controlled area unless there were a clear understanding with respect to what we were spending in that area. I understand, of course, that this is primarily a humanitarian program, but at the same time we are going to undertake a much larger program, or it is urged that we do so, and it is likely that the larger program is going to be opposed, obstructed, with all power, I assume, economic and political, that the Soviet Union and communism the world over can bring against it. I do not feel like assuming a part of the burden and obligation of the Soviet Union in a country which they are occupying, to feed and support its people out of the funds of the United States, while still having to spend money and further burden ourselves by trying to put over a humanitarian reconstruction and rehabilitation program.

I am speaking now for the same reasons which led me to speak against and vote against the last $350,000,000 general relief bill. At the time that measure was presented I wanted to support a general relief bill, but I offered an amendment to exclude Russia and all her satellite countries from participating in and receiving any benefits from it. Assurances were given to the committee by Secretary of State Marshall that neither Russia nor five of her satellites, as I recall, would not directly receive any benefits, but the right was reserved to give relief to Poland and Hungary. It was not very long after that that the Communists took over Hungary. That is the very point I am making now. We do not have such an abundance that we can take care of all the distressed peoples of the world. If we are to make a choice, I want to see our strength and our charity and our help—whatever we can give to distressed peoples—go to those who have a chance to survive and to retain their freedom.

Mr. VANDENBERG. The Senator understands how completely I agree with his general thesis, because my entire record underscores that fact. So far as Austria is concerned, I submit to the Senator that the situation is slightly different from that to which he has adverted. Here is a country which has a unitary government, and yet which is occupied four ways, and for which we have been seeking the emancipation of a peace treaty for many months, and still are seeking. It is highly essential that we should hold together this Austrian unity pending the time when it can be released as a unit.

All I can say to the Senator is that the testimony which comes to us is that if there were to be a split in respect to the relief administration of the Austrian Government as between various sectors it would very seriously jeopardize the ultimate Austrian unity which we hope very shortly to certify as a treaty finality. We are told that the way to proceed is in the fashion herein indicated; that there is no net burden on our relief supplies as a result. I remind the Senator furthermore that the Austrian part of this program is a very minor part, and that again the one of the four zones becomes a still further minor part. I think upon inquiry the Senator would agree that it is not advisable for us to attempt to excise any one of those occupied zones at the present time in respect to our policies.

Mr. McCLELLAN. Yes, I can agree with the Senator that a difference exists. But I was just wondering how the Government of Austria could give the assurance required in the agreement with beneficiary governments, as provided in section 6 of the bill, and whether by reason of the agreement we could feel assured that we would be permitted to go into that part of Austria occupied by Russia to make certain that the agreement was kept in that area.

Mr. VANDENBERG. Let me respond categorically to that question. That is the precise point involved in the language in this exception, which reads:

Provided, That the President shall have determined, upon recommendation of the United States High Commissioner for Austria, that supplies furnished to Austria hereunder are being distributed under control systems embodied in agreements between the High Commissioner and the other occupying authorities or the Austrian Government which assure compliance with the objectives of the occupation and with the provisions of this act which are consistent therewith.

The situation is, as explained to our committee, that American administrators and inspectors are not allowed to follow relief supplies into the Russian occupied zone, but for some reason or other thoroughly responsible Austrian inspectors and administrators, who are completely satisfactory to us and known by us to be totally trustworthy, are allowed to enter. Therefore the system operates on the basis of inspection and administration in that little sector involved in this bill by dependable Austrians entirely acceptable to us, and certified to us by our Administrator, General Keyes, to be completely adequate for the purposes which we seek.

Mr. McCLELLAN. I appreciate the Senator's explanation. We do have some slight measure of control and opportunity to know what is going on.

Mr. VANDENBERG. Oh, yes, indeed.

Mr. McCLELLAN. But not as adequate as it would be in other areas?

Mr. VANDENBERG. I will say to the Senator, in conclusion, that he will readily recognize the fact that in dealing with a tinder area like Austria, where there are these four zones of occupation and where we are engaged in this long-time effort to achieve a unitary emancipation, we cannot be quite as free agents in writing legislation—I mean free in respect to not taking cognizance of the military conditions we confront—as we are in other places. I can only say to the Senator that I think the committee itself is fully impressed with the fact that this arrangement is entirely satisfactory, entirely adequate, is not a burden upon American relief, and is the advantageous thing to do.

Mr. McCLELLAN. As the Senator points out, only a small proportion of the entire relief program, $42,000,000, is allocated to Austria. That is only a small proportion of the over-all total of the relief bill, and we might make some concession. However, I say to the Senator that I should be most reluctant to vote for an over-all relief bill in the amount of this one if we were not to have any more control or supervision over the relief than I think we shall ultimately have in the area of Austria now occupied by Soviet Russia.

Mr. VANDENBERG. I join with the Senator. I would not even be vicariously sponsoring this legislation in behalf of the Administration, its President, and its State Department, if I thought there was the remotest danger that we would not have adequate administrative controls.

Mr. LUCAS. Mr. President, I wish to bring before the Senate briefly what seems to me to be a very serious situation with respect to this program. I am thinking now of the unusual number of people who are on strike in Italy and France. I respectfully ask the attention of the Senate while I read an article from the New York Times of Wednesday, November 19. The caption of the article is:

TWO UNITED STATES CREWS BACK FRENCH STRIKE, BAR TROOPS FROM UNLOADING SHIPS

MARSEILLES, FRANCE, November 18.—Crew members of two United States ships in strike-bound Marseilles supported 85,000 Communist-led French dockworkers today in demanding that Moroccan troops cease unloading vital coal and food cargoes.

Seamen aboard the *Henry Gilbert Costin*, out of New York with a cargo of coal, walked out in sympathy with French stevedores. They issued a statement supporting French Communist attacks against antilabor legislation and the imperialist Marshall plan—

Because—

we believe each nation has a right to its own form of democracy.

On page 14 there is more which I think should go into the RECORD:

Police cordoned the United States ships, refusing to give newspapermen permission to speak to crew members. Troops and police manning submachine guns guarded tough Moroccan soldiers acting as stevedores for the second day.

* * * * *

EXCHANGE OF MESSAGES

The cablegram from the ship committee to NMU headquarters, 346 West Seventeenth Street, follows:

"French longshoremen on strike. Government threatens use of military to discharge cargo. Picket lines established around ship. A threat of possible violence with endangerment of the safety and lives of crew members. Cite article 2, section 19, of present agreement. Await immediate reply. Am sending copy of World Federation of Trade Unions for information. Further request that New York membership be informed of this dispatch."

The cablegram was to Mr. Curran. Mr. Curran replied as follows:

Contract calls for safe working conditions. If they do not exist you cannot work. However, there must be no interference in labor disputes there, unless and until we are asked for assistance by the World Federation of Trade Unions officially. Advise immediate contact with American consul to prevent crew from possible false charges of mutiny.

I wish to point out what Mr. Curran said to that crew:

There must be no interference in labor dispute there unless and until we are asked for assistance by the World Federation of Trade Unions officially.

Following that, I read from the Chicago Tribune of Friday, November 21. The article is headed "France orders 140,000 troops back to colors."

At Marseille French army specialists continued to unload the flour cargo of the American freighter *Empire State* after the American consul, Cecil Wayne Gray, had persuaded the crew to furnish power for the ship's winches.

That is a very important point. Unless some part of the crew operates the ship's winches certainly no one can be employed to remove the food or other materials upon the particular vessel.

The crew had expressed sympathy with striking Marseille longshoremen and at first had objected to the French Army's unloading the ship.

Mr. President, it seems to me that here is a pattern which may be followed by the Communists in connection with the emergency relief which we are now getting ready to send to France and Italy. In the New York Times there is also a picture of the Friendship Train passing the famous Statue of Liberty on its way to France and Italy. But if the Communists have their way, when these foodstuffs get to the ports in France and Italy they will not be unloaded. It seems to me that it is time to call a halt with respect to American crew members who refuse to permit anyone other than longshoremen—and Communists at that—to unload those ships when they reach the harbors of France, Italy, or any other European country.

I should like to ask the distinguished chairman of the Foreign Relations Committee whether this question was discussed before the committee at any time.

Mr. VANDENBERG. I assume the Senator is referring to strikes.

Mr. LUCAS. I am referring to American crews who refused in the beginning to permit anyone but the union members, the so-called longshoremen, to unload their vessels, and expressed sympathy with the Communist strikers in France while they were there. I am saying that in my judgment that may be a pattern of what may happen in an attempt to destroy not only the interim aid program, but also the Marshall plan as well. The crew members of one ship not only went so far as to protest against soldiers unloading the ship, but they also denounced the Marshall plan. This incident indicates definitely what they were attempting to do. These American seamen were in total sympathy with the Communists in that port. If that is the pattern to be followed, I am wondering what we can do by way of legislation with respect to a crew outside the jurisdiction of the United States which refuses, for example, to permit troops to unload a ship when strikers refuse to do so, or the union members who are supposed to do it refuse to do it.

To me that is an important thing. I can visualize a communistic program which may tie up every ship in every harbor if American seamen take the same position which these two crews did with respect to those ships. It seems to me that the question ought to be raised now; and if any legislation can be drawn in connection with this bill which would protect the delivery of such goods to the French or Italian people, whether the goods are unloaded by union members or by soldiers, it ought to be done.

Mr. VANDENBERG. All I can say to the Senator is that we have not explored that subject.

Mr. LUCAS. Does the Senator think there is any merit in the point which I have raised?

Mr. VANDENBERG. Most certainly, because anything which subverts the program is at war, so far as the Senator from Michigan is concerned, not only with the best welfare of our friends abroad, but with the naked welfare of the United States itself, because of its self-interest in these matters. I shall be very glad to have the Senator from Illinois pursue the subject.

Mr. McCLELLAN. Mr. President, I merely wanted to inquire, in line with the subject under discussion at the moment, whether under the provisions of the bill as now written, without any further amendments, provisions, or safeguards, the commodities which we send to France, Italy, or Austria could be used for relief of strikers in coal mines while we supply them with coal from America when they will not dig coal for themselves.

Mr. VANDENBERG. I cannot reply categorically to the Senator's question. All I can say is that the whole subject of commodity use is a matter of bilateral contract between our Government and the recipient governments.

Mr. McCLELLAN. The contract of which the Senator speaks could be so drafted that it would preclude any of this aid or relief to strikers in vital industries, could it not?

Mr. VANDENBERG. I would think it could. I can understand the Senator's point of view, and I sympathize greatly with his ultimate objective. But I seriously doubt whether it is desirable or advisable for us to attempt to become too specific in the detail of obligation or inhibition which we require of these very hard-pressed governments for a 90-day period when they are struggling on a life and death basis to survive as free nations.

Mr. McCLELLAN. I can appreciate that; but it might be that our requirements would bolster them in endeavoring to make some requirements of their own. I can appreciate also that when this program is started and some of the people who ought to be working go out on strike, and we tax the American people in order to pay those who are on strike and are not producing the things they need, we shall be put into a pretty awkward position, and some of us will be hard pressed when we go back home next year.

Mr. VANDENBERG. The subject which is now raised interests me particularly in connection with the long-range program, which is the rehabilitation program. I do not want to anticipate that debate at the present time. I do not want to say, however, that one of the things in connection with the long-range plan which appeals to me as being highly sensible and perhaps highly prudent is the fact that each one of the recipient countries will set down for itself in a contract its objectives by way of self-help and self-improvement, which it is bound to do if it is to justify our aid. Our aid is to be continuously contingent upon the degree in which the recipient country hits the target it has set up for itself.

My feeling is that if local sabotage and local subversion in any of the recipient countries become responsible for their failing to hit the target they will have directly identified themselves and their actions as the reason why the aid is withdrawn and why their countries are going to starve, and I think that would finally create an indictment of the subversions and sabotage abroad which would be very largely calculated to discourage them.

Mr. McCLELLAN. The only safeguard in the pending bill in connection with the question which I have raised is that the President has the power at any time, for any reason, to withdraw aid.

Mr. VANDENBERG. Yes. I do not hesitate to say on this point, Mr. President, that the Senator may remember that the words "if it becomes desirable" are used in connection with the President's authority.

Mr. McCLELLAN. That is what I mean; that is the safeguard which is in the bill as it is now written. It is entirely at the discretion of the President.

Mr. VANDENBERG. I am sure that I do not have to spell out the word "desirable" to the Senator from Arkansas in order for him and for me to find ourselves in agreement as to what we are talking about.

Mr. MAGNUSON. Mr. President, will the Senator from Michigan yield for a question?

Mr. VANDENBERG. Certainly.

Mr. MAGNUSON. The committee saw fit to include section 5 in the bill, which gives some measure of protection, it is hoped, to the American economy. In other words, at least 75 percent of the aid must be purchased in America, and that will help the American economy. I am

wondering why the committee did not go further and at least put a protective clause on another segment of American industry which might be aided by this program, namely, the maritime industry, and give it some protection in the same ratio in which aid is now being accorded in relief tonnage as between the recipient countries, so that American bottoms might haul these goods in the same ratio.

Mr. VANDENBERG. I have no objection to stating categorically my hope and expectation that American bottoms will be used in the transportation of relief commodities to the maximum practicable degree. I do not think it is possible to start writing specific percentages into the bill or specific exceptions in connection with the requirements, because we might defeat our own purposes. In the final analysis our purpose is not to protect the American merchant marine or to protect American petroleum. Our purpose is to help free citizens to remain free during a winter when their starvation might drive them into virtual slavery.

Mr. MAGNUSON. I appreciate that.

Mr. VANDENBERG. But whatever contingency may arise, I will say to the Senator from Washington that in order to achieve our purpose there ought to be enough latitude to make that possible. I am familiar with the protest to which the Senator refers, and I have so stated to the shipping interests of the country. I think he ought to be satisfied with the statement that the whole purpose and impulse will be to use American bottoms to the utmost practicable degree. But we are dealing with emergencies, and we shall not be able to tie ourselves down to specifications in connection with them.

Mr. MAGNUSON. I appreciate the purpose of the bill. I am inclined to think that perhaps Section 5 should not be in the bill. But as long as the committee did decide to include this type of restriction, and for the very proper purpose of having some protection, I was wondering why it went so far and then omitted one segment of the American economy which could really be benefited by the deliveries.

I say to the Senator from Michigan that representatives of the maritime unions, that is, the AFL and the CIO, and several members of the American shipping federation, are quite alarmed. Time magazine and several periodicals and news stories recently have indicated that unless some direction be given to Mr. Allen's organization or the State Department that what I have suggested be done, probably not over 10 percent of the goods specified in the long-range plan would be hauled by American bottoms.

This is about the only business left on the seas. The American maritime industry is getting into a sorry state, even worse than after World War I. Either we are going to have to let them in on this business, with some directive to the State Department that they use American bottoms, or our ships will go off the seas. I appreciate that the Senator from Michigan feels that they will do the best they can in that connection; but I am afraid that unless we give them some directive, just as we have done as to the purchase of the goods, possibly the program will work to the detriment of American flag ships, and they will go off the seas.

If we go into the long-range plan, it will provide the only really substantial business the maritime industry will have.

Mr. VANDENBERG. I think the point raised by the able Senator from Washington is highly pertinent in connection with the long-range program.

Mr. MAGNUSON. Yes; much more so than in connection with this program. I appreciate that.

Mr. VANDENBERG. I doubt whether it is particularly pertinent in connection with a 90-day crisis which involves food and fuel and medicines and a type of relief which simply does not lend itself to the commercial point of view in respect to its administration.

Mr. MAGNUSON. Certainly section 5 involves the commercial point of view.

Mr. VANDENBERG. I do not think so, because the truth of the matter is that section 5 is written for the purpose of taking as much pressure as possible off the purchase of domestic commodities in the United States as can be done within the plan by the Department, and they tell us that 25 percent is their ceiling. So the figure is left just as a concession to the general idea that in connection with the expenditure of relief funds we usually want to protect domestic purchases as far as possible, although the actual objective is to be sure that we buy as much as possible abroad, inasmuch as we want to take the pressures off our domestic economy.

Mr. MAGNUSON. I think the mail bags in the Senator's office would be stacked rather high if most of the goods were purchased somewhere else, because if the American public are paying out their tax dollars for commodities that are to be purchased and taken to Europe, they would like to have as much as possible purchased from them, because that puts some of their tax dollars back into their pockets, with the result that the program for foreign aid does not cost them as much as it otherwise would.

Mr. VANDENBERG. Unless—and I am sure the Senator from Washington will agree—the commodity is in short supply and the increased purchases at home tend to inflate the price which the purchaser here at home has to pay. At that point I do not think he would cheer very loudly about the added pressures placed upon the American economy.

Mr. MAGNUSON. Of course, I know what the argument at the State Department will be: Namely, that it will cost more to ship it in American bottoms, and it will be cheaper to ship it in a Norwegian vessel or a British vessel or in a vessel flying the Panamanian flag. Some of the Greek people are now making money by living in New York and registering a ship in Panama and hauling supplies from New York to Greece. Under those circumstances they do not pay taxes in either country, and it is much cheaper to haul the goods in that way, and the crews they employ are paid lower wages.

But in connection with the long-range plan, we have this alternative. I know the Senator from Michigan will keep it in mind. We have a choice as between either subsidizing American shipping by an outright grant or subsidy, or else bringing them into the long-range program, even though it will cost a little more to ship these materials to their destination on American flagships. If we do not make such provision, the American flag will soon go off the high seas.

Mr. President, I shall submit an amendment to that effect. I know the Senator from Michigan will oppose it, but I wish to call it forcibly to the attention of the Senate and the country, because our shipping has fallen off in tonnage over 62 percent since 1939. American ships are tied up everywhere, and ships of other nations are plying the high seas. This program presents the biggest plum of all.

Mr. VANDENBERG. Oh, no.

Mr. MAGNUSON. I mean the long-range plan.

Mr. VANDENBERG. Of course. I would distinguish between this program and the long-range plan.

Mr. MAGNUSON. However, this plan will involve a considerable amount of shipping, for it applies to cargoes similar to those our ships carried during the war.

Mr. President, I know the amendment will not harm the bill, because it will provide what the Senator from Michigan wishes to have provided, as well as what the Senator from Washington wishes to have provided.

Mr. VANDENBERG. I wish to have the maximum protection provided, and in this bill I wish to subordinate any restrictions which may cause it to fail of its true and legitimate objective.

Mr. MAGNUSON. I wish it to be clear that had not section 5 been included in the bill, I would not have proposed such an amendment. But section 5 is a section—a commercial section, if you please—to provide for the purchase of the goods involved in such a way as to protect the American economy, whereas the only segment of the American economy that could really benefit has been left out.

Mr. VANDENBERG. If the Senator wishes to compromise by taking off all percentages as to anything, I should be particularly interested in doing so.

Mr. MAGNUSON. Yes, and I think the Senator from Michigan did not particularly like to have this section included in the bill.

Mr. WHITE. Mr. President, I wish to say a brief word about the situation. I dislike to find myself out of harmony with the Senator from Washington [Mr. MAGNUSON] on the amendment he has in mind, for there is no one in the Congress of the United States more loyal to the American merchant marine than he, and no one who knows more of the history and the problems of the American merchant marine. But, in my opinion, the Senator from Michigan has given the sound and the correct answer.

The problem we are discussing is not the problem of the American merchant marine, but it is the problem of providing food for starving people in the countries of the Old World. From that point of view, it does not make any difference whether the ships used are

American-flag ships or British-flag ships or ships of some other nation. The point is to get the food to Europe by means of whatever ships are available.

I know there is a shortage of tankers; and what harm it might do to the present services if tankers were taken out of the present services and were put into these new trades and new services, I do not know.

If we refer to dry-cargo ships, let me say that the ships under the American flag now engaged in the dry-cargo business are seasonably and properly and profitably, I think, in operation.

If we turn to the laid up fleet of the United States and if it is proposed that we pick out from it 20 or 50 or 100 ships, I have no idea how long it would take to recondition them and make them proper instruments for the carriage of these goods.

So, Mr. President, although I repeat my dislike to be in disagreement with the Senator from Washington, nevertheless I should not look with favor upon the amendment at this time and in this place, and with the purpose of this legislation first and paramount in our minds.

Mr. MAGNUSON. Mr. President, of course, I am inclined to agree with the premise that as to this emergency program, possibly the matter of percentages should not be provided for in the bill. But I respectfully submit that the committee has said that when we send wheat to France and Austria and Italy, we do not buy Argentine wheat with our dollars, but we buy wheat from the American farmers; and when we buy medicines, we buy them from American pharmaceutical manufacturers. However, they do not say how those materials should be transported. The American merchant marine is a sick industry. The trade we are discussing is practically the world trade. Other trade has fallen off.

Perhaps the 90-day program is different. I am merely calling the attention of the Senate to the fact that I hope that when the 90-day program goes into effect, after all that program will reach and aid the economy of the United States from the time the cargoes go to sea until the time they are delivered.

Mr. WHITE. Mr. President, let me repeat that I regard the Senator from Washington as one of the authorities in late years in respect to our American merchant marine. He has in mind, I am sure, that just before the summer adjournment was taken, I appointed a subcommittee on marine problems, and the Senator from Washington is the minority representative on that subcommittee. I may add that I have been spending much time and effort on the merchant-marine problem during the adjournment. I hope that at some time in the future he and I, in company with the others upon the subcommittee, may be able to frame some merchant-marine legislation which will deal with the problem referred to by the Senator from Illinois. It is a real problem, a most troublesome problem, and we are put in jeopardy, it seems to me, as a result of the efforts and purposes of stevedores and others in foreign ports and even in our American ports. Unless something is done which will effectively stop that sabotage of the American merchant marine, we shall be in a sad way upon the seas, because we cannot go on maintaining an American merchant marine and have the sailings from our ports interrupted, and have seamen or others refusing to unload American ships when they reach a foreign port. It is a very vital, a very basic, and, as I say, a very troublesome proposition.

Mr. DONNELL. Mr. President, I should like to ask the senior Senator from Michigan one or two very brief questions, if I may. I refer particularly to the revolving fund which he emphasized so appropriately in his remarks earlier today. I understand he referred to page 4 of the bill. The revolving fund arises out of the amounts of local currency for which the government of a receiving country sells supplies. Is that correct?

Mr. VANDENBERG. That is the form in which the text stands. The understanding of the Senator from Michigan was, when the bill was taken up, that all commodities covered, whether sold by the recipient country or not, were to be covered by payments in local currency. I may offer an amendment to the bill, to cover all commodities. I am trying to ascertain how the discrepancy arose.

Mr. DONNELL. I thank the Senator from Michigan for the response. It seems to me that if there is no obligation on the part of a government to pay for the commodities in currency, there can of course be no assurance as to the amount of the revolving fund.

Mr. VANDENBERG. I agree with the Senator completely, and I think he will have an opportunity, before we are through with the bill, to vote for an amendment which will require the payment in local currency for all commodities, and I may say that was the language contained in the original proposal of the State Department itself.

Mr. DONNELL. I shall examine the amendment with much interest. I thank the Senator for his courtesy.

Now let me ask this further question. On lines 19 and 20 of page 4 there is a reference to the use of the revolving fund. I quote:

> Only for such purposes as may be agreed to between such country and the Government of the United States.

I should like to have the Senator's interpretation as to whether the agreement that is mentioned in what I just read, from lines 19 to 21, is to be a part of the agreement entered into prior to the furnishing of the supplies, or whether it is some future agreement which is to be entered into between the recipient country and the United States.

Mr. VANDENBERG. It is an agreement preceding any operations under the contract or the act.

Mr. DONNELL. I ask also a similar question with respect to subparagraph (c), beginning at line 23 on page 4, to and including line 3 on page 5, the language being:

> Any unencumbered balance remaining in such account on June 30, 1948, will be disposed of within such country for such purposes as may be agreed between such country and the Government of the United States subject to approval by act or joint resolution of the Congress.

I ask the Senator if he does not think this language would indicate that the agreement referred to in those six lines, from line 23, page 4, to line 3, page 5, both inclusive, is an agreement subsequently to be made, after the extension of the relief has been had?

Mr. VANDENBERG. That is not my understanding of the matter, and I do not see why this language the Senator has just read has any bearing on that construction.

Mr. DONNELL. The point I have in mind is that the language of lines 2 and 3, on page 5, obviously contemplates some submission back to Congress, either by way an act or a joint resolution, of the terms of the agreement referred to in those six lines which I have quoted, because it says:

> Any unencumbered balance * * * will be disposed of within such country for such purposes as may be agreed between such country and the Government of the United States subject to approval by act or joint resolution of the Congress.

Mr. VANDENBERG. But that is when it is all over, and everything is finished.

Mr. DONNELL. I think perhaps the Senator and I are in agreement. It would seem to me that clearly the language there indicates that any unencumbered balance remaining in such account on June 30, 1948, will be disposed of as the recipient country and the United States shall then or thereafter agree.

Mr. VANDENBERG. That is exactly correct, as the Senator from Michigan understands it.

Mr. DONNELL. So the reference in those six lines is not to an agreement to be made prior to the rendition of aid to the country?

Mr. VANDENBERG. The Senator is correct.

Mr. DONNELL. I call attention, not critically at all, but I think it should be noted in the RECORD, that there is no assurance as to what will happen with such unencumbered balance, if any—and I emphasize "any"—as may remain in the account on June 30, 1948. It cannot be disposed of, unless there be an agreement both by the recipient country and by the United States; so that if by any chance there should be any residuum left on June 30, 1948, the Government of the United States would not control the disposition of that fund. It would simply be a joint controller with the recipient country, and if the recipient country and the United States should not agree no disposition could be made of the fund. Does not the Senator agree with that view?

Mr. VANDENBERG. The Senator is correct. On the one hand, we do not have power of disposal; on the other hand, we do have power of veto.

Mr. DONNELL. That is correct. I wish to ask, further, one or two brief questions about the Austrian situation. I refer to page 7 of the act, where it is provided, beginning with line 14:

> The provisions of this act relating to United States supervision, control, or observation of distribution of supplies made available under this act shall not apply to distribution of supplies in Austria: *Provided,*

That the President shall have determined, upon recommendation of the United States High Commissioner for Austria, that supplies furnished to Austria hereunder are being distributed under control systems embodied in agreements between the High Commissioner and the other occupying authorities or the Austrian Government which assure compliance with the objectives of the occupation and with the provisions of this act which are consistent therewith.

There are two points in the bill that I have read, to which I respectfully direct the attention of the Senator. In the first place, it seems to me that under the language I have quoted, and particularly that which appears in lines 18, 19, 20, and 21, on page 7, whether or not the provisions with respect to supervision, control, or observation by the United States are to be applicable, is, under the language as written, not possible of determination until after supplies have been distributed in Austria without such supervision by the United States. I do not think that was the intention of the draftsman, and it would seem to me that it would probably be cleared by striking out, in line 20, the words "are being" and substituting the words "will be." Obviously it is not intended that there shall be a determination of whether goods can be distributed without supervision by the United States, but that there can be no determination that that until after there shall already have been a distribution without such determination. I submit that for the consideration of the Senator and the advisor of the committee.

Mr. VANDENBERG. In connection with the provision of the bill dealing with Austria, I am quite willing to pursue the whole subject anew with my able friend from Missouri, if he wishes. I simply suggest to him that in his absence from the floor this section was explored at great length with the Senator from Arkansas. Was the Senator here during that colloquy?

Mr. DONNELL. I have been here continuously since 12 o'clock noon.

Mr. VANDENBERG. I beg the Senator's pardon. I thought the Senator was out during that time, and I was going to refer him to the RECORD with respect to those facts.

Mr. DONNELL. I do not think, if the Senator please, that the discussion that was had covers the point to which I have referred.

Mr. VANDENBERG. The Senator is fully familiar with the Austrian situation, as I defined it?

Mr. DONNELL. Yes.

Mr. VANDENBERG. That is fine. Now, will the Senator repeat his question?

Mr. DONNELL. The question is this: The provisions beginning with line 14 contemplate that under certain circumstances, the provisions of the bill which relate to supervision by the United States shall not apply to distribution of supplies in Austria, and the circumstances are that the President shall have made a determination that supplies furnished Austria under this bill are being distributed under control systems provided in agreements with the High Commissioner, and so forth, which assure compliance with the objectives of the occupation and with the provisions of the bill which are consistent therewith.

The point I make is that under the language I have read, a determination that the United States is entitled to supervision of distribution cannot be made until the President shall have first determined that supplies are then being distributed free from such supervision. In other words, it cannot be determined whether the United States shall supervise, until it is determined that it has not supervised, and that the provisions of the agreement under which the distribution is made are satisfactory in the respects mentioned in the section.

Mr. VANDENBERG. So the Senator proposes what?

Mr. DONNELL. I should propose that the words "are being" in line 20, be stricken out, and the words "will be" substituted.

Mr. VANDENBERG. The Senator may be right. Suppose we give the suggestion consideration overnight.

Mr. DONNELL. Very well. The final point to which I respectfully refer has to do with the four last words on line 25 of page 7. The words are "which are consistent therewith." Now, as I understand, lines 24 and 25 require as a condition to the nonapplicability of United States supervision, provisions that the distribution under the control systems shall be embodied in agreements which assure compliance with the objectives of the occupation, and with the provisions of the act which are consistent with such occupation. I submit respectfully that it is advisable that if supervision by the United States is not to occur and not to be required, the control systems embodied in the agreement shall assure compliance with all provisions of the act regardless of whether they are consistent with the objectives of the occupation or not. The effect of the language of the bill, as I see it, is to make unnecessary in any such control agreements, compliance with any such provisions of the act as are not inconsistent with the objectives of the occupation. I think we want in the bill a provision that if the United States is not to supervise, the control arrangements or control systems shall be such as are consistent with the agreement, regardless of whether they are consistent with the occupation, and that if any provision shall not be consistent with the agreement, we shall have the right of supervision.

I should like to submit that for the consideration of the Senator.

Mr. VANDENBERG. I thank the Senator. I am unable to follow him to a conclusion at the moment. I prefer to look at his remarks in the RECORD, and I shall be very glad to comment tomorrow.

Mr. DONNELL. I appreciate that it is somewhat of an involved statement, and it is rather difficult, at least for me, to phrase. I think there is a point which is worthy of consideration, and that we should not waive all right of supervision merely because the control agreement in the foreign country contains no provisions that are inconsistent with the occupation. I think we ought to reserve the right of full supervision unless we are satisfied that there is no provision of the agreement that is inconsistent with the act, regardless of whether it is consistent with the occupation purposes or not.

Mr. VANDENBERG. I thank the Senator from Missouri for his interest.

Mr. LUCAS. Mr. President, on tomorrow the senior Senator from Texas [Mr. CONNALLY] desires to address the Senate upon the pending business before the Senate. While it is somewhat out of order to ask unanimous consent that he be recognized on tomorrow, I am going to do so, with the hope that whoever may occupy the chair will recognize the senior Senator from Texas at the beginning of tomorrow's session.

Mr. WHITE. Mr. President, I express concurrence with what the Senator from Illinois has said. I think it is a courtesy which we can well afford to extend to the Senator from Texas [Mr. CONNALLY], who is the ranking minority member of the Foreign Relations Committee, and who has played such an intimate part, along with the Senator from Michigan [Mr. VANDENBERG], in all the negotiations of late years in our foreign field.

The PRESIDING OFFICER. I think it would be proper to say to the Senator from Illinois that the present occupant of the chair will pass on the observations which have come from both sides of the aisle to the occupant of the chair when the Senate convenes tomorrow.

FELICITATIONS TO SENATOR BARKLEY ON THE SEVENTIETH ANNIVERSARY OF HIS BIRTH

Mr. LUCAS. Mr. President, it is to be regretted for more reasons than one that the distinguished minority leader, the senior Senator from Kentucky [Mr. BARKLEY], could not be present today. The Senator was expected to be here, but due to weather conditions his plane is grounded somewhere in the Midwest.

Mr. President, today is the seventieth birthday of Senator ALBEN W. BARKLEY. I sincerely congratulate the minority leader on arriving at this seventieth anniversary. My experience in the United States Senate covers a number of years. During all that time I have listened with tremendous interest on many occasions to debate carried on by the Senator from Kentucky. Over a long period of years he has rendered high public service, in time of war and in time of peace. He has been a true friend to all of us. I have gone to him many times for advice and counsel. I know of no man in the Senate who is more resourceful, more energetic, and who has more patriotic zeal and legislative fervor than this brilliant and distinguished leader.

Any Senator reaching that favored milestone of threescore years and ten receives our unbounded felicitations, but it is especially significant when that event happens to one whose long years of active and continuous service in this august body finds him robust and vigorous in all his burdensome and important legislative duties. This thought was ably

portrayed in an editorial of the Washington Post, a part of which follows:

There will be much satisfaction, too, that, while he is far past the bounds of freakish youth, he is nevertheless strong for service still, and unimpaired.

Mr. President, I hope the able Senator from Kentucky may continue strong for service still, and unimpaired, for at least another 30 years.

What I have said in these brief moments of approbation for this eminent statesman, I am certain my colleagues confirm regardless of political affiliation.

Mr. WHITE. Mr. President, I hope the Senator from Illinois will permit me to join with him in felicitations to Senator BARKLEY. My acquaintance with the Senator dates back many years. His life is really an American epic. He was born in poor and lowly circumstances. He was educated in the public schools of his State. He became a prosecuting attorney in one of the counties of Kentucky, and later became a county judge. Then in the process of time he was elected to the Sixty-third Congress, shortly before I became a Member of Congress. I had the privilege of serving in the House of Representatives with him for a number of years, where he rose to high distinction. He impressed all who came in contact with him with his tremendous industry and his great ability, with his kindly and generous and gracious nature.

He came to the Senate in due course, and has served in this body for more than 20 years. He has been one of the most distinguished Members of the Congress in this entire generation.

Mr. President, Senator BARKLEY has shown me many kindnesses and courtesies. I wish to express publicly my thanks to him, and I know I voice the sentiments of every Member upon the majority side in extending to him our respect, our regard, and our hope that he may live to enjoy many more years of activity.

I may say in passing that I do not lay as much stress on three score years and ten as do some of the younger Members of the Senate.

Mr. DONNELL. Mr. President, I desire to add just a word of appreciation of the fine service rendered by the distinguished senior Senator from Kentucky. It happens that he and I are upon opposing sides of the aisle, and yet we have many things in common. We have many mutual friends in the State from which I hail, and I hope in his native State. It happens, I understand, that his daughter married a young gentleman from Missouri, and it has been the pleasure of many of us Missourians to see Senator BARKLEY in our State from time to time. We have observed also his very fine interest in the Jefferson Expansion project in St. Louis, which will be of great interest and importance, and with which several of the members of this august body are personally familiar.

I join with the distinguished Senators who have already spoken with respect to Senator BARKLEY in congratulations upon his long period of fine public service, and I express the earnest hope that his life in the future may be characterized by happiness and by continued success.

RECESS

Mr. WHITE. I now move that the Senate stand in recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 4 o'clock and 21 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, November 25, 1947, at 11 a. m.

NOMINATIONS

Executive nominations received by the Senate November 24, 1947:

UNITED NATIONS

The following-named persons to be representatives of the United States of America to the second session of the general conference of the United Nations Educational, Scientific, and Cultural Organization, to be held in Mexico, Mexico, from November 6 to December 3, 1947, to which office they were appointed during the last recess of the Senate:

William Benton, of Connecticut.
Laurence Duggan, of New York.
Milton S. Eisenhower, of Kansas.
Reuben G. Gustavson, of Nebraska.
Miss Helen C. White, of Wisconsin.

The following-named persons to be Alternate Representatives of the United States of America to the Second Session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization, to be held in Mexico, Mexico, from November 6 to December 3, 1947, to which office they were appointed during the last recess of the Senate:

Detlev W. Bronk, of Pennsylvania.
Charles S. Johnson, of Tennessee.
Mrs. Louise Leonard Wright, of Illinois.
George D. Stoddard, of Illinois.
Howard E. Wilson, of New York.

John H. Hilldring, of New York, to be an Alternate Representative of the United States of America to the second session of the General Assembly of the United Nations, to be held in New York, N. Y., beginning September 16, 1947, to which office he was appointed during the last recess of the Senate.

Adm. Alan G. Kirk, United States Navy, retired, to be the Representative of the United States of America on the special Balkan Committee established by the General Assembly of the United Nations October 21, 1947, to which office he was appointed during the last recess of the Senate.

Frank Porter Graham, of North Carolina, to be the Representative of the United States of America on the Good Offices Committee of the Security Council of the United Nations on Indonesia, to which office he was appointed during the last recess of the Senate.

DIPLOMATIC AND FOREIGN SERVICE

Walter J. Donnelly, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Venezuela, to which office he was appointed during the last recess of the Senate.

H. Freeman Matthews, of Maryland, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Sweden, to which office he was appointed during the last recess of the Senate.

Paul H. Alling, of Connecticut, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Pakistan, to which office he was appointed during the last recess of the Senate.

Nathaniel P. Davis, of New Jersey, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Costa Rica, to which office he was appointed during the last recess of the Senate.

J. Klahr Huddle, of Ohio, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Burma, to which office he was appointed during the last recess of the Senate.

Donald R. Heath, of Kansas, a Foreign Service officer of class 1, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Bulgaria, to which office he was appointed during the last recess of the Senate.

James Hugh Keeley, Jr., of California, a Foreign Service officer of class 1, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to the Republic of Syria, to which office he was appointed during the last recess of the Senate.

J. Russell Andrus, of California, a Foreign Service reserve officer, to be a consul and a secretary in the diplomatic service of the United States of America, to which office he was appointed during the last recess of the Senate:

The following-named Foreign Service reserve officers to be consuls of the United States of America, to which office they were appointed during the last recess of the Senate.

W. Bradley Connors, of New Jersey.
Joseph B. Costanzo, of New York.
G. Huntington Damon, of New York.
Paul W. Frillmann, of Illinois.
Julian P. Fromer, of New York.
Frederick L. Jochem, of Wisconsin.
Elmer Newton, of New York.
James Dyke van Putten, of Missouri.
Carleton W. Washburne, of Illinois.

The following-named Foreign Service reserve officers to be secretaries in the diplomatic service of the United States of America, to which office they were appointed during the last recess of the Senate:

Ronald H. Allen, of the District of Columbia.
Orville C. Anderson, of California.
Henry F. Arnold, of New Jersey.
Albert E. Carter, of Tennessee.
Joseph E. Charles, of New York.
Morrill Cody, of New York.
D. Eugene Delgado-Arias, of New York.
Donald C. Dunham, of Ohio.
George W. Edman, of Massachusetts.
W. J. Convery Egan, of New Jersey.
Teg C. Grondahl, of California.
Ralph Hilton, of the District of Columbia.
Owen R. Hutchinson, of Louisiana.
Wallace Van Jackson, of Georgia
Garth P. James, of Virginia.
William C. Johnstone, Jr., of the District of Columbia.
Edwin W. Kenworthy, of Maryland.
Theodore B. Olson, of New York.
Richard I. Phillips, of California.
James J. Robbins, of the District of Columbia.
William G. Roll, of California.
Douglas H. Schneider, of New York.
Walter K. Schwinn, of Connecticut.
E. Bigelow Thompson, of Massachusetts.

The following-named Foreign Service reserve officers to be vice consuls of the United States of America, to which office they were appointed during the last recess of the Senate:

Sverre M. Backe, of California.
Leonard N. Caswell, of Massachusetts.
Stanley R. Chartrand, of Colorado.
Gilbert E. Clark, of New York.
Wallace Clarke, of California.
Don A. Gribble, of Vermont.
Andrew E. Hanney, of New Jersey.
Reed P. Robinson, of Colorado.
John W. Thomason 3d, of Texas.
Hugh N. Whitaker, of Louisiana.
Fred M. Wren, of Maine.

The following-named persons for promotion in the Foreign Service of the United States of America, from Foreign Service officers of class 1 to Foreign Service officers of the class of career minister, to which office they were appointed during the last recess of the Senate:

Paul H. Alling, of Connecticut.
William W. Butterworth, Jr., of Louisiana.
H. Merle Cochran, of Arizona.
Paul C. Daniels, of New York.
Nathaniel P. Davis, of New Jersey.
William E. De Courcy, of Texas.
Hugh S. Fullerton, of Ohio.
Donald R Heath, of Kansas.
J. Klahr Huddle, of Ohio.
Joseph E. Jacobs, of South Carolina.
James Hugh Keeley, Jr., of California.
Charles A. Livengood, of Washington.
John J. Muccio, of Rhode Island.
Rudolf E. Schoenfeld, of the District of Columbia.

The following-named persons, now Foreign Service officers of class 2 and secretaries in the diplomatic service, to be also consuls general of the United States of America, to which office they were appointed during the last recess of the Senate:

George J. Haering, of New York.
Joel C. Hudson, of Missouri.

The following-named persons, now Foreign Service officers of class 3 and secretaries in the diplomatic service, to be also consuls general of the United States of America, to which office they were appointed during the last recess of the Senate:

George M. Abbott, of Ohio.
Roy E. B. Bower, of California.
Montgomery H. Colladay, of Connecticut.
C. Paul Fletcher, of Tennessee.
Perry N. Jester, of Virginia.
Edward S. Maney, of Texas.
Willard Quincy Stanton, of Montana.
E. Paul Tenney, of Washington.
Jesse F. Van Wickel, of New York.
Raymond C. Miller, of Indiana, for appointment as a Foreign Service officer of class 1, a consul, and a secretary in the diplomatic service of the United States of America, to which offices he was appointed during the last recess of the Senate.
William P. Maddox, of the District of Columbia, for appointment as a Foreign Service officer of class 2, a consul, and a secretary in the diplomatic service of the United States of America, to which offices he was appointed during the last recess of the Senate.

The following-named persons for appointment as Foreign Service officers of class 3, consuls, and secretaries in the diplomatic service of the United States of America, to which offices they were appointed during the last recess of the Senate:

Samuel D. Berger, of the District of Columbia.
Clarence E. Birgfeld, of the District of Columbia.
Howard Rex Cottam, of Utah.
John J. Haggerty, of Virginia.
William C. Ockey, of California.
John N. Plakias, of Illinois.

The following-named persons, now Foreign Service officers of class 4 and secretaries in the diplomatic service, to be also consuls of the United States of America, to which office they were appointed during the last recess of the Senate:

Robert F. Hale, of Oregon.
Roy M. Melbourne, of Virginia.
Archibald R. Randolph, of Virginia.

The following-named persons for appointment as Foreign Service officers of class 4, consuls, and secretaries in the diplomatic service of the United States of America, to which offices they were appointed during the last recess of the Senate:

N. Spencer Barnes, of California.
Austin B. Cox, of New York.
Albert B. Franklin, of Massachusetts.
Ashley Guy Hope, of Virginia.
Robert G. Miner, of Maryland.
Alexander Schnee, of New York.

The following-named persons, now Foreign Service officers of class 5 and secretaries in the diplomatic service, to be also consuls of the United States of America, to which office they were appointed during the last recess of the Senate:

Keeler Faus, of Georgia.
J. Brock Havron, of Tennessee.
Oscar C. Holder, of Louisiana.

The following-named persons for appointment as Foreign Service officers of class 5, vice consuls of career, and secretaries in the diplomatic service of the United States of America, to which offices they were appointed during the last recess of the Senate:

John E. Devine, of Illinois.
Paul F. Geren, of Arkansas.

The following-named persons for appointment as Foreign Service officers of class 6, vice consuls of career, and secretaries in the diplomatic service of the United States of America, to which offices they were appointed during the last recess of the Senate:

John C. Amott, of New Jersey.
Stanley S. Carpenter, of Massachusetts.
Ralph S. Collins, of Tennessee.
Morris Dembo, of New York.
John C. Craig, of Massachusetts.
Samuel D. Eaton, of New York.
Lawrence B. Elsbernd, of North Dakota.
Thaddeus A. Herrick, Jr., of Iowa.
Robert B. Houghton, of Massachusetts.
Howard D. Jones, of Oklahoma.
Joseph F. McFarland, of New Jersey.
Donald S. Macdonald, of Massachusetts.
Robert J. Mautner, of California.
James M. Mills, of California.
David D. Newsom, of California.
Peter Rutter, of Massachusetts.
Robert B. Shaw, of Massachusetts.
Galen L. Stone, of Massachusetts.
John M. Thompson, Jr., of Florida.
Gordon C. Tullock, of Illinois.
Charles M. Urruela, of Ohio.
Raymond A. Valliere, of New Hampshire
George R. Wadleigh, of Rhode Island.
Herbert E. Weiner, of New York.

The following-named Foreign Service staff officers to be consuls of the United States of America, to which office they were appointed during the last recess of the Senate:

Basil F. Macgowan, of Tennessee.
Robert G. McGregor, Jr., of New York.

The following-named persons for appointment as Foreign Service officers of class 4, consuls and secretaries in the diplomatic service of the United States of America, to which offices they were appointed during the last recess of the Senate:

Philip F. Dur, of Massachusetts.
Giles A. Hubert, of Tennessee.

The following-named persons for appointment as Foreign Service officers of class 5, vice consuls of career and secretaries in the diplomatic service of the United States of America, to which offices they were appointed during the last recess of the Senate:

Donald M. Davies, of Virginia.
Garrett H. Soulen, of Texas.

DEPARTMENT OF LABOR

David A. Morse, of New Jersey, as Under Secretary of Labor, United States Department of Labor.

John T. Kmetz, of Pennsylvania, as Assistant Secretary of Labor, United States Department of Labor.

VETERANS' ADMINISTRATION

Carl Raymond Gray, Jr., of Minnesota, to be Administrator of Veterans' Affairs.

HOUSING AND HOME FINANCE ADMINISTRATION

Raymond Michael Foley, of Michigan, to be Housing and Home Finance Administrator, to which office he was appointed during the last recess of the Senate.

FEDERAL HOUSING COMMISSION

Franklin D. Richards, of Utah, to be Federal Housing Commissioner, to which office he was appointed during the last recess of the Senate.

FEDERAL SECURITY ADMINISTRATION

Oscar R. Ewing, of New York, to be Federal Security Administrator, to which office he was appointed during the last recess of the Senate.

NATIONAL LABOR RELATIONS BOARD

The following-named persons to be members of the National Labor Relations Board pursuant to Public Law 101, Eightieth Congress, to which office they were appointed during the last recess of the Senate:

Abe Murdock, of Utah, to be a member of the National Labor Relations Board for a term of 5 years.

J. Copeland Gray, of New York, to be a member of the National Labor Relations Board for a term of 2 years.

Robert N. Denham, of Maryland, to be general counsel of the National Labor Relations Board for a term of 4 years, to which office he was appointed during the last recess of the Senate.

FEDERAL MEDIATION AND CONCILIATION SERVICE

Cyrus Stuart Ching, of New York, to be Federal Mediation and Conciliation Director, to which office he was appointed during the last recess of the Senate.

CALIFORNIA DEBRIS COMMISSION

Col. Joseph S. Gorlinski, Corps of Engineers, to serve as member and secretary of the California Debris Commission provided for by the act of Congress approved March 1, 1893, entitled "An act to create the California Debris Commission and regulate hydraulic mining in the State of California," vice Col. Lester F. Rhodes, Corps of Engineers, to be relieved. Colonel Gorlinski was appointed to this office during the last recess of the Senate.

UNITED STATES COAST GUARD

Halert C. Shepheard to be a commodore in the United States Coast Guard Reserve for temporary service, effective August 13, 1947.

The following-named officers to be lieutenant commanders in the United States Coast Guard, to rank from September 30, 1947:

Gustave A. Lohse
Michael J. Kentos
Joseph T. Drake

BUREAU OF INTERNAL REVENUE

Charles Oliphant, of Maryland, to be assistant general counsel for the Bureau of Internal Revenue, in place of John Philip Wenchel, resigned.

John T. Jarecki, of Illinois, to be collector of internal revenue for the first district of Illinois, in place of Nigel D. Campbell, resigned.

(These officers are now serving under temporary commission issued during the recess of the Senate.)

COMMISSIONER OF IMMIGRATION AND NATURALIZATION

Watson B. Miller, of Maryland, to be Commissioner of Immigration and Naturalization, United States Department of Justice. (He is now serving under a recess appointment.)

UNITED STATES DISTRICT JUDGES

Hon. Harry E. Pratt, of Alaska, to be United States district judge, Division No. 4, district of Alaska. (Judge Pratt is now serving in this office under an appointment which expired October 2, 1947.)

Hon. Roy W. Harper, of Missouri, to be United States district judge for the eastern and western districts of Missouri. (He is now serving under a recess appointment.)

Hon. Sylvester J. Ryan, of New York, to be United States district judge for the southern district of New York. (He is now serving under a recess appointment.)

JUDGE, CIRCUIT COURTS, TERRITORY OF HAWAII

Hon. John E. Parks, of Hawaii, to be third judge of the first circuit, Circuit Courts, Territory of Hawaii. (He is now serving under a recess appointment.)

UNITED STATES ATTORNEYS

Thomas P. Thornton, of Michigan, to be United States attorney for the eastern district of Michigan. (He is now serving under a recess appointment.)

George R. Humrickhouse, of Virginia, to be United States attorney for the eastern district of Virginia. (He is now serving under a recess appointment.)

UNITED STATES MARSHALS

Charles M. Eldridge, of Rhode Island, to be United States marshal for the district of Rhode Island, vice Neale D. Murphy, resigned.

Theodore B. Werner, of South Dakota, to be United States marshal for the district of South Dakota. (He is now serving under a recess appointment.)

DEPARTMENT OF THE ARMY

William H. Draper, Jr., of New York, to serve as Under Secretary of the Army, to which office he was appointed during the last recess of the Senate.

Gordon Gray, of North Carolina, to serve as Assistant Secretary of the Army, to which office he was appointed during the last recess of the Senate.

DEPARTMENT OF THE NAVY

John L. Sullivan, of New Hampshire, to be Secretary of the Navy.

W. John Kenney, of California, to be Under Secretary of the Navy.

DEPARTMENT OF THE AIR FORCE

W Stuart Symington, of Missouri, to serve as Secretary of the Air Force, to which office he was appointed during the last recess of the Senate.

Arthur S. Barrows, of California, to serve as Under Secretary of the Air Force, to which office he was appointed during the last recess of the Senate.

Cornelius V. Whitney, of New York, to serve as Assistant Secretary of the Air Force, to which office he was appointed during the last recess of the Senate.

Eugene M. Zuckert, of Connecticut, to serve as Assistant Secretary of the Air Force, to which office he was appointed during the last recess of the Senate.

CHIEF OF STAFF, UNITED STATES AIR FORCE

Gen. Carl Spaatz (major general, United States Air Force), Air Force of the United States, for appointment as Chief of Staff, United States Air Force, with the rank of general, for the period of 4 years beginning September 26, 1947, under the provisions of section 208 of the National Security Act of 1947.

NOTE.—General Spaatz was appointed Chief of Staff, United States Air Force on 26 September 1947 during the recess of the Senate.

DIRECTOR OF CENTRAL INTELLIGENCE

Rear Adm. Roscoe H. Hillenkoetter, United States Navy, to be Director of Central Intelligence, to which office he was appointed during the last recess of the Senate.

NATIONAL SECURITY RESOURCES BOARD

Arthur M. Hill, of West Virginia, to be Chairman of the National Security Resources Board, to which office he was appointed during the last recess of the Senate.

NATIONAL MUNITIONS BOARD

Thomas J. Hargrave, New York, to serve as Chairman, Munitions Board, to which office he was appointed during the last recess of the Senate.

RESEARCH AND DEVELOPMENT BOARD

Vannevar Bush, New Hampshire, to serve as Chairman, Research and Development Board, to which office he was appointed during the last recess of the Senate.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for appointment in the Regular Corps of the Public Health Service:

To be senior assistant sanitary engineers (equivalent to the Army rank of captain), effective date of oath of office:

O. John Schmidt
Hayse H. Black
Joseph A. Boyer
Kenneth C. Lauster
Henry L. Roahrig

To be senior assistant engineers (equivalent to the Army rank of captain), effective date of oath of office:

Lucian E. Renes
George D. Clayton
Harry Stierli
Herbert W. Haas
Hershel Engler
Ross W. Buck

To be senior assistant pharmacists (equivalent to the Army rank of captain), effective date of oath of office:

Joseph P. Crisalli
Carmen A. Carrato
Ernest J. Simnacher
Boyd W. Stephenson

To be assistant pharmacists (equivalent to the Army rank of first lieutenant), effective date of oath of office:

Edwin J. Olson
Glenn H. Hamor
Wanda J. Butler

To be junior assistant pharmacist (equivalent to the Army rank of second lieutenant), effective date of oath of office:

David A. Westover

To be senior assistant scientists (equivalent to the Army rank of captain), effective date of oath of office:

R. Edward Bellamy
Theodore T. Puck

The following-named candidates for appointments and promotions in the Regular Corps of the Public Health Service:

To be surgeons (equivalent to the Army rank of major), effective dates indicated:

Carl M. Eklund, August 20, 1947.
Ladislaus J. Zbranek, November 14, 1947.

To be senior assistant surgeons (equivalent to the Army rank of captain), effective dates indicated:

Ivan L. Bunnell, October 3, 1947.
Benjamin Highman, November 14, 1947.
Weldon C. White, September 26, 1947.

To be senior assistant sanitary engineers (equivalent to the Army rank of captain), effective dates indicated:

William E. Holy, November 10, 1947.
Ralph C. Graber, October 15, 1947.
Howard W. Spence, October 13, 1947.
Floyd B. Taylor, October 13, 1947.

To be assistant sanitary engineers (equivalent to the Army rank of first lieutenant), effective dates indicated:

Henry J. L. Rechen, November 12, 1947.
William W. Payne, November 10, 1947.
Frank A. Butrico, November 7, 1947.

To be senior assistant engineers (equivalent to the Army rank of captain), effective dates indicated:

Henry N. Doyle, October 14, 1947.
Joseph E. Flanagan, Jr., November 10, 1947.
Wesley E. Gilbertson, November 12, 1947.
George L. Carley, Jr., October 13, 1947.
Richard L. Woodward, November 10, 1947.

To be senior assistant pharmacists (equivalent to the Army rank of captain), effective dates indicated:

Ronald G. Esson, September 22, 1947.
Robarts L. Proper, October 4, 1947.
Reid M. Hovey, September 22, 1947.
Francis R. Ellis, October 2, 1947.
Arnold H. Dodge, October 13, 1947.

To be assistant pharmacists (equivalent to the Army rank of first lieutenant), effective dates indicated:

Donald E. Wenschhof, October 1, 1947.
Henry L. Verhulst, October 3, 1947.
Robert E. Jones, September 26, 1947.

To be scientist (equivalent to the Army rank of major), effective August 20, 1947:

Harry J. Bennett.

To be senior assistant scientists (equivalent to the Army rank of captain), effective dates indicated:

Morris B. Ettinger, August 15, 1947.
Francis M. Middleton, August 19, 1947.
Dale R. Lindsay, August 23, 1947.
John A. Rowe, October 30, 1947.
William W. Smith, August 16, 1947.
H. Page Nicholson, September 15, 1947.
George R. Weber, August 15, 1947.
James E. Birren, August 5, 1947.
Julius S. Youngner, August 20, 1947.

To be nurse officer (equivalent to the Army rank of major), effective October 22, 1947:

F. Ruth Kahl

To be senior assistant nurse officers (equivalent to the Army rank of captain), effective dates indicated:

Ruth I. Gillan, November 7, 1947.
Vera P. Hansel, November 12, 1947.
Hazel G. Barkley, November 11, 1947.
Lola M. Hanson, November 12, 1947.

Senior surgeons to be medical directors (equivalent to the Army rank of colonel), effective dates indicated:

LeGrand B. Byington, November 10, 1947.
Milton V. Veldee, November 14, 1947.

Assistant surgeon to be senior assistant surgeon (equivalent to the Army rank of captain), effective November 14, 1947:

Reuben B. Widmer

Senior surgeons to be temporary medical directors (equivalent to the Army rank of colonel), effective dates indicated:

LeGrand B. Byington, July 28, 1947.
Oswald F. Hedley, August 6, 1947.
Joseph O. Dean, September 1, 1947.
Alonzo F. Brand, September 30, 1947.
Hiram J. Bush, September 30, 1947.
Frank S. Fellows, September 30, 1947.
Ernest E. Huber, September 30, 1947.
Samuel J. Hall, September 30, 1947.
Ralph L. Lawrence, September 30, 1947.
Albert T. Morrison, September 30, 1947.
Anthony P. Rubino, September 30, 1947.
Adolph S. Rumreich, September 30, 1947.
James B. Ryon, September 30, 1947.
Mark P. Schultz, September 30, 1947.
Fletcher C. Stewart, September 30, 1947.
Gregory J. Van Beeck, September 30, 1947.
Langdon R. White, September 30, 1947.
Bengt L. K. Hamilton, November 10, 1947.
William H. Sebrell, Jr., November 10, 1947.
Harry Eagle, November 10, 1947.

Surgeons to be temporary senior surgeons (equivalent to the Army rank of lieutenant colonel), effective dates indicated:

Albert L. Chapman, August 6, 1947.
Curtis R. Chaffin, August 6, 1947.
Virgil J. Dorset, August 6, 1947.
Erwin C. Drescher, August 6, 1947.
Paul T. Erickson, August 6, 1947.
John B. Hozier, August 6, 1947.
Norvin C. Kiefer, August 6, 1947.
Myron D. Miller, August 6, 1947.
Lydia B. Edwards, October 10, 1947.
Ira Lewis, October 10, 1947.
Frederick J Krueger, October 15, 1947.
Carl M. Eklund, November 1, 1947.

Senior assistant surgeons to be temporary surgeons (equivalent to the Army rank of major), effective dates indicated:

Glenn H. Algire, August 6, 1947.
Bertrand E. Bennison, August 6, 1947.
Edward T. Blomquist, August 6, 1947.
George W. Comstock, August 6, 1947.
John C. Cutler, August 6, 1947.
John J. Davies, August 6, 1947.
James L. Elliott, August 6, 1947.
Robert H. English, August 6, 1947.
William H Errgong, August 6, 1947.
Robert M. Foote, August 6, 1947.
H. Charles Franklin, August 6, 1947.
Leon A. Heppel, August 6, 1947.
Elmer L. Hill, August 6, 1947.
I. Ray Howard, August 6, 1947.
John C. Hume, August 6, 1947.
William C. Jenkins, Jr., August 6, 1947.
Arthur Kornberg, August 6, 1947.
Willys M. Monroe, August 6, 1947.
Elton S. Osborne, Jr., August 6, 1947.

David S. Ruhe, August 6, 1947.
Andrew P. Sackett, August 6, 1947.
John B. Spriggs, August 6, 1947.
Mary Walton, August 6, 1947.
Lewis C. Robbins, August 6, 1947.
Emory S. Moore, Jr., August 20, 1947.
Thomas A. Hathcock, Jr., August 23, 1947.
Willoughby J. Rothrock, Jr., September 4, 1947.
Frederic C. Bartter, November 14, 1947.
Benjamin Highman, November 14, 1947.

Assistant surgeons to be temporary senior assistant surgeons (equivalent to the Army rank of captain), effective dates indicated:
Louis B. Thomas, August 27, 1947.
Alan D. Miller, September 2, 1947.
Carl A. Boswell, October 10, 1947.
Thomas A. Burch, October 9, 1947.
William A. Himmelsbach, October 8, 1947.
Andrew L. Hoekstra, October 10, 1947.
Leonard T. Kurland, October 6, 1947.
John G. Robinson, October 10, 1947.
Joseph Satten, October 19, 1947.
Robert B. Shelby, October 10, 1947.
Gordon B Wheeler, October 9, 1947.
Robert B. Dorsen, November 8, 1947.
James R. Mason, November 12, 1947.
Gove Hambidge, Jr., November 14, 1947.
Frederic D. Regan, November 14, 1947.

Senior dental surgeons to be temporary dental directors (equivalent to the Army rank of colonel), effective November 6, 1947:
William C. Parker — Allen M. Perkins
Pendleton J. Slaughter — Hubert H. Martin
Frederick W. Harper

Dental surgeons to be temporary senior dental surgeons (equivalent to the Army rank of lieutenant colonel), effective August 7, 1947:
Charles H. Wright, Jr.
Herbert A. Spencer, Jr.

Senior assistant dental surgeons to be temporary dental surgeons (equivalent to the Army rank of major), effective August 6, 1947:
Howard K. Wyatt
Dennis E. Singleton, Jr.
Earl C. Hewitt

Assistant dental surgeons to be temporary senior assistant dental surgeons (equivalent to the Army rank of captain), effective dates indicated:
Joseph W. Fridl, September 10, 1947.
Charles P. White, September 14, 1947.

Senior sanitary engineers to be temporary sanitary engineer directors (equivalent to the Army rank of colonel), effective October 24, 1947:
John J. Bloomfield — Carl E. Schwob
Henry A. Johnson — Charles T. Wright
Leonard H. Male
Judson L. Robertson, Jr.

Sanitary engineer to be temporary senior sanitary engineer (equivalent to the Army rank of lieutenant colonel), effective August 29, 1947:
Vernon G. MacKenzie

Senior assistant sanitary engineers to be temporary sanitary engineers (equivalent to the Army rank of major), effective dates indicated:
Arthur H. Neill, August 6, 1947.
Charles D. Spangler, August 6, 1947.
Leonard M. Board, August 20, 1947.
Kaarlo W. Nasi, August 21, 1947.
Elroy K Day, October 23, 1947.
William E. Holy, November 10, 1947.
Gerald W. Ferguson, November 14, 1947.
Conrad P. Straub, November 14, 1947.
Ernest C. Anderson, November 14, 1947.

Assistant sanitary engineers to be temporary senior assistant sanitary engineers (equivalent to the Army rank of captain), effective dates indicated:
William W. Payne, November 10, 1947.
Frank A. Butrico, November 7, 1947.

Senior assistant engineers to be temporary engineers (equivalent to the Army rank of major), effective dates indicated:
Joseph E. Flanagan, Jr., November 10, 1947.
Wesley E. Gilbertson, November 12, 1947.
Richard L. Woodward, November 10, 1947.

Senior assistant pharmacist to be temporary pharmacist (equivalent to the Army rank of major), effective October 2, 1947:
Francis R. Ellis

Assistant pharmacist to be temporary senior assistant pharmacist (equivalent to the Army rank of captain), effective October 1, 1947:
Donald E. Wenschhof

Senior assistant scientists to be temporary scientists (equivalent to the Army rank of major), effective dates indicated:
William C. Frohne, October 20, 1947.
Harold B. Robinson, September 16, 1947.
John A. Rowe, October 30, 1947.

Nurse officers to be temporary senior nurse officers (equivalent to the Army rank of lieutenant colonel), effective dates indicated:
Marie E. Wallace, August 13, 1947.
F. Ruth Kahl, October 22, 1947.

Senior assistant nurse officers to be temporary nurse officers (equivalent to the Army rank of major), effective dates indicated:
Ella Mae Hott, August 15, 1947.
L. Margaret McLaughlin, August 15, 1947.
Margaret Denham, August 26, 1947.
Mabelle J. Markee, September 10, 1947.
Emily M. Smith, September 10, 1947.
Frances E. Taylor, September 10, 1947.

Assistant nurse officer to be temporary senior assistant nurse officer (equivalent to the Army rank of captain), effective August 27, 1947:
Ina L. Ridlehoover

Junior assistant nurse officers to be temporary assistant nurse officers (equivalent to the Army rank of first lieutenant), effective dates indicated:
Anne K. Buck, August 15, 1947.
Mary F. Callan, August 15, 1947.
Dorothy L. Connors, August 15, 1947.
Rita A. Foy, August 15, 1947.
Vivian L. Gibson, August 15, 1947.
Roberta C. Brave, August 15, 1947.
Mildred K. McDermott, August 15, 1947.
Mary B. Krause, August 15, 1947.
Emilie S. Wilson, August 15, 1947.
Mary E. Evans, August 15, 1947.
Florence J. Ullman, August 15, 1947.
Jennie H. Rakich, August 15, 1947.
Mary C. Larkin, October 17, 1947.
Margaret M. Cahalan, November 7, 1947.

APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES

TO BE PROFESSOR OF SOCIAL SCIENCES AT THE UNITED STATES MILITARY ACADEMY, WITH RANK FROM SEPTEMBER 1, 1947

Col. George A. Lincoln (major, Corps of Engineers), Army of the United States.

NOTE.—Colonel Lincoln was given on September 1, 1947, a recess appointment as professor of economics, government and history, now designated as professor of social sciences.

IN THE MARINE CORPS

The following-named officers for appointment to the permanent grade of major general in the Marine Corps:
Harry Schmidt — Thomas E. Watson
Keller E. Rockey — LeRoy P. Hunt
Allen H. Turnage — Clifton B. Cates
Samuel L. Howard — Leo D. Hermle
Ralph J. Mitchell — Lemuel C. Shepherd, Jr.
Pedro A. del Valle

The following-named officers for appointment to the permanent grade of brigadier general in the Marine Corps:
Alfred H. Noble — William J. Wallace
Graves B. Erskine — Oliver P. Smith
Louis E. Woods — Robert Blake
Franklin A. Hart — William A. Worton
Field Harris — William T. Clement
Louis R. Jones — Henry D. Linscott
John T. Walker — Dudley S. Brown
Omar T. Pfeiffer — Robert H. Pepper
William E. Riley — William P. T. Hill
Merwin H. Silverthorn — Andrew E. Creesy
Ray A. Robinson — Leonard E Rea
Gerald C. Thomas — Merritt B. Curtis

The following-named officers for appointment in the United States Marine Corps in the ranks hereinafter stated, in accordance with the provisions of Public Law 347, Seventy-ninth Congress:

The following-named officer to be lieutenant colonel:
Spencer S. Berger

The following-named officers to be majors:
James B. Maguire, Jr.
John H. Papurca
Spencer H. Pratt

The following-named officers to be captains:
Robert S. Boyle — Junius M. Lowder, Jr.
George J. Brookes, Jr. — Richard L. Nickerson
James H. Crutchfield — Gerald D. Schmidt
Stanley S. Hughes

The following-named officers to be first lieutenants:
Van Daley Bell, Jr. — Albert H. Risner
William M. Derby, Jr. — Paul W. Seabaugh
Neil Dimond — Ray W. Settle
William G. Graeber, Jr. — Henry K. Shaw
Joseph N. Irick — Gordon N. Smith
Edward E. Kaufer — Lyle S. Stephenson
Richard H. Kern — James B. Talley
Francis R. Krainee — Elwood C. Veregge
Billie E. Loos — James F. Williams
Doane W. McElravy — Robert P. Wray
Herbert C. Reed

The following-named officers to be second lieutenants:
John C. Alexander — Jack R. Kearney
James C. Alison — Charles F. King, Jr.
John R. Barnard — William R. Lipscomb
James C. Barr — Frederick C. McLaughlin
Donald M. Blomgren
Charles M. Darracott — Richard R. Miller
LeRoy M. Duffy — Kenny C. Palmer
Robert M. H. DuPuy — Bertram H. Pryor
James D. Feltman — Kenneth R. Snyder
Leo Gumienny — William E. Sweeney
Jack R. Hansen — Roma T. Taylor, Jr.
William A. Harris — Jay J. Thomas, Jr.
Neal E. Heffernan — William L. Tipton, Jr.
Sidney H. Hilliard, Jr. — Robert A. Underwood
Thomas J. Holt — James G. Webster

The following-named officers to be commissioned warrant officers:
Robert L. Dickey — Charles R. Jackson
Cecil M. Dietz — Douglas K. Morton
Frank E. Herbert — August Olaguez
Charles A. Holmes — John D. Rogers

The following-named naval aviator of the Marine Corps Reserve to be a first lieutenant in the Regular Marine Corps in accordance with the provisions of the Naval Aviation Personnel Act of 1940, as amended, to rank from the 30th day of September 1944:
Joel L. Neuman

The following-named officers to be second lieutenants in the Marine Corps in accordance with the provisions of Public Law 729, Seventy-ninth Congress, to rank from the 6th day of June 1947:
John H, Affleck — David A. Lowe
Michael M. Ameen, Jr. — Karl D. Morrison
John A. Buck — Robert L. Nelson
Esten C. Carper, Jr. — Jack J. Petska
Michael F. Castro — Jerome N. Pieti
Donald A. Chiappetti — Robert C. Sebilian
William J. Davis — Carl H. Strandberg
Frank Y. Dill — Donald B. Thomas
Donald L. Evans, Jr. — Paul R. Uffelman
Philip Hanna, Jr. — Richmond Vanden Heuvel
Melvin G. Hector
Kenneth W. Henry — Robert E. Walton
Edward G. Jernigan — Justin H. Wenger

The following-named second lieutenant to be second lieutenant in the Marine Corps from the 5th day of June 1946, to correct the date from which he takes rank as previously nominated and confirmed:

Michael M. Spark

The following-named officer to be a second lieutenant in the Marine Corps in accordance with the provisions of the act of August 29, 1916 (ch. 417, 39 Stat 610), with rank from the 6th day of June 1947:

Richard M Bickford

IN THE ARMY

APPOINTMENTS IN THE REGULAR ARMY OF THE UNITED STATES

The following-named officers for appointment in the Regular Army of the United States, in the grade of second lieutenant, in the arm or service specified, with dates of rank to be determined by the Secretary of the Army, under the provisions of section 24E of the National Defense Act, as amended (10 U. S. C. 484, 64):

Crozier, Bruce U., Infantry
Fitzpatrick, John R., Jr., Infantry
Hoke, Ray R., Infantry
Morrison, James L., Jr., Cavalry
Sylvester, Allen T., 2d, Infantry
Wilson, Planter M, Infantry

The following-named officers of the Judge Advocate General's Department Reserve for appointment in the Regular Army of the United States, in the Judge Advocate General's Department in the grade specified, with dates of rank to be determined by the Secretary of the Army, under the provisions of section 24E of the National Defense Act, as amended:

To be captains

Adams, Ralph W., JAG, O793233
Brown, Robert E., JAG, O342624
Cassel, Charles M., JAG, O1104082
Chalk, Joseph L., JAG, O1947656
Clark, Frederick R., JAG, O408172
Dameron, Claiborne, JAG, O350181
Denson, William D., JAG, O900415
Durbin, Paul J., JAG, O374718
Husband, Howard O., JAG, O327581
Jaffe, Morton S., JAG, O1001813
Murray, Robert M., JAG, O343277
Nelson, James E., JAG, O365064
Pritchard, John R., JAG, O1310493
Roang, Sverre, JAG, O452410
Rood, John W., JAG, O372242
Rowe, Cecil F., JAG, O2051989
Ryker, Frederick L., JAG, O573229
Sclafani, Enofio E., JAG, O1173771
Thurston, Marion F., Jr., JAG, O1950737
Westerman, George F., JAG, O362748
Wilson, James R., JAG, O1311243

The following-named officers for appointment in the Regular Army of the United States, in the grade and arm or service specified, with dates of rank to be determined by the Secretary of the Army under the provisions of section 24E of the National Defense Act, as amended (10 U. S. C. 484, 64), and the act of December 28, 1945 (59 Stat. 663), as amended by the act of August 8, 1946 (Public Law 670, 79th Cong.), the act of May 15, 1947 (Public Law 61, 80th Cong.), and the act of August 4, 1947 (Public Law 337, 80th Cong.):

To be majors

Ackermann, Alfred J., MC, O522013
Adams, Ray, CE, O241853
Alexander, Joseph D., Inf., O300475
Anderson, Lewis W., QMC, O351467
Asch, William W., AC, O212690
Austin, Sewall Y., AC, O323724
Baber, Burl B., QMC, O269536
Bacher, Robert M., Ord., O239638
Bambace, Felix S., MC, O294495
Bangham, Joseph F., Jr., AC, O905466
Barberie, Frederick M., QMC, O231100
Barnes, Kenneth C., Fin., O446495
Barton, William I., AC, O900222
Bauknight, Ralph M., QMC, O319889
Becker, Walter H., DC, O248191
Belden, Arthur W., SC, O174831
Bench, Gerald N., FA, O235621
Benoit, Joseph E., Inf., O246269
Betts, Robert H., QMC, O195409
Bird, Walter H., DC, O482530
Blair, Edgar A., MSC, O293279
Blasingame, Floyd J., MSC, O286363
Boone, Arthur R., Fin., O508219
Borom, Thomas L., JAG, O175195
Bothwell, Lyman D., Cav., O302152
Bowden, George F., DC., O235207
Bowling, Justus H., QMC, O466250
Bowman, Alfred C., JAG, O320343
Branch, Goodman S., Inf., O238581
Broadhurst, Richard B., AC, O442120
Brown, Douglas R., AC, O233796
Bruhn, Frederick E., QMC, O170584
Buel, Jack, MSC, O254496
Buff, Walter B., AC, O438640
Burbridge, Lester J., Inf., O251231
Burns, Edgar J., AC, O902550
Caldwell, Ross R., Ord., O252295
Campbell, Frank P., DC, O236984
Carpenter, George R., MC, O471084
Caywood, Lindsay P., Inf., O229976
Christenson, Earle H., MC, O322948
Chuck, Harry C., JAG, O216490
Cizon, Max N., AGD, O231425
Clark, William S., AC, O278563
Cohen, Sidney O., JAG, O567702
Collins, Elmer J., CML, O900131
Collins, Jack D., DC, O258924
Coots, Frederick L., QMC, O360027
Corr, James, Jr., SC, O227208
Cosgrove, John A., AC, O567757
Cowen, Edward T., Inf., O249920
Cramer, Paul G., QMC, O254323
Crosby, Joseph F., SC, O334651
Cruse, Charles F., MSC, O438738
Currier, Charles R., QMC, O217240
Daniels, Madison A., QMC, O181705
Davenport, Frank M., QMC, O225929
Davis, Edward S., Ord., O443621
Davis, Hawthorne, QMC, O215127
Davis, Paul V., MC, O1685365
De Baun, Charles W., MC, O468973
De Longe, Merrill E., AC, O291665
Dean, Lloyd C., AC, O913784
Dehne, Ernst, MC, O926998
Delaney, William J., QMC, O910147
Denelfo, Arthur J., Ch., O406251
Denny, Harry B., DC, O285758
Dickenson, Glenn G., Inf., O197385
Dies, Frederick W., Inf., O301393
Dillinger, W. D., SC, O257191
Dix, Walter F., SC, O920194
Dougherty, George R., JAG, O208229
Dozier, John, AC, O533631
Drittler, Frank J., AC, O370088
Dukes, Joe L., AC, O225193
Eckman, George R., Inf., O327327
Elliot, Owen, AGD, O1000025
Elliott, Howard M., Ord., O495519
Ellsworth, Theodore D., QMC, O502527
Estes, William B., Ch., O335841
Faw, Joseph N., DC, O299837
Feldman, Allan L., Ord., O245687
Ferony, Louis J., CE, O216495
Fisher, William R., AC, O221903
Fitzhugh, William C., JAG, O914665
Fitzpatrick, John W., CML, O916016
Fix, Floyd S., AGD, O298755
Flaherty, Francis F., AGD, O187697
Flatt, Francis L., DC, O358186
Folkes, John G., Inf., O231085
Foster, William F., QMC, O301540
Fowler, Nolton E., DC, O479354
Freeman, Cleon E., AC, O299872
Fritz, Edwin G., SC, O902189
Froehle, Arthur H., Ch., O372386
Fuller, John R., AC, O281669
Funston, Frederick, Jr., AC, O291998
Galletly, Alan M., AC, O900178
Gillinger, Clarence W., DC, O530430
Glasheen, Francis D., AC, O221355
Gottlieb, Ellis L., AC, O913626
Gray, Eugene W., Jr., DC, O408568
Gray, James K., MC, O521000
Green, Thomas C., Inf., O211322
Greenway, James C., Inf., O253000
Guthrie, Aaron S., QMC, O1309927
Hall, Augustus A., MC, O260962
Hankins, Stanley H., SC, O278283
Hanson, Lawrence B., MC, O224147
Harkins, Basil A., QMC, O905597
Harlan, John F., Ord., O524511
Harris, Robert A, AC, O305537
Hastings, George D., AC, O273417
Hauser, Irving M., DC, O248808
Hearn, Robert J., Ch., O418055
Heinel, Walter C., QMC, O919777
Hellmann, Lloyd J., Inf., O279520
Hill, Alvin M., AGD, O281286
Himes, Charles J., AC, O229992
Holt, Charles S., Jr., MC, O278928
Huber, Tyron E., MC, O388521
Hunsucker, George E., AC, O250860
Hunt, Paul M., CAC, O249873
Hurt, William J., DC, O367548
Hutchison, Clifton C., AC, O274046
Imhoff, Joseph J., QMC, O229937
Ingram, Rupert, FA, O276285
Ireland, Thomas R., SC, O507952
Jackson, Norman K., Inf., O176762
Jacobs, Frederick M., MC, O397758
Jacques, Donald M, QMC, O216542
Jaggar, Joseph L., Inf., O324376
Jarrell, Shaffer F., Inf., O234812
Jarvis, George M., 3d, QMC, O304324
Johnston, Robert G., Inf., O222131
Jones, Arthur W., CML, O482135
Jones, Emmett G., Ch., O405223
Jones, Joseph W., AC, O217019
Jones, Lewis W., AC, O906732
Jones, Richard W., Jr., QMC, O234534
Judd, Merrill H., MC, O292325
Kaminskie, Alex, QMC, O274586
Kelly, Howard, AC, O284364
Kelly, Leo F., QMC, O218450
Kennedy, Thomas J., AC, O905974
Killelea, William G., Ch., O486619
Klausner, John T., MC, O235542
Klemp, Hubert E., CE, O261403
Knier, Albert A., Ch., O531925
Knox, John C., QMC, O412710
Kretlow, Sidney P., QMC, O163710
Kusch, Edward E., Ch., O543162
Lack, Charles L., Ch., O269867
Ledbetter, McWesley, QMC, O921877
Lee, John L., Cav., O275094
Lee, Thomas A., AC, O226754
Lockard, Earl N., QMC, O913228
Long, Gerald A., MC, O345716
Long, Lawrence L., AC, O292517
Lovin, Charles W., Ch., O249799
MacLachlan, Walter L., CML, O178362
Mallon, John B., AGD, O1895052
Marphis, Joseph C., QMC, O912828
Marsden, Bernard, AC, O358527
Marshall, John T., FA, O228148
Marshall, Slater E., AC, O373362
Mason, Clarence O., AC, O906605
Masters, Raymond M., QMC, O482223
Maupin, Clinton S., MC, O338092
May, Russell G., AC, O305182
Mayer, Stephen T., Ch., O545862
McAllister, Donald B., DC, O314218
McConahay, Alva M., DC, O312782
McCormick, Charles J., CE, O280913
McCormick, Howard P, CML, O255547
McCormick, Robin E., QMC, O346836
McKean, Willis H., MC, O290256
Menagh, James J., QMC, O906382
Mendenhall, John B., Fin, O331568
Miller, William G., AC, O438334
Miner, Harold W., QMC, O472742
Moler, Neal D., AC, O263779
Moore, Clarence A., Inf., O196435
Moore, George S., DC, O322723
Moore, John W., AC, O288804
Moore, Joseph P., Ord., O181694
Moore, Leslie S., CML, O216697
Moore, William P., AGD, O191766
Mooring, Bruce D., Ord., O253197
Morris, James B., AC, O373303
Morris, Wayne W., Inf., O247952
Mulligan, John P., AC, O436128
Murphy, Preston J. C., Inf., O245005

Nee, William F., Inf., O204871
Nelson, Clarence J., Inf., O291394
Nern, William F., Ch., O507122
Niemann, Louis H., SC, O911365
Norton, John A., MC, O356370
O'Brien, Joseph T., Ch., O427898
Olson, Harry F., DC, O531733
Osborne, Robert E., AC, O248023
Ott, Edward R., QMC, O918841
Page, Nolan, CE, O248878
Parks, Merle E., AC, O403396
Paterson, Kenneth C., JAG, O249726
Paul, Frank C., FA, O200259
Paulson, Alvin W., MC, O294809
Pearson, Quenna A., Fin., O921201
Pearson, Ralph E., Inf., O236828
Pengelly, Harold, AGD, O360761
Percefull, George E., AC, O264011
Persons, Joseph P., Jr., Inf., O293593
Peters, Charles W., QMC, O278617
Porter, George W., AC, O369943
Post, Theodore J., DC, O283718
Potter, Merwin E., AC, O909549
Powell, Hubert G., AC, O476743
Price, Carter O., Fin., O443654
Pritikin, Roland I., MC, O278803
Propst, Cecil L., Ch., O236438
Pryber, Jerome A., AC, O464225
Puderbaugh, Homer L., DC, O245921
Rafferty, John F., Ch., O533862
Ramsay, William T., Inf., O249071
Randall, Hal, Inf., O225927
Reagan, Harrell, Inf., O482435
Reverski, Harold F., AC, O216385
Rich, Gordon, CML, O918416
Richardson, W. W., Jr., Ord., O175793
Rieger, Nathaniel B., Inf., O218156
Riordan, Bernard N., MSC, O218426
Robbins, Willis G., CML, O298835
Roberts, Wayne M., AC, O331273
Rockwell, Robert B. H., AC, O216136
Rollison, Robert A., AC, O163331
Rounds, Roy C., MC, O445028
Ruediger, Norman E., DC, O318365
Rush, Peter S., Ch., O400990
Russe, Charles F., Inf., O184268
Rutherford, William C., Inf., O247324
Samuel, Milton B., AC, O330092
Satterthwaite, R. W., MC, O509128
Sauer, Edward F., QMC, O168326
Scheetz, George I., MC, O272394
Schmitt, Howard I., QMC, O196394
Schnabel, Garfield P., MC, O252371
Schonen, George E., DC, O286366
Schuetz, Ralph J., Inf., O919736
Scothorn, Marion W., VC, O308153
Scott, Kirk H., AC, O238476
Shaner, Martin L., Ch., O403632
Shelor, Warren S., Inf., O289711
Shiery, Floyd W., Ch., O506245
Siedle, Theodore A., QMC, O903619
Siegert, Carl W., QMC, O228280
Simkus, Clyde C., QMC, O230245
Simmons, Eldridge C., MC, O558551
Sims, Robert D., AC, O484540
Skinner, Edwin C., QMC, O331382
Skinner, Thomas R. W., QMC, O924076
Slaughter, Earl, AC, O338223
Slawson, Merritt O., Ch., O478023
Smith, Bernard B., AC, O164988
Smith, Merle E., MC, O232723
Soderberg, N. B., MC, O460377
Solomon, Morton, CE, O220805
Soule, John E., CE, O169972
Spillman, Lynn, QMC, O251468
Stadta, Raymond M., Ch., O404618
Stanford-Blunden, E. F., QMC, O320799
Steele, Russell D., MC, O296909
Strathern, Arthur D., DC, O335501
Strati, Gaetano V., JAG, O570421
Stratten, Cecil L., AC, O300522
Sturdy, William W., CML, O220557
Taber, Harold, QMC, O446240
Tatar, Stephen A., Ch., O441521
Taylor, Harvey G., MC, O1683642
Thacker, Lloyd W., AC, O276913
Thiessen, Wyan E., Inf., O331037
Thompson, Fulton G., QMC, O182968
Thornton, Enos B., SC, O265346
Tilghman, Mayo T., FA, O269816
Tonnar, Wiley B., QMC, O227635
Totman, Ralph W., AC, O923313
Tvrdy, Henry J., DC, O526163
Van Der Veer, F. W., AC, O193253
Van Keuren, Edwin, CML, O177143
Veillard, Paul G., AC, O312168
Voeller, Charles H., AC, O273042
Waldorf, Walter F., DC, O276611
Ward, Gerald C., AC, O267430
Watterson, Travis K., QMC, O285789
Watts, Roland S., QMC, O904540
Webb, Joseph F., Fin., O900515
Wehrle, Awtry P., Ord., O261621
Weiss, Louis R., DC, O510099
Welker, William K., DC, O356758
Weske, Jack H., QMC, O285012
Westphal, George A., AC, O230999
Westrup, Charles M., Inf., O252747
Wild, Henry H., AGD, O271419
Wilder, Lyndon S., DC, O234878
Williams, Basil E., QMC, O229960
Williams, Frank W., AC, O196807
Williams, Zack M., CML, O338184
Williamson, William E., CML, O917109
Wilson, George H., JAG, O311484
Winkeeper, Henry P., AC, O576740
Winsted, John B., SC, O248786
Wintersteen, Joseph O., MSC, O335204
Wipf, Edmund F., DC, O229569
Woods, Charles T., CE, O295898
Word, Orville C., Jr., CE, O177962
Young, Hamilton R., DC, O254083
Young, John J., MC, O344635
Zanca, Peter, MC, O369962
Zarwell, Edmund O., QMC, O220431

To be captains

Adair, George T., Inf., O309483
Adams, Frank, QMC, O1580556
Adams, Hubert, AC, O260300
Adams, Irving W., AC, O510207
Adams, Thomas E., Jr., Ch., O467986
Aebischer, Joseph E., AC, O384557
Aertgeerts, Jerome E., AC, O480576
Agnell, Peter W., AC, O562700
Akeroyd, Joseph H., MSC, O519883
Akers, Norman E., SC, O443014
Albin, John B., QMC, O270382
Alexander, Nelson S. B., SC, O454973
Alexander, George R., SC, O384444
Alexander, Lawrence H., QMC, O331036
Alford, Ray W., AC, O305318
Alfred, Lee L., Inf., O256747
Alison, John C., SC, O912195
Allcorn, Ford E., FA, O324720
Allen, Leslie R., DC, O1697694
Almond, George W., Ch., O545344
Almy, Donald C., AC, O571597
Alyea, Louis F., AC, O321442
Anderson, George N., JAG, O293989
Anderson, James M., MC, O475152
Anderson, William H., MC, O392901
Andrews, Luther R., Fin., O900887
Arakelian, Diran, AC, O469348
Arbuckle, Robert B., DC, O1745353
Arietta, Frank, AC, O478406
Armstrong, James, VC, O930471
Armstrong, Elbert, QMC, O309786
Arnoldi, Louis B., MC, O329180
Arny, Charles F., Inf., O258411
Ashcraft, James H., Inf., O1796562
Asp, John E., AC, O284488
Atkins, Henry V., AC, O315810
Austin, Edward W., QMC, O359196
Bachman, George A., QMC, O284883
Bacon, John W., AC, O912909
Bagwell, Ray O., AC, O305059
Baird, William C., AC, O908842
Baker, Hinton J., MC, O469650
Baker, Robert L., MC, O363559
Baltzer, Nyles W., CAC, O297365
Banke, Henry H., Ord., O1550102
Barkin, Albert, JAG, O321172
Barnes, John M., AC, O292320
Barnes, V. M., Jr., Inf., O270760
Barnum, Abner J., AC, O373016
Barnum, John M., FA, O295393
Barrett, Buford R., AC, O1019036
Barricklow, William R., QMC, O346808
Barron, James P., AC, O330130
Barron, Thomas S., MC, O1756565
Barrow, Robert L., AC, O903620
Bartelmez, Theodore L., MC, O1717378
Bartlett, John D., AC, O1699570
Batty, Paul S., AC, O305459
Beam, Howard E., AC, O508638
Bearzy, Herman J., MC, O475128
Beauchamp, Edwin L., Cav., O265386
Beckcom, Edwin A., Jr., VC, O368759
Beckenhauer, Neil D., VC, O1765204
Beeghly, Murray J., AC, O1113100
Begland, Walter C., Inf., O902690
Bell, Raymond L., AC, O280268
Benford, James A., FA, O316650
Berger, Joseph H., VC, O381508
Bergin, Gerald A., Inf., O2035287
Bernenko, Herbert, AC, O902712
Berwick, Dudley R., QMC, O317118
Bigelow, Arland E., CAC, O366375
Bisant, Oscar M., Jr., JAG, O269493
Bivins, Luther M., AC, O337344
Blackmon, Roy F., SC, O325979
Blackstone, Kenneth L., AC, O904704
Blair, Arnold D., Inf., O305406
Blair, Joseph R., MC, O1735444
Blair, Robert K., QMC, O327229
Blake, Donald C., QMC, O302699
Blanton, William S., SC, O904027
Blatz, Roman T., Ch., O926098
Bloomquist, Ernest W., VC, O378381
Blythe, William J., Inf., O299229
Bochnowski, Joseph S., FA, O296490
Bodner, Vic F., QMC, O1583957
Bodner, William S., Inf., O320827
Boehme, Charles S., AC, O294380
Bogner, Howard F., QMC, O915182
Boudshu, Lowell T., QMC, O299785
Borecky, Antone, AC, O277649
Brack, Joseph L., JAG, O1317366
Bradley, Glenn M., Inf., O350365
Bradley, John L., MC, O376748
Bragg, Thomas R., QMC, O313059
Branch, Gerald E., AC, O313506
Brenner, Carl F., VC, O331971
Brightwell, Richard J., MC, O336447
Brindle, Harry C., QMC, O321107
Bringman, George A., AC, O401989
Brink, Richard G., DC, O1715855
Brock, Llewellyn T., SC, O1634560
Brock, William W., Jr., Inf., O314981
Brody, David S., MSC, O452838
Brown, Coke F., Jr., AC, O336294
Brown, Ernest E., Fin., O410132
Brown, Isidore, AC, O484932
Brown, Ormonde S., Ch., O509425
Browning, Louis E., MC, O512629
Brubaker, Donald L., MC, O430695
Brubaker, Elbridge L., Cav., O291110
Buchanan, Kenneth W., AC, O496674
Bucher, John C., Inf., O343242
Bucy, Roy T., SC, O476457
Bullock, William W., AC, O571145
Burke, Kenneth T., DC, O544312
Burns, Charles R., DC, O399922
Burns, Kenneth P., FA, O282719
Burr, Roscoe C., QMC, O502836
Burris, Robert F., AC, O288107
Bush, Eugene E., AC, O293699
Butz, William C., MC, O1756464
Byrne, Paul P., QMC, O294482
Byrns, Robert E., Inf., O338217
Cagney, Walter J., QMC, O399232
Caldwell, R. Beverly, Cml, O370027
Carlberg, Lawrence F., AC, O275436
Carmody, John J., JAG, O289497
Carson, Eugene J., Inf., O1320101
Carson, James M., CAC, O293765
Carson, Nathan S., Inf., O1798908
Carter, Bowen C., DC, O426002
Carter, Harold L., AC, O483397
Carter, Willis G., AC, O274929
Carter, Wilbur R., AC, O292852
Case, Charles E., Inf., O1793767
Castle, Shirley M., QMC, O1307941
Caughron, James W., QMC, O279912
Cauthen, William A., CAC, O250061
Cavanagh, John P., Jr., SC, O520189
Center, Joseph F., AC, O582675
Chabert, William A., Jr., CE, O261627
Chaffee, Elmer F., MSC, O493745
Chandler, Edward V., SC, O395995

Chapdelaine, Albert J., Ch., O532223
Chappell, Barney L., Jr., DC, O1701333
Charlton, George R., AC, O505992
Check, Gilbert J., Inf., O327715
Chesson, John B., Jr., Inf., O291400
Chioffe, Harry V., AC, O377141
Christianson, C. S., MC, O542438
Churchill, Randolph E., AC, O259164
Ciccone, Mario A., AC, O565045
Clark, Buford T., AC, O1699219
Clark, Carey A., FA, O249134
Clark, Charles E, AC, O885316
Clark, Joseph T., AC, O252078
Clayton, William T., AC, O325036
Clem, Rhoman E., QMC, O320752
Clem, Wesley A., Jr., VC, O381785
Clifford, Robert L., AC, O302701
Clough, William R., AC, O903521
Cobb, Garth C., AC, O314145
Coeyman, William M., SC, O384784
Coffin, Edward C., Jr., SC, O272198
Cofield, Emory W., AC, O384346
Colvin, Reed N., QMC, O384012
Comstock, Richard H., CAC, O298491
Conner, Robert R., AC, O278545
Connor, Joseph A., Jr., MC, O446200
Cook, John O., Jr., QMC, O284226
Cooley, Edwin R., Inf., O315157
Cooper, Edwin B., AC, O290585
Cooper, Kenneth, FA, O371829
Cooper, Marcus E., QMC, O271533
Corey, Harold L., AGD, O291819
Corley, Meade, QMC, O414732
Cornell, Gordon D., QMC, O344402
Cornelson, Arthur J., QMC, O291014
Covington, F. S., AC, O290971
Cowan, William V., AC, O435615
Coward, Raymond, JAG, O270518
Cowgill, Arden W., AC, O422054
Cowles, Harper B., FA, O283690
Cox, Ardis T., MSC, O529716
Cox, Weldon W., Inf., O328265
Crabtree, Corbett D., AC, O312569
Crank, James R., SC, O441124
Crawford, Marshall J., AC, O1575888
Crosby, Roger M., AGD, O267067
Cross, Clifford E., CE, O916307
Culberson, Virgil B., AC, O354495
Cunningham, John H., QMC, O252808
Curl, Lester C., AC, O249373
Curtis, Homer K., FA, O363908
Dallon, Charles W., FA, O248395
Dame, Hartley F., Inf., O323775
Daniels, Robert F., AC, O374150
Dargusch, Julius T., Inf., O370086
Darnell, George W., AC, O398245
Dart, Roy W., AC, O300283
Davis, George W., AC, O295040
Davis, James B., AC, O285048
Davis, Robert G., Fin., O274756
Day, John F., Jr., FA, O271190
Day, Robert S., AC, O279828
De La Vigne, F. A., AC, O567872
Deamant, Frederick H., AC, O383990
Debardeleben, James M., CE, O249435
Dehle, Alfred H., AC, O399752
Dehne, Edward J., MC, O355646
Deil, Harry, MSC, O336828
Denison, Jack A., AC, O291710
Derrickson, W. B., Jr., QMC, O251404
Devine, Patrick H., Inf., O320705
Devlin, Edward T., Inf., O288437
Dial, Richard J., QMC, O286716
Dichtenmueller, H. R., Ord., O296215
Dick, Chester A., Jr., AC, O290254
Diehl, Forrest V., SC, O345669
Dishman, Silas B., Inf., O244338
Dixon, Holston T., QMC, O349307
Dixon, Thomas V., QMC, O263487
Dodge, Abbott E., QMC, O325905
Dodge, Howard D., FA, O349950
Dolan, Joseph C., CAC, O228092
Dorman, James R. Jr., Cav., O261087
Downs, Walter W., AC, O376455
Drummond, Burleigh B., Ord., O1558260
Dubois, Edgar, SC, O1634698
Duke, James L., AC, O314727
Dunn, Hardie M., Jr., QMC, O918156
Dunn, William P., Inf., O245352
Durand, Forrest V., AGD, O291119
Durbin, William F., QMC, O308953
Durni, Fred K., AC, O516187
Durrum, Emmett L., MC, O1785341
Dustin, Roland L., AC, O506985
Dykes, Clifford E., Inf., O300531
Eakin, John K., QMC, O2009746
Easton, Harry D., Jr., Cav., O293822
Eberhart, Claude M., MC, O358170
Edgerly, John H., Ord., O305602
Egger, Floyd C., MSC, O2048605
Ekstrom, Maurice F., DC, O356820
Elliott, Eugene M., Jr., QMC, O906328
Ellis, John E., Jr., AC, O906510
Ellis, Robert F., SC, O333232
Elmore, Rex J., AC, O255419
Engelman, Elton C., AC, O438194
Erickson, William G., MC, O472472
Erman, Eugene D., MC, O476706
Ettenger, Clayton W., AC, O901152
Evans, Jon P., MC, O531915
Evers, Vincent A., AC, O523534
Ewart, Cyril G., QMC, O909604
Falke, David R., QMC, O299455
Farmer, Wesley E., Inf., O287762
Farrar, Fred J., DC, O486668
Faulkner, John D., MSC, O301042
Faust, Herbert R., VC, O394542
Fenn, Frank L., AC, O360916
Fenske, Leslie C., AC, O901812
Fetterman, Leland L., MSC, O1301282
Fields, William R., QMC, O275477
Finney, Harris E., AC, O583765
Fitch, Richard W., Jr., MSC, O420486
Fleming, Arch C., AC, O479017
Fleming, Clarence A., SC, O1646747
Fleming, John D., AC, O259168
Folley, George M., QMC, O385452
Folling, Bjarne N., VC, O1785584
Forcum, Forrest H., QMC, O1000231
Fortunato, Frank, MSC, O501657
Fox, Julian P., Jr., Cav., O304292
Fox, Vincent W., SC, O1643552
Franks, Stanley K., QMC, O914040
Frantz, James T., Jr., AC, O398381
Freeman, Henry M., QMC, O311374
Freeman, Monroe E., MSC, O497883
Freshwater, Harold L., CAC, O306566
Friedlander, Edward A., AC, O385919
Frost, John R., DC, O483016
Fullerton, Donald J., AC, O2046618
Furey, Lawrence M., QMC, O341884
Gadler, Steve J., AC, O298693
Gaffney, William F., Inf., O269155
Gahr, John A., SC, O1633872
Galer, Michael J., AC, O503589
Gallogly, Ralph F., AC, O254773
Galvin, James A. V., MC, O474313
Gardner, Luther B., MC, O1717588
George, Dominic J., AC, O914913
Gere, Giles H., SC, O303081
Giegel, John S., AC, O308021
Gifford, Gerald K., QMC, O360299
Gilbert, James R., AGD, O354201
Gilland, William F., AC, O914776
Giuliano, Albert, AC, O909776
Goatley, Francis J., QMC, O315177
Gomez, Eliseo, AC, O313245
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Goodhand, Oscar G., Jr., FA, O285119
Gordon, Edward L., AC, O312416
Goss, Donald M., MSC, O295322
Goss, Frank A., MC, O528321
Graham, Marion R., SC, O908453
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Grant, Gilvary P., Ord., O347170
Grant, Walter S., Jr., CE, O304357
Graves, Donald E., SC, O296077
Gray, Russell W., AC, O277465
Greene, Edward C., Jr., AC, O256157
Greene, Frederick L., AC, O365437
Greenwood, Robert C., MC, O346009
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Guerin, Bernard P., Fin., O388388
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Hahn, Russell S., QMC, O885503
Hall, Claude N., AC, O486006
Hall, Harrell G., QMC, O314311
Hall, Harry A., Jr., CE, O333402
Hall, John R., Inf., O245944
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Hall, William J., AC, O292929
Hamilton, James M., QMC, O316633
Hammon, Wilson C., Ch, O936554
Hammond, James H., MC, O302181
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Hancock, John A., AC, O923341
Hand, Charles M., QMC, O303689
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Hargrove, Byron E, SC, O239537
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Harper, Luther, SC, O269002
Harre, Elmer C., Ch., O376637
Harrington, Robert N., DC, O1716573
Harris, Norman O., DC, O400640
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Harrison, William D., AC, O286952
Hart, John J., Inf., O1796277
Hatlem, John C., AC, O923138
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Hawes, Ivan I., AC, O297903
Hayden, Richard A., MC, O460743
Hayward, Harold S., Inf., O248645
Heck, George, QMC, O1039673
Heffernan, Daniel J., AC, O885943
Hein, Neil F., Inf., O272951
Heiss, Jonas S., QMC, O229471
Hellams, Alfred A., MC, O367588
Henderson, Allen R., JAG, O2052780
Henderson, William P., AGD, O277581
Henry, Jay E., AC, O331462
Hensley, Harry S., AC, O355143
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Hess, Glenn C., QMC, O418411
Hickey, Robert E., SC, O443659
Hickox, Dan W., AC, O288301
Hicks, Harold S., AC, O508991
Highsmith, Samuel N., QMC, O903533
Hileman, Cecil A., AC, O399389
Hill, Iden N., DC, O482776
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Hinson, Claude R., Inf., O342320
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Hisle, Robert E., CE, O295610
Hitchings, Donald L., MSC, O519620
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Hodson, James A., AC, O486091
Hoeffler, Hugh B., MC, O471337
Holbein, Fred W., AC, O915597
Holbrook, John, JAG, O284977
Holdridge, Walter H., AGD, O1308512
Holland, Thomas E., AC, O304923
Holliday, John C., MC, O1745362
Hooks, Claud H., AC, O313109
Horseman, Reginald J., AC, O313949
Houghton, Edwin G., AC, O1637708
Houltry, Clyde A., QMC, O286452
Howard, William R., Inf., O387017
Howell, Quincy D., AC, O295228
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Huckins, John H., Cav., O251486
Hunt, William A., Jr., JAG, O312568
Hurley, Charles, AC, O286537
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Huthnance, Guy T., AC, O324476
Hyde, Emery E., Inf., O302352
Ireland, Arthur P., JAG, O295230
Israel, Lawrence J., AC, O914683
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Jackson, Jesse D., FA, O277090
Jackson, William F., Cav., O276209
James, William L., SC, O313426
Jerbi, Frank C., DC, O398379
Jessen, Raymond E., Inf., O1556001
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Johnson, Bertram H., QMC, O321866
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Johnson, Fred C., AC, O294653
Johnson, Henry M., MC, O425167
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Jones, Donald E., MC, O381731
Jones, Robert S., AC, O936379
Jones, Wayne E., AC, O478108
Jones, Winston I., Inf., O312388
Julian, Leonard J., Ord., O308836
Kalberer, Karl H., AC, O262966
Karrer, Robert J., AGD, O250251
Kartman, Jules D., DC, O414196
Keefe, Don R., AC, O279853
Kellers, Frank, SC, O270625
Kelley, Charles W., AC, O1639243
Kelly, Evander F., Jr., FA, O270099
Kendall, Frederick J., Fin., O916456
Kengla, Charles A., AC, O284693
Kenim, Robert E., AC, O907818
Kennett, Donald M., MC, O470978
Kepper, John C., DC, O1765029
Keranen, Charles M., QMC, O2046433
Kern, Theodore D., QMC, O463011
Kiefer, Paul C., AC, O916081
Kimball, James N., AC, O572268
King, Robert W., Inf., O343304
Kinley, Miles A., Ord., O292703
Kionka, John, Ord., O347744
Kish, William E., FA, O295894
Klaas, John H., AC, O580047
Klein, Frederick W., QMC, O395506
Klett, Wilbert M., VC, O1765436
Knox, Raymond A., AGD, O450308
Koehn, Carl J., MSC, O497122
Kovacs, Leslie B., Fin., O563555
Kuhn, Fredolin W., QMC, O452917
Kurland, Anthony M., MC, O1765005
LaBarr, William, AC, O367973
LaCasse, Walter J., MSC, O517170
LaForge, Charles A., QMC, O378992
Lackey, Robert W., MC, O470199
Lambert, Joseph S., AC, O362969
Lampl, Maurice B., CAC, O282156
Lancer, Thomas F., Inf., O355822
Landis, George W., FA, O292130
Landry, Ernest S., SC, O240994
Lane, Danna L., Fin., O1281538
Lane, Thomas H., MC, O388239
Lang, Harold G., Ord., O293624
Lapiana, Vincent F., CML, O266868
Laskey, Herbert H., VC, O1786170
Lassetter, Roy, Jr., Cav., O297428
Lathrop, George E., MC, O552645
LeMay, Lloyd W., AC, O373360
Leavitt, Charles A., QMC, O1995293
Lee, Charles V., MC, O474587
Leiby, Kenneth L., Inf., O1595317
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Lett, James E., MC, O358049
Levin, Edward, Fin., O324153
Lewis, David N., JAG, O383619
Lewis, Earl W., AC, O434977
Lewis, William B., Jr., MC, O402219
Lifshutz, Oscar M., Ch., O933279
Lindal, Herbert F., QMC, O250926
Lindstrum, Herbert J., AC, O239930
Livingston, James L., AC, O559486
Lock, Gregory J., Ch., O299513
Lockett, John, FA, O252494
Logue, Richard M., MC, O502371
Long, David W., AC, O388950
Long, James G., MSC, O326012
Long, James E., DC, O368090
Lowenstern, Sidney, QMC, O278303
Lowman, Richard C., AC, O310824
Luce, Frank L., Jr., AC, O575403
Ludl, Innis A., AC, O296202
Lynch Victor T., Jr., SC, O449670
Lyons, John H., MSC, O487679
MacAllaster, W. R., SC, O480129
MacArthur, Donald P., JAG, O277595
MacPherson, Robert H., Fin., O1280231
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Magness, Thomas H., Jr., CML, O240033
Mahan, Fulton S. D., AC, O318188
Mahoney, James H., Inf., O283025
Majors, Paul A., MSC, O503019
Malinowski T. S., MC, O470719
Mallory, Meredith, Jr., MC, O1736114
Mamelok, Harold L., MC, O461410
Mandell, Leo, AC, O563768
Manly, Lorraine L., AGD, O300272
Manov, Charles F., QMC, O347497
Marett, William C., Jr., MC, O371886
Marker, Harry J., Ord., O1551456
Marsh, William R., AC, O312713
Marston, Glenn F., AC, O382113
Martin, John A., QMC O260351
Martin, Norman E., FA, O303696
Martin, Prescott L., Jr., AC, O440583
Massingale, John T., QMC, O294979
Mathews, James M., SC, O314508
Maxey, Howard C., VC, O306238
Maxey, Peter U., QMC, O306581
McAllister, Robert V., MC, O447713
McArthur, Luther W., Ch., O509090
McCallum, Charles F., QMC, O321084
McCandless, Paul C., Ch., O513963
McCarthy, Fred M., AC, O278597
McCarty, Robert S., Ch., O510136
McClure, William H., AC, O322122
McConnell, Veon M., Inf., O356958
McCoy, Kermit H. G., QMC, O359085
McCune, Samuel J., Inf., O315536
McCutcheon, Howard S., Inf., O506330
McDaniel, Willis O., Ord., O320506
McDermott, Charles M., AC, O347960
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McGary, Thomas B., Ord., O384487
McGrath, Thomas J., AC, O722551
McGuire, Donald A., QMC, O1945658
McHenry, Charles M., AC, O303155
McKenna, Robert A., Inf., O331391
McKerley, James A., QMC, O282468
McLaughlin, H. H., Jr., CAC, O365525
McLucas, John J., MC, O1785573
McNair Joel N., MC, O1715418
McNamara, E. A., Jr., AC, O578454
McNamara, William J., Inf., O901919
McNew, Glen T., AC, O294600
McShane, James E., QMC, O307211
McShea, Royal E., FA, O308128
Meehan, Patrick H., SC, O1642369
Meek, John A., CE, O466199
Melhorn, William H., AGD, O373149
Merle, Leo V., Jr., SC, O397051
Merrick, Dana T., CE, O246382
Merry Lyndon W., Inf., O303515
Messec, Harry S., FA, O294263
Metcalfe, George, SC, O294186
Metzgar, Richard A., DC, O1755543
Meyer, William J., AC, O285067
Middlebrooks, M. A., CML, O277833
Middleton, Marter D., SC, O480059
Mikola, Oliver J., DC, O1766365
Miller, Frank R., QMC, O379061
Miller, James R., SC, O451496
Miller, Marion C., Inf., O289064
Miller, Oliver W., AC, O320222
Mills, Ray, AC, O480519
Minerva, Frank D., MC, O426729
Minnich, Edgar R. JAG, O236325
Misevic, George W., QMC, O316044
Mitchell, Irvin F., AC, O333733
Moberley, Kirk B., JAG, O299361
Moffett, Robert L., QMC, O371298
Mogford, Ronald, AC, O505869
Mohler, Orville E., AC, O349410
Mohr, Clifford F. L., AC, O363935
Moise, Samuel L., AC, O315642
Monahan, Francis H., AGD, O358925
Monk, George E., JAG, O256717
Montague, Ernest K., MSC, O1533638
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Montcalm, Rosario L. U., Ch., O530508
Montgomery, Austin J., QMC, O290327
Monti, Gilbert A., QMC, O2040824
Montilla, Rafael, Inf., O1301860
Moore, Charles F., SC, O451520
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Moore, Harmon D., Ch., O486244
Moore, Henry H., Jr., Fin., O329177
Moore, Porter B., AC, O305067
Moore, Robert B., QMC, O907879
Moore, Walter H., Jr., MC, O1727228
Moran, James J., AC, O309920
Moran, John P., SC, O473835
Moreman, Otis S., Jr., QMC, O306517
Morgan, Bernard B., DC, O481197
Morgan, Charlie E. A., QMC, O304809
Morgan, Joseph H., QMC, O340926
Morrell, Joseph J., Ch., O514439
Morris, Harold T., AC, O292798
Morris, Lee, Inf., O1294178
Morrison, Albert M., AC, O278717
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Morrow, James D., QMC, O303523
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Moss, Henry J. Y., AC, O905414
Mowery, William A., CE, O293610
Moyer, John H., MC, O517700
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Muffle, Sam F., Inf., O338008
Mullen, Carroll C., QMC, O318086
Murphy, Jack R., QMC, O264041
Musgrove, Albert M., Jr., AC, O255559
Musser, Benjamin G., MC, O477197
Mutschler, Gustave W., AC, O907777
Myers, George E., CAC, O307868
Myers, Robert M., AC, O524497
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Nannariello, Joseph J., MC, O420007
Naughton, Herbert H., QMC, O298070
Neel, John S., JAG, O295410
Neill, Samuel S., CAC, O265481
Nelson, Ralph E., Inf., O333614
Neuman, Frank A., MC, O460757
Newell, Thomas O., AC, O430191
Newkirk, Raymond F., Inf., O317345
Newland, Paul, QMC, O1568203
Newman, Samuel W., AC, O360167
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Nicholson, Robert W., MC, O1725915
Noel, Edgar A., Inf., O356952
Nolan, Elmo D., MSC, O487733
Norby, Thomas, QMC, O294860
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Norman, John E., QMC, O264740
Norris, Clovis B., Fin., O349030
Nowak, Henry T., DC, O515755
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Nunn, George V., FA, O294052
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Oakes, Curtiss W., Inf., O300231
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Oboler, Max, QMC, O1312323
O'Brien, Robert J., DC, O1705055
O'Bryan, Joseph E., AC, O473215
O'Connor, Herbert J., QMC, O288243
O'Connor, James C., JAG, O1793048
O'Connor, Walter B., FA, O395905
O'Donnell, Robert J., FA, O348974
Oman, Paul W., MSC, O496698
Orange, Arthur J., MSC, O1000103
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Paden, Kenneth W., AC, O510497
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Palmer, Richard E., MC, O448615
Pankey, Russell G., AC, O288127
Pappas, Christopher L., QMC, O405127
Parker, Harry C., SC, O280877
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Parr, Clifford E., QMC, O368134
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Payne, Laurance B., QMC, O312794
Peel, Robert T., AC, O908735
Pennepacker, R. O., MSC, O2048106
Perkins, Harold T., QMC, O287140
Persell, Robert A., AGD, O311009
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Peterson, Charles D., QMC, O393617
Peterson, Ted W., SC, O326234
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Phillips, Henry L., QMC, O249446
Pierce, John F., MSC, O518422
Pillsbury, Robert D., MC, O391154
Pinkerton, Peter F., Ord., O276293
Pihal, Joseph A., SC, O316101
Powell, Malcolm T., Inf., O271052
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Prall, Josef A., Inf., O303840
Pratt, Warren K., QMC, O1544060
Price, Neill F., QMC, O315283
Prochazka, Theodore V., AC, O344205

Pumpelly, James W., Cav., O366561
Quin, Harold J., AC, O1639920
Quinlan, Edward W., CAC, O310596
Quinlin, Frank C., QMC, O302794
Radam, David, Inf., O294250
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Rauen, Robert L., AC, O901624
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Ray, Claude E., QMC, O260391
Ray, Frederic D, Inf., O294209
Ray, Hugh J., AC, O329491
Reed, Herbert N., QMC, O275938
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Reeder, Horace G., 2d, AC, O292677
Reid, Archibald C., Jr., AC, O1646897
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Rhoads, Donald C., AC, O910999
Rhode, John E., AC, O569916
Ribbs, Edward J., CE, O1116621
Richards, Anthony C., DC, O398101
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Ricketts, Curtis T., CE, O265706
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Riggs, John W., AC, O287519
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Ross, Robert C., AC, O491941
Roth, Wenzel D., QMC, O262315
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Rothe, Courand N., MC, O380904
Routh, John B., Cav., O328240
Rowe, Robert B., MC, O472200
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Rudd, Robert R., MC, O1734917
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Rutz, Lee J., CAC, O277787
Ryan, Frank L., AC, O564204
Ryan, Lloyd F., AC, O403708
Ryan, Thomas A., JAG, O1017183
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Sanders, Donald A., Cav., O382165
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Savage, Lawrence B., Jr., AC, O311343
Sawyer, Clifford L., QMC, O1299479
Sawyer, Royden K., MC, O469600
Sax, Samuel E., QMC, O312050
Saxer, Elwood F., Inf., O304926
Saxton, Marvin A., CE, O414818
Scarborough, L. M., FA, O278371
Schaefer, Roman J., Ch., O545508
Schaudt, Elmer M., SC, O302218
Scheibley, Ralph B., AC, O300961
Schill, George J., Ord., O509394
Schmidt, Edwin W., MC, O478666
Schmidt, Eugene E., AC, O475726
Schneider, Milton G., AGD, O1307756
Schroeter, Oscar A., QMC, O247728
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Schweinler, Dale J., Inf., O334290
Scott, Clifford L., Inf., O371629
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Scott, Walter G., AC, O266590
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Shelton, Willis E., AGD, O317515
Shewmake, James C., AC, O573345
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Shreve, Taylor S, AC, O395245
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Siemon, August F., AC, O573360
Simmons, Frank M., QMC, O303108
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Simons, Robert L., DC, O1696843
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Skinner, Leo V., AC, O259794
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Smith, Harold C., AC, O494269
Smith, James B., SC, O283135
Smith, Lewis A., MC, O416614
Smith, Ralph B., MC, O479939
Snider, Yenne E, Inf., O265512
Sockoloski, A. J., QMC, O371786
Sondergaard, Nils E., DC, O1756231
Spark, John R., AGD, O445262
Speakman, Walter F., MC, O1775863
Sperring, David H, Ch., O933149
Sperry, Frederick M., QMC, O285910
Splittgerber, Homer H., MSC, O358343
Spreng, Richard G., CML, O280688
Springfield, Robert W., AC, O914353
Stanwix-Hay, Allen T., SC, O306377
Stark, Henry J., AGD, O283615
Starks, Leslie E., MSC, O276875
Stears, Paul A., AC, O266257
Stebbins, Luther R., AC, O337915
Stefansson, Ragnar, AC, O404343
Stein, John F., FA, O304185
Steinbock, Henry F., MC, O371013
Steiner, Raymond B., Cav., O319145
Steinkrauss, Albert M., QMC, O1582569
Stevens, Alfred L., Ord., O292764
Stevens, William W., CML, O302979
Stevenson, Jerome M., Ord., O323133
Stewart, Thomas B., AC, O321152
Stickle, Horton W., Jr., AC, O304020
Stocker, Eugene E., SC, O326250
Stockton, Marsh P., QMC, O320104
Strandberg, Earl R., AC, O573880
Strieber, Edward M., AC, O398567
Swisher, Arthur O., QMC, O318266
Sylvester, Robert W., AGD, O1001475
Taaffe, George T., AC, O464116
Taber, William R., Inf., O341549
Taggart, Owen H., Inf., O297417
Taro, Alfred L., MSC, O2048168
Taylor, Henry J., AC, O262955
Taylor, Newell E., Ch, O543533
Taylor, Walter A., AGD, O386221
Temple, Harry D., QMC, O316135
Tennant, Richard S., QMC, O1101240
Terry, James B., AC, O2034960
Teter, Lester W., AGD, O888527
Thomas, Herrick M., MC, O508359
Thomas, William R., QMC, O278721
Thompson, John A., AC, O388893
Thomson, Milton P., JAG, O286593
Thomson, Robert S., AC, O909365
Threlkeld, Lawrence C., Fin., O323332
Tillotson, James K., MC, O1765363
Tilson, George E., CAC, O309833
Tindall, Robert W., Ch., O514892
Tirman, Robert M., MC, O467540
Tolle, Carroll K., AC, O566927
Tolman, John D., CML, O279533
Townsend, Frank M., MC, O378111
Traeger, George Z., QMC, O270127
Trainor, Thomas J., SC, O443529
Tucker, Elon B., MSC, O529324
Tucker, John M., AC, O273744
Tune, Cecil L., SC, O304194
Turner, Alexander S., SC, O357276
Turner, Howard E., AC, O496541
Turner, John G., CAC, O306596
Tuttle, Charles L., MC, O40443[illegible]
Tuttle, Richard H., DC, O1766943
Urquhart, Lloyd C. E., AC, O906806
Vail, Bruce H, SC, O492327
Van Fleet, Raymond, QMC, O306111
Van Sloun, Paul W., SC, O904152
Vance, William W., CE, O902396
Vandel, Frederick M., MSC, O1547194
Vote, Ralph B., Jr., Inf., O403796
Wade, Ralph H., AC, O901158
Wagner, Carl N M., QMC, O282217
Wagner, John G., QMC, O301324
Walker, F. N., Jr., CAC, O292258
Walkowski, Joseph A., MSC, O492966
Wallace, James H., AC, O304094
Wallar, Homer R., Fin., O395356
Wallis, Howard G., AC, O297044
Walls, John H, Jr., AC, O305073
Walrod, Harold H., Inf., O1287444
Walsh, Aloysius J., QMC, O924326
Walterhouse, Harry F. Inf., O331103
Ward, Rufus K., AC, O371378
Ward, William H., Jr., JAG, O362507
Watkins, Guy L., AC, O675969
Watkins, William A., Inf, O268329
Waugh, Richard G., AC, O907320
Weeks, Rubert A., DC, O356757
Weixel, Francis X., MC, O1716708
Welch, Robert N., AC, O326023
Welchner, Carl E., AC, O313604
Wheeler, Charles A., AC, O888387
Whitaker, W. R., Jr., CE, O248736
White, George W., Inf., O240183
White, William B., AC, O450945
Whitsett, William L., QMC, O316432
Whitton, Joseph F., Jr., Fin, O395539
Wicker, Jamie L., AC, O906656
Wiemer, Robert A., MC, O1718040
Wilder, Claude O., VC, O312015
Wilder, Webster, Jr., FA, O302843
Wilkin, Wendell R., MSC, O1080500
Williams, Alfred A., Ch., O395432
Williams, George W., Ch., O437477
Williams, Ralph I., AC, O305671
Willis, Donald K., AC, O885159
Willis, Jack E., MC, O1786503
Willis, Winslow R., CE, O268731
Wilson, Donald B., FA, O247119
Wilson, Lewis B., AC, O314424
Wilson, Lynnford S., SC, O320310
Wiltrakis, Edward J., CE, O329560
Winckler, Rudolph G., SC, O271228
Windham, Andrew A., MC, O1736324
Wingo, Charles A., SC, O371522
Winters, Eugene M., Inf., O276602
Wolfe, Rowland D., Jr., DC, O1744889
Wolfsohn, Robert S., AC, O312084
Wood, Roy J., AC, O907525
Wood, Wayne L., Ord., O270687
Woodward, Alfred W., Fin., O1280486
Woodyard, Donald H., AC, O291177
Woolley, Donald J., Inf., O280460
Worgan, David K., MC, O472093
Wright, Jay W., Inf., O400671
Wright, Paul E., MC, O1735951
Wyckoff, Elmer R., AC, O250769
Wyers, Carl A., JAG, O315487
Wylie, Donald P., Ord., O243898
Yates, Virgil T., MSC, O1543646
Yeager, Jack O., MC, O326114
Young, Ben M., Inf., O424807
Young, Charlie L., Fin., O391643
Young, Stanley A., Inf., O281511
Young, Victor H., MC, O438867
Zuber, Jack M., DC, O1756976

To be first lieutenants

Aaron, Thomas R., AC, O508800
Abbotts, Lloyd F., AC, O423904
Acebedo, Bruce H., AC, O802824
Adams, Ben M., AC, O420358
Adams, Edward S., MSC, O1545818
Adams, Howard R., AC, O2062623
Adamson, Norman F., AC, O731915
Addis, Walter A., AC, O693587
Aderholt, Harry C., AC, O679802
Adler, Bernard R., AC, O635342
Affick, Robert R., AC, O407845
Agnew, John P., Jr., CE, O467788
Agnew, Robert R., AC, O784118
Alba, Michael, AC, O760219
Albrecht, Raymond F., AC, O696409
Alexander, James F., AC, O792039
Alexander, Maurice S., CE, O1100834

Alexander, Woodrow E., AC, O560031
Alexander, Jerome C., AC, O659031
Alexander, Robert B., AC, O725394
Alford, David G., AC, O399481
Allen, Charles S., AC, O2061860
Allen, Charles D., Inf., O530042
Allen, Clayton F., AC, O791545
Allen, Ed C., AC, O2040678
Allen, Edwin W., Jr., AC, O550202
Allen, Frank W., AC, O737321
Allen, Hubert E., AC, O705279
Allen, James L., CE, O1100998
Allen, Reuben P., Jr., AC, O432312
Allen, Roy L., AC, O550201
Alley, John A., Jr., Inf., O1795839
Alling, Charles C., DC, O936894
Am Rhein, Anthony W., AC, O807805
Amann, John R., AC, O431549
Ambrecht, John F., AC, O1324124
Amend, Frank R., AC, O411909
Ammon, Robert H., AC, O692631
Amos, William J., AC, O888722
Amundson, Maynard N., AC, O663452
Anderson, Arthur, AC, O785459
Anderson, Bernard E., AC, O724109
Anderson, George F., AC, O342704
Anderson, John D., AC, O379431
Anderson, John J., AC, O812206
Anderson, John R., AC, O874159
Anderson, Leland E., CML, O340614
Anderson, Leonard W., AC, O431836
Anderson, Paul E., Jr., AC, O807960
Anderson, Ralph C., Inf., O1059390
Anderson, Ralph R., Jr., AC, O1100855
Andresen, Malcolm K., AC, O724001
Andrews, Albert E., QMC, O536278
Andrews, George A., AC, O705091
Andrews, Thomas J., AC, O885121
Andridge, H. W., Jr., AC, O664492
Annis, Ross E., Jr., AC, O1552002
Antonucci, Frank R., AC, O804917
Arakelian, Edward J., AC, O587001
Arbuthnot, George S., AC, O725656
Archer, Oneal J. T., AC, O417927
Archibald, Thomas G., AC, O665157
Arcuri, Michael J., AC, O1576885
Arduengo, Joseph A., AC, O672291
Arendt, Harry S., AC, O1586411
Arey, Warren F., AC, O671627
Armstrong, John A., AC, O418476
Arnold, Gene G., AC, O764167
Arnold, Harold M., AC, O790933
Arnold, William C., AC, O586506
Aronstam, Elmore M., MC, O464542
Arthur, Ambrose C., QMC, O407547
Asch, Alfred, AC, O724368
Ash, Laurence W., SC, O1634090
Ash, Ralph K., AC, O812350
Ashland, Maurice I., AC, O523431
Ashton, Alfred J., Jr., AC, O757680
Ashton, Morton R., AC, O694300
Askwig, Glenn W., AC, O562429
Asmus, Edward P., AC, O424706
Aswad, Saleem, AC, O750306
Atchison, Frank K., AC, O547128
Athan, Byron D., QMC, O389412
Athan, Harold W., SC, O1643614
Atkins, Robert M., Inf., O379957
Atkinson, Berkeley, AC, O823195
Atterholt, Charles W., AC, O726300
Audet, Charles W., QMC, O938182
Austin, Alfred H., AC, O575901
Austin, James M., AC, O406824
Austin, Joe, Jr., AC, O2061591
Avery, Spofford E., FA, O453365
Axum, Robert B., QMC, O1946650
Ayers, Augustine W., AC, O821930
Ayres, Langdon F., AC, O855709
Bachman, Clark H., FA, O452560
Badraun, Warren W., AC, O724670
Bagby, Francis K., CE, O379208
Baggaley, Thaddeus S., AC, O714603
Bailey, Harry B., AC, O570073
Bailey, James W., AC, O1558999
Bailey, James E., Jr., AC, O403707
Bailey, Joseph A., AC, O1055550
Bailie, Irwin L., AC, O740338
Bainer, John W., AC, O666118
Bair, Joe C., AC, O872850
Baird, Harold H., Jr., AC, O802515
Baird, Julian B., AC, O725121
Baker, Leonidas, AC, O377781
Baker, Marvin E., AC, O433342
Baker, Merlin W., AC, O795174
Baker, Robert G., AC, O417143
Baker, William H., AC, O768409
Baldridge, William H., AC, O764587
Baldwin, Allen E., AC, O426884
Baldwin, Elwyn S., AC, O427584
Baldwin, Irl E., AC, O427113
Bales, Jack T., AC, O1641991
Ball, Edgar D., AC, O424883
Ball, Fred G., AC, O391199
Ball, Raymond C., CAC, O341462
Ballard, Herbert L., AC, O815801
Ballinger, Philip R., AC, O671484
Bandorsky, Stephen M., AC, O2055785
Banning, Richard E., AC, O437942
Baranowski, Leo F., DC, O1755821
Barber, Charles N., CML, O1035028
Barber, James L., Jr., AC, O1281022
Barber, James B., AC, O650044
Barber, John H., Jr., AC, O726306
Barber, Zeneth O., AC, O483455
Barbour, Walter R., AC, O811311
Barclay, Errol D., AC, O754404
Barile, Anthony P., AC, O679975
Barker, Cleveland A., AC, O570745
Barker, Dorsey G., AC, O2066490
Barker, Edwin H., Inf., O540732
Barkovich, Anthony, QMC, O576814
Barlow, Myron F., MSC, O334393
Barnard, William F., Jr., AC, O377544
Barnes, Charles C., AC, O789041
Barnes, Clarence E., Jr., AC, O556110
Barnett, Clyde H., Jr., AC, O430769
Barnett, Herbert C., MSC, O529738
Barnett, James W., AC, O803137
Barnett, Willard, AC, O777554
Barouch, Robert, AC, O518817
Barr, Jennings M., AC, O717557
Barr, Robert R., AC, O433167
Barr, Thomas A., AC, O813111
Barraclough, Edmund L., AC, O731792
Barrett, Alfred W., Jr., AC, O745583
Barrett, Burton S., AC, O773068
Barrett, Francis E., AC, O2044836
Barrett, Harold W., AC, O406185
Barrett, Joseph E., AC, O684673
Barry, Learned W., AC, O774921
Barth, John C., AC, O763033
Bartlett, Edgar E., AC, O326921
Barton, Porter, Jr., AC, O795448
Bartosik, Matthew J., Fin., O369909
Bartow, Charles P., Ord., O422099
Barwick, Raymond C., AC, O812356
Bates, Frank A., Jr., CAC, O414020
Bates, Robert E., DC, O1754838
Bathurst, Raymond J., AC, O813294
Bauers, Frank W., Jr., AC, O452030
Bauman, Norman J., AC, O826849
Bauman, Ray W., AC, O758676
Bauwens, John H., AC, O684238
Baxter, Clifford F., AC, O748324
Baxter, Richard R., Fin., O587024
Beam, Edgar S., AC, O789002
Beam, Walter J., AC, O781780
Bearden, Joe, AC, O757765
Beasley, Henry A., AC, O397188
Beattie, F. F., Jr., QMC, O1043017
Beaumont, James M., SC, O552254
Beaumont, Leeroy H., Jr., QMC, O1594022
Beaver, Earl L., AC, O751241
Bechtel, Charles R., AC, O689445
Beck, Joseph P., AC, O567246
Becker, Marvin J., AC, O843116
Beckett, James P., AC, O782131
Beckstrom, Kenneth W., AC, O420799
Becnel, Joseph R., AC, O365117
Beem, Samuel M., SC, O1642671
Beety, William D., Jr., AC, O1297479
Behrens, William C., AC, O1112558
Belford, Jack F., Inf., O1324718
Belisle, Maurice A., Inf., O407847
Bell, Charles A., AC, O431690
Bell, David H., AC, O862188
Bell, Gerald B., AC, O440968
Bell, John F., AC, O389828
Belser, Irvine F., Jr., FA, O375182
Benbow, John W., AC, O742935
Benedict, Paul M., AC, O668390
Benedict, Robert D., AC, O802522
Benedict, William P., AC, O884138
Benevent, Foch J., AC, O748893
Benham, Harold N., AC, O711316
Benjamin, Walter P., AC, O1002165
Benkoski, Stanley J., AC, O748528
Bennas, James G., AC, O560620
Bennett, John M., AC, O885916
Bennett, John J., AC, O702886
Bennett, Ronayne W., Ord., O551106
Bennett, Thomas W., Jr., AC, O791373
Bennett, Warren A., AC, O411194
Benoy, Harlan H., AC, O437004
Benson, August G., AC, O580542
Benson, Richard T., FA, O342521
Beretta A. H., AC, O1650819
Berg, Howard L., AC, O520045
Berg, Walter W., AC, O411683
Berger, Kenneth S., AC, O2012789
Berggren, John S., AC, O548680
Bergmann, C. H., Jr., AC, O380538
Berry, Gleneth B., AC, O431714
Berry, Lon B., AC, O562529
Berryman, Delbert Q., AC, O2073898
Best, William H., Jr., AC, O865373
Best, William M., AC, O567301
Bethart, Hector, DC, O937459
Betts, Russell W., Jr., AC, O413048
Biedul, Chester A., AC, O748896
Bielski, Casimer, Jr., AC, O2065705
Bierman, Clarence E., AC, O833691
Bigelow, Baxter B., AC, O710419
Biggs, George J., AC, O424789
Bigum, Alfred C., AC, O670338
Bilby, Bedford B., AC, O675159
Biles, James L., Jr., AC, O1280307
Bills, Ralph C., AC, O725248
Birbeck, Richard W., AC, O854952
Bird, Charles H., AC, O429906
Bird, Sidney A., Jr., AC, O392427
Biretta, Algert A., AC, O460728
Bishop, Samuel W., AC, O396359
Bissonnette, Alfred G., AC, O729111
Black, Daniel N., Ord., O325606
Black, Jim, AC, O665979
Black, Lee C., AC, O571012
Black, Robert E., AC, O2055763
Black, William T., Jr., AC, O735028
Blackwell, John R., Ord, O454622
Blackwell, Frank B., AC, O682776
Blair, Alan H., AC, O411394
Blair, Frank S., AC, O725404
Blair, Wayne A., CE, O540646
Blair, Will N., AC, O806392
Blakeslee, Theodore E., MSC, O889116
Bland, George T., AC, O587041
Blanton, Ernest L., AC, O679985
Blatt, Seymour, AC, O585331
Bledsoe, John D., AC, O726990
Bledsoe, Samuel B., Jr., AC, O441826
Blehm, Harold E., AC, O399650
Bliss, Charles J., Ord, O529995
Bliss, Charles C., AC, O735030
Blondet, Jose, AC, O512090
Blood, Keneth E., AC, O695794
Bloom, Edmund S., AC, O430275
Blum, Edward F., AC, O431241
Boatright, Lloyd A., AC, O559606
Bodnyk, Metro, AC, O1576942
Boggs, Aaron J., AC, O460074
Bogle, James G., QMC, O451433
Bohan, Robert E., Jr., AC, O426039
Boland, Jeremiah M., AC, O748537
Bolen, Robert J., AC, O729115
Bollard, Donald W., AC, O744296
Bolton, Robert Y., AC, O2062748
Bomar, William B., AC, O812213
Bond, Byron F., AC, O826081
Bondhus, John O., Jr., AC, O504529
Bonebrake, Robert R., AC, O401362
Booker, George E., AC, O683648
Boosembark, F. K., AC, O2072630
Booth, Cornell D., Ord, O422075
Booth, Kenneth L., FA, O374864
Booth, Robert E., AC, O398579
Boothe, John E., Jr., Inf, O351095
Boothe, Marvin R., AC, O779087
Borbe, Alfred T., AC, O1696681
Borgeson, Ralph P., AC, O758296
Borodkin, Marvin, AC, O773076
Boroughs, Samuel L., AC, O783500
Boston, James D., Jr., AC, O725488
Boston, Joseph H., AC, O810309
Bosworth, Richard A., AC, O710433

Bourgault, Samuel P., AC, O588272
Bovee, Clifton W., MSC, O513698
Bowen, Jarrette D., AC, O760436
Bowen, Lewis L., AC, O430918
Bowers, Bernice O , AC, O732138
Bowers, Hal G., AC, O760235
Bowers, Robert D., AC, O427509
Bowman, George A., Jr., AC, O859786
Bowman, James R., AC, O737340
Bowman, John S., AC, O363719
Bowyer, Wesley O., AC, O1300123
Boyd, Clifton L., AC, O828932
Boyd, Raymond A., AC, O823295
Boyd, Robert R., AC, O673214
Boyd, Wilmer E , AC, O828933
Braddock, Joel Q., AC, O392743
Bradford, C. F., Jr., AC, O2059953
Bradford, James W., AC, O726320
Bradley, Francis T., AC, O425752
Bradley, George J., Jr., AC, O674720
Bradley, James L., Jr., AC, O725126
Bradley, L. C., Jr., AC, O435847
Bradley, Robert J., MC, O469086
Bradshaw, Morris H., AC, O1553957
Brady, James F., Jr., AC, O724009
Brandau, Otto H., AC, O431558
Brandeberry, F. E., Jr., AC, O1548653
Brandenburg, Warner O., AC, O567432
Brandstrom, Alfred R., AC, O453904
Brandt, Leroy J , SC, O1637430
Branigin, James E., QMC, O407201
Brannon, Earl W., Jr., MC, O478938
Brantley, William L., AC, O1284643
Brasier, Carl O., AC, O768428
Brass, Ernest H., AC, O716624
Brassfield, William H., AC, O468362
Bray, Jack W., AC, O398581
Brazelton, Leslie F., AC, O763926
Breindel, George J., AC, O430051
Brendle, George R., AC, O687286
Brenker, George A., AC, O805243
Brennan, David T., AC, O437447
Brennan, Gerald W., AC, O1646808
Brennan, John J., Jr., AC, O404232
Brennan, Walter J., Jr., MC, O1717266
Brereton, Roy G., AC, O761865
Brewer, John E., CE, O366511
Bridgman, Paul W., AC, O701880
Briery, Jack, JC, O1165475
Briesemeister, E. E., AC, O664731
Briggs, Randall W., MC, O1717476
Frigham, Bruce A., QMC, O547557
Bright, William, AC, O812741
Briley, Carlus L., AC, O438496
Brimhall, Victor O., AC, O725670
Brinnon, William H., FA, O544349
Brion, Charles W., AC, O562617
Briscoe, William T., QMC, O1050564
Britt, Daniel T., Jr., AC, O797783
Britt, Jessie W., AC, O1995932
Britt, Robert C., FA, O1172391
Brittle, Kent H., AC, O1290195
Brizzard, John M., SC, O446417
Broach, William G., Jr., AC, O791277
Brockmire, William, AC, O754587
Brooking, George R., AC, O432038
Brooks, James L., AC, O681600
Brooks, John M., Inf., O417285
Brooks, Waldo W., Jr., Inf., O1308591
Brooks, William D., Jr., AC, O814411
Brooks, William C., Jr., AC, O669002
Broome, William B., Jr., AC, O399874
Brotherton, Richard W., CE, O391828
Broughton, Richard N., AC, O812933
Brower, Charles F., 3d, AC, O812045
Brown, Billy R., AC, O421566
Brown, Bryan W., Jr., AC, O421035
Brown, Charles W., AC, O532036
Brown, Chester L., AC, O669447
Brown, Claude J., AC, O671872
Brown, Donald G., AC, O701888
Brown, Harvey N., AC, O404081
Brown, Jerry W., AC, O806204
Brown, Ledley N., DC, O1736568
Brown, Mark J., Jr., AC, O418665
Brown, Ned H., AC, O764110
Brown, Norwood J., AC, O406226
Brown, Samuel B., 3d, AC, O794626
Brown, Shannon D., SC, O450808
Browne, Charles I., Jr., AC, O873659
Brownewell, John L., AC, O373805
Browning, Edward A., SC, O1637102
Brownlee, Gordon L., Jr., AC, O690182
Brownley, Richard H., CE, O546115
Brubaker, Robert E., AC, O790506
Brubeck, Edwin H., AC, O861574
Bruce, Avery C., Jr., AC, O432617
Bruce, Joe B., AC, O687738
Bruce, Leroy J., AC, O690919
Bruch, George D., AC, O559637
Bruckner, Louis M., AC, O731257
Bryan, Donald S., AC, O727398
Bryan, Warren L., AC, O819483
Bryant, Billie B., AC, O1550760
Bryant, Robert E., QMC, O1580694
Buchanan, Stanley M., AC, O865798
Buck, Robert E., AC, O518538
Buckholts, Paul O., AC, O424097
Buckingham, Kent O., AC, O692655
Buckley, Thomas, SC, O414827
Buckley, William A., AC, O429753
Buckwalter, Charles Q., AC, O1703076
Budge, Kenneth R., Inf., O411800
Budroe, George L., AC, O700904
Buechner, William A., AC, O424243
Buehler, Roger G., AC, O777573
Buehler, Vernon M., Fin., O410291
Buerkle, Bill, SC, O1634577
Buersmeyer, Wilfred C., AC, O2053807
Buford, William M., AC, O688306
Bull, Leonard P., AC, O792432
Bull, Richard T., QMC, O467677
Bull, Russell T., Inf., O315690
Bull, Stephen D., Jr., AC, O1635643
Bullard, Robert H., SC, O869845
Bullen, Howard R., Jr., AC, O861420
Bumgarner, Amon G., AC, O663014
Bunney, William K., Inf., O1307502
Bunson, Sydney M., MSC, O2048863
Burgdorf, Paul J., AC, O696547
Burge, Virgil O., AC, O789005
Burgess, Charles A., Jr., Inf., O425928
Burget, Carl E., AC, O577020
Burk, Marvin F., AC, O432569
Burke, Robert E , AC, O2065374
Burkett, Reinhold E., AC, O437445
Burleson, Aaron C., AC, O720994
Burlison, Warren A., AC, O707848
Burnett, William H., AC, O863905
Burnette, Willis D., AC, O567516
Burningham, Haven R., AC, O761870
Burns, Charles T., AC, O1299986
Burns, Robert W., QMC, O1584167
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Burnstedt, Lloyd E., AC, O387511
Burr, Lynn S., QMC, O1575812
Burrill, Wilson E., AC, O417182
Burrows, Adrian M., AC, O793058
Burrows, Lawrence A., AC, O679990
Burrus, Donald E., AC, O857181
Burtnette, C. S., Jr., AC, O429355
Burton, Herbert C., AC, O659798
Burwell, John D., AC, O758306
Bush, Harry R., QMC, O391752
Bush, William B., Jr., AC, O1698901
Bush, William K., AC, O551720
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Buth, William H., QMC, O1574623
Butler, Edward D., AC, O735743
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Butler, Wesley F., Jr., AC, O785980
Butman, Paul M., AC, O391688
Butt, Oscar A., AC, O756475
Button, Louis H., AC, O567531
Buttrill, Harlan C., AC, O342156
Butts, Elliot W., Jr., AC, O794630
Byall, Paul W., AC, O649748
Byerly, Herman F., AC, O818481
Byers, Carl F., Inf., O409107
Byers, Howard E., AC, O440091
Byington, Telford S., AC, O729311
Bynum, Clyde H., AC, O382729
Byrd, William H., Jr., FA, O365103
Byrne, Joseph P., AC, O790213
Byrnes, Conley H., AC, O452603
Byrnes, Laurence G., Inf., O1290027
Cabas, Victor N., AC, O885278
Cabell, John K., AC, O365952
Cade, William A., Jr , AC, O724015
Cady, William F., AC, O406471
Cahill, Robert J., AC, O708319
Cain, James W., AC, O443508
Calderbank, John J. B , AC, O376032
Caldwell, George P., AC, O888790
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Callahan, Ellsworth D., AC, O762146
Callander, Thomas J., AC, O1635664
Calvert, Charles W., Cav., O341365
Camblin, Roy W., Jr., AC, O551372
Cameron, Murray, AC, O808514
Cameron, Wallace H., AC, O663699
Campbell, Glenn V., AC, O706124
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Campbell, Leonard M., AC, O452833
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Canant, Orion P. D., AC, O770571
Cannon, Joe H., MC, O1734896
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Cantor, Al, AC, O865109
Capio, Fred, Jr., AC, O564981
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Carder, Orval B., AC, O742410
Cardinell, Robert H., Inf., O558141
Carey, Edward R., AC, O1692790
Carey, John B., Jr., AC, O399780
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Carlos, Lloyd P., AC, O421039
Carlson, R. Barney, AC, O530032
Carlson, Robert E , AC, O662116
Carlson, Stanley K., Fin., O1303107
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Carney, Arthur W., AC, O428204
Carney, Francis M., AC, O677407
Carney, James F., CE, O462353
Carney, John K., AC, O567590
Carpenter, Jack R., SC, O450817
Carpenter, James R., AC, O750910
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Carrington R. T., Jr., AC, O728581
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Carroll, John J., Fin., O2042955
Carroll, Louis O., AC, O328068
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Carson, Donald G., QMC, O402919
Carter, Jack H., SC, O416854
Carter, Norman S., AC, O746290
Carter, Ralph D., AC, O709004
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Cartwright, Everett J., AC, O418666
Carver, Charles F., Jr., AC, O381875
Casto, Lloyd L., AC, O816644
Cathey, John W., AC, O808373
Caton, Edward H., AC, O2043147
Caudill, Edwin G., AC, O560768
Cave, Richard T., AC, O444150
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Cella, Andrew, Fin., O373734
Cerasale, Anthony G., AC, O2063911
Chacey, David D., AC, O723580
Chadwick, Lewis P., AC, O720785
Chadwick, Robert W., AC, O516053
Chaffee, William A., AC, O531503
Chafin, James T., Jr., AC, O705319
Chalek, William D., AC, O396377
Chamberlain, C. H., Jr., CE, O389545
Chance, James H., AC, O756863
Chandler, John R., Jr., DC, O508685
Chandley, Sherley S., AC, O2073343
Chapin, Neil M., Cav., O1182080
Chapman, Albert V., Jr., AC, O562707
Chapman, Benjamin F., AC, O392751
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Charlesworth, W. R., AC, O441286
Charnley, William R., AC, O434214

Chase, Jeremiah A., AC, O344792
Chatham, Edwin J., SC, O397701
Chatterley, Archie W., AC, O885418
Chatterton, David H., AC, O391788
Chauret, Colin J. N., AC, O707612
Cherota, Frederick W., AC, O733822
Chesley, John W., Jr., CE, O382614
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Chesser, Alvin J., AC, O1311118
Chessington, James B., AC, O759185
Chiarella, James S., AC, O794761
Childress, Rollin D, AC, O2044761
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Childs, Charles W., AC, O2037279
Chilk, Samuel J., AC, O1001523
Chiodo, Vincent R., AC, O366872
Chitwood, Douglas C., MSC, O1546543
Christensen, Edward M., AC, O726997
Christensen, Julien M., AC, O2071543
Christenson, R. A., AC, O423503
Christian, Charles M., AC, O382795
Christopher, Albert M., AC, O799133
Chrysler, Edward J., QMC, O455659
Cichy, George E., AC, O367797
Civerolo, Richard C., QMC, O1581988
Clancy, John L., Fin., O1280049
Clark, Charles H., AC, O567662
Clark, Don O., AC, O735525
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Clarke, Russell C., AC, O525900
Claypoole, Gordon, AC, C671888
Cleary, Louis X., QMC, O518852
Cleghorn, Rufus J., Inf., O411677
Clemence C. J., Jr., AC, O525510
Clement, Edwin G., AC, O443160
Clements, Russell G., AC, O2065911
Clendenin, Robert A., AC, O662882
Cleveland, Lewis A., Jr., AC, O815077
Click, B. A. L., Jr., AC, O789048
Clifford, Robert R., AC, O733407
Cloer, Gilmer W., AC, O547747
Clower, Freeling H., AC, O790629
Coady, Gerald G., Cav., O1030458
Coakley, Donald V., AC, O443480
Cobb, Melvin B., AC, O409913
Cobery, Francis F., AC, O756494
Cobey, Earl J., SC, O1647249
Cochran, John H., Jr., Inf., O1313076
Cochran, Walter B., Jr., QMC, O422353
Cody, Robert L., Inf., O549479
Coe, Merton S., Fin., O1282222
Coffey, Alfred E., Inf., O380598
Coffman, John T., Jr., AC, O662749
Cofield, Gene, AC, O343946
Coggins, David R., AC, O551290
Cogswell, Robert W., AC, O734072
Colchagoff, George D., AC, O442748
Cole, Benjamin H., AC, O737540
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Cole, Henry W., AC, O1120050
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Colgan, William B., AC, O673993
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Collier, Ben F., AC, O662541
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Collinsworth, J. D, AC, O440086
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Collver, Robert C., AC, O675912
Colson, Carl C., AC, O523643
Combs, Edward E., AC, O1822367
Comstock, Harold E., AC, O661288
Conklin, Richard L., AC, O800838
Conlee, R. C., Jr., AC, O536126
Conley, Charles D., Fin., O1549915
Conn, John F., AC, O683970
Connally, Hulon L., AC, O679047
Conner, Preston E., AC, O750544
Connolly, Thomas W., SC, O869964
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Cooch, Robert L., QMC, O2070730
Coogler, Arthur C, AC, O649028
Cook, Carl L., Jr., AC, O663860
Cook, Edwin J., AC, O724387
Cook, Eugene H., AC, O762530
Cook, Eugene D., AC, O518965
Cook, James R C., AC, O1633141
Cook, Robert M., AC, O736122
Cooke, Lane B., Jr., MC, O1775651
Cool, William C., QMC, O466837
Coons, Norman M., QMC, O1594924
Coons, Richard L., AC, O782482
Coons, Walter H., AC, O726129
Cooper, Ernest G., Jr., AC, O760179
Cooper, Harold D., AC, O856339
Cooper, Millard V. C., AC, O761889
Cooper, Winfield W., AC, O798197
Cope, Stanley S., AC, O808651
Cope, Stephen J., AC, O857017
Corcoran, Joseph B., AC, O1016687
Cordes, Harry N., AC, O696064
Cormier, Joseph R. A., AC, O889115
Corn, Cecil P., AC, O672035
Corrado Vincent L., QMC, O1585305
Correll, Harold M., AC, O414303
Corrigan, Thomas F., AC, O731830
Corritore, Pascal J., AC, O675822
Cortez, James J., Inf., O417396
Cosby, William L., Jr., AC, O659104
Cossaboom, William M., AC, O731559
Cote, Elmer L., AC, O484345
Cotterill, Wray P., AC, O719569
Cottingham, Jack, AC, O688243
Cotton, Allen B., AC, O687677
Couch, Buford J., Ord., O1165719
Couch, George R., Inf., O450620
Coughlin, John T., 2d, CE, O553946
Coursey, Robert J., AC, O737366
Covert, Charles B., AC, O406486
Covington, James C., Jr., QMC, O377363
Cowan, Kay K., Inf., O350988
Cowan, Leslie W., AC, O873712
Cowart, Byron E., QMC, O352985
Cowgill, Wayne J., AC, O700393
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Cox, Hannibal M., AC, O828048
Cox, Henry M., Jr., AC, C806805
Cox, Samuel J., Jr., AC, O797273
Coyle, Ray F., Jr., Fin., O1327111
Crahan, Francis E., AC, O560244
Craig, Charles W., AC, O729818
Craig, Paul, Inf., O343825
Craig, Warren G., AC, O746052
Cram, Reginald M., AC, O343634
Cramer, Frederic M., Ord., O358638
Crampton, William C., AC, O693113
Crandall, Edmund B, AC, O668208
Crandall, Fred, AC, O739545
Crandall, Thomas O., AC, O399758
Crane, Hal P., Jr., QMC, O439950
Craven, William D., Inf., O461015
Crawford, Ben, AC, O860820
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Craze, James H., QMC, O392647
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Crews, Sidney W., AC, O888726
Cripe, Robert C., AC, O865916
Crispen, Marshall F., AC, O662544
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Cross, Robert D., AC, O347179
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Crowe, Loyal W., AC, O792375
Crowell, Albert W., FA, O363381
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Cruse, Marshal H., AC, O666153
Crutcher, Robert B., AC, O428938
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Curran, James R., AC, O417946
Currie, George D., AC, O730394
Curry, James A., CE, O511639
Curtis, Ferd J., AC, O427645
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Dacus, Rector C., AC, O711818
Dahly, Ronald N., AC, O733618
Dailey, John G., AC, O761713
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Dale, James R., Jr., AC, O412791
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Daniel, Robert E., AC, O670835
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Daniels, Robert J., Inf., O452077
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Darling, Howard N., QMC, O547315
Darr, Wayne L., AC, O2056047
Daugherty, F. L., Jr., AC, O417009
Daugherty, Francis, Cav., O328521
Daus, Nelson C., AC, O531002
Davenport, E. E., Jr., AC, O714891
Davidson, David T., AC, O779389
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Davison, Walter C., AC, O574372
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De Cesare, Anaclethe, AC, O660972
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De Ford, Robert E., SC, O1647838
De Giacomo, Gene M., CE, O866559
De Groat, Russell E., AC, O672768
De Lisle, Arthur B. C., AC, O702489
De Mai, Nicholas, Jr., AC, O390510
De Mont, John V., AC, O827307
De Morest, John N., AC, O701077
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De Noya, Louis L., CE, O412352
De Volentine, Joel M., AC, O433485
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Dean, Cecil O., AC, O1703099
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Dean, Robert M, AC, O734204
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Deimling, Paul L., AC, O794775
Delahunt, John C., MSC, O1534708
Dellinger, W. F., Jr., Inf., O430420
Dempsey, Robert H., SC, O514681
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Denson, Harvey T., AC, O401146
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Derr, Howard S., AC, O427312
Derussy, Rene A., AC, O1117123
Dervage, Minar M., AC, O396292
Desmond, Arthur P., AC, O733412
Deutsch, David E, AC, O874620
Dewberry, Raymond K, AC, O868847
Dibble, George A. 2d, QMC, O434649
Dickenson, Robert L., Ord., O378519
Dickinson, J. M. 3d, AC, O789051
Dickinson, Werner L., Fin., O1281962
Dickinson, Thomas K., AC, O437916
Diehl, Alfred J., AC, O825593
Dillard, John A. B., Jr., CE, O448990
Dillon, Robert W., AC, O926692
Dilly, Vincent S., AC, O670035
Dingeman, David R., Inf., O397979
Dinwiddie, Robert E., AC, O735538
Disana, Joe V., AC, O792237
Disbrow, Bill L., AC, O760597
Dixon, Claude M., AC, O587131
Dixon, Walter J., QMC, O1593820
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Dodge, William L., AC, O830918
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Dolan, Vincent W, AC, O550740
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Donald, Herbert P., CE, O1100518
Donaldson, G. P., Jr., Inf., O461016
Donley, John B., AC, O1289604
Donnelly, Edward J., AC, O687562
Donnelly, James E., Jr., Inf., O1796937
Donohoe, Charles A., AC, O2061556
Donohue, John W., AC, O724023
Donohue, Timothy W., AC, O421928
Doolittle, James H., Jr., AC, O429055
Doriot, Jack V., Ord., O353880
Dorondo, John F., AC, O1549253
Doty, Edward A., AC, O857022
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Douglas, James D., Jr., AC, O790166
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Dowis, Kendal B., AC, O733847
Downie, Archibald, Jr., AC, O1703932
Downs, James A., AC, O392808
Doyle, Miles M., AC, O538865
Draemel, Dean H., AC, O659358
Drake, William H., AC, O666014
Drees, Fred W., Jr., AC, O724024
Drew Troy, AC, O724157
Dreyer, Arthur, AC, O667266
Driever, Claude C., AC, O763972
Driskell, Claude T., AC, O875293
Driver, John J., Fin., O1280142
Drye, Clarence W., Fin., O1326222
Du Bose, Allan D., AC, O663702
Du Val, Hilary E., QMC, O399692
Ducat, Kenneth H., AC, O854969
Duckett, Wayne G., AC, O822654
Ducote, Hebon J., AC, O558807
Duda, Franklin E., QMC, O1577119
Duda, Frank, FA, O390441
Dudley, Eldridge C., Inf., O1292846
Dudman, Garry A., AC, O785061
Duffield, Albert V., AC, O586056
Duffy, James R., Fin., O388987
Duffy, Robert A., AC, O1548743
Dugger, Gordon S., MC, O1734937
Dugi, August H., AC, O748378
Duich, Paul A., AC, O869350
Duke, William F., AC, O560934
Dunaway, Kennieth D., AC, O755656
Duncan, Cecil C., AC, O436505
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Duncan, William H., AC, O798989
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Dunn, Melvin E., AC, O712529
Dunning, Chester H., Inf., O373618
Dupont, Leo E., Inf., O547318
Durham, Benjamin J., Jr., AC, O397497
Dutcher, Richard F., AC, O1635817
Duty, William B., AC, O451575
Duval, Don W., AC, O803241
Dwyer, James G., AC, O733162
Dyas, David D., AC, O666255
Dyberg, Robert R., AC, O774586
Dyer, William B., QMC, O364918
Dyke, Harold H., Jr., Cav., O409648
Dyke, Samuel E., AC, O811871
Dysinger, William C., Cav. O518302
Eaglen, James A., AC, O675682
Early, Charles L., AC, O681034
Easley, Charles D., AC, O579917
Easley, Samuel J., AC, O342072
Eason, Roderick D., QMC, O1573176
Eaton, Robert L., 3d, Inf., O537920
Ebelke, William H., AC, O865444
Eberhardt, Leo H., Inf., O423465
Eberts, Major D., AC, O424422
Echeverria, James V., AC, O829829
Eckley, Paul W., Jr., AC, O430574
Eddy, George G., Jr., Ord., O1555812
Eddy, Harvey W., AC, O434500
Edelen, Carroll L., AC, O760109
Edmonds, Francis C., Jr., MC, O1715369
Edwards, Allen, AC, O420349
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Edwards, Elmer T., Jr., AC, O668424
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Edwards, Leland V., AC, O581624
Eggleston, John W., AC, O706044
Eggleton, R. E., Jr., Inf., O1010745
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Eichnor, John T., Cav., O1010494
Eichorn, John D., AC, O325537
Ekrem, Harvey Z., AC, O679061
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Eldridge, Arthur C., AC, O751897
Eley, Carl W., AC, O725698
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Ellis, Sherman E., AC, O431404
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Ellis, William H. N., QMC, O429741
Ellsaesser, Hugh W., AC, O873209
Elrod, Erwin B., AC, O795030
Emde, Sherill W., AC, O758437
Emery, Guy C., Jr., SC, O352707
Emery, Raleigh H., AC, O431710
Emming, Lawrence J., AC, O722830
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Engle, Robert T., AC, O390805
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English, Peter F., AC, O729150
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Fallis, Kenneth E., AC, O703011
Fallis, P. M, QMC, O1039140
Fallon, Edward, AC, O423926
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Farmer, Marion L., AC, O875202
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Farrell, Frank J., AC, O741150
Farrell, John E, 2d, AC, O755177
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Farst, Robert K., AC, O719608
Fasolas, James E., AC, O525374
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Feeney, Michael F., Jr., AC, O731045
Feher, Louis H. A., AC, O900010
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Felter, Joseph H., CAC, O387580
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Fiore, Patrick J., AC, O722553
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Fitzwater, Charles E., AC, O747777
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Flaherty, William F., AC, O702403
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Flummer, George A., AC, O650806
Flynn, Charles J., Jr., AC, O859821
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Forb, Nathan J., Ord., O313496
Forbes, Alexander A., AC, O677474
Force, Ronald C., MSC, O857398
Ford, Ernest C., AC, O888492
Ford, Geoffrey R., AC, O1104157
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Forest, Stuart V., AC, O437405
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Freeman, Richard R., MSC, O1543679
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Gillesby, Fred G., AC, O434099
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Gilman, Jack P., AC, O691986
Gilmore, George W., Jr., AC, O352226
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Harton Charles E., AC, O424264
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Herman, Richard L., Ord., O465173
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Herweg, John B., AC, O408910
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Hetzel, Robert L., AC, O431282
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Higgs, Richard E., AC, O745893
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Hipp, Charles R., AC, O858062
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Honaker, Thomas T., DC, O1747007
Hook, Leo, AC, O407857
Hooker, Freeman F., AC, O1541570
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Horner, Richard E., AC, O399613
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Imhoff, Harold L., AC, O745996
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Ingham, John S., AC, O864939
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Joseph, Franklin A., AC, O385683
Joseph, Vern L., CML, O395824
Joyce, Thomas B., AC, O435399
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Kafer, Ernest E., AC, O731074
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Klinger, Paul E. J., MC, O1775024
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Klucarich, Stephen, AC, O865059
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Knapp, Robert H., AC, O665576
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Knisely, James W., AC, O708227
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Knowles, Kenyon L., AC, O343559
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Kurowski, Walter C., AC, O662952
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La Berge, Vincent R., AC, O729186
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La Croix, Robert E., AC, O464601
La Marre, Francis H., AC, O363137
Lack, Wendell D., AC, O725500
Ladd, Harley W., CE, O432490
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Lane, Harry W., AC, O705882
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Lee, Frank C., AC, O713808
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Ogburn, George H., Jr., AC, O727761
Ogorman, Joseph B., AC, O869092
O'Halloran, John T., Inf., O1321544
O'Hara, Frederic J., AC, O585161
Oholendt, Gene F., AC, O521127
Ohrt, Robert T., AC, O2073404
Okey, Joseph T., AC, O697904
Olcott, William R., Inf., O1044053
Oldenburg, Jack R., CML, O529405
Older, Charles H., AC, O375578
O'Leary, Francis A., AC, O805664
Oliver, Mac D., Jr., FA, O389659
Olney, Richard O., AC, O794974
Olsen, Eugene M. R., AC, O1638195
Olson, Eldred L., AC, O734127
Olson, George A., AC, O1293461
Olson, Henry L., AC, O815376
Olson, Roy I., CML, O1038255
Olstein, Irving L., AC, O706962
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O'Neil, George K., AC, O427621
O'Neill, Cyril W., AC, O754177
Oppelt, Alexander L., AC, O1054081
Oppy, Paul F., AC, O424719
O'Reagan, Jack, AC, O775252
Orme, Griffith, AC, O709442
Orr, Donald R., AC, O2071037
Orr, Uriah N., CE, O446853
Orrison, Charles D., AC, O869627
Osborn, Carlos R., AC, O580410
Osborne, William H., AC, O1297935
Osgood, Lynden T., AC, O352710
Ostendorf, Ted H., AC, O696874
Osthues, Henry E., CAC, O396592
Ostman, Byron R., AC, O780701
Ostrem, Roy E., AC, O675447
O'Sullivan, Francis J., AC, O438658
Oswald, William H., Jr., AC, O793437
Ott, George J., AC, O730740
Ott, Walter W., AC, O435701
Ottem, Gerald A., AC, O859670
Overdorff, Willard B., AC, O731220
Overstreet, Jack S., AC, O1290117
Owen, Clyde W., AC, O731647
Pace, William N., Jr., AC, O659755
Packwood, Jack R., AC, O738016
Paden, Bill W., FA, O339675
Paden, Donald R., AC, O764420
Paffenroth, Albert W., AC, O888947
Page, Edwin R., Jr., Ord., O360559
Page, Jack C., AC, O672181
Pagnotta, Frank R., Cav., O2000817
Paine, Richmond S., MC, O476602
Palmer, Garth C., AC, O694020
Palmer, John F., AC, O390390
Palmer, Robert T., AC, O569681
Palos, Stuart J., Inf., O454229

Palowez, John, AC, O1640799
Pamperien, Roka D., AC, O742599
Papa, Anthony E., Inf., O415793
Parham, Bernard F., AC, O350809
Park, Paul L., AC, O803670
Parker, Burton F., Ord., O531964
Parker, George H., AC, O397993
Parker, John F., AC, O1576473
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Parker, Julian W., AC, O434150
Parkhurst, John B., QMC, O1032170
Parks, Bernard G., AC, O418895
Parks, Richard W., AC, O687623
Parnell, Roland C., AC, O823670
Parr, Marvin M., QMC, O1541123
Parrish, Charles P., Inf., O417383
Parrott, Alonzo W., AC, O413486
Parsons, Freeman A., AC, O398543
Partin, George G., AC, O826276
Paschal, B. E., Jr., AC, O693309
Pascoe, Theodore I., AC, O431759
Past, Sheldon J., AC, O791626
Patchen, Clifton A., AC, O775523
Patterson, Edwin H., QMC, O1288433
Patterson, David A., AC, O2065819
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Paulsen, Daniel H., AC, O725192
Pawlowski, Thomas, AC, O814534
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Payne, Irving P., SC, C330062
Payne, Joe W., AC, O684036
Payne, Otho C., SC, O1643955
Peabody, Prentice B., AC, O855339
Peach, Robert M., Ord., O1548279
Pearce, Robert C., AC, O684190
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Pearson, Samuel L., AC, O2087204
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Peck, Warren K., AC, O804006
Pede, Elmer R., VC, O939000
Pedlar, John A., Ord., O541515
Pedracine, Patrick C., AC, O588027
Pedrazzini, Harold O., AC, O1699382
Peebles, Farley E., AC, O665859
Peightel, James L., AC, O796728
Peirson, Jean S., AC, O428376
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Pengue, Marcy L., AC, O674518
Penhall, Raymond D., AC, O756897
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Penn, William W., Jr., AC, O664236
Pennell, Charlie A., AC, O702958
Penner, Ralph S., MC, O1756389
Penrod, James B., AC, O736330
Pensinger, Wilbur C., AC, O820816
Penton, Austin D., AC, O670164
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Peratt, J D., AC, O1037226
Perkins, Donald F., AC, O735205
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Perlberg, Norman N., AC, O430908
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Perry, Arthur G., Fin., O1280412
Perry, Donald H., AC, O721196
Perry, Ernest L., CE, O388428
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Perry, Stanley L., AC, O735643
Persinger, Thomas E., AC, O876112
Persky, Jacob, AC, O569740
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Petersen, Nelson L., AC, O691406
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Petit, Robert L., AC, O429849
Petree, William L., AC, O578851
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Pierson, Robert E., AC, O888736
Piggott, Myron G., AC, O671096
Piland, Oscar G., QMC, O352464
Pille, Roy F., Inf., O453421
Pinckney, Bernard R., VC, O1785013
Pister, Carl E., QMC, O415195
Pitts, Thomas B., SC, O1633453
Plame, Samuel, Jr., SC, O870023
Plecha, Stanley L., AC, O789305
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Plocher, Martin E., AC, O437586
Plumer, William B., AC, O396604
Plummer, John A., AC, O764086
Plummer, John S., Jr., AC, O2058937
Pohly, Jurgen G., Fin., O2051695
Polak, Richard E., AC, O2061189
Polio, Nicholas S., AC, O455500
Pollen, Milton T., Inf., O572986
Pollyea, Albert, AC, O709631
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Pond, James W., AC, O314221
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Popson, Raymond A., AC, O794494
Porter, Clarence W., AC, O420681
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Powers, Harold M., AC, O797177
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Prather, Philip B., AC, O802881
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Pratt, Jean G., AC, O812309
Pratt, Perry H., AC, O854396
Preble, Charles E., Jr., Inf., O1325192
Prenoveau, Emil E., AC, O1586038
Preston, Lloyd W., AC, O429169
Preston, William N., AC, O821611
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Price, Leroy B., AC, O798166
Price, Richard F., AC, O668356
Price, Thomas L., AC, O404349
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Purdy, Edward W., AC, O808732
Purvis, William E., MC, O478494
Putnam, Royal A., AC, O715394
Puttkamer, Kenneth, AC, O755423
Quail, Donald E., AC, O769359
Quayle, Gerald D., Jr., AC, O501857
Quick, John T., SC, O455216
Quincy, Arthur J., AC, O436172
Quinn, Elwyn F., AC, O387641
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Quinn, William Y., AC, O317521
Quist, Frederick F., CAC, O315557
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Rackley, David H., AC, O332891
Rade, William A., AC, O337023
Rader, Benjamin N., AC, O753734
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Ralph, John H., AC, O662824
Ramberg, Vernon C., QMC, O456362
Ramsey, David M., FA, O453592
Ramsey, Joseph B., Jr., AC, O400558.
Randall, George F., AC, O559342
Randle, Robert J., AC, O813580
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Rantz, Richard C., QMC, O1183953
Rappaport, Jerome M., AC, O679298
Rasberry, Dayle H., AC, O560485
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Rawls, Charles A., AC, O663561
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Rawls, Louie T., Inf., O537446
Ray, Gerald H., AC, O736193
Ray, John A., AC, O451845
Ray, Ryder C., AC, O795468
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Raymond, William H., Jr., AC, O416346
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Rea, William R., AC, O874428
Read, Weldon B., AC, O2071239
Readhimer, Thomas C., AC, O438561
Reavis, Cecil L., Jr., AC, O671177
Reavis, Dick, AC, O676118
Recher, John H., AC, O672420
Rector, John A., AC, O454317
Redden, George A., AC, O428588
Redden, Joe W., AC, O673895
Redelfs, John W., MC, O469053
Redfield, Tyler A., AC, O431340
Reed, Charles D., AC, O689989
Reed, David G., QMC, O460472
Reed, Kenneth O., Ord., O377857
Reed, Norman F., AC, O744756
Reed, Russell R., Inf., O336883
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Reeder, D. M., Jr., AC, O735661
Reeder, Vendor H., AC, O356171
Rees, William J., MC, O1766343
Reese, Frellsen, CE, O392392
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Regis, Edward R., AC, O744754
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Reich, Glenn A., AC, O398612
Reid, Alva R., AC, O745748
Reiley, Philip F., Jr., AC, O743831
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Resch, Harold E., AC, O535016
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Rhett, William, AC, O828326
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Rhodes, Bernard C., AC, O685185
Rhodey, William A., Inf., O436570
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Rich, Robert S., AC, O313240
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Riegel, James M., AC, O307309
Ricker, Thomas H., AC, O765843
Riffe, James L., Inf., O1315968
Riggs, Carl N., AC, O753054
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Rigney, Charles E., AC, O500907
Riley, Daniel E., AC, O243380
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Riley, Jacob L., Jr., Inf., O023433
Riley, Joseph R., AC, O559500
Riordan, Leonard D., AC, O395293
Ripko, Joseph U., AC, O560274
Ripley, James V., AC, O694185
Riser, William W., Jr., AC, O805528
Risher, John R., AC, O790879
Ritchey, Andrew J., AC, O763734
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Ritter, Frederick O., AC, O385923
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Roach, John E., QMC, O705991
Roache, Clarence E., Jr., AC, O445270
Roath, Dean G., AC, O454924
Roath, William R., AC, O889515
Robbins, Harold W., AC, O354943
Robbins, Walter F., MSC, O569958
Roberton, Harold E., Jr., AC, O865610
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Robertson, Leslie C., AC, O870029
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Rochlin, Arthur W., AC, O743375
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Rockstroh, Henry J., MSC, O472374
Rodden, Jasper A., AC, O433908
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Rodgers, Harry W., AC, O709827
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Rodriguez, M. R., Jr., AC, O763739
Roe, Theodore W., CE, O353085
Rogers, Fredrick A., AC, O417106
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Rogers, Ray W., AC, O532260
Rohles, F. H., Jr., MSC, O569982
Roller, Thomas A., QMC, O1950038
Roman, Maxwell W., AC, O421887
Romstad, Rolf N., AC, O424163
Romstedt, Gerhart O., Inf., O517552
Roop, William B., Inf., O1307309
Roper, Jack, DC, O1735804
Rosa, Joseph J., AC, O793290
Rose, Eugene S., Jr., AC, O868528
Rose, Franklin, Jr., AC, O763742
Rose, John G., AC, O678466
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Rosengrants, David E., AC, O525179
Ross, Donald, AC, O803468
Ross, James S., Jr., AC, O436539
Ross, James M., AC, O408850
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Ross, Richard H., AC, O739341
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Roswurm, Richard C., AC, O718048
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Rottstedt, Vernon R., FA, O388590
Roubal, Joseph W., AC, O738475
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Rowden, Stanley, AC, O583507
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Salter, George M., Jr., AC, O827297
Saltmarsh, Frederic A., AC, O789605
Salvatore, A. R., AC, O403816
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Sanford, Douglas F., AC, O665724
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Sarosy, John A., AC, O561978
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Sather, Roy O., AC, O439809
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Sauer, Robert R., AC, O431534
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Scherer, Bernard J., Inf., O346831
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Seaman, Clarence O., AC, O727927
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Seay, James S., AC, O855825
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See, Harold W., AC, O2069818
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Seifert, Raymond A., CE, O382433
Seiver, Frank W., AC, O432505
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Sellers, Coleman, AC, O663928
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Sells, Clarence K., Inf., O390632
Senn, Burkhardt M., Ord., O352564
Senser, William J. Jr., AC, O826015
Sergent, Byrd, Inf., O419045
Servis, John D., CML, O379876
Sevier, Coy T., AC, O562017
Shadell, Kenneth L., AC, O418176
Shaffner, Douglass D., AC, O865627
Sharp, Sam H., AC, O513481
Sharp, Sam H., Inf., O518298
Sharpe, George M., AC, O667357
Sharpless, Thomas F., AC, O804523
Shatts, Garvin P., AC, O813074
Shaw, Dan L., AC, O762522
Shaw, Lauren L., Jr., AC, O1283594
Shaw, William G., 3d, CAC, O410523
Shay, Steve C., AC, O433592
Shean, John P., AC, O1633539
Sheehan, Douglas M., AC, O694612
Sheidow, Robert G., AC, O810050
Shek, William, AC, O432662
Sheldon, Benjamin M., AC, O385517
Shelton, William E., AC, O708849
Shemwell, Elwood H., Inf., O554359
Shepard, Earl, AC, O784787
Shepherd, Robert G., QMC, O1947827
Sheppard, William A., AC, O364059
Shepperd, William M., AC, O1549834
Sherborne, Henry H., AC, O336898
Sherman, Keith, QMC, O1177180
Sherman, Laurence F., AC, O824932
Sherman, Ocea D., Jr., AC, O673692
Sherrill, Estes B., AC, O523150
Sherrod, Jesse R., AC, O407071
Sherwood, John R., AC, O832259
Shields, Harry H., Jr., Inf., O515035
Shine, Wilbur G., AC, O730637
Shinnamon, Charles W., AC, O389803
Shinners, John W., AC, O664458
Shirk, Harley O., AC, O736897
Shively, George K., AC, O866862
Shively, James N., VC, O939014

Shockley, Thomas L., AC, O742369
Shoemaker, John O., Inf., O1295444
Short, Leland S., AC, O803290
Shotts, Tom D., AC, O437277
Shouse, Stewart G, AC, O795119
Shulmistras, Joseph A., AC, O355285
Shumaker, Meredith L., AC, O377823
Shumaker, Richard K., AC, O792162
Siddens, John V., AC, O1035370
Sieber, Harry F., Jr., SC, O1635329
Siebert, Raymond A., AC, O680739
Siler, Fred L., AC, O426578
Silger, James E., AC, O717940
Silva, Theodore D., AC, O690261
Silver, Martin, AC, O765121
Simcoe, Desider A., Jr., AC, O792756
Simeone, Harold M., AC, O712686
Simmons, Alfred C., AC, O527661
Simmons, F. B., Jr., Inf, O456681
Simmons, Harlan G., AC, O660920
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Simmons, Willis M., AC, O672230
Simon, George B., MSC, O650266
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Sinex, Charles H., AC, O328621
Singley George T., Jr., Ord, O548701
Sisak, John G., CAC, O395828
Sisco, David W., Inf, O1297603
Sites, Clarence G., Jr., AC, O443050
Skaggs, Jack A., CE, O365265
Skaggs, Jesse S, Jr., AC, O724837
Skalomenos, A., AC, O829325
Skawienski, T. L., AC, O724083
Skinner, Ernest C., AC, O691002
Skinner, William G., Jr., SC, O360464
Skipp, Francis E., Jr., AC, O789823
Skipper, Roy B, AC, O566741
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Slaker, Kenneth W., Jr., AC, O791512
Slane, Robert M., AC, O531340
Slate, Melvin H., AC, O421135
Slaughter, C. B., Jr., AC, O669431
Slawson, Harry C., SC, O549582
Sloan, Howard M., AC, O695214
Sloboda, Walter J., AC, O579257
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Slusher, Eugene C., AC, O2057433
Small, Arthur C., Fin, O397229
Smallfield, George B., AC, O700559
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Smith, Bowen N., CAC, O452184
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Smith, Chester A. A., Jr., AC, O672687
Smith, Clure E., Jr., AC, O440140
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Smith, Oswald C., Fin, O2046334
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Spear, Sid F., AC, O564353
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Speight, John J., Jr., AC, O440513
Spelman, George J., AC, O660527
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Spicer, Harold S., AC, O815255
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Spiker, William O., AC, O760404
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Spohn, Clifford A., AC, O865642
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Sprague, Robert L, AC, O739865
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Stairs, Robert E., AC, O778992
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Strom, Charles W., AC, O573505
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Sundeen, William E., AC, O860775
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Swaim, Thomas S., AC, O689912
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Swope, Ira A., AC, O664083
Syler, Robert T., AC, O854223
Symes, Isaac M. B., AC, O424562
Symmes, Thomas H., Jr., CE, O366326
Syslo, Benedict F., AC, O570471

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Talbot, Joseph L., AC, O726702
Talley, John W., AC, O784657
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Thompson, S. W., 2d, VC, O938705
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Thorne, Walter E., AC, O421353
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Tinsley, Marcus F., AC, O796230
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Todd, Raymond V., AC, O576507
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Toon, Charles M., AC, O872534
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Torbett, Oscar C., CE, O536570
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Torpey, Charles L., AC, O668162
Torpey, Robert F., AC, O726512
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Townsend, Lester B., Jr., CAC, O454494
Tracy, Sheldon C., CAC, O377015
Trask, John A., AC, O1641019
Treadwell, Lewis L., Inf., O395422
Trefny, Milton J., AC, O773012
Treumann, Manville G., AC, O729926
Trevisani, John J., AC, O541191
Trost, Herbert, AC, O757337
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Troupe, John T., AC, O2064998
Trout, Darvin L., AC, O888742
Trueblood, Roger W., AC, O756061
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Tucker, Stanley E., AC, O687501
Tufts, Henry H., Inf., O1174459
Turk, Laurel A., AC, O820109
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Turner, Egbert S., Jr., AC, O682385
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Turnipseed, F. M., Jr., AC, O462777
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Twombly, Donald J., AC, O827324
Twomey, Thomas A., AC, O666585
Tyldesley, Robert H., AC, O745981
Tyler, Loren S., AC, O760750
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Uhle, Richard B., AC, O423428
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Uhring, Frank G., AC, O664091
Ulans, Roman I., SC, O344040
Umpleby, Arthur N., AC, O430430
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Upsher, Sidney P., AC, O768316
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Usher, William F., QMC, O777872
Vail, Carl J., Jr., AC, O359857
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Van Cleef, Paul L., AC, O804076
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Van Dyke, Wallace F., AC, O771843
Van Horn, Robert M., MSC, O1533221
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Van Name, Edward E, AC, O677337
Van Rope, Roy W., AC, O750929
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Vaughan, Harry H., AC, O710353
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Von Brincken, F. A., QMC, O1165461
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Walbridge, John H., Ord, O1553926
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Walk, William E., Jr., AC, O436802
Walker, Archie S., CAC, O1048633
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Weber, Edward X., AC, O782991
Weber, Lawrence W., QMC, O760496
Weber, Milton J., Jr., Inf., O389110
Webster, F. L., Jr., AC, O686040
Webster, George E., AC, O736672
Webster, John A., AC, O1799408
Webster, Robert A., Jr., SC, O534624
Wechsler, Ben L., CE, O444881
Wedbush, Othon E., Inf., O1595251
Weide, Edward J., AC, O814605
Weigle, Vincent J., AC, O795531
Weihs, Donald H., Inf., O550156
Weil, Frank P., AC, O768912
Weinhuff, Howard E., AC, O836202

Weir, Gordon T., AC, O439750
Weisbrodt, Charles R., AC, O729528
Welch, Darrell G., AC, O417727
Welch, Eugene C., AC, O671815
Welch, Norman E., AC, O669551
Wells, Charles B., Jr., AC, O797110
Wells, Charles R , Jr., AC, O1638765
Welsted, George E., Jr., QMC, O428712
Wenzinger, Harlan J., AC, O798621
Werber, Benjamin H., QMC, O1947120
Wertz, John C., AC, O688568
Wessmuller, John J., Jr., Inf., O1286577
West, Fielding F., AC, O734286
West, John F., AC, O747612
Westberg, Kenneth C., AC, O662405
Westermark, Robert V., AC, O810611
Westfahl, James L., AC, O567061
Westfall, William B., AC, O434196
Westmoreland, Ivey T., AC, O534547
Wettstein, James D., AC, O1555491
Whalen, John L., AC, O420548
Whaley, Eugene B., Fin., O476769
Wheeler, Kenneth R., AC, O669643
Wheeler, William J., AC, O667885
Whetstone, Russell E., Inf., O383456
Whitacre, Bradford H., AC, O402032
Whitaker, T. S., Jr., AC, O680349
White, Alan R., AC, O765174
White, Andrew M., AC, O433208
White, Arthur B., FA, O514735
White, Boyd B , AC, O727819
White, Charles T., SC, O450409
White, Floyd, AC, O726867
White, Gerald H., Jr., AC, O825345
White, Harrison G., AC, O424595
White, John A., AC, O817349
White, Robert C., AC, O750904
White, Samuel A., Jr., AC, O789631
White, Thomas T., MC, O1714893
White, Victor M., AC, O866776
White, William R., AC, O764538
White, William J., AC, O315679
Whiteley, Floyd L., AC, O683794
Whitker, Frederic E., AC, O789420
Whitmore, Stanley E., FA, O314532
Whitney, William J., AC, O378148
Whittington, R. L., AC, O1035399
Whittington, Riley N., AC, O424596
Wian, George I., Jr., DC, O1726288
Wicker, Samuel J., AC, O496079
Wickes, Edward G., Jr., AC, O766136
Wiecks, Max R., AC, O430006
Wiegele, Louis S., MSC, O1541582
Wiener, Murray A., AC, O924120
Wiese, Raymond H., AC, O2069199
Wiggins, Leland R., AC, O464037
Wilder, Felton M., AC, O672536
Wildey, Robert W., QMC, O1823379
Wilds, Harry, AC, O442544
Wiley, Nathaniel P., Jr., AC, O1053875
Wilhelm, Andrew C., AC, O809788
Wilk, Jake L., Jr., AC, O438081
Wilkerson, William F., AC, O433623
Wilkins, John H., MC, O1725282
Wilkinson, Ralph N., AC, O801981
Wilkowski, Victor, Inf , O550622
Wilkowski, Ernie W., Jr., AC, O683795
Wilkowski, A. J., Jr., Fin., O352289
Will, William F., Jr., AC, O756772
Willets, Ray J., AC, O745850
Williams, Clarence T., AC, O798392
Williams, Cyril E., AC, O741955
Williams, Daniel B., AC, O417361
Williams, Donald E., AC, O738526
Williams, Edgar G., AC, O791015
Williams, Eugene S., AC, O444718
Williams, George C., Inf., O342021
Williams, Harold L., MSC, O558266
Williams, Harry E., AC, O1639820
Williams, Herndon F., AC, O680978
Williams, Hilbert B., AC, O812203
Williams, Hubert S., AC, O784642
Williams, Irwin L., AC, O671321
Williams, Jack P., AC, O790769
Williams, James E., AC, O746495
Williams, Joe C., AC, O662325
Williams, John L., AC, O416948
Williams, John O., MSC, O1997194
Williams, Lawrence D., AC, O429210
Williams, Richard A., AC, O750907
Williams, Roger A., AC, O560481
Williams, Terry B., AC, O2058328
Williams, Thomas F., AC, O689433
Williams, Thomas J. C., SC, O332815
Williams, Todd G., AC, O861927
Williams, Trevett, SC, O1633639
Williams, Yancey, AC, O423693
Williamson, S S., Jr., AC, O731717
Willis, Richard B., AC, O813821
Willner, William F., AC, O856214
Wills, Robert M., AC, O564649
Willson, Harry W., AC, O2067416
Willson, Martin E., AC, O396405
Wilson, Campbell P. M , AC, O402468
Wilson, Carl W., AC, O429137
Wilson, Clifford A., AC, O686294
Wilson, David E , AC, O765183
Wilson, Edward S., AC, O2069176
Wilson, Ernest B., AC, O728792
Wilson, Francis H., Jr., Ord., O412265
Wilson, Francis A., AC, O860639
Wilson, Francis E., AC, O808926
Wilson, Harold H., AC, O831891
Wilson, Harry A., AC, O570804
Wilson, Homer H., AC, O740130
Wilson, Jerald B., AC, O738527
Wilson, John D., AC, O795329
Wilson, Richard A., AC, O663187
Wilson, Robert V., AC, O2058331
Wilson, Robert C., AC, O690157
Wilson, Vernon E., QMC, O440503
Wilson, Walter G., AC, O1641937
Wilson, Waring W., AC, O732106
Wilson, William, AC, O758139
Wimberry, William M., AC, O431585
Wineman, Theodore H., Ord., O1551340
Wingard, Jesse O., Jr , AC, O792513
Winget, Francis E., AC, O423979
Winham, Lucien C., Jr., AC, O437057
Winkel, John L., AC, O2060742
Winstead, Basil M., MSC, O1546044
Winter, William C., Jr., MC, O1726865
Wise, Henry G., Jr., AC, O820384
Wise, Randall H., Ord., O391587
Wiseley, Clarke M., Jr., AC, O708777
Wisniewski, Stanley J., AC, O435112
Witham, Melvin W., AC, O771860
Withers, Lloyd L., Jr., AC, O672544
Witry, Frank, Jr., AC, O855220
Witten, Elmer E., AC, O831892
Witters, Arthur G., AC, O417362
Wobbe, Roger L., AC, O562370
Woda, Robert G., AC, O815620
Wojdyla, Henry E., AC, O729534
Wolcott, John P., AC, O862223
Wolf, Charles S., Fin., O1280326
Wolf, Erwin P., Jr., AC, O677182
Wolfe, Curtis N., SC, O1642737
Wolfe, Donald J., AC, O825734
Wood, Darrell G., FA, O1012361
Wood, George R., AC, O735944
Wood, Griffin H., AC, O421628
Wood, James G., Jr., MC, O442822
Wood, John R., AC, O664359
Wood, John C., Jr., FA, O377607
Wood, Lynn F., AC, O1108427
Wood, Marvin J., AC, O503879
Wood, Robert E., AC, O448777
Wood, Thomas D., AC, O333409
Wood, William D., AC, O674090
Woodall, Merle P., AC, O856401
Woods, Kenneth J., Inf., O410192
Woods, Robert A., AC, O350553
Woods, Roy D., AC, O795226
Woodside, Milton H., AC, O396134
Woodstock, Raymond E., AC, O778330
Woodward, Charles H., AC, O793574
Woodward, John L., Jr., AC, O743149
Woodworth, William C., AC, O754990
Woolfolk, R. L., 3d., Inf., O403544
Wooster, Vernon O., AC, O408402
Wooten, Edward D., AC, O792087
Wooten, John H., SC, O461059
Works, Le E., AC, O580318
Worley, Ernest L., Jr., AC, O564672
Worley, Raymond W., VC, O1744925
Wormser, Vincent J., AC, O401286
Worsley, Joseph N., AC, O2065458
Wright, Albert W., AC, O813634
Wright, Charles F., AC, O1315889
Wright, David B., Inf., O1293692
Wright, Ernest C., CML, O460496
Wright, Gilbert G., AC, O885139
Wright, Homer A., Inf., O553223
Wright, John M., Cav., O449084
Wright, Lawrence C., AC, O715910
Wright, Marvin, AC, O1995878
Wright, Tandy A., AC, O541212
Wright, William J., AC, O438367
Wurth, Herbert L., AC, O817580
Wyatt, William H., AC, O856402
Wyckoff, Frank M., AC, O728946
Wylie, Billy C., AC, O669560
Wylie, Harold G., AC, O502749
Wynn, Vasseure H., AC, O886007
Wynne, Lawson P., AC, O1037377
Yaden, Earl N., AC, O725120
Yarbrough, Lavern A., AC, O876375
Yaworski, John, AC, O1634491
Yazak, Dean D , AC, O2068338
Yeoman, Bill L., AC, O741648
Yeomans, Charles D., AC, O1001501
Yockey, Donald J., AC, O806381
Yoder, Harry D., AC, O799914
Yoder, Richard A., AC, O806759
Yopchick, Michael P., AC, O795864
Young, Earle H., AC, O2046663
Young, John N., AC, O434204
Young, William B., AC, O419040
Youngman, Reginald B., AC, O586991
Youngs, James R., Jr., AC, O741014
Yount, Harold W., Ord., O516536
Yundt, Robert W., AC, O428543
Yurcina, Thomas, AC, O547151
Zachmann, Robert F., AC, O1549647
Zaharevitz, Walter, AC, O1551556
Zalk, Arthur A., AC, O799533
Zeidler, William X., AC, O789116
Zeigler, Carl E., Jr., AC, O659507
Zeuty, Edward J., AC, O808930
Ziegler, John H., AC, O1639857
Zimmer, Robert W., AC, O434205
Zimmerman, Herman I., CE, O903981
Zimmerman, Lorenz E., MC, O1725089
Zimmerman, Max G., AC, O513326
Zimmerman, Arnold E., AC, O502040
Zimmermann, William M., Inf., O024991
Zohn, Bernard, CE, O444672
Zukerberg, Harry, AC, O580515
Zweifel, Harold J., AC, O524669
Zweig, Louis E., Jr., AC, O691130
Zwicke, Norbert A., AC, O732800

To be second lieutenants

Adair, Luther E., Jr., AC, O936623
Adams, John A., AC, O2083101
Adcock, Aubrey C., Jr., AC, O2085585
Alberti, Donald W., QMC, O1340732
Allen, Jack V., AC, O2095492
Allison, William H., Inf., O2017166
Amaral, James P., AC, O817342
Anderson, Robert I., MSC, O940749
Anselin, Frank B., AC, O935605
Apt, Milburn G., AC, O767071
Atkinson, Obbie O., AC, O783885
Augsburger, Elias R., AC, O2074624
Augustine, A. W., Jr., AC, O2093648
Badger, Walter B., AC, O767726
Bales, James C., QMC, O1951484
Balikov, Bernard, MSC, O940768
Ballard, Dempsey E., AC, O692638
Banner, Alvin W., AC, O2087494
Barber, Edwin F., AC, O2075360
Barnard, John M., Ord., O2012251
Barnes, James T., AC, O826600
Barnes, Roy A., AC, O763464
Barton, Ray, AC, O2095081
Bassett, John K., AC, O937837
Bates, Harry L., AC, O2082939
Bates, John F., SC, O1651667
Baxter, William D., AC, O2092619
Beck, Donald O., AC, O2088146
Bell, Thaniel A., AC, O842253
Bellamy, Jack, AC, O720426
Belton, William O., AC, O802900
Bersanti, Norman P., AC, O2091763
Bethell, Hoyt C., AC, O2095806
Betterton, Robert A., AC, O2080483
Bickford, William C., AC, O2100568
Blackmon, Waldo N., AC, O834939
Blakely, Ernest, Jr., AC, O2078416
Blankenship, Jack F., AC, O2092498
Bletz, Donald F., Inf., O1340978

Bomar, William M., Jr., AC, O771891
Borchert, Francis W., AC, O589641
Bork, Ervin F., AC, O2032437
Boutwell, Jerry F., AC, O838512
Boyes, Peter E., AC, O2071524
Brandt, Edward R., AC, O2093297
Brauncis, Ernest F., AC, O836413
Bridges, Hollon H., AC, O840224
Briggs, Richard C., AC, O2094796
Broughton, Roy J., Jr., AC, O786046
Brown, Melvin G., AC, O2080495
Bryan, Donald W., AC, O926693
Buchanan, M. L., AC, O2089459
Bunicky, Stanley J., AC, O765925
Bunn, Dewitt R., AC, O2102071
Burcham, Lee A., AC, O2072415
Burdick, Joseph B., AC, O2074659
Burley, Roy W., Inf., O1328461
Butler, Jack E., AC, O2073716
Butterfield, Donald R., AC, O932435
Cameron, Louis J., Jr., AC, O828376
Cannon, Frank F., AC, O2009138
Carroll, Bill J., AC, O936501
Carroll, Thomas L., AC, O787615
Casey, Hugh B., Inf., O1119283
Castanza, Angelo N., AC, O2082373
Cathcart, Charles E., AC, O2026759
Cavanaugh, William J., AC, O2056690
Chadwick, Gilbert A., SC, O1641666
Chille, Peter J., AC, O716354
Christensen, Swen A., AC, O722279
Christopher, R. S., AC, O1997843
Clark, Clyde O., Ord., O1332468
Cline, Leon D., AC, O2061621
Cobb, William A., AC, O827388
Coleman, Walter V., Jr., AC, O720182
Collins, C. G., Jr., QMC, O1336883
Conner, Robert W., AC, O816749
Conover, John M., Jr., AC, O838233
Conway, Edward J., AC, O777126
Coolidge, Benjamin W., AC, O2089995
Corser, Frank M., AC, O2095734
Craft, Jewel N., AC, O822387
Crawford, David F., AC, O784861
Creech, Jack A., MSC, O2002124
Cross, Raymond F., AC, O2092652
Crossman, Philip J., AC, O709511
Crouch, Floyd W., Jr., QMC, O1598347
Crumley, Paul M., AC, O838240
Cunningham, O. D., Jr., AC, O2062385
Cunningham, John J., AC, O2101779
Dahl, Herbert R., AC, O2089731
Daly, Charles E., AC, O2094819
Dart, Melvin, AC, O2068624
Davis, James M., AC, O842468
Davis, Marion M., Jr., AC, O2081007
Davis, Raymond P., QMC, O1330795
Davis, William J., AC, O786399
De Yonker, James A., AC, O807256
Dean, Louis J., AC, O2088287
Denning, Vaughn E., AC, O548880
Denny, Robert M., AC, O2095735
Denton, Ralph L., FA, O1186814
Dillard, George E., AC, O937169
Dingeldein, Robert, AC, O589955
Dixon, Billy V., AC., O2067824
Dodge, Willard A., SC, O1650498
Dodson, Robert W., AC, O2090073
Dorie, Arthur F., Inf., O2019861
Douglas, C. J., Jr., AC, O2078479
Draper, Russell C., AC, O820471
Drury, George F., AC, O780548
Duggar, Omar P., Jr., AC, O936587
Dulle, Albert B., AC, O2072665
Durka, Stanley A., Cav., O1019741
Eagle, Garland W., AC, O2076318
Edge, Robert L., AC, O2084827
Edsall, Millard J., Jr., QMC, O934629
Edwards, Denis R., AC, O2094476
Eichelberger, W. R., AC, O706372
Elliott, Jack D., AC, O716082
Ellis, Max E., AC, O786721
England, John M., Jr., QMC, O1282383
Erwin, Max L., AC, O2070629
Everett, Frank G., Jr., QMC, O547372
Everette, John B., AC, O788904
Eversole, Mac C., SC, O2010042
Fair, Leland B., Inf., O558789
Fales, Carl E., AC, O2070348
Farmer, Robert D., SC, O876771
Farrell, William E., Inf., O927802
Faulkner, Joseph, AC, O838839
Fellows, Charles W., Jr., AC, O701583
Fenton, Albert J., AC, O2076379
Ferguson, Charles L., AC, O839196
Fidler, Robert N., AC, O840243
Finley, Allen A., AC, O2074200
Fisher, Edwin L., SC, O1948455
Fitzgerald, Gerald F., AC, O2064020
Flavin, Michael J., AC, O2080892
Fleming, Robert W., Jr., Inf., O1337946
Forbes, Walter B., AC, O810642
Ford, Milton R., AC, O1998820
Fountain, Carl B., AC, O2088681
Fox, George A., AC, O788557
Franklin, Benjamin L., AC. O2077030
Freeman, Jacob M., AC, O1691837
French, James R., AC, O2092557
Freshwater, Robert E., AC, O842507
Frith, Thomas J., AC, O933377
Frost, George V., AC, O589957
Gallo, Anthony B., AC, O2099305
Garrett, Joseph B., QMC, O1950507
Gessner, Louis F., AC, O775320
Getz, Charles W., 3d, AC, O807725
Gioe, Joseph F., QMC, O1337703
Glasgow, William M., Jr., Inf., O1337171
Glass, Donald R., AC, O837469
Glass, Lawrence S., AC, O840375
Goodwin, Randolph, QMC, O2030993
Gordon, Robert E., AC, O776282
Gravelle, Orville R., AC, O691181
Graves, Norman C., AC, O2058789
Greenhow, Harry F., AC, O2101410
Greenwell, George G., AC, O786393
Greer, Donald E., AC, O787911
Griffin, John H., AC, O2094316
Grimm, Harley L., AC, O876915
Grossmiller, W. J., AC, O785493
Guy, Roy E., AC, O817834
Halferty, Robert M., AC, O720844
Haneman, Vincent S., Jr., AC, O822431
Harding, Richard D., QMC, O2019164
Hardwick, John S., AC, O2076123
Harer, Richard J., AC, O704927
Harrell, Jesse R., Jr., AC, O1995986
Harrington, Robert H., Inf., O2018341
Harris, Thomas D., Jr., AC, O843233
Hartzell, Richard A., AC, O2095402
Hasty, Delphin R., AC, O781302
Hearn, Clinton E., Cav., O541393
Hedge, George E., AC, O2082792
Hegg, James H., AC, O2091005
Hensz, Robert L., AC, O2099947
Herndon, James E., AC, O788926
Hester, James B., Jr., AC, O2099345
Hicks, Arlie H., Jr., AC, O2088165
Hicks, Ralph L., AC, O825167
Higdon, Robert T., AC, O782740
Hoag, James H., Jr., AC, O838415
Holden, John A., AC, O2075204
Holifield, Karl L., AC, O2029191
Holland, Thomas M., Jr., AC, O838551
Hollister, R. L., Jr., QMC, O1591807
Holloway, Paul Q., AC, O2088067
Holtorf, Arthur M., AC, O1998544
Hofangic, Nicholas P., AC, O2080702
Horner, Duke C., AC, O875674
Houck, Warren P., AC, O780959
Howard, Douglas J., AC, O2087782
Howard, Marlin C., AC, O2095862
Howell, Philip V., Jr., QMC, O2094561
Huddleston, Thomas L., AC, O841719
Hudlow, Richard J., AC, O842417
Hunter, Cedric V., AC, O936468
Hurley, James C., AC, O1997835
Hurn, James L., AC, O2089573
Hyde, James R., AC, O2056402
Irving, Clark O., Cav., O1032719
Ivey, Thomas E., AC, O2093879
Jackson, Stuart L., AC, O2090580
Jacobs, Ralph E., AC, O2059058
Jacobsen, Raymond O., AC, O2079738
Jacobson, Gail E., AC, O767252
Jarvis, Irby B., Jr., AC, O927206
Jewell, Harold R., AC, O2080338
Johannesen, Robert F., AC, O786755
Johnsen, Ralph S., AC, O2074030
Johnson, Andrew, Jr., AC, O839088
Johnson, Iri D., AC, O930841
Johnston, James E., Jr., AC, O763218
Jolley, Bryan R., AC, O2098991
Jolliff, Robert C., AC, O934188
Jones, Arthur M., AC, O841570
Jones, Forrest P., Jr., AC, O817039
Joseph, Adolph D., Jr., AC, O933764
Julin, Walter E., AC, O2080290
Kalina, Robert J., AC, O2086256
Kaltman, Semen E., AC, O878032
Karhohs, Fred E., Inf., O2018010
Kaufman, Robert J., Jr., AC, O836476
Kehrli, Gerald V., AC, O2074703
Kellogg, Edwin R., AC, O2094113
Kessler, John, Jr., AC, O2086353
Kildahl, John N., AC, O2081999
Killion, Lawrence E., AC, O1336074
Kimmins, Warden R., Ord., O1559476
King, Elnor L., MSC, O2013845
Kinney, Edward J., AC, O2094888
Kline, Charles C., AC, O2079749
Klingler, Ralph R., Jr., AC, O2076652
Kornegay, Hawood E., Jr., AC, O2087061
Kosciuszko, Alphons E., AC, O2090377
Koski, Raymond J., AC, O842420
Kouts, Alvin G., AC, O2094705
Kristoff, Joseph M., AC, O2066565
Lacasse, Wyndall, AC, O707531
Lane, David T., AC, O2098997
Langlois, Leo O., AC, O876563
Larkin, Harold J., AC, O2098542
Laroche, Edward A., AC, O2099546
Latshaw, Robert T., Jr., AC, O2082025
Laufer, D. A. V., Jr., AC, O929239
Lawrynovicz, C. P., AC, O933866
Lehman, Paul D., AC, O2084158
Lehman, Raimon W., SC, O1650627
Lehman, Raymond G., Jr., Inf., O1333356
Leuchtmann, Robert L., AC, O2089924
Lewis, Russell L., AC, O2056428
Lighty, William O., AC, O2089925
Like, Delbert O., AC, O589927
Lilly, Roger J., QMC, O1598919
Limbird, Charles E., AC, O930303
Lindeman, Jack R., AC, O786302
Lindvig, Vernon A., AC, O2090229
Lingo, John E., AC, O785697
Linn, Julius, Jr., AC, O2102055
Loepkey, Charles R., AC, O785698
Lopez, Leonard F., Inf., O1330834
Losco, Fiorenzo D., QMC, O1336899
Lowry, Merlin D., AC, O2101931
Lyman, Richard M., SC, O1650943
MacDonald, M. J., Jr., Inf., O2006997
MacGregor, Donald K., AC, O740660
Mackie, John V., AC, O936600
Madigan, John P., SC, O1651125
Marcarelli, John A., AC, O589800
Martin, Caleb S., Inf., O1062613
Martin, Theodore P., AC, O2015544
Mason, Russell E., QMC, O1598631
Maurer, Lyle E., AC, O2101945
May, Donald G., AC, O2095281
May, George B., QMC, O945494
Mayhall, John O., Ord., O555822
McAdams, Glendor D., AC, O769870
McAtee, John T., Inf., O1330208
McAuliffe, John H., Cav., O1019881
McCarty, Charles P., AC, O781916
McClure, Marshall D., Cav., O1020102
McCulley, Neil W., AC, O719112
McCurdy, Norman R., AC, O2080911
McDonald, M. B., Jr., AC, O2093526
McElhinney, B. H., Jr., Inf., O1998685
McElroy, Russell J., AC, O2094592
McEntire, Don B., AC, O837177
McGaw, James E., QMC, O927030
McGregor, William S., AC, O2095038
McKusker, Kent M., AC, O719698
McMahon, William J., AC, O589664
McNeff, Edward P., AC, O810545
Mellnish, David S., AC, O829886
Menard, John W., AC, O821525
Merrill, William L., AC, O723856
Messmer, Eugene J., AC, O936446
Metsopoulos, W. G., AC, O2077907
Middleton, Henry M., Jr., AC, O838337
Miller, John J., AC, O787694
Miller, Lloyd G., AC, O717253
Mitchell, Robert F., SC, O1650240
Moes, Gene A., AC, O713534
Monasee, Theodore L., AC, O876116
Moore, Joseph B., AC, O834471
Moore, Joseph A., AC, O2079761

Moseley, Billy G., AC, O842063
Murphy, Robert D., AC, O2096153
Mutch, Alex Y., AC, O2032838
Myers, Earl E., AC, O838918
Nash, Robert E., Jr., AC, O2093759
Nave, William P., AC, O2078828
Neff, Benjamin G., AC, O820311
Nelson, Beryl E., AC, O2069806
Nelson, Nils, AC, O2102063
Nelson, Thomas O., AC, O2092164
Nicol, Robert L., CML, O1536095
Nielsen, Gilbert E., AC, O2079616
Norwood, Billie J., AC, O1696392
Novotny, Robert A., AC, O2092587
Oglesby, David H., Jr., QMC, O1692643
O'Hare, Joseph J., Jr., FA, O937272
Oliver, John W., Jr., AC, O695828
O'Neil, Maston A., Jr., AC, O2093225
Orlando, Michael A., AC, O843284
Owens, Jack B., AC, O757259
Patson, George J., AC, O785130
Payne, Donald W., AC, O2088954
Peavler, David W., AC, O777016
Pelzel, Alfred O., AC, O2079461
Peralta, Roberto, CML, O1327278
Perreault, L. E., Jr., AC, O837736
Perry, William E., Jr., AC, O694704
Peterson, Hilden E., AC, O785131
Petree, Harold W., AC, O2090087
Peyton, James, AC, O772996
Philips, Robert J., AC, O936505
Phillips, Leonard B., Inf., O1336422
Phillips, Norman L., AC, O2073210
Pickett, Herbert L., AC, O2085359
Pierce, Robert J., AC, O2088226
Pohlen, Paul D., AC, O929243
Polz, Robert M., Inf., O1118634
Porges, John M., Inf., O2017449
Porter, Wayne C., AC, O696034
Potter, Campbell M., AC, O2091847
Poy, Harris O., AC, O780713
Poynor, James L., AC, O928715
Proctor, Charles H., AC, O2095893
Putt, Leo D., AC, O2088505
Quinn, Francis J., QMC, O1598990
Ramsey, William F., AC, O2082306
Ratley, Lonnie O., Jr., AC, O589933
Rauch, Henry L., AC, O2102079
Reese, Eugene K., AC, O2030613
Reiss, Matthew W., QMC, O1339471
Rieger, Gordon J., Ord., O1559966
Robb, Giles A., Jr., AC, O2084405
Roberts, Lloyd, AC, O936940
Robinson, Carl, SC, O1651876
Robinson, Leroy B., AC, O2102093
Robinson, Thomas M., AC, O2078289
Robison, Keith G., AC, O2096088
Rosenzweig, Harold, AC, O702964
Ross, Charles C., Cav., O1018777
Ross, S. L., Jr., AC, O788258
Rossman, Russell J., AC, O818943
Roy, Carl W., AC, O590021
Rozelle, Vernon L., AC, O335270
Rushlow, F. E., Jr., AC, O826004
Ryan, Robert A., Inf., O1336826
Sapp, Glenn E., AC, O877502
Savage, Spencer C., AC, O2095898
Saylor, Edward J., AC, O2009463
Schaefer, Gustav R., Inf., O1340586
Schofield, James S., AC, O824915
Schoonover, Orville G., AC, O2063279
Schram, Robert J., CML, O1536123
Schroeder, Howard R., AC, O716770
Schweizer, Rudolph J., AC, O714499
Schwitzgebel, W. C., AC, O878397
Scott, George S., AC, O2078124
Senechal, Jack F., Inf., O483185
Senior, Winfred B., QMC, O1340227
Seymour, James T., AC, O2081220
Shackelford, D. S., Jr., AC, O782034
Shadel, William N., AC, O2102068
Shaver, Dorwyn D., AC, O763753
Sherman, Charles A., AC, O2093787
Shirk, Robert V., QMC, O1598435
Shirley, Donald G., AC, O2094383
Simmons, James A., AC, O2088627
Sizemore, Robert, AC, O780043
Skidmore, Hubert N., AC, O2071726
Skiffington, Thomas J., AC, O833608
Skinner, Harry G., AC, O2085569
Smith, Elmer R., AC, O2095207
Smith, John E., AC, O928901
Smith, Walter A., Jr., AC, O940761
Sperry, John B., Inf., O1327053
Staggs, Homer J., AC, O935298
Startt, James W., CML, O1536382
Steorts, Ward A., AC, O937195
Stevens, Frank D., SC, O2012741
Stevenson, Charles S., AC, O788610
Stewart, Howell F., FA, O1186297
Stewart, Kenneth M., AC, O805358
Stewart, Richard L., AC, O843399
Storrs, Elwood D., Jr., AC, O832737
Stuber, Robert W., AC, O928484
Tarrant, Edward W., AC, O2079931
Taylor, Miles E., AC, O2084466
Taylor, Paul P., AC, O2008831
Taylor, William D., Jr., AC, O555127
Temple, Robert J., AC, O937031
Thomas, Lawrence O., AC, O2088111
Thomas, Rex O., AC, O2086317
Thomis, Joseph R., AC, O2089818
Thumser, Louis F., Jr., AC, O805355
Thurber, George F., AC, O929390
Toler, Alfonso C., AC, O936692
Trexler, David H., AC, O937060
Turner, Austin W., Fin., O889927
Turnmeyer, George E., Ord., O1560518
Twyman, Richard G., AC, O2095487
Unger, Edward F., AC, O2099909
Usis, Felix M., Jr., AC, O762432
Utterback, Curtis L., AC, O2079646
Van Liere, William P., AC, O723907
Van Pelt, David B., AC, O2095233
Vance, Jasper C., Jr., Inf., O1800167
Vidmer, Julian R., Jr., AC, O2094948
Von Fossen, Smith L., AC, O2095921
Wagner, William O., AC, O766797
Wagner, William T., 3d, AC, O2074269
Wahl, Richard G., AC, O2092846
Walker, Edwin C., AC, O2084073
Walker, Harry C., Jr., AC, O2092217
Wallace, John N., Jr., AC, O2078047
Walsh, John P., AC, O826577
Walsh, Theodore H., AC, O2099338
Walter, Stephen P., AC, O2088523
Walters, Donald M., AC, O2086730
Ward, James F., Jr., AC, O701210
Warren, Foster G., Jr., AC, O343166
Weber, Arthur E., AC, O2074612
Weed, William A., AC, O787737
Weems, Monard D. AC, O2079194
Wehlander, Erling O., AC, O2093951
Weigelt, Winfred H., AC, O785445
Weighton, Gordon F., MSC, O2014412
Welch, Bushnell N., AC, O759135
Weldon, William C., Jr., AC, O696824
Werb, William R., Jr., AC, O2088526
Whalen, Edward C., AC, O2088826
White, Bernard A., AC, O2080831
White, Charles R., AC, O842715
Wicks, David W., AC, O762438
Wilkie, Francis E., AC, O2081801
Wilkins, VanCourt, Inf., O1336850
Wilkinson, William C., QMC, O1019424
Williams, Oscar W., Inf., O1331456
Wilson, James R., QMC, O1949041
Winters, Melvin P., AC, O705196
Witty, Fred S., Jr., QMC, O2033132
Wofford, Kenneth O., AC, O842888
Wolcott, Dean W., AC, O2089527
Woolfolk, William F., AC, O2001876
Works, Albert V., Jr., AC, O2083058
Wortman, John J., AC, O936097
Wycoff, Francis L., Inf., O1330369
Wylie, Frank W., SC, O1651599
Yates, Charles C., AC, O2082561
Yeager, Randall G., Jr., AC, O2077517
Yeaton, Carl G., AC, O2079666
Yockey, Willard W., AC, O2062368
Young, Donald J., AC, O828361

NOTE.—Above-named nominees were given recess appointments on August 23, 1947, October 10 and 17, 1947, and November 14, 1947.

IN THE ARMY

APPOINTMENTS IN THE REGULAR ARMY, IN THE ARMY NURSE CORPS, AND THE WOMEN'S MEDICAL SPECIALIST CORPS

The following-named persons, under the provisions of an act of Congress approved April 16, 1947 (Public Law 36, 80th Cong.), for appointment in the Regular Army in the Army Nurse Corps and the Women's Medical Specialist Corps in the grade specified, with date of rank to be determined by the Secretary of the Army pursuant to the provisions of the mentioned act. These officers are to be selected to fill existing vacancies in the grades for which they are nominated and appointments in these grades will not act to exceed the number of positions authorized for such grades:

To be lieutenant colonels

Zora M. Ballard, ANC, N700756.
Beatrice M. Quin, ANC, N700184.
Elsie G. Rhodes, ANC, N700315.

To be majors

Margaret E. Aaron, ANC, N700828.
Anna G. Anderson, ANC, N702010.
Alta Berninger, ANC, N700904.
Jeanette Bloch, ANC, N700829.
Helen C. Burns, WMSC (Dict.) R1.
Lila A. Condon, ANC, N701555.
Louise M. Fitzgerald, ANC, N702402.
Nora G. Freeman, ANC, N700613.
Marie S. Galloway, ANC, N702307.
Anna S. Holden, ANC, N701740.
Florence I. Lee, ANC, N700832.
Gertrude A. MacLean, ANC, N701877.
Elizabeth B. Mahoney, ANC, N701933.
Agnes A. Maley, ANC, N702416.
Cora J. Maxton, ANC, N702459.
Doris E. Medlin, ANC, N702460.
Kathleen Mitchell, ANC, N700819.
Ruth E. Parsons, ANC, N702133.
Helen H. Patton, ANC, N702006.
Mary G. Phillips, ANC, N702330.
Sadye M. Rosenthal, ANC, N700219.
Emma E. Vogel, WMSC (PT) M1.
Sarah E. Williams, ANC, N702336.

To be captains

Myrtle Aldrich, WMSC (Dict.), R624.
Jacqueline G. Allison, ANC, N703090.
Ethel M. Anderson, ANC, N702384.
Nina M. Baker, ANC, N720705.
Josephine H. Balestra, ANC, N700920.
Margaret M. Bitzel, ANC, N702126.
Margaret E. Blatt, ANC, N703754.
Helga C. C. Borg, ANC, N701793.
Pauline J. Bowling, ANC, N732004.
Irene K. Boyd, ANC, N702951.
Freida A. V. Brandiger, ANC, N701902.
Margaret M. Brandt, ANC, N702222.
Hazel I. Burford, ANC, N702427.
Rose A. Butler, ANC, N722560.
Eunice B. Byrd, ANC, N702588.
Hazel A. Chamberlain, ANC, N702809.
Louise D. Christman, WMSC (PT), M415.
Felie W. Clark, WMSC (PT), M480.
Mary B. Clark, ANC, N703589.
Thelma L. Cole, ANC, N702783.
Esther R. Collins, ANC, N730168.
Cora E. Collison, ANC, N701230.
Mary E. Cooper, ANC, N702678.
Helen A. Dautrich, WMSC (Dict.), R251.
Helen M. Davis, WMSC (Dict.), R649.
Mary O. Depp, ANC, N732024.
Mary L. Dixon, ANC, N702901.
Patricia F. Dolan, ANC, N702864.
Dorothy G. Dorenkemper, ANC, N703639.
Florence A. Dressell, ANC, N702111.
Catherine E. Duffy, ANC, N728182.
Bertha Elsner, ANC, N702188.
Sylvia M. Evans, ANC, N702471.
Eula R. Fails, ANC, N702890.
Ione Featherston, ANC, N701776.
Eileen Fitzgerald, ANC, N736620.
Anne L. Fuller, ANC, N736504.
Hope E. Glasson, ANC, N703284.
Myrtle L. Haney, ANC, N702812.
Emma T. Harr, WMSC (PT), M541.
Frankie D. Harris, ANC, N734159.
Bessie M. Hatcher, ANC, N703807.
Mary E. Haynes, ANC, N701986.
Marguerite E. Hendrix, ANC, N702789.
Helen R. Hill, ANC, N732039.
Elizabeth V. Hobbins, ANC, N703328.
Rosemary Hogan, ANC, N702877.
Willa L. Hook, ANC, N703175.
Carolyn M. Jentgen, ANC, N704108.
Alice J. Johnson, ANC, N700550.
Katherine E. Johnson, ANC, N703826.

Helen J. Jurash, ANC, N702340.
Irene J. Klemp, ANC, N702780.
Brunetta A. Kuehlthau, WMSC (PT), M739.
Dorothea M. Lawrence WMSC (PT), M970.
Harriet S. Lee, WMSC (PT), M466.
Winifred P Madden, ANC, N703029.
Frances C Mantor, ANC, N736401.
Allie L. Martin, ANC, N703273.
Eleanor W Merrill, ANC, N701671.
Irene L. Miller, ANC, N702338.
Louise Miller, ANC, N702239
Elizabeth G Mixson, ANC, N702699.
Grace E. Monroe, ANC, N703749.
Alice L. Montgomery, ANC, N703853.
Martha E Moseman, WMSC (Diet.), R27.
Mary E. Nypaver, ANC, N703760.
Ruth Payne, ANC, N702309
Miriam E. Perry, WMSC (Diet.), R612.
Anne K. Pilegard, ANC, N701822.
Bertha E. Pollard, ANC, N724017.
Lillie S. Pope, ANC, N702382
Helen D. Rauktis, ANC, N703323.
Marie E. Reiners, ANC, N702074.
Grace H. Rickert, ANC, N702245.
Barbara M. Robertson, WMSC (PT), M600.
Lydia L. Romersa, WMSC (Diet.), R219.
Nila P. Rutherman, ANC, N702446.
Beulah Schloemer, ANC, N702922.
Sabina C Schmidt, ANC, N702997.
Olive P. Shadle, ANC, N702205.
Anna Shamansky, ANC, N703415.
Ella V Shorney, ANC, N700670.
Hazel R. Sims, ANC, N703437.
Jean E. Skinner, ANC, N703698.
Genevieve M Smith, ANC, N702306.
Grace Smith, WMSC (Diet.), R437.
Agnes P. Snyder, WMSC (PT), M445.
Vera M Sokira, ANC, N703801.
Faye G. Still, ANC, N702227.
Ruth M. Stoltz, ANC, N702916.
Ethel L. Strain, ANC, N702440.
Dorothy G. Tipton, WMSC (PT), M713.
Laura I. Tosi, ANC, N703167.
Minnie O. Velo, ANC, N701799.
Mabel A. Watkins, ANC, N702086.
Lois I. Watson, ANC, N703250.
Velma D. Wiehe, ANC, N701950.
Mary L. Wiggins, ANC, N703652.
Theresa A. Wilson, ANC, N700752.
Ruby Z. Winslow, WMSC (Diet.), R613.
A. Elizabeth Wynne, ANC, N703659.
Marguerite A. Yerger, ANC, N703035.

To be first lieutenants

Roberta E. Aber, WMSC (OT).
Helen F. Adams, ANC, N722136.
Ruth Agnew, ANC, N727684.
Mary E. Almquist, WMSC (PT), M2002.
Ledora G. Alsup, ANC, N742561.
Imogene Anderson, ANC, N779389.
Jane W. Anderson, ANC, N725028.
Mary C. Anderson, ANC, N767337.
Mildred J. Anderson, WMSC (PT), M1119.
Edith Ansley, ANC, N763492.
Leona Arend, ANC, N737752.
Caroline E. Avila, ANC, N722892.
Alberta M. Bachman, ANC, N787595.
Marguerite L. Backus, ANC, N768449.
Rosalie F. Bailen, ANC, N730309.
Mildred B. Baker, ANC, N727501.
Katherine E. Baltz, ANC, N741313.
Ruth A. Barlowe, ANC, N703820.
Frances M. Barrett, ANC, N736821.
Anne N. Bauer, ANC, N729047.
Marie H. Baylies, WMSC (PT), M866.
Madge C. Beaird, ANC, N763546.
Rose E. Beck, ANC, N787510.
Mattie A. Bell, ANC, N779255.
Catherine M. Bender, WMSC (PT), M2479.
Mary L. Ben Dure, WMSC (PT), M548.
Frances J. Bilisky, ANC, N775227.
Marcel Binning, WMSC (PT), M768.
Anne M. Bisignano, ANC, N787372.
Minnie L. Bitros, ANC, N734986.
Dollie M. Blake, ANC, N703834.
Clarice H. Blegen, ANC, N730571.
Mathilda E. Bott, ANC, N741195.
Ruth W. Bradley, WMSC (PT), M688.
Nellie Bradshaw, ANC, N780050.
Marcella V. Brandyberry, ANC, N728032.
Edna R. Brauning, ANC, N703143.
Lucy P. Brazeal, ANC, N760730.
Ethel J. Britt, ANC, N744961.
Mattie C. Britton, ANC, N724283.
Donna D. Bromerski, ANC, N724568.
Elizabeth M. Brown, ANC, N755217.
Betty E. Bryant, ANC, N753066.
Virginia M. Brychel, ANC N731838.
Mary T Bunch, ANC, N763610.
Margaret G. Burgess, ANC, N757685.
Menla Burke, ANC, N704030.
Marguerite M. Burns, ANC, N704035.
Rita C. Burns, ANC, N760222.
Margaretta I. Burton, ANC, N724393.
Ellen L. Busbee, ANC, N703850.
Vera N Bush, ANC, N727190.
Ruth Bustraan, ANC, N758805.
Virginia F Cahill, ANC, N720997.
Christie L. Carlson, WMSC (Diet.), R349.
Eva E. Cheeseman, ANC, N703501.
Rosemarie L. Chisholm, ANC, N789258.
Grace H. Chism, ANC, N703413.
Annabel M. Christiansen, ANC, N703805.
Bessie C. Christie, ANC, N703488.
Alta R. Clark, ANC, N734708.
Anna W Clark, ANC, N703407.
Mildred I. Clark, ANC, N703019.
Margaret G Clarke, ANC, N764014.
Mary M. Coffey, ANC, N752150.
Marie Cole, ANC, N779469
Dorothy E. Coleman, ANC, N788644.
Sabre G. Collins, ANC, N763418.
Mildred O. Conin, ANC, N744174.
Bonnie J Conneran, ANC, N789173
Ruby Cook, ANC, N763063.
Elizabeth L. Cosler, ANC, N790160.
Helen R. Cosma, ANC, N703660.
Chloe M. Cowling, ANC, N703832.
Mary J. Craig, ANC, N731680.
Dorothy E. Crist, ANC, N761981.
Aileen Cronkite, ANC, N737185.
Cathrine L. Crotty, ANC, N726312.
Irene E. Cully, ANC, N703164.
Virginia E. Cundiff, ANC, N723219.
Helen F. Custer, ANC, N725594.
Elmira Dalrymple, ANC, N735584.
Margaret R. Dardis, ANC, N703949.
Anna L. Davis, ANC, N730577.
Harriet A. Dawley, ANC, N722256.
Marjorie M. Dawson, ANC, N772690.
Evelyn A. Day, WMSC (Diet.), R567.
Florence I. Deegan, ANC, N767537.
Georgia D. DeFrane, ANC, N761337.
Agnes S. Dembowski, ANC, N789869.
Ethel D. Denio, WMSC (Diet.), R1021.
Isabelle M. Desmond, WMSC (PT), M484.
Helen F. Dietsche, ANC, N795904.
Lydia M. Domert, ANC, N741155.
Dorothy M. Donahue, ANC, N703677.
Mary N Donato, ANC, N760854.
Helen J. Donnelly, ANC, N786704.
Rose A. Donoghue, ANC, N703543.
Doris M. Donovan, ANC, N721993.
Helen Doviak, ANC, N755066.
Myrtle Drake, ANC, N734022.
Mary M. Duncan, ANC, N729388.
Barbara E. Earle, ANC, N757263.
Hilda R. Echols, ANC, N726032.
Sammye Edenfield, ANC, N727221.
Gladys T. Edwards, WMSC (Diet.), R62.
Mabel M. Eisele, WMSC (OT).
Ruth W. Ellinger, WMSC (PT), M486.
Lilyan M. Emmons, ANC, N730576.
Ruth L. Engle, ANC, N728640.
Margaret E. Erickson, ANC, N733422.
Nannie R. Evans, WMSC (Diet.), R220.
Emily Fairbanks, WMSC (PT), M580.
Gaeda N. Falcone, ANC, N724022.
Margaret C. Farley, ANC, N770110.
Daria Fedoronko, ANC, N725165.
Margaret H. Flook, ANC, N724144.
Dolores A. Foltz, ANC, N732561.
Virginia E. Foor, ANC, N794657.
Anne R. Foster, ANC, N742345.
Lucille I. Fowler, ANC, N730042.
Mildred L. Fraser, ANC, N703194.
Irene Frey, ANC, N703283.
Virginia L. Frost, WMSC (PT), M2459.
Mildred L. Fuller, ANC, N704007.
Jeanne T. Fullerton, ANC, N790394.
Eleanor A. Geovanelle, ANC, N787330.
Charlotte N. German, ANC, N703378.
Nancy G. Gillahan, ANC, N703452.
Lillian R. Godek, ANC, N789358.
Melrose C. Goodson, ANC, N763883.
Katharine Gorinski, ANC, N724200.
Rita C. Graham, ANC, N728461.
Lois K. Grant, ANC, N729360.
Ada E. Gray, WMSC (PT), M2203.
Ann E. Grazin, ANC, N787477.
Ina M. Greene, ANC, N728327.
Ruth L. Greenfield, ANC, N754781.
Kate A. Haenisch, ANC, N704099.
Lucy E. Hall, ANC, N727230.
Merle M. Hall, WMSC (Diet.), R453.
Sara C. Hall, ANC, N703139.
Mabel O. Hardman, ANC, N755248.
Nevella S. Harris, WMSC (Diet.), R372.
Wanda M. Hartman, ANC, N760261.
Nora C. Haselmire, ANC, N728181.
Helen M. Hays, ANC, N775677.
Alma E. Heintzelman, ANC, N762095.
Izabella C. Helhoski, ANC, N722829.
Alma R. Hendrix, ANC, N743169.
Mary M. Holly, ANC, N739428.
Catherine S. Hooper, WMSC (OT).
Janet E. Hopkins, ANC, N741273.
Margaret K. Hosey, ANC, N703375.
Velma A. Hovatter, ANC, N769754.
Otelia A. Hovland, ANC, N778527.
Margaret E. Huitt, ANC, N726982.
Nancy L. Huston, WMSC (Diet.), R313.
Lucy M. Infosino, ANC, N793207.
Lemma M. Ingram, ANC, N727423.
Harriet J. Jayne, ANC, N730104.
Fuchsia L. Johnson, WMSC (Diet.), R1002.
Nancy A. Johnson, ANC, N732052.
Mary E. Jordan, ANC, N779323.
Jimmie L. Keahey, ANC, N703312.
Marie A. Keating, ANC, N762728.
Jean V. Kedik, ANC, N758403.
Josephine J. Kelley, ANC, N722014.
Eva L. Kelly, ANC, N742296.
Johanna M. Kelly, ANC, N757464.
Genie Key, ANC, N727917.
Irene B. Kierzek, ANC, N745534.
Thelma J. Kiltz, ANC, N776869.
Florence L. Kimmel, ANC, N733403.
Marie L. Kirman, ANC, N722382.
Claudia C. Knight, ANC, N704067.
Elaine A. Kowalski, ANC, N725178.
Helen M. P. Krystopik, ANC, N755640.
Orva R. Kunkel, ANC, N758223.
Julia E. Kuntz, ANC, N730617.
Isabelle A. Kuskowski, ANC, N730542.
Mildred I. Lamar, ANC, N703393
Erin Langford, ANC, N788141.
Mabel L. Lau, ANC, N742866.
Lillie B. Ledlie, ANC, N767521.
Lonnette M. Lee, ANC, N703696.
Dorothy H. Lehman, ANC, N703560.
Lahoma Leith, ANC, N758454.
Helena M. Leland, ANC, N784123.
Adeline H. Lenz, ANC, N703310.
Ann M. Leonard, ANC, N720098.
Grace M. Liebig, ANC, N737100.
Elsie M. Lien, ANC, N730433.
Alice M. Linhares, ANC, N721675.
Mary Lipscomb, WMSC (Diet.), R1114.
Dorothy L. Looby, ANC, N732577.
Floy L. Looper, ANC, N735055.
Grace J. Mach, ANC, N801361.
Dorothy M. MacRae, WMSC (Diet.), R919.
Gertrude I. Mahn, ANC, N743084.
Mildred M. Malarik, ANC, N722950.
Katharine E. Manchester, WMSC (Diet.), R300.
Helen T. Marcinkoski, ANC, N755725.
Mary A. Massoni, ANC, N753232.
Marjorie Matheson, ANC, N751256.
Mary J. Mathis, ANC, N729856.
Ann Maysarros, ANC, N703040.
Anna Mae V. McCabe, ANC, N742419.
Mary J. McCally, ANC, N764030.
Mildred A. McCally, ANC, N764029.
Kathryn M. McClellen, ANC, N779285.
Margaret F. McLaughlin, ANC, N756958.
Mary C. Meagher, ANC, N771638.
Hazel M. Meeks, ANC, N764278.
Rose M. Merhar, ANC, N777053.
Marjorie Meszar, ANC, N728183.
Eleanor R. Meyer, ANC, N730611.
Jennie K. Miller, ANC, N728441.

Leila F. Miller, WMSC (OT).
Margaret A. Minckler, ANC, N737860.
Florence Z. Miner, ANC, N741037.
Inez Moffitt, WMSC (PT), M890.
Marjorie M Mohler, ANC, N759079.
Christine Moore, ANC, N727196
Sue W. Moore, WMSC (Diet.), R1310.
Carita L. Morgan, ANC, N773109.
Mary F. Morse, ANC, N720880.
Velma L. Mount, ANC, N726303.
Mary M. Mowatt, ANC, N751344.
Doris A. Murphy, ANC, N725640.
Mary C. Murphy, ANC, N752324.
Madeline L. Nearhood, ANC, N724765.
Edna M. Nelson, ANC, N736478.
Helen A. Nelson, ANC, N732022.
Nelly Newell, ANC, N736732.
Norma B. Nordstrom, ANC, N789737.
Maiguerite A Oberson, ANC, N703168.
Jane A. Oliver, WMSC (Diet.), R1389.
Mary C. O'Neill, ANC, N745533.
Gertrude M. Ostmann, ANC, N775241.
Alma M. Paetzold, ANC, N734372.
Margaret H. Paetzold, ANC, N734498.
Doris L. Parker, WMSC (Diet.), R2204.
Lucy E. Pasqualone, ANC, N784820.
Mary A. Patterson, ANC, N742628.
L. Isabelle Peacock, ANC, N726901.
Augusta K. Peake, ANC, N728877.
Ava L. Peene, ANC, N723898.
Lydia J. Peerey, ANC, N726638.
Dorothy H. Pemberton, ANC, N721590.
Hazel Percival, ANC, N776124.
Helen A. Pieper, ANC, N703786.
Miriam R. Pierce, ANC, N724680.
Gladys H. Pinckney, ANC, N726147.
Louise Pollard, ANC, N726700.
Norma M. Pollo, ANC, N731355.
Alice M. Pressler, ANC, N789888.
Josephine A. Pritchard, ANC, N788873.
Ruby E Pritchard, ANC, N722719.
Martha A. Puckett, ANC, N767709.
Grace K. Puppel, ANC, N789602.
Margaret E. Radke, WMSC (Diet.), R2146.
Lula M. Ragsdale, ANC, N733276.
Helen J. Rakita, ANC, N761382.
Eleanor R. Reed, ANC, N703977.
Eileen W. Reichert, ANC, N745170.
Eulalie M. Reiling, ANC, N790740.
Mary P. Reilly, ANC, N721639.
Imogene Renfrow, WMSC (PT), M2299.
Lucille L. Resler, ANC, N773324.
Nettie M. Ricci, ANC, N723994.
Elizabeth J. Rice, ANC, N789799.
Elizabeth C. Richard, ANC, N795143.
Velma L. Richardson, WMSC (Diet.), R68.
Della P. Riley, ANC, N724344.
Lorraine M. Ripps, ANC, N703491.
Charlotte R. Rodeman, ANC, N728244.
Florence J. Rodenboh, ANC, N759435.
Eleanor F. Romanofski, ANC, N724914.
Bernardine M. Rosenbaum, ANC, N762357.
Rita V. Rourke, ANC, N731874.
Sally W. Royer, ANC, N725233.
Anna Rozycki, ANC, N795386.
Evelyn L. Russel, ANC, N763756.
Lucille D. Russell, ANC, N758077.
Phyllis Ryan, ANC, N731799.
Gertrude E. Santowski, ANC, N787243.
Beatrice J. Sarrokie, ANC, N724909.
Elma G. Scheuer, ANC, N703911.
Leora L. Schmidt, ANC, N741375.
Helen J. Schnader, ANC, N761110.
Olga Schott, ANC, N741615.
Frances M. Scott, ANC, N730167.
Frieda Seidman, ANC, N758614.
Jacqueline H. Sellars, ANC, N788626.
Berneda A. Serfass, ANC, N760176.
Helen M. Seroczynski, ANC, N728068.
Ruth F. Shadewaldt, ANC, N737297.
Jacqueline B. Sharpe, ANC, N761604.
Vivian M. Shepherd, ANC, N703359.
Florence M. Sioms, ANC, N760269.
Eileen A. Sisson, ANC, N724228.
Ruth C. Sitzmann, ANC, N773885.
Anna B. Skidmore, ANC, N760313.
Alice L. Skinner, ANC, N721058.
Etna E. Skipper, ANC, N704015.
Alpharetta E. Slaats, ANC, N771152.
Rosemary Slavin, ANC, N737576.
Elma C. Smith, ANC, N731121.
Corinne E. Snaadt, ANC, N771657.
Myrna A Snyder ANC, N725562.
Margaret M. Somers, ANC, N721713.
Jessie A. Sorrells, ANC, N730425.
Irina Stahovich, ANC, N756507.
Amelia Stark, ANC, N735634.
Anne B. Steele, ANC, N721850.
Juliette W. Stephenson, ANC, N761617.
Irene P. Steplyk, ANC, N704076.
Helena M. Stoffregen, ANC, N728503.
Carrie P. Stout, ANC, N789148.
Hester J. Strom, ANC, N759490.
Harriet C. Styer, ANC, N741039.
Alice H. Svedirsky, ANC, N759570.
Dorothy L. Swartz, WMSC (Diet), R461.
Eva M. Tembrock, ANC, N741556.
Virginia L. Titus, ANC, N704087.
Vivian D. Toolan, WMSC (Diet.), R749.
Florence T. Trombly, ANC, N742372.
Bernice E. Tyo, ANC, N757775.
Otillia M. Ulrich, ANC, N787505.
Marian E. Vanderbrook, ANC, N722766.
Janice O. Van Hees, ANC, N731642.
Lera V. Via, ANC, N724233.
Doris W. Viedt, ANC, N732982.
Helen M. Visnovsky, ANC, N790567.
Althea M. Ward, ANC, N722650.
Marguerite E. Ward, WMSC (Diet.), R2186.
Mary H. Waters, ANC, N754241.
Annabel Watkins, WMSC (Diet.), R1132.
Clara K. Watry, ANC, N730833.
Mable M. Welch, ANC, N786422.
Irma F. Williams, ANC, N720726.
Helen M. Wiltzius, ANC, N731637.
Mildred L. Windbiel, ANC, N730518.
Alice R. Wink, ANC, N722041
Ann M. Witczak, ANC, N730398.
Ethel E. Wood, ANC, N726497.
Cecelia L. Woodiwiss, ANC, N704136.
Mary V. Wyatt, ANC, N728060.
Mildred L. Yonce, ANC, N785275.
Lillian Zagajeski, ANC, N722063.
Thelma M. Zeller, ANC, N776059.
Blanche E. Zukowski, ANC, N793566.

To be second lieutenants

Ruth E. Alexander, ANC, N754936.
Amelia D. Amizich, WMSC (PT), M2371.
Mary A. Azzalino, ANC, N795310.
Myrtle M. Bates, WMSC (PT), M2442.
June F. Berryman, ANC, N762771.
Mary L. B. Boman, WMSC (OT).
Francine B. Bundt, WMSC (PT), M2716.
Margery E. Cheers, ANC, N794479.
Julia Choate, ANC, N765443.
Amy L. Connors, ANC, N754989.
Berniece F. Cramer, ANC, N777428.
Frances M. Davison, WMSC (PT), M2466.
Kathryn I. Dixon, ANC, N765160.
Katherine C. Ehrhart, WMSC (PT), M2214.
Mae A. Engsberg, WMSC (PT), M2732.
Sara E. Garvin, ANC, N797213.
Mary Frances I. Haley, ANC, N797026.
Betty A. Harlan, WMSC (PT), M2456.
Mary Ann V. Hartnett, ANC, N794964.
Rosamond E. Hughes, WMSC (Diet.), R2466.
Frances J. Johnson, WMSC (PT), M2454.
Pearl R. Jonah, ANC, N754598.
Dorothy E. Jones, ANC, N785842.
Ruth A. Kegler, ANC, N777457.
Betty A. Klingensmith, ANC, N794389.
Elizabeth A. LaRoche, ANC, N797148.
Edna F. Lichtenstein, ANC, N754847.
Nancy L. Limb, ANC, N768932.
Ellen M. Lund, WMSC (OT).
Evelyn W. Lund, ANC, N799696.
Margaret E. Mahoney, WMSC (PT), M2560.
Flora E. Manahan, ANC, N780263.
Mary M. Matlavage, ANC, N762867.
Catherine S. McBride, ANC, N79268.
Jessie Melnik, ANC, N753859.
Anna V. Michelitsch, ANC, N797767.
Beulah E. Nye, WMSC (Diet.), R2409.
Regina C. O'Donnell, ANC, N793110.
Betty M. Rasmussen, ANC, N801161.
Betty J. Reynolds, ANC, N778677.
Mary E. Rosser, ANC, N799152.
Jeraldine F. Skidmore, ANC, N768843.
Mary A. Strauss, ANC, N779705.
Vivian L. Strickler, WMSC (OT).
Clara M Sullivan, ANC, N793124.
Kaitha P. Zeicloft, ANC, N768304.

NOTE.—Officers recommended for appointment in the Regular Army who were given recess appointments on September 25, 1947, October 1, 1947, and October 24, 1947, under the provisions of the act of April 16, 1947 (Public Law 56, 80th Cong.).

IN THE ARMY

PROMOTIONS IN THE REGULAR ARMY

The following-named officers for promotion in the Regular Army of the United States, under the provisions of section 3, of an act of Congress approved July 31, 1935, as amended by an act of Congress approved June 13, 1940. Those officers whose names are preceded by the symbol (×) are subject to examination required by law. All others have been examined and found qualified for promotion.

To be lieutenant colonels

*Maj. Claron Wager Meldrum, Ordnance Department (temporary lieutenant colonel), with rank from June 1, 1947.

*Maj. Wayne Bailey Gardner, Finance Department, with rank from July 14, 1947.

*Maj. Herbert Ryan Tumin, Corps of Engineers (temporary lieutenant colonel), with rank from August 4, 1947.

*Maj. Esthel Oliver Stroube, Finance Department (temporary lieutenant colonel), with rank from August 13, 1947.

*Maj. Coleman Romain, Quartermaster Corps (temporary lieutenant colonel), with rank from August 31, 1947.

*Maj. Alexander Grendon, Coast Artillery Corps (temporary lieutenant colonel), with rank from September 1, 1947.

*Maj. Carroll Delmar Hudson, Ordnance Department (temporary colonel), with rank from September 15, 1947.

*Maj. Harry Edward Owens, Quartermaster Corps, with rank from September 17, 1947.

*Maj. Valerius Hakanson Quartermaster Corps (temporary lieutenant colonel), with rank from September 18, 1947.

*Maj. Emroy Elmer Feind, Finance Department (temporary lieutenant colonel), with rank from September 26, 1947.

*Maj. William Carl Thompson, Finance Department (temporary lieutenant colonel), with rank from October 3, 1947.

*Maj. Francis Joseph Sullivan, Infantry (temporary lieutenant colonel), with rank from October 12, 1947.

*Maj. Abraham Julius Rosenblum, Quartermaster Corps (temporary lieutenant colonel), with rank from October 28, 1947.

*Maj. Donald Dunning Alexander, Ordnance Department (temporary lieutenant colonel), with rank from October 30, 1947.

*Maj. John Gardner Ladd, Corps of Engineers (temporary colonel), with rank from November 10, 1947.

Maj. Edward Charles Miller, Jr., Infantry (temporary colonel), with rank from November 21, 1947.

Maj. Clyde George Young, Field Artillery (temporary lieutenant colonel), with rank from November 23, 1947.

Maj. William Harvey Odle, Corps of Engineers, with rank from November 26, 1947.

Maj. Cyril Dean Hill, Coast Artillery Corps (temporary lieutenant colonel), with rank from November 28, 1947.

Maj. Philip Feinberg, Finance Department (temporary lieutenant colonel), with rank from November 28, 1947.

Maj. Arthur Wilbur Jones, Chemical Corps (temporary lieutenant colonel), with rank from November 30, 1947.

Maj. William Merritt Preston Northcross, Ordnance Department (temporary lieutenant colonel), with rank from December 17, 1947.

Maj. Miles Jason Baze, Quartermaster Corps, with rank from December 23, 1947.

To be majors

*Capt. Roy Augustus Wall, Quartermaster Corps (temporary lieutenant colonel), with rank from June 5, 1947.

*Capt. Alvin Benjamin Welsch, Infantry (temporary lieutenant colonel), with rank from June 9, 1947.

*Capt. Melvin Miller, Field Artillery (temporary major), with rank from June 23, 1947.

*Capt. George F. Glass, Ordnance Department (temporary lieutenant colonel), with rank from June 24, 1947.

*Capt. Francis Nicholas Miller, Signal Corps (temporary lieutenant colonel), with rank from June 28, 1947.

*Capt. James Christopher Ulmer, Infantry, with rank from June 28, 1947.

*Capt. James Chase Damron, Adjutant General's Department (temporary major), with rank from June 30, 1947.

*Capt. Lynwood David Lott, Adjutant General's Department (temporary lieutenant colonel), with rank from July 9, 1947.

*Capt. John Embry, Field Artillery (temporary lieutenant colonel), with rank from July 13, 1947.

*Capt. Maurice Patterson Shaver, Coast Artillery Corps (temporary lieutenant colonel), with rank from August 2, 1947.

*Capt. William Pitt Ring, Jr., Infantry (temporary major), with rank from August 7, 1947.

*Capt. Howard Blakely Moreland, Corps of Engineers (temporary major), with rank from August 7, 1947.

*Capt. Milton Edwin Godfrey, Adjutant General's Department (temporary lieutenant colonel), with rank from August 7, 1947.

*Capt. William Henry Churchwell, Judge Advocate General's Department (temporary major), with rank from August 7, 1947.

*Capt. Raymond Russell Ramsey, Infantry (temporary major), with rank from August 10, 1947.

*Capt. Jasper Lemlie Searles, Judge Advocate General's Department (temporary lieutenant colonel), with rank from August 11, 1947.

*Capt. Harold Leo Oldenburg, Finance Department (temporary major), with rank from August 13, 1947.

*Capt. David Franklin Foster, Judge Advocate General's Department (temporary lieutenant colonel), with rank from August 21, 1947.

*Capt. Louis Williford Jackson, Adjutant General's Department (temporary lieutenant colonel), with rank from August 22, 1947.

*Capt. Charles Lewis Reed, Ordnance Department (temporary lieutenant colonel), with rank from August 25, 1947.

*Capt. Paul Dickson Guernsey, Adjutant General's Department (temporary major), with rank from August 27, 1947.

*Capt. William Edwin Barksdale, Quartermaster Corps (temporary lieutenant colonel), with rank from August 31, 1947.

*Capt. Hoke Smith Wofford, Quartermaster Corps (temporary lieutenant colonel), with rank from August 31, 1947.

*Capt. James Walker Connor, Quartermaster Corps (temporary major), with rank from September 1, 1947.

*Capt. Hugh Anderson Vest, Signal Corps, with rank from September 2, 1947.

*Capt. Jerome Hubbard, Adjutant General's Department (temporary major), with rank from September 2, 1947.

*Capt. Kenneth Kalmar Hansen, Infantry (temporary major), with rank from September 3, 1947.

*Capt. Harold Lafayette Fuller, Adjutant General's Department (temporary lieutenant colonel), with rank from September 5, 1947.

*Capt. Ronald Bryce Currens, Ordnance Department (temporary major), with rank from September 7, 1947.

*Capt. William Elton Kaley, Signal Corps (temporary major), with rank from September 14, 1947.

*Capt. Kenneth Elwood Tilton, Coast Artillery Corps (temporary lieutenant colonel), with rank from September 15, 1947.

*Capt. John Allen Townley, Finance Department, with rank from September 16, 1947.

*Capt. Andrew Carpenter Nelson, Finance Department (temporary major), with rank from September 18, 1947.

*Capt. Thomas Ralph Barner, Corps of Engineers (temporary major), with rank from September 22, 1947.

*Capt. Thomas Roy Malone, Jr., Field Artillery (temporary lieutenant colonel), with rank from September 22, 1947.

*Capt. William Summers Shoemaker, Corps of Engineers (temporary lieutenant colonel), with rank from September 24, 1947.

*Capt. Curtis Hargrave Bennett, Adjutant General's Department (temporary major), with rank from September 25, 1947.

*Capt. George Nelson Kibler, Corps of Engineers (temporary lieutenant colonel), with rank from September 26, 1947.

*Capt. Charles Dudley McDaniel, Corps of Engineers (temporary lieutenant colonel), with rank from September 28, 1947.

*Capt. Alfred Arthur Pursall, Infantry (temporary lieutenant colonel), with rank from September 28, 1947.

*Capt. Harold Baker Wetherbie, Finance Department (temporary major), with rank from September 29, 1947.

*Capt. James Dupree Ogletree, Field Artillery (temporary major), with rank from October 1, 1947.

*Capt. Israel Brent Washburn, Field Artillery (temporary lieutenant colonel), with rank from October 2, 1947.

*Capt. Septimus Bonham Sightler, Jr., Infantry (temporary lieutenant colonel), with rank from October 10, 1947.

*Capt. Richard Dickinson Smith, Field Artillery (temporary lieutenant colonel), with rank from October 11, 1947.

*Capt. Marvin Hays, Quartermaster Corps (temporary major), with rank from October 15, 1947.

Capt. R. Beverly Caldwell, Chemical Corps (temporary major), with rank from October 17, 1947.

Capt. George Arlan Bachman, Quartermaster Corps (temporary major), with rank from October 18, 1947.

*Capt. George Reynolds Russell, Quartermaster Corps (temporary lieutenant colonel), with rank from October 20, 1947.

*Capt. Edward William Pennington, Ordnance Department (temporary major), with rank from October 20, 1947.

*Capt. Bernd Gustav Baetcke, Infantry (temporary lieutenant colonel), with rank from October 22, 1947.

*Capt. John Eoff Oliver, Quartermaster Corps (temporary lieutenant colonel), with rank from October 22, 1947.

Capt. Roy Thomas Bucy, Signal Corps, with rank from October 27, 1947.

*Capt. Elmer Melvin Burns, Quartermaster Corps (temporary lieutenant colonel), with rank from October 31, 1947.

Capt. Frank Adams, Quartermaster Corps, with rank from November 2, 1947.

*Capt. Derrill McCollough Daniel, Infantry (temporary lieutenant colonel), with rank from November 3, 1947.

*Capt. Samuel Walter Parnelle, Jr., Ordnance Department (temporary major), with rank from November 5, 1947.

*Capt. Harley Douglas Harpold, Quartermaster Corps (temporary lieutenant colonel), with rank from November 6, 1947.

*Capt. Ira Wellington Grande, Quartermaster Corps (temporary major), with rank from November 6, 1947.

*Capt. Harold Clifford Lyon, Infantry (temporary lieutenant colonel), with rank from November 6, 1947.

×*Capt. Irwin Charles Stoll, Signal Corps (temporary lieutenant colonel), with rank from November 7, 1947.

*Capt. Benjamin DeWitt Beach, Ordnance Department (temporary lieutenant colonel), with rank from November 7, 1947.

*Capt. Carl Francis Chirico, Coast Artillery Corps (temporary major), with rank from November 9, 1947.

*Capt. Montescue Theodore Moree, Chemical Corps, with rank from November 10, 1947.

*Capt. Herbert Fred Farmer, Quartermaster Corps (temporary lieutenant colonel), with rank from November 11, 1947.

*Capt. Hiram Dudley Ives, Infantry (temporary lieutenant colonel), with rank from November 11, 1947.

Capt. Reed Nelson Colvin, Quartermaster Corps (temporary major), with rank from November 14, 1947.

Capt. Lillard Parker Miller, Adjutant General's Department (temporary lieutenant colonel), with rank from November 19, 1947.

Capt. John Day Tolman, Chemical Corps (temporary lieutenant colonel), with rank from November 19, 1947.

Capt. Alfred Emil Kardos, Quartermaster Corps (temporary lieutenant colonel), with rank from November 25, 1947.

Capt. Richard Samuel McConnell, Infantry (temporary lieutenant colonel), with rank from November 26, 1947.

Capt. Ralph Parker St. John, Quartermaster Corps (temporary major), with rank from November 27, 1947.

Capt. Arthur Clark Cheyne, Infantry, with rank from November 28, 1947.

Capt. George Edward Woods, Jr., Quartermaster Corps (temporary major), with rank from December 2, 1947.

Capt. Lloyd Robert Macadam, Ordnance Department (temporary lieutenant colonel), with rank from December 3, 1947.

Capt. Robert Joseph Karrer, Adjutant General's Department (temporary lieutenant colonel), with rank from December 4, 1947.

Capt. Robert Hugh Christie, Adjutant General's Department (temporary lieutenant colonel), with rank from December 5, 1947.

Capt. Homer Reamer Waller, Finance Department (temporary major), with rank from December 5, 1947.

Capt. Edgar Ray Minnich, Judge Advocate General's Department (temporary major), with rank from December 7, 1947.

Capt. Robert Anthony Cliffe, Quartermaster Corps (temporary major), with rank from December 13, 1947.

Capt. Graden Clarence Waters, Infantry (temporary lieutenant colonel), with rank from December 16, 1947.

Capt. Donald Boyd Wilson, Field Artillery (temporary lieutenant colonel), with rank from December 18, 1947.

Capt. Thomas Henry Magness, Jr., Chemical Corps (temporary lieutenant colonel), with rank from December 20, 1947.

Capt. Richard Samuel Miller, Quartermaster Corps (temporary lieutenant colonel), with rank from December 23, 1947.

Capt. George William White, Infantry (temporary major), with rank from December 25, 1947.

Capt. Sam Francis Muffie, Infantry (temporary major), with rank from December 25, 1947.

Capt. Donald L. Jarrett, Corps of Engineers (temporary lieutenant colonel), with rank from December 28, 1947.

Capt. John Joseph Healy, Infantry (temporary lieutenant colonel), with rank from December 28, 1947.

Capt. Byron Edgar Hargrove, Signal Corps (temporary major), with rank from December 28, 1947.

Capt. Willis Theodore Smith, Infantry (temporary lieutenant colonel), with rank from December 29, 1947.

Capt. Merton Edward Munson, Field Artillery (temporary lieutenant colonel), with rank from December 29, 1947.

Capt. Joseph George Porter, Quartermaster Corps (temporary major), with rank from December 29, 1947.

To be captains

*First Lt. James Joseph Dalton, Adjutant General's Department (temporary major), with rank from March 31, 1947.

*First Lt. Jean Paul Sams, Quartermaster Corps (temporary lieutenant colonel), with rank from May 31, 1947.

*First Lt. Joseph Richard Donahue, Quartermaster Corps (temporary captain), with rank from May 31, 1947.

*First Lt. Carl Anton Cuphaver, Signal Corps (temporary lieutenant colonel), with rank from June 2, 1947.

*First Lt Olin Page Holt, Ordnance Department (temporary major), with rank from June 4, 1947.

First Lt. George Christopher Dalia, Cavalry (temporary lieutenant colonel), with rank from June 4, 1947.

*First Lt. William Alden Franks, Adjutant General's Department (temporary captain), with rank from June 7, 1947.

*First Lt. Henry Loose Miller, Field Artillery (temporary lieutenant colonel), with rank from June 12, 1947.

*First Lt. Joseph Benjamin Franklin, Quartermaster Corps (temporary major), with rank from June 14, 1947.

*First Lt. William Oldsted Antozzi, Quartermaster Corps (temporary major), with rank from June 19, 1947.

*First Lt. Clayton Lawrence Chaput, Signal Corps (temporary major), with rank from June 24, 1947.

*First Lt. Marvin Vincent Johnston, Adjutant General's Department (temporary lieutenant colonel), with rank from June 24, 1947.

*First Lt. William Edward Campbell, Jr., Chemical Corps (temporary captain), with rank from June 27, 1947.

*First Lt. James David McNally, Quartermaster Corps (temporary captain), with rank from June 27, 1947.

*First Lt. Wesley Charles Hurley, Ordnance Department (temporary major), with rank from June 28, 1947.

*First Lt. Raymond Clarke Ashby, Jr., Infantry (temporary lieutenant colonel), with rank from June 29, 1947.

*First Lt. Thomas William McGrath, Ordnance Department (temporary lieutenant colonel), with rank from July 1, 1947.

*First Lt. Horace Edward Alphin, Adjutant General's Department (temporary lieutenant colonel), with rank from July 4, 1947.

*First Lt. William Jennings Dodson, Quartermaster Corps (temporary captain), with rank from July 4, 1947.

*First Lt. Keith Orton Dicken, Adjutant General's Department (temporary lieutenant colonel), with rank from July 10, 1947.

*First Lt. Harold Frederick Dyer, Corps of Engineers (temporary lieutenant colonel), with rank from July 12, 1947.

*First Lt. Edward Herbert Oswald, Cavalry (temporary major), with rank from July 14, 1947.

*First Lt. Robert Bertel Staley, Quartermaster Corps (temporary captain), with rank from July 14, 1947.

*First Lt. Donald Ralph Pierce, Field Artillery (temporary major), with rank from July 15, 1947.

*First Lt. Howard Vincent Blackburn, Field Artillery (temporary captain), with rank from July 20, 1947.

*First Lt. Harold LaRoy Jones, Quartermaster Corps (temporary major), with rank from July 23, 1947.

*First Lt. Byers Hearsman Coleman, Quartermaster Corps (temporary major), with rank from July 31, 1947.

*First Lt. Howard Paul Schaudt, Infantry (temporary captain), with rank from August 1, 1947.

*First Lt. Archie Lee Cochran, Cavalry (temporary major), with rank from August 2, 1947.

*First Lt. Morris Edgar Galusha, Signal Corps (temporary lieutenant colonel), with rank from August 5, 1947.

*First Lt. Hugh Edward Allen, Quartermaster Corps (temporary captain), with rank from August 7, 1947.

*First Lt. Howard Dutee Wilcox, Jr., Field Artillery (temporary major), with rank from August 7, 1947.

*First Lt. Woodrow Wilson Reagan, Chemical Corps (temporary major), with rank from August 9, 1947.

*First Lt. Richard Perkins Hurd, Finance Department, with rank from August 9, 1947.

*First Lt. Ivan Hurst Impson, Corps of Engineers (temporary major), with rank from August 10, 1947.

*First Lt. Elias Carter Townsend, Infantry (temporary lieutenant colonel), with rank from August 10, 1947.

*First Lt. Henry Edmund Pizzati, Jr., Quartermaster Corps (temporary major), with rank from August 10, 1947.

*First Lt. Bruce Pierce, Ordnance Department (temporary lieutenant colonel), with rank from August 10, 1947.

*First Lt. Edward Griffith Halligan, Chemical Corps, with rank from August 10, 1947.

*First Lt. James Kenneth Gaynor, Infantry (temporary lieutenant colonel), with rank from August 11, 1947.

*First Lt. Wilfred Finley Barber, Infantry (temporary captain), with rank from August 12, 1947.

*First Lt. John Philip Goettl, Coast Artillery Corps (temporary major), with rank from August 12, 1947.

*First Lt. Wesley George Henshaw, Quartermaster Corps (temporary captain), with rank from August 12, 1947

*First Lt. Irwin Alphy Dahl, Quartermaster Corps (temporary major), with rank from August 13, 1947.

*First Lt. Emory Monroe Shofner, Finance Department (temporary major), with rank from August 15, 1947.

*First Lt. Karl Conner, Field Artillery (temporary lieutenant colonel), with rank from August 19, 1947.

*First Lt. Benjamin Joseph Herman, Coast Artillery Corps (temporary major), with rank from August 19, 1947.

*First Lt. Earl Robert Short, Infantry (temporary major), with rank from August 19, 1947.

*First Lt. Ray Kenneth Bruch, Field Artillery (temporary major), with rank from August 20, 1947.

*First Lt. George Andrew Rigely, Adjutant General's Department (temporary major), with rank from August 20, 1947.

*First Lt. Lyman Spencer Gardner, Signal Corps (temporary lieutenant colonel), with rank from August 20, 1947.

*First Lt. Carl Willard Fuller, Coast Artillery Corps (temporary major), with rank from August 21, 1947.

*First Lt. LeRoy Robert Fullerton, Quartermaster Corps (temporary major), with rank from August 23, 1947.

*First Lt. Edwin J. Briggs, Infantry (temporary lieutenant colonel), with rank from August 23, 1947.

*First Lt. Paul Vincent Plapp, Quartermaster Corps (temporary major), with rank from Augut 23, 1947.

*First Lt. Frank Jesse Austin, Jr., Ordnance Department (temporary major), with rank from August 26, 1947.

*First Lt. Harold Forbes Jenks, Quartermaster Corps (temporary major), with rank from August 27, 1947.

*First Lt. Carl George Lutz, Field Artillery (temporary major), with rank from August 27, 1947.

*First Lt. Joseph Edward Stopp, Field Artillery (temporary major), with rank from August 28, 1947.

*First Lt. John Parrish McWhorter, Corps of Engineers (temporary lieutenant colonel), with rank from August 28, 1947.

*First Lt. Don Alva Mason, Infantry (temporary major), with rank from August 29, 1947.

*First Lt. Charles Edwin Jeffries, Quartermaster Corps (temporary major), with rank from August 31, 1947.

*First Lt. Bernard Benjamin Blank, Field Artillery (temporary major), with rank from August 31, 1947.

*First Lt. William James McDonnell, Jr., Infantry (temporary lieutenant colonel), with rank from September 1, 1947.

*First Lt. Willoughby Bartlett Tyler, Infantry (temporary captain), with rank from September 1, 1947.

*First Lt. John Bruce Rankin, Quartermaster Corps (temporary captain), with rank from September 1, 1947.

*First Lt. Embert Aaron Fossum, Infantry (temporary major), with rank from September 1, 1947.

*First Lt. McClure Hudelson, Infantry (temporary major), with rank from September 2, 1947.

*First Lt. Walter Franklin Diesem, Quartermaster Corps (temporary major), with rank from September 2, 1947.

*First Lt. Homer Hewins Bowman, Infantry (temporary lieutenant colonel), with rank from September 3, 1947.

*First Lt. George David Jacobson, Cavalry (temporary captain), with rank from September 6, 1947.

*First Lt. Allan Wilcox Mitchell, Coast Artillery Corps, with rank from September 6, 1947.

*First Lt. Jules Emmable Gonseth, Jr., Signal Corps (temporary lieutenant colonel), with rank from September 6, 1947.

*First Lt. Ira Bolt Webber, Infantry (temporary major), with rank from September 7, 1947.

*First Lt. Max Ferguson Schneider, Infantry (temporary lieutenant colonel), with rank from September 8, 1947.

*First Lt. John Ernest Berry, Jr., Quartermaster Corps (temporary major), with rank from September 8, 1947.

*First Lt. William Costello Curry, Infantry (temporary captain), with rank from September 8, 1947.

×*First Lt. William Mann Haycock, Infantry (temporary lieutenant colonel), with rank from September 10, 1947.

*First Lt Dayton Ernest Bennett, Infantry (temporary major), with rank from September 10, 1947.

*First Lt. Jack Hennigan Tyler, Corps of Engineers (temporary lieutenant colonel), with rank from September 10, 1947.

*First Lt. Gilbert Michael Payne, Signal Corps (temporary major), with rank from September 11, 1947.

*First Lt. Irving Merton Coleman, Quartermaster Corps (temporary major), with rank from September 12, 1947.

*First Lt. Charles Franklin Helderman, Jr., Infantry (temporary captain), with rank from September 12, 1947.

*First Lt. Robert Wallace Grote, Ordnance Department (temporary lieutenant colonel), with rank from September 13, 1947.

*First Lt. Harold Mason Dudley, Coast Artillery Corps (temporary captain), with rank from September 13, 1947.

*First Lt. Leonard Carl Barker, Coast Artillery Corps (temporary captain), with rank from September 14, 1947.

*First Lt. Francis Xavier O'Leary, Coast Artillery Corps (temporary major), with rank from September 15, 1947.

*First Lt. Stanley Joseph Sawicki, Adjutant General's Department (temporary major), with rank from September 15, 1947.

*First Lt. William Seddon Cox, Jr., Ordnance Department (temporary lieutenant colonel), with rank from September 16, 1947.

*First Lt. Marion Eugene Newsom, Jr., Finance Department (temporary captain), with rank from September 16, 1947.

*First Lt. Frank Muir Kehoe, Corps of Engineers (temporary major), with rank from September 17, 1947.

*First Lt. Carlton Wallace Nelson, Adjutant General's Department (temporary lieutenant colonel), with rank from September 17, 1947.

*First Lt. James Brooksie Kemp, Infantry (temporary major), with rank from September 18, 1947.

*First Lt. Lawrence Hurst Prather, Ordnance Department (temporary lieutenant colonel), with rank from September 19, 1947.

*First Lt. Frank Jay Redding, Jr., Infantry (temporary lieutenant colonel), with rank from September 19, 1947.

*First Lt. Wallace Alfred Manning, Quartermaster Corps (temporary major), with rank from September 19, 1947.

*First Lt. William George Van Allen, Corps of Engineers (temporary lieutenant colonel), with rank from September 20, 1947.

*First Lt. Ernest Cortland Adams, Corps of Engineers (temporary lieutenant colonel), with rank from September 20, 1947.

*First Lt. Lavonne Edwin Cox, Corps of Engineers (temporary lieutenant colonel), with rank from September 20, 1947.

*First Lt. Charles V. Ruzek, Jr., Corps of Engineers (temporary lieutenant colonel), with rank from September 20, 1947.

*First Lt. Holmes Fielding Troutman, Corps of Engineers (temporary lieutenant colonel), with rank from September 20, 1947.

*First Lt. Ward Hamilton Van Atta, Corps of Engineers (temporary lieutenant colonel), with rank from September 20, 1947.

*First Lt. Henry Cottrell Rowland, Jr., Corps of Engineers (temporary lieutenant colonel), with rank from September 20, 1947.

*First Lt. Erland Alfred Tillman, Corps of Engineers (temporary lieutenant colonel), with rank from September 20, 1947.

*First Lt. Joseph Anthony Smedile, Corps of Engineers (temporary lieutenant colonel), with rank from September 20, 1947.

*First Lt. William Davis Murphy, Corps of Engineers (temporary lieutenant colonel), with rank from September 20, 1947.

*First Lt. John Allan Morrison, Corps of Engineers (temporary lieutenant colonel), with rank from September 20, 1947.

*First Lt. Walter Orville Peale, Jr., Corps of Engineers (temporary lieutenant colonel), with rank from September 20, 1947.

*First Lt. John Andrew Allgair, Corps of Engineers (temporary lieutenant colonel), with rank from September 20, 1947.

*First Lt. Samuel Pierce, Jr., Infantry (temporary lieutenant colonel), with rank from September 20, 1947.

*First Lt. James Brewer Clark, Coast Artillery Corps (temporary captain), with rank from September 20, 1947.

*First Lt. Louis Edward Roth, Corps of Engineers (temporary lieutenant colonel), with rank from September 20, 1947.

*First Lt. Theodore Dale Perry, Quartermaster Corps (temporary major), with rank from September 21, 1947.

*First Lt. Harold Oscar Olsen, Quartermaster Corps (temporary captain), with rank from September 21, 1947.

*First Lt. John Nelson Albro, Quartermaster Corps (temporary major), with rank from September 21, 1947.

*First Lt. John Dean Holm, Corps of Engineers (temporary lieutenant colonel), with rank from September 22, 1947.

*First Lt. Forrest Wilson Duff, Field Artillery (temporary lieutenant colonel), with rank from September 23, 1947.

*First Lt. Joe Verde, Infantry (temporary captain), with rank from September 24, 1947.

*First Lt. Robert Louis Rowan, Infantry (temporary major), with rank from September 25, 1947.

*First Lt. Frank William Keating, Infantry (temporary captain), with rank from September 26, 1947.

*First Lt. William Forest Locke, Corps of Engineers (temporary major), with rank from September 27, 1947.

*First Lt. Harold Kannan Wolfe, Infantry (temporary captain), with rank from September 28, 1947.

*First Lt. Paul Henry Lanphier, Corps of Engineers (temporary lieutenant colonel), with rank from September 29, 1947.

*First Lt. John Carlysle Speedie, Infantry (temporary lieutenant colonel), with rank from September 29, 1947.

*First Lt. Robert Allen Patterson, Jr., Quartermaster Corps (temporary captain), with rank from September 29, 1947.

*First Lt. Urcel La Rue Bell, Cavalry (temporary major), with rank from September 30, 1947.

*First Lt. Leonard Calvin Kincaid, Infantry (temporary captain), with rank from October 1, 1947.

*First Lt. David Custer Smith, Jr., Chemical Corps (temporary major), with rank from October 1, 1947.

*First Lt. Lloyd Elmo Peddicord, Jr., Infantry (temporary lieutenant colonel), with rank from October 2, 1947.

*First Lt. Milfred John Peters, Quartermaster Corps (temporary major), with rank from October 2, 1947.

*First Lt. Harold Enloe Beaty, Corps of Engineers (temporary major), with rank from October 4, 1947.

*First Lt. Thomas Howard Clements, Coast Artillery Corps (temporary major), with rank from October 5, 1947.

*First Lt. Robert Gaitskill Meguiar, Coast Artillery Corps (temporary major), with rank from October 6, 1947.

*First Lt. George Wiles Pervier, Quartermaster Corps (temporary lieutenant colonel), with rank from October 7, 1947.

*First Lt. Woodrow Wilson Anderson, Signal Corps (temporary major), with rank from October 8, 1947.

*First Lt. Riley Alexander Graham, Signal Corps (temporary lieutenant colonel), with rank from October 8, 1947.

*First Lt. Wilson Charles McNamara, Field Artillery (temporary major), with rank from October 9, 1947.

*First Lt. George William Durham, Finance Department (temporary lieutenant colonel), with rank from October 9, 1947.

*First Lt. William Stephen Saunders, Quartermaster Corps (temporary lieutenant colonel), with rank from October 9, 1947.

*First Lt. Robert Maxwell Walker, Coast Artillery Corps (temporary captain), with rank from October 10, 1947.

*First Lt. Howard Busby Hudiburg, Coast Artillery Corps (temporary lieutenant colonel), with rank from October 11, 1947.

*First Lt. Frank Eugene Garden, Infantry (temporary major), with rank from October 12, 1947.

*First Lt. Howard Ogle McGillin, Quartermaster Corps (temporary lieutenant colonel), with rank from October 12, 1947.

*First Lt. Buck Bratcher, Quartermaster Corps, with rank from October 12, 1947.

*First Lt. Patrick William Laurie, Infantry, with rank from October 12, 1947.

*First Lt. Richard Griffin Banks, Field Artillery (temporary major), with rank from October 12, 1947.

*First Lt. Oliver Churchill Dunbar, Signal Corps (temporary major), with rank from October 12, 1947.

*First Lt. Jobie Julian Dixon, Quartermaster Corps (temporary lieutenant colonel), with rank from October 13, 1947.

*First Lt. Robert Eric Hall, Coast Artillery Corps (temporary major), with rank from October 14, 1947.

*First Lt. Walter Frederick Plank, Chemical Corps (temporary lieutenant colonel), with rank from October 16, 1947.

*First Lt. Carl Henry Bronn, Corps of Engineers (temporary lieutenant colonel), with rank from October 17, 1947.

*First Lt. Wendell Gerow Allen, Quartermaster Corps (temporary captain), with rank from October 17, 1947.

*First Lt. Joseph Cullin Sandlin, Infantry (temporary lieutenant colonel), with rank from October 19, 1947.

*First Lt. Calvin Francis Finn, Field Artillery (temporary major), with rank from October 19, 1947.

*First Lt. Vernon Eugene Woodard, Ordnance Department (temporary captain), with rank from October 20, 1947.

*First Lt. James Mitchell Wilson, Infantry (temporary major), with rank from October 20, 1947.

*First Lt. William Hendrick Gilmore, Infantry (temporary major), with rank from October 20, 1947.

*First Lt. William Euclid Bennett, Field Artillery (temporary major), with rank from October 21, 1947.

*First Lt. Henry George Thomas, Infantry (temporary lieutenant colonel), with rank from October 21, 1947.

*First Lt. Lance Ernest Booth, Jr., Cavalry (temporary major), with rank from October 21, 1947.

*First Lt. John Cecil Dinsmore, Jr., Field Artillery (temporary lieutenant colonel), with rank from October 21, 1947.

*First Lt. Selmer John Espelund, Ordnance Department (temporary lieutenant colonel), with rank from October 21, 1947.

*First Lt. Julius Blaine Farley, Field Artillery (temporary major), with rank from October 22, 1947.

*First Lt. Bert Santora, Infantry (temporary captain), with rank from October 23, 1947.

*First Lt. Luther Richard Barth, Infantry (temporary major), with rank from October 25, 1947.

*First Lt. George Lester Anderson, Field Artillery (temporary major), with rank from October 26, 1947.

*First Lt. John M. Davis, Cavalry (temporary major), with rank from October 26, 1947.

*First Lt. Leonard Hazlett Johnson, Infantry (temporary major), with rank from October 27, 1947.

*First Lt. Sam Kendrick Dudderar, Jr., Infantry (temporary captain), with rank from October 27, 1947.

*First Lt. Reno Earl Drews, Cavalry (temporary captain), with rank from October 27, 1947.

First Lt. Roy Iver Olson, Chemical Corps, with rank from October 27, 1947.

*First Lt. John Stanley Taylor, Jr., Quartermaster Corps (temporary major), with rank from October 28, 1947.

*First Lt. Jack Hoadley Dempsey, Infantry (temporary major), with rank from October 31, 1947.

*First Lt. William John Parsons, Ordnance Department (temporary major), with rank from November 1, 1947.

*First Lt. Louis Thomas Lazzarini, Chemical Corps (temporary major), with rank from November 6, 1947.

First Lt. Tommy Herbert Giles, Jr., Signal Corps (temporary major), with rank from November 6, 1947.

*First Lt. Joseph Peter Mastrucci, Coast Artillery Corps (temporary major), with rank from November 7, 1947.

*First Lt. William John Judson, Ordnance Department (temporary captain), with rank from November 7, 1947.

*First Lt. Lawrence Joseph Doherty, Quartermaster Corps (temporary captain), with rank from November 7, 1947.

*First Lt. Harold James Crase, Jr, Quartermaster Corps (temporary major), with rank from November 8, 1947.

*First Lt. Anthony Harry Shookus, Field Artillery (temporary captain), with rank from November 8, 1947.

*First Lt. Theodore Sebastian Hatzfeld, Jr., Infantry (temporary lieutenant colonel), with rank from November 9, 1947.

*First Lt. Francis McCay Clark, Field Artillery (temporary lieutenant colonel), with rank from November 11, 1947.

*First Lt. Evan Arthur McNear, Infantry (temporary major), with rank from November 12, 1947.

*First Lt. Stanley Edwin Whitmore, Field Artillery (temporary lieutenant colonel), with rank from November 12, 1947.

*First Lt. Henry Lappe Walton, Coast Artillery Corps (temporary lieutenant colonel), with rank from November 14, 1947.

*First Lt. John Cyril Parker, Coast Artillery Corps (temporary major), with rank from November 14, 1947.

First Lt. John William Koletty, Quartermaster Corps (temporary lieutenant colonel), with rank from November 15, 1947.

First Lt. Ben N. Velasquez, Quartermaster Corps (temporary captain), with rank from November 15, 1947.

First Lt. Augustus Theodore Terry, Jr., Field Artillery (temporary lieutenant colonel), with rank from November 16, 1947.

First Lt. Greg J. Brown, Infantry (temporary lieutenant colonel), with rank from November 17, 1947.

First Lt. Lloyd Eugene Hirschhorn, Quartermaster Corps (temporary major), with rank from November 18, 1947.

First Lt. Martin Oliver Sorensen, Cavalry (temporary captain), with rank from November 18, 1947.

First Lt. Randall Haywood Bryant, Infantry (temporary lieutenant colonel), with rank from November 19, 1947.

First Lt. James Harold New, Finance Department (temporary captain), with rank from November 19, 1947.

First Lt. Charles Edmund Fay, Jr., Ordnance Department, with rank from November 20, 1947.

First Lt. Nicholas Christ Angel, Signal Corps (temporary lieutenant colonel), with rank from November 21, 1947.

First Lt. Arthur Henry Williams, Jr., Chemical Corps (temporary major), with rank from November 21, 1947.

First Lt. Willis George Ethel, Cavalry (temporary lieutenant colonel), with rank from November 21, 1947.

First Lt. Claude Delos George, Jr., Coast Artillery Corps (temporary major), with rank from November 21, 1947.

First Lt. Boyce Victor Hawkins, Infantry (temporary captain), with rank from November 21, 1947.

First Lt. Paul Stefan Balas, Signal Corps (temporary major), with rank from November 22, 1947.

First Lt. Roland Anderson, Infantry (temporary major), with rank from November 22, 1947.

First Lt. Frank Bednarek, Quartermaster Corps (temporary lieutenant colonel), with rank from November 22, 1947.

First Lt. Harry Margolies, Signal Corps (temporary captain), with rank from November 22, 1947.

First Lt. Woods Burton Smith, Quartermaster Corps, with rank from November 22, 1947.

First Lt. Harvey Lee Patteson, Signal Corps (temporary captain), with rank from November 23, 1947.

First Lt. Howard Gordon Smigelow, Coast Artillery Corps (temporary lieutenant colonel), with rank from November 24, 1947.

First Lt. Thomas Augustus Rafferty, Infantry (temporary major), with rank from November 26, 1947.

First Lt. Kenneth J. Peterson, Infantry (temporary major), with rank from November 27, 1947.

First Lt. Oliver William Schantz, Infantry (temporary lieutenant colonel), with rank from November 28, 1947.

First Lt. Oscar Austin Mall, Infantry (temporary captain), with rank from November 29, 1947.

First Lt. John E. Finch, Infantry (temporary major), with rank from November 29, 1947.

First Lt. Nathan Joseph Forb, Ordnance Department (temporary lieutenant colonel), with rank from November 30, 1947.

First Lt. Hughes Lanier Ash, Infantry (temporary lieutenant colonel), with rank from December 3, 1947.

First Lt. Joseph Mathias Flesch, Infantry (temporary major), with rank from December 3, 1947.

First Lt. Roland Virgil Tiede, Field Artillery (temporary major), with rank from December 3, 1947.

First Lt. Melvin Morley Kernan, Finance Department (temporary lieutenant colonel), with rank from December 3, 1947.

First Lt. John Marshall Kenderdine, Quartermaster Corps (temporary lieutenant colonel), with rank from December 6, 1947.

First Lt. Alexander Gresham Fraser, Jr., Cavalry (temporary major), with rank from December 9, 1947.

First Lt. Albert Lawerence Thornton, Field Artillery (temporary major), with rank from December 10, 1947.

First Lt. Donald MacGrain, Coast Artillery Corps (temporary lieutenant colonel), with rank from December 11, 1947.

First Lt. Walter Thomas Belland, Field Artillery (temporary major), with rank from December 12, 1947.

First Lt. James Dowling Tanner, Finance Department (temporary lieutenant colonel), with rank from December 13, 1947.

First Lt. Herbert Francis Gagne, Quartermaster Corps (temporary lieutenant colonel), with rank from December 14, 1947.

First Lt. Clarence Edwin Reid, Quartermaster Corps (temporary lieutenant colonel), with rank from December 14, 1947.

First Lt. Frank William Scheurlein, Field Artillery (temporary captain), with rank from December 14, 1947.

First Lt. James Gordon Moak, Signal Corps (temporary major), with rank from December 16, 1947.

First Lt. Lawrence Astor Musick, Infantry (temporary captain), with rank from December 16, 1947.

First Lt. Lee Roy McDonald, Quartermaster Corps (temporary captain), with rank from December 16, 1947.

First Lt. Eugene Patrick Kelly, Quartermaster Corps, with rank from December 16, 1947.

First Lt. Evan Hughes Lewis, Chemical Corps (temporary major), with rank from December 17, 1947.

First Lt. Elwood Franklin Knoche, Quartermaster Corps, with rank from December 17, 1947.

First Lt. Walter Louis McCaddon, Cavalry (temporary major), with rank from December 18, 1947.

First Lt. James O'Biern Millott, Field Artillery (temporary major), with rank from December 18, 1947.

First Lt. Gilbert Gordon Ackroyd, Judge Advocate General's Department (temporary major), with rank from December 18, 1947.

First Lt. Wayne Dallas McConnell, Finance Department (temporary major), with rank from December 18, 1947.

First Lt. Leonard Stuart Morgan, Field Artillery, with rank from December 19, 1947.

First Lt. Cameron Knox, Infantry (temporary major), with rank from December 20, 1947.

First Lt. Will Dan Joslin, Signal Corps (temporary lieutenant colonel), with rank from December 20, 1947.

First Lt. Joseph Patrick Henry, Quartermaster Corps (temporary captain), with rank from December 20, 1947.

First Lt. Jean Herman Boling, Field Artillery (temporary lieutenant colonel), with rank from December 23, 1947.

First Lt. Arthur Anthony Stiefel, Finance Department (temporary major), with rank from December 23, 1947.

First Lt. Ralph Reid Todd, Ordnance Department (temporary captain), with rank from December 24, 1947.

First Lt. Richard Steffens Nugent, Signal Corps (temporary major), with rank from December 24, 1947.

First Lt. Herman Lorenzo Purkhiser, Signal Corps (temporary lieutenant colonel), with rank from December 25, 1947.

First Lt. John Rudolph Yakshe, Field Artillery, with rank from December 25, 1947.

First Lt. William Wiley Sellers, Infantry (temporary major), with rank from December 27, 1947.

First Lt. Louis Walter Buckalew, Jr., Infantry (temporary captain), with rank from December 29, 1947.

First Lt. Nash Ody Thompson, Field Artillery (temporary major), with rank from December 31, 1947.

To be first lieutenants

*Second Lt. Robert Bruce Stiles, Quartermaster Corps (temporary captain), with rank from March 2, 1946.

*Second Lt. Edsel Jay Burkhart, Corps of Engineers (temporary captain), with rank from March 31, 1946.

*Second Lt. Ralph William Deuster, Field Artillery (temporary captain), with rank from April 8, 1946.

**Second Lt. Maurice Wesley Kendall*, Infantry (temporary captain), with rank from *April 10, 1946.*

*Second Lt. John Hamilton Irving, Jr., Cavalry (temporary first lieutenant), with rank from April 29, 1946.

*Second Lt. Spencer Roe Baen, Coast Artillery Corps (temporary first lieutenant), with rank from May 6, 1946.

*Second Lt. John Browder Longley, Infantry (temporary captain), with rank from May 14, 1946.

*Second Lt. Edgar Nicholas Glotzbach, Infantry (temporary captain), with rank from May 15, 1946.

*Second Lt. Charles Alexander McLeod, Corps of Engineers (temporary captain), with rank from May 27, 1946.

*Second Lt. Edward Ellis Smith, Infantry (temporary captain), with rank from June 5, 1946.

*Second Lt. Luther Edward Brown, Field Artillery (temporary first lieutenant), with rank from June 24, 1946.

×*Second Lt. Winston Huntington Elliott, Corps of Engineers (temporary captain), with rank from July 7, 1946.

*Second Lt. Carroll Hamilton Wood, Corps of Engineers (temporary captain), with rank from August 5, 1946.

*Second Lt. Frederick Alven Wells, Infantry (temporary captain), with rank from August 6, 1946.

*Second Lt. Daniel Overton, Signal Corps (temporary first lieutenant), with rank from August 11, 1946.

*Second Lt. John Anthony Chiment, Field Artillery (temporary captain), with rank from September 9, 1946.

*Second Lt. Frederick Griffith Bohannon, Infantry (temporary captain), with rank from September 20, 1946.

*Second Lt. George Horace Ried, Infantry (temporary captain), with rank from September 25, 1946.

*Second Lt. William Jefferson Galloway, Field Artillery (temporary captain), with rank from October 21, 1946.

*Second Lt. James Edward Aud, Field Artillery (temporary captain), with rank from October 28, 1946.

*Second Lt. George Murrell Snead, Jr., Signal Corps (temporary captain), with rank from November 6, 1946.

*Second Lt. Thomas Hagler, Corps of Engineers (temporary captain), with rank from November 17, 1946.

*Second Lt. Wilford LeRoy Harrelson, Jr., Infantry (temporary captain), with rank from November 23, 1946.

*Second Lt. Joseph Anthony Bohnak, Infantry (temporary captain), with rank from December 6, 1946.

*Second Lt. Ben Hugh Lowry, Infantry (temporary first lieutenant), with rank from December 13, 1946.

*Second Lt. Clifford Joseph Kalista, Infantry (temporary first lieutenant), with rank from December 13, 1946.

*Second Lt. Leonard Dillon Rogers, Infantry (temporary captain), with rank from December 14, 1946.

*Second Lt. Aaron George Amacher, Coast Artillery Corps (temporary captain), with rank from December 30, 1946.

*Second Lt. Jonathan Frederic Ladd, Infantry (temporary captain), with rank from December 31, 1946.

*Second Lt. Thomas Elton Terry, Infantry (temporary captain), with rank from January 7, 1947.

*Second Lt. Billy Murray McCormac, Field Artillery (temporary first lieutenant), with rank from January 14, 1947.

*Second Lt. Walter Edward Rafert, Ordnance Department (temporary captain), with rank from January 29, 1947.

*Second Lt. Eugene Theodore Olson, Infantry (temporary first lieutenant), with rank from June 6, 1947.

*Second Lt. Ralph Elmer Layman, Jr., Ordnance Department (temporary first lieutenant), with rank from June 10, 1947.

*Second Lt. Hollice Henry Snyder, Ordnance Department (temporary first lieutenant), with rank from June 13, 1947.

*Second Lt. Robert Sylvan Smith, Jr., Cavalry (temporary first lieutenant), with rank from June 13, 1947.

*Second Lt. Robert Edmund Rich, Corps of Engineers (temporary captain), with rank from June 14, 1947.

*Second Lt. Dwight Marion Brooks, Cavalry (temporary captain), with rank from June 15, 1947.

*Second Lt. Jack Frederick Kettler, Infantry (temporary first lieutenant), with rank from June 15, 1947.

*Second Lt. Robert William Gentleman, Quartermaster Corps (temporary first lieutenant), with rank from June 15, 1947.

*Second Lt. Dallas Wilkinson Hoadley, Infantry (temporary captain), with rank from June 17, 1947.

*Second Lt. Eugene Cleaver Snedeker, Infantry (temporary first lieutenant), with rank from June 20, 1947.

*Second Lt. Joseph Green Carraway, Jr., Cavalry (temporary captain), with rank from June 20, 1947.

*Second Lt. Edward Miccio, Jr., Signal Corps (temporary first lieutenant), with rank from June 21, 1947.

*Second Lt. Robert Newton Fleming, Quartermaster Corps (temporary first lieutenant), with rank from June 21, 1947.

*Second Lt. Thomas Henry Eblen, Field Artillery (temporary first lieutenant), with rank from June 24, 1947.

*Second Lt. Kenneth Alan McLean Klosson, Infantry (temporary first lieutenant), with rank from June 24, 1947.

*Second Lt. Oliver Emil O'Kier, Infantry, with rank from June 27, 1947.

*Second Lt. Earle Louis Valenstein, Corps of Engineers (temporary first lieutenant), with rank from June 28, 1947.

*Second Lt. William Robert Nettles, Jr., Infantry (temporary first lieutenant), with rank from July 4, 1947.

*Second Lt. Charles Rodney McFadden, Cavalry (temporary first lieutenant), with rank from July 4, 1947.

*Second Lt. William Albert Doyle, Signal Corps (temporary captain), with rank from July 6, 1947.

*Second Lt. Raymond Dalton Barrett, Infantry (temporary first lieutenant), with rank from July 8, 1947.

*Second Lt. Otis Hardison Rodgers, Ordnance Department (temporary first lieutenant), with rank from July 8, 1947.

*Second Lt. James Neily Elliott, Chemical Corps (temporary first lieutenant), with rank from July 11, 1947.

*Second Lt. Pierrepont Francis Bartow, Infantry (temporary captain), with rank from July 12, 1947.

*Second Lt. Walter Duggan, Ordnance Department, with rank from July 13, 1947.

*Second Lt. William Paul Hastings, Quartermaster Corps (temporary first lieutenant), with rank from July 14, 1947.

*Second Lt. John Te Selle, Field Artillery (temporary first lieutenant), with rank from July 15, 1947.

*Second Lt. Charles Brooks McAllister, Jr., Quartermaster Corps (temporary first lieutenant), with rank from July 15, 1947.

*Second Lt. Gerald Jack Thouvenelle, Infantry (temporary first lieutenant), with rank from July 18, 1947.

*Second Lt. Paul Elden Myers, Infantry (temporary first lieutenant), with rank from July 20, 1947.

*Second Lt. Allen Pierce Richmond 3d, Corps of Engineers (temporary first lieutenant), with rank from July 26, 1947.

*Second Lt. Jesse Walter Whitley, Field Artillery (temporary first lieutenant), with rank from July 29, 1947.

*Second Lt. William Stirling Norman, Infantry, with rank from July 31, 1947.

*Second Lt. Dudley Keith Terry, Cavalry (temporary captain), with rank from August 3, 1947.

*Second Lt. Buckner Miller Creel 3d, Infantry (temporary captain), with rank from August 4, 1947.

*Second Lt. Paul Thomas Hackett, Infantry (temporary first lieutenant), with rank from August 4, 1947.

*Second Lt. Barney Martin Barco, Field Artillery (temporary first lieutenant), with rank from August 5, 1947.

*Second Lt. Maurice Stevenson Weaver, Quartermaster Corps (temporary first lieutenant), with rank from August 8, 1947.

*Second Lt. Frederick James Kroesen, Jr., Infantry (temporary captain), with rank from August 8, 1947.

*Second Lt. Spencer Gregg Stanley, Jr., Coast Artillery Corps (temporary first lieutenant), with rank from August 8, 1947.

*Second Lt. Jack Andrew Carter, Jr., Corps of Engineers (temporary first lieutenant), with rank from August 9, 1947.

*Second Lt. Francis Everett Mendenhall, Jr., Coast Artillery Corps (temporary first lieutenant), with rank from August 9, 1947.

*Second Lt. Robert Douglas Strock, Signal Corps (temporary first lieutenant), with rank from August 10, 1947.

*Second Lt. William Edward Wallace, Infantry, with rank from August 12, 1947.

*Second Lt. Orville Wells Martin, Jr., Infantry (temporary first lieutenant), with rank from August 13, 1947.

*Second Lt. Vincent Francis Coogan, Infantry (temporary captain), with rank from August 15, 1947.

*Second Lt. Francis Paul Robles, Infantry (temporary first lieutenant), with rank from August 15, 1947.

*Second Lt. Ellsworth Fandel Smith, Corps of Engineers (temporary first lieutenant), with rank from August 17, 1947.

*Second Lt. Robert Gene Culbertson, Quartermaster Corps (temporary first lieutenant), with rank from August 19, 1947.

*Second Lt. James Victor Gagne, Jr., Infantry (temporary first lieutenant), with rank from August 22, 1947.

*Second Lt. Edward Newton Van Duyne 3d, Infantry (temporary first lieutenant), with rank from August 22, 1947.

*Second Lt. Edwin Ridgley Campbell, Signal Corps (temporary first lieutenant), with rank from August 23, 1947.

*Second Lt. Robert Edward Davis, Signal Corps (temporary first lieutenant), with rank from August 23, 1947.

*Second Lt. Tom Lewis Peyton, Jr., Corps of Engineers (temporary first lieutenant), with rank from August 28, 1947.

*Second Lt. Charles Donald Clements, Infantry (temporary first lieutenant), with rank from August 29, 1947.

*Second Lieutenant Norman Francis Allen, Infantry (temporary captain), with rank from August 29, 1947.

*Second Lt. George Albert Scott, Jr., Infantry (temporary first lieutenant), with rank from August 31, 1947.

*Second Lt. Robert Marks Bathurst, Cavalry (temporary captain), with rank from September 1, 1947.

*Second Lt. John Garland Maxey, Jr., Infantry (temporary first lieutenant), with rank from September 1, 1947.

*Second Lt. Albert Cowper Smith, Jr., Cavalry (temporary first lieutenant), with rank from September 2, 1947.

*Second Lt. John Page Barker, Infantry (temporary first lieutenant), with rank from September 4, 1947.

*Second Lt. William Layng Forker, Ordnance Department (temporary first lieutenant), with rank from September 4, 1947.

*Second Lt. James Clifton Smith, Cavalry (temporary first lieutenant), with rank from September 5, 1947.

*Second Lt. Vincent Joseph Hearing, Infantry (temporary captain), with rank from September 5, 1947.

*Second Lt. Russell Joseph Santangelo, Quartermaster Corps (temporary first lieutenant), with rank from September 6, 1947.

*Second Lt. Robert James Crawford, Quartermaster Corps (temporary first lieutenant), with rank from September 6, 1947.

*Second Lt. James Everett Coberly, Quartermaster Corps (temporary first lieutenant), with rank from September 6, 1947.

*Second Lt. Edward Hampton Ellis, Corps of Engineers (temporary first lieutenant), with rank from September 6, 1947.

*Second Lt. Philip Ambrose Revolinsky, Cavalry (temporary first lieutenant), with rank from September 12, 1947.

*Second Lt. John Theodore Pierce, 3d, Cavalry (temporary captain), with rank from September 13, 1947.

*Second Lt. Morgan Baxter Coker, Ordnance Department (temporary first lieutenant), with rank from September 16, 1947.

*Second Lt. John Alton Tate, Infantry (temporary captain), with rank from September 16, 1947.

*Second Lt. William Fredrick Johnson, Infantry (temporary first lieutenant), with rank from September 26, 1947.

*Second Lt. William Edgar Ross, Cavalry (temporary captain), with rank from September 26, 1947.

*Second Lt. Cecil George Dansby, Infantry (temporary captain), with rank from September 27, 1947.

*Second Lt. Hubert Sidney Campbell, Jr., Cavalry (temporary captain), with rank from September 27, 1947.

*Second Lt. Vernon Marcus Tootle, Ordnance Department (temporary first lieutenant), with rank from September 29, 1947.

*Second Lt. Roy Lindsay Baber, Jr., Coast Artillery Corps (temporary first lieutenant), with rank from September 30, 1947.

*Second Lt. Francis Marion Rich, Jr., Infantry (temporary first lieutenant), with rank from October 10, 1947.

*Second Lt. Frederick Sweet, Infantry (temporary first lieutenant), with rank from October 10, 1947.

*Second Lt. James Clyde Waller, Jr., Infantry (temporary first lieutenant), with rank from October 10, 1947.

Second Lt. Robert Denton Farmer, Signal Corps, with rank from October 12, 1947.

*Second Lt. Charles Leonard Kelley, Infantry (temporary first lieutenant), with rank from October 13, 1947.

Second Lt. Clinton Eugene Hearn, Cavalry (temporary first lieutenant), with rank from October 13, 1947.

*Second Lt. Robert William Crowley, Infantry (temporary first lieutenant), with rank from October 14, 1947.

*Second Lt. Gerald Engel Van Vleet, Quartermaster Corps (temporary first lieutenant), with rank from October 15, 1947.

Second Lt. Clark Ostrom Irving, Cavalry (temporary captain), with rank from October 16, 1947.

*Second Lt. Troy Houston Middleton, Jr., Infantry (temporary first lieutenant), with rank from October 17, 1947.

Second Lt. William Bernard Fowlkes, Infantry (temporary first lieutenant), with rank from October 17, 1947.

*Second Lt. Francisco Jaime Ramos, Infantry, with rank from October 17, 1947.

*Second Lt. William Gaulbert Weaver, Jr., Cavalry (temporary first lieutenant), with rank from October 18, 1947.

*Second Lt. George Bernard Robbins, Jr., Cavalry (temporary first lieutenant), with rank from October 20, 1947.

Second Lt. Frank Gibson Everett, Jr., Quartermaster Corps (temporary first lieutenant), with rank from October 23, 1947.

*Second Lt. Harry Maxwell Bartlett, Infantry (temporary first lieutenant), with rank from October 24, 1947.

*Second Lt. Kenneth Guy Whitehead, Signal Corps (temporary first lieutenant), with rank from October 25, 1947.

*Second Lt. Clyde Walter Sautters, Signal Corps (temporary first lieutenant), with rank from October 25, 1947.

*Second Lt. Leland Dwight Wamsted, Signal Corps, with rank from October 25, 1947.

Second Lt. Robert Ferdinand Mitchell, Signal Corps, with rank from October 25, 1947.

*Second Lt. Elmy Luis Matta, Infantry, with rank from October 26, 1947.

*Second Lt. Laurence Joseph Kunkel, Signal Corps (temporary first lieutenant), with rank from October 26, 1947.

*Second Lt. Harold Burton Gibson, Jr., Corps of Engineers (temporary captain), with rank from October 27, 1947.

*Second Lt. William Dade Sherman, Quartermaster Corps (temporary first lieutenant), with rank from October 27, 1947.

*Second Lt. James Ray Brashears, Jr., Ordnance Department (temporary first lieutenant), with rank from October 28, 1947.

*Second Lt. Louis Frank Felder, Infantry (temporary captain), with rank from October 28, 1947.

*Second Lt. Robert Early Archer, Infantry (temporary first lieutenant), with rank from October 28, 1947.

Second Lt. William Ernest Farrell, Infantry (temporary first lieutenant), with rank from October 28, 1947.

Second Lt. John Ogden Mayhall, Ordnance Department (temporary first lieutenant), with rank from October 28, 1947.

Second Lt. Robert Lee Hollister, Jr., Quartermaster Corps (temporary first lieutenant), with rank from October 28, 1947.

*Second Lt. William Phillip Short, Infantry (temporary first lieutenant), with rank from November 1, 1947.

*Second Lt. Garry Adolph Bahrich, Cavalry (temporary first lieutenant), with rank from November 2, 1947.

*Second Lt. Walter Andrew Schmidt, Field Artillery (temporary captain), with rank from November 4, 1947.

*Second Lt. Joseph William Powers, Infantry (temporary first lieutenant), with rank from November 4, 1947.

*Second Lt. John Berhart Sperry, Infantry (temporary first lieutenant), with rank from November 4, 1947.

Second Lt. Roger Joseph Lilly, Quartermaster Corps, with rank from November 6, 1947.

Second Lt. Warden Russel Kimmins, Ordnance Department (temporary first lieutenant), with rank from November 7, 1947.

*Second Lt. Lee Roy Brown, Infantry (temporary first lieutenant), with rank from November 8, 1947.

*Second Lt. George Tassey, Infantry (temporary captain), with rank from November 8, 1947.

*Second Lt. Wallace William Weyant, Coast Artillery Corps (temporary first lieutenant), with rank from November 10, 1947.

Second Lt. Roberto Peralta, Chemical Corps (temporary first lieutenant), with rank from November 11, 1947.

*Second Lt. John Francis Powers, Jr., Infantry (temporary first lieutenant), with rank from November 11, 1947.

*Second Lt. Robert Carroll Marsett, Infantry (temporary captain), with rank from November 11, 1947.

*Second Lt. Frederick William Yanker, Ordnance Department (temporary first lieutenant), with rank from November 11, 1947.

Second Lt. Luis Antonio Monserrate, Infantry, with rank from November 15, 1947.

Second Lt. Edwin Lewis Fisher, Signal Corps, with rank from November 15, 1947.

Second Lt. Herbert Barry Winkeller, Infantry (temporary first lieutenant), with rank from November 16, 1947.

Second Lt. Thomas Gerald Rosell, Infantry (temporary first lieutenant), with rank from November 16, 1947.

Second Lt. Leonard Francis Lopez, Infantry (temporary first lieutenant), with rank from November 16, 1947.

Second Lt. Robert Leahy Fair, Infantry (temporary first lieutenant), with rank from November 18, 1947.

Second Lt. Edwin Joseph McCarren, Cavalry (temporary first lieutenant), with rank from November 20, 1947.

Second Lt. James Elis McGaw, Quartermaster Corps, with rank from November 20, 1947.

Second Lt. Benjamin Harrison McElhinney, Jr., Infantry (temporary captain), with rank from November 21, 1947.

Second Lt. James Buell Webel, Infantry (temporary captain), with rank from November 23, 1947.

Second Lt. Robert Edgar Huber, Quartermaster Corps (temporary first lieutenant), with rank from November 24, 1947.

Second Lt. Pat Kenneth Elliot, Infantry (temporary captain), with rank from November 24, 1947.

Second Lt. Joseph P. Coe, Jr., Signal Corps (temporary captain), with rank from November 24, 1947.

Second Lt. Wilmer McDowell Beam, Signal Corps (temporary first lieutenant), with rank from November 25, 1947.

Second Lt. Walter Earle Schneider, Quartermaster Corps (temporary first lieutenant), with rank from November 29, 1947.

Second Lt. Hezekiah Wyndol Carroll Furman, Coast Artillery Corps (temporary first lieutenant), with rank from November 29, 1947.

Second Lt. Cecil Walton Hospelhorn, Infantry (temporary first lieutenant), with rank from November 29, 1947.

Second Lt. Herbert David Black, Jr., Cavalry (temporary first lieutenant), with rank from November 30, 1947.

Second Lt. Robert Mulkey Kelly, Infantry (temporary first lieutenant), with rank from December 5, 1947.

Second Lt. Roy Willis Burley, Infantry (temporary first lieutenant), with rank from December 5, 1947.

Second Lt. Orman Eugene Hicks, Quartermaster Corps (temporary first lieutenant), with rank from December 6, 1947.

Second Lt. James Richard Wilson, Quartermaster Corps (temporary first lieutenant), with rank from December 6, 1947.

Second Lt. Floyd Whitney Crouch, Jr., Quartermaster Corps (temporary first lieutenant), with rank from December 8, 1947.

Second Lt. Spurgeon Allen Moore, Infantry (temporary first lieutenant), with rank from December 9, 1947.

Second Lt. James Owen McKenna, Infantry (temporary first lieutenant), with rank from December 9, 1947.

Second Lt. Wesley David Jones, Ordnance Department (temporary first lieutenant), with rank from December 9, 1947.

Second Lt. Henry Clark Hobday, Jr., Ordnance Department (temporary first lieutenant), with rank from December 9, 1947.

Second Lt. Lester Reed Dillon, Jr., Infantry (temporary first lieutenant), with rank from December 9, 1947.

Second Lt. Millard Jacob Edsall, Jr., Quartermaster Corps, with rank from December 10, 1947.

Second Lt. Claude Earl Turner, Quartermaster Corps (temporary first lieutenant), with rank from December 13, 1947.

Second Lt. Warren Elliott Reed, Quartermaster Corps (temporary first lieutenant), with rank from December 13, 1947.

Second Lt. Daniel Peter Juraschek, Cavalry (temporary captain), with rank from December 14, 1947.

Second Lt. Coleman Noahson, Infantry (temporary first lieutenant), with rank from December 14, 1947.

Second Lt. Hulen Dorris Stogner, Coast Artillery Corps (temporary first lieutenant), with rank from December 19, 1947.

Second Lt. Dennis Joseph Wardell, Cavalry (temporary captain), with rank from December 19, 1947.

Second Lt. Thomas Dominick Burke, Jr., Infantry (temporary first lieutenant), with rank from December 20, 1947.

Second Lt. Harry David Latimer, Coast Artillery Corps (temporary first lieutenant), with rank from December 22, 1947.

Second Lt. Russell Ellsworth Mason, Quartermaster Corps (temporary first lieutenant), with rank from December 22, 1947.

Second Lt. Edwin Caryl Pittenger, Jr., Chemical Corps (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. John Raymond Pierce, Jr., Ordnance Department (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. William Crocker Burkit, Infantry (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. Arthur Lawrence Bakewell, Cavalry (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. Robert Lee Nicol, Chemical Corps (temporary first lieutenant) with rank from December 23, 1947.

Second Lt. David Hugh Oglesby, Jr., Quartermaster Corps (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. Robert Joseph Schram, Chemical Corps, with rank from December 23, 1947.

Second Lt. Jack Frederick Senechal, Infantry (temporary first lieutenant), with rank from December 27, 1947.

Second Lt. William Carl Lindahl, Infantry, with rank from December 28, 1947.

Second Lt. Claude Marksheffel Adams, Cavalry (temporary first lieutenant), with rank from December 28, 1947.

Second Lt. John Sclipcea, Infantry, with rank from December 29, 1947.

Second Lt. Lemuel Ira Presley, Quartermaster Corps, with rank from December 30, 1947.

Second Lt. Reed Anderson Thursby, Infantry (temporary captain), with rank from December 31, 1947.

CHAPLAINS

To be lieutenant colonels

*Chaplain (Maj.) Joseph Richard Koch, United States Army (temporary colonel), with rank from June 27, 1946.

*Chaplain (Maj.) Patrick James Ryan, United States Army (temporary colonel), with rank from June 27, 1946.

*Chaplain (Maj.) Andrew Thomas Francis Nowak, United States Army (temporary lieutenant colonel), with rank from June 27, 1946.

*Chaplain (Maj.) Joseph Oscar Ensrud, United States Army (temporary colonel), with rank from June 27, 1946.

*Chaplain (Maj.) Christian Anthony Wachter, United States Army (temporary colonel), with rank from June 27, 1946.

*Chaplain (Maj.) Leo James McDonald, United States Army (temporary lieutenant colonel), with rank from June 27, 1946

*Chaplain (Maj.) Peter Christian Schroder, United States Army (temporary colonel), with rank from June 27, 1946.

*Chaplain (Maj.) John Henry August Borleis, United States Army (temporary lieutenant colonel), with rank from June 27, 1946.

×*Chaplain (Maj.) Hudson Bissell Phillips, United States Army (temporary lieutenant colonel), with rank from June 27, 1946.

*Chaplain (Maj.) Vernon Paul Jaeger, United States Army (temporary lieutenant colonel), with rank from June 27, 1946.

*Chaplain (Maj.) Luther Weltmer Evans, United States Army (temporary lieutenant colonel), with rank from April 16, 1947.

*Chaplain (Maj.) John Thomas Kilcoyne, United States Army (temporary colonel), with rank from August 18, 1947.

*Chaplain (Maj.) William Lewis Cooper, United States Army, with rank from September 14, 1947.

*Chaplain (Maj.) John Simeon Kelly, United States Army (temporary colonel), with rank from November 6, 1947.

*Chaplain (Maj.) Charles Nugent Quest, United States Army, with rank from November 9, 1947.

*Chaplain (Maj.) Joseph Calvin Sides, United States Army (temporary lieutenant colonel), with rank from November 12, 1947.

Chaplain (Maj.) William Belt Estes, United States Army, with rank from November 30, 1947.

To be majors

*Chaplain (Capt.) Paul Judson Maddox, United States Army (temporary colonel), with rank from January 25, 1941.

*Chaplain (Capt.) Harold Henry Schulz, United States Army (temporary lieutenant colonel), with rank from March 1, 1941.

*Chaplain (Capt.) Aubrey John O'Reilly, United States Army (temporary lieutenant colonel), with rank from March 8, 1941.

*Chaplain (Capt.) Robert Leland Schock, United States Army (temporary lieutenant colonel), with rank from June 29, 1941.

*Chaplain (Capt.) Martin Carl Poch, United States Army (temporary colonel), with rank from September 14, 1941.

*Chaplain (Capt.) Wallace Irving Wolverton, United States Army (temporary lieutenant colonel), with rank from September 14, 1941.

*Chaplain (Capt.) James Corey Bean, United States Army (temporary lieutenant colonel), with rank from September 14, 1941.

*Chaplain (Capt.) Charles Irving Carpenter, United States Army (temporary colonel), with rank from September 14, 1941.

*Chaplain (Capt.) James Thomas Wilson, United States Army (temporary lieutenant colonel), with rank from September 14, 1941.

*Chaplain (Capt.) Silas Edward Decker, United States Army (temporary lieutenant colonel), with rank from September 14, 1941.

*Chaplain (Capt.) John Oscar Woods, United States Army (temporary lieutenant colonel), with rank from October 4, 1941.

*Chaplain (Capt.) Terence Patrick Finnegan, United States Army (temporary lieutenant colonel), with rank from October 1, 1942.

*Chaplain (Capt.) Carlton Wayne Harrod, United States Army (temporary lieutenant colonel), with rank from October 4, 1942.

*Chaplain (Capt.) Alvie Littleton McKnight, United States Army (temporary lieutenant colonel), with rank from December 26, 1942.

*Chaplain (Capt.) Edwin Lankford Kirtley, United States Army (temporary lieutenant colonel), with rank from October 17, 1943.

*Chaplain (Capt.) John Allen DeVeaux, United States Army (temporary major), with rank from December 24, 1943.

*Chaplain (Capt.) Lexington Odett Sheffield, United States Army (temporary lieutenant colonel), with rank from March 17, 1944.

*Chaplain (Capt.) Willard Graham Davis, United States Army (temporary lieutenant colonel), with rank from May 15, 1944.

*Chaplain (Capt.) Earl Dwight Compton, United States Army (temporary lieutenant colonel), with rank from May 23, 1944.

*Chaplain (Capt.) Ralph Mark Reed, United States Army (temporary lieutenant colonel), with rank from July 10, 1944.

*Chaplain (Capt.) John Joseph Jedlowski, United States Army (temporary major), with rank from October 4, 1944.

*Chaplain (Capt.) Augustine Perry Donnelly United States Army (temporary lieutenant colonel), with rank from March 5, 1945.

*Chaplain (Capt.) Louis James Beasley, United States Army (temporary lieutenant colonel), with rank from March 13, 1945.

*Chaplain (Capt.) Mitchell William Phillips, United States Army (temporary lieutenant colonel), with rank from March 13, 1945.

*Chaplain (Capt.) Albin Leonard Fortney, United States Army (temporary major), with rank from March 20, 1945.

*Chaplain (Capt.) Wallace McDougald Hale, United States Army (temporary lieutenant colonel), with rank from March 20, 1945.

*Chaplain (Capt.) Norman Gregg Long, United States Army, with rank from March 20, 1945.

*Chaplain (Capt.) Frank Bernard Henry, United States Army (temporary lieutenant colonel), with rank from April 4, 1945.

*Chaplain (Capt.) Samuel Everett Donald, United States Army, with rank from April 4, 1945.

*Chaplain (Capt.) William Curtis Shure, United States Army (temporary lieutenant colonel), with rank from April 4, 1945.

*Chaplain (Capt.) James Joseph McGoohan, United States Army (temporary major), with rank from April 4, 1945.

*Chaplain (Capt.) Roger Dace Russell, United States Army (temporary lieutenant colonel), with rank from July 30, 1945.

*Chaplain (Capt.) John Frederick Gaertner, United States Army (temporary lieutenant colonel), with rank from July 30, 1945.

*Chaplain (Capt.) John Alphonsus Dunn, United States Army (temporary lieutenant colonel), with rank from August 13, 1945.

*Chaplain (Capt.) Harold Owen Prudell, United States Army (temporary major), with rank from October 2, 1945.

*Chaplain (Capt.) Russell Lloyd Blaisdell, United States Army (temporary lieutenant colonel), with rank from November 30, 1945.

*Chaplain (Capt.) Arthur Carl Piepkorn, United States Army (temporary lieutenant colonel), with rank from February 10, 1946.

*Chaplain (Capt.) Leslie Albert Thompson, United States Army (temporary lieutenant colonel), with rank from April 2, 1946.

*Chaplain (Capt.) Marvin Earl Utter, United States Army (temporary major), with rank from April 27, 1946.

*Chaplain (Capt.) James Joseph McMahon, United States Army (temporary lieutenant colonel), with rank from May 17, 1946.

*Chaplain (Capt.) Harold Francis Donovan, United States Army (temporary lieutenant colonel), with rank from June 3, 1946.

*Chaplain (Capt.) Loren Thomas Jenks, United States Army (temporary lieutenant colonel), with rank from July 3, 1946.

*Chaplain (Capt.) Ralph Henry Pugh, United States Army (temporary major), with rank from July 4, 1946.

*Chaplain (Capt.) James Clarke Griffin, United States Army (temporary major), with rank from July 12, 1946.

*Chaplain (Capt.) Charles Edwin Brown, Jr., United States Army (temporary lieutenant colonel), with rank from July 27, 1946.

*Chaplain (Capt.) Steve Pettie Gaskins, Jr., United States Army (temporary major), with rank from July 29, 1946.

*Chaplain (Capt.) John Henry Hingson, United States Army, with rank from August 15, 1946.

*Chaplain (Capt.) Kenneth Malcolm Sowers, United States Army (temporary lieutenant colonel), with rank from September 8, 1946.

*Chaplain (Capt.) Walton Garrett Sugg, Jr., United States Army (temporary lieutenant colonel), with rank from September 15, 1946.

*Chaplain (Capt.) John Michael Hughes, United States Army, with rank from September 23, 1946.

*Chaplain (Capt.) Verne Henry Warner, United States Army, with rank from September 23, 1946.

*Chaplain (Capt.) Arthur Henry Marsh, United States Army, (temporary major), with rank from March 1, 1947.

*Chaplain (Capt.) Richard William Jungfer, Jr., United States Army, with rank from May 6, 1947.

×*Chaplain (Capt.) Warren Earl Ferguson, United States Army (temporary major), with rank from June 28, 1947.

*Chaplain (Capt.) Alfred Charles Longley, United States Army (temporary major), with rank from July 7, 1947.

Chaplain (Capt.) Maury Hundley, Jr., United States Army, with rank from July 9, 1947.

*Chaplain (Capt.) John Porter Fellows, United States Army (temporary major), with rank from July 21, 1947.

*Chaplain (Capt.) Oscar Eugene Bryan, Jr., United States Army, with rank from August 4, 1947.

*Chaplain (Capt.) Lonnie Willard Knight, United States Army (temporary major), with rank from August 11, 1947.

*Chaplain (Capt.) Elmer Everett Wehking, United States Army, with rank from August 15, 1947.

*Chaplain (Capt.) Alphonse Bernard Slivinski, United States Army (temporary major), with rank from August 21, 1947.

*Chaplain (Capt.) William Mason Frost, United States Army (temporary major), with rank from September 19, 1947.

Chaplain (Capt.) John Irvin Rhea, United States Army (temporary lieutenant colonel), with rank from November 16, 1947.

Chaplain (Capt.) Stanley Charles Brach, United States Army, with rank from November 23, 1947.

Chaplain (Capt.) Herman Henry Heuer, United States Army (temporary lieutenant colonel), with rank from December 7, 1947.

Chaplain (Capt.) Albert John Chapdelaine, United States Army, with rank from December 12, 1947.

Chaplain (Capt.) Martin Henry Scharlemann, United States Army (temporary major), with rank from December 28, 1947.

MEDICAL SERVICE CORPS

To be first lieutenants

*Second Lt. John William Northing, Jr., Medical Service Corps (temporary captain), with rank from August 6, 1947.

*Second Lt. Frank Keeler Smith, Medical Service Corps (temporary first lieutenant), with rank from August 26, 1947.

*Second Lt. Leo Joseph Collins, Medical Service Corps (temporary first lieutenant), with rank from September 1, 1947.

*Second Lt. Henry Lamar Hammond, Medical Service Corps, with rank from September 1, 1947.

*Second Lt. David Henry Hood, Medical Service Corps (temporary captain), with rank from September 1, 1947.

*Second Lt. Richard McDermaid, Medical Service Corps (temporary first lieutenant), with rank from September 1, 1947.

*Second Lt Melvin William Crotty, Medical Service Corps (temporary first lieutenant), with rank from September 1, 1947.

*Second Lt. Jack Williamson McNamara, Medical Service Corps (temporary first lieutenant), with rank from September 1, 1947.

*Second Lt. Jimmie Kanaya, Medical Service Corps (temporary first lieutenant), with rank from September 4, 1947.

*Second Lt. Lester Ray Boyd, Medical Service Corps (temporary first lieutenant), with rank from September 9, 1947.

*Second Lt. Charles Anderson Joyner, Medical Service Corps (temporary first lieutenant), with rank from November 1, 1947.

*Second Lt. Robert Charles Frase, Medical Service Corps (temporary first lieutenant), with rank from November 12, 1947.

Second Lt. Charles Lincoln Franklin, Jr., Medical Service Corps (temporary first lieutenant), with rank from November 15, 1947.

Second Lt. Quentin Harold Miller, Medical Service Corps (temporary first lieutenant), with rank from November 15, 1947.

Second Lt. William Holland Bines, Jr., Medical Service Corps (temporary first lieutenant), with rank from November 15, 1947.

Second Lt. Joseph Vincent Brady, Medical Service Corps (temporary first lieutenant), with rank from November 18, 1947.

Second Lt. Robert L. Clark, Medical Service Corps (temporary first lieutenant), with rank from December 19, 1947.

Second Lt. Lonzo Dale Justice, Medical Service Corps (temporary first lieutenant), with rank from December 20, 1947.

Second Lt. George William Souvall, Medical Service Corps (temporary first lieutenant), with rank from December 22, 1947.

Second Lt. James Marion Share, Medical Service Corps (temporary first lieutenant), with rank from December 22, 1947.

Second Lt. Stephen Elmer Akers, Medical Service Corps (temporary first lieutenant), with rank from December 22, 1947.

Second Lt. Charles Robert Kinney, Medical Service Corps (temporary first lieutenant), with rank from December 22, 1947.

Second Lt. T. J. Shelton, Medical Service Corps (temporary first lieutenant), with rank from December 24, 1947.

Second Lt. James Robert Wigger, Medical Service Corps (temporary first lieutenant), with rank from December 29, 1947.

NOTE.—Those officers whose names are preceded by the symbol (*) were promoted during the recess of the Senate. Subsection 507 (d), Officer Personnel Act of 1947, prescribes that Regular Army promotion list officers shall continue to be promoted to and appointed in the permanent grades of lieutenant colonel, major, captain, and first lieutenant in accordance with existing provisions of law until December 31, 1947.

IN THE AIR FORCE

The following-named officers for promotion in the United States Air Force, under the provisions of section 3, of an act of Congress approved July 31, 1935, as amended by an act of Congress approved June 13, 1940:

To be lieutenant colonels

*Maj. David Dunnuck Porter, United States Air Force (temporary lieutenant colonel), with rank from August 23, 1947.

*Maj. Dabney Herndon Maury, United States Air Force (temporary colonel), with rank from September 2, 1947.

*Maj. Emmet Leo Gregg, United States Air Force (temporary lieutenant colonel), with rank from October 5, 1947.

*Maj. Walter William Wise, United States Air Force (temporary colonel), with rank from November 10, 1947.

Maj. Dwight Woodbury Caswell, United States Air Force (temporary lieutenant colonel), with rank from December 19, 1947.

Maj. Lawrence Lester Long, United States Air Force (temporary lieutenant colonel), with rank from December 29, 1947.

To be majors

*Capt. George Cechmanek, United States Air Force (temporary lieutenant colonel), with rank from May 10, 1947.

*Capt. Ralph William Luten, United States Air Force (temporary lieutenant colonel), with rank from May 31, 1947.

*Capt. Theodore Quentin Graff, United States Air Force (temporary colonel), with rank from June 13, 1947.

*Capt. Albert John Boot, Jr., United States Air Force (temporary lieutenant colonel), with rank from June 13, 1947.

*Capt. Kenneth Theodore Boughner, United States Air Force (temporary lieutenant colonel), with rank from July 7, 1947.

*Capt. Kenneth Dietrich Kienth, United States Air Force (temporary major), with rank from July 16, 1947.

*Capt. James Elmer Mayberry, United States Air Force (temporary colonel), with rank from July 19, 1947.

*Capt. Robert James Goewey, United States Air Force (temporary colonel), with rank from July 26, 1947.

*Capt. Reagan Traweek Houston, United States Air Force (temporary major), with rank from July 27, 1947.

*Capt. William Stanley Dolan, United States Air Force (temporary lieutenant colonel), with rank from July 30, 1947.

*Capt. Allen Leonard Erickson, United States Air Force (temporary lieutenant colonel), with rank from August 11, 1947.

*Capt. Marvin Sledge, United States Air Force (temporary colonel), with rank from August 13, 1947.

*Capt. Samuel James Gormly, Jr., United States Air Force (temporary colonel), with rank from August 16, 1947.

*Capt. Vance Edward Murphy, United States Air Force (temporary lieutenant colonel), with rank from August 18, 1947.

*Capt. Henry Dean Ivey, United States Air Force (temporary major), with rank from August 18, 1947.

*Capt. Stewart Sherman Maxey, United States Air Force (temporary lieutenant colonel), with rank from August 19, 1947.

*Capt. Harold Perkins Dixon, United States Air Force (temporary major), with rank from August 24, 1947.

*Capt. Clarence Joseph McCall, United States Air Force (temporary lieutenant colonel), with rank from August 30, 1947.

*Capt. Lynne Richmond Mapes, United States Air Force (temporary lieutenant colonel), with rank from August 30, 1947.

*Capt. John Clark Wing, United States Air Force (temporary major), with rank from August 30, 1947.

*Capt. Earl Burrell Craig, United States Air Force (temporary lieutenant colonel), with rank from September 1, 1947.

*Capt. Claude Lee Shipp, United States Air Force (temporary lieutenant colonel), with rank from September 1, 1947.

*Capt. Robert Blackmore Collins, United States Air Force (temporary lieutenant colonel), with rank from September 5, 1947.

*Capt. Fred Junior Stevens, Jr., United States Air Force (temporary lieutenant colonel), with rank from September 12, 1947.

*Capt. Hubert Nelson Sturdivant, United States Air Force (temporary major), with rank from September 13, 1947.

*Capt. Bishop Pershaw Parrish, Jr., United States Air Force (temporary lieutenant colonel), with rank from September 15, 1947.

*Capt. Kenneth Hensley Tando, United States Air Force (temporary lieutenant colonel), with rank from September 25, 1947.

*Capt. Charles Harold Newkirk, United States Air Force, with rank from September 25, 1947.

*Capt. Ethelred Lundy Sykes, United States Air Force (temporary colonel), with rank from October 3, 1947.

*Capt. Michael Norman Wright McCoy, United States Air Force (temporary lieutenant colonel), with rank from October 9, 1947.

*Capt. Ray Wilbur McDuffee, United States Air Force (temporary lieutenant colonel), with rank from October 10, 1947.

*Capt. William Hardin Lyle, United States Air Force (temporary lieutenant colonel), with rank from October 12, 1947.

Capt. Diran Arakelian, United States Air Force (temporary lieutenant colonel), with rank from October 24, 1947.

*Capt. Travis Shipp, United States Air Force (temporary major), with rank from October 25, 1947.

*Capt. William Daniel Campbell, United States Air Force (temporary lieutenant colonel), with rank from October 27, 1947.

*Capt. Henry Ernest Wittrock, United States Air Force (temporary major), with rank from October 27, 1947.

*Capt. Henry John Neusse, Jr., United States Air Force (temporary major), with rank from October 30, 1947.

Capt. Russell William Gray, United States Air Force (temporary lieutenant colonel), with rank from November 2, 1947.

*Capt. Chester Carl Moomaw, United States Air Force (temporary lieutenant colonel), with rank from November 5, 1947.

*Capt. Frederick Worgum Eley, United States Air Force (temporary lieutenant colonel), with rank from November 6, 1947.

*Capt. Ernest Randall Miller, United States Air Force (temporary major), with rank from November 8, 1947.

*Capt. Philmore Leonel Moen, United States Air Force (temporary major), with rank from November 8, 1947.

*Capt. Charles Keith Fewkes, United States Air Force (temporary lieutenant colonel), with rank from November 9, 1947.

*Capt. Walter Raymond Graalman, United States Air Force (temporary lieutenant colonel), with rank from November 9, 1947.

*Capt. Ernest Baker, United States Air Force (temporary major), with rank from November 12, 1947.

*Capt. William Bohlen Merrill, Jr., United States Air Force (temporary lieutenant colonel), with rank from November 13, 1947.

*Capt. Charles Coleman Bye, Jr., United States Air Force (temporary colonel), with rank from November 14, 1947.

Capt. Charles Manuel Townsend, United States Air Force (temporary major), with rank from November 18, 1947.

Capt. Richard Otto Bandlow, United States Air Force (temporary major), with rank from November 21, 1947.

Capt. Irvin Francis Mitchell, United States Air Force (temporary major), with rank from November 23, 1947.

Capt. William Edward Rentz, United States Air Force (temporary colonel), with rank from December 9, 1947.

Capt. Robert Muirhead Reed, United States Air Force (temporary major), with rank from December 17, 1947.

Capt. Michael Luke Crimmins, United States Air Force (temporary lieutenant colonel), with rank from December 22, 1947.

Capt. Frank Phipps Smith, United States Air Force (temporary lieutenant colonel), with rank from December 23, 1947.

Capt. James Loyd Williams, United States Air Force (temporary lieutenant colonel), with rank from December 27, 1947.

Capt. Ralph Harrison Wade, United States Air Force (temporary lieutenant colonel), with rank from December 31, 1947.

To be captains

*First Lt. Sidney Nutt, Jr., United States Air Force (temporary major), with rank from June 2, 1947.

*First Lt. James Oliver Vann, United States Air Force (temporary captain), with rank from June 5, 1947.

*First Lt. Clifton Walter Pangburn, United States Air Force (temporary major), with rank from June 6, 1947.

*First Lt Donald Earl Renshaw, United States Air Force, with rank from June 15, 1947.

*First Lt. Steven Candler Rheberg, United States Air Force (temporary lieutenant colonel), with rank from June 18, 1947.

*First Lt. Carl Wilhelm Schleicher, United States Air Force (temporary captain), with rank from June 19, 1947.

*First Lt. Carl George Nelson, United States Air Force (temporary major), with rank from June 20, 1947.

*First Lt. David Raymond Irvine, United States Air Force (temporary captain), with rank from June 22, 1947.

*First Lt. Michael Bobela, United States Air Force (temporary captain), with rank from June 24, 1947.

*First Lt. Irving Blume, United States Air Force (temporary lieutenant colonel), with rank from July 1, 1947.

*First Lt. Lynn Powers Smith, United States Air Force (temporary captain), with rank from July 2, 1947.

*First Lt. James Hilliard Fleming, United States Air Force (temporary lieutenant colonel), with rank from July 8, 1947.

*First Lt. Wilfred Brassard Leclaire, United States Air Force (temporary captain), with rank from July 15, 1947.

*First Lt. Max Thomas Leyendecker, United States Air Force (temporary captain), with rank from July 19, 1947.

*First Lt. Samuel Velebny, Jr., United States Air Force (temporary major), with rank from July 21, 1947.

*First Lt. William Griffith Finch, United States Air Force (temporary captain), with rank from July 23, 1947.

*First Lt. Jarvis Rowland Kingston, United States Air Force (temporary major), with rank from July 25, 1947.

*First Lt. Carl John Stumpf, United States Air Force (temporary lieutenant colonel), with rank from July 27, 1947.

*First Lt. George Hill Johnson 2d, United States Air Force (temporary captain), with rank from July 28, 1947.

*First Lt. Ronald Burdell Stevens, United States Air Force (temporary lieutenant colonel), with rank from August 2, 1947.

*First Lt. Elmer Mervin Gould, United States Air Force (temporary lieutenant colonel), with rank from August 3, 1947.

*First Lt. Robert Lewis Rizon, United States Air Force (temporary lieutenant colonel), with rank from August 5, 1947.

*First Lt. Douglas LeRoy Rundquist, United States Air Force (temporary lieutenant colonel), with rank from August 6, 1947.

*First Lt. Burton Houston Rowden, United States Air Force (temporary lieutenant colonel), with rank from August 8, 1947.

*First Lt. James Cobb Levi, United States Air Force (temporary captain), with rank from August 8, 1947.

*First Lt. Louis Bertoni, United States Air Force (temporary major), with rank from August 8, 1947.

*First Lt. Wendell Austin Hammer, United States Air Force (temporary captain), with rank from August 9, 1947.

*First Lt. Frank Domenic Rua, United States Air Force (temporary captain), with rank from August 13, 1947.

*First Lt. Charles Lafayette Musgrave, United States Air Force (temporary lieutenant colonel), with rank from August 15, 1947.

*First Lt. William Falcon Hopper, Jr., United States Air Force (temporary major), with rank from August 16, 1947.

*First Lt. Povl Verner Lindhard, United States Air Force (temporary lieutenant colonel), with rank from August 19, 1947.

*First Lt. Raymond Harold Lock, United States Air Force (temporary major), with rank from August 25, 1947.

*First Lt. Clyde William Swanson, United States Air Force (temporary lieutenant colonel), with rank from August 26, 1947.

*First Lt. Willard Earl Merritt, United States Air Force (temporary captain), with rank from August 30, 1947.

*First Lt. Walter Stachura, United States Air Force (temporary captain), with rank from August 31, 1947.

*First Lt. Roscoe Garnett Rector, United States Air Force (temporary major), with rank from September 1, 1947.

*First Lt. Norman Foster, United States Air Force (temporary major), with rank from September 4, 1947.

*First Lt. John Nelson Ewbank, Jr., United States Air Force (temporary lieutenant colonel), with rank from September 5, 1947.

*First Lt. Bartholomew Griffin Tenore, United States Air Force (temporary captain), with rank from September 6, 1947.

*First Lt. George Brooks Eldridge, United States Air Force (temporary major), with rank from September 7, 1947.

*First Lt. Thomas Nelson Arnett, United States Air Force (temporary lieutenant colonel), with rank from September 7, 1947.

*First Lt. James William Thomson, United States Air Force (temporary lieutenant colonel), with rank from September 9, 1947.

*First Lt. John Carter Good, United States Air Force (temporary major), with rank from September 9, 1947.

*First Lt. Riley Wickliffe Harris, United States Air Force (temporary captain), with rank from September 9, 1947.

*First Lt. Herbert Grove Dorsey, Jr., United States Air Force (temporary captain), with rank from September 15, 1947.

*First Lt. Charles Audley Thorpe, United States Air Force (temporary lieutenant colonel), with rank from September 16, 1947.

*First Lt. Cyril Ovierre Shuler, United States Air Force (temporary lieutenant colonel), with rank from September 18, 1947.

*First Lt. Osborne C. Mauldin, United States Air Force, with rank from September 18, 1947.

*First Lt. Jack Alban Gibbs, United States Air Force (temporary colonel), with rank from September 20, 1947.

*First Lt. Robert Ingalls Millberry, United States Air Force (temporary lieutenant colonel), with rank from September 21, 1947.

*First Lt. Chase Driggs, United States Air Force, (temporary major), with rank from September 21, 1947.

*First Lt. Robert Herman Weber, United States Air Force (temporary major), with rank from September 22, 1947.

*First Lt. Beverly Vernon Pearson, United States Air Force (temporary major), with rank from September 24, 1947.

*First Lt. Leon Howard McCurdy, United States Air Force (temporary lieutenant colonel), with rank from October 2, 1947.

*First Lt. William Henry Rethke, United States Air Force (temporary major), with rank from October 2, 1947.

*First Lt. Harry Raymond Beamer, United States Air Force (temporary major), with rank from October 2, 1947.

*First Lt. George Albert Welch, United States Air Force (temporary major), with rank from October 3, 1947.

*First Lt. Clark Jackson Smith, United States Air Force (temporary captain), with rank from October 3, 1947.

*First Lt. Leon Edwin Bell, Jr., United States Air Force (temporary major), with rank from October 4, 1947.

*First Lt. Edward Lee Housenga, United States Air Force (temporary captain), with rank from October 4, 1947.

*First Lt. Louis Patrick Imhof, United States Air Force (temporary lieutenant colonel), with rank from October 5, 1947.

*First Lt. Harold Eugene Swayze, United States Air Force, with rank from October 5, 1947.

*First Lt. Raymond Allen Thornton, United States Air Force (temporary captain), with rank from October 6, 1947.

*First Lt. Charles Goddard Botsford, United States Air Force, with rank from October 8, 1947.

*First Lt. Calvin Victor Robinson, United States Air Force (temporary captain), with rank from October 9, 1947.

*First Lt. Paul Edward Dreiman, United States Air Force (temporary lieutenant colonel), with rank from October 10, 1947.

*First Lt Woodrow Vincent Nold, United States Air Force (temporary major), with rank from October 14, 1947.

*First Lt. Lawrence Morgan Thomas, United States Air Force (temporary colonel), with rank from October 17, 1947.

*First Lt. Edgar LeVan Stambaugh, United States Air Force (temporary major), with rank from October 19, 1947.

First Lt. James Woodrow Pond, United States Air Force (temporary lieutenant colonel), with rank from October 22, 1947.

First Lt. Harry Stanley Arendt, United States Air Force (temporary captain), with rank from October 22, 1947.

*First Lt. George Oscar Thomas, United States Air Force, with rank from October 23, 1947.

First Lt. James Dimitri Motyl, United States Air Force (temporary lieutenant colonel), with rank from October 23, 1947.

*First Lt. Charles Francis Gillis, United States Air Force (temporary major), with rank from October 25, 1947.

*First Lt. Daniel Martin Harvey, United States Air Force (temporary colonel), with rank from October 25, 1947.

First Lt. Edgar Earl Bartlett, United States Air Force (temporary captain), with rank from October 25, 1947.

*First Lt. George Thomas Kelley, United States Air Force (temporary captain), with rank from October 26, 1947.

*First Lt. Lindsey Carlisle Breeden, Jr., United States Air Force (temporary captain), with rank from October 31, 1947.

First Lt. Gorden Roy Fulton, United States Air Force (temporary captain), with rank from October 31, 1947.

First Lt. Leonard Daniel Riordan, United States Air Force (temporary major), with rank from November 1, 1947.

*First Lt. James Derwent Flashman, United States Air Force (temporary lieutenant colonel), with rank from November 2, 1947.

*First Lt. George Herman Blase, United States Air Force (temporary colonel), with rank from November 7, 1947.

First Lt. Edward John Wagner, United States Air Force (temporary major), with rank from November 8, 1947.

*First Lt. Galen Mills Buckles, United States Air Force (temporary major), with rank from November 13, 1947.

*First Lt. Leroy Akin, United States Air Force (temporary major), with rank from November 13, 1947.

*First Lt. John Charles Geffel, United States Air Force (temporary major), with rank from November 13, 1947.

*First Lt. William Robert Orr, United States Air Force (temporary lieutenant colonel), with rank from November 13, 1947.

*First Lt. Harvey Coleman Brown, Jr. United States Air Force (temporary lieutenant colonel), with rank from November 13 1947.

First Lt. Daniel Graham Hawes, United States Air Force (temporary lieutenant colonel), with rank from November 16, 1947.

First Lt. Goodlett John Glaser, United States Air Force (temporary lieutenant colonel), with rank from November 17, 1947.

First Lt. Edgar Lewis Sawhill, United States Air Force (temporary captain), with rank from November 17, 1947.

First Lt. Ethan Roland Pearson, United States Air Force (temporary lieutenant colonel), with rank from November 19, 1947.

First Lt. Robert Douglas Elliott, United States Air Force (temporary major), with rank from November 25, 1947.

First Lt. Frederick Andrew Moran, United States Air Force (temporary captain), with rank from November 27, 1947.

First Lt. Joseph Andrew Bergin, United States Air Force (temporary captain), with rank from November 30, 1947.

First Lt. Henry Willard Davidson, United States Air Force with rank from December 1, 1947.

First Lt. Michael Nicholas Mikulak, United States Air Force (temporary lieutenant colonel), with rank from December 2, 1947.

First Lt. Robert Calvin Hughes, United States Air Force (temporary major), with rank from December 2, 1947.

First Lt. Lloyd Berton Knouse, United States Air Force (temporary major), with rank from December 3, 1947.

First Lt. Raymond Edward Robinson, United States Air Force (temporary lieutenant colonel), with rank from December 3, 1947.

First Lt. William Claude Boyd, United States Air Force (temporary captain), with rank from December 3, 1947.

First Lt. John Frederick Dudney, United Air Force (temporary major), with rank from December 5, 1947.

First Lt. John Garman Hertzler, United States Air Force (temporary captain), with rank from December 5, 1947.

First Lt. Walter Perry Barney, United States Air Force (temporary major), with rank from December 7, 1947.

First Lt. Fred Thomas Jeep, United States Air Force (temporary major), with rank from December 8, 1947.

First Lt. Jacob Follmer, United States Air Force (temporary captain), with rank from December 9, 1947.

First Lt. Howard Mulholland, United States Air Force (temporary captain), with rank from December 9, 1947.

First Lt. Jacob Persky, United States Air Force (temporary captain), with rank from December 9, 1947.

First Lt. Waymoth Delmar Vestal, United States Air Force (temporary captain), with rank from December 10, 1947.

First Lt. Joe Robert Patton, United States Air Force (temporary captain), with rank from December 10, 1947.

First Lt. George Nickerson, United States Air Force (temporary major), with rank from December 10, 1947.

First Lt. Edward Daniel Hoover, Jr., United States Air Force (temporary major), with rank from December 10, 1947.

First Lt. Perry Edward Nixon, United States Air Force (temporary captain), with rank from December 12, 1947.

First Lt. Bernard Peters, United States Air Force (temporary major), with rank from December 12, 1947.

First Lt. Louis Morton Jarcho, United States Air Force (temporary captain), with rank from December 12, 1947.

First Lt. Abraham Edward Wayshak, United States Air Force, with rank from December 15, 1947.

First Lt. Louis Joseph Micka, Jr., United States Air Force (temporary captain), with rank from December 18, 1947.

First Lt. James Lyle Lee, United States Air Force (temporary lieutenant colonel), with rank from December 18, 1947.

First Lt. Frank St. Jessic, United States Air Force (temporary lieutenant colonel), with rank from December 19, 1947.

First Lt. Fred John Stacey, United States Air Force (temporary lieutenant colonel), with rank from December 22, 1947.

First Lt. Carlton Julian Martin, United States Air Force (temporary colonel), with rank from December 26, 1947.

To be first lieutenants

*Second Lt. David Mortimer Falk, United States Air Force (temporary first lieutenant), with rank from June 26, 1946.

*Second Lt. John Edwin Murphy, United States Air Force (temporary first lieutenant), with rank from August 7, 1946.

*Second Lt. Algernon Gordon Swan, United States Air Force (temporary first lieutenant), with rank from March 12, 1947.

*Second Lt. Dan B. Cordell, United States Air Force (temporary first lieutenant), with rank from June 1, 1947.

*Second Lt. Jack Buchanan, United States Air Force (temporary first lieutenant), with rank from June 1, 1947.

*Second Lt. Roland Rogers, United States Air Force (temporary first lieutenant), with rank from June 4, 1947.

*Second Lt. William George Alexander, United States Air Force (temporary first lieutenant), with rank from June 4, 1947.

*Second Lt. John William Connolly, United States Air Force (temporary first lieutenant), with rank from June 5, 1947

*Second Lt. James Norbert Simmons, United States Air Force (temporary captain), with rank from June 5, 1947.

*Second Lt. Gail Dexter Roberts, United States Air Force (temporary first lieutenant), with rank from June 5, 1947.

*Second Lt. Leonard Eugene Earley, United States Air Force (temporary first lieutenant), with rank from June 7, 1947.

*Second Lt. Donald Ardman Humberd, United States Air Force (temporary first lieutenant), with rank from June 8, 1947.

*Second Lt. Waller Franklin Trumbo, United States Air Force (temporary first lieutenant) with rank from June 10, 1947.

*Second Lt. Ralph Brian Hemmig, United States Air Force (temporary first lieutenant), with rank from June 10, 1947.

*Second Lt. James Harry Mouth, United States Air Force (temporary first lieutenant), with rank from June 10, 1947.

*Second Lt. George Hoidra, United States Air Force (temporary first lieutenant), with rank from June 10, 1947.

*Second Lt. Thomas George Williams, United States Air Force (temporary first lieutenant), with rank from June 10, 1947.

*Second Lt. Donald Joseph Ferris, United States Air Force (temporary first lieutenant), with rank from June 10, 1947.

*Second Lt. Harold Carl Fisher, United States Air Force (temporary first lieutenant), with rank from June 15, 1947.

*Second Lt. Loyd Jimmie McNeil, United States Air Force, with rank from June 16, 1947.

*Second Lt. William Elvin Southwick, United States Air Force (temporary first lieutenant), with rank from June 17, 1947.

*Second Lt. Stephen Cojeran, United States Air Force, with rank from June 20, 1947.

*Second Lt. Charles Wilbur Merritt, United States Air Force (temporary first lieutenant), with rank from June 21, 1947.

*Second Lt. George Walter Fleischman, Jr., United States Air Force (temporary first lieutenant), with rank from June 23, 1947.

*Second Lt. Albert Shumway Lang, United States Air Force (temporary first lieutenant), with rank from June 23, 1947.

*Second Lt. Clarence August Emrich Jentsch, United States Air Force (temporary first lieutenant), with rank from June 24, 1947.

*Second Lt. Augustine Charles Trapold 3d, United States Air Force (temporary first lieutenant), with rank from June 26, 1947.

*Second Lt. William David Badger, Jr., United States Air Force (temporary captain), with rank from June 26, 1947.

*Second Lt. Melvin Edgar Bingham, United States Air Force (temporary first lieutenant), with rank from June 27, 1947.

*Second Lt. Arthur Andrew Scott, United States Air Force (temporary first lieutenant), with rank from June 27, 1947.

*Second Lt. Philip Ardsley Sturdevant, United States Air Force (temporary first lieutenant), with rank from June 27, 1947.

*Second Lt. John Milton Christenson, United States Air Force (temporary first lieutenant), with rank from June 27, 1947.

*Second Lt. Angus Joseph McIntyre, United States Air Force (temporary first lieutenant), with rank from June 27, 1947.

*Second Lt. James Reeves, United States Air Force (temporary first lieutenant), with rank from June 27, 1947.

*Second Lt. Gerald Kenneth Wykoff, United States Air Force (temporary first lieutenant), with rank from June 27, 1947.

*Second Lt. Wilfred Fulton Skinner, United States Air Force (temporary captain), with rank from June 27, 1947.

*Second Lt. Delbert Eugene Eversole, United States Air Force, with rank from June 27, 1947.

*Second Lt. Edward Falvey Nassoiy, United States Air Force (temporary first lieutenant), with rank from June 27, 1947.

*Second Lt. George Walter Connor, United States Air Force (temporary first lieutenant), with rank from June 27, 1947.

*Second Lt. Thomas Ralph Owens, United States Air Force (temporary first lieutenant), with rank from June 27, 1947.

*Second Lt. Nick James Xenakis, United States Air Force (temporary first lieutenant), with rank from June 27, 1947.

*Second Lt. Bert Gray, United States Air Force, with rank from June 27, 1947.

*Second Lt. Eugene Anthony Bevacqua, United States Air Force (temporary first lieutenant), with rank from June 27, 1947.

*Second Lt. Gerald Francis Auger, United States Air Force, with rank from June 27, 1947.

*Second Lt. William Irwin Truesdell, United States Air Force (temporary first lieutenant), with rank from June 30, 1947.

*Second Lt. Kenneth Leon Rector, United States Air Force (temporary first lieutenant), with rank from June 30, 1947.

*Second Lt. Reuben Jack Frank, United States Air Force (temporary captain), with rank from July 1, 1947.

*Second Lt. Eugene Alexander Lohman, Jr., United States Air Force (temporary captain), with rank from July 3, 1947.

*Second Lt. George Lewis Slentz, United States Air Force (temporary first lieutenant), with rank from July 15, 1947.

*Second Lt. Robert Sheldon Stedman, United States Air Force (temporary first lieutenant), with rank from July 16, 1947.

*Second Lt. Carroll Ray Graham, United States Air Force (temporary first lieutenant), with rank from July 19, 1947.

*Second Lt. Frank Craig Newell, United States Air Force (temporary captain), with rank from July 21, 1947.

*Second Lt. Frank Persons, United States Air Force (temporary captain), with rank from July 21, 1947.

*Second Lt. Rudy Krueger, United States Air Force (temporary first lieutenant), with rank from July 24, 1947.

*Second Lt. Donald James Wellings, United States Air Force (temporary captain), with rank from July 26, 1947.

*Second Lt. Victor Lisec, United States Air Force (temporary first lieutenant), with rank from July 31, 1947.

*Second Lt. Robert Alexander Jackson, United States Air Force (temporary first lieutenant), with rank from August 1, 1947.

*Second Lt. Eben Darrell Smith, United States Air Force (temporary first lieutenant), with rank from August 1, 1947.

*Second Lt. Edward Ruel Johnston, United States Air Force (temporary first lieutenant), with rank from August 2, 1947.

*Second Lt. Louis Ball Kleindienst, United States Air Force, with rank from August 2, 1947.

*Second Lt. James Quinton Hamrick, United States Air Force (temporary first lieutenant), with rank from August 4, 1947.

*Second Lt. Benjamin Oliver Nixon, United States Air Force, with rank from August 4, 1947.

*Second Lt. Arthur Philip Webb, United States Air Force (temporary first lieutenant), with rank from August 4, 1947.

*Second Lt. Branson LeHew Wood, Jr., United States Air Force (temporary first lieutenant), with rank from August 4, 1947.

*Second Lt. Wayne Bogard, Jr., United States Air Force (temporary first lieutenant), with rank from August 4, 1947, subject to examination.

*Second Lt. Braxton Emanuel Allran, United States Air Force (temporary first lieutenant), with rank from August 4, 1947.

*Second Lt. Harry Starnes, United States Air Force (temporary first lieutenant), with rank from August 4, 1947.

*Second Lt. William Wallace Moore, United States Air Force (temporary first lieutenant), with rank from August 4, 1947.

*Second Lt. Bill Jim Ravey, United States Air Force (temporary first lieutenant), with rank from August 4, 1947.

*Second Lt. Clayton Edmund Larkin, United States Air Force (temporary first lieutenant), with rank from August 4, 1947.

*Second Lt. Charles Elwood Beard, Jr., United States Air Force (temporary first lieutenant), with rank from August 4, 1947.

*Second Lt. Jessie Clyde Haynes, United States Air Force (temporary first lieutenant), with rank from August 4, 1947.

*Second Lt. Julian Paul Anderson, United States Air Force (temporary first lieutenant), with rank from August 4, 1947.

*Second Lt. Maynard Clarence Cusworth, United States Air Force (temporary first lieutenant), with rank from August 4, 1947.

*Second Lt. William Jack Tipton, United States Air Force (temporary first lieutenant), with rank from August 4, 1947.

*Second Lt. Maurice Clifford Boley, United States Air Force (temporary first lieutenant), with rank from August 4, 1947.

*Second Lt. Louis Brooke Buckley, United States Air Force, with rank from August 4, 1947.

*Second Lt. Marvin Leslie Adams, United States Air Force, with rank from August 4, 1947.

*Second Lt. Claude Eugean Parnell, Jr., United States Air Force, with rank from August 4, 1947.

*Second Lt. John Fremont Campbell, United States Air Force (temporary first lieutenant), with rank from August 4, 1947.

*Second Lt. Samuel I. Baum, United States Air Force (temporary first lieutenant), with rank from August 5, 1947.

*Second Lt. James Brantley Holley, United States Air Force (temporary first lieutenant), with rank from August 5, 1947.

*Second Lt. Robert Osgood Brooks, United States Air Force (temporary captain), with rank from August 5, 1947.

*Second Lt. James Henry Gordon, United States Air Force, with rank from August 5, 1947.

*Second Lt. George Gilmer Loving, Jr., United States Air Force (temporary captain), with rank from August 7, 1947.

*Second Lt. Roy Edward Clark, United States Air Force (temporary captain), with rank from August 7, 1947.

*Second Lt. Robert Bruce Melgard, United States Air Force (temporary first lieutenant), with rank from August 7, 1947.

*Second Lt. Harry Martin Suttle, Jr., United States Air Force (temporary captain), with rank from August 8, 1947.

*Second Lt. Maynard George Hamilton, United States Air Force (temporary first lieutenant), with rank from August 9, 1947.

*Second Lt. Roger Edward Pagels, United States Air Force (temporary captain), with rank from August 10, 1947.

*Second Lt. Charles Benjamin Ashby, United States Air Force (temporary captain), with rank from August 11, 1947.

*Second Lt. Billie Jack McGarvey, United States Air Force (temporary first lieutenant), with rank from August 11, 1947.

*Second Lt. Marion Cleveland Felts, United States Air Force (temporary captain), with rank from August 12, 1947.

*Second Lt. William Thomas Conder, United States Air Force (temporary first lieutenant), with rank from August 12, 1947.

*Second Lt Robert Urban Roswurm, United States Air Force (temporary captain), with rank from August 12, 1947.

*Second Lt. Owen Miles Wolf, United States Air Force (temporary captain), with rank from August 13, 1947.

*Second Lt. Felix Austin Rodgers, United States Air Force, with rank from August 13, 1947.

*Second Lt. Wilbur Allen Ballentine, United States Air Force (temporary captain), with rank from August 15, 1947.

*Second Lt. Edward Dean Thomas, United States Air Force (temporary first lieutenant), with rank from August 16, 1947.

*Second Lt. Jesse Pruitt Jacobs, Jr., United States Air Force (temporary first lieutenant), with rank from August 20, 1947.

*Second Lt. David Alexander Moore, United States Air Force (temporary first lieutenant), with rank from August 21, 1947.

Second Lt. William Brooks Bales, United States Air Force, with rank from August 22, 1947.

*Second Lt. Milton Edward Sicklesteel, 3d, United States Air Force (temporary first lieutenant), with rank from August 23, 1947.

*Second Lt. Richard McGinley Doyle, United States Air Force (temporary first lieutenant), with rank from August 24, 1947.

*Second Lt. John Walter Simons, United States Air Force (temporary first lieutenant), with rank from August 24, 1947.

*Second Lt. Claude Waldo Hanley, Jr., United States Air Force (temporary captain), with rank from August 24, 1947.

*Second Lt. Raymond Joseph Astor, United States Air Force (temporary first lieutenant), with rank from August 24, 1947.

*Second Lt. Harold Richard Johnson, United States Air Force (temporary first lieutenant), with rank from August 25, 1947.

*Second Lt. Charles Bligh Vogeley, United States Air Force (temporary first lieutenant), with rank from August 26, 1947.

*Second Lt. Lawrence Henry Johnson, United States Air Force (temporary captain), with rank from August 27, 1947.

*Second Lt. Allen Jackson Hall, Jr., United States Air Force (temporary first lieutenant), with rank from August 31, 1947.

*Second Lt. Wallace Earl Moore, United States Air Force (temporary first lieutenant), with rank from September 2, 1947.

Second Lt. Frank Frederick Pilotte, United States Air Force (temporary first lieutenant), with rank from September 2, 1947.

*Second Lt. Robert Heath, United States Air Force (temporary first lieutenant), with rank from September 4, 1947.

*Second Lt. John Joseph Dwyer, Jr., United States Air Force (temporary first lieutenant), with rank from September 5, 1947.

*Second Lt. Claude Harrison Godwin, United States Air Force (temporary first lieutenant), with rank from September 5, 1947.

*Second Lt. James William Kirkbride, Jr., United States Air Force (temporary first lieutenant), with rank from September 6, 1947.

*Second Lt. Paul Eugene Williams, United States Air Force (temporary first lieutenant), with rank from September 7, 1947.

*Second Lt. Roy McKinley Chapman, Jr., United States Air Force (temporary first lieutenant), with rank from September 7, 1947.

*Second Lt. Warren Taylor Whitmire, United States Air Force (temporary first lieutenant), with rank from September 8, 1947.

*Second Lt. Robert Leon Moeller, United States Air Force (temporary first lieutenant), with rank from September 8, 1947.

*Second Lt. Donald Everett Foster, United States Air Force (temporary first lieutenant), with rank from September 8, 1947.

*Second Lt. Jasper Beverly Femmer, United States Air Force, with rank from September 8, 1947.

*Second Lt. Raymond Harold Eckert, United States Air Force (temporary first lieutenant), with rank from September 8, 1947.

*Second Lt. James Raleigh Goad, United States Air Force (temporary first lieutenant), with rank from September 8, 1947.

*Second Lt. Gordon Paul Kline, United States Air Force (temporary first lieutenant), with rank from September 8, 1947.

*Second Lt. Robert Raymond Randolph, United States Air Force, with rank from September 8, 1947.

Second Lt. James Owen Nations, United States Air Force (temporary first lieutenant), with rank from September 8, 1947.

*Second Lt C. N. Rice, Jr., United States Air Force (temporary first lieutenant), with rank from September 8, 1947.

*Second Lt. Charles Dean Sexton, United States Air Force (temporary first lieutenant), with rank from September 8, 1947.

*Second Lt. William LeRoy Frank, United States Air Force (temporary first lieutenant), with rank from September 8, 1947.

*Second Lt. Gregory Clement Frese, Jr., United States Air Force (temporary first lieutenant), with rank from September 9, 1947.

*Second Lt. Robert Grant Loomis, United States Air Force (temporary first lieutenant), with rank from September 11, 1947.

*Second Lt. Robert Leeland Graham, United States Air Force (temporary captain), with rank from September 13, 1947.

*Second Lt. Arthur Gilliland Lynn, United States Air Force, with rank from September 14, 1947.

*Second Lt. John Swasey Childs, United States Air Force (temporary captain), with rank from September 14, 1947.

*Second Lt. Elwyn J. Warfle, United States Air Force (temporary captain), with rank from September 16, 1947.

*Second Lt. Delbert Raymond Kale, United States Air Force (temporary first lieutenant), with rank from September 16, 1947

*Second Lt. George Edward Maillot, United States Air Force (temporary first lieutenant), with rank from September 18, 1947.

*Second Lt Wallace Dale Horton, United States Air Force (temporary first lieutenant), with rank from September 18, 1947.

*Second Lt. Hanry Lee Berline, Jr., United States Air Force (temporary first lieutenant), with rank from September 18, 1947.

*Second Lt. Anthony John Daher, United States Air Force (temporary first lieutenant), with rank from September 19, 1947.

*Second Lt. Grady Barron Fuller, United States Air Force (temporary first lieutenant), with rank from September 20, 1947.

*Second Lt. John Franklin Campbell, Jr., United States Air Force (temporary first lieutenant), with rank from September 21, 1947.

*Second Lt. William Shannon Goff, Jr., United States Air Force (temporary first lieutenant), with rank from September 21, 1947.

*Second Lt. Leo Thomas Peterson, United States Air Force (temporary first lieutenant), with rank from September 22, 1947.

*Second Lt. Donald Joseph McCarthy, United States Air Force (temporary first lieutenant), with rank from September 25, 1947.

*Second Lt. John Charles Yearwood, United States Air Force (temporary first lieutenant), with rank from September 25, 1947.

*Second Lt. George W. Norris, United States Air Force (temporary first lieutenant), with rank from September 25, 1947.

*Second Lt. Robert William Gillan, Jr., United States Air Force (temporary first lieutenant), with rank from September 25, 1947.

*Second Lt. William Codett Davis, United States Air Force (temporary captain), with rank from September 26, 1947.

*Second Lt. Louis Orin Alder, United States Air Force (temporary first lieutenant), with rank from September 26, 1947.

*Second Lt. Alfred Lewis Esposito, United States Air Force (temporary first lieutenant), with rank from September 26, 1947.

*Second Lt. John Charles Lewis, United States Air Force (temporary first lieutenant), with rank from September 27, 1947.

*Second Lt. Harry Brown Morris, United States Air Force (temporary captain), with rank from September 27, 1947.

*Second Lt. Burt Harrison Collins, United States Air Force (temporary first lieutenant), with rank from September 28, 1947.

*Second Lt. Oscar Dale Graham, United States Air Force (temporary first lieutenant), with rank from September 28, 1947.

*Second Lt. Robert Dale Fligor, United States Air Force (temporary first lieutenant), with rank from September 29, 1947.

*Second Lt. Ray Shuey Wetmore, United States Air Force (temporary major), with rank from September 30, 1947.

*Second Lt. John Earl Dodds, United States Air Force (temporary first lieutenant), with rank from September 30, 1947.

*Second Lt. John Edgar Borders, United States Air Force (temporary first lieutenant), with rank from September 30, 1947.

*Second Lt. John Charles Giraudo, United States Air Force (temporary captain), with rank from October 2, 1947.

*Second Lt. Gustav Henry Bueker, United States Air Force (temporary first lieutenant), with rank from October 2, 1947.

*Second Lt. Marshall Lavern Smith, United States Air Force (temporary major), with rank from October 2, 1947.

*Second Lt. James Ewing Wheeless, United States Air Force, with rank from October 2, 1947.

*Second Lt. John Henry Vines, United States Air Force (temporary first lieutenant), with rank from October 2, 1947.

*Second Lt. George Harry Fong, Jr., United States Air Force (temporary first lieutenant), with rank from October 5, 1947.

*Second Lt. Robert Peter Romberg, United States Air Force (temporary first lieutenant), with rank from October 5, 1947.

*Second Lt. Benjamin Shields Catlin 3d, United States Air Force (temporary first lieutenant), with rank from October 7, 1947.

*Second Lt. John D. Spangler, United States Air Force, with rank from October 7, 1947.

*Second Lt. Earl Hugh Gordon, United States Air Force (temporary first lieutenant), with rank from October 9, 1947.

*Second Lt. James Jabara, United States Air Force (temporary captain), with rank from October 10, 1947.

*Second Lt. William Turlington Creech, United States Air Force (temporary first lieutenant), with rank from October 11, 1947.

*Second Lt. William Howard Reese, United States Air Force (temporary captain), with rank from October 12, 1947.

*Second Lt. Clark Preston Manning, United States Air Force (temporary captain), with rank from October 13, 1947.

*Second Lt. Donald Henry Ross, United States Air Force (temporary captain), with rank from October 14, 1947

*Second Lt. James Walter Romans, Jr., United States Air Force (temporary first lieutenant), with rank from October 14, 1947.

*Second Lt. Thomas Otis Levens, United States Air Force (temporary first lieutenant), with rank from October 14, 1947.

Second Lt. Arthur Evans Weber, United States Air Force (temporary first lieutenant), with rank from October 14, 1947.

*Second Lt. William Lloyd Craig, United States Air Force (temporary first lieutenant), with rank from October 15, 1947.

Second Lt. Dorwyn Davis Shaver, United States Air Force (temporary captain), with rank from October 15, 1947.

Second Lt. Melvin Dart, United States Air Force (temporary first lieutenant), with rank from October 15, 1947.

*Second Lt. Joseph Harkiewicz, United States Air Force (temporary first lieutenant), with rank from October 16, 1947.

*Second Lt. Clyde William Courtney, United States Air Force (temporary first lieutenant), with rank from October 16, 1947.

Second Lt. Louis Francis Gessner, United States Air Force (temporary first lieutenant), with rank from October 16, 1947.

*Second Lt. William Thomas Whisner, Jr., United States Air Force (temporary captain), with rank from October 17, 1947.

Second Lt. Gene Anthony Moes, United States Air Force (temporary first lieutenant), with rank from October 17, 1947.

*Second Lt. Arthur Allwin Fox, United States Air Force (temporary first lieutenant), with rank from October 19, 1947.

*Second Lt. William Charles Shepherd, United States Air Force (temporary first lieutenant), with rank from October 21, 1947.

*Second Lt. Paul Lawrence Eichenberg, United States Air Force, with rank from October 21, 1947.

Second Lt. Elias Ray Augsburger, United States Air Force (temporary first lieutenant), with rank from October 21, 1947.

Second Lt. Joseph Burns Burdick, United States Air Force (temporary first lieutenant), with rank from October 21, 1947.

*Second Lt. Otis Adolphus Prater, United States Air Force (temporary first lieutenant), with rank from October 25, 1947.

*Second Lt. Robert James Keen, United States Air Force (temporary captain), with rank from October 25, 1947.

*Second Lt. James Edward Woodham, Jr., United States Air Force (temporary first lieutenant), with rank from October 27, 1947.

*Second Lt. Robert James Ulrich, United States Air Force (temporary first lieutenant), with rank from October 27, 1947.

*Second Lt. Ronald Joseph Sullivan, United States Air Force, with rank from October 28, 1947.

*Second Lt. Paul Vincent Ferris, Jr., United States Air Force (temporary first lieutenant), with rank from October 28, 1947.

*Second Lt. Harold Raymond Dow, United States Air Force (temporary first lieutenant), with rank from October 28, 1947.

Second Lt. John Arthur Holden, United States Air Force, with rank from October 28, 1947.

Second Lt. Charles Stanley Stevenson, United States Air Force, with rank from October 28, 1947.

Second Lt. Edwin Forrest Barber, United States Air Force (temporary first lieutenant), with rank from October 28, 1947.

Second Lt. Homer Junior Staggs, United States Air Force, with rank from October 29, 1947.

Second Lt. Roy James Broughton, Jr., United States Air Force (temporary first lieutenant), with rank from November 3, 1947.

*Second Lt. Woodrow Walton Jenkins, United States Air Force (temporary first lieutenant), with rank from November 4, 1947.

*Second Lt. Ray Benjamin Sitton, United States Air Force (temporary first lieutenant), with rank from November 6, 1947.

Second Lt. Lloyd Roberts, United States Air Force, with rank from November 6, 1947.

Second Lt. David Washington Peavler, Jr., United States Air Force (temporary first lieutenant), with rank from November 6, 1947.

*Second Lt. Warren L. Carruthers, United States Air Force (temporary first lieutenant), with rank from November 8, 1947.

*Second Lt. Robert Anthony Krug, United States Air Force (temporary captain), with rank from November 8, 1947.

*Second Lt. Harold Williams Brown, United States Air Force (temporary first lieutenant), with rank from November 9, 1947.

*Second Lt. Arthur Levern Osborn, United States Air Force (temporary captain), with rank from November 9, 1947.

*Second Lt. William Allen Dietrich, United States Air Force (temporary captain), with rank from November 12, 1947.

*Second Lt August Robert Anania, United States Air Force (temporary first lieutenant), with rank from November 12, 1947.

*Second Lt. Sterling Price Winters, Jr., United States Air Force (temporary first lieutenant), with rank from November 13, 1947.

*Second Lt. Edward Anthony O'Brien, Jr., United States Air Force (temporary first lieutenant), with rank from November 13, 1947.

Second Lt. Monard Derald Weems, United States Air Force, with rank from November 14, 1947.

Second Lt. William Joseph Cavanaugh, United States Air Force (temporary first lieutenant), with rank from November 15, 1947.

Second Lt. John Clark Baker, United States Air Force (temporary captain), with rank from November 16, 1947.

Second Lt. Henry Mateny, United States Air Force (temporary first lieutenant), with rank from November 16, 1947.

Second Lt. Robert Wallace Stuber, United States Air Force (temporary first lieutenant), with rank from November 16, 1947.

Second Lt. Glenn Everett Sapp, United States Air Force, with rank from November 16, 1947.

Second Lt. Donald Stretton Irwin, United States Air Force (temporary first lieutenant), with rank from November 17, 1947.

Second Lt. Wendell Earle McKeever, United States Air Force (temporary first lieutenant), with rank from November 18, 1947.

Second Lt. Richard Eri Stanley, United States Air Force (temporary first lieutenant), with rank from November 18, 1947.

Second Lt. A. Louis Laney, United States Air Force, with rank from November 18, 1947.

Second Lt. Benjamin Lester Franklin, United States Air Force (temporary first lieutenant), with rank from November 18, 1947.

Second Lt. James Everette Herndon, United States Air Force (temporary first lieutenant), with rank from November 18, 1947.

Second Lt. Lucien Edmund Perreault, Jr., United States Air Force, with rank from November 18, 1947.

Second Lt. William Lake Merrill, United States Air Force (temporary first lieutenant), with rank from November 18, 1947.

Second Lt. Fred Self Risinger, Jr., United States Air Force (temporary first lieutenant), with rank from November 19, 1947.

Second Lt. William Brown Williamson, Sr., United States Air Force (temporary first lieutenant), with rank from November 20, 1947.

Second Lt. Kenneth Joseph Green, United States Air Force (temporary first lieutenant), with rank from November 20, 1947.

Second Lt. Charles Edward Harrington, United States Air Force with rank from November 20, 1947.

Second Lt. Junior James Campbell, United States Air Force, with rank from November 20, 1947.

Second Lt. Frank Vinton Perry, United States Air Force (temporary first lieutenant), with rank from November 20, 1947.

Second Lt. Edward James Johnson, United States Air Force (temporary first lieutenant), with rank from November 20, 1947.

Second Lt. Raymond Brown, Jr., United States Air Force (temporary first lieutenant), with rank from November 20, 1947.

Second Lt. Albert Louis Catallo, United States Air Force, with rank from November 20, 1947.

Second Lt. Billie Warren Powell, United States Air Force, with rank from November 20, 1947.

Second Lt. Reay Stewart Dick, United States Air Force (temporary first lieutenant), with rank from November 20, 1947.

Second Lt. Oliver Frederich Laatsch, United States Air Force (temporary first lieutenant), with rank from November 20, 1947.

Second Lt. Dale Corwin Pancake, United States Air Force, with rank from November 20, 1947.

Second Lt. William LaVere Sheppard, United States Air Force (temporary first lieutenant), with rank from November 20, 1947

Second Lt. William Robert Menzie, United States Air Force, with rank from November 20, 1947.

Second Lt. John Lewis Milton, United States Air Force (temporary first lieutenant), with rank from November 20, 1947.

Second Lt William Carl Guier, United States Air Force (temporary first lieutenant), with rank from November 20, 1947.

Second Lt Joseph Faulkner, United States Air Force (temporary first lieutenant), with rank from November 20, 1947.

Second Lt. John Joseph Miller, United States Air Force (temporary first lieutenant), with rank from November 20, 1947.

Second Lt Garland Worsham Eagle, United States Air Force (temporary first lieutenant), with rank from November 20, 1947.

Second Lt. Jack Edwin Butler, United States Air Force, with rank from November 20, 1947.

Second Lt. Paul Marcus Crumley, United States Air Force (temporary first lieutenant), with rank from November 20, 1947

Second Lt. S. L Ross, Jr., United States Air Force, with rank from November 20, 1947.

Second Lt. Irby B. Jarvis, Jr., United States Air Force (temporary first lieutenant), with rank from November 20, 1947.

Second Lt. Allen Albert Finley, United States Air Force (temporary first lieutenant), with rank from November 20, 1947.

Second Lt. Ralph Somers Johnsen, United States Air Force, with rank from November 20, 1947.

Second Lt. William Arthur Weed, United States Air Force (temporary first lieutenant), with rank from November 20, 1947.

Second Lt. Earl Eugene Myers, United States Air Force (temporary first lieutenant), with rank from November 20, 1947.

Second Lt. Albert Joseph Fenton, United States Air Force (temporary first lieutenant), with rank from November 20, 1947.

Second Lt. Andrew Johnson, Jr., United States Air Force (temporary first lieutenant), with rank from November 20, 1947.

Second Lt. John Martin Conover, Jr., United States Air Force, with rank from November 20, 1947.

Second Lt. James Henry Hoag, Jr., United States Air Force (temporary first lieutenant), with rank from November 20, 1947.

Second Lt. Henry McQuinn Middleton, Jr., United States Air Force (temporary first lieutenant), with rank from November 20, 1947.

Second Lt. William Tobias Wagner 3d, United States Air Force (temporary first lieutenant), with rank from November 20, 1947.

Second Lt. William Harry Luke, United States Air Force (temporary first lieutenant), with rank from November 21, 1947.

Second Lt. James Cecil Hurley, United States Air Force (temporary first lieutenant), with rank from November 22, 1947.

Second Lt. Robert Clifford Galloway, United States Air Force, with rank from November 23, 1947.

Second Lt. James Bernard Argersinger, United States Air Force (temporary first lieutenant), with rank from November 23, 1947.

Second Lt. Richard Stuart Christopher, United States Air Force (temporary first lieutenant), with rank from November 23, 1947.

Second Lt. Charles Pennington McCarty, United States Air Force (temporary first lieutenant), with rank from November 23, 1947.

Second Lt. Leo Andrew Higgins, United States Air Force (temporary first lieutenant), with rank from November 24, 1947.

Second Lt. John Phillip Montel, United States Air Force (temporary first lieutenant), with rank from November 25, 1947.

Second Lt. Thomas Harry Holcomb, United States Air Force (temporary first lieutenant), with rank from November 25, 1947.

Second Lt. Jesse Russell Harrell, Jr., United States Air Force, with rank from November 25, 1947.

Second Lt. John Nelson Wallace, Jr , United States Air Force (temporary first lieutenant), with rank from November 25, 1947.

Second Lt. James Arthur Knight, Jr., United States Air Force (temporary first lieutenant), with rank from November 26, 1947.

Second Lt. Louis Francis Thumser, Jr., United States Air Force (temporary captain), with rank from November 26, 1947.

Second Lt. Donald Ray Glass, United States Air Force (temporary first lieutenant), with rank from November 26, 1947.

Second Lt. Milton Raymond Ford, United States Air Force (temporary first lieutenant), with rank from November 27, 1947.

Second Lt. Thomas Albert Aldrich, United States Air Force (temporary first lieutenant), with rank from November 30, 1947.

Second Lt. James Lester Poynor, United States Air Force (temporary first lieutenant), with rank from December 1, 1947.

Second Lt. Thomas Mozart Robinson, United States Air Force (temporary first lieutenant), with rank from December 2, 1947.

Second Lt. George Sherman Scott, United States Air Force (temporary first lieutenant), with rank from December 2, 1947.

Second Lt. Gerald Benton Byrum, United States Air Force (temporary first lieutenant), with rank from December 3, 1947.

Second Lt. Roy Arthur Barnes, United States Air Force (temporary captain), with rank from December 4, 1947.

Second Lt. William Owen Belton, United States Air Force (temporary first lieutenant), with rank from December 6, 1947.

Second Lt. William Nelson Routh, United States Air Force (temporary first lieutenant), with rank from December 7, 1947.

Second Lt. Billy Vaughn Dixon, United States Air Force (temporary first lieutenant), with rank from December 7, 1947.

Second Lt. Roger Allan McCaulley, United States Air Force (temporary first lieutenant), with rank from December 9, 1947.

Second Lt. Russell John Rossman, United States Air Force (temporary first lieutenant), with rank from December 10, 1947.

Second Lt. William Peter James Cloppas, United States Air Force (temporary first lieutenant), with rank from December 12, 1947.

Second Lt. Felix Max Usis, Jr., United States Air Force (temporary first lieutenant), with rank from December 12, 1947.

Second Lt. William Grady Fort, United States Air Force (temporary captain), with rank from December 13, 1947.

Second Lt. James Lewis Maybell, United States Air Force (temporary first lieutenant), with rank from December 14, 1947.

Second Lt. Semen Edison Kaltman, United States Air Force, with rank from December 14, 1947.

Second Lt. James Emery Johnston, Jr., United States Air Force (temporary first lieutenant), with rank from December 14, 1947.

Second Lt. Robert Lee Shaffer, United States Air Force (temporary first lieutenant), with rank from December 16, 1947.

Second Lt. George Raymond Hammond, United States Air Force (temporary first lieutenant), with rank from December 17, 1947.

Second Lt. Robert Marlin Halferty, United States Air Force (temporary first lieutenant), with rank from December 18, 1947.

Second Lt. Don Eldred Kahley, United States Air Force (temporary captain), with rank from December 19, 1947.

Second Lt. Wayne Charles Porter, United States Air Force (temporary first lieutenant), with rank from December 19, 1947.

Second Lt. William Edward Kennedy, United States Air Force (temporary first lieutenant), with rank from December 20, 1947.

Second Lt Donald Elmer Avance, United States Air Force (temporary first lieutenant), with rank from December 20, 1947.

Second Lt. Charles Iverson Bennett, Jr., United States Air Force (temporary captain), with rank from December 21, 1947.

Second Lt. Carvel Walter Schmidt, United States Air Force (temporary first lieutenant), with rank from December 21, 1947.

Second Lt. Walter Clyde Harkins, United States Air Force (temporary captain), with rank from December 22, 1947.

Second Lt. John Alfred Adams, United States Air Force (temporary first lieutenant), with rank from December 22, 1947.

Second Lt. George Franklin Thurber, United States Air Force (temporary first lieutenant), with rank from December 22, 1947.

Second Lt Raymond Joseph Bryan, United States Air Force, with rank from December 23, 1947.

Second Lt. Robert Eugene Clarke, United States Air Force (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. Robert Watson Harman, United States Air Force (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. Leslie Albert Brown, Jr., United States Air Force (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. James Randall Larkins, United States Air Force, with rank from December 23, 1947.

Second Lt. Charles Richard McNeilly, United States Air Force (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. Arthur Thomas Biagini, United States Air Force (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. Henry Martin Leidemer, United States Air Force (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. Vern Burnett Popp, United States Air Force (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. Earl Christie Cranford, United States Air Force (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. William Jerry Hooten, United States Air Force (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. Edward William Dame, United States Air Force (temporary captain), with rank from December 23, 1947.

Second Lt. Russell Clifton Campbell, United States Air Force (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. Jesse Grady Williams, United States Air Force (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. Harry Carroll Walker, Jr., United States Air Force (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. Melvin George Brown, United States Air Force (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. Raymond Olsted Jacobsen, United States Air Force (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. Robert Andrew Betterton, United States Air Force, with rank from December 23, 1947.

Second Lt. Eugene Kenneth Reese, United States Air Force (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. Gilbert Edward Nielsen, United States Air Force (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. Joseph Albert Moore, United States Air Force (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. Richard Grant Wahl, United States Air Force, with rank from December 23, 1947.

Second Lt. Jack Ford Blankenship, United States Air Force (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. Norman Phillip Bersanti, United States Air Force (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. Raymond Ford Cross, United States Air Force (temporary first lieutenant), with rank from December 23, 1947.

Second Lt. Donald John Young, United States Air Force (temporary first lieutenant), with rank from December 24, 1947.

Second Lt. William Price Armstrong, United States Air Force (temporary captain), with rank from December 25, 1947.

Second Lt. William Oscar Wagner, United States Air Force (temporary first lieutenant), with rank from December 25, 1947.

Second Lt. Robert Harold Jones, United States Air Force (temporary first lieutenant), with rank from December 26, 1947.

Second Lt. Jack Woodrow Kelley, United States Air Force (temporary captain), with rank from December 26, 1947.

Second Lt. Curtis Dee Curtis, United States Air Force, with rank from December 28, 1947.

Second Lt. Robert Frank Sherman, United States Air Force (temporary first lieutenant), with rank from December 30, 1947.

Second Lt. Nicholas Philip Horangic, United States Air Force (temporary first lieutenant), with rank from December 30, 1947.

Second Lt. Albert Benjamin Dulle, United States Air Force (temporary first lieutenant), with rank from December 30, 1947.

Second Lt. Douglas Caywood Glover, United States Air Force, with rank from December 30, 1947.

Second Lt. Walter Vincent Coleman, Jr., United States Air Force (temporary first lieutenant), with rank from December 31, 1947.

NOTE.—Those officers whose names are preceded by the symbol (*) were promoted during the recess of the Senate. Subsection 507 (d), Officer Personnel Act of 1947, prescribes that promotions to the grades of lieutenant colonel, major, captain, and first lieutenant shall continue to be made in accordance with existing provisions of law until December 31, 1947.

IN THE NAVY

Vice Adm. William R. Munroe, United States Navy, to be placed on the retired list with the rank of vice admiral.

APPOINTMENTS IN THE NAVY

The following-named officers for appointment to the permanent grade of rear admiral in the line and staff corps of the Navy:

Officers of the line

Sydney M. Kraus	Lynde D. McCormick
Charles L. Brand	Arthur C. Davis
Harry W. Hill	Frederick W. Pennoyer, Jr.
Bernhard H. Bieri	Claude O. Kell
Oscar C. Badger	Robert O. Glover
John W. Reeves, Jr.	Frank D. Wagner
George D. Murray	Francis S. Low
Oliver M. Read	Frank A. Braisted
Charles H. McMorris	Ernest L. Gunther
Morton L. Deyo	Edward W. Hanson
Ernest M. Pace, Jr.	Frank J. Lowry
Sherman S. Kennedy	Ingram C. Sowell
Howard H. Good	Glenn B. Davis
Carleton H. Wright	Laurance T. DuBose
George H. Fort	Theodore D. Ruddock, Jr.
Walter S. DeLany	Ralph O. Davis
Louis E. Denfeld	Arthur D. Struble
DeWitt C. Ramsey	John L. McCrea
Roscoe E. Schuirmann	Allan E. Smith
William H. P. Blandy	Ralph W. Christie
Alfred E. Montgomery	Ralph E. Davison
J. Cary Jones	Russell S. Berkey
Daniel E. Barbey	Osborne B. Hardison
John L. Hall, Jr.	Arthur C. Miles
Arthur G. Robinson	William M. Fechteler
Leo H. Thebaud	Gerald F. Bogan
Roger W. Paine	Grover C. Klein
William K. Harrill	Thorvald A. Solberg
Richard L. Conolly	Robert B. Carney
Donald Royce	Clifton A. F. Sprague
Wilder D. Baker	Ralph S. Riggs
Arthur W. Radford	Thomas P. Wynkoop
Charles T. Joy	Rico Botta
Samuel P. Ginder	George R. Henderson
Van Hubert Ragsdale	Leslie C. Stevens
John Wilkes	Alfred M. Pride
Lawrence F. Reifsnider	Malcolm F. Schoeffel
Paul Hendren	Ralph A. Ofstie
Robert W. Hayler	Matthias B. Gardner
John H. Brown, Jr.	Robert P. Briscoe
George F. Hussey, Jr.	Carl F. Holden
Willard A. Kitts III	William M. Callaghan
Bertram J. Rodgers	John H. Cassady
Frank E. Beatty	Marshall R. Greer
Calvin T. Durgin	James L. Holloway, Jr.
John D. Price	Ralph E Jennings
Frederick E. Haeberle	Harold M. Martin
Frank G. Fahrion	Roscoe F. Good
Ingolf N. Kiland	Fred D. Kirtland
Donald B. Duncan	Thomas B. Inglis
Harold B. Sallada	Albert M. Bledsoe
Francis C. Denebrink	William K. Phillips
Thomas R. Cooley	Thomas G. W. Settle
Allan R. McCann	John W Roper
Forrest P. Sherman	George C. Dyer
Joseph W. Fowler	Stuart S. Murray
James Fife, Jr.	Emmet P. Forrestel
Edmund W. Burrough	Edmund T. Wooldridge
Albert G. Noble	Charles B. Momsen
Charles W. Styer	Ernest W. Litch
Thomas L. Sprague	Felix L. Johnson
John J. Ballentine	John Perry
Joseph J. Clark	Thomas S. Combs
Jerauld Wright	Herbert G. Hopwood
Earle W. Mills	Frederick W. McMahon
Peter K. Fischler	
Henry S. Kendall	
Felix B. Stump	

Officers of the Medical Corps

Daniel Hunt	John P. Owen
John Harper	Thomas C. Anderson
Joel T. Boone	William J. C. Agnew
Frederic L. Conklin	

Officers of the Supply Corps

John J. Gaffney	Murrey L. Royar
Malcolm G. Slarrow	David W. Mitchell
Walter A. Buck	Archie A. Antrim
Thomas E. Hipp	Charles W. Fox
Morton L. Ring	William V. Fox
Edwin D. Foster	John E. Wood

Officers of the Civil Engineer Corps

John J. Manning	William H. Smith
Carl A. Trexel	Edward L. Marshall

Officer of the Dental Corps

Alexander G. Lyle

The following-named officers for permanent appointment to the grade of captain in the line and staff corps of the Navy:

Officers of the line

Robert B. Pirie	Edmund M. Ragsdale
Alexander S. McDill	Charles F. Horne, Jr.
Fitzhugh Lee	Frank O'Beirne
Stanton B. Dunlap	John H. Ellison
Hugh P. Webster	Walter E. Linaweaver
Joseph L. Bird	Philip S. Morgan, Jr.
Alvord J. Greenacre	Walter F. Rodee
Philip Niekum, Jr.	Francis D. McCorkle.

Officers of the Medical Corps

Robert J. Vaughn
Oscar D. Yarbrough

The following-named officers for permanent appointment to the grade of commander in the line and staff corps of the Navy:

Officers of the line

William N. Price	John H. Turner
Millard J. Smith	Ovid M. Butler
Edmund J. Hoffman	Clinton McKellar, Jr.
Fred G. Bennett	Robert J. Williams
John D. Blitch	James C. Shaw
Walter V. Combs, Jr.	William T. Groner
John M. Alford	George W. Grider
Charles R. Eisenbach	Harry B. Stark
Raymond W. Vogel, Jr.	Francis A. Greenup
John M. Oseth	Philip E. Shetenhelm
Earl R. Crawford	James L. Semmes
Carl H. Amme, Jr.	John P. Preston
Floyd T. Thompson	Donald E. Willman
Willard M. Hanger	

Officers of the Medical Corps

John B. McGregor	Mark S. Curtis
Reginald R. Rambo	Richard [redacted] Fruin
Benjamin B. Langdon	John V. [redacted]evost
Samuel H. Oliver	

Officers of the Supply Corps

Charles K. Phillips
Allen B. Reed, Jr.

Officers of the Dental Corps

John P. Jarabak
Herman K. Rendtorff
Robert D. Wyckoff

The following-named officers for permanent appointment to the grade of lieutenant commander in the line and staff corps of the Navy:

Officers of the line

John L. Hutchinson	Ogle W. Price, Jr.
Walter V. F. Bennett	William F. Hoppe
James F. Wheeler	Robert M. Ross
Francis A. Lewis	William J. Hagerty
Frederick W. Zigler	Harry S. Warren
Williard H. Davidson	James H. Mahoney, Jr.
Robert H. Lemmon	Frank M. Romanick
Christoper J. Kersting	Charles W. Sellers, Jr.
Vincent M. Dickerson	Richard O. Devine
William F. Barry	William Schubert
Robert G. Black	Richard B. McNees
J. Thomas Godfrey	Bernard M. Soren
Olin L. Hipp	Paul A. Newlove
Franklin V. Bernhard	James R. Wilson
Benjamin R. Eggeman, Jr.	Harold S. Lewis

Officers of the Supply Corps

John K. Walker	Johnie L. DeLany
Harry L. Miller	Stuart H. Smith

Officer of the Civil Engineer Corps

Joseph R. Braheney

Officer of the Dental Corps

John C. Robie

The following-named midshipmen (aviation) to be ensigns in the Navy:

Richard C. Jacobi, June 6, 1947.
Donald C. Kellersberger, June 6, 1947.
Ramon L. Carpenter, June 4, 1948.
William F. Conklin, June 4, 1948.
James B. Dick, Jr., June 4, 1948.
Lowell E. Elmore, June 4, 1948.
Charles R. Hall, June 4, 1948.
William Holland, June 4, 1948.
Edward D. Jackson, Jr., June 4, 1948.
Alexander C. Jerawski, June 4, 1948.
Harley D. Mayfield, June 4, 1948.
James B. Overton, June 4, 1948.
Harlan R. Purdy, June 4, 1948.
George G. Steves, June 4, 1948.
William R. Stuyvesant, June 4, 1948.
William R. Tietz, June 4, 1948.

The following-named (naval ROTC) to be ensigns in the Navy:

Richard A. Storr, June 6, 1947.
Francis J. Alberto, June 4, 1948.
Stanley W. Birch, Jr., June 4, 1948.
Stuart M. Brownell, June 4, 1948.
Roger T. Burson, June 4, 1948.
John A. Cushman, June 4, 1948.
Reginald G. Ferrell, June 4, 1948.
William A. Harrington, Jr., June 4, 1948.
Richard M. Hennigan, June 4, 1948.
Bruce E. Kelley, June 4, 1948.
Earl R. Krieger, June 4, 1948.
John C. Pedersen, June 4, 1948.
Louis J. Previati, Jr. June 4, 1948.
John P. Prisley, June 4, 1948.
Raymond O. Sanders, June 4, 1948.
Walter T. Stevens, Jr., June 4, 1948.
John T. E. Van Deusen, June 4, 1948.
Savino Vesco, June 4, 1948.
Robert M. Wilson, June 4, 1948.
Robert T. Wurzbacher, June 4, 1948.
Karel E. Yedlicka, June 4, 1948.

The following-named (naval ROTC) to be ensigns in the Supply Corps of the Navy:

Simon J. Houlihan, June 6, 1947.
Michael Dasovich, June 4, 1948.
Martin J. Deutch, June 4, 1948.
Howard H. Dolch, Jr., June 4, 1948.

John J. Mahaffey, June 4, 1948.
Raymond A. Marston, June 4, 1948.
Wedo Nutaitis, June 4, 1948.
John B. Pringle, June 4, 1948.
Theodore W. Pstrak, June 4, 1948.

The following-named (naval ROTC) to be ensigns in the Civil Engineer Corps of the Navy:

James A. Martin, June 6, 1947.
John T. Langdon, June 4, 1948.

The following-named (civilian college graduates) to be lieutenants (junior grade) in the Medical Corps of the Navy:

Albert F. Fleury
Albert E. Marland, Jr.
John D. Milburn
Anton A. Tratar

The following-named (civilian college graduates) to be ensigns in the Supply Corps of the Navy:

John R. Ashcom, Jr.
James H. Ashe
Thomas J. Boehm, Jr.
Anthony M. Bozich
Joseph H. Cheshure
James E. M. Coughlin
Harold Crain
Forrest H. Doucette
Earl C. Dye, Jr.
William McL. Emery
Calvin W. Fisk
Earl Foster
Lawrence D. Hagedorn
Bobby L. Hatch
Donald A. McCartin
John McCullough
Uriel V. Manion, Jr.
Lyman T. Mereness
Howard W. Oliver
Joseph A. Rebentisch, Jr.
Claiborne T. Selden
Paul B. White

The following-named (civilian college graduates) to be lieutenants (junior grade) in the Chaplain Corps of the Navy:

Robert L. Deal
Arthur W. Dennis
Fredric J. Forney
Barker C. Howland
John A. Keeley, Jr.
Paul E. Klett
Edward T. Madigan
Raphael Marzilli
Edwin J. Nerthling
Jack E. Nunn
Milton U. Ray
Robert E. Shoup
Milton Weissberg

The following-named (civilian college graduates) to be ensigns in the Civil Engineer Corps of the Navy:

Harry J. Baker, Jr.
John R. Bothwell
Charles C. Bulk III
Allen E. Cooper
Robert J. Corber
Beady P. Crass
Charles Curione
Daniel L. Hirst
John W. Rasmussen
Mortimer Schuessler
Edward R. Seibert
Alfred Stroh, Jr.
Robert M. Wilson

The following-named (civilian college graduates) to be lieutenants (junior grade) in the Civil Engineer Corps of the Navy:

John M. Adams
John C. Allen
Nando A. Arduini
Robert B. Bartlett
Paul Bixby
Wayne C. Brock
Alan C. Gault
Randolph Kirk
Emil T. Michaud
Richard D. Mitchell
Arthur W. Snow
John P. Theriault

The following-named (civilian college graduates) to be lieutenants (junior grade) in the Dental Corps of the Navy:

Raymond J. Congour
Guy R. Gutridge
Dale LeR. Firestone
Oren H. Gaver, Jr.
Edward P. Rogers

The following-named to be ensigns in the Nurse Corps of the Navy:

Evelyn L. Aaberg
Margaret H. Adams
Minetta N. Albro
Bertha A. Alexander
Barbara L. Ambach
Lois L. Anderson
Norma J. Anderson
Margaretta Andrako
Miriam G. Appleby
Adelaide Atwood
Evelyn A. Avedisian
Joyce E. Bach
Wislawa Z. Baczewski
Geraldine H. Baldey
Rose M. Ball
Annabelle Barnes
Dorothy M. Barry
Emilia G. Bartnik
Norma L. Bassett
Norma J. Beachy
Mary R. Becker
Virginia M. Beckfield
Janet Bellenfant
Maria Berryman
Helen M. Bettencourt
Margery G. Bierma
Miriam Bingham
Margarett M. Bishop
Fay I. Blazek
Evelyn M. Bliss
Phyllis K. Bohn
Ruby F. Boward
Adorah J. Braden
Eleanor M. Brady
Mary E. Bramlet
Gloria P. Briese
Alena V. Brumback
Florence L. Bryant
Janice M. Burcham
Anna J. Burlon
Doris L. Bursa
Leone M. Campeau
Dolores A. Carey
Barbara E. Carmine
Margaret M. Carr
Helen E. Casterlin
Janie G. Castillo
Kathleen L. Charles
Rita F. Christian
Virginia Clack
Sarah J. Clapp
Betty M. Clark
Aurelia G. Clayton
Mary E. Cleveland
Mary L. Conley
Irene M. Connors
Margaret C. Connors
Colene Cooper
Doris J. Cooper
Irene Cook
Dolores Cornelius
Mary M. D. Costello
Doris M. Cox
Lillian M. Coxwell
Minnie R. Crawford
Carmela A. Crisa
Eleanore C. Culler
Phyllis M. Dana
Evelyn J. Davis
Patience Day
Elizabeth A. Dermody
Elizabeth M. DeRocco
Laura V. Dingwall
Audrey M. Djerf
Pauline C. Douglass
Norma L. Drysdale
Jane Dudinski
Leokadra Dzikewicz
Virginia A. Eastin
Marion F. Eckert
Mervyn E. Ege
Jane L. Eldridge
Jean E. Ellis
Lura J. Emery
Betty L. Engle
Jane A. Evert
Lenore S. Feagin
Joyce A. Fellows
Agnes W. Felts
Evelyn M. Ferrence
Lois Finney
Marie T. Foust
Bella M. Fritz
Mildred Fugger
Jean L. Furst
Mildred G. Gangi
Bradamond A. Genovese
Gertrude C. Gesing
Eva A. Gire
Edith M. Goodell
Naomi E. Gorman
Marie L. Goucher
Mary Grande
Cora E. Grappe
Janice L. Grauel
Norma L. Green
Helen L. Gunther
Gertrude Harmon
Amalia Haule
Janice C. Helwig
Irene M. Hobbs
Palma L. Holtzinger
Joyce J. Hoover
Madylon C. Hoover
Arline D. Houghton
Vila J. Hovis
Ruth M. Humphrey
Ethel J. Humphreys
Helen K. Hunter
Thedora L. James
Martha J. Jones
Ruth B. Jones
Mary Kalchik
Patricia A. Karn
Janet L. Keller
Margaret T. Kenney
Mary McC. Ketter
Doris M. Kibbe
Doris A. Kilpatrick
Edna Klobukowski
Marjorie A. Kohut
Betty Kolevakis
Violet Krisko
Evelyn M. Kroll
Irene Kulevich
Ira L. Lane
Patricia J. Lane
Virginia A. Langford
Margaret Larivière
Betty Lauridsen
Mary E. Liljegreen
Anna J. Lofland
Ruth K. Lutz
Mary McCarthy
Katherine J. McDevitt
Jeanette T. Madere
Jeanne H. Manning
Anna F. Marinelli
Gladys I. Marsden
Kathleen Marsh
Evelyn L. Marshall
Marie R. Martel
Hilda A. Martin
Ruth W. Martin
Jean R. Mathews
Filomena V. Mele
Madeleine G. Messier
Jeannette G. Mizzi
Gloria A. Mogensen
Geneva L. Moore
Helen L. Moroney
Mildred Mullane
Adele B. Munson
Frances A. Murphy
Mary A. Musielski
Normandy Myers
Grace E. Newhard
June E. Norman
Margaret J. Northrop
Eileen L. Northway
Waldena O'Barto
Kathleen O'Brien
Margaret H. O'Brien
Catherine M. O'Connell
Frances M. Oddsson
Madaline A. O'Kane
Gladys M. Oleinick
Jennie Ostopo
Alice C. Otto
Catherine Patton
Dorthula Payne
Joan Pequignot
Bessie M. Perry
Julia J. Peters
Isabel Pimental
Sophie A. Podosek
Janet M. Pomeroy
Phyllis R. Potter
Mildred J. Punyko
Loydiene Putnam
Adelaide E. Quanstrom
Rosemary Quinn
Patricia L. Radcliffe
Barbara G. Redinger
Rosemary E. Reinhart
Margaret M. Remmett
Ruth A. Repasky
Mildred F. Reynolds
Margaret R. Richards
Catherine E. Riley
Gloria V. Rizzo
Wilma E. Roberts
Margaret A. Robinson
Agnes M. Ross
Martha B. L. Ross
Mary R. Ruane
Maggie E. B. Rumpth
Elsie M. Rusnak
Helen Rusnak
Hanora A. Ryan
Margaret M. Ryan
Harriet S. Schilling
Gertrude E. Schreiber
Helen V. Scott
Nellie P. Sebastian
Alice I. Shedd
Catherine T. Shields
Virginia M. Simicich
Mildred Simko
Alice Simonds
Neita L. Smith
Veronica Smith
Margaret A. Smyth
Elizabeth J. Stapleford
Frances M. Stefanik
Jeanne E. Stinson
Charlotte Studzinski
Elizabeth I. Sullivan
Barbara L. Taurish
Annie L. Taylor
Betty L. Taylor
Ann F. Terzia
Christina M. Testa
Esther M. Thompson
Norma J. Thompson
June R. Thurnau
Agnes Tollis
Bettina J. Turney
Eleanor Ulozas
Annette Urban
Dorothy J. Venverloh
Imogene L. Vesper
Esther J. Vought
Anna E. Wagner
Helen F. Wallis
Kathleen E. Ward
Ruth E. Watkins
Dorothy M. Watt
Helen M. Weber
Grace L. Weiss
Irene C. Westen
Suzanne Whitehouse
Mary C. Wilkerson
Mary F. Williams
Alicia C. Wincek
Mary A. Wing
Beatrice E. Woodson
Farrace L. Worthy
Irene Wujcik
Mary A. Wylie
Eva M. Yerkovich
Mae E. Young

IN THE NAVY

The following-named officers for appointment in the United States Navy in the Corps and grades hereinafter stated:

The following-named officers to the grades indicated in the line of the Navy:

COMMANDERS

Burke, Charles R.
Callahan, Edward C.

LIEUTENANT COMMANDERS

Barr, Capers G., Jr.
Bodziak, Edmund J.
Laurich, James. A.

LIEUTENANTS

Bacharach, Richard
Barnes, William D.
Beaudoin, Amedee J.
Boutte, Harold C.
Clark, Weldon L.
Davis, Judson C., Jr.
DeGennaro, Albert A.
Duke, Gus G.
Gendron, Edward W.
Hannon, Paul G.
Hodnett, Richard C.
Horgan, John P.
Horrocks, John N., Jr.
Keatts, John C., Jr.
Kincaid, John R.
Kinney, Osmond L.
Larkins, Bowen S.
McWilliams, Robert W.
Murphy, Joseph M.
Nagle, Millard H., Jr.
Neal, Raymond G.
Nelms, Kenneth S.
Ringius, Wesley R.
Ross, William T., Jr.
Scott, Frank V., Jr.
Smith, Rodney N.
Staring, Merlin H.
Turner, John M.
Wessel, Robert L.
Causer, Donald D.
Holmes, John L., Jr.
Perabo, Phil, Jr.

LIEUTENANTS (JUNIOR GRADE)

Bowen, James W.
Bugg, Paul
Ciulis, Edward
Ellis, Robert R.
Faulkner, Stuart T.
Flavin, James J. P.
Gallup, Herbert H.
Giebler, Clifford L., Jr.
Grimm, George J.
Hampton, Harold W.
Johnson, Robert H.
Kingston, William J., Jr.
Longley, Thomas B.
Matthews, Edwin W.
McCormick, Robert W.
McMorrow, Gerald
Miller, George M.
Morrison, William T.
Myers, Keith W.
Raihle, Richard R.
Rolih, Max F., Jr.
Rura, Michael J.
Rolleri, Joseph
Tibbets, Harold V.

ENSIGNS

Ambrose, Robert W.
Bailey, Edward C.
Bengtson, Lowell W.
Bowerman, Robert G.
Brand, Richard G.
De Baets, Ronald M.
Fisher, Robert W.
Gardner, Harvey R.
Gray, Julian F.
Harrington, James P.
Harris, George T., Jr.
Hessom, Robert C.
Hurd, Homer A., Jr.
Kinney, Donald E.
Keuhn, Walter J.
Larsen, Norman E.
Lember, David B.
McGrath, Charles J.
Mongilardi, Peter, Jr.
Murphy, Edward F.
Peddy, James T., Jr.
Pinkepank, Merril C.
Price, Charles H.
Rodgers, Hollis "T"
Salisbury, Thomas G., Jr.
Schoonover, Ned W.
Schoultz, Robert F., Jr.
Sieloff, Albert W.
Snellman, William C.
Warring, Leo B.
Whitaker, Andrew W.
Whitehead, Andrew D.
Albert, Thomas F.
Bolling, Robert LeR.
Holm, John R.
Lawrence, Robert E.
Strayve, Jerome R.
Williams, James S.

The following-named officers to the grades indicated in the Medical Corps of the Navy:

COMMANDERS

Ecklund, Archibald M.
Thompson, Ferris W.
Winter, Sherl J.

LIEUTENANT COMMANDERS

Benn, Herbert P.
Bovill, Edwin G.
Hoffman, Theodore E.
Hooker, Edgar F.
Hutchinson, Glenn D.
Johnson, Elmer B.
Johnston, Sidney F.
McKeague, David H.
Morris, Neal
Street, Richard McI.
Moeller, Ernst R.

LIEUTENANTS

Bond, Sidney D., Jr.
Heffernan, Edward V.

LIEUTENANTS (JUNIOR GRADE)

Alexander, Raymond A.
Baisch, Bruce F.
Billman, Dallas E.
Denny, Lawrence A.
Earle, Kenneth M.
Hover, Philip H.
Johnson, Fenimore T.
Lemke, Walter M.
Mason, Miles H., Jr.
Mladick, Edward A.
Mock, John E.
Mouton, Ramon A.
Muehe, Charles C.
Mugarge, Ralph McC.
Myers, Robert W.
Nordstrom, Harry C.
Powelson, Keith D.
Preisinger, John J., Jr.
Schwenker, Harry F., Jr.
Taylor, George J., 3d
Thompson, Harold F.
Trombetta, Alessandro
Uzmann, Francis J., Jr.
Webb, Melvin W.
Cope, Stanton E.
Cornfield, Leslie S.
Hyland, John R.
Impellitier, Carl J.
Jones, Jack T.
Killough, John H.
Landreth, Stephen V.
Lawson, Joseph H.
Prothro, George W.
Schumacher, William R.
Thomas, William R.
Trout, Ernest E.

The following-named officers to the grades indicated in the Supply Corps of the Navy:

LIEUTENANT COMMANDER

Kliese, Robert J.

LIEUTENANTS

Christensen, Gordon P.
Diem, Alfred H.
Jones, Harris P.
McFadden, John P.
Papageorge, Andrew J.
Rand, Arthur G., Jr.
Rubel, Robert L.
Tkoch, Walter

LIEUTENANTS (JUNIOR GRADE)

Benson, David W.
Bryson, William L.
Madden, Howard L.
Wheeler, George F.

ENSIGNS

Boltwood, Chester M.
Donnelly, Joseph A.
Fry, Roy A., Jr.
Hassenger, William E.
Widney, Lloyd R.
Barron, Willard D.
Beaver, Chester E.
Blaes, James H.
Carlson, John C.
Challain, Leonard J.
Dargan, Marion, Jr.
Edwards, Harry W., Jr.
Eldridge, Paul W.
Fay, John F., Jr.
Fitchett, George L.
Forrest, James E.
Frock, Samuel E.
Haslett, Robert E.
Hein, Joseph J., Jr.
Marshall, John F.
Meng, Edwin L., Jr.
Merrill, Russell O.
Orr, Raymond J.
Quintero, Donald B.
Randolph, Robert R.
Simon, Willard E.
Tanner, Sylvan
Wilhelmi, Edward H.
Wilson, Robert McL.

The following-named officers to the grades indicated in the Chaplain Corps of the Navy:

LIEUTENANT

O'Neill, John J.

LIEUTENANT (JUNIOR GRADE)

Morgan, Victor H.

The following-named officers to the grades indicated in the Civil Engineer Corps of the Navy:

LIEUTENANT COMMANDER

Herring, Ingram L.

LIEUTENANTS

Burke, John L., Jr.
Callahan, John F.
Collins, John W.
Hansche, Frank C., Jr.
Jubb, George F.
Kwasny, Harry P.
Loeffler, Harry H., Jr.
Pickett, Bryan S.
Zechelia, Alexander P.

LIEUTENANTS (JUNIOR GRADE)

Grauten, Henry S.
Hammer, John G.
Johnson, Howard T.
Lalor, Foster M., Jr.
Manley, Robert B.
Munninger, Karl O.
Stephens, Henry E.
Williams, John P.
Wynne, Sydney J., Jr.

ENSIGNS

Levy, Melvin H.
White, Richard D.
Barron, William W.
Brentner, William B.
Butterfield, Ossian R.
Cahill, Harold P.
Cochran, Joseph D.
Dietrich, Neff T., Jr.
Hoffman, David G.
Jacobson, Roy O.
King, Kenneth K.
McFadden, John P.
Merrill, Bergen S., Jr.
Miles, Bert H.
Moffat, Robert E.
Paletti, Arthur V.
Sears, Kenneth P.
Slawson, Richard S.
Spangler, William S.
Spoolstra, Peter C.
Wallace, Billy C.
Woods, Kenneth G.

The following-named officers to the grades indicated in the Dental Corps of the Navy:

LIEUTENANT COMMANDERS

Leberman, Odin F.
Pierce, Howard W.
Riney, Lyman H.
White, Dan B.
Dierker, Wilbert M.
Thimes, Joseph A.
Wikstrom, Roy O.

LIEUTENANTS

Sullivan, John E.
Wohlleb, DeWayne H.
Jerkofsky, Gus J.
Spear, Jean W.
Thompson, Albert Jr.

LIEUTENANTS (JUNIOR GRADE)

Baker, Clifford F., Jr.
Campbell, Paul S.
Foster, Robert D.
Hoffmaster, Gerald B.
Karney, Frederick W. C.
Mazzarella, Maurice A.
Nepveux, Felix J.
Neskow, Robert S.
Ogden, Ingram W.
Overton, Neil J.
Rinck, Theodore J. H.
Rives, Robert G.
Seybold, John K.
Traeger, Kimble A.
Troxell, Richard R.
Welden, Robert B.
O'Connor, Robert J.
Pape, Thomas J.
Thimes, Carl B.
Wilson, Jerry S.
Woffinden, Robert G.
Wyngarden, Milton D.

The following-named officers to the grades indicated in the Medical Service Corps of the Navy:

LIEUTENANTS

Johnson, George A. L.
Lusk, Francis E.
Madden, William F.
Ostenson, Burton T.
Weathersby, Augustus B.

LIEUTENANTS (JUNIOR GRADE)

Barnes, LaVerne A.
Bigelow, Allen F.
Bosee, Roland A.
Clague, John A.
Consolazio, William V.
Corey, Edward L.
Cornsweet, Albert C.
DeCoursey, John D.
Dudley, Horace C.
Eastman, Robert W.
Engelfried, John J.
Hurlbut, Herbert S.
Lawlor, William K. A.
Lee, Richard H.
Mooney, Frederick P.
Ruebush, Trenton K.
Steeve, John H.
Sullivan, Raymond R.
Taylor, Russell L.
Webster, Andrew P.
West, Nathaniel S.
Woke, Paul A.

ENSIGNS

Abernathy, Odell S.
Allen, Cleo R.
Allen, Robert V.
Anderson, Chalmers L.
Anderson, William S.
Armitage, Horrace G.
Atkinson, James O.
Austin, Paul L.
Baker, David H.
Barboo, Samuel H.
Barunas, George A.
Bing, John H.
Boles, Claude L.
Bolster, Richard L.
Bonnell, Theodore V.
Boston, Lester E.
Brenner, Sidney G.
Brooks, Euris J.
Brooks, Roy T.
Broulik, Frank
Brown, Jack R.
Brundage, Everett G.
Buckner, James F.
Burr, Leonard W.
Caldwell, Charlie C.
Calkins, Willard C.
Carroll, Charles A.
Carson, Ralph
Carter, Charles H.
Cartier, William L. G., Jr.
Chambers, Francis W., Jr.
Chapman, William H.
Civiello, Harold J.
Clauss, Edward L.
Coggburn, Manfred W.
Collins, Joseph W.
Colman, Frederick R.
Coltrell, Joseph M.
Combs, Harrison T.
Combs, Harry W., Jr.
Connell, Clyde E.
Cook, Ellsworth B.
Cooley, Franklyn G.
Cox, Paul R.
Cox, Walter R.
Crawford, Charles L.
Crews, Jeremiah V.
Crissy, William J. E.
Curtis, Ned B.
Cuson, Clyde V.
Damron, James C., Jr.
Daul, Arthur P.
DeAtley, James M.
Dentler, William L.
Deriso, Dominic J.
Dorsey, Edward C.
Dreitlein, William M.
Dunn, Vernon W.
Duwel, Bernard F.
Dyches, Kenelm O'B.
Eastman, Robert W.
Eaton, Theron K.
Edlund, Raymond A.
Edrington, Harold G.
Eisman, Leon P.
Essman, Frederick B.
Ethridge, John W.
Fast, Sidney L.
Fay, Chester S.
Fechter, John W.
Fennell, Chester C.
Ferber, Charles W.
Fernquist, Ericson
Feyh, Clarence W.
Floyd, Thomas M., Jr.
Foley, Sylvester R.
Fowkes, Conrad C.
Francisco, Joseph E.
Frontis, Irving
Gadberry, Dwight L.
Gade, Robert L.
Gandy, Stephen J.
Garrett, John L.
Gilpin, John H., Jr.
Glawson, Joseph J.
Goins, Harvy B.
Goldman, David E.
Golub, Orville J.
Goren, Sidney
Griffith, Philip M.
Guidry, Joseph A.
Gulledge, Albert M.
Haase, Edward F.
Haggard, Lucian L.
Hall, Heyward E.
Harwell, Rivers G.
Heslam, Floyd S.
Heelan, William X.
Heison, Walter J.
Henry, Girton H.
Hewitt, Wayne B.
Hibdon, Lawrence E.
Hill, Stanley E.
Hilton, John T.
Hinz, Edward C.
Hirst, John M.
Hoche, Herman E.
Hollis, Thomas L.
Holway, Richard T.
Honeywell, Donald N.
Hook, John M.
Hooper, Robert F.
Hopson, Claude T.
Hubbard, Travis S.
Huber, Melvin P.
Hunter, Russell E.
Huntsinger, Fay O.
Isert, Lawrence L.
Jachowski, Leo A.
Jackson, Thomas L.
Jacobs, Joseph J.
Jenks, Frederick, Jr.
Johnson, Calvin F.
Keizur, Marques E., Jr.
Kelley, John E.
Kelly, Joseph A.
Kentner, Robert W.
Kinder, James W.
Kledzik, Roman L.
Knight, Kenneth L.
Kuntz, Robert E.
Laramore, Henry H.
Larkins, Carlton R.
Lasco, John, Jr.
LeBleu, Harry W.
Lee, Ulysses O.
Lester, William F.
Lewis, Roy D.
Lewis, William C.
Linder, Harry H.
Longest Nova
Luckie, Robert G.
Lyon, Glen F.
Maddox Edgar J.
Maines, Arvin L.
Manley, Woodrow C.
Mann, Charles F.
Marsden, William E.
Mason, Anderson T.
Mason, Edwin R.
Mayberry, Frank L.
McCorley, Arthur T.
McCullah, Harry F.
McDonald, John P.
McLellan, David J.
McLemore, Frank L.
McMillin, Charles F.
Meade, Charles D.
Meyers, Adolph W.
Mobeck, Albert E.
Millard, Matthew J.
Miller, Denny S.
Miller, George A.
Mitchell, Frank J.
Moore, Daniel DeW.
Morel, Eugene J.
Morrison, George "W", Jr.
Mosley, Howard L.
Moss, Vernon T.
Murray, William D.
Nelson, Arthur H.
Nelson, Samuel M.
Nichols, Lewis E.
O'Brien, Daniel J.
Oley, John A.
Olson, Albert
Owen, Clarence J.
Ozburn, Ernest E.
Parker, George H.
Patterson, Clair L.
Pedersen, Arthur S.
Pellarin, Victor L.
Petiprin, Floyd R.
Pilkington, William C
Pittner, Clay E.
Posey, Raymond L.
Postel, Warren F.
Powell, Preston L.
Price, Kenneth L.
Price, Ralph W.
Quigley, Charles V.
Rafferty, Raymond B.
Rand, George W.
Ray, Jewel P.
Richard, Guy A.
Ricker, Robert E.
Roepke, Fred C.
Rooker, Hiram E.
Rosenfeld, George
Rowe, Abner P.
Rushworth, John F.
Sabbag, George J.
Sant, John
Schurhammer, Joseph W.
Schweinfurth, Karl E.
Shea, Thomas E., Jr.
Shepherd, William H.
Shearer, Clarence
Sinclair, Harry E.
Skow, Royce K.
Smith, Forbes H.
Smith, James P.
Smith, Orville E.
Sorger, Frank J.
Spencer, Earl C.

Stains, George S.
Sterling, William T.
Stommel, Carl J.
Sullivan, John J.
Swanson, Robert W.
Swofford, William S.
Taylor, Hugh M.
Tennille, Robert M., Jr.
Thompson, Charles R.
Thompson, Henry A.
Thompson, James E.
Thompson, Lester K.
Tompkins, Franklin H.
Traxler, James A.
Tunks, Omar A.
Van Landingham, Emmett L.
Van Radesky, Horace
Wade, Daryle A.
Wagner, Loy A.
Waite, John K.
Walker, Edward W.
Wallace, Calvin "F"
Ware, Robert M.
Western, Orin C.
White, Archie E.
White, Erwin W.
Wiese, George W.
Wilford, Walter H.
Willgrube, Wayne W.
Williams, Glenn F.
Wilson, Percy C.
Wiltshire, Marshall "J"
Winne, Roy E.
Wiswell, Ozro B.
Wooldridge, Melvin A.
Young, Addie
Young, John L.
Young, Oliver L.
Zellmann, Earl G.
Zimmerman, Max E.
Zumbrun, Sylvester H. N.

The following-named officers to the commissioned warrant grades indicated:

CHIEF ELECTRICIANS

Denison, Wesley O.
Kent, Charles J.
Lawrence, Lister R.
Rath, George W.
Sears, Alfred R. J.

CHIEF MACHINIST

Miller, William T.

CHIEF PAY CLERKS

Johnson, Orville A.
Tremblay, Philip A.
Walton, Billie M.

The following-named officers to the grades indicated to correct spelling of name as previously nominated and confirmed:

ENSIGNS

Burkhart, Calvin
High, John R.
Jenson, Svend D.
Marshall, Walter F.

CHIEF MACHINIST

Nesbitt, John W.

CHIEF CARPENTER

Woznick, Walter P.

HOUSE OF REPRESENTATIVES

MONDAY, NOVEMBER 24, 1947

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal God, our Father, who despiseth not the least of Thy earthly creatures, mercifully look upon our infirmities and turn us from those evils born of prejudice, impatience, and intolerance. In all our obligations to our God and our country, help us eagerly to seek the best and the wisest in all things, deeply conscious that to the upright there ariseth a light in the darkness. Grant that whensoever adversaries oppress, we may be strengthened by the assurance that Thy hand will guide and direct those who serve Thee with pureness of motive.

"Drop Thy still dews of quietness,
Till all our strivings cease;
Take from our lives the strain and stress,
And let our ordered lives confess
The beauty of Thy peace."

In the Saviour's name we pray. Amen.

The Journal of the proceedings of Thursday, November 20, 1947, was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Miller, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had adopted the following resolutions:

Senate Resolution 168

IN THE SENATE OF THE UNITED STATES,
November 20, 1947.

Resolved, That the Senate has heard with profound sorrow the anncuncement of the death of Hon. CHARLES L. GIFFORD, late a Representative from the State of Massachusetts.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased, the Senate do now adjourn.

Senate Resolution 169

IN THE SENATE OF THE UNITED STATES,
November 20, 1947.

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. RAYMOND S. SPRINGER, late a Representative from the State of Indiana.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased, the Senate do now adjourn.

SPECIAL ORDER GRANTED

Mr. TABER. Mr. Speaker, I ask unanimous consent to address the House for 30 minutes tomorrow following any special orders heretofore entered for that day.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. BRADLEY asked and was given permission to extend his remarks in the RECORD in two instances, in one to include a resolution of the Guam Congress and in the other an editorial from the Long Beach Independent.

SPECIAL ORDERS GRANTED

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent that on tomorrow, after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent that on Monday next, after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 75 minutes.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

EXTENSION OF REMARKS

Mr. DEVITT asked and was given permission to extend his remarks in the Appendix of the RECORD and include a reference to Mr. Carl R. Gray, Jr., the new Administrator of Veterans' Affairs.

Mr. COTTON asked and was given permission to extend his remarks in the RECORD and include an address by Mr. GOFF, of Idaho, at Valley Forge, Pa.

Mr. SMITH of Ohio asked and was given permission to extend his remarks in the RECORD.

Mrs. SMITH of Maine asked and was given permission to extend her remarks in the RECORD concerning Europe and the Middle East.

Mr. LECOMPTE asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Chariton (Iowa) Leader.

Mr. HILL asked and was given permission to extend his remarks in the Appendix of the RECORD and include two editorials from the Denver Post on reduction of the tariff on wool.

Mr. DAVIS of Wisconsin asked and was given permission to extend his remarks in the RECORD in two instances and include two editorials.

Mr. MUHLENBERG asked and was given permission to extend his remarks in the Appendix of the RECORD and include a speech he made on November 16, 1947.

Mr. ROBERTSON asked and was given permission to extend his remarks in the RECORD and include an important letter.

Mr. JOHNSON of California asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances, one regarding the city of Lodi, Calif., and in the other to include an editorial.

Mr. TWYMAN asked and was given permission to extend his remarks in the Appendix of the RECORD.

FARM MACHINERY TO RUSSIA

Mr. HOEVEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. HOEVEN. Mr. Speaker, press dispatches on last Friday stated that President Truman sees no reason to stop the sale of heavy machinery and farm equipment to Russia at this time. This news will please our farmers—particularly our GI farmers—who are unable to purchase the farm machinery they so sorely need. The President wants the farmers of the United States to produce more food for world consumption, but in the same breath says that he is also ready and willing to permit valuable and necessary farm equipment to be sent to Russia in order to make her strong. This kind of thinking simply does not make sense. It is just another step in the administration's policy to appease Russia. Unless the administration immediately assures the Congress that this kind of business is going to be stopped, I propose to introduce a resolution calling for a full investigation.

EXTENSION OF REMARKS

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the Appendix of the RECORD in four instances and include extraneous matter.

Mr. RIZLEY asked and was given permission to extend his remarks in the RECORD and include two editorials.

Mr. JENNINGS asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. PLUMLEY asked and was given permission to extend his remarks in the RECORD and include a speech he made.

Mr. HOFFMAN asked and was given permission to extend his remarks in the Appendix of the RECORD on three subjects.

DEPORTATION OF CITIZENS OF CERTAIN COUNTRIES

Mr. COLE of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COLE of Missouri. Mr. Speaker, I have just introduced a resolution to deport all citizens of Russia and its satellites, namely, Yugoslavia, Lithuania, Albania, Estonia, Latvia, Bulgaria, Rumania, Poland, Hungary, Czechoslovakia, and Finland, in excess of the number of our American citizens that are permitted in those countries. Russia and her satellites have seen fit to restrict travel of the handful of American officials and citizens now in those countries, but, at the same time, hundreds of citizens from these countries, over half of whom are official representatives and agents of the Soviet Government, are permitted to travel freely throughout the entire United States.

Furthermore, it was little more than a month ago that the Soviet Union refused to permit our Assistant Secretary of State and 15 of our Senators and Government officials to enter Russia for the purpose of inspecting the United States Embassy in Moscow.

On October 4 last, the Washington Post reported that up until June 1 of this year there were six times as many Soviet citizens in the United States as there are American citizens in Russia. This report, based upon State Department records, showed there were 810 Russians in the United States as against 122 Americans in Russia. These records listed the Russian citizens in the United States as follows: 26 Embassy officials, 112 employees, 119 consular officials and employees, 226 members of Soviet Purchasing Commission, 136 officials and employees of the Amtorg Trading Corp., 154 delegates to international organizations, 1 student, and 36 miscellaneous individuals. Whereas the 122 Americans listed in Russia are as follows: 102 Embassy officials and employees, 10 news correspondents, 9 businessmen and engineers, and a lone naval observer at Odessa.

Mr. Speaker, the time has come for us to do something about this situation. We know that agents from these countries are here for no good purpose. There is no reason why untold numbers of them should be permitted to remain here. The situation should be equalized immediately, and, thereafter, we should limit the number of citizens of Soviet Russia and her satellites who are allowed to enter the United States to the exact number of American citizens who are allowed to enter those countries. I sincerely hope that my resolution will receive early and favorable consideration.

EXTENSION OF REMARKS

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and also to extend my remarks in the Appendix of the RECORD in two instances.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

Mr. RANKIN. Mr. Speaker, reserving the right to object, these extensions of remarks ought to go in the Appendix of the RECORD, not in the front of the RECORD.

The SPEAKER. Does the gentleman object?

Mr. RANKIN. I object to them going into the body of the RECORD.

The SPEAKER. Objection is heard.

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD in three instances in conformity with the objection of the distinguished gentleman from Mississippi.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SEELY-BROWN asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. REED of New York (at the request of Mr. WOODRUFF) was given permission to extend his remarks in the RECORD.

Mr. BOGGS of Louisiana asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. KILDAY asked and was given permission to extend his remarks in the RECORD.

Mr. PRIEST asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Washington Sunday Star.

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD in two instances; to include in one a statement he made before the Committee on Ways and Means, and in the other a statement by the Coordinator of Information, Mr. Frederick Richardson, showing a comparison between Americanism, communism, and fascism, to appear in parallel columns.

Mr. PASSMAN asked and was given permission to extend his remarks in the RECORD.

Mr. LANE asked and was given permission to extend his remarks in the RECORD and to include an editorial appearing in the Boston Sunday Post.

Mr. TRIMBLE asked and was given permission to extend his remarks in the RECORD in two instances; to include in one a resolution adopted concerning the Triple A, and in the other excerpts from the CONGRESSIONAL RECORD and newspaper articles.

Mr. HÉBERT asked and was given permission to extend his remarks in the RECORD.

Mr. LARCADE asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. O'HARA asked and was given permission to extend his remarks in the RECORD in two instances; to include in one a tribute to the late Raymond Springer, and in the other an editorial.

Mr. MICHENER asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. PATTERSON asked and was given permission to extend his remarks in the RECORD and include a newspaper article appearing in the Waterbury American.

Mr. FOOTE asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. McDONOUGH asked and was given permission to extend his remarks in the RECORD and include an address delivered by Eric Johnston.

Mr. COLE of New York asked and was given permission to extend his remarks in the RECORD and include an address to be delivered by Governor Dewey tonight.

SPECIAL ORDERS GRANTED

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the special order previously granted me for today may be transferred to Monday, December 8.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

FIRST REPORT TO CONGRESS ON THE UNITED STATES FOREIGN RELIEF PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 466)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States of America:

I am transmitting herewith the first quarterly report of expenditures and activities under the United States foreign relief program authorized by Public Law

84 of the Eightieth Congress, approved May 31, 1947.

This report covers the period from the commencement of the program through September 30, 1947.

HARRY S. TRUMAN.

The WHITE HOUSE, *November 24, 1947.*

ANNUAL REPORT FOR THE OFFICE OF ALIEN PROPERTY CUSTODIAN, FISCAL YEAR 1946 (H. DOC. NO. 465)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce and ordered to be printed:

To the Congress of the United States:

I transmit herewith for the information of the Congress, the annual report for the Office of Alien Property Custodian for the fiscal year ending June 30, 1946.

HARRY S. TRUMAN.

THE WHITE HOUSE, *November 24, 1947.*

CALL OF THE HOUSE

Mr. MASON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. HALLECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 137]

Andresen, August H.	Gary	Monroney
Bates, Ky.	Gillie	Morrison
Brehm	Gorski	Multer
Brophy	Hand	Murdock
Buchanan	Harless, Ariz.	O'Brien
Bulwinkle	Heffernan	O'Konski
Busbey	Hendricks	O'Toole
Butler	Hess	Owens
Byrne, N. Y.	Hinshaw	Potts
Celler	Hobbs	Powell
Clark	Hope	Rains
Clements	Jones, N. C.	Reed, Ill.
Cooley	Kee	Reed, N. Y.
Cooper	Kefauver	Rivers
Coudert	Keogh	Sabath
Crosser	Kersten, Wis.	Scrivner
Dawson, Ill	Kilburn	Shafer
Dawson, Utah	Kirwan	Sikes
Dorn	Landis	Simpson, Pa.
Drewry	Ludlow	Stratton
Elliott	Lusk	Taylor
Elsaesser	Lynch	Thomas, Tex
Elston	McCulloch	West
Folger	Miller, Md.	
	Mitchell	

The SPEAKER. On this roll call 358 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. WOODRUFF asked and was given permission to extend his remarks in the RECORD and include a speech delivered by the gentleman from Michigan [Mr. WOLCOTT] in New York recently.

Mr. CRAWFORD asked and was given permission to extend his remarks in the RECORD and include additional questions and answers on the FBI's part in the current loyalty check.

Mr. McCORMACK asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. FORAND asked and was given permission to extend his remarks in the RECORD and include an address delivered by Chat Paterson.

Mr. DURHAM asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. FALLON asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the Hamilton Post of the American Legion.

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks in the RECORD and include a radio address.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the RECORD on the subject of modern voting system.

Mr. EVINS asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. PLOESER asked and was given permission to extend his remarks in the RECORD and include testimony he gave before the Committee on Ways and Means today.

Mr. BENDER asked and was given permission to extend his remarks in the RECORD and include an address by Ernest Weir.

PROCEEDINGS AGAINST ALBERT MALTZ

Mr. THOMAS of New Jersey. Mr. Speaker, by direction of the Committee on Un-American Activities I present a privileged report (H. Rept. 1128), which I send to the Clerk's desk.

The Clerk read as follows:

The Committee on Un-American Activities as created and authorized by the House of Representatives through the enactment of Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress, caused to be issued a subpena to Albert Maltz, 607 Hauser, Apartment 1, Los Angeles, Calif. The said subpena directed Albert Maltz to be and appear before said Committee on Un-American Activities on October 23, 1947, at the hour of 10:30 a. m., and then and there to testify touching matters of inquiry committed to said committee. The subpena served upon Albert Maltz is set forth in words and figures as follows:

"By authority of the House of Representatives of the Congress of the United States of America, to Robert E. Clark, United States marshal: You are hereby commanded to summon Albert Maltz to be and appear before the Un-American Activities Committee of the House of Representatives of the United States, of which the Honorable J. PARNELL THOMAS of New Jersey is chairman, in their chamber in the city of Washington, on October 23, 1947, at the hour of 10:30 a. m., then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said committee. Herein fail not, and make return of this summons.

"Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 18th day of September 1947.

"Attest: J. PARNELL THOMAS, *Chairman.*
"JOHN ANDREWS, *Clerk.*"

The said subpena was duly served, as appears by the return made thereon by Andrews Bazar, deputy, who was duly authorized to serve the said subpena. The return of the service by the said Andrew Bazar, being endorsed thereon, is set forth in words and figures as follows:

"Served Albert Maltz, September 19, 1947, Report E. Clark, United States marshal, by Andrew Bazar, deputy."

On October 11, 1947, a telegram was sent to Mr. Albert Maltz, which is set forth in words and figures as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON UN-AMERICAN ACTIVITIES,
Washington, D. C., October 11, 1947.

Mr. ALBERT MALTZ,
607 Hauser, Apt. 1,
Los Angeles, Calif.:

In response to the subpena served upon you summoning you to appear before the Committee on Un-American Activities, United States House of Representatives, in Washington, D. C., on October 23, you are hereby directed to appear on October 28 instead of October 23, at the hour of 10:30 a. m., room 226, Old House Office Building.

J. PARNELL THOMAS,
Chairman.

The said Albert Maltz, pursuant to said subpena and in compliance therewith, appeared before the said committee to give such testimony as required under and by virtue of Pubic Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress. The said Albert Maltz, having appeared as a witness and having been asked questions, namely, "Are you a member of the Screen Writers Guild?" and "Are you now, or have you ever been, a member of the Communist Party?" which questions were pertinent to the subject under inquiry, refused to answer such questions; and as a result of the said Albert Maltz's refusal to answer the aforesaid questions, your committee was prevented from receiving testimony and information concerning a matter committed to said committee in accordance with the terms of the subpena served upon the said Albert Maltz. The record of the proceedings before the committee on Tuesday, October 28, 1947, during which the said Albert Maltz refused to answer the aforesaid questions pertinent to the subject under inquiry, is set forth in fact, as follows:

"Mr. STRIPLING. The next witness, Mr. Chairman, will be Mr. Albert Maltz.

"The CHAIRMAN. Mr. Maltz, will you raise your right hand, please? Do you solemnly swear that the testimony you are about to give is the truth, the whole truth, and nothing but the truth?

"Mr. MALTZ. I do.

"The CHAIRMAN. Sit down.

"Mr. STRIPLING. Mr. Maltz, will you state your full name and present address for the record, please?

"Mr. MALTZ. My name is Albert Maltz. I live at 6526 Linden Hurst Avenue, Los Angeles.

"Mr. Chairman, I would like the privilege of making a statement, please.

"The CHAIRMAN. Do you have a prepared statement?

"Mr. MALTZ. I have a prepared statement.

"The CHAIRMAN. May we see it, please?

"Mr. MALTZ. May I ask whether you asked Mr. Gerald L. K. Smith to see his statement before you allowed him to read it?

"The CHAIRMAN. I wasn't chairman at that time.

"Mr. MALTZ. Nevertheless you were on the committee, Mr. THOMAS, were you not?

"The CHAIRMAN. I asked him a great many questions and he had a hard time answering some of them, too.

"Mr. MALTZ. I am interested in that, but I still would like to know whether he had his statement read before he was permitted to read it.

"The CHAIRMAN. Well, we will at yours.

"Mr. MALTZ: I gather that you don't want to answer my question, Mr. Chairman.

"The CHAIRMAN (after a pause). Mr. Maltz, the committee is unanimous in permitting you to read the statement.

"Mr. MALTZ. Thank you.

"(The witness then proceeded to read the statement.)

"Mr. STRIPLING. Mr. Maltz, what is your occupation?

"Mr. MALTZ. I am a writer.

"Mr. STRIPLING. Are you employed in the motion-picture industry?

"Mr. MALTZ. I work in various fields of writing and have sometimes accepted employment in the motion-picture industry.

"Mr. STRIPLING. Have you written the scripts for a number of pictures?

"Mr. MALTZ. It is a matter of public record that I have written scripts for certain motion pictures.

"Mr. STRIPLING. Are you a member of the Screen Writers Guild?

"The CHAIRMAN. Louder, Mr. Stripling.

"Mr. STRIPLING. Are you a member of the Screen Writers Guild?

"Mr. MALTZ. Next you are going to ask me what religious group I belong to.

"The CHAIRMAN. No, no; we are not.

"Mr. MALTZ. And any such question as that——

"The CHAIRMAN. I know.

"Mr. MALTZ. Is an obvious attempt to invade my rights under the Constitution.

"Mr. STRIPLING. Do you object to answering whether or not you are a member of the Screen Writers Guild?

"Mr. MALTZ. I have not objected to answering that question. On the contrary, I point out that next you are going to ask me whether or not I am a member of a certain religious group and suggest that I be blacklisted from an industry because I am a member of a group you don't like.

"(The chairman pounds gavel.)

"Mr. STRIPLING. Mr. Maltz, do you decline to answer the question?

"Mr. MALTZ. I certainly do not decline to answer the question. I have answered the question.

"Mr. STRIPLING. I repeat: Are you a member of the Screen Writers Guild?

"Mr. MALTZ. And I repeat my answer, sir, that any such question is an obvious attempt to invade my list of organizations as an American citizen and I would be a shabby American if I didn't answer as I have.

"Mr. STRIPLING. Mr. Maltz, are you a member of the Communist Party?

"Mr. MALTZ. Next you are going to ask what my religious beliefs are.

"Mr. MCDOWELL. That is not answering the question.

"Mr. MALTZ. And you are going to insist before various members of the industry that since you do not like my religious beliefs I should not work in such industry. Any such question is quite irrelevant.

"Mr. STRIPLING. I repeat the question. Are you now, or have you ever been, a member of the Communist Party?

"Mr. MALTZ. I have answered the question, Mr. Quisling. I am sorry. I want you to know——

"Mr. MCDOWELL. I object to that statement.

"The CHAIRMAN. Excuse the witness. No more questions. Typical Communist line."

Because of the foregoing, the said Committee on Un-American Activities was deprived of answers to pertinent questions propounded to said Albert Maltz relative to the subject matter which under Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eighthieth Congress, the said committee was instructed to investigate, and the refusal of the witness to answer questions, namely, "Are you a member of the Screen Writers Guild?" and "Are you now, or have you ever been, a member of the Communist Party?" which questions were pertinent to the subject under inquiry, is a violation of the subpena under which the witness had previously appeared, and his refusal to answer the aforesaid questions deprived your committee of necessary and pertinent testimony and places the said witness in contempt of the House of Representatives of the United States.

The SPEAKER. The report of the committee is ordered printed.

The Chair recognizes the gentleman from New Jersey [Mr. THOMAS].

Mr. THOMAS of New Jersey. Mr. Speaker, I offer a privileged resolution (H. Res. 363) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the Speaker of the House of Representatives certify the report of the Committee on Un-American Activities of the House of Representatives as to the refusal of Albert Maltz to answer questions before the said Committee on Un-American Activities, together with all of the facts in connection therewith, under seal of the House of Representatives, to the United States attorney for the District of Columbia, to the end that the said Albert Maltz may be proceeded against in the manner and form provided by law.

Mr. THOMAS of New Jersey. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, this is the first of 10 privileged reports which I shall submit to the House today, by direction of the Committee on Un-American Activities. All of these reports will deal with the refusal of 10 witnesses who were subpenaed before the Committee on Un-American Activities to answer pertinent questions which were propounded to them during the committee's recent investigation of Communist influences in the motion-picture industry.

The committee has unanimously voted to cite these 10 witnesses for contempt and we are submitting this recommendation of the full committee for the consideration of the House, and shall by privileged resolution, ask that the statement of facts regarding each case of contempt be certified by the Speaker to the United States Attorney for the District of Columbia, to the end that the 10 may be proceeded against in the manner and form provided by law.

I should like to review briefly the background of the committee's investigation of Hollywood. When the committee was reorganized in January of this year, we adopted an eight-point program.

I would like to say to the House this eight-point program included an investigation of Fascist organizations wherever they might be found. In included an investigation of communism in our own Government. In included an investigation of communism in the labor unions. It included an investigation of communism in our atomic-energy plants. It included an investigation of communism in our educational institutions. It likewise, as I have just stated, included an investigation of communism in the motion-picture industry.

One of the points of that program was to make a thorough investigation of Communist influences in the motion-picture industry. In May of this year a subcommittee proceeded to Los Angeles and held extensive executive hearings, at which time considerable evidence and testimony was received by competent witnesses as to the inroads which the Communists had made within the industry. As a result of this preliminary hearing and investigation, the subcommittee reported back to the full committee that a thorough investigation should be made. This recommendation of the subcommittee was unanimously approved by the full committee and the investigation was conducted, as a result of which on October 20, 1947, we opened hearings in Washington on this subject.

Over 40 witnesses were subpenaed from Hollywood to Washington to testify. After sitting for 2 weeks, we announced that the first phase of the committee's investigation had been completed and that other phases of the hearing would be conducted at the earliest practicable date.

I would like to emphasize at this point that our recent hearing is only the beginning, and that our committee intends to make a full exposure of communism in the field of the motion picture in the very near future, just as we will continue the full exposure of communism in any other field where it is alleged to be.

I should also like to emphasize now, as I did at the opening of these hearings, that the committee's investigation should not be construed as a reflection on the motion-picture industry as a whole. It is true, however, that this industry, like many other industries in the United States, has not been immune from the plague of communism. It is only natural that the Communists would bend every effort to infiltrate and to obtain influence in such a powerful and important medium of propaganda and education.

In preparing for this hearing, the committee employed former FBI agents with special qualifications in this field, to assist our regular staff. We made a very careful investigation. We obtained the evidence, and the fact that we obtained the evidence is the reason we are here today on these contempt citations, because the evidence which we obtained against the Communists in Hollywood was unanswerable.

During the first week of the hearing here in Washington, we subpenaed before us some of the most prominent producers, directors, writers, and actors in Hollywood. They all gave testimony as to the extent of Communist influences there. During the second week we subpenaed before us those who had been accused of being Communists or having engaged in Communist activities. They were subpenaed because our investigation had disclosed that they were Communists or had long records of Communist affiliation and activities. Most of these later witnesses were writers—writers who receive $100,000 to $150,000 a year—and who have written the scripts for hundreds of movies which you have seen from time to time. Others were directors and producers. Most of them were members of the Screen Writers Guild—a guild which the evidence and testimony indicated was under the influence of the Communists within it.

We brought these people in before us in order that we might get the facts regarding the Communist domination of the Screen Writers Guild, and to determine the extent of Communist infiltration in Hollywood. We also wanted these witnesses to have their day in court, so to speak, to answer, if they could, the allegations which had been made against them.

You are all aware that, as a committee of the Congress, we serve as a fact-finding body, intent upon getting all the facts necessary to report to the House whether or not any legislative action is necessary to cope with subversive activities in the United States. In conducting these investigations, we are pursuing the mandate set forth in Public Law 601 and House Resolution 5 of the Eightieth Congress, from which we derive our authority. The investigative authority of the Congress is historical; it is as established and untrammeled as is our Constitution.

Now, there has been a concerted effort on the part of the Communists, their fellow travelers, their dupes, and paid apologists to create a lot of fog about constitutional rights, the first amendment, and so forth. The issue involved here is simple. We subpenaed 10 individuals before us. We asked them certain pertinent questions, one of which was: "Are you now or have you ever been a member of the Communist Party?" They refused to answer this and other questions. You have heard the Clerk read the double-talk and quibbling of Mr. Maltz which he sought to give as an answer to this question. You will hear the refusal of the other nine as the other reports are submitted today. The reason these 10 individuals refused to answer the question was because they were Communists. They knew that we had the evidence that they were Communists, and they knew we were in a position to expose their Communist activities, which they had been engaged in over a period of years.

After every one of these witnesses left the witness stand the committee staff immediately placed into the record their Communist Party registration card, along with complete reports of their extensive Communist activities.

Before I proceed any further, I should like to make this point clear. These 10 individuals were not chosen at random and brought in and asked, as they would have you believe, "What is your political affiliation?" They were brought in, as I have previously stated, because of the overwhelming evidence which was before the committee that they were identified and active in a subversive and foreign-directed conspiracy which goes under the misnomer of the "Communist Party of the United States."

There has been an extensive campaign launched in the United States to vilify this committee and to confuse the American people into believing that in asking these witnesses to state whether or not they were members of the Communist Party that we were invading their constitutional rights.

Mr. Speaker, I want to say, with all the sincerity that is within my heart, that one of the greatest mistakes that we in the United States can make is to put the Communist Party in the category of being a political party.

Mr. Speaker, the evidence is overwhelming that the Communist Party, first of all, is a conspiracy to overthrow the Government of the United States. It is a conspiracy to destroy the American system of government and the American system of business, and what is more, it is a foreign-directed conspiracy, busy here at all times carrying out the objectives and directives of the Soviet Government in the United States. To say that a committee of the Congress cannot inquire into the subversive affiliation—the treasonable affiliation, if you please, Mr. Speaker—of an individual is ridiculous. The Constitution was never intended to cloak or shield those who would destroy it.

We have been called to Washington to sit in special session to appropriate billions of dollars to stop the floodtide of communism from sweeping all of Europe. Communism or Stalinism is communism or Stalinism whether it is in the United States, Russia, Yugoslavia, Poland, France, Italy, or Rumania. What a paradox if the Congress of the United States is to appropriate upward of $20,000,000,000 to stop communism in Europe if that same Congress cannot inquire into the activities of a Communist conspirator in the United States, whose first allegiance is to a foreign government.

Let me read you United States Code, title 2, section 192, which provides:

> Every person who having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before either House, or any joint committee established by a joint or concurrent resolution of the two Houses of Congress, or any committee of either House of Congress willfully makes default, or who, having appeared, refuses to answer any question pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor, punishable by a fine of not more than $1,000 nor less than $100, and imprisonment in a common jail for not less than 1 month nor more than 12 months.

Now, Mr. Speaker, as I have stated, the issue is simple here. These witnesses refused to answer the most pertinent question that we could ask. They have, with utter contempt and impunity, defied a committee of this House. It now becomes a matter for the United States Attorney, the grand jury, and the Federal courts of the District of Columbia. I ask, therefore, that you sustain the unanimous action of the Committee on Un-American Activities in citing these individuals for contempt.

I might add at this point that earlier this year our committee reported to you on the contempt of Gerhart Eisler, Eugene Dennis, and Leon Josephson, all Communists. You referred these three cases to the United States Attorney, and a conviction was obtained in all three, and each received the maximum sentence of $1,000 and 1 year in jail. My colleagues on the committee will discuss at length the various phases of the contempt cases which we have before us today.

The lines are drawn throughout the world today, with democracy on one side and red totalitarianism on the other. This House is the most representative and democratic body left in the governments of the world. Its authority, its jurisdiction, and its dignity must be protected and upheld. The Communists, even those from Hollywood, enjoy no special status or privilege in the United States. Would an average American citizen, subpenaed before a committee of Congress, behave in the manner of these 10 witnesses, shouting denunciation, vilifying the Congress and the members of the committee, attempting to create scenes and employing tactics which are common only to Communists? No. The average American citizen has great respect for his Government, and I say, Mr. Speaker, what American citizen would refuse to answer the question: "Are you now, or have you ever been, a member of the Communist Party?"

Never before in the history of our Government has it been so essential that the Congress be informed of the activities of the Communists as it is today. Your committee will continue to investigate and expose the activities of those who seek to destroy our Government, whether they be on the totalitarian right or the totalitarian left.

Mr. Speaker, I yield 10 minutes to the gentleman from Illinois [Mr. VAIL].

Mr. VAIL. Mr. Speaker, I rise to fully endorse and supplement the remarks of the honorable gentleman from New Jersey, the chairman of the Committee on Un-American Activities. For hour after hour, as a member of the subcommittee, I listened to the long list of witnesses who appeared in connection with our recent Hollywood hearing. Among them were producers, attorneys, actors, script writers, directors, labor leaders, and students of the motion-picture industry.

For the most part, each witness had his own individual approach, his own individual line of argument or evidence, and for the most part each was cooperative and sympathetic to the aim of the committee to expose Communist infiltration into the film industry, if found to exist, as well as the ultimate objective of the committee in compiling evidence of subversive activities to establish a basis for legislation designed to provide adequate protection to our American institutions.

A cooperative disposition, however, was not uniformly true of all those called upon to testify. There were 10 subpenaed witnesses—in fact, the 10 whose cases are now before the House of Representatives for contempt—who, although they are reputed to be men of advanced intellectual attainments, went through a uniform rigamarole in which one varied not one essential iota from the other. Obviously, their attitude was not due to a meeting of minds which was purely accidental. Clearly, it was not unrehearsed and spontaneous.

These are the facts. They were all represented by the same attorneys who, incidentally, have themselves long been associated with efforts to defend the Communist Party or its members. Each of the 10 appeared armed with a prepared, mimeographed statement attacking the Committee on Un-American Activities, a duly authorized committee appointed by the Congress of the United States. All of them followed exactly the same pattern of refusing to answer questions concerning affiliation with the Communist Party or the Screen Writers Guild, and all assumed a belligerent and

defiant attitude toward a duly constituted committee of Congress. All of them promptly distributed to the press their typed statements, prepared prior to the hearing, mind you, in which the committee was described as anti-Negro, anti-Semitic, pro-Klu Klux Klan, and pro-Fascist, evidencing that their antagonism toward the committee was not provoked by the questions propounded, as they and their apologists would have the public believe, but that it was part and parcel of their anti-American creed. Each of these witnesses followed to the letter the pattern set at our previous hearings by Gerhart Eisler, agent of the Communist International; Eugene Dennis, executive secretary of the Communist Party; and Leon Josephson, agent of the Soviet Secret Service, all of whom were cited for contempt by this body at the instance of the Committee on Un-American Activities, and all of whom were subsequently convicted and sentenced by the Federal courts.

Various apologists for this group have tried to defend their conduct on one ground or another. They have said that the Communist Party, for example, is a legal party and that a witness before a congressional committee has the right to refuse to answer a question regarding his affiliation. In the first place, the Communist Party is not a political party in the sense in which we use that term toward the Republican or Democratic Party.

During the present special session, the Congress will be asked to approve vast expenditures to establish the economic stability of 16 European nations and halt the rising world-wide tide of communism.

If it is thus recognized as a dangerous threat to the peace and security of Europe and the rest of the world, why should it not be so recognized here at home in America? If, on the other hand, it is the legitimate political philosophy that our misguided so-called liberals claim, why attempt to stem its progress anywhere? Why curb it elsewhere and give it free rein here, to pursue its program of destruction? We are beset by innocent dupes and others not so innocent to abolish the Committee on Un-American Activities—by persons and organizations who proclaim that freedom of speech is imperiled by committee procedures. You know and I know, however, that it is the objective of your committee to preserve that freedom through exposure to Congress of those who seek to destroy it.

Thank God there are Americans practical enough and realistic enough to recognize communism for what it is—a ruthless and terrible scourge that seeks to blot out individual liberty and religion from the face of the earth.

As far back as January 3, 1940, the Special Committee on Un-American Activities characterized the Communist Party of the United States as a "foreign conspiracy masked as a political party."

In a report unanimously approved by the Committee on Un-American Activities on April 1, 1947, it was held that the Communist Party of the United States is "an agent of a foreign power." Voluminous evidence substantiated this report.

Rendering an opinion in the case of Harry Renton Bridges, former Attorney General Francis Biddle said on May 28, 1942:

> The Communist Party of the United States of America, from the time of its inception to the present time, is an organization that writes, circulates, distributes, prints, publishes, and displays printed matter advising, advocating, or teaching the overthrow by force and violence of the Government of the United States.

In the light of this position, it has been the practice of the United States Civil Service Commission for many years to inquire of every applicant for Federal service the following question which appears on its standard Form 57:

> Do you advocate or have you ever advocated or are you now or have you ever been a member of any organization that advocates the overthrow of the Government of the United States by force or violence?

I have never heard that any Member of Congress has ever objected to this question. I have never heard any objection to this routine question from any of the articulate critics of the Committee on Un-American Activities, with the exception of the Communists. I do not understand how there can be any legitimate objection to our committee asking the same or a similar question of its witnesses.

The claim that the question of affiliation with the Screen Writers Guild was an improper question and an invasion of the personal rights or security of the witness was utterly repudiated by Mr. Emmett Lavery, president of the Screen Writers Guild, who answered the question without hesitation.

Numerous other arguments have been presented to defend the refusal of these witnesses to answer questions pertinent to our investigation regarding Communist activities within the motion-picture industry, that our committee is not duly constituted, that our members are not properly representative, that we would next inquire into the witnesses' religion—all of them equally irrelevant. The fact is, as was crystal clear to anyone who observed the behavior of this group, that the Committee on Un-American Activities and the Congress of the United States are confronted here not with conduct evoked by any lack of authority or irregularity of a committee of Congress, but rather with a concerted attempt to vilify and defy an arm of the United States Government in accordance with the present line of the Soviet international radio and press barrage denouncing the United States Government as the tool of imperialistic war mongers. The 10 witnesses were very evidently primed not to answer questions pertinent to a congressional inquiry, but rather to let loose their quota of vindictiveness against their own Government.

All through their brazen performance, it was also clear that the conduct of each of these 10 witnesses was in full accord with standard Communist practice long established, to which all of them obediently conformed. In other words, these men showed a slavish subservience to the instructions of those representing a foreign power and utter and calculated defiance of a committee of the duly elected Congress of the United States. To indicate that the conduct of these witnesses was not the brilliant inspiration of any single individual witness or the result of a remarkable meeting of minds of all of them, I wish to cite the rules of conduct laid down for all Communists by their leading spokesmen.

First, let me refer to a pamphlet entitled "The Bolsheviks on Trial," by S. Tchernomordik, published in 1932 by Workers Library Publishers, official publishing house of the Communist Party of the United States. On page 10, we read:

> As a result of many years' experience during the Czarist regime, the Bolsheviks came to the conclusion that the best policy was to refuse to answer any questions whatever.

You will note that this was the procedure followed by the 10 witnesses under discussion.

Another pamphlet of instructions for Communists before the courts or other investigative bodies is entitled "The Agent Provocateur in the Labor Movement," by Johannes Buchner, published by the Workers Library Publishers, Communist publishers. This pamphlet states specifically:

> But the fundamental principle remains the same: No statements incriminating any comrade * * * not a single fact which could possibly be used directly or indirectly against the party, its organs, or individual members of the organization. No explanations in this respect. Absolute denial even when personally confronted with the persons and despite the evidence given by police spies and agents provocateurs. Whoever infringes, even but a little, these fundamental rules must instantly and mercilessly be ejected from the party. * * * Our tactics in the public proceedings of the law court are not tactics of defense but of attack. Without clinging to legal formalities, the Communist must use the trial as a means of bringing his indictment against the dominant capitalist regime.

The International Labor Defense, described by former Attorney General Francis Biddle as the legal arm of the Communist Party, and more recently merged into the Civil Rights Congress, which is presently defending these contempt cases, long ago published a pamphlet entitled "Under Arrest!" which gives similar instructions on what to do when arrested. The pamphlet advises the following conduct toward the arresting officer, whom it calls "a servant of the boss class":

> Give him no information of any kind whatsoever, either about yourself or your fellow workers, or any organization which you belong to or in which you are interested.

It should be clear even to the purblind that what we are confronted with here is a premeditated and organized attempt to defy the Congress of the United States in accordance with standard practices and instructions laid down by the Communist Party for such occasions. The Congress should answer this defiance with firmness and determination. The offenders should be subjected to the full penalties of the law. In addition, provisions should be made to institute more

drastic penalties for contempt than are now in force as a warning to future offenders. I would suggest that the House make provisions for expediting contempt citations in the future so as not to take disproportionate time of the House of Representatives with matters pertaining to a subversive group which would like nothing better than to tie up our legislative machinery into a hopeless knot.

Mr. Speaker, the committee introduced in evidence at the hearing a photostatic copy of the Communist Party registration card of Albert Maltz, film writer, and 1 of the 10 individuals I have described. The large number of other organizations with which he has been actively associated are listed on pages 371 to 382, inclusive, of the record of the hearings—all of them have been identified by the Committee on Un-American Activities, after careful investigation, as Communist-front organizations.

The witness, Albert Maltz, refused to answer either question, "Are you a member of the Screen Writers Guild?" or "Are you now, or have you ever been, a member of the Communist Party?" propounded by a committee of the House engaged in proper and lawful investigation, and I ask, therefore, on behalf of the Committee on Un-American Activities, a unanimous vote to cite the witness, Albert Maltz, for contempt of Congress.

Mr. THOMAS of New Jersey. Mr. Speaker, I yield 10 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Speaker, there is upon us today a solemn and deliberate responsibility in that we are called upon to vote whether or not we shall support a recommendation presented by a committee of this House. The responsibility is far more grave when one of our committees comes before us on the basis of defending the honor and integrity of this body against what is alleged to be conduct contemptuous of its prerogatives.

Should a committee of this House expect the support of Members of this body when it flies in the face of constitutional guarantees which every American has always considered sacred. Recently the American delegate to the conference of the United Nations, the Honorable Warren Austin, solemnly warned the world against putting "shackles on the mind of man and a gag in his mouth." Should we, in deliberative session, place in fear of punishment a few American citizens who have, either misguidedly or courageously, resisted the imposition of shackles and gags.

The decision which we as Members face may be a painful one, but, as I see it, the course of honor and duty is clear. The alternatives are inescapable. Either we sustain the action, punitive in nature, of one of our committees, of we sustain the principles of our founding fathers who, in the words of the United States Supreme Court, "recognized the occasional tyrannies of governing majorities and amended the Constitution so that free speech and assembly should be guaranteed."

We can support the recommendations of the Committee on Un-American Activities for citations for contempt of Congress, or we can support free speech. We cannot have both. We must have one or the other.

I inquire, Mr. Speaker, by what authority this small committee presumes to recommend citations for contempt of this Congress? We understood that the Committee on Un-American Activities was undertaking to expose subversive influences at work in our Hollywood movie industry. Nearly all Americans would resent and condemn any attempt of movie makers to foist subversive propaganda onto the screen. But Americans do not want any small body of men, however selected, to censor or dictate what should go in and what should be cut out of American movies, except on moral grounds. Americans know that they alone can safely censor American movies; that it is the people themselves who by their attendance or nonattendance can determine that by what they see on the screen. They agree with Benjamin Franklin, who asked, "to whom but the people dare we commit the responsibility for curbing abuses of freedom of speech?"

In creating this committee did Congress intend to give some of its Members the right to inquire into the preferences, the prejudices, the beliefs, and the opinions of certain individual American citizens? The answer is obvious.

The committee summoned before it 19 Hollywood writers, directors, and actors, ostensibly charging them with injecting a dangerous and subversive influence into American movies. But mark this: not a single movie was cited as being subversive or as being Communist propaganda, despite the fact that the movie industry requested time and again to be given a list of such movies. And none of the 19 witnesses has ever been in charge of any movie produced in Hollywood—none has final authority over what goes in or stays out of a moving picture.

What, therefore, could the committee hope to accomplish by an overpublicized, oversensationalized investigation of 19 persons, none of whom is in a decisive position to determine the final product we see on the screen? Certainly 19 employees, out of the 30,000 employed in Hollywood, cannot give the movie industry a red coloration, or a pink coloration, or a green coloration, or any color at all. What then was the committee up to? I cannot escape the conclusion that there is some justification for the charge shared by millions of Americans, that the purpose of the committee was not to destroy an existent subversive threat in Hollywood, but to intimidate and control the movie industry; to secure the production of movies whose Americanism content would be certified by the members of the Committee on Un-American Activities.

If Americanism means anything, it means that no group of persons, however exalted, can dictate what is, or is not, Americanism. In the language of our Supreme Court:

> If there is any fixed star in our constitutional constellation, it is that no official, high or petty, can prescribe what shall be orthodox in politics, nationalism, religion, or other matters of opinion, or force citizens to confess by word or act their faith therein.

What we value and cherish as Americanism has grown out of the labor and creative effort the blood and sweat of all Americans, the humble and the mighty, the forgotten men and the heroes in our hall of fame. The genius of America's unmatched growth and development has been her ability to inspire and release the energy of all her people so that all could contribute to the strength and welfare of the Nation.

The spark of that American genius has always been the right to think as you will, to speak your mind, and to communicate your ideas, through all available means of expression. In the words of Jefferson, "the liberty of speaking and writing guarantees all our other liberties."

Since the committee was unable to show that any specific movie was Communist inspired or dictated, what could it want with the 19 witnesses? The answer is clear. In the words of the committee's counsel (not a lawyer), the witnesses were being charged with communism and the committee was conducting a trial on these charges. Today we are acting in the role of a grand jury. We are being asked, in effect, to sign a true bill.

I question whether any committee of this House is empowered, or can be empowered constitutionally, to try any person, on any charge, other than those involved in the constitutional provisions governing impeachment.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. EBERHARTER. I would be delighted to yield, but I would like to finish this statement first.

Mr. THOMAS of New Jersey. I will yield the gentleman one additional minute if he will yield to me at this point.

Mr. EBERHARTER. I yield to the gentleman.

Mr. THOMAS of New Jersey. The chief investigator of the committee never made any such statement that these witnesses were on trial.

Mr. EBERHARTER. The chief investigator who was questioning the witnesses said, according to information I have received, "You are being charged with being a Communist."

Mr. THOMAS of New Jersey. Exactly. Other witnesses charged these witnesses as being Communists, but you went on to say that the chief investigator said that they were on trial. The word "trial" was never used, and the gentleman knows very well, because he served on the committee, that we have no right to try anybody.

Mr. EBERHARTER. I am glad to hear the gentleman say you have no right to try anybody, but your chief counsel did say, "You are charged with being a Communist." And that is what I based my statement on.

Mr. THOMAS of New Jersey. But the charges were made by other witnesses, and therefore we wanted to give these witnesses a right to defend themselves.

Mr. EBERHARTER. We will let that stand as it is. It is my opinion anyway.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. THOMAS of New Jersey. Mr. Speaker, I yield the gentleman one additional minute.

Mr. EBERHARTER. But if there is to be a trial, by a congressional committee, then certainly it should be an American trial, in the American tradition—not an inquisition, not a proceeding such as this has been. What are the facts?

These witnesses were placed on trial and denied the right of counsel. They were confronted by witnesses who were permitted to smear them with innuendo, suspicion, prejudice, and hearsay three and four times removed, and were not granted the right to cross-examine. Charges made against them carried full legal immunity to those making them; they were given national publicity. Yet the persons charged were not permitted to testify in rebuttal when they wanted to do so. If this was to be a trial, then it should have been armed with the traditional safeguards against the play of passion, and the clamor of the marketplace. It should have followed hallowed rules of evidence. It should have subscribed to the doctrine of probable cause. It should have excluded rumor, gossip, and mean prejudice. It should have made it possible for appeal to another judicial tribunal empowered to remedy any excesses committed in the trial itself.

And grave as were the evils of this so-called trial, they were immeasurably aggravated because the charges trespassed on the realm of freedom of speech and freedom of conscience.

Investigating committees of Congress are a powerful arm of the legislative process. We should not function without them. But we are a constitutional legislature—our rights and duties derive from that fundamental charter which lays down the rules of the game for our democracy. Congressional rights, like all other rights, are a matter of balance—of give and take. It has been aptly said: "Your right to swing your arm ends where the other fellows nose begins—and the right of any congressional committee to investigate ends where the private conscience and freedom of speech guaranteed by the first amendment begins."

Now let us look at the record. The House Committee on Un-American Activities from its very inception, has shown a congenital inability to recognize where the freedoms protected by the first amendment begin. It has branded as un-American everything it dislikes—it has ridiculed those who disagreed with it—it has vilified those who have criticized it—it has stigmatized those who did not conform to it—and on those who have committed the supreme crime of defying it, has loosed its full arsenal of invective and intimidation.

Now I am not naive or unmindful of the risks I am courting by speaking out against this committee. I know that by the devilish guilt-by-association doctrine, I will be lumped with the so-called hostile witnesses under attack by the committee. But, my colleagues, do not be deceived. You know that I am not holding a brief for the views or the activities—and I do not know what those views or activities are—of the persons cited by the committee. You know that I abhor any activity which would subvert the foundations of our democracy; that I cherish our democracy as the pride and hope of freedom-loving peoples everywhere in the world. And it is solely because of that pride, and that allegiance, that I ask this House to turn down the recommendations of this Committee on Un-American Activities.

Are there any nobler chapters in American history than those which record the many glorious instances where Americans rose up to defend the right to speak of those whose views they did not share; those chapters in American history wherein are inscribed the names of John Adams, Alexander Hamilton, General Grant, Charles Evans Hughes, Wendell Willkie?

There may be some in this body who privately agree with my estimate of the excesses committed by this committee, but who are prepared to overlook them in view of the critical international situation. I say to them: They are helping to nibble and chip away at the Constitution, and yet contribute nothing to a solution of the international situation.

It was precisely the kind of excesses we deliberate upon today that the President's Committee on Civil Rights had in mind when it warned against the near hysteria over communism which is wreaking havoc in the field of constitutional safeguards. Charles Evans Hughes said in a historic Supreme Court decision:

> The greater the importance of safeguarding the community * * * the more imperative is the need to preserve inviolate the constitutional rights of free speech.

If we are to avoid hysteria, let us get back to the fundamental verities. The first amendment commands us: "Congress shall make no law * * * abridging the freedom of speech or of the press." A double injunction is thus placed upon the Congress. We are forbidden to cross the boundary line of free speech—thus far and no further may we go. But we are also given a guide and a policy to follow within that boundary—for the first amendment is also a declaration of fundamental national policy in favor of the full and free discussion of public questions.

Wendell Willkie, a great and a revered American, said:

> We should be eternally vigilant against attempts to check the expression of opinions that we loathe; Americans have a genuine passion for liberty and genuine passion for justice.

Was the world untroubled and serene, free from domestic turmoil and foreign danger, when the founding fathers imposed on the first Congress the limitations contained in the Bill of Rights? Of course not. We are infinitely more powerful and secure today than we were in that critical hour in 1789 when the Bill of Rights was adopted. Listen to what the Supreme Court says about the reasons underlying the Bill of Rights.

In the words of Justice Brandeis:

> Those who won our independence by revolution were not cowards. They did not fear political change. They did not exalt order at the cost of liberty. * * * They believed liberty to be the secret of happiness and courage to be the secret of liberty. They believed that freedom to think as you will and to speak as you think are means indispensable to the discovery and spread of political truth; that without free speech and assembly discussion would be futile * * * that the greatest menace to freedom is an inert people; that public discussion is a political duty; and that this should be a fundamental principle of the American Government.

The first amendment prohibits alike laws which would censor publications in advance and laws which would impose subsequent punishment. It is not clear that fear of punishment, whether through imprisonment or through congressional-committee vilification and abuse, results in silencing those who have a constitutional right to speak out—or to remain silent—concerning their private political and social views?

I say Americans must not be silenced. They will not be silenced or intimidated. The policy of the first amendment enjoins us to foster the right of free speech. The specific prohibition of that amendment enjoins us not to infringe it. I say that the first amendment has placed an invincible shield around all Americans—the 10 witnesses now faced with contempt citations no less than any other Americans—that protects them from the kind of intrusion practiced in the so-called Hollywood hearings.

If we remain true to the immortal words of Thomas Jefferson, "I have sworn upon the altar of the living God eternal hostility against every form of tyranny over the mind of man," we must vote down the recommendations of the Committee on Un-American Activities.

Mr. THOMAS of New Jersey. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. SADOWSKI].

Mr. SADOWSKI. Mr. Speaker, I represent a district of the State of Michigan, but I am also a citizen of the great State of Michigan. As a citizen of the State of Michigan, I say that no committee of Congress nor this whole Congress itself has the right or authority to ask any citizen of Michigan what is his politics or what is his religion. We have passed in Michigan a law which provides for a secret ballot not only in the general election but in the primaries. You can vote in both the regular elections and in the primaries, and nobody knows how you voted. Every citizen of the State of Michigan has the right to vote as he pleases with complete protection of the secrecy of his vote, and nobody has the right to ask him what is his politics. We in the State of Michigan cherish that right. It is not a right of the Federal Government to challenge this right of a citizen of Michigan. The Federal Government has only those limited powers which were given to it. The right of citizenship in my State, the right of ballot, the right of free ballot, of a secret ballot, will be preserved, and no Congress and no congressional committee has the right to ask a man from Michigan "What is your politics?" This can be borne out by the other Members of Congress from Michigan. I expect every Member from Michigan will vote as I will against this indictment.

It is well worth remembering that a great newspaper like the Detroit Free

Press, which is a Republican paper, came out and scathingly denounced this committee and its actions, not because it recognizes the Republican or Democratic Party but because it respects the right of our citizens of Michigan.

There is another and a greater law than the laws of Michigan or of the Congress, and that is the law that "Thou shalt not bear false witness against thy neighbor."

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. THOMAS of New Jersey. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker, referring to what the gentleman from Michigan [Mr. SADOWSKI] just said about the impropriety of any action which called upon a citizen to disclose his party allegiance, and, in reply to his references to Michigan, the record will show that, until very recently, everyone desiring to vote at a primary election where candidates were nominated was required to register either as a Republican, a Democrat, or a member of the political party with which he was affiliated. The only exception was where candidates might possibly be named on a ticket by petition and party action.

Other States in the Union have a similar provision. In the judgment of many of us that was a wise provision, and the wisdom of the legislation which in Michigan abolished that requirement was open to grave doubt.

The purpose of legislation of that type was to prevent individuals belonging to one party going into the primary of an opposite party where they might aid in nominating the weaker, or weakest, candidate.

But that is all beside the point insofar as the issue here is involved. The Congress, by the Constitution, is given the duty of providing for the national welfare. It is authorized to legislate, and it is, by the Constitution, given the power to investigate as to the need and the type of legislation which it thinks necessary.

The courts of the land have passed upon the power of Congress to create the committee whose action is here involved. The courts have sustained our action in creating that committee. The courts have approved of the action of this particular committee in making investigations similar to the one it made in this instance. The courts stated that before the Constitution was adopted the legislative bodies then in existence had that power.

The gentleman referred to the Detroit Free Press as a Republican paper. In years gone by that paper did adhere to the principles of the Republican Party. The present publisher—and sometimes editorial writer—John S. Knight, is a very fine citizen, but on occasion editorials not signed by him follow more closely the Drew Pearson, the Daily Worker, the New Republic, philosophy. If the Detroit Free Press wishes—as the gentleman intimated by his reference to a recent editorial—to join the Communist Party, the CIO in their request to abolish the Committee on Un-American Activities, that is its privilege, and it is not for me to question its wisdom. I may only say that, in my judgment, it would be absurd for the Congress, acting through a committee, to fail to uncover those, and the agents of those, who, representing a foreign government, advocate the overthrow of this Government by force.

It would be cowardly for the Congress and its committees to refuse to investigate all charges made by responsible individuals to the effect that organizations or individuals named owe allegiance to or carry on activities in behalf of the Communist Party.

Certainly every patriotic, loyal American citizen should not hesitate when charged with sedition or disloyalty to vigorously and promptly brand his accusers as falsifiers. He should not only be willing, but eager, to lay the facts on the table, brand his accusers as untruthful.

Acknowledging adherence to one's government to be a matter of pride, as should a denial that one is in sympathy with a subversive or traitorous organization, no amount of quibbling, no sophistry, can conceal, cover up, the issue which those here cited for contempt have presented to them. Stripped of words and phraseology the question was—Are you a member of an organization which advocates the overthrow of our Government by force?

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. THOMAS of New Jersey. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Speaker, I voted to cite Gerhardt Eisler and others for contempt because I thought that case was clear-cut, but I shall vote against these contempt citations today as a matthe of principle and conscience. A wave of fear, suspicion, and hysteria sweeps our Nation today.

Fear begets fear, suspicion begets suspicion, and hysteria begets mob action. The result of fear, suspicion, and hysteria is the unwise and un-American denial of civil liberties.

I want to illustrate my point: I hold in my hand a community newspaper published in Montrose, Calif., just a few miles from Los Angeles—the date is November 20, 1947.

On Friday, November 14, a regularly chartered Democratic club was holding its regular monthly meeting. A group of approximately 20 men—some of them carrying guns—entered a private home forcibly and by threat and force intimidated a group of American citizens who happened to be registered Democrats.

Among this group of armed men were many persons wearing veterans' uniforms and others wearing only veteran uniform caps. The commander of the local post, according to this and other newspaper reports, at first denied knowledge of the affair. But as the incident gained national attention, he appeared before the Los Angeles County district attorney and admitted that he was among those present. The commander and several members of his post have since filed with the district attorney statements regarding their participation in this act which calls to mind the "brown shirt" days in Germany.

Now, gentlemen and ladies of the House, I show you the pictures taken by the newspaper photographers of the intruders, wearing a uniform we all respect and admire, a uniform worn with pride, dignity, and honor by thousands of American men and women.

Why did these men disgrace their veteran uniform? We know that they will be chastised and condemned by practically every veteran who hears of the incident. I hasten to give you the ringing statement of the California State commander of this organization, a man I know and admire:

> Newspapers have carried a story to the effect that a number of individuals wearing veteran uniforms attempted to break up a meeting in southern California. Assuming the facts are true, we cannot too strongly consider the action of these individuals. It is contrary to the spirit and principles of our organization. The rights of free speech and assembly are part of our cherished Bill of Rights, and we should be the first to insist on these rights. Should there be an unlawful meeting, it should be reported to the duly constituted civil authorities for their action.

As a Californian and an American, I applaud the statement of our State commander. We, too, deplore and condemn the outrageous incident, but our responsibility as Members of Congress goes further than regret, because our action today adds to or subtracts from the fear psychology that causes such hysterical and deplorable incidents.

What caused this encroachment of the civil liberties of law-abiding American citizens?

Are we on the verge of storm trooper incidents throughout America?

It was a Democratic club in Montrose, Calif., November 14, 10 days ago—it may be a Catholic group, or a Jewish group, or a Republican group, or a Negro group, or a labor group, next time. Let us fight against hysteria, the mother of mob action, fear the father of panic, suspicion of your neighbor, that causes division.

Gentlemen of the House, these are the three horsemen that form the advance guard of dictatorship.

Mr. Speaker, on May 18, 1943, this House had under consideration an amendment to the urgent deficiency bill, which prohibited the payment of salaries to three Federal employees whose names were Watson, Lovett, and Dodd. Congressman Martin Dies, who was then chairman of the Committee on Un-American Activities, charged these men with being Communists.

After extended debate and a special investigating committee's report, the House passed the amendment which was later condemned by the Supreme Court in *U. S.* v. *Lovett* (328 U. S. 303, 1946), as a bill of attainder. On that vote, the RECORD of that date shows 318 yeas and 62 nays. I am proud to say that my name is recorded among the 62. Being part of the majority vote is no guarantee of either constitutionality or equity.

I have never met the three men who were legislated against on May 18, and I had no personal interest in them or their mental opinions. I have never met the 10 persons named in these contempt citations, nor do I know whether

they are Democrats, Socialists, Communists, Republicans, Jews, Gentiles, Catholics, or Protestants. With me this is an issue beyond the consideration of specific persons. If any of my friends, think that the vote on this question involves the endorsement of the philosophies, whatever they may be, of the 10 witnesses, let me disabuse their minds of this thought. I hold no brief for the Communist philosophy. I believe every reform necessary can be obtained through the constitutional processes of our democratic type of government. But I refuse to be sidetracked by the hysterical red-baiting, witch-hunting wave which sweeps our country after every great war. The alien and sedition laws were passed after the Revolutionary War and later repealed during Thomas Jefferson's administration. The Mitchel Palmer raids occurred after World War I. Seventy-six pieces of loyalty legislation were introduced during this hysterical period. None of them became law. So again we see the wave, the same wave of hysteria, sweeping over America. Are we going to present the ridiculous picture of 140,000,000 people cowering in fear before the threat of communism? Have we so little faith in the principles of democracy? Fear and suspicion is being fomented and directed against every person or group whose philosophy seems to be to the left of the accuser. Where is this to end?

If we are to sit in judgment as to the loyalty of every man or group whose opinions we oppose, who will be next?

Are we to measure others with a loyalty yardstick which is elastic and variable? And, if so, who will be the one who measures, and who will write down the measurements?

My friends, we are treading on dangerous ground. We are wading into a quicksand which will engulf our liberties. We are invading the field of thought, of opinion, of political conviction. Let us get back to the stability of clearly-defined laws. Let us get back to open accusation of criminal, conspiratorial, and treasonable acts. Let us get back to proper investigations by the Federal Bureau of Investigation, where the accused is guaranteed protection before the regular courts of the land.

We can stem the tide of hysteria now. Tomorrow may be too late.

The issue is much larger than these contempt citations. If they are upheld, the 10 witnesses may be fined or imprisoned for a few months, in such an event, we make martyrs of them.

The issue is whether we believe in the basic principles of a Government by law, or whether we turn in the cowering fear of the moment, under the pressure of hysteria, to the variable judgment of scared men.

Mr. THOMAS of New Jersey. Mr. Speaker, I yield 4 minutes to the gentleman from Florida [Mr. PETERSON].

Mr. PETERSON. Mr. Speaker, the real issue in this case is whether we are going to allow witnesses to appear and definitely defy a committee of Congress when it is operating within its power under the statutes of the United States and under the rules of this House. There have been read to you in detail the questions and answers—that is, the evasions rather than the answers. If you will analyze the report, you will see that every effort to get a direct answer from this witness resulted in evasion. The only thing he actually answered was the name. When the question arose as to whether the statement would be read, immediately the witness, instead of trying to answer, started to question the chairman of this committee. In court a judge would not allow this to go on for 2 minutes. We find this language, for example, by the witness: "I gather that you don't want to answer my question, Mr. Chairman." That was the witness talking to the chairman. Then, in reply to the question, "What is your occupation?" the witness answered, "I am a writer." He was then asked, "Are you employed in the motion-picture industry?" He answered, "I work in various fields of writing and I have sometimes accepted employment in the motion-picture industry." He was asked, "Are you a member of the Screen Writers Guild?" He answered, "Next you are going to ask me what religious group I belong to." The chairman then said, "No, no; we are not." The witness then answered, "And any such question as that is an obvious attempt to invade my rights under the Constitution."

All the way through that was the attitude of the witness. Now, of course, you are familiar with the rules of the House, and you know the mandate that was given by the House in authorizing not only a legislative committee, but an investigative committee, and the Committee on Un-American Activities is authorized, and I read from the rule:

> As a whole or by subcommittee is authorized to make from time to time investigations of the extent, character, and objects of un-American propaganda activities in the United States.

Now, on the question of whether to answer or not, the question has been raised under the Constitution whether he has the right to refuse to answer and it only applies in criminal cases where it would incriminate him. The article of the Constitution which has to do with the question of compelling him to incriminate himself uses these words:

> Nor shall he be compelled in any criminal case to be a witness against himself.

That is with reference to criminal cases, and the courts in several decisions have pointed out that that is not the situation here. This question was up in the cases of United States against Burr and Austin against Mason.

Mr. JOHNSON of California. Mr. Speaker, will the gentleman yield?

Mr. PETERSON. I yield to the gentleman from California.

Mr. JOHNSON of California. Is it not a fact that every issue that these people raise against this citation can be taken up in the district court, and they can get a judicial interpretation of it?

Mr. PETERSON. That is right. This citation will go before a Federal grand jury. A Federal grand jury has to investigate, and then he has the right to raise legal question on the criminal trial. Then again, he has to be tried before a petit jury, and the judge will charge the jury as to the law. The issue here is whether he refused to answer the question in this particular case.

In the case of Mason against United States the court held that the fifth amendment did not relieve the witness from answering merely on his own declaration or judgment that to answer the question might incriminate him. As was just pointed out by my colleague, the gentleman from California, that question can be raised on the trial.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. PETERSON. I yield to the gentleman from New York.

Mr. MARCANTONIO. Is not the question here whether or not the committee had the right to ask the two questions that these witnesses refused to answer?

Mr. PETERSON. I think clearly the decisions of the court are that they have a right to ask those particular questions. The questions were whether he was a member of the Screen Writers Guild and whether he was a Communist. As far as I know, neither one of those memberships is actually criminal in itself.

Mr. THOMAS of New Jersey. Mr. Speaker, I yield the remainder of the time to the gentleman from Pennsylvania [Mr. McDOWELL].

Mr. McDOWELL. Mr. Speaker, at the very outset, may I state that the matter now before the House of Representatives differs from the vast majority of the measures that are considered on this floor, in that there is not the slightest bit of partisan politics to be considered here. The Membership of this House is comprised of 435 Representatives of the people of the United States. Each Member, before he is seated here, and before he is permitted to take part in the deliberations that are a part of the House of Representatives, is sworn to a very simple and a very historic oath. The meat of the oath that he takes is that he will protect, preserve, and defend the Constitution of the United States. Therefore, I should anticipate that every Member on this floor will agree, by the time these matters have finally been presented to you, that this is entirely a matter of protecting, preserving, and defending the Constitution of the United States, the Government of the United States, and the people of the United States.

The remarks made here by the gentleman from New Jersey, chairman of the committee, and the gentleman from Illinois, told you of the reason for the Committee on Un-American Activities investigating alleged Communist infiltration into the motion-picture industry.

We are now considering the case of a congressional witness—Albert Maltz, of 6525 Lindenhurst Avenue, Los Angeles, Calif.—a native-born American citizen, whom your committee holds to be in contempt of the Congress of the United States for refusing to answer proper questions that were designed to carry out the duties of the Committee on Un-American Activities, and to report to this House the action of subversives and subversive elements in the United States.

There has been much screaming and shouting that the committee violated every precedent of a congressional committee, in that the rights of the citizens and witnesses subpenaed before it were disregarded and that the committee acted totally as a law of itself.

During the hearings in the House Office Building some weeks ago, aside from those members of the Committee on Un-American Activities, who were present, various Members of this House, both Republicans and Democrats, sat on the bench and observed the proceedings. To my knowledge, not one of those Members of this House has stated that there was any difference in this hearing than in any other congressional hearing.

May I say a few words about contempt of Congress?

It was Thomas Jefferson, the great Virginia lawyer, and heaven knows a constitutional expert if there ever has been one—as he wrote part of the amendments of it—who said that a legislative body without the right of privilege, investigating power, requiring witnesses to testify and to produce papers, obviously could not function in behalf of the people.

Committees of Congress have been investigating matters and have examined witnesses since the First Congress sat in Philadelphia in 1776. Down through the years precedents have been created; court cases and court opinions have established the right of the Congress of the United States to examine into any matter these bodies consider may imperil the Constitution and the Government of the United States.

Many days and weeks and hours were spent in an examination into the precedents of this House and the other body; the precedents of Dr. Asher C. Hinds and the precedents of our brilliant and accomplished colleague, the Honorable CLARENCE CANNON, prior to the beginning of the hearings on the infiltration of Communists into the movie industry.

Therefore, the Committee on Un-American Activities, throughout the entire length of the hearings carefully followed the precedents that have been established by the Congress; extending every courtesy to every witness, short of insult and contempt, and, in general, conducted itself as a committee of Congress should in the pursuance of public business—and with all the decorum and the dignity that is and should be a part of this House.

The ten witnesses who are to be presented to this House are all known to be veteran members of the Communist Party, which, the committee holds, as does most of you, to be not a political party, not a political ideology, nor a political philosophy, but an international political conspiracy, directed by an iron and militant hand in the capital of Soviet Russia—Moscow.

The case of Albert Maltz hardly differs in any respect from the cases of the other nine, also held to be in contempt. These men followed what apparently was a very close pattern. They were all on the witness stand but a very short time, and, in every case, the same questions were asked. In every case, save one, the same result occurred.

In establishing the working connections of these men, it was thought wise and prudent to ask each if he were a member of the Screen Writers Guild. It is no disgrace at all to be a member of the Screen Writers Guild, as there are, I believe, some thousand or twelve hundred members belonging to this union of manuscript writers, a great majority of whom are fine, loyal, patriotic American citizens, and for whom this committee has no concern.

Mr. Speaker, I do not believe there is a person entitled to sit on this floor as a Representative of the American people who does not actually feel that a Communist, either a member of that organization or a follower of communism, is not a sworn or avowed agent of a foreign power, and, God knows—not a very friendly power at this moment.

Mr. Speaker, believing that most Americans, most Congressmen, most newspapermen, most politicians of the Democratic and the Republican Parties, the President of the United States, our distinguished Secretary of State, and countless others, feel that the enslaved Communists of this Nation are political puppets in the hands of a foreign power, as they are in France and Italy and everywhere else. Therefore, Mr. Speaker, and ladies and gentlemen of the House, I present to you the case of Albert Maltz, a Communist, who refused to answer a legal and a constitutional question propounded by the Committee on Un-American Activities in the lawful search for subversive activities in this Nation.

He did not say "No, I will not answer."

He said, "I will answer" and then he ducked and squirmed, screamed, and equivocated, and hurled accusations and asked himself imaginary questions until he was forced from the stand.

Albert Maltz is a card carrying Communist—a dues-paying member.

Look here—here are 15 closely written pages connecting him 58 different times and occasions with known communistic activities in the United States.

Albert Maltz was asked "Are you a member of the Screen Writers Guild?"

He answered: "Next you will ask my religion," and from there he built up a case on the imaginary question he asked himself—that was what most of these people did.

The Committee on Un-American Activities has no interest and no business in anybody's religion, background, race, creed, color, and the committee had not the slightest interest in the religion of Maltz—such a question was never though of—nor propounded. The committee did, however, have some interest in Mr. Maltz himself.

Next, he was asked, by Robert Stripling chief investigator of the committee, "Mr. Maltz, are you now or have you ever been a member of the Communist Party?"

Maltz again replied, "Next you are going to ask what my religious beliefs are."

There you have it. There it is. Maltz screamed and he yelled and he finally was forced from the witness stand without answering the question. And, that, your committee insists is contempt of the United States Congress.

Maltz is by no means a minor figure in Hollywood, or in the Communist Party. Maltz is a brilliant, colorful writer. Maltz, believe it or not, is away above the $100,000-a-year-income bracket.

The citation of Albert Maltz was called here first because this man was the most arrogant, the most contemptible, the most bitter of all of these people who do not believe in their own country.

Albert Maltz, whose fertile brain has produced many plays and many motion pictures, some years ago, wrote a casual article to the effect that a Communist writer could write what he chose—without being bound by the political aura of the Communist Party.

Well, the Communist leadership in this country fell on this man like a ton of bricks. He hurried to recant, to apologize, to crawl and finally stooped so low as to berate those who had agreed with his first article—an act of degradation, at the demand of the Communist leadership, that shamed him in front of every honest writer in the world.

Here you are.

Here is a typical Communist intellectual, burning with a bitter hatred of the country he was born in, its Government, its officials, and its people. Here is a man whose gifted pen has for years dripped with the scorn and the hatred of the Congress of the United States—who refused to answer the direct and simple question this committee put to him.

When Albert Maltz was asked again if he was a Communist, by Robert Stripling, he replied, "I have answered that question Mr. Quisling, I am sorry—I want you to know."

And there the examination of Albert Maltz abruptly ended as I objected to this and the Committee sustained the objection.

This Maltz addressed Robert Stripling as Mr. Quisling, a world-wide synonym for traitor. Bob Stripling, who has stood for years against the things Albert Maltz is trying to turn our Nation into—who served honorably and with distinction in the armed forces of this Republic.

Sometimes, Mr. Speaker, one wonders if public service and love of country, with all of its great magnitude, is sufficient pull to retain a membership or employment on this difficult Congressional assignment.

Maltz, and the other nine, followed an almost exact pattern, according to their various talents. On the question, "Are you a member of the Communist Party" they responded exactly the same.

This, to my way of thinking is not only contempt of Congress, but the 10 are guilty of an even greater crime—conspiracy to commit contempt of Congress.

May I say here, that neither the Communist Party, nor the Soviet Union has ever licked anybody by force of arms. They have been successful only by deceit, plotting, conspiracy, discipline, and the use of the love of freedom of people all over the globe as a means to deny and remove that freedom from them.

Let me call the roster of countries that have fallen, not by force of arms but by

conspiracy, by plotting, by a tiny, highly disciplined minority who hate any authority but their own, any government but their own, any discipline but their own, any achievements but their own—Russia—first of all Russia, with a tiny handful of Communists and a gigantic police state of abject, half-starved slaves; Poland, Rumania, Hungary, Albania, Yugoslavia, Latvia, Finland, Lithuania, and eastern Germany—all victims of political assassination, and these ruthless people are aiming at us—our institutions, our Government.

Mr. Speaker and Members of the House, Albert Maltz is a colonel in the conspiratorial, political army of Soviet Russia, and he should wear the medals that are given a comrade whose efforts to tear down, to ridicule, to smear, to disgrace, and his chief object of attacks is now and always has been the United States Congress.

Mr. Speaker, in closing may I say one more thing. There is no question here of a studied, designed contempt of the United States Congress, chiefly because the punishment for contempt is a light fine, a misdemeanor that any of these rich 10 people can pay at any time. These 10 men banded together and hired 6 lawyers to help them and guide them and direct them when they appeared before the Committee on un-American Activities. Now, let me indicate to you the kind of a mind that was directing the appearance of these men before the congressional committee.

Robert Kenny, former attorney general of the State of California, was the chief counsel. Mr. Kenny is regarded by the Russian newspaper Pravda as being 1 of the 10 best friends of the Russians in the United States. Let me show you what type of mind Mr. Kenny has, and, incidentally, to show the other 47 States why the thousands of good Democrats in California could not stomach their Democratic nominee for Governor last year. Mr. Kenny returned to California, after his work here, said at a meeting on Sunday, November 9, to the cheering fellow-traveling audience that he faced:

I have just returned from a trip from our congressional sewer, from Washington, the seat of our government. I see—

He continued—

you have shared my puzzlement as to why they call it the seat. We know now, why they call it that.

This, Mr. Speaker, is the type of thing your committee faced.

Speak of Vishinsky and Molotov, and the vicious, inflammatory remarks they make almost daily, regarding the people of the United States and their Government and their Congress. Let me quote you from an American Vishinsky, the Honorable O. John Rogge, one time special assistant to the Attorney General of the United States, who appeared at the same hour and on the same platform with Kenny. Rogge, who almost hourly announces himself as a liberal, had this to say about the Congress of the United States: "Ignore their subpenas, refuse to testify, battle them up to the Supreme Court." Mr. Speaker, the Committee on Un-American Activities maintains that Albert Maltz was and is in contempt of Congress of the United States.

Mr. THOMAS of New Jersey. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

Mr. THOMAS of New Jersey. Mr. Speaker, upon that I demand the yeas and nays.

Mr. MARCANTONIO. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 347, nays 17, answered "present" 1, not voting 67, as follows:

[Roll No. 138]

YEAS—347

Abernethy	Dawson, Utah	Jenkins, Ohio
Albert	Deane	Jenkins, Pa.
Allen, Calif.	Delaney	Jennings
Allen, Ill.	Devitt	Jensen
Allen, La.	D'Ewart	Johnson, Calif.
Almond	Dingell	Johnson, Ill.
Andersen, H Carl	Dirksen	Johnson, Ind.
Anderson, Calif	Dolliver	Johnson, Okla.
Andrews, Ala.	Domengeaux	Johnson, Tex.
Andrews, N. Y.	Dondero	Jones, Ala.
Angell	Donohue	Jones, Wash.
Arends	Doughton	Jonkman
Arnold	Durham	Kean
Auchincloss	Eaton	Kearney
Banta	Ellis	Kearns
Barden	Ellsworth	Keating
Barrett	Engel, Mich.	Keefe
Bates, Mass.	Engle, Calif.	Kelley
Battle	Evins	Kennedy
Beckworth	Fallon	Kerr
Bell	Feighan	Kilday
Bender	Fellows	King
Bennett, Mich.	Fenton	Knutson
Bennett, Mo.	Fernandez	Lane
Bishop	Fisher	Lanham
Blackney	Flannagan	Larcade
Bland	Fletcher	Latham
Boggs, Del.	Fogarty	Lea
Boggs, La.	Foote	LeCompte
Bolton	Forand	LeFevre
Bonner	Fuller	Lemke
Boykin	Fulton	Lesinski
Bradley	Gamble	Lichtenwalter
Bramblett	Garmatz	Lodge
Brooks	Gathings	Love
Brophy	Gavin	Lucas
Brown, Ga.	Gearhart	Lusk
Brown, Ohio	Gillette	Lyle
Bryson	Goff	McConnell
Buck	Goodwin	McCormack
Buckley	Gordon	McCowen
Buffett	Gore	McDonough
Burke	Gossett	McDowell
Burleson	Graham	McGarvey
Byrnes, Wis.	Granger	McGregor
Camp	Grant, Ala.	McMahon
Canfield	Grant, Ind.	McMillan, S. C.
Cannon	Gregory	McMillen, Ill.
Carson	Griffiths	Mack
Case, N. J.	Gross	MacKinnon
Case, S. Dak.	Gwinn, N. Y.	Macy
Chadwick	Gwynne, Iowa	Madden
Chapman	Hagen	Mahon
Chelf	Hale	Maloney
Chenoweth	Hall, Edwin Arthur	Manasco
Chiperfield	Hall, Leonard W.	Mansfield
Church	Halleck	Martin, Iowa
Clason	Hardy	Mason
Clevenger	Harless, Ariz.	Mathews
Clippinger	Harness, Ind.	Meade, Ky.
Coffin	Harris	Meade, Md.
Cole, Kans.	Harrison	Merrow
Cole, Mo.	Hart	Meyer
Cole, N. Y.	Hartley	Michener
Colmer	Harvey	Miller, Calif.
Combs	Hays	Miller, Conn.
Corbett	Hébert	Miller, Nebr.
Cotton	Hedrick	Mills
Coudert	Herter	Monroney
Courtney	Heselton	Morris
Cox	Hill	Morton
Cravens	Hoeven	Muhlenberg
Crawford	Hoffman	Multer
Crosser	Holmes	Mundt
Crow	Horan	Murdock
Cunningham	Hull	Murray, Tenn.
Curtis	Jackson, Calif.	Murray, Wis.
Dague	Jackson, Wash.	Nixon
Davis, Ga.	Jarman	Nodar
Davis, Tenn.	Jenison	Norblad
Davis, Wis.		Norrell
		O'Hara
O'Konski	Rogers, Fla.	Stockman
Pace	Rogers, Mass.	Sundstrom
Passman	Rohrbough	Taber
Patman	Rooney	Talle
Patterson	Ross	Thomas, N. J.
Peden	Russell	Thompson
Peterson	Sadlak	Tibbott
Philbin	St. George	Tollefson
Phillips, Calif.	Sanborn	Towe
Phillips, Tenn.	Sarbacher	Trimble
Pickett	Sasscer	Twyman
Ploeser	Schwabe, Mo.	Vail
Plumley	Schwabe, Okla.	Van Zandt
Poage	Scoblick	Vinson
Potter	Scott, Hardie	Vorys
Poulson	Scott, Hugh D., Jr.	Vursell
Preston	Seely-Brown	Wadsworth
Price, Fla.	Shafer	Walter
Price, Ill.	Sheppard	Weichel
Priest	Short	Welch
Ramey	Simpson, Ill.	West
Rankin	Smathers	Wheeler
Rayburn	Smith, Kans.	Whitten
Redden	Smith, Maine	Whittington
Rees	Smith, Ohio	Wigglesworth
Reeves	Smith, Va.	Williams
Regan	Smith, Wis.	Wilson, Ind.
Rich	Snyder	Wilson, Tex.
Richards	Somers	Winstead
Riehlman	Spence	Wolverton
Riley	Stanley	Wood
Rizley	Stefan	Woodruff
Robertson	Stevenson	Worley
Robsion	Stigler	Youngblood
Rockwell		Zimmerman

NAYS—17

Bakewell	Eberharter	Marcantonio
Blatnik	Havenner	Morgan
Bloom	Holifield	Pfeifer
Carroll	Huber	Powell
Celler	Karsten, Mo.	Sadowski
Douglas	Klein	

ANSWERED "PRESENT"—1

Rabin

NOT VOTING—67

Andresen, August H.	Gillie	McCulloch
Bates, Ky.	Gorski	Miller, Md.
Beall	Hand	Mitchell
Brehm	Heffernan	Morrison
Buchanan	Hendricks	Norton
Bulwinkle	Hess	O'Brien
Busbey	Hinshaw	O'Toole
Butler	Hobbs	Owens
Byrne, N. Y.	Hope	Potts
Clark	Javits	Rains
Clements	Jones, N. C.	Reed, Ill.
Cooley	Judd	Reed, N. Y.
Cooper	Kee	Rivers
Dawson, Ill.	Kefauver	Sabath
Dorn	Keogh	Scrivner
Drewry	Kersten, Wis.	Sikes
Elliott	Kilburn	Simpson, Pa.
Elsaesser	Kirwan	Stratton
Elston	Kunkel	Taylor
Folger	Landis	Teague
Gallagher	Lewis	Thomas, Tex.
Gary	Ludlow	Wolcott
	Lynch	

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Lynch for, with Mr. Rabin against.

General pairs until further notice:

Mr. Kilburn with Mr. Keogh.

Mr. Landis with Mr. Dorn.

Mr. Judd with Mr. Rains.

Mr. Simpson of Pennsylvania with Mr. Sikes.

Mr. McCulloch with Mr. Gorski.

Mr. Elston with Mr. Heffernan.

Mr. Brehm with Mrs. Norton.

Mr. Butler with Mr. O'Brien.

Mr. Busbey with Mr. Rivers.

Mr. Mitchell with Mr. Gary.

Mr. Elsaesser with Mr. Dawson of Illinois.

Mr. Wolcott with Mr. Buchanan.

Mr. Reed of New York with Mr. Elliott.

Mr. Hand with Mr. Morrison.

Mr. August H. Andresen with Mr. O'Toole.

Mr. Beall with Mr. Teague.

Mr. Gallagher with Mr. Kirwan.

Mr. Miller of Maryland with Mr. Kefauver.

Mr. Taylor with Mr. Thomas of Texas.

Mr. Gillie with Mr. Cooley.

Mr. Scrivner with Mr. Folger.

Mr. Hess with Mr. Jones of North Carolina.
Mr. Reed of Illinois with Mr. Cooper.
Mr. Hope with Mr Bates of Kentucky.
Mr Stratton with Mr. Drewry.
Mr. Owens with Mr. Hendricks.
Mr. Kunkel with Mr. Clark.
Mr. Lewis with Mr. Hobbs.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. KNUTSON asked and was given permission to extend his remarks in the RECORD in two instances.

PERSONAL ANNOUNCEMENT

Mrs. NORTON. Mr. Speaker, I was in the Chamber during the consideration of the resolution just agreed to, but did not happen to be here when my name was called and therefore did not have an opportunity to vote. If I could have voted, I would have voted "no."

EXTENSION OF REMARKS

Mr. CLASON asked and was given permission to extend his remarks in the RECORD on the shortage of fuel oil in Massachusetts.

PROCEEDINGS AGAINST DALTON TRUMBO

Mr. THOMAS of New Jersey. Mr. Speaker, I present a privileged report (H. Rept. 1129) which I send to the Clerk's desk.

The SPEAKER. The Clerk will read the report.

The Clerk read as follows:

The Committee on Un-American Activities as created and authorized by the House of Representatives through the enactment of Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress, caused to be issued a subpena to Dalton Trumbo, 329 South Rodeo Drive, Beverly Hills, Calif. The said subpena directed Dalton Trumbo to be and appear before said Committee on Un-American Activities on October 23, 1947, at the hour of 10:30 a. m., and then and there to testify touching matters of inquiry committed to said committee. The subpena served upon Dalton Trumbo is set forth in words and figures as follows:

"By authority of the House of Representatives of the Congress of the United States of America, to Robert E. Clark, United States Marshal: You are hereby commanded to summon Dalton Trumbo to be and appear before the Un-American Activities Committee of the House of Representatives of the United States, of which the Hon. J. Parnell Thomas of New Jersey is chairman, in their chamber in the city of Washington, on October 23, 1947, at the hour of 10:30 a. m., then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said committee. Herein fail not, and make return of the summons.

"Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 18th day of September 1947.

"J. PARNELL THOMAS, *Chairman.*

"Attest:

"JOHN ANDREWS, *Clerk.*"

The said subpena was duly served, as appears by the return made thereon by David E. Hayden, deputy, who was duly authorized to serve the said subpena. The return of the service by the said David E. Hayden, being endorsed thereon, is set forth in words and figures as follows:

"Subpena for Dalton Trumbo before the Committee on Un-American Activities; served September 19, 1947, Robert E. Clark, U. S. Marshal, by David E. Hayden, Deputy."

On October 13, 1947, a telegram was sent to Mr. Dalton Trumbo, which is set forth herein in words and figures as follows:

WASHINGTON, D. C. *October 13, 1947.*

DALTON TRUMBO,
In care of Metro-Goldwyn-Mayer,
Culver City, Calif.:

In response to the subpena served upon you summoning you to appear before the Committee on Un-American Activities, United States House of Representatives, in Washington, D. C., on October 23, you are hereby directed to appear on October 27 instead of October 23, at the hour of 10:30 a. m., Room 226, Old House Office Building.

J. PARNELL THOMAS, *Chairman.*

Official:
Room 226.

The said Dalton Trumbo, pursuant to said subpena and in compliance therewith, appeared before the said committee to give such testimony as required under and by virtue of Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress. The said Dalton Trumbo, having appeared as a witness and having been asked questions namely, "Are you a member of the Screen Writers Guild?" and "Are you now, or have you ever been, a member of the Communist Party?", which questions were pertinent to the subject under inquiry, refused to answer such questions; and as a result of the said Dalton Trumbo's refusal to answer the aforesaid questions your committee was prevented from receiving testimony and information concerning a matter committed to said committee in accordance with the terms of the subpena served upon the said Dalton Trumbo. The record of the proceedings before the committee on Tuesday, October 28, 1947, during which the said Dalton Trumbo refused to answer the aforesaid questions pertinent to the subject under inquiry, is set forth in fact as follows:

"(The committee met on Tuesday, October 28, 1947, at 10:30 a. m., Hon. J. Parnell Thomas (chairman) presiding.)

"The CHAIRMAN. The meeting will come to order. The record will show that a subcommittee is sitting and those present are Mr. MCDOWELL, Mr. VAIL, and Mr. THOMAS.

"Mr. STRIPLING. The first witness.

* * * * *

"Mr. STRIPLING. The first witness, Mr. Chairman will be Mr. Dalton Trumbo.

"The CHAIRMAN. Mr. Trumbo, take the stand. Raise your right hand, please. Mr. Trumbo, do you solemnly swear that the testimony you are about to give is the truth, the whole truth, nothing but the truth, so help you God?

"Mr. TRUMBO. I do.

"The CHAIRMAN. Sit down, please.

"Mr. TRUMBO. Mr. Chairman, I have a statement I should like to read into the record, if you please——

"Mr. STRIPLING. Mr. Trumbo, just a moment, please. We want to conduct the hearing as orderly as possible, and I am sure you desire to cooperate.

"Mr. TRUMBO. I do, indeed.

"Mr. STRIPLING. You have counsel with you?

"Mr. TRUMBO. I have.

"Mr. STRIPLING. And would you identify your counsel?

"Mr. TRUMBO. Mr. Bartley Crum and Mr. Robert Kenny. May I request of the Chair the opportunity to read a statement into the record?

"The CHAIRMAN. Yes. May we see your statement?

"Mr. TRUMBO. Yes.

"The CHAIRMAN. To determine whether it is pertinent to the inquiry.

"(The committee then inspected the statement of the witness.)

"The CHAIRMAN. Mr. Trumbo, we have looked over this statement very carefully. It has been our practice to permit witnesses to read statements that are pertinent to the inquiry; that is, the alleged infiltration of communism in the moving-picture industry. We have read your statement here. We have concluded, and unanimously so, that this statement is not pertinent to the inquiry. Therefore, the Chair will rule that the statement will not be read.

"Mr. TRUMBO. The Chair has considered a statement from Gerald L. K. Smith to be pertinent to its inquiries.

"The CHAIRMAN. That statement is out of order.

"Mr. TRUMBO (continuing). And where is mine different from that, sir?

"The CHAIRMAN. As a witness, if you conduct yourself like the first witness yesterday, you won't be given the privilege of being a witness before a committee of Congress, before this committee of Congress.

"Go ahead, Mr. Stripling.

"Mr. STRIPLING. Mr. Trumbo——

"Mr. TRUMBO. I would like to know what it is that is in my statement that this committee fears to be read to the American people?

"The CHAIRMAN. Go ahead, Mr. Stripling, ask a question——

"Mr. TRUMBO. I have some evidence to introduce——

"The CHAIRMAN (pounding gavel). Ask one question, Mr. Stripling——

"Mr. TRUMBO. I should like to introduce evidence——

"The CHAIRMAN (pounding gavel). You are out of order.

"Mr. STRIPLING. State your name, please.

"Mr. TRUMBO. Dalton Trumbo.

"Mr. STRIPLING. What is your present address?

"Mr. TRUMBO. 329 South Rodeo Drive, Beverly Hills, Calif.

"Mr. STRIPLING. When and where were you born, sir?

"Mr. TRUMBO. I was born in Montrose, Colo., on December 9, 1905.

"Mr. STRIPLING. What is your occupation?

"Mr. TRUMBO. My occupation is that of a writer.

"Mr. STRIPLING. How long have you been in the motion-picture industry as a writer?

"Mr. TRUMBO. I believe since 1934 or '35.

"Mr. STRIPLING. Are you a member of the Screen Writers Guild?

"Mr. TRUMBO. At this point, sir, I should like to introduce certain evidence bearing upon this case——

"Mr. STRIPLING. Mr. Chairman——

"Mr. TRUMBO. I——

"Mr. STRIPLING. Just a moment, please——

"Mr. TRUMBO. I should like to introduce statements——

"The CHAIRMAN (pounding gavel). Just a minute——

"Mr. TRUMBO. About my work——

"The CHAIRMAN. What was the question——

"Mr. TRUMBO. From General Arnold of the Army Air Forces——

"The CHAIRMAN (pounding gavel). Now, just a minute——

"Mr. TRUMBO. From a municipal judge——

"The CHAIRMAN (pounding gavel). Just a minute. The Chair wants to find out what the question was and to see whether your answer is pertinent to the question. What was the question?

"Mr. STRIPLING. Mr. Trumbo, I shall ask various questions, all of which can be answered 'Yes' or 'No.' If you want to give an explanation after you have made that answer, I feel that the committee will agree to that.

"However, in order to conduct this hearing in an orderly fashion, it is necessary that you be responsive to the question, without making a speech in response to each question.

"Mr. TRUMBO. I understand, Mr. Stripling. However, your job is to ask questions and mine is to answer them. I shall answer 'Yes'

or 'No' if I please to answer. I shall answer in my own words. Very many questions can be answered 'Yes' or No' only by a moron or a slave.

"The CHAIRMAN. The Chair agrees with your point, that you need not answer the questions 'Yes' or 'No'——

"Mr. TRUMBO. Thank you, sir.

"The CHAIRMAN. But you should answer the questions.

"Mr. TRUMBO. Thank you, sir.

"The CHAIRMAN. Go ahead, Mr. Stripling.

"Mr. TRUMBO. May I, if the Chair please—I am not going to make a speech. I simply have evidence from responsible people as to the nature of my work. I have 20 scripts which I propose and wish to introduce into the record so that it may be known what my work is, and what this committee may seek to prevent the American people from seeing in the future

"Mr. STRIPLING. Mr. Chairman——

"The CHAIRMAN. Now, don't make a statement like that. That is not correct. May I ask how long one of these scripts may be?

"Mr. TRUMBO. I am sorry to say that they average from 115 to 160 or 170 pages, with very few of them of the latter type.

"The CHAIRMAN. And how many do you want to put in the record?

"Mr. TRUMBO. I have 20. They are not quite all that I have written.

"The CHAIRMAN. I think the Chair will have to rule——

"Mr. TRUMBO. But, sir——

"The CHAIRMAN. They are too long——

"Mr TRUMBO. My work has been under attack.

"The CHAIRMAN. Too many pages.

"Mr. TRUMBO. Then may I introduce into evidence statements of responsible people concerning my work?

"The CHAIRMAN. All right, you let the investigator ask his questions, and then you answer them the best you can.

"Mr. STRIPLING. I will be glad to cover all of your works, Mr. Trumbo.

"Mr. TRUMBO. I realize that, but yesterday a man's work was covered after he left the stand. I should like to discuss my work now.

"Mr. STRIPLING. Well, Mr. Trumbo, I will repeat the question: Are you a member of the Screen Writers Guild?

"Mr. TRUMBO. I shall answer that question in just a moment. I want only to protest the fact that I have been denied the right to introduce evidence, to introduce statements of General Arnold, of juvenile court judges, of the head of the Motion Picture Division of the UNRRA, of the naval chaplain in charge of motion-picture projects for the United States Navy. These I consider pertinent. And with that protest, I shall go to your question.

"Mr. STRIPLING. Are you a member of the Screen Writers Guild?

"Mr. TRUMBO. Mr. Stripling, the rights of American labor to inviolably secret membership lists have been won in this country by a great cost of blood and a great cost in terms of hunger. These rights have become an American tradition. Over the Voice of America we have broadcast to the entire world the freedom of our labor.

"The CHAIRMAN. Are you answering the question, or are you making another speech?

"Mr. TRUMBO. Sir, I am truly answering the question.

"The CHAIRMAN. Because if you want to make another speech we can find a corner right up here where you can make some of these speeches.

"Mr. TRUMBO. I would be willing to do that, too

"The CHAIRMAN. All right, now, what was the question, Mr. Stripling?

"Mr. STRIPLING. The question, Mr. Chairman, is—I asked Mr. Trumbo if he is a member of the Screen Writers Guild.

"Mr. TRUMBO. You asked me a question which would permit you to haul every union member in the United States up here to identify himself as a union member, to subject him to future intimidation and coercion.

"This, I believe, is an unconstitutional question.

"The CHAIRMAN. Now, are you making another speech, or is that the answer?

"Mr. TRUMBO. This is my answer, sir.

"The CHAIRMAN. Well, can't you answer: Are you a member of the Screen Writers Guild, by saying 'Yes or 'No' or 'I think so' or 'Maybe' or something like that?

"Mr. TRUMBO. Mr. Chairman, I should like to accommodate you. May I try to answer the question again?

"The CHAIRMAN. Well, we would certainly like to have you accommodate us.

"Mr. TRUMBO. If there were a committee of Congress, all the members of whom had voted in favor of the Taft-Hartley bill——

"Mr. MCDOWELL. Oh, that isn't answering the question.

"(The chairman pounds gavel.)

"Mr. TRUMBO. It might be considered that committee was hostile to labor.

"The CHAIRMAN (pounding the gavel). Now, Mr. Trumbo——

"Mr. MCDOWELL. It is no disgrace, you know, to identify yourself as a member of a labor union in the United States. Most of us belong to something.

"The CHAIRMAN. Now the question is, Mr. Trumbo: Are you a member of the Screen Writers Guild?

"Mr. TRUMBO. Mr. Chairman, I would not consider it a disgrace to be a member of a labor union.

"Mr. MCDOWELL. Of course he wouldn't.

"Mr. TRUMBO. But labor unions have the right to secrecy of their membership lists.

"The CHAIRMAN. I am getting back to the question: Are you a member of the Screen Writers Guild?

"Mr. TRUMBO. Mr. Chairman, this question is designed to a specific purpose. First——

"The CHAIRMAN (pounding gavel). Do you——

"Mr. TRUMBO. First, to identify me with the Screen Writers Guild; secondly, to seek to identify me with the Communist Party and thereby destroy that guild——

"The CHAIRMAN (pounding gavel). Are you refusing to answer the question?

"Mr. TRUMBO. I will refuse to answer none of your questions, sir.

"The CHAIRMAN. Well, you are refusing to answer this question.

"Mr. TRUMBO. I am, indeed, not refusing to answer the question.

"The CHAIRMAN. I will ask you the question——

"Mr. TRUMBO. You ask me.

"The CHAIRMAN. Are you a member of the Screen Writers Guild?

"Mr. TRUMBO. I repeat——

"The CHAIRMAN (pounding gavel). Excuse the witness——

"Mr. STRIPLING. Just a moment, Mr. Chairman——

"Mr. TRUMBO. Am I excused?

"Mr. STRIPLING. I have more questions——

"Mr. TRUMBO. Am I excused or not?

"The CHAIRMAN. No. Just a minute. The chief investigator wants to ask some questions.

"Mr. STRIPLING. Just a moment. I have some other questions, Mr. Trumbo, that I would like to ask you. Are you now, or have you ever been, a member of the Communist Party?

"Mr. TRUMBO. Mr. Chairman, first I would like to know whether the quality of my last answer was acceptable, since I am still on the stand?

"The CHAIRMAN. That hasn't got anything to do with your answer to the last question.

"Mr. TRUMBO. I see.

"The CHAIRMAN. This is a new question, now.

"Mr. TRUMBO. I see. Mr. Stripling, you must have some reason for asking this question——

"Mr. MCDOWELL. Yes; we do.

"Mr. TRUMBO. You do. I understand that members of the press have been given an alleged Communist Party card belonging to me. Is that true?

"Mr. STRIPLING. That is not true.

"The CHAIRMAN. You are not asking the question——

"Mr. TRUMBO. I was.

"The CHAIRMAN The chief investigator is asking the questions.

"Mr. TRUMBO. I beg your pardon, sir.

"The CHAIRMAN. Are you now, or have you ever been, a member of the Communist Party?

"Mr. TRUMBO. I believe I have the right to be confronted with any evidence which supports this question. I should like to see what you have.

"The CHAIRMAN. Oh, well, you would?

"Mr. TRUMBO. Yes.

"The CHAIRMAN. Well, you will pretty soon. [Laughter and applause.]

"The CHAIRMAN (pounding gavel). The witness is excused. Impossible.

"Mr. TRUMBO. This is the beginning——

"The CHAIRMAN (pounding gavel). Just a minute——

"Mr. TRUMBO. Of an American concentration camp.

"The CHAIRMAN. This is typical Communist tactics. This is typical Communist tactics [pounds gavel]."

Because of the foregoing, the said Committee on Un-American Activities was deprived of answers to pertinent questions propounded to said Dalton Trumbo relative to the subject matter which, under Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress, the said committee was instructed to investigate, and the refusal of the witness to answer questions, namely, "Are you a member of the Screen Writers Guild?" and "Are you now, or have you ever been, a member of the Communist Party?", which questions were pertinent to the subject under inquiry, is a violation of the subpena under which the witness had previously appeared, and his refusal to answer the aforesaid questions deprived your committee of necessary and pertinent testimony and places the said witness in contempt of the House of Representatives of the United States.

Mr. THOMAS of New Jersey. Mr. Speaker, I offer a privileged resolution (H. Res. 367) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the Speaker of the House of Representatives certify the report of the Committee on Un-American Activities of the House of Representatives as to the refusal of Dalton Trumbo to answer questions before the said Committee on Un-American Activities, together with all of the facts in connection therewith, under seal of the House of Representatives, to the United States attorney for the District of Columbia, to the end that the said Dalton Trumbo may be proceeded against in the manner and form provided by law

The SPEAKER. The report of the committee is ordered to be printed. The gentleman from New Jersey [Mr. THOMAS] is recognized for 1 hour.

Mr. THOMAS of New Jersey. Mr. Speaker, I yield 10 minutes to the gentleman from South Dakota [Mr. MUNDT].

Mr. MUNDT. First of all, Mr. Speaker, I would like to congratulate the House on the very emphatic expression of approval which it gave to the contempt citation of the preceding case, Albert Maltz. As I recall, that is the most emphatic expression of the House of Representatives ever leveled against somebody engaging in contemptuous proceedings

against its authority in the history of our committee, with the sole exception, I believe, of Gerhart Eisler, who has since been convicted and is under sentence to the penitentiary.

I speak as a member of the House Committee on Un-American Activities, but not as a member of the subcommittee which held these hearings. Consequently, I look at these hearings and this evidence much the same as the other Members of the House who have studied the hearings and studied the evidence, and I base my argument this afternoon not as a member of the subcommittee but as a Member of the Congress who has studied the evidence available to each of you equally as it has been to me.

I confess that as I heard intermittent broadcasts of the committee hearings and read the news dispatches while they were taking place I was somewhat disturbed by the turmoil which permeated the committee room, but I have learned as a member of that committee that you cannot divorce an investigation of Communist activities from turmoil when you have a Communist witness before you. You cannot have the orderly decorous proceedings you would like to have in a committee hearing, because the witnesses are trained and prepared and instructed to come before a committee of Congress to try to make the proceedings as turbulent as possible, to try to make them appear ridiculous, to try by noise and confusion to divert the issue away from the facts at hand. So I have been gratified as I have had occasion to read the evidence and to go into the matter thoroughly and, if you please, to discuss the situation with some of the leading members of the motion-picture industry itself—I have been gratified by the recognition of the American public by and large of the valuable service rendered by this committee, and especially by the heavy vote of endorsement made by this House a few minutes ago with only 17 Members in the entire body voting to defend these people who have so manifestly exemplified their contempt of the Congress. I think it is interesting to note that even the motion-picture industry itself has realized that these men, with their long records of communistic association, are not people whom they care to defend, so that at least the 17 of you who voted in their defense find yourselves left alone, because in Hollywood their employers today are stating publicly that they want no more to do with them until they can make up their minds whether they are proud to be Americans or ashamed to be Americans, and up to now the indication all is that if they are Americans at all in their thinking, they are grossly ashamed of their loyalty to the Stars and Stripes.

I call your attention to the fact, for example, that on November 19 Mr. Eric Johnston, the so-called motion picture czar, the president of the Motion Picture Association of America, said this, speaking in the Hotel Plaza at New York, that the motion picture industry in Hollywood is going to take positive steps to expose and eliminate Communists, and he divorced himself from the activities of these 10 people now up before us for contempt, because he said that the difference between the industry and the line these 10 took was "as broad as the back side of a barn." Speaking for the industry, Mr. Johnston said:

> We did not challenge the right of the committee to investigate Hollywood. We wanted to answer the questions. We wanted to stand up and be counted.

They wanted to because they are Americans, and Hollywood by and large is peopled by Americans, and the moving-picture industry is largely run by Americans, proud to be classified as such, but these 10 are ashamed or unable to stand up in public under oath and say, "We are Americans." They were unable or unwilling to say, "We are not Communists—We are not the dupes or the agents of the Soviet Union."

Then, to go on, I want to congratulate the Fox Moving Picture Co., the Twentieth Century-Fox, I believe it is called, which passed a resolution the other day, and I read it to you:

> *Resolved*, That the officers of this corporation be and they hereby are directed, to the extent that the same is lawful, to dispense with the services of any employee who is an acknowledged Communist or of any employee who refuses to answer a question with respect thereto by any committee of the Congress of the United States and is cited for contempt by reason thereof.

I congratulate Twentieth Century-Fox on that progressive and patriotic step. I think it is time, and I think it is just a little late, that Hollywood take that action, but I congratulate it now because it is highly important that Communists be purged out of the moving-picture industry. This desirable objective has been materially aided by the recent hearings in Washington, as the general public is becoming rapidly alert to the problem. It is well that Hollywood is not waiting longer before taking action to keep faith with the American public.

After all, Mr. Speaker, Americans are not so easily fooled or deceived. They have a happy habit of obtaining the objectives which they seek. For example, the American Legion in Independence, Kans., recently announced it would urge patriotic citizens of that community to refrain from attending moving pictures written by those now up before you for contempt citations or utilizing the services of actors and actresses sponsoring Communist causes. An Indiana parent-teacher association is taking the same action. In Ohio a chamber of commerce is arranging to notify its public when the pictures featuring subversive stars or utilizing script writers who are in contempt of Congress or who are ashamed to be known as Americans are to be shown. If necessary, book blocking can be abolished to protect the public against the exhibition of films featuring un-American writers or actors. It is hoped and expected, however, that Hollywood will not wait for outside pressure to bring the needed reforms.

Then, on November 21, we find the news story coming out that today in New York the big Hollywood industry chiefs are meeting in order to pass additional regulations eliminating from the pay roll people who make a profession of being in contempt of the Congress of the United States or of advancing Communist causes. I think that is a fine, commendable attitude.

I think there is one other thing that should be said; namely, that these men with the long Communist records, these men who refuse to answer the question, "Are you a Communist?" or "Are you a member of the Screen Writers' Guild?", these men who manifest their contempt of Congress, are not people who were brought into the hearings by sleuths of the Committee on Un-American Activities and charged with being Communists. These men are individuals who their employers in Hollywood said under oath are members of the Communist Party. These are men who their associates in the Actors Equity and in the unions and in the profession came down to Washington and under oath testified are members of the Communist Party.

We in the House Committee on Un-American Activities have been criticized by our perpetual and consistent enemies in the past because we did not give people who have been called Communists an adequate opportunity to speak up for themselves and deny the charges. So this time we gave them the opportunity. After they had been accused by their employers, by their fellows, by their associates, by the people working with them, and after their membership cards in the Communist Party had been exposed by people making the investigation for the FBI. we called them before the committee and said, giving them an opportunity to clear themselves, "Are you a member of the Communist Party?" And they refused to answer. Having asked for a chance to be heard they declined to speak.

Why did they refuse to answer? Because had they said "No," the laws of perjury are too rough, and the sentences they would have received would be greater than if they simply maintained silence and were cited for contempt. If they admitted the truth and said, "Yes," then, of course, they knew they would lose the lucrative jobs they had been holding out in Hollywood.

You and I can eliminate this necessity that we have every once in a while of having these contempt cases brought before Congress very easily, in my opinion. The Committee on the Judiciary has a bill, which was introduced by a member of our committee early in this session, which would increase the penalty for contempt of Congress from $1,000 to $5,000, and from 1 year to 5 years. If you pass that legislation, I believe these people then will begin answering the questions of Congress, because it will be easier to answer the questions than it would be to run into the penalties of more appropriate punishments for willful contempt.

Mr. GRAHAM. Mr. Speaker, will the gentleman yield?

Mr. MUNDT. I yield to the gentleman from Pennsylvania.

Mr. GRAHAM. That bill was reported out by the subcommittee of which I have the honor to be the chairman, and then I learned that 14 members of our committee, a majority, were ready to sign a petition and go before the Committee on Rules and ask that it not be reported out. That is the reason it is not here.

Mr. MUNDT. I thank the gentleman. I am glad it was reported out. I hope those 14 members will have a change of heart. I understand there is just a little quibble among lawyers about some technicality, and I think that can be ironed out, and then we laymen will have a chance to do something constructive in the matter of increasing the penalty for being in contempt of Congress.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. MUNDT. I yield.

Mr. THOMAS of New Jersey. May I say for the benefit of the chairman of that subcommittee that he did everything possible to help the committee and to help the Congress to get that bill reported out.

Mr. MUNDT. I am sure that that is true. I am sure that if the fine members of the Committee on the Judiciary would get together and iron out their legal difficulties and propose a bill that we could enact it would render a great public service.

The SPEAKER. The time of the gentleman has expired.

Mr. THOMAS of New Jersey. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Speaker, I think it is time that we were legislators and stopped letting our emotions run away with us on either side. The question of whether the 10 Hollywood writers were guilty of contempt is strictly a legal question. I have read this record from cover to cover. I have gone to great pains to check the law. It may interest Members of the House to know that it is the almost uniform opinion of the courts today that to call a man a Communist or to say that he is a member of the Communist Party is libelous per se. All you have to prove is the fact that the charge was made, and that it is untrue and damages may be recovered. However, a man may be asked to answer to a Congressional committee and to admit that he is something which the law calls libelous if someone else called him that and could not prove it to be true as a matter of fact. Therefore, the men here under consideration should have answered the questions.

However, I think that is a relatively minor part of the problem. We are a great Nation. We have fundamental principles at stake, and how we conduct ourselves, especially at a time like this when there is so much hysteria about Communists is very important. Therefore, although these men are being cited for contempt—the first one has been, and I have no doubt the others will be—and they appear to be in contempt according to the record and the law, it does give us an opportunity to review the whole question of the operations of the Committee on Un-American Activities. There, I think, we find a good deal lacking.

The committee has permitted witnesses testifying before it to charge other people on their mere assertion and without tangible proof with being Communists. Thereupon these other people, like the 10 writers, were called up and told, "These are the charges against you. Do you deny them?" When it comes to the matter of trying an individual's character, we just do not operate that way in the United States. I would like to review one case quickly from this record which I think will give you the spirit of this hearing and why we are faced with such a trying decision and why the whole situation is so deplorable.

Mr. Stripling, the counsel for the committee, said this to one of the witnesses:

> Mr. Bessie, this committee has officially found that the Communist Party in the United States is not a political party—

You will note that he said that this committee has found that—

> but is in fact the agent of a foreign government.

That is not a finding of the Congress or a court, but of the House Committee on Un-American Activities.

> I will ask you again: Are you now, or have you ever been, a member of the Communist Party?

To which the witness refused an answer.

Then Mr. Stripling went on to say this:

> Mr. Bessie, there have been charges made before this committee that you are a Communist. I did not notice anywhere in your statement that you denied that charge. You are now being given an opportunity to deny whether or not you are a member of the Communist Party. You have not answered whether or not you are a member of the Communist Party.

Now it is basic in American justice, and in Anglo-Saxon justice that a man must be proved guilty of something before he is called upon to deny it, and you cannot by implication—by saying "You did not deny it" convict the man of something that you are charging against him.

Mr. Speaker, very little time has been allotted to me and I would like to make a suggestion. I think the whole functioning and the whole existence of the Committee on Un-American Activities has to be reviewed. To make this suggestion practically, I am introducing two resolutions today to the following effect:

First. The Committee on Un-American Activities, as such, should be dissolved. It is not a committee of the House dealing with legislative matters, and should, therefore, not be one of the standing committees of the House.

Second. Because we are facing a very explosive situation in the country and in the world, a joint committee of the House and of the Senate with seven members from each should be appointed by the Speaker of the House of Representatives and the President pro tempore of the Senate to investigate all such situations as those which now are within the jurisdiction of the Committee on Un-American Activities.

Such a joint committee should have rules and regulations to protect the character of individuals appearing before it, and could proceed as an investigating committee of a type with which we are familiar to learn the facts about the ideologies and movements active in the world and in our own country.

Mr. THOMAS of New Jersey. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Speaker, I am one of those who believe that the right of congressional inquiry must remain unrestricted. In the long run, the right of widest inquiry to a committee of the House is rewarding and well worth preserving. Witness results in the Teapot Dome investigation.

The necessity for a proper basis for impeachment proceedings, election disputes, and for drafting legislation requires the widest possible inquiry powers of this House and its committees.

Felix Frankfurter, now Supreme Court Justice, had this to say on the subject when he was a professor at Harvard University not so long ago:

> The power of investigation should be left untrammeled, and the methods and forms of each investigation should be left for determination of Congress and its committees, as each situation arises. The safeguards against abuse and folly are to be looked for in the forces of responsibility which are operating from within Congress and are generated from without.

Despite the fact that I think the committee had ample power to ask these questions as to whether a man was a member of the Screen Writers Guild, or whether he was a member of the Communist Party, I still feel that the conduct of the committee in general, and its members, was not proper, and was at times most unfair.

In order to register my protest against these unfair activities, I shall have to vote against the resolution.

I abominate communism, but in ferreting out Communists I do not wish, first, to succumb, as did the committee, to methods that invade a citizen's rights.

Second. To violate the rule of confidence between lawyer and client—witness the chairman's questions to Robert Kenny, attorney for a number of witnesses.

Third. To allow the smear of the innocent, as in the case, for example, of the League of Women Voters, whose members are called by a witness communistic, and without remonstrance or comment by members of the committee. I do not want to condemn by association. We must base our proceedings on confidence in our American traditions and the American sense of fair play, and not only upon fear of communism and Russia.

I do not wish to try even a little of totalitarianism to preserve our democracy. I deprecate, for example, the use of would-be experts like Rupert Hughes who said he could tell a Communist by his olfactory nose; he said he could smell them. I deprecate the use of Mrs. Rogers as an expert, who had the temerity to say and to brand a film communistic if it portrayed despair and hopelessness. Shades of Edgar Allen Poe, and his despair and his hopelessness.

Adolphe Menjou was permitted, without comment by members of the committee and without remonstrance, to cloak thousands of innocent Americans with communism by the astounding statement that anyone who witnesses Paul Robeson and applauds is a Communist. That is a new low in witch hunting. I might advise the committee that I attended a performance of Othello

by the Theater Guild. Paul Robeson appeared as Othello, and I applauded him because of his histrionic ability. Am I a Communist because I applauded him? Yet according to this expert I would be a Communist.

We who criticize the committee have the responsibility of saying what we would do if we were members of that committee. If I were a member I would shun any attempts to conduct a circus or a hippodrome. I would be more interested in fact finding rather than in the grinding of movie cameras and kleig lights. I would be more interested in determining where the truth lay rather than in the conclusions of small-minded screen stars who have an attraction for bobby-soxers. I would be more interested in preserving the rights of citizens by a fair degree of judicial process rather than in prejudiced tattletaling. I would recognize that since the committee has the widest powers of investigation, concomitantly it has the widest responsibility to see that these powers are not abused.

What has been shown on the screen that menaces America? Nothing. Not a single movie was proven to be communistic. So long as the answer is "No" there is no reason to make the movie industry the target.

It is interesting to note what foreign publications think of the activities of the committee. A preponderant majority of the papers in this country and most of the papers in foreign climes think that the committee has made a laughingstock of Congress. Typical of the opinions expressed in the foreign press is that of the British New Nation and Statesman:

> The Committee on Un-American Activities is now getting a bad press and there must be thousands of highly respectable American citizens in many walks of life who are wondering how far they are safe, if any Adolphe Menjou may be called to the witness box to make slanderous statements about anyone whose past or political opinions he dislikes.

Mr. THOMAS of New Jersey. Mr. Speaker, I yield 7 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Speaker, I have consistently opposed this committee and have voted against every contempt citation. My opposition to the committee and to these contempt citations is fundamental. You cannot deal with this issue by drawing fine distinctions nor by recommending a super-duper Committee on Un-American Activities. You can not evade the Constitution by trying to direct the activities of this committee in one or another direction. No, you cannot say that the Constitution applies to one group of citizens and then say it does not apply to another. The issue is the Constitution and the Constitution protects all, including Communists. When you attempt to circumvent that proposition, you are subverting the very democracy you say you want to defend.

The issue involved in these contempt citations and in the very existence of the committee is whether or not the activities of the committee are in violation of the Constitution of the United States. I have repeatedly contended that the activities of this committee do violate the Constitution.

Congress is given practically unrestricted authority to investigate except as it is limited by the Constitution. A committee of Congress can investigate anything and everything about which it has the power to legislate. If the investigation does not come within a field over which it has the power to legislate, then that investigation cannot be supported, it is illegal, and anyone who is questioned in such an investigation has a right to refuse to answer any and every question.

Let us look at this picture a moment. The first amendment to the Constitution provides that Congress cannot make any law abridging freedom of speech and of the press. That means that this committee cannot report out any law, and this Congress cannot pass any law abridging the freedom of speech or press; and you cannot get around it by saying that you are dealing with Communists. You cannot get around it by wildly and hysterically charging a political conspiracy. You cannot evade that Constitution no matter how much hysteria, no matter how much of a smoke screen you raise here. Since you cannot legislate in any manner that will abridge the freedom of speech or freedom of the press, you cannot investigate this field. That is exactly what the situation is here. You are investigating in a field over which you cannot legislate; consequently the activity of the committee is in violation of the Constitution.

Now, to be more specific, let us examine the very questions that you asked which this witness refused to answer: One, as to membership in a labor union; and, two, as to membership in a political party. Both of those questions inherently involve that person's right to free speech. You cannot get around that no matter what amount of irresponsible charges may be hurled at these witnesses. These two questions involve what? They involve their political affiliation, and their membership in a labor union. These involve his freedom of speech which the first amendment protects.

Perhaps considerations other than the Constitution may influence a Supreme Court; it has happened before, but I seriously doubt whether the men and women who fought for our Revolution and who were responsible for the Bill of Rights that exists in our Constitution ever dreamed of giving Congress the power to interrograte any citizen of this Nation as to his political affiliation or as to his membership in a labor union. If that power is now established by you, if that power is usurped as it is being here this afternoon, then the Bill of Rights is placed in jeopardy in the very Government that you say you are seeking to defend, the very Constitution you say you are seeking to uphold, the very things you say you are seeking to protect against subversion. You, yourselves are subverting by the very action that has been recommended here in these citations. So much for the legalistic aspects of this situation.

In my opinion, there is something even much more fundamental than that. the question of essential democracy. It seems that this committee and the Congress, during the last few years, have taken the position that democracy is synonymous with the rule of monopoly capital, that democracy is synonymous with everything for which monopoly capital stands; that anyone who protests against the rule of monopoly capital, anyone who objects to what has been transpiring under that rule, anyone who seeks a social and economic change, is subversive. Thus, you have been attempting to make Americans conform with the pattern of the big trusts. America will never survive if we place America in that strait-jacket.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. THOMAS of New Jersey. Mr. Speaker, I will be glad to yield the gentleman an additional minute, even though I have to take that minute from somebody else.

Mr. MARCANTONIO. Mr. Speaker, place America in that strait-jacket and we will have the America of standpatters, we will have the America of the Bourbons and of the Tories. At least the Bourbons and the Tories of the past did not use this kind of technique to destroy the opposition. The technique which is being used now is the technique of red-baiting, using the Communist bogey for the purpose of imposing fascism. It is the weapon employed to protect the few who benefit from the program of war and depression. It is a repetition of history. It was done this way in Germany, it was done this way in Italy, and if I have to be alone again in this Congress I will cast my vote against it ever happening in the United States of America.

The SPEAKER. The time of the gentleman from New York has again expired.

Mr. THOMAS of New Jersey. Mr. Speaker, I yield 7 minutes to the gentlewoman from California [Mrs. DOUGLAS].

Mrs. DOUGLAS. Mr. Speaker, in voting against the contempt citations I take my stand in defense of the principles of justice, not in defense of Hollywood or any individual or any individual's behavior before the House Committee on Un-American Activities.

The Hollywood hearings were a tragic farce.

I do not think that the activities of the committee are such that they warrant the support of the Members of Congress.

While I realize that the procedure essential to a courtroom cannot prevail in a congressional hearing, nevertheless Congress should provide certain safeguards to protect the witnesses appearing before committees.

The Congress must take steps immediately to protect innocent people from the invasion of their civil liberties instead of evoking the condemnation not only of liberal opinion but of sober-minded conservative opinion as expressed by the New

York Times, the New York World Telegram, the Washington Post, and the New York Herald Tribune.

I hope that Congress will study and prepare a bill which, while in no way limiting the wide and necessarily just powers of investigation, will provide a procedure which will adequately safeguard individual rights. I myself am introducing such a bill today.

I call it to the attention of the Members of the House, Mr. Speaker, and I hope that they will study it.

Regardless of constitutional rights, I personally regret that the witnesses subpenaed before the Committee on Un-American Activities did not answer the question put to them as to their political affiliations. I think it would have cleared the atmosphere. I don't know whether or not there were any Communists among those subpenaed. But whether people are Communist, Republican, or Democrat they are entitled to decent and orderly treatment in accordance with American principles.

Let there be no misinterpretation of my words. I hold no brief for communism at home or abroad.

How then do we combat communism?

Certainly not by abandoning our traditional democratic methods.

Certainly not by setting in motion a wave of hysteria—the end of which no one can see.

Certainly not by wordy speeches against communism. People cannot eat words.

We combat communism by waging an all-out campaign against misery, want, and ignorance. Eric Johnston put it well:

> Communism hunts misery, feeds on misery, and profits by it. The real breeding ground of communism is in the slums. It's everywhere people haven't enough to eat or enough to wear through no fault of their own.

Hunger and misery are the enemies of democracy and the friends of communism at home and abroad.

As a result of the Hollywood hearings, the entire motion-picture industry stands condemned by unsupported generalizations of having produced motion pictures which contained Communist propaganda.

The subcommittee stated that it had a list of all of these pictures produced in Hollywood in the last 8 years.

Despite the fact that Mr. Johnston offered to show any pictures which stood accused, so that the committee members could see for themselves what was in them, at no time in the hearing did the committee either avail itself of this opportunity or name the pictures of which it disapproved. Thus, the industry was denied opportunity to refute the charges leveled against it—charges which were plastered on the front pages of most of the newspapers of the world.

In 1941 when the Wheeler-Nye committee attempted to prove that the motion-picture industry was guilty of disseminating war propaganda, Mr. Willkie, who was then the counsel for the motion-picture industry, warned the investigating committee of—

> The very genuine danger involved in the type of investigation which you are now proposing to start. The radio business—

He said—

> is already included in the original resolution. From the motion picture and radio industry it is just a small step to the newspapers, magazines, and other periodicals. And from the freedom of the press it is just a small step to the freedom of the individual to say what he believes.

I refer you to editorials which I will include from the New York Times and the New York Herald Tribune and the Washington Post on the subject.

The implication that, in order to escape congressional investigation, the motion-picture industry must make pictures that have the approval of the Committee on Un-American Activities is a direct violation of free speech. I agree with Mr. McNutt when he observed:

> You don't need a law to impair the constitutional rights of free speech. It can be done by intimidation and coercion. That is the way of totalitarian regimes which we all hate.

Even if the hearings had been conducted with the utmost propriety and the most careful regard for the rights of the individual, it still is a very dubious exercise of congressional power when the Committee on Un-American Activities seeks to tell motion-picture producers what kind of pictures they should make.

I am opposed and I am sure that the movie industry is opposed to communistic propaganda on the screen, but I am equally opposed to movies becoming dedicated to the spread of reactionary propaganda. I refuse to accept the insidious doctrine that any reflections on established wrongs that may be found in the American movies, the American radio, or in the American press are Communist inspired.

When I took my oath of office I swore to uphold the Constitution and the Bill of Rights. Any infringement upon freedom of speech is a violation of the first amendment. I consider it my clear duty to oppose the Committee on Un-American Activities.

The Committee on Un-American Activities in the manner in which it has carried out its investigations—not only in this instance but over the years—has given the impression that communism is far stronger than it is. In the present instance it has left the erroneous impression that Hollywood is overrun with Communists—that glamorous and attractive actors and writers find communism superior to our democratic way of life.

I say that for many groups in this country this is persuasive poison.

The argument that the hour demands extreme measures is not valid. I can offer no stronger testimony to refute this idea than the text of a resolution passed unanimously by the house of bishops of the Protestant Episcopal Church on November 4, 1947. I quote:

> *Resolved*, That as bishops in the church of God we call upon the people of our church to be on their guard lest an hysterical fear of communism shall lead us to fight that danger with weapons destructive of the treasure we seek to guard. The surest way to fight communism is to work unceasingly at home and abroad for a society in which justice and the dignity of free men are in truth guaranteed to men of every race and condition. An inquisitorial investigation of men's personal beliefs is a threat to freedom of conscience. The casting of public suspicion on fellow citizens under the protection of congressional immunity can readily become an offense against God's commandment, "Thou shalt not bear false witness against thy neighbor." We have no defense for those who, while sharing the privileges of our imperfectly democratic society, seek to undermine its fabric. But we hold it to be the duty of every Christian citizen to guard for others the freedom of conscience we treasure for ourselves.

Thus sayeth the bishops.

And thus sayeth all of us who take our Americanism from Thomas Jefferson and Abraham Lincoln and Franklin D. Roosevelt.

I know very well the price we will pay in our own districts come election time. I know what will be said, that this is the final proof that the candidate against whom you are running is a Communist. I say to you that that kind of campaigning, that kind of thinking, which I call the wolf, wolf technique, only serves the Communists.

[From the New York Times of October 23, 1947]

CONGRESS AND HOLLYWOOD

Considering the great influence which American moving pictures exert in every part of the world, it is inevitable that Hollywood should be a special target of Communist penetration. We have no doubt that party members are actively at work in the industry, that they have in some cases obtained positions of considerable importance and that they neglect no opportunity to put in a plug for Mother Russia when the chance occurs. In addition to the party members, there is the probably much larger company of politically naive and easily befuddled fellow-travelers. But is the best answer to this situation such an investigation as is now underway in Washington? Or is the sensible course to trust American opinion in a matter of this kind; to judge the product of the moving picture industry on the basis of its output as a whole, rather than on the basis of particular passages cut from particular pictures, and to believe that the responsible heads of the industry are wise enough, and that rank-and-file American opinion is shrewd enough, to detect and correct any important misuse of the films for Communist purposes?

In the course now being followed in Washington there are, we believe, three evident dangers. First, it is clear that the Committee on Un-American Activities is actually trying certain individuals for alleged subversive and un-American acts without affording them the ordinary rights accorded to the most degraded criminal; namely, the right to cross-examine their accusers and the right to call witnesses on their own behalf. Second, there is an obvious danger that the present investigation, as it is now being conducted, may succeed in identifying as Communist any element of criticism or protest in the films against any aspect of American political social, or economic life; if this happens, and the investigation creates fear in Hollywood, which has often been accused of timidity in dealing with public questions, then the screen is consigned to mere entertainment on the most trifling of premises. Finally, an

investigation of this kind, once begun, has no ready stopping-place. One of the Government's witnesses has already declared that Broadway is worse than Hollywood in the matter of Communist penetration, and that the reading departments of the publishing houses are very, very heavily infiltrated with Communists. Are we now to go on from Hollywood to Broadway, and then from Broadway to the publishing houses, searching for suspects all along the line, and after that carry the hunt into the radio and then into the American press? That would be a wholly logical procedure, on the premise the congressional committee has adopted.

We do not believe that the committee is conducting a fair investigation. We think the course on which it has embarked threatens to lead to greater dangers than those with which it is presently concerned.

[From the New York Herald Tribune of October 25, 1947]

Five members of the motion-picture industry brought a momentary dignity this week to the hippodrome that is being staged in Washington by the House un-American Activities Committee. They deviated sharply from the pattern that Mr. J. PARNELL THOMAS has set down; their testimony was free of insinuation, long lists of suspicious characters and hysterical denunciation of vague enemies. Instead Robert Montgomery, Ronald Reagan, George Murphy, Gary Cooper, and Leo McCarey carefully set forth a body of fact and a body of opinion with which it is difficult to differ.

There are Communists in Hollywood, these five agreed, and most of Hollywood is in fierce disagreement with Communist methods and Communist purposes. These Communists, the five witnesses continued, have had little success in effectuating their purposes, and because Hollywood is alert to them are not likely to gain in strength. The industry has proved its ability to employ these men profitably, and the product that is turned out by Hollywood does not endanger the American way of life. But an attempt by Congress to dictate to Hollywood, Mr. McCarey implied, could well promote the very dangers that the committee ostensibly seeks to combat. Mr. Reagan's own words might be quoted to sum up their testmony: "I hope," he said, "that we never are prompted by fear or resentment of communism into compromising any of our democratic principles in order to fight it." It might have been wise to end the investigation there.

The investigation, however, continues. The privilege of calling names without the danger of accountability is embraced by witness after witness. Mr. Walt Disney has added to the roster of Communist fronts the League of Women Voters, and it is difficult to decide whether that estimable organization or the Communist Party will be the more surprised. Mrs. Lela Rogers paints a picture of Hollywood in which she is constantly being approached with Communist scripts for conversion into moving-picture fare, each one of which she indignantly rejects. Pressed for a sample, she mentions, "None but the Lonely Heart," which was moody, Mrs. Rogers maintains, and therefore un-American and therefore (the syllogism proceeds), communistic. And Mr. THOMAS, fearing that his audience is slipping, suspends the Saturday session "because some people have to attend football games" and promises new sensations next week.

[From the New York Herald Tribune of October 29, 1947]

THE MARTYR MAKERS

The congressional investigation into un-American activities yesterday gave another witness, Mr Dalton Trumbo, a magnificent opportunity to martyrize himself, an opportunity which was embraced enthusiastically, expansively, and very thoroughly by Mr. Trumbo. Mr. Trumbo plastered the walls of the committee room with stump speeches, appeals to the Bill of Rights, and evocations of the memory of Wendell Willkie and Franklin Roosevelt. He also succeeded in getting himself cited for contempt and, in the general fracas thus raised, pretty effectively concealed what was perhaps the one relevant point involved in the whole proceedings. Asked persistently to say whether he was a member of the Communist Party, Mr. Trumbo evaded any reply.

It is by no means an unimportant point. The existence in this country of a political and pressure organization which conceals its membership and which individuals, when questioned as to membership, will not at once either admit or disavow is a serious matter. The trouble is that Representative J. PARNELL THOMAS' expedition with blunderbuss and klieg lights through the Hollywood jungles is admirably calculated not to elucidate but to conceal just such serious matters as this, swaddling them away in all the side issues and constitutional confusions in which Communists, above all others, have trained themselves to expertness. Assuming, for the argument, that Mr. Trumbo may really have subversive inclinations, it is clear that nothing he could (or did) write into such social documents as Thirty Seconds Over Tokyo or Kitty Foyle could have had a fraction of the propagandist impact which was opened to him by the chance to appear before the Thomas investigation.

The Thomas investigation has unquestionably aroused the deepest interest and concern among countless Americans. Those who have pointed out the blundering and self-defeating way with which it is trying to deal with its problem frequently find themselves denounced as sympathizers with communism. But it is precisely those with the most awareness of the real dangers which Communist infiltration and disruption may hold for a democratic system who are most distressed at this fumbling affair, which continues to give the Communists all their best opportunities, to miss the essentials in a morass of trivia and only further to impassion and confuse an important issue on which really clear and sober thought is earnestly required.

[From the New York Herald Tribune of November 1, 1947]

THE COMMITTEE'S BOMBSHELL

The House Un-American Affairs Committee has never distinguished itself by any finicky attention to the principle of relevancy, but Mr. J. PARNELL THOMAS has managed to outdo both his own best previous efforts and those of his predecessors. Having set out to expose the motion-picture industry, he has concluded his investigation abruptly with an account of an unsuccessful attempt by the Russians to discover what was going on in 1942 behind locked doors in Berkeley, Calif. This may be taken—perhaps ungraciously—as Mr. THOMAS'S confession that the Hollywood investigation had been producing a good deal of nonsense and very little else.

But this latest matter, if the investigator's report can be taken at its face value, cannot be so lightly dismissed. Its importance does not lie in the fact that the Russians seek knowledge by illegitimate means—it would be folly to expect otherwise. The true lesson here is the lesson that Canada learned last year: that native-born citizens can be, and have been, deluded into believing that they serve some larger cause when they break America's laws to further Russia's interests. This is truly un-American activity, as defined in the Constitution and in the law. It is material which Mr. Thomas's committee might properly consider, were it not for the fact that other Government agencies are equipped to do it better.

This attempt to breach the Nation's security, if it is substantiated, condemns by its very pertinence the committee that brought it to light. Why, one might ask, were Gary Cooper and his colleagues subpened, while the two men who purportedly committed this offense were ignored? Since the matter was presented merely as a fiat statement, what purpose was served by hauling it forth, except perhaps as a deus ex machina to save the current hearings from all ignominious descent toward public inattention; why did the committee not turn this evidence over directly to the Department of Justice so that charges could be heard, defenses set forth and punishment meted out to any offenders?

In these hearings, which Mr. THOMAS promises to resume in the vague future, the committee's inadequacy has been doubly exemplified It attempted in one instance to pry into the private thoughts of persons who chance to live in Hollywood, despite the fact that this prying is forbidden by the Constitution. It attempted in another instance to bypass the functions of the Federal Bureau of Investigation, the Department of Justice, and the courts. It has at no time sought to come to grips with the real problem: How can persons who think as Communists think be prevented from acting as enemies act, in a manner that permits the American tradition of freedom to survive? It may very well be that the answer to that question is the most pressing need of the moment; a committee that dealt with it soberly and honestly would serve the country nobly. It will never be answered by film stars, nor by sensation mongering, nor by a committee that operates in defiance of the way of life it seeks to serve.

[From the Washington Post of October 31, 1947]

POLITICAL AFFILIATION

A parade of witnesses has now defied the authority of the House Committee on Un-American Activities to ask them whether they are, or have been, members of the Communist Party. Their defiance, in nearly every instance, has been accompanied by stump speeches, gavel beating, general indecorum, and contempt citations which intensified the carnival, or Halloween, atmosphere in which these hearings have been conducted since their inception. For our part, we have very little sympathy with or feeling for men who will not acknowledge their political faith. These witnesses could have commanded a measure of respect had they candidly avowed Communist Party membership (if they are, in fact, Communists) and had then challenged the committee to make the most of it.

Men have an indisputable right to join the Communist Party. But to say that it would be more seemly or courageous of them to admit their membership is not to say that any congressional committee has authority to require them to do so. A very vital constitutional point is raised by the committee's inquiry into personal political affiliation. Now that these witnesses have been cited for contempt, we presume that the courts will determine whether they were within their rights in refusing to answer these questions. Whatever the courts decide on this legal issue, however, we have no doubt that the line of questioning was a grossly improper one for the committee to pursue. It was as improper, in our judgment, as an inquiry into a man's religious

affiliation. This, too, is something about which one ought not to be ashamed, yet it is something one ought not to be compelled to disclose.

Communist Party affiliation today is a serious social and economic handicap. The Committee on Un-American Activities has persistently suggested to Hollywood producers and executives that they should purge all Communists from their pay rolls. The mere allegation that a motion-picture employee is a Communist, let alone the forcing of an admission of it, operates, therefore, to impair his means of earning a living. What the committee has tried to do throughout these hearings is to set up a blacklist. And this, we think, amounts to an infringement of the freedom of the screen. A man's political opinions are of legitimate interest to his employer only if they affect the quality of his work. That the political opinions of the Communists or alleged Communists in Hollywood have in any way affected the motion pictures produced by the industry, the committee has not even attempted to demonstrate. Until it establishes this essential premise, the committee will have provided not even a shred of justification for its inquiry into private political belief.

[From the Washington Post of October 25, 1947]

COERCING HOLLYWOOD

A bit belatedly, Mr. Paul McNutt, counsel for the Motion Picture Association, has grasped the central issue of the movie probe now in progress under the auspices of the House Committee on Un-American Activities. He was, he declared on Wednesday, "shocked to see the violence done to the principle of free speech during the hearings this morning. It became apparent * * * that the purpose was to try to dictate and control, through the device of the hearings, what goes on the screens of America. This is no concern of any congressional committee. It is the concern solely of those who produce motion pictures." Some of the more recent Hollywood witnesses have shown similiar dismay.

What aroused Mr. McNutt was a line of questioning addressed to several witnesses suggesting that the motion-picture industry ought to produce anti-Communist films. This is, of course, an offensive suggestion on at least two counts. It implies that Hollywod ought to be turning out propaganda tracts a la Russe, when the allegation that it has been guilty of doing so in the past is precisely what the industry is trying to refut. Far worse, however, it implies that the industry can escape legislative restriction—or at least the continuance of unfavorable publicity as the result of congressional investigation—only if it produces the kind of propaganda approved by Representative J. PARNELL THOMAS.

Mr. McNutt is quite right in observing that "you don't need a law to impair the constitutional rights of free speech. It can be done by intimidation and coercion. That is the way of totalitarian regimes which we all hate." The danger, it might be added, is particularly acute in view of the susceptibility to intimidation and coercion demonstrated recently by a couple of his own clients. Movie producers ought to be as allergic to congressional dictation, or even suggestion, as newspaper editors. In a free society they are, as individuals, the responsible managers of an immensely influential medium of communication. In such a society their management, however faulty, must remain free from governmental interference; it is, indeed, like the freedom of the press (of which it is a part) an essential check upon governmental tyranny. Governmental interference of any sort with the content of films is, therefore, a fatal impairment of fundamental freedom.

Representative THOMAS and his colleagues, despite tedious protests to the contrary, have engaged in still another form of attempted intimidation of the motion-picture industry. They have permitted witness after witness to accuse individuals in the industry of Communist sympathies without, as yet, the presentation of a shred of supporting evidence. The actors and actresses, script writers, directors, and others so accused may or may not be Communists or Communist sympathizers; in the absence of evidence we have no way to judge. The effect of the unsupported allegations, however, is to impose upon the industry powerful pressure to purge them from the pay rolls. Interference with the personnel policies of a segment of the press does no less violence to freedom of expression than interference with its editorial policies.

Finally, Mr. THOMAS and his colleagues have been guilty, as their predecessors on this congressional committee have been since the time of its inception, of blasting individual reputations without regard for individual rights. This is, of course, peculiarly damaging to actors and actresses whose stock in trade is their popularity. However innocent they may be, they will find it hard to refute accusations which, for all that the committee has taken the trouble to determine, may amount to no more than vulgar gossip grounded in malice or misconception. Their careers may be ruined by slanders in respect of which they have no remedy. The spectacle of Hollywood writers and players denouncing their colleagues in an orgy of self-righteousness has been only slightly less degrading than the spectacle of a congressional committee fostering this brutal contempt for the elementary principles of fair play. As Mr. Ronald Reagan, president of the Screen Actors' Guild, remarked somewhat wistfully: "I hope that we never are prompted by fear or resentment of communism into compromising any of our democratic principles in order to fight it." Yet, it is precisely to this sort of compromise that our current commiphobia is leading.

[From the Washington Post of October 22, 1947]

HOLLYWOOD'S MALAPROPS

All those jokes about the fatuity of the movie moguls seem to be sober truth. The performances put on by Messrs. Warner, Wood, and Mayer before the House Committee on Un-American Activities at the grand premiere of its sensational foray into filmland Monday were in the great ham tradition. Pity these tragic tycoons menaced on every hand by Communist writers and actors, sobbing on the broad, strong shoulders of that doughty dragon slayer, J. PARNELL THOMAS. What rugged individualism! What a demonstration of capitalism courageous!

Why these strong, silent men of the motion-picture industry chose to foul their own nest is hard to say. Perhaps they thought they could protect themselves by denouncing others. In an earlier day, when Wendell Willkie was their counsel and the Wheeler-Nye Committee attempted to prove that they were guilty of disseminating war propaganda, they had the wit—or at least Mr. Willkie did—to speak out for their own freedom. Mr. Willkie warned the investigating committee of 1941 of "the very genuine danger involved in the type of investigation which you are now proposing to start. The radio business," he said, "is already included in the original resolution. From the motion-picture and radio industry, it is just a small step to the newspapers, magazines, and other periodicals. And from the freedom of the press it is just a small step to the freedom of the individual to say what he believes."

These producers are inviting censorship. They are asking the Government to step in and protect them from their own employees—abdicating, as it were, the first function of the entrepreneur in a private-enterprise system. One of them went so far, indeed, as to urge the outlawing of the Communist Party—a stratagem which no less an authority than J. Edgar Hoover has disparaged as ineffectual and a violation of individual liberty which could undermine the foundation of freedom for us all. If the movies are less American than they ought to be, perhaps it is because the men in the last analysis responsible for them have so little understanding of American ideals.

Mr. THOMAS of New Jersey. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. KLEIN].

Mr. KLEIN. Mr. Speaker, at the outset I would like to correct the statement made by the gentleman from South Dakota [Mr. MUNDT]. Speaking for myself and, I believe, for the majority of the 17 Members who opposed this citation on the previous roll call, we are not defending as individuals these people who refused to answer the questions. My position and, I believe, the position of the majority of us is simply that we would like to correct the procedure which the committee has been following in these hearings to provide adequate safeguards for people who may not agree with the committee so that they would still have the right of presenting their own side of the question on so important an issue as this.

OPPOSED TO RESOLUTION ON MANY GROUNDS

Mr. Speaker, I am opposed on many grounds to these resolutions citing 10 American citizens for contempt of Congress as a result of their appearance before the Committee on Un-American Activities.

I concur and associate myself with those of my colleagues who have presented or will present their opposition on specific constitutional and legalistic grounds.

However, Mr. Speaker, I prefer to address myself to broader aspects which, it seems to me, are equally important and applicable.

Specifically, I wish to discuss the power which has been assumed by the committee to set up subjective standards of political and economic morality and to enforce these standards through the privilege of immunity given to the Congress under the Constitution, and the faulty procedure which has too often characterized the conduct of the investigations, hearings, and issuing of reports. I shall also mention further proposals to be made at a later date to improve the procedure by amending the law setting up this committee. In that regard, I am now in the process of preparing, and shall soon introduce, a bill I hope the Congress will study, which would formalize the procedure of this committee.

TO PROVIDE FOR REBUTTAL STATEMENTS

One thing I would like to see happen is that anybody who is accused shall have the right to come in before the committee, either by presenting a sworn statement or personally, and testifying as to the truth of the charges so that the public may judge whether he is innocent or guilty. At the present time he has no opportunity for refutation of any

charges leveled against him either by witnesses before the committee, or the committee itself.

COMMITTEE MANDATE UNIQUE

The Committee on Un-American Activities is unique, Mr. Speaker, among all standing committees in the history of this Congress in the fact that its mandate gives precedence to its powers of investigation over its legislative powers and duties. For almost 20 years this House has maintained, in one form or another, with only brief lapses, a Committee on Un-American Activities. These committees were special committees answerable to the House and dependent upon the House for continuation, until on January 3, 1945, the Committee was created as a standing committee of the House by amendment of the rules.

From its inception, the committee has repeatedly drawn criticism from the better elements of American leadership for its faulty procedure, its lack of definitive standards of self-conduct, and its frequent lopsidedness of approach.

During one period, under the chairmanship of the gentleman from Massachusetts [Mr. McCORMACK], the Committee on Un-American Activities adopted rules of procedure characterized by extreme fairness and care in preventing injustice to individuals and by the utmost caution to avoid infringement of the inalienable right of all Americans to determine their beliefs for themselves.

Under other leadership there has been a consistent tendency to make the committee court, grand jury, prosecutor, and judge, and to devise an unwritten but discernible pattern of conformity in economic and political belief.

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield right there on the question of religion?

Mr. KLEIN. I yield.

Mr. THOMAS of New Jersey. Is it not a fact that the gentleman from New York attended many of the sessions of the committee?

Mr. KLEIN. I did.

Mr. THOMAS of New Jersey. At the time when we had these moving picture witnesses before us?

Mr. KLEIN. I did.

Mr. THOMAS of New Jersey. Has the gentleman ever heard one single sentence uttered by any member of the committee or any employee of the committee that had any thing to do with religion?

Mr. KLEIN. No, sir, I did not. I may say on that point, and I want this clearly understood, that I myself was astounded at the attitude of these witnesses before the committee.

Mr. RANKIN. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. Those words in which he accused the committee of having degenerated into religious persecution.

Mr. KLEIN. I did not say that.

Mr. RANKIN. I ask that those words be taken down. Let us see what he did say.

Mr. CELLER. Mr. Speaker, a point of order.

Mr. KLEIN. Mr. Speaker, I withdraw those words.

Mr. RANKIN. Very well. I withdraw the point of order.

The SPEAKER. The gentleman from New York will proceed.

Mr. KLEIN. I did not make the remark, but I want to finish what I have to say. I want to say to the chairman of the committee that I would have had more regard for these men if they had stated that they were members of the Communist Party, if they were. I think they were in contempt of the committee, if the committee had the right to ask that question. That is the only issue I see in this particular case. My whole point is addressed to that issue, that something ought to be done to give individuals whose names are mentioned and about whom derogatory statements are made but who do not have the right at the present time to refute those statements, the right to come before the committee, or some other body, where the truth may be made known.

The SPEAKER. The time of the gentleman from New York [Mr. KLEIN] has expired.

Mr. THOMAS of New Jersey. Mr. Speaker, I yield the gentleman two additional minutes.

FAULTY PROCEDURES CITED

Mr. KLEIN. The faulty procedure has not stopped with the prejudgment of the scope of the committee's investigations, nor with its manipulation for partisan purposes, but has been extended to the actual conduct of the hearings.

Statements which have proved to be little more than an expression of opinion of the chairman or of the investigators have been made public under circumstances which have given the statements the weight, in the public mind, of a Congressional finding. Similarly, reports have been submitted which subsequently were shown to have been unseen by members of the committee prior to submission to the House.

Too frequently witnesses with views in sympathy with dominant members of the committee have been permitted to use the committee hearings as forums for exposition of their own views and for the indiscriminate and unauthenticated defamation of their political opponents, without opportunity of the individuals named to appear publicly and answer the charges.

There has been an equally lamentable tendency to receive as authentic, evidence so flimsy that it would not be accepted by the humblest court of the land.

Witnesses who are expected to support a prejudgment of the committee have been treated with the utmost deference, on and off the stand.

On the other hand, witnesses who have, in advance of public hearing, been dubbed unfriendly have been bullied, harried, hurried, and browbeaten.

AGAINST TYRANNY OVER THE MINDS OF MEN

The very spirit of the American form of government is an unceasing vigilance against tyranny over the minds of men.

Neither you nor I, Mr. Speaker, nor any Member or group of Members of this House has the right to determine a pattern of political or economic beliefs to which all Americans must conform in order to be good Americans.

The test of Americanism does not lie in thoughts or words but in deeds.

We have statutes prohibiting and punishing treason, sedition, conspiracy, trading with the enemy, armed rebellion, disclosure of secret information, and almost every other conceivable crime against our country. Some of those statutes are weak and lack clarity; but the Congress has failed to amend them over a long period of years, obviously to avoid the danger of infringing on the civil rights of American citizens and of laying the framework for just such an authoritarian police state as the Committee on Un-American Activities is implicitly advocating while ostensibly exposing the authoritarianism of other and equally un-American systems.

LOYALTY NOT TO BE LIGHTLY IMPUGNED

No man's loyalty to this country may be challenged on the basis of his advocacy of progressive ideas, nor on his intellectual interests, nor on his color, his national derivation, his name, or his creed, or his political beliefs. His loyalty must be judged on his adherence to the welfare of the United States of America and its institutions, and should not be lightly impugned.

The Constitution of the United States and the laws adopted under the Constitution are the only standards which we recognize.

The Government of the United States is one of limited powers; it is a government of law.

Repeatedly this committee has erred in attempting to supplant this government of law by its own subjective and fallible standards of personal belief.

The inevitable result has been to bring the committee and the Congress of which it is a creature into public censure.

I DO NOT CONDONE VIOLATION OF STATUTES

The so-called Hollywood investigation and the public hearings from which this resolution stems were in this objectionable pattern. I do not for a moment condone violation of the statutes by any witness appearing before a congressional committee, nor do I question the broad powers inherent in Congress.

I urge only that the committee surrounded the investigation with a carnival air derogatory to the dignity of Congress, and far exceeded the intent of the House in its delegation of power to the committee.

The burden of responsibility conferred by the rule is grave. The dignity of the House and the protection of the Constitution clearly have been delivered into the hands of this committee.

I do not believe that the conduct of the committee has met the heavy responsibilities inherent in the statute.

Mr. Speaker, I believe that we should not only vote down these resolutions, but that we should prescribe rules of procedure to protect witnesses, to protect Members of Congress, and above all to

protect this House itself from future criticism.

I am, therefore, drawing up a resolution to prescribe rules of procedure for the Committee on Un-American Activities which I shall introduce in the near future.

My resolution will single out this one committee for a procedure to be laid down by vote of the House, because of its unique mandate, its breadth and scope of authority, and the sensitivity of its field of endeavor; and because, thus far, the committee has, in my opinion, failed to adopt a mode of conduct on its own initiative which will protect this House against justified criticism.

Mr. Speaker, I am opposed to and I deplore the extremes of either side. I utterly reject every ideology except that of American democracy as I understand it from our basic documents of freedom—the Declaration of Independence, the Constitution, the Federalist papers, the writings of Jefferson, Paine, Madison, and other great apostles of American freedom and equality.

But I bear in mind Thomas Jefferson's own prophetic words:

> Opinion, and the just maintenance of it, shall never be a crime in my view; nor bring injury to the individual

Or, again:

> Subject opinion to coercion: whom will you make your inquisitors? Fallible men, governed by bad passions, by private as well as public reasons.

And this warning of Jefferson, too:

> There are rights which it is useless to surrender to the Government, and which governments have yet always been found to invade. These are the rights of thinking, and publishing our thoughts by speaking or writing, the right of free commerce; the right of personal freedom.

The SPEAKER. The time of the gentleman from New York has again expired.

Mr. THOMAS of New Jersey. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Speaker——

Mr. HAVENNER. Mr. Speaker, will the gentleman yield for a consent request?

Mr. HOLIFIELD. I yield.

Mr. HAVENNER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HAVENNER. Mr. Speaker, I do not know any of the individuals who have been cited for contempt in the pending proceedings. Nor have I any knowledge of their political philosophies, or of their affiliations, past or present, with political parties or any other organizations. Whatever their political philosophies may be now or may have been in the past, I do not appear here as a defender of their beliefs or of any philosophical or political activities in which they may possibly have been engaged at any time.

But as an American and as a Member of the American Congress I am deeply concerned about the manner in which these proceedings have been conducted. I am fearful that in its attempts to reveal subversive activities on the part of certain individuals or groups of individuals the House Committee on Un-American Activities may be trampling out the vineyard where the grapes of American liberty are stored.

The first and perhaps the most precious guaranty of American liberty is contained in the first amendment of the Constitution of the United States, which prohibits Congress from legislating upon or inquiring into matters of thought, speech, or opinion, and the right to assemble for a redress of grievances. This guaranty of freedom of speech and thought is the very cornerstone of American constitutional government and is fundamental to the whole structure of the American way of life. Its preservation is indispensable to every other form of American freedom. If it is crushed or impaired all of our other liberties may readily be destroyed, and the America for which our forefathers paid so dear a price could perish from this earth.

In this critical period of world history, when foreign ideologies are openly hostile to democratic government, it is more imperative than ever before to guard our sacred liberties and keep the sacrosanct. For the essential difference between the democracy of America and the totalitarianisms of Europe and Asia is in the liberty and the dignity of the individual, which we here prize so highly, and which are suppressed and derided elsewhere in this world.

If in the attempt to prevent the encroachment of communism in this country, with which I am in entire accord, we weaken the institution of liberty which communism seeks to destroy entirely, we are merely playing into the hands of our enemies and aiding them to achieve their eventual goal.

Mr. CARROLL. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. CARROLL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. CARROLL. Mr. Speaker, I know, of course, that my vote will not change the fact that the House of Representatives will sustain the resolutions for contempt of Congress by an overwhelming majority. It would be easy and perhaps politically expedient to join with the majority, but I am taking the only position my good faith and conscience will allow. I feel that I cannot place a stamp of approval on the methods used by the Committee on Un-American Activities in this investigation. My vote is a protest against the actions and conduct of that committee.

I have read every word of the testimony of the investigation. It includes some evidence, which, if valid, shows that the men involved are Communists. If so, they have political beliefs contrary to mine.

My record on the issue of communism is clear. I voted to cite Gerhart Eisler for contempt as a result of what I believed to be a clear violation of the rules of legal procedure. I voted to cite Eugene Dennis, secretary of the Communist Party, for contempt under similar circumstances.

I voted for the Greek-Turkish loan and I intend to vote for the Marshall plan and the immediate program of relief for France, Italy, and Austria.

But I will not stand silent or vote expediently when I believe the basic principles of the Constitution are being placed in jeopardy. I believe the Supreme Court will not sustain the action of Congress on this issue.

In addition, if the Committee on Un-American Activities is the only bulwark against communism this Nation is, indeed, in a tragic state. Communism cannot be weakened by methods of suppression. Such a policy merely forces it underground and strengthens the fanaticism of its followers. Our job is to establish such a healthy economy that communism cannot possibly gain a foothold in this Nation. Instead of attempting to meet the problem by this type of investigation, we should concentrate our activities toward the solution of the real problems that confront this Nation. The real dangers to our democracy are inflation, lack of proper housing, and racial discrimination. We can and must meet these problems on the home front simultaneously with the action to be taken in Europe. This is a constructive program to which the Eightieth Congress can well devote its attention.

The Committee on Un-American Activities will not and cannot solve these problems. Their record indicates that it is acting as judge, jury, and prosecutor. It has permitted its counsel to conduct star-chamber inquisitions into the realm of suspicion and innuendo where witnesses are permitted to testify, mind you, not as to their knowledge but as to their beliefs and fears against the reputations of other citizens. This is indeed government by suspicion and innuendo. Witnesses appearing before it have been permitted to build hearsay upon hearsay. It is true that individuals who have been maligned and slandered by witnesses have been given an opportunity to appear before the witnesses but the record is clear that they have not been given the right to confront their accuser nor have they been given the right to cross-examine those who have testified against them, including the paid investigators of the committee.

The Supreme Court has ruled that we must distinguish between what one thinks and what one does. If dangerous thinking is translated into action, we have many laws which can be invoked against the offender.

What alarms me most is the fear and hysteria which may well follow in the wake of a denial of constitutional safeguards under the pretext of saving the Constitution itself.

I do not believe that we have reached the point at which the social, economic, and political thinking of this Nation is to be intimidated and coerced by the type of mind which dominates the members of the Committee on Un-American Activities. Are we to strait-jacket pro-

gressive thought in this Nation because a standing committee of the Congress determines certain thinking is un-American? If so, what is the yardstick, what is the standard which shall govern their thinking? If we permit this method of investigation to proceed unbridled, the end result may well be that we shall stifle the very forces that have made this the greatest democracy in the world. Individual thought, individual initiative, individual freedom—the supreme dignity of the individual—this is the very cornerstone of our democracy.

Let it be remembered that neither the Supreme Court nor the Congress of the United States has either by decision or legislation indicated that there is a clear and present danger which confronts the Nation today from any subversive element working within the Nation. As and when that time comes then we can and should move with confidence and speed within the framework of our Constitution to protect ourselves from enemies, internal and external.

I have great faith in our democracy, and I have a deep and abiding trust in the common sense of the people of America. With that faith and in that trust I am confident that Americans, as always, if given all of the facts, will arrive at a proper decision overcoming any type of "ism" that would destroy our liberties and our constitutional democracy.

Mr. HOLIFIELD. Mr. Speaker, in the brief time of 2 minutes which has been allotted to me it will be possible to place but a portion of what I have to say in the RECORD.

Mr. Speaker, the Committee on Un-American Activities has been in existence nine long years. Money has been appropriated to it in the amount of $771,434.51. The record of legislation recommended by this committee for passage by the House: Exactly zero.

For 9 years this committee has paraded on the national scene. Its files according to its own admission contain a blacklist of over a million people whom they claim are either "disloyal," "subversive," "radical," "Communist," or "un-American."

Mr. THOMAS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. THOMAS of New Jersey. In the first place the committee up to this year had no right to report legislation.

In the second place the gentleman mentioned cost.

Mr. HOLIFIELD. The gentleman is taking my time.

Mr. THOMAS of New Jersey. I will give the gentleman a little more time.

As far as cost goes, the President, our President, asked for $25,000,000 to clean Communists out of the Government, the executive branch of the Government. There is a big difference between $25,000,000 and the four hundred and some thousand we have used over 9 years. Furthermore, out of the portion of the $25,000,000 they have spent they have cleaned out some seven persons as I undersand. Just compare that with the people who have gone to jail over a period of years as a result of the committee's exposures.

Mr. HOLIFIELD. I thank the gentleman for the contribution.

I wish to ask the gentleman in all fairness to give me the time he promised me.

Mr. THOMAS of New Jersey. Mr. Speaker, I yield the gentleman one additional minute.

Mr. HOLIFIELD. I thank the gentleman.

What is the meaning of the word "subversive," "radical," or "un-American'? Has anyone defined all these terms? Or do these terms which have become damaging to reputation have only the meaning and application according to the understanding, the whims, and the prejudices of the individual committee members rather than the clear concise definite legal phraseology which justice demands?

I say that the terms are vague and uncertain and susceptible of many individual interpretations and until legally defined they should not be used to blacken the characters and the reputations of American citizens.

If I have time I wish to read amendment No. 6 of the Bill of Rights.

> In all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed, which district shall have been previously ascertained by law, and to be informed of the nature and cause of the accusation; to be confronted with the witnesses against him; to have compulsory process for obtaining witnesses in his favor, and to have the assistance of counsel for his defence.

I say that these legal procedures have not been followed. I say that the actions on the part of the Committee on Un-American Activities is a trial in fact, it is a subterfuge, because the chairman of the committee has just said, "We are going to send them (people) to jail"; I hope he does not change his statement, and the counsel for the committee said: "You are charged with" something. Now, I say, if the witnesses have committed a crime let us write it into the legal statutes of the United States and let the witnesses be accused of the crime and then let them have the protection of the legal courts. If they have not committed a crime then why punish them and send them to jail?

Mr. Speaker, some of our respected Members have become enmeshed in labyrinthian legal reasonings. These men have tarried long at the feet of Blackstone, and as a layman I have great respect for men who have laboriously explored the devious Federal and constitutional codes. Some of them tell us the sacred right of a congressional committee to cite a witness for contempt is at stake.

Now my friends, allow me to present a layman's opinion.

A denial of a contempt citation in these instances would have no effect on the proper function in the future of the Committee on Un-American Activities, or any other legislative committee. It would, of course, be an unpleasant experience for the chairman and the members of his committee.

You, however, as a voting Member of the House, would ally yourself with the decision of the Supreme Court in the case of *Kilbourn* v. *Thompson* (298 U. S. at pp. 25–26) which says:

> An official inquisition to compel disclosures of fact, is not an end but a means to an end. And it is a mere truism to say that the end must be a legitimate one to justify the means. The citizen when interrogated about his private affairs, has a right before answering to know why the inquiry is made and if the purpose disclosed is not a legitimate one, he may not be compelled to answer.

Mr. Justice Field of the Supreme Court in commenting on this decision, said that it would "stand for all time as a bulwark against the unlimited scrutiny of investigation by a congressional committee."

Now, my friends, I labor under no illusion as to the disposal of the contempt citations by the House. I realize that I shall again be counted among the minority. That is not particularly important to me as an individual. The courts will have the responsibility of deciding as to the constitutional validity of the committee's action.

It might be well to call to your attention at this time that the highly publicized Committee on Un-American Activities has been in existence for nine long years. The disbursing office of the House informs me that this committee has received total moneys amounting to $771,434.51. The prime purpose of this committee, as well as other standing committees of the House, is to report necessary remedial legislation. The record of legislation recommended by this committee for passage by the House in nine long years is exactly zero.

For 9 years this committee has paraded on the national scene. It has been the recipient of millions of inches of newspaper publicity, it has publicly admitted that its files contain a black list of over a million people who they claim are either disloyal, subversive, radical, Communist, or un-American.

What are the meanings of those words which cast reflections on the patriotism of American citizens?

Is there a clear definition of these terms? Is there a definite standard of meaning by which these terms are used by the committee in its public condemnation of witnesses? Or, do these terms which have become damaging to reputation, vary in meaning and application according to the understanding, whims, and prejudices of individual committee members, rather than the clear, concise definition which legal phraseology demands?

I say such terms are vague, indefinite, and susceptible to individual interpretation—and until legally defined, should not be used indiscriminately as they blacken the reputation of a defenseless witness.

I find myself in no unusual position today. I rise in opposition to a procedure of the Committee on Un-American Activities I believe a vital principle of a free democratic government is the real issue.

Many arguments will be used during this debate as to the constitutional validity of the committee, as to upholding the investigative function of all congressional committees, and as to whether a congressional committee has the right to inquire into the private area of a man's

mind, where religious, economic, and political opinions originate, change, or remain constant.

As to the constitutional validity of the committee or its procedures, each of us to the best of his ability, must make his own decision before casting his vote. It is most likely that the Supreme Court of the United States will render the final decision. In my opinion, this clarification of the committee's validity and procedures is greatly needed and long overdue.

I have served on several standing committees during my 5 years in Congress, and I am jealous of the investigative function of a congressional committee. I realize there must be a wide area within which a committee should properly function. In the main, I believe the chairmen of the several legislative committees have conducted their hearings with due regard to the spirit of fair play, which means so much to all of us. On the committees which I have been privileged to serve, or witness in action, I have noted that witnesses have received the protection from either a chairman or a committee member, on the rare occasions where the questions became discourteous, abusive, or arbitrary. As a recent example, I point to the so-called Howard Hughes investigation in another body, where, through the intervention of a fair-minded committee member, Mr. Hughes was allowed to present an uncensored defensive statement, and, in fact, a list of questions directed at his accusers. He was given this privilege for the purpose of balancing the record in his own defense. This is the American way. It is part of the great American heritage of fair play and good sportsmanship. We instinctively applaud such protective procedures.

The investigative power deposited in a congressional committee is a great and terrible power. When wisely used, it is an invaluable adjunct to the legislative process. If used unwisely, it can bring discredit upon every committee of Congress and do irreparable injury to the citizenry.

One of the real issues before this Congress and before the bar of public opinion is, Has the Committee on Un-American Activities under its various chairmen used its power wisely and in such a way as to maintain the prestige of the legislative function of the Congress? Or, has this committee abused its power and caused ridicule and loss of prestige to the Congress?

At this point, I would like to insert various newspaper editorials from conservative newspapers of national renown, but I shall refrain in deference to the tender sensibilities of certain members of the committee and in respectful obedience to the rules of the House. Newspapers such as the New York Herald Tribune, the New York Times, the Washington Post, the Des Moines Register, and countless other papers of national standing, have commented editorially and in a very illuminating manner upon this subject. I did not need to read their editorials, as my record of opposition to this committee shall remain constant and unbroken until it changes its methods and procedures, or until it is emasculated by a Supreme Court decision, or until it is abolished by the action of the House.

The most fundamental tenet of American democracy is that the individual is supreme—that the inalienable rights of each citizen must and shall be zealously guarded.

Perhaps our declaration of faith in this principle has, indeed, become so commonplace and unthinking that we find ourselves on occasion, idly watching that belief grossly violated and trampled upon, even as we pronounce our acceptance of it.

I submit that this body has created and today maintains a unique political organism which has proved in the past, and is proving today, to be all too facile in the art of invading the blood-won and defended rights of the private citizen through circumvention of the doctrine of separation of governmental powers and prerogatives.

Certainly it is an established principle that the Congress, through its duly constituted committees, may inquire into any phase of economic, political, or racial activity in search of data and information essential to the initiation of legislation. But it is nowhere established that a committee created by the Congress, with the enactment of no legislation whatsoever sincerely in mind, may arbitrarily proclaim a rather rigid and bigoted standard or criterion for behavior and belief, a criterion which can and does, lead to mediocrity of citizenry and suppression of truly free and independent thought and action. Nor is it established that a congressional committee may, sitting in fact as a court, do away with a rap of the gavel or wave of the hand, with all of the sacred, juridical safeguards of free testimony in one's own defense, cross-examination of hostile witnesses, and so forth.

A society which governs itself on the basis of law, cannot afford the distortion or loose interpretation of its laws by any man or body. It is fundamental to our traditions that any and all of our citizenry are fully entitled to hold and publicly, or privately, express any and all political, economic, and social views. The line is clearly drawn before that action, which would lead to the violent overthrow of our sovereign government. It is justly drawn at that point, for no political entity can morally be required or expected to shelter or protect an element within its midst which seeks the overthrow of its sovereignty and the liquidation of its very existence.

But, gentlemen, it is very clear that all of the machinery—executive and judicial—necessary to the investigation, prosecution, and trial of any persons suspected of, and formally indicted for sedition or conspiracy against the state, is and has always been available and in constant readiness.

There can be little doubt as to the ultimate violent aims of the Communists and Fascists within our national midst, but the means are available and have been available for the effective and resolute control of these despicable elements since the very inception of this greatest of democracies. There is no need for a congressional committee or any other branch of the Federal Government, to resort to extra-legal commissions or authorities, which can and do—with utter disregard for the right of the private American citizen—hail him into what amounts to a court, wave as aside the long-established legal safeguards, inquire into his political tenets and philosophy, slander his name before the public, and then seek to have him imprisoned and fined when he protests against his crucifixion.

As a people, we have never found it desirable to set up any rigid standards as to what Americanism is or is not. The private citizen has always been and must always be free to set his own standard and to live by it—subject to the limitations against the plotting of violent overthrow of the Government. There is no room in our free society for a Federal board of inquisition which seeks to establish an official delineation of that which is American and that which is not and then to bulldoze any and all who come before it into compliance with its own limited and often ignorant views.

The time is long past when the non-Communist, non-Fascist, private American citizen—be he reactionary, conservative, liberal, or radical—should have been given release from such inquisitory invasion of his God-given and patriot-earned rights and privileges. The Un-American Activities Committee should be abolished now.

Mr. THOMAS of New Jersey. Mr. Speaker, I yield myself one-half minute.

Mr. Speaker, permit me to say to the Speaker and the Members of the House that as a result of the exposure of these persons for their un-American activities it will be the courts that will send them to jail. We have not got anything to do with sending them to jail. All we do is to expose them and then they are cited by the Congress and the cases come up in the courts. It is the courts that act upon whether or not they go to jail.

The SPEAKER. The time of the gentleman from New Jersey has expired.

Mr. THOMAS of New Jersey. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. McDONOUGH].

Mr. McDONOUGH. Mr. Speaker, obviously, I do not have time to read what I have prepared. I therefore ask unanimous consent to revise and extend my remarks and that they may appear in the Appendix of the RECORD.

The SPEAKER. The Chair will state to the gentleman that they may appear in the body of the RECORD if the gentleman so wishes.

Is there objection to the request of the gentleman from California?

There was no objection.

Mr. McDONOUGH. Mr. Speaker, during the recent recess, Hollywood, which is a part of my congressional district, came into the limelight and was the source of more discussion than usual due to several vitally important issues that affected the motion-picture industry.

First, Great Britain placed an embargo on American-made motion pictures which reduced Hollywood revenue by nearly $68,000,000 per year.

Second, American-made motion pictures were denied admission to the countries under the influence of Russia.

Third, the year-old jurisditional strike was settled due largely to the efforts of the House Labor and Education Subcommittee headed by the gentleman from Pennsylvania [Mr. KEARNS].

And fourth, the motion-picture industry was subject to a thorough and searching investigation of communism and Communistic influence by the House Un-American Activities Committee.

All of these actions have seriously affected Hollywood. The first and second have had a detrimental effect on production and will cause loss of employment to hundreds of motion-picture employees. The fourth item, the investigation of communism in Hollywood and in the motion-picture industry, has revealed the fact that this great industry is not under the control of Communists, and that although there are a few who are under the influence of communism, they by no means represent the rank and file of the thousands of good loyal Americans who are employed in the motion-picture industry, and that this influence in Hollywood outside of the motion-picture industry is of small consequence.

Following is a news story of a statement made by Mr. Cecil B. De Mille, one of the world famous motion-picture producers, whose loyalty to the United States and Americanism cannot be questioned. The statement appeared in the Los Angeles Times, November 8, 1947.

Cecil B. De Mille told the Commonwealth Club of California today that there are Communists in Hollywood—"some very dangerous ones"—but that they do not control Hollywood or the motion-picture industry.

Hollywood, the producer said, is a familiar target for witch hunters. Usually, he added, one side "smears Hollywood with mud while the other side smears it with whitewash."

Warning that communism is a real danger wherever it may be found and that Hollywood does not have a monopoly on it, De Mille said:

"I wish that the rest of the country were as alert to communism as is the great majority of Americans in Hollywood.

"Hollywood's part is to put the real America on the screens of the world and in the minds and hearts of Americans."

The 10 Hollywood writers who were indicted by the House Un-American Activities Committee were not indicted because they were or were not Communists. They were indicted as anyone else would be who unjustifiably refuses to answer questions before a House investigating committee when the answer to the question is vital to the interest and general welfare of the Nation.

In my opinion they have no claim of denial of freedom of speech. On the other hand they refused to use their right of freedom of speech by not answering a simple question, the answer of which would have saved them the embarrassment of indictment.

It appears that these 10 men had unsound legal counsel.

They cannot be considered as representative of the average motion-picture writer and director. They cannot even claim the support of the group of motion-picture actors led by Humphrey Bogart who came to Washington during the hearings and who has recently made a statement in the press in Ed Sullivan's column which appeared in the Washington Times-Herald, Thursday, November 20, as follows:

"I'm about as much in favor of communism as J. Edgar Hoover," said Humphrey Bogart. "I despise communism and I believe in our own American brand of democracy. Our planeload of movie people who flew to Washington came in to fight against censorship being clamped on the movies. The 10 men cited for contempt by the House Un-American Activities Committee were not defended by us, and they certainly are not typical of Hollywood * * * on every occasion, at Washington, we stressed our opposition to Lawson and his crew so there could be no doubt as to where we stood. In fact, before we left Hollywood, we carefully 'screened' every performer so that no Red or Pink could infiltrate and sabotage our purpose."

No, Hollywood and the motion-picture industry fortunately are not dominated by or under the influence of communism. The sporadic revelations of communism that has been exposed in the motion-picture industry are perhaps no greater than would be expected if a thorough investigation were made of authors and writers employed in other lines of publicity.

The motion-picture industry is far too important an asset to the welfare of the Nation to be condemned by a very few of those employed in the industry as an indication that the industry itself is corrupted by communism.

The investigation by the House Un-American Activities Committee has had and will have a healthy and beneficial effect upon the motion-picture industry in cleaning out of its ranks those whose questionable loyalty to the United States is revealed.

Communism has no place in our American way of life. It cannot be condoned, tolerated, nor integrated with our democratic principles. It should be clearly defined and declared to be against the interests and welfare of the United States, and those who practice it should be treated as treasonable enemies of this Nation.

I have introduced House Resolution 99, which defines communism and declares it to be treasonable. This resolution is at present before the House Un-American Activities Committee for consideration. I urge the Committee to give speedy consideration to it so that the House may have an opportunity to pass on it.

Mr. THOMAS of New Jersey. Mr. Speaker, I yield 7 minutes to the gentleman from Mississippi [Mr. RANKIN].

WHY SOME MEMBERS DEFEND COMMUNISTS

Mr. RANKIN. Mr. Speaker, as this proceeding has unfolded I have come to the very definite conclusion that one of the greatest services I ever rendered my country was preparing, introducing, and fighting through the House the amendment to the rules creating the Committee on Un-American Activities.

It is doing more today to expose the enemies within our gates than all other agencies of this Government combined.

It is astounding to me to hear Members who are willing to rise on the floor of the House and give aid and comfort to these Communists whom the decent people in California, the decent people in the motion-picture industry have asked us to investigate. It has been amazing to hear these Members rise on the floor of the House and give aid and comfort to those enemies, those traitors within our gates, for every Communist in America is a traitor to the Government of the United States and is dedicated to its overthrow.

Mr. MARCANTONIO. Mr. Speaker, I ask that the words of the Member be taken down.

The SPEAKER. The gentleman from New York demands that the words of the gentleman from Mississippi be taken down.

Mr. MARCANTONIO. That the words "that the Members gave aid and comfort to traitors" be taken down.

The SPEAKER. The Clerk will report the words objected to.

The Clerk read as follows:

Mr. RANKIN. It has been amazing to hear these Members rise on the floor of the House and give aid and comfort to those enemies, those traitors within our gates, for every Communist in America is a traitor to the Government of the United States and is dedicated to its overthrow.

The SPEAKER. The Chair realizes that this is one of those very close questions that could be interpreted either way. The Chair believes that this does not reflect upon the individual Members personally. The Chair, therefore, does not feel that the words are out of order. The gentleman will proceed in order.

Mr. RANKIN. Now, Mr. Speaker, the gentleman from New York [Mr. MARCANTONIO] said a while ago that he had always voted against the committee. I might also call attention to the fact that he voted against the appropriations for our fighting men during the time of the alliance between Russia and Germany; and on many of those votes he was the only member who voted against the appropriations for money for our boys who were giving their lives in that unfortunate conflict. I think the record ought to be kept straight as to that proposition.

Now, Mr. Speaker, they attack the action of the Committee on Un-American Activities. My only objection to what the committee did was that they should have done it quietly. The motion-picture people wanted to make a picture of it. Probably if I had been there they would not have been so keen about making pictures. But, at any rate, the committee was carrying out the mandate of the Congress investigating people who were spreading their Communist propaganda before the eyes of your children, writing it into the motion pictures that go into every town and every community.

They were not only poisoning the minds of your children with their subtle Communist propaganda; but they were making pictures to be shown abroad belittling and discrediting the American people. You have not seen a picture show in years concerning the South that did not attempt to smear and discredit the white people of the Southern States.

You would be surprised if I were to give you the name of a man, one of the great moving-picture men of this country, if you please, who said he could take those pictures and show you the Communist line in a majority of them. Those men asked us to bring those witnesses here and investigate them.

Mrs. DOUGLAS. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. For what?

Mrs. DOUGLAS. For a question.

Mr. RANKIN. For a question only.

Mrs. DOUGLAS. What I cannot understand——

Mr. RANKIN. No; I do not yield for any of your understanding; I yielded for a question.

Mrs. DOUGLAS. Why did not the committee name the pictures that had this propaganda?

Mr. RANKIN. Simply because the grand jury does not always give out its information in advance. Besides, these Communists were using the moving-picture industry to spread their poisonous propaganda throughout the world.

I do not yield further.

Here is a petition that was sent to Congress, condemning the Committee on Un-American Activities——

Mrs. DOUGLAS. Why did they not wish to see the pictures?

Mr. HOFFMAN. Regular order, Mr. Speaker.

The SPEAKER. The gentleman from Mississippi declines to yield further.

Mr. RANKIN. When we were on the trail of those Russian spies down at Oak Ridge, who were trying to steal the secrets of the atomic bomb, do you think we should have announced our plans and tipped off those spies? Certainly not.

I am going to read some of the names of the people on that petition.

What this committee is trying to do is protect the American people against those things in which these people are now engaged who want to undermine and destroy this Republic, to destroy American institutions, and to bring to the Christian people of America the murder and plunder that has taken place in the Communist-dominated countries of Europe.

They sent this petition to Congress, and I want to read you some of these names.

One of the names is June Havoc.

We found out from the motion-picture almanac that her real name is June Hovick.

Another one was Danny Kaye, and we found out that his real name was David Daniel Kamisky.

Another one here is John Beal, whose real name is J. Alexander Bliedung.

Another one is Cy Bartlett whose real name is Sacha Baraniev.

Another one is Eddie Cantor, whose real name is Edward Iskowitz.

There is one who calls himself Edward Robinson. His real name is Emanuel Goldenberg.

There is another one here who calls himself Melvyn Douglas, whose real name is Melvyn Hesselberg.

There are others too numerous to mention. They are attacking the Committee on Un-American Activities for doing its duty in trying to protect this country and save the American people from the horrible fate the Communists have meted out to the unfortunate Christian people of Europe.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. THOMAS of New Jersey. Mr. Speaker, I yield the remaining time to the gentleman from California [Mr. NIXON].

Mr. NIXON. Mr. Speaker, it is unfortunate that in the various proceedings which are brought before this House by the Committee on Un-American Activities there are times that we have a tendency to indulge in emotionalism and to get off on collateral issues which have nothing to do with the issue at hand.

The problem before this House today is a very simple one, and it can be broken down into two questions which this House must answer and which I feel it did answer by its first vote today.

The first question is one of fact, and the decision on that question can be made very easily, because there is no argument about it. Ten witnesses were called before the Committee on Un-American Activities. They were asked two questions. One of them was "Are you a member of the Screen Writers' Guild?" The other question was "Are you, or have you ever been, a member of the Communist Party?" All 10 of these witnesses refused to answer those questions. In other words, there can be no argument about the decision on the question of fact. These are witnesses who were asked questions by a committee of this House who deliberately refused to give answers to those questions.

There are certain matters of fact which have been brought into the debate today and into the discussion of these hearings in the press and on the radio which have nothing to do with the issue at hand. For example, some of the Members who have spoken, and I feel that they have spoken honestly and according to their convictions, have presented this case as being one in which 10 innocent people were falsely charged with being Communists and who were not given an opportunity to present their side of the case before the committee. I want to point out that every one of these witnesses was represented by counsel. Every one of them was given an opportunity to make a statement on the pertinent fact of whether or not the statements which were made concerning them by previous witnesses were true or untrue. Every one of these witnesses refused to meet the issue. They preferred, instead, to question the legality of the committee and the power of the committee to act. The question of fact, therefore, is clear. The only other question which this House must decide today is one of law. The question of law is a very simple one—whether or not the committee was exercising a legitimate legislative function, and whether in exercising that legitimate legislative function it exceeded its powers by asking questions which infringed upon the constitutional rights of the witnesses involved.

As far as the legislative power of the committee to investigate un-American activities is concerned, I think that that power is clearly established. We must recognize that in legislating on matters which involve freedom of expression and freedom of speech and political affiliations we are operating in a very tender area of the law in which the greatest care and discretion should be exercised. It is for that very reason that no legislation affecting those basic rights should be passed by the House unless the committee which recommends the legislation has had the widest possible authority in its investigations to find out what kind of legislation should be adopted. Only by allowing for a complete investigation and study of the problems involved will we avoid the passage of ill-considered legislation which would infringe permanently upon fundamental rights.

Clearly then the committee should be given the widest latitude possible in conducting its investigation. Is it true, nevertheless, that in asking these two questions the committee exceeded its power and infringed upon constitutional rights of individuals? We have heard much argument today pro and con as to the purposes and methods of the Communist Party. I think most of you have made up your minds on this issue, and I need not discuss it at any length. It is enough to say that the Communist Party has come to power in many countries of the world today. Can any Member of the House name one country in the world in which the Communist Party has come to power as a result of a free election in which they obtained a majority of the votes in a democratic manner? The answer is "No." No better proof is needed for the proposition that the Communist Party is a subversive organization which attempts to impose upon free people a totalitarian system of government by any means, legal or illegal. For that reason it is extremely important that a democracy, and we are a democracy, should have the power and the right to defend itself from such an organization. That is why Communist Party membership and activities are legitimate subjects of inquiry by the Congress, and why our national security demands that we take proper legal steps to protect our free American institutions from being infiltrated and dominated by those who serve the Communist cause.

The claim has nevertheless been made that the committee infringed upon the constitutional rights of the witnesses in asking the question as to Communist Party membership. The only halfway plausible argument in this regard is that the witness by answering such a question would be incriminating himself. The answer is quite simple. It is not a crime to be a member of the Communist Party and consequently the guaranty of the fifth amendment against self-incrimination has no application whatever.

In summary we have before us a problem of striking a delicate balance in which we must recognize and protect the rights of individuals on the one hand, and at the same time recognize and protect the security of the United States on the other. I feel that the Committee on Un-American Activities has proceeded in that manner insofar as these ten witnesses are concerned.

That, then, Mr. Speaker, is the problem before us. You have 10 witnesses who clearly refused to answer two pertinent questions. These two questions have to be answered in order for the Committee to proceed with its investigation, so that we can learn what kind of legislation could best be recommended

to the House. Under the circumstances I feel that the Members of the House were justified in their previous vote and they will be justified in their votes on the 9 other witnesses when those questions come before them. The Committee was pursuing a legitimate legislative function and it was asking questions which it had a right to ask and which did not infringe upon the rights of the individuals involved.

Mr. THOMAS of New Jersey. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

Mr. RANKIN. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were refused.

The question was taken; and on a division (demanded by Mr. MARCANTONIO) there were—ayes 240, noes 16.

So the resolution was agreed to.

A motion to reconsider was laid on the table.

PROCEEDINGS AGAINST SAMUEL ORNITZ

Mr. THOMAS of New Jersey. Mr. Speaker, by direction of the Committee on Un-American Activities, I present a privileged report (H. Rept. 1130), which I send to the Clerk's desk.

The SPEAKER. The Clerk will read the report.

The Clerk read as follows:

The Committee on Un-American Activities as created and authorized by the House of Representatives through the enactment of Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress, caused to be issued a subpena to Samuel Ornitz of 1044 South Redondo Boulevard, Los Angeles, Calif. The said subpena directed Samuel Ornitz to be and appear before said Committee on Un-American Activities on October 23, 1947, at the hour of 10:30 a. m., and then and there to testify touching matters of inquiry committed to said committee. The subpena served upon Samuel Ornitz is set forth in words and figures as follows:

"By authority of the House of Representatives of the Congress of the United States of America, to Robert E. Clark, United States Marshal: You are hereby commanded to summon Samuel Ornitz to be and appear before the Un-American Activities Committee of the House of Representatives of the United States, of which the Hon. J. PARNELL THOMAS, of New Jersey, is chairman, in their chamber in the city of Washington, on October 23, 1947, at the hour of 10:30 a. m., then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said committee. Herein fail not, and make return of this summons.

"Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 23d day of September 1947.

"J. PARNELL THOMAS, *Chairman.*

"Attest:

"JOHN ANDREWS, *Clerk,*"

The said subpena was duly served, as appears by the return made thereon by Earle L. Baugher, deputy United States marshal, who was duly authorized to serve the said subpena. The return of the service by the said Earle L. Baugher, being endorsed thereon, is set forth in words and figures as follows:

Served Samuel Ornitz, September 25, 1947, Robert E. Clark, U. S. Marshal, by Earle L. Baugher, Deputy.

On October 11, 1947, a telegram was sent to Mr. Samuel Ornitz, which is set forth herein in words and figures as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON UN-AMERICAN ACTIVITIES,
Washington, D. C., October 11, 1947.

Mr. SAMUEL ORNITZ,
1044 South Redondo Boulevard,
Los Angeles, Calif.:

In response to the subpena served upon you summoning you to appear before the Committee on Un-America Activities, United States House of Representatives, in Washington, D. C., on October 23, you are hereby directed to appear on October 28 instead of October 23, at the hour of 10:30 a. m., Room 226, Old House Office Building.

J. PARNELL THOMAS, *Chairman.*

The said Samuel Ornitz, pursuant to said subpena and in compliance therewith, appeared before the said committee to give such testimony as required under and by virtue of Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress. The said Samuel Ornitz, having appeared as a witness and having been asked questions, namely, "Are you a member of the Screen Writers Guild?" and "Are you now, or have you ever been, a member of the Communist Party?" Which questions were pertinent to the subject under inquiry, refused to answer such questions; and as a result of the said Samuel Ornitz's refusal to answer the aforesaid questions your committee was prevented from receiving testimony and information concerning a matter committed to said committee in accordance with the terms of the subpena served upon the said Samuel Ornitz. The record of the proceedings before the committee on Wednesday October 29, 1947, during which the said Samuel Ornitz refused to answer the aforesaid questions pertinent to the subject under inquiry, is set forth in fact as follows:

"(The committee met on Wednesday, October 29, 1947, at 10:30 a. m., Hon. J. PARNELL THOMAS (chairman) presiding.)

"The CHAIRMAN. The meeting will come to order. The record will show that a subcommittee is sitting, with Mr. McDOWELL, Mr. VAIL, and Mr. THOMAS present.

* * * * *

"The CHAIRMAN. Mr. Stripling, call the next witness.

"Mr. STRIPLING. Samuel Ornitz.

"The CHAIRMAN. Who?

"Mr. STRIPLING. Mr. Samuel Ornitz.

"The CHAIRMAN. Mr. Ornitz. Mr. Ornitz, raise your right hand, please. Do you solemnly swear that the testimony you are about to give is the truth, the whole truth, and nothing but the truth, so help you God?

"Mr. ORNITZ. I do.

"The CHAIRMAN. Sit down, please.

"Mr. STRIPLING. Mr. Ornitz, will you please state your full name and present address?

"Mr. ORNITZ. Samuel Ornitz, 1044 South Redondo Boulevard, Los Angeles.

"Mr. STRIPLING. When and where were you born, Mr. Ornitz?

"Mr. ORNITZ. New York City, November 15, 1890.

"Mr. STRIPLING. What is your occupation?

"Mr. ORNITZ. I am a writer. I wish the opportunity to make a statement——

"The CHAIRMAN. Now, just be identified, please.

"Mr. ORNITZ. Yes, sir.

"Mr. STRIPLING. That is sufficient identification, Mr. Chairman. At this point, if he has a statement——

"The CHAIRMAN. We would like to see the statement.

"Mr. STRIPLING. Do you have a copy?

"Mr. CRUM. Yes.

"The CHAIRMAN. We want to see the statement, to see if it is pertinent to the inquiry, and also whether it answers the charges that have been leveled against you.

"(Statement handed to the chairman.)

"Mr. McDOWELL. I wouldn't have any part of it.

"The CHAIRMAN. Mr. Ornitz, this statement is clearly out of order. It is not at all pertinent. It is just another case of vilification, and the statement will not be read by you.

"Mr. ORNITZ. I beg to differ with the chairman——

"Mr. STRIPLING. Mr.——

"Mr. ORNITZ. This statement is particularly pertinent——

(The chairman pounds gavel.)

"Mr. ORNITZ. In that I am accused——

"The CHAIRMAN (pounding gavel). Just a minute——

"Mr. ORNITZ. Here——

"The CHAIRMAN. Ask another question——

"Mr. ORNITZ. I beg your pardon——

"The CHAIRMAN (pounding gavel). Ask another question——

"Mr. STRIPLING. Mr. Ornitz——

"Mr. ORNITZ. I accuse the members of this committee of being——

"The CHAIRMAN (pounding gavel). You will not accuse anybody——

"Mr. ORNITZ. I do accuse them——

"The CHAIRMAN (pounding gavel). Step aside from the witness stand——

"Mr. STRIPLING. Just a moment, Mr. Chairman.

"Mr. Ornitz, you are here before this committee in response to a subpena, are you not?

"Mr. ORNITZ. I am.

* * * * *

"Mr. STRIPLING. Certain questions will be directed to you. You are expected to answer those questions.

"Mr. ORNITZ. I am prepared to answer them.

"Mr. STRIPLING. Are you a member of the Screen Writers Guild?

"Mr. ORNITZ. I wish to reply to that question by saying that this involves a serious question of conscience for me.

"The CHAIRMAN. Conscience?

"Mr. ORNITZ. Conscience, sir—conscience.

"Mr. STRIPLING. Are you a member of the Screen Writers Guild?

"Mr. ORNITZ. I am replying to that question to the best of my ability and in spite of the interruptions.

"Mr. McDOWELL. Well, are you a member? That is the thing.

"Mr. ORNITZ. If I may reply to it in less detail than our chairman did this morning, in practicing intimidation, as he has practiced it continually during this hearing——

(The chairman pounds gavel.)

"Mr. STRIPLING. Mr. Chairman, this has nothing to do with the question—the answer the witness has given.

"Mr. ORNITZ. I have tried to answer this question several times now. I will make another attempt.

"Mr. STRIPLING. It is a very simple question, Mr. Ornitz. Are you or are you not a member of the Screen Writers Guild?

"Mr. ORNITZ. The question of conscience and constitutional rights are not simple matters to me.

"Mr. STRIPLING. It has nothing to do with conscience or constitutional rights, Mr. Ornitz.

"Mr. ORNITZ. If you will let me answer your question, I will establish that. Kindly let me answer the question. I am asking this as a citizen and taxpayer of representatives of my Government, to let me answer the question conscientiously. I say you do raise a serious question of conscience for me when you ask me to act in concert with you to override the Constitution.

"Mr. STRIPLING. Mr. Chairman——

"Mr. ORNITZ. Wait a minute. Let me answer the question——

"(The chairman pounds gavel.)

"Mr. STRIPLING. Just a minute.

"The CHAIRMAN. Ask the next question.

"Mr. MCDOWELL. Ask the next question.

"Mr. ORNITZ. You are asking me to violate a constitutional guaranty.

"Mr. STRIPLING. It does not involve a constitutional guaranty.

"Mr. ORNITZ. It does.

"The CHAIRMAN (pounding gavel). Mr. Stripling, ask the next question.

"Mr ORNITZ. I want to answer this question. It is against the Constitution——

"The CHAIRMAN. (pounding gavel). Ask the next question

"Mr. STRIPLING. You have refused to answer the question

"Mr. ORNITZ. I have not refused. I have not been allowed to finish my answer. It is against the Constitution to ask me to reveal—not to reveal, but to state, to violate the sanctity of association.

"Mr. MCDOWELL. Ask the next question.

"Mr. STRIPLING. Mr. Ornitz, you stated that you were a writer. The Screen Writers Guild is a recognized union or guild within the motion-picture industry. Certainly there could be nothing compromising by answering whether or not you are a member of that guild. You are not ashamed of being a member of the guild, are you?

"Mr. ORNITZ. I have wanted to answer the question, in my way, and not your way.

"Mr. STRIPLING. Yes. I am quite aware of that, that you don't want to answer it. Now, Mr. Ornitz, I will ask you this question——

"Mr. ORNITZ. I do want to answer——

"Mr. STRIPLING. Are you now, or have you ever been, a member of the Communist Party of the United States?

"Mr. ORNITZ. I wish to state to you that my political affiliations, like my religious affiliation, is a matter fully guaranteed by the Constitution. I can belong to any party that I see fit to join, and you have no right to inquire into——

"Mr. STRIPLING. Even though that party may be affiliated with a foreign government and directed by a foreign government?

"Mr. ORNITZ. *That is a loaded question, and I will not fall for it.*

"The CHAIRMAN (pounding gavel). *All right, the witness——*

"Mr. STRIPLING. Are you a member of the Communist Party?

"Mr. ORNITZ. I have replied to that. You have no right to ask me that question.

"The CHAIRMAN *(pounding gavel).* The witness is through.

"Mr. ORNITZ. I wish——

"The CHAIRMAN (pounding gavel). Stand aside.

"Mr. ORNITZ. I wish to repeat——

"The CHAIRMAN (pounding gavel). Stand away."

Because of the foregoing, the said Committee on Un-American Activities was deprived of answers to pertinent questions propounded to said Samuel Ornitz, relative to the subject matter which under Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress, the said committee was instructed to investigate, and the refusal of the witness to answer questions, namely, "Are you a member of the Screen Writers Guild?" and "Are you now, or have you ever been, a member of the Communist Party?" which questions were pertinent to the subject under inquiry, is a violation of the subpena under which the witness had previously appeared, and his refusal to answer the aforesaid questions deprived your committee of necessary and pertinent testimony and places the said witness in contempt of the House of Representatives of the United States.

During the reading of the report the following occurred:

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that further reading of the report be dispensed with.

Mr. THOMAS of New Jersey. Mr. Speaker, I object.

The Clerk concluded the reading of the report.

Mr. THOMAS of New Jersey. Mr. Speaker, I offer the following privileged resolution (H. Res. 368) regarding Samuel Ornitz and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the Speaker of the House of Representatives certify the report of the Committee on Un-American Activities of the House of Representatives as to the refusal of Samuel Ornitz to answer questions before the said Committee on Un-American Activities, together with all of the facts in connection therewith, under seal of the House of Representatives, to the United States attorney for the District of Columbia, to the end that the said Samuel Ornitz may be proceeded against in the manner and form provided by law.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROCEEDINGS AGAINST ROBERT ADRIAN SCOTT

Mr. THOMAS of New Jersey. Mr. Speaker, by direction of the Committee on Un-American Activities I submit the following privileged report (Rept. No. 1131) citing Robert Adrian Scott.

The Clerk read as follows:

The Committee on Un-American Activities as created and authorized by the House of Representatives through the enactment of Public Law 601, secion 121, subsection Q (2), and under House Resolution 5 of the Eightieth Congress, caused to be issued a subpena to Robert Adrian Scott, generally known as Adrian Scott, 1290 Sunset Plaza Drive, Los Angeles, Calif. The said subpena directed Robert Adrian Scott to be and appear before said Committee on Un-American Activities on October 23, 1947, at the hour of 10:30 a. m., and then and there to testify, touching matters of inquiry committed to said committee. The subpena served upon Robert Adrian Scott is set forth in words and figures as follows:

"By authority of the House of Representatives of the Congress of the United States of America, to Robert E. Clark, United States marshal: You are hereby commanded to summon Robert Adrian Scott, generally known as Adrian Scott, to be and appear before the Un-American Activities Committee of the House of Representatives, of which the Honorable J. PARNELL THOMAS, of New Jersey, is chairman, in their chamber in the city of Washington, on October 23, 1947, at the hour of 10:30 a. m., then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said committee. Herein fail not, and make return of this summons.

"Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 18th day of September 1947.

"J. PARNELL THOMAS, *Chairman.*

"Attest:

"JOHN ANDREWS, *Clerk.*"

The said subpena was duly served, as appears by the return made thereon by Andrew Bazar, deputy, who was duly authorized to serve the said subpena. The return of the service by the said Andrew Bazar, being endorsed thereon, is set forth in words and figures as follows:

"Served Robert Adrian Scott, September 19, 1947, Robert E. Clark, United States marshal, by Andrew Bazar, deputy."

On October 11, 1947, a telegram was sent to Mr. Robert Adrian Scott, which is set forth herein in words and figures as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON UN-AMERICAN ACTIVITIES,
Washington, D. C., October 11, 1947.

Mr. ROBERT ADRIAN SCOTT,
1290 Plaza Drive,
Los Angeles, Calif.:

In response to the subpena served upon you summoning you to appear before the Committee on Un-American Activities, United States House of Representatives, in Washington, D. C., on October 23, you are hereby directed to appear on October 29, instead of October 23, at the hour of 10:30 a. m., Room 226, Old House Office Building.

J. PARNELL THOMAS, *Chairman.*

The said Adrian Scott, pursuant to said subpena and in compliance therewith, appeared before the said committee to give such testimony as required under and by virtue of Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress. The said Adrian Scott, having appeared as a witness and having been asked questions, namely, "Were you ever a member of the Screen Writers Guild?" and "Are you now, or have you ever been, a member of the Communist Party?", which questions were pertinent to the subject under inquiry, refused to answer such questions; and, as a result of said Adrian Scott's refusal to answer the aforesaid questions, your committee was prevented from receiving testimony and information concerning a matter committed to said committee in accordance with the terms of the subpena served upon the said Adrian Scott. The record of the proceedings before the committee on Wednesday, October 29, 1947, during which the said Adrian Scott refused to answer the aforesaid questions pertinent to the subject under inquiry is set forth in fact as follows:

"Mr. STRIPLING. The next witness, Mr. Chairman, is Mr. Adrian Scott.

"The CHAIRMAN. Adrian Scott. Raise your right hand, please. You do solemnly swear the testimony you are about to give is the truth, the whole truth, and nothing but the truth, so help you God?

"Mr. SCOTT. I do.

"The CHAIRMAN. Sit down. Mr. Stripling.

"Mr. STRIPLING. Mr. Scott, will you state your full name and present address for the record, please?

"Mr. SCOTT. My name is Adrian Scott. My address is 603 North Beverly Drive, Beverly Hills, Calif.

"Mr. STRIPLING. When and where were you born?

"Mr. SCOTT. In New Jersey on February 6, 1911.

"Mr. STRIPLING. What is your occupation?

"Mr. SCOTT. I am a producer.

"Mr. STRIPLING. How long have you been a producer?

"Mr. SCOTT. I believe it is a little over 2 years.

"Mr. STRIPLING. Are you here before the committee in response to a subpena served upon you on September 19?

"Mr. SCOTT. I am.

"Mr. STRIPLING. And in response to a telegram sent to you on October 11 by the chairman calling for your appearing on October 29; is that right?

"Mr. SCOTT. Yes; that is right.

"Mr. STRIPLING. Do you have a statement, Mr. Scott?

"Mr. SCOTT. I do have a statement which I would like to read. I believe the statement is pertinent. It deals with cross-fire and anti-Semitism.

"The CHAIRMAN. Just a minute. We are trying to read the statement.

"Mr. SCOTT. Thank you.

"The CHAIRMAN. It is hard to read the statement and listen to you at the same

time. [After a pause:] This may not be the worst statement we have received, but it is almost the worst.

"Mr. SCOTT. May I disagree with the Chairman, please?

"The CHAIRMAN. Therefore, it is clearly out of order, not pertinent at all, hasn't anything to do with the inquiry, and the Chair will rule that the statement will not be read. Mr. Stripling.

"Mr. STRIPLING Mr. Scott, are you a member of any guild, either the Screen Directors Guild or the Screen Writers Guild?

"Mr. SCOTT. I don't think that is a proper question, Mr. Stripling.

"Mr. STRIPLING. Were you ever a member of the Screen Writers Guild?

"Mr. SCOTT. Mr Stripling, I repeat, I don't think that is a proper question.

"Mr. STRIPLING. Are you now, or have you ever been, a member of the Communist Party?

"Mr. SCOTT. May I answer the first question, Mr. Stripling?

"Mr. STRIPLING. You said it wasn't a proper question.

"Mr. SCOTT. I will see if I can answer it properly.

"The CHAIRMAN. You said it wasn't a proper question.

"Mr. SCOTT. I believe it is a question which invades my rights as a citizen. I do not believe it is proper for this committee to inquire into my personal relationships, my private relationships, my public relationships.

"The CHAIRMAN. Then you refuse to answer the question?

"Mr. SCOTT. The committee has no right to inquire into what I think, with whom I associate.

"Mr. STRIPLING. We are not inquiring into what you think, Mr. Scott. Mr. Scott, we would like to know whether you were ever a member of the Screen Writers Guild.

"Mr. SCOTT. I believe I have answered your question.

"Mr. STRIPLING. Mr. Chairman, I ask that you direct the witness to answer the question.

"The CHAIRMAN. The witness will have to answer the question.

"Mr. SCOTT. I beg your pardon?

"The CHAIRMAN. The witness must respond to the question by answering.

"Mr. SCOTT. I believe I have responded to the question, Mr. Chairman.

"The CHAIRMAN. Do you decline to answer the question?

"Mr. SCOTT. I have answered it the way I would like to answer it.

"The CHAIRMAN. Were you ever a member? I don't know from your answer whether you were, or were not, a member.

"Mr. SCOTT. My answer still stands.

"The CHAIRMAN. Are you a member?

"Mr. SCOTT. I believe I have answered the question. Would you like me to answer it in the way I did before?

"The CHAIRMAN. From your answer, I must be terribly dumb, but from your answer I can't tell whether you are a member or not.

"Mr. SCOTT. Mr. THOMAS, I don't agree with you. I don't think you are. I have answered the question the best way I can.

"The CHAIRMAN. Mr. VAIL, can you tell whether he is a member or not?

"Mr. VAIL. No; I cannot.

"The CHAIRMAN. Mr. McDOWELL, can you tell?

"Mr. McDOWELL. No.

"The CHAIRMAN. I just can't tell whether you are a member.

"Mr. SCOTT. I am very sorry.

"Mr. STRIPLING. Mr. Scott, could you tell the committee whether or not you are now, or have ever been, a member of the Communist Party?

"Mr. SCOTT. Mr. Stripling, that question is designed to inquire into my personal and private life. I don't think it is pertinent to this—I don't think it is a proper question, either.

"Mr. STRIPLING. Do you decline to answer the question, Mr. Dmytryk?

"Mr. SCOTT. Mr. Scott.

"Mr. STRIPLING. Mr. Scott.

"Mr. SCOTT. I believe that question also invades my rights as a citizen. I believe it also invades the first amendment. I believe that I could not engage in any conspiracy with you to invade the first amendment.

"The CHAIRMAN. Now, we can't tell even from that answer whether you are a member of the Communist Party.

"Mr. STRIPLING. I repeat the question, Mr. Scott. Can you state whether or not you have ever been a member of the Communist Party?

"Mr. SCOTT. I repeat my answer, Mr. Stripling.

"The CHAIRMAN. All right; the witness is excused."

Because of the foregoing, the said Committee on Un-American Activities was deprived of answers to pertinent questions propounded to said Adrian Scott, relative to the subject matter which under Public Law 601, section 121, subsection Q (2), and under House Resolution No 5 of the Eightieth Congress, the said committee was instructed to investigate, and the refusal of the witness to answer questions namely, "Were you ever a member of the Screen Writers Guild?" and "Are you now, or have you ever been, a member of the Communist Party?", which questions were pertinent to the subject under inquiry, is a violation of the subpena under which the witness had previously appeared, and his refusal to answer the aforesaid questions deprived your committee of necessary and pertinent testimony and places the said witness in contempt of the House of Representatives of the United States.

Mr. THOMAS of New Jersey. Mr. Speaker, I offer a privileged resolution (H. Res. 369) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the Speaker of the House of Representatives certify the report of the Committee on Un-American Activities of the House of Representatives as to the refusal of Robert Adrian Scott to answer questions before the said Committee on Un-American Activities, together with all of the facts in connection therewith, under seal of the House of Representatives, to the United States attorney for the District of Columbia, to the end that the said Robert Adrian Scott may be proceeded against in the manner and form provided by law.

Mr. THOMAS of New Jersey. Mr. Speaker, this case is identical with the other cases, and I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROCEEDINGS AGAINST JOHN HOWARD LAWSON

Mr. THOMAS of New Jersey. Mr. Speaker, by direction of the Committee on Un-American Activities I present a privileged report (H. Rept. 1132), which I send to the Clerk's desk.

The Clerk read as follows:

The Committee on Un-American Activities, as created and authorized by the House of Representatives through the enactment of Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress, caused to be issued a subpena to John Howard Lawson, 9354 Burnett Avenue, San Fernando, Calif. The said subpena directed John Howard Lawson to be and appear before said Committee on Un-American Activities on October 23, 1947, at the hour of 10:30 a. m. and then and there to testify touching matters of inquiry committed to the said committee. The subpena served upon John Howard Lawson is set forth in words and figures as follows:

"By authority of the House of Representatives of the Congress of the United States of America, to Robert E. Clark, United States marshal: You are hereby commanded to summon John Howard Lawson to be and appear before the Un-American Activities Committee of the House of Representatives of the United States, of which the Honorable J. PARNELL THOMAS, of New Jersey, is chairman, in their chamber in the city of Washington, on October 23, 1947, at the hour of 10.30 a. m., then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said committee. Herein fail not, and make return of this summons.

"Witness my hand and the seal of the House of Representative of the United States at the city of Washington, this 18th day of September 1947.

"J. PARNELL THOMAS,
"Chairman.

"Attest:

"JOHN ANDREWS, *Clerk."*

The said subpena was duly served, as appears by the return made thereon by W. S. Sweeney, deputy, who was duly authorized to serve the said subpena The return of the service by the said W. S. Sweeney being endorsed thereon, is set forth in words and figures as follows:

"Served September 19, 1947, on John Howard Lawson, at 9354 Burnett Street, San Fernando, Calif. Robert E. Clark, United States marshal; W. S. Sweeney, deputy."

On October 11, 1947, a telegram was sent to Mr. John Howard Lawson, which is set forth herein in words and figures as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON UN-AMERICAN ACTIVITIES,
Washington, D. C., October 11, 1947.

Mr. JOHN HOWARD LAWSON,
9354 Burnet Avenue,
San Fernando, Calif.:

In response to the subpena served upon you summoning you to appear before the Committee on Un-American Activities, United States House of Representatives, in Washington, D. C., on October 23, you are hereby directed to appear on October 27 instead of October 23, at the hour of 10:30 a. m., room 226, Old House Office Building.

J. PARNELL THOMAS, *Chairman.*

The said John Howard Lawson, pursuant to said subpena and in compliance therewith, appeared before the said committee to give such testimony as required under and by virtue of Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress. The said John Howard Lawson having appeared as a witness and having been asked a question, namely, "Are you now, or have you ever been, a member of the Communist Party?" which question was pertinent to the subject under inquiry, refused to answer such question; and as a result of the said John Howard Lawson's refusal to answer the aforesaid question your committee was prevented from receiving testimony and information concerning a matter committed to said committee in accordance with the terms of the subpena served upon the said John Howard Lawson. The record of the proceedings before the committee on Monday, October 27, 1947, during which the said John Howard Lawson refused to answer the aforesaid question pertinent to the subject under inquiry, is set forth in fact as follows:

"(The committee met on Monday, October 27, 1947, at 10:30 a. m., Hon. J. PARNELL THOMAS (chairman, presiding.)

"The CHAIRMAN. The meeting will come to order. Everyone please take their seats. The record will show that a subcommittee is

present, consisting of Mr. VAIL, Mr. McDOWELL, and Mr. THOMAS. Mr. Stripling, the first witness.

"Mr. STRIPLING. The first witness, Mr. Chairman, is Mr. John Howard Lawson.

"The CHAIRMAN. Mr. Lawson.

* * * * *

"The CHAIRMAN. Stand and please raise your right hand. Do you solemnly swear the testimony you are about to give is the truth, the whole truth, and nothing but the truth, so help you God?

"Mr. LAWSON. I do

"The CHAIRMAN. Sit down, please.

"Mr. LAWSON. Mr. Chairman, I have a statement here which I wish to make——

"The CHAIRMAN. Well—all right; let me see your statement.

* * * * *

"The CHAIRMAN. I don't care to read any more of the statement. The statement will not be read. I read the first line.

"Mr. LAWSON. You have spent 1 week vilifying me before the American public——

"The CHAIRMAN. Just a minute——

"Mr. LAWSON. And you refuse to allow me to make a statement on my rights as an American citizen.

"The CHAIRMAN. I refuse you to make the statement, because of the first sentence in your statement. That statement is not pertinent to the inquiry. Now, this is a congressional committee—a congressional committee set up by law. We must have orderly procedure, and we are going to have orderly procedure. Mr. Stripling, identify the witness.

"Mr. LAWSON. The rights of American citizens are important in this room here, and I intend to stand up for those rights, Congressman THOMAS.

"Mr. STRIPLING. Mr. Lawson, will you state your full name, please?

"Mr. LAWSON. I wish to protest against the unwillingness of this committee to read a statement, when you permitted Mr. Warner, Mr. Mayer, and others to read statements in this room. My name is John Howard Lawson.

"Mr. STRIPLING. What is your present address?

"Mr. LAWSON. 9354 Burnett Avenue, San Fernando, Calif.

"Mr. STRIPLING. When and where were you born?

"Mr. LAWSON. New York City.

"Mr. STRIPLING. What year?

"Mr. LAWSON. 1894.

"Mr. STRIPLING. Give us the exact date.

"Mr. LAWSON. September 25.

"Mr. STRIPLING. Mr. Lawson, you are here in response to a subpena which was served upon you on September 19, 1947; is that true?

"Mr. LAWSON. That is correct.

* * * * *

"Mr. STRIPLING. What is your occupation, Mr Lawson?

"Mr. LAWSON. I am a writer.

"Mr. STRIPLING. How long have you been a writer?

"Mr. LAWSON. All my life—at least, 35 years—my adult life.

"Mr. STRIPLING. Are you a member of the Screen Writers Guild?

"Mr. LAWSON. The raising of any question here in regard to membership, political beliefs, or affiliation——

"Mr. STRIPLING. Mr. Chairman——

"Mr. LAWSON. Is absolutely beyond the powers of this committee.

"Mr. STRIPLING Mr. Chairman——

"Mr. LAWSON But——

"(The chairman pounds gavel.)

"Mr. LAWSON. It is a matter of public record that I am a member of the Screen Writers Guild.

* * * * *

"Mr. STRIPLING. Now, Mr. Chairman, I am also going to request that you instruct the witness to be responsive to the questions.

"The CHAIRMAN. I think the witness will be more responsive to the questions.

"Mr. LAWSON. Mr. Chairman, you permitted——

"The CHAIRMAN (pounding gavel). Never mind——

"Mr. LAWSON (continuing). Witnesses in this room to make answers of three or four or five hundred words to questions here.

"The CHAIRMAN. Mr. Lawson, you will please be responsive to these questions and not continue to try to disrupt these hearings.

"Mr. LAWSON. I am not on trial here, Mr. Chairman. This committee is on trial here before the American people. Let us get that straight.

"The CHAIRMAN. We don't want you to be on trial.

"Mr. STRIPLING. Mr. Lawson, how long have you been a member of the Screen Writers Guild?

"Mr. LAWSON. Since it was founded in its present form, in 1933.

"Mr. STRIPLING. Have you ever held any office in the guild?

"Mr. LAWSON. The question of whether I have held office is also a question which is beyond the purview of this committee.

"(The chairman pounds gavel.)

"Mr. LAWSON. It is an invasion of the right of association under the Bill of Rights of this country.

"The CHAIRMAN. Please be responsive to the question.

"Mr. LAWSON. It is also a matter——

"(The chairman pounds gavel.)

"Mr. LAWSON. Of public record——

"The CHAIRMAN. You asked to be heard. Through your attorney, you asked to be heard, and we want you to be heard. And if you don't care to be heard, then we will excuse you, and we will put the record in without your answers.

"Mr. LAWSON. I wish to frame my own answers to your questions, Mr. Chairman, and I intend to do so.

"The CHAIRMAN. And you will be responsive to the questions or you will be excused from the witness stand.

"Mr. LAWSON. I will frame my own answers, Mr. Chairman.

"The CHAIRMAN. Go ahead, Mr. Stripling.

"Mr. STRIPLING. I repeat the question, Mr. Lawson: Have you ever held any position in the Screen Writers Guild?

"Mr. LAWSON. I stated that it is outside the purview of the rights of this committee to inquire into any form of association——

"The CHAIRMAN. The Chair will determine what is in the purview of this committee.

"Mr. LAWSON. My rights as an American citizen are no less than the responsibilities of this committee of Congress.

"The CHAIRMAN. Now, you are just making a big scene for yourself and getting all "het up." [Laughter.] Be responsive to the questioning, just the same as all the witnesses have. You are no different from the rest. Go ahead, Mr. Stripling.

"Mr. LAWSON. I am being treated differently from the rest.

"The CHAIRMAN. You are not being treated differently.

"Mr. LAWSON. Other witnesses made statements, which included quotations from books, references to material which had no connection whatsoever with the interest of this committee.

"The CHAIRMAN. We will determine whether it has connection. Now, you go ahead——

"Mr. LAWSON. It is absolutely beyond the power of this committee to inquire into my association in any organization.

"The CHAIRMAN. Mr. Lawson, you will have to stop or you will leave the witness stand. And you will leave the witness stand because you are in contempt. That is why you will leave the witness stand. And if you are just trying to force me to put you in contempt, you won't have to try much harder. You know what has happened to a lot of people that have been in contempt of this committee this year, don't you?

"Mr. LAWSON. I am glad to have made it perfectly clear that you are going to threaten and intimidate the witnesses, Mr. Chairman.

"(The chairman pounding gavel)

"Mr. LAWSON. I am an American, and I am not at all easy to intimidate, and don't think I am.

"(The chairman pounding gavel.)

"Mr. STRIPLING. Mr. Lawson, I repeat the question. Have you ever held any position in the Screen Writers Guild?

"Mr LAWSON. I have stated that the question is illegal. But it is a matter of public record that I have held many offices in the Screen Writers Guild. I was its first president, in 1933, and I have held office on the board of directors of the Screen Writers Guild at other times.

"Mr. STRIPLING. Mr. Lawson, are you now, or have you ever been, a member of the Communist Party of the United States?

"Mr. LAWSON. In framing my answer to that question, I must emphasize the points that I have raised before. The question of communism is in no way related to this inquiry, which is an attempt to get control of the screen and to invade the basic rights of American citizens in all fields.

"Mr. McDOWELL. Now, I must object——

"Mr. STRIPLING. Mr. Chairman——

"(The chairman pounds gavel.)

"Mr. LAWSON. The question here relates not only to the question of my membership in any political organization, but this committee is attempting to establish the right——

"(The chairman pounds gavel.)

"Mr. LAWSON (continuing). Which has been historically denied to any committee of this sort, to invade the rights and privileges and immunity of American citizens, whether they be Protestant, Methodist, Jewish, or Catholic, whether they be Republicans or Democrats or anything else.

"The CHAIRMAN (pounding gavel). Mr. Lawson, just quiet down again. Mr. Lawson, the most pertinent question that we can ask is whether or not you have ever been a member of the Communist Party. Now, do you care to answer that question?

"Mr. LAWSON. You are using the old technique, which was used in Hitler Germany in order to create a scare here——

"The CHAIRMAN (pounding gavel). Oh——

"Mr. LAWSON. In order to create an entirely false atmosphere in which this hearing is conducted——

"(The chairman pounds gavel.)

"Mr. LAWSON. In order that you can then smear the motion-picture industry, and you can proceed to the press, to any form of communication in this country.

"The CHAIRMAN. You have learned——

"Mr. LAWSON. The Bill of Rights was established precisely to prevent the operation of any committee which could invade the basic rights of Americans. Now, if you want to know——

"Mr. STRIPLING. Mr. Chairman, the witness is not answering the question.

"Mr. LAWSON. If you want to know——

"(The chairman pounds gavel)

"Mr. LAWSON. About the perjury that has been committed here and the perjury that is planned.

"The CHAIRMAN. Mr. Lawson——

"Mr. LAWSON. You permit me and my attorneys to bring in here the witnesses that testified last week, and you permit us to cross-examine these witnesses, and we will show up the whole tissue of lie——

"The CHAIRMAN (pounding gavel). We are going to get the answer to that question if we have to stay here for a week. Are you a member of the Communist Party, or have you ever been a member of the Communist Party?

"Mr. LAWSON. It is unfortunate and tragic that I have to teach this committee the basic principles of American——

"The CHAIRMAN (pounding gavel). That is not the question. The question is: 'Have you ever been a member of the Communist Party?'

"Mr. LAWSON. I am framing my answer in the only way in which any American citizen can frame his answer to a question which absolutely invades his rights.

"The CHAIRMAN. Then you refuse to answer the question; is that correct?

"Mr. LAWSON. I have told you that I will offer my beliefs, affiliations, and everything else to the American public, and they will know where I stand.

"The CHAIRMAN (pounding gavel). Excuse the witness——

"Mr. LAWSON. As they do from what I have written.

"The CHAIRMAN (pounding gavel). Stand away from the stand——

"Mr. LAWSON. I have written Americanism for many years, and I shall continue to fight for the Bill of Rights, which you are trying to destroy.

"The CHAIRMAN. Officers, take this man away from the stand——"

Because of the foregoing, the said Committee on Un-American Activities was deprived of the answer to a pertinent question propounded to said John Howard Lawson relative to the subject matter which under Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress, the said committee was instructed to investigate, and the refusal of the witness to answer a question, namely, "Are you now, or have you ever been, a member of the Communist Party?" which question was pertinent to the subject under inquiry, is a violation of the subpena under which the witness had previously appeared, and his refusal to answer the aforesaid question deprived your committee of necessary and pertinent testimony and places the said witness in contempt of the House of Representatives of the United States.

The SPEAKER. The report of the committee is ordered printed.

Mr. THOMAS of New Jersey. Mr. Speaker, I offer a privileged resolution (H. Res. 370) and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That the Speaker of the House of Representatives certify the report of the Committee on Un-American Activities of the House of Representatives as to the refusal of John Howard Lawson to answer a question before the said Committee on Un-American Activities, together with all of the facts in connection therewith, under seal of the House of Representatives to the United States attorney for the District of Columbia, to the end that the said John Howard Lawson may be proceeded against in the manner and form provided by law.

Mr. THOMAS of New Jersey. Mr. Speaker, this case is identical with the cases we have already taken up this afternoon. I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROCEEDINGS AGAINST EDWARD DMYTRYK

Mr. THOMAS of New Jersey. Mr. Speaker, by direction of the Committee on Un-American Activities, I submit a privileged report (H. Rept. 1133).

The SPEAKER. The Clerk will read the report.

The Clerk read as follows:

The Committee on Un-American Activities as created and authorized by the House of Representatives through the enactment of Public Law 601, section 121, subsection Q (2), and under House Resolution 5 of the Eightieth Congress, caused to be issued a subpena to Edward Dmytryk, 15063 Valley Vista, Van Nuys, Calif. The said subpena directed Edward Dmytryk to be and appear before said Committee on Un-American Activities on October 23, 1947, at the hour of 10:30 a. m., and then and there to testify touching matters of inquiry committed to said committee. The subpena served upon Edward Dmytryk is set forth in words and figures as follows:

"By authority of the House of Representatives of the Congress of the United States of America, to Robert E Clark, United States Marshal: You are hereby commanded to summon Edward Dmytryk to be and appear before the Un-American Activities Committee of the House of Representatives of the United States, of which the Honorable J. PARNELL THOMAS, of New Jersey, is chairman, in their chamber in the city of Washington, on October 23, 1947, at the hour of 10:30 a. m., then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said committee. Herein fail not, and make return of this summons.

"Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 18th day of September 1947.

J. PARNELL THOMAS,
Chairman.

"Attest:

"JOHN ANDREWS, *Clerk.*"

The said subpena was duly served, as appears by the return made thereon, by Andrew Bazar, deputy, who was duly authorized to serve the said subpena. The return of the service by the said Andrew Bazar, being endorsed thereon, is set forth in words and figures as follows:

"Served Edward Dmytryk, September 19, 1947, Robert E. Clark, U. S. Marshal, by Andrew Bazar, Deputy."

On October 11, 1947, a telegram was sent to Mr. Edward Dmytryk, which is set forth herein in words and figures as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON UN-AMERICAN ACTIVITIES,
Washington, D. C., October 11, 1947.

Mr. EDWARD DMYTRYK,
15063 Valley Vista, Van Nuys, Calif.:

In response to the subpena served upon you summoning you to appear before the Committee on Un-American Activities, United States House of Representatives, in Washington, D. C., on October 23, you are hereby directed to appear on October 29 instead of October 23, at the hour of 10:30 a. m., Room 226, Old House Office Building.

J. PARNELL THOMAS, *Chairman.*

The said Edward Dmytryk, pursuant to said subpena and in compliance therewith, appeared before the said committee to give such testimony as required under and by virtue of Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress. The said Edward Dmytryk having appeared as a witness and having been asked a question, namely, "Are you now, or have you ever been, a member of the Communist Party?", which question was pertinent to the subject under inquiry, refused to answer such question; and as a result of the said Edward Dmytryk's refusal to answer the aforesaid question your committee was prevented from receiving testimony and information concerning a matter committed to said committee in accordance with the terms of the subpena served upon the said Edward Dmytryk. The record of the proceedings before the committee on Wednesday, October 29, 1947, during which the said Edward Dmytryk refused to answer the aforesaid question pertinent to the subject under inquiry, is set forth in fact as follows:

"The CHAIRMAN. Who is the next witness?

"Mr. STRIPLING. Mr. Edward Dmytryk.

"The CHAIRMAN. Mr. Dmytryk, raise your right hand, please. Do you solemnly swear the testimony you are about to give is the truth, the whole truth, and nothing but the truth?

"Mr. DMYTRYK. I do.

"The CHAIRMAN. Sit down, please.

"Mr. STRIPLING. Mr. Dymtryk, will you state your full name and present address, please?

"Mr. DMYTRYK. Edward Dmytryk; my address is 9361 Olympic Boulevard, Beverly Hills, Calif.

"Mr. STRIPLING. When and where were you born?

"Mr. DMYTRYK. I was born on September 4, 1908, in Grand Forks, British Columbia, Canada.

"Mr. STRIPLING. When and how did you become a citizen of the United States?

"Mr. DMYTRYK. I was naturalized in 1929 in Los Angeles.

"Mr. STRIPLING. What is your occupation?

"Mr. DMYTRYK. I am a motion-picture director.

"Mr. STRIPLING. How long have you been acting in that occupation?

"Mr. DMYTRYK. Well, I have been a director since 1939. However, I first entered motion pictures in 1928.

"Mr. STRIPLING. With what studios are you now associated?

"Mr. DMYTRYK. I am with RKO.

"Mr. STRIPLING. What studios were you associated with in the past?

"Mr. DMYTRYK. I have worked at Universal. Most of my years were spent at Paramount.

"Mr. STRIPLING. Would you give the committee the names of some of the pictures you have directed?

"Mr. DMYTRYK. Mr. Chairman, I have a statement here that I would like to make. The names of some of the pictures I have directed are included in here. May I please make this statement?

"Mr. CRUM. Show it to the chairman.

"The CHAIRMAN. Let me see the statement.

* * * * * * *

"The CHAIRMAN. This statement is typical of the other statements that we have inspected. It is not at all pertinent to this inquiry. Therefore, the Chair rules it cannot be read.

* * * * * * *

"Mr. STRIPLING. Mr. Dmytryk, you are here in response to a subpena served upon you on September 19; is that true?

"Mr. DMYTRYK. Yes; I am.

* * * * *

"Mr. STRIPLING. Are you now or have you ever been a member of the Communist Party, Mr. Dmytryk?

"Mr. DMYTRYK. Well, Mr. Stripling, I think that there is a question of constitutional rights involved here. I don't believe that you have——

"The CHAIRMAN. When did you learn about the Constitution? Tell me when you learned about the Constitution.

"Mr. DMYTRYK. I will be glad to answer that question, Mr. Chairman. I first learned about the Constitution in high school and again——

"Mr. MCDOWELL. Let's have the answer to the other question.

"Mr. DMYTRYK. I was asked when I learned about the Constitution.

"Mr. STRIPLING. I believe the first question, Mr. Dmytryk, was: Are you now, or have you ever been, a member of the Communist Party?

"Mr. DMYTRYK. All right gentlemen, if you will keep your questions simple and one at a time, I will be glad to answer.

"Mr. STRIPLING. That is very simple.

"Mr. DMYTRYK. The chairman asked me another question.

"The CHAIRMAN. Never mind my question. I will withdraw the question.

"Mr. DMYTRYK. I have been advised that there is a question of constitutional rights involved. The Constitution does not ask that such a question be answered in the way that Mr. Stripling wants it answered. I think that what organizations I belong to, what I think, and what I say, cannot be questioned by this committee.

"Mr. STRIPLING. Then you refuse to answer the question?

"Mr. DMYTRYK. I do not refuse to answer it. I answered it in my own way.

"Mr. STRIPLING. You haven't answered whether or not you are a member of the Communist Party.

"Mr. DMYTRYK. I answered by saying I do not think you have the right to ask——

"Mr. STRIPLING. Mr. Chairman, it is apparent that the witness is pursuing the same line as the other witnesses.

"The CHAIRMAN. The witness is excused."

Because of the foregoing, the said Committee on Un-American Activities was deprived of answers to a pertinent question propounded to said Edward Dmytryk relative to the subject matter which under Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress, the said committee was instructed to investigate, and the refusal of the witness to answer a question, namely, "Are you now, or have you ever been, a member of the Communist Party?", which question was pertinent to the subject under inquiry, is a violation of the subpena under which the witness had previously appeared and his refusal to answer the aforesaid question deprived your committee of necessary and pertinent testimony and places the said witness in contempt of the House of Representatives of the United States.

The SPEAKER. The report of the committee is ordered printed.

Mr. THOMAS of New Jersey. Mr. Speaker, I offer a privileged resolution (H. Res. 371) and ask for its immediate consideration.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That the Speaker of the House of Representatives certify the report of the Committee on Un-American Activities of the House of Representatives as to the refusal of Edward Dmytryk to answer a question before the said Committee on Un-American Activities, together with all of the facts in connection therewith, under seal of the House of Representatives, to the United States attorney for the District of Columbia, to the end that the said Edward Dmytryk may be proceeded against in the manner and form provided by law.

Mr. THOMAS of New Jersey. Mr. Speaker, this case is identical with the other cases. I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROCEEDINGS AGAINST LESTER COLE

Mr. THOMAS of New Jersey. Mr. Speaker, by direction of the Committee on Un-American Activities, I present a privileged report (H. Rept. 1134) which I send to the Clerk's desk.

The SPEAKER. The Clerk will read the report.

The Clerk read as follows:

The Committee on Un-American Activities as created and authorized by the House of Representatives through the enactment of Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress, caused to be issued a subpena to Lester Cole, 7511 Franklin Avenue, Hollywood, Calif. The said subpena directed Lester Cole to be and appear before said Committee on Un-American Activities on October 23, 1947, at the hour of 10:30 a. m., and then and there to testify touching matters of inquiry committed to the said committee. The subpena served upon Lester Cole is set forth in words and figures as follows:

"By authority of the House of Representatives of the Congress of the United States of America, to Robert E. Clark, United States marshal: You are hereby commanded to summon Lester Cole to be and appear before the Un-American Activities Committee of the House of Representatives of the United States, of which the Hon. J. PARNELL THOMAS, of New Jersey, is chairman, in their chamber in the city of Washington, on October 23, 1947, at the hour of 10:30 a. m., then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said committee. Herein fail not, and make return of this summons.

"Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 18th day of September 1947.

"J. PARNELL THOMAS,
"Chairman.

"Attest:

"JOHN ANDREWS,
"Clerk."

The said subpena was duly served, as appears by the return made thereon by David E. Hayden, deputy, who was duly authorized to serve the said subpena. The return of the service by the said David E. Hayden, being endorsed thereon, is set forth in words and figures as follows:

"Subpena for Lester Cole before the Committee on Un-American Activities; served September 19, 1947, Robert E. Clark, United States marshal, by David E. Hayden, deputy."

On October 11, 1947, a telegram was sent to Mr. Lester Cole, which is set forth herein in words and figures as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON UN-AMERICAN ACTIVITIES,
Washington, D. C., October 11, 1947.

MR. LESTER COLE,
7511 Franklin Avenue,
Hollywood, Calif.:

In response to the subpena served upon you summoning you to appear before the Committee on Un-American Activities, United States House of Representatives, in Washington, D. C., on October 23, you are hereby directed to appear on October 31, instead of October 23, at the hour of 10:30 a. m. Room 226, Old House Office Building.

J. PARNELL THOMAS, *Chairman.*

The said Lester Cole, pursuant to said subpena and in compliance therewith, appeared before the said committee to give such testimony as required under and by virtue of Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress. The said Lester Cole, having appeared as a witness and having been asked questions, namely, "Are you now, or have you ever been, a member of the Communist Party?" and "Are you a member of the Screen Writers Guild?", which questions were pertinent to the subject under inquiry, refused to answer such questions; and as a result of the said Lester Cole's refusal to answer the aforesaid questions your committee was prevented from receiving testimony and information concerning a matter committed to said committee in accordance with the terms of the subpena served upon the said Lester Cole. The record of the proceedings before the committee on Thursday, October 30, 1947, during which the said Lester Cole refused to answer the aforesaid questions pertinent to the subject under inquiry, is set forth in fact as follows:

"The CHAIRMAN. Mr. Stripling, the next witness.

"Mr. STRIPLING. Mr. Lester Cole.

"The CHAIRMAN. Mr. Lester Cole. Raise your right hand, please. You solemnly swear the testimony you are about to give is the truth, the whole truth, and nothing but the truth, so help you God?

"Mr. COLE. I do.

"The CHAIRMAN. Sit down.

"Mr. STRIPLING. Mr. Cole, will you please state your full name and present address?

"Mr. COLE. Lester Cole, 15 Courtney Avenue, Hollywood, Calif.

"Mr. STRIPLING. When and where were you born, Mr. Cole?

"Mr. COLE. I was born June 19, 1904, in New York City.

"Mr. STRIPLING. What is your occupation?

"Mr. COLE. I am a writer.

"Mr. STRIPLING. How long have you been a writer?

"Mr. COLE. For approximately 15, 16 years.

"Mr. STRIPLING. How long have you been in Hollywood?

"Mr. COLE. Since—I first came to Hollywood in 1926; I left and went back to New York in 1929, returned in 1932, and have been there ever since.

"Mr. STRIPLING. Are you a member of the Screen Writers Guild?

"Mr. COLE. Mr. Chairman, I would like at this time to make a statement.

"(The committee inspected the statement of the witness.)

"Mr. MCDOWELL. I think it is insulting, myself.

"The CHAIRMAN. This statement is clearly another case of vilification and not pertinent at all to the inquiry. Therefore, you will not read the statement.

"Mr. COLE. Well, Mr. Chairman——

"The CHAIRMAN. Mr. Stripling, ask the first question.

"Mr. COLE. Mr. Chairman, may I just ask if I do not read my statement——

"The CHAIRMAN. You will not ask anything.

"Mr. COLE. Is the New York Times editorial pertinent, the editorial in the Herald-Tribune pertinent?

"The CHAIRMAN. Go ahead and ask the question.

"Mr. STRIPLING. Mr. Cole, are you a member of the Screen Writers Guild?

"Mr. COLE. I would like to answer that question and would be very happy to. I believe the reason the question is asked is to help enlighten——

"The CHAIRMAN. No, no, no, no, no.

"Mr. COLE. I hear you, Mr. Chairman, I hear you; I am sorry, but——

"The CHAIRMAN. You will hear some more.

"Mr. COLE. I am trying to make these statements pertinent.

"The CHAIRMAN. Answer the question 'Yes' or 'No.'

"Mr. COLE. I am sorry, sir, but I have to answer the question in my own way.

"The CHAIRMAN. It is a very simple question.

"Mr. COLE. What I have to say is a very simple answer.

"The CHAIRMAN. Yes; but answer it 'Yes' or 'No.'

"Mr. COLE. It isn't necessarily that simple.

"The CHAIRMAN. If you answer it 'Yes' or 'No,' then you can make some explanation.

"Mr. COLE. Well, Mr. Chairman, I really must answer it in my own way.

"The CHAIRMAN. You decline to answer the question?

"Mr. COLE. Not at all; not at all.

"The CHAIRMAN. Did you ask the witness if he was here under subpena?

"Mr. COLE. What is it, Mr. Chairman? I beg your pardon?

"Mr. STRIPLING. Mr. Cole, you are here under subpena served upon you on September 19, are you not?

"Mr. COLE Yes; I am.

"Mr. STRIPLING And the question before you is: Are you a member of the Screen Writers Guild?

"Mr. COLE. I understand the question, and I think I know how I can answer it to the satisfaction of the committee. I wish I would be permitted to do so.

"The CHAIRMAN. Can't you answer the question?

"Mr. COLE. You wouldn't permit me to read my statement and the question is answered in my statement.

"The CHAIRMAN Are you able to answer the question 'Yes' or 'No,' or are you unable to answer it 'Yes' or 'No'?

"Mr. COLE. I am not able to answer 'Yes' or 'No.' I am able and I would like to answer it in my own way. Haven't I the right accorded to me as it was to Mr. McGuinness and other people who came here?

"The CHAIRMAN First we want you to answer 'Yes' or 'No'; then you can make some explanation of your answer.

"Mr. COLE I understand what you want, sir. I wish you would understand that I feel I must make an answer in my own way, because what I have to say——

"The CHAIRMAN. Then you decline to answer the question?

"Mr. COLE. No; I do not decline to answer the question. On the contrary, I would like very much to answer it; just give me a chance.

"The CHAIRMAN. Supposing we gave you a chance to make an explanation; how long would it take you to make that explanation?

"Mr. COLE Oh, I would say anywhere from a minute to 20; I don't know.

"The CHAIRMAN. Twenty?

"Mr. COLE. Sure; I don't know.

"The CHAIRMAN. And would it all have to do with the question§

"Mr. COLE. It certainly would.

"The CHAIRMAN Then would you finally answer it 'Yes' or 'No'?

"Mr. COLE. Well, I really don't think that is the question before us now; is it?

"The CHAIRMAN. Then go to the next question.

"Mr. STRIPLING. Mr. Cole. are you now, or have you ever been, a member of the Communist Party?

"Mr. COLE. I would like to answer that question as well; I would be very happy to. I believe the reason the question is being asked is that because at the present time there is an election in the Screen Writers Guild in Hollywood, that for 15 years, Mr. McGuinness and others——

"The CHAIRMAN I didn't even know there was an election out there. Go ahead and answer the question. Are you a member of the Communist Party?

"Mr. COLE. If you don't know there is an election there you didn't hear Mr. Lavery's testimony yesterday.

"The CHAIRMAN. There were some parts I didn't hear.

"Mr. COLE. I am sorry, but I would like to put it into the record that there is an election there.

"The CHAIRMAN. All right, there is an election there. Now, answer the question: Are you a member of the Communist Party?

"Mr. COLE. Can I answer that in my own way, please? May I, please? Can I have that right? Mr. McGuinness was allowed to answer in his own way.

"The CHAIRMAN. You are an American, aren't you?

"Mr. COLE. Yes; I certainly am, and it states so in my statement.

"The CHAIRMAN. Then you ought to be very proud to answer the question.

"Mr. COLE. I am very proud to answer the question and I will at times when I feel it is proper.

"The CHAIRMAN. It would be very simple to answer.

"Mr. COLE. It is very simple to answer the question——

"The CHAIRMAN. You bet.

"Mr. COLE (continuing). And at times when I feel it is proper I will, but I wish to stand on my rights of association——

"The CHAIRMAN. We will determine whether it is proper.

"Mr. COLE. No, sir. I feel I must determine it as well.

"The CHAIRMAN. We will determine whether it is proper. You are excused."

Because of the foregoing, the said Committee on Un-American Activities was deprived of answers to pertinent questions propounded to said Lester Cole relative to the subject matter which under Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress, the said committee was instructed to investigate, and the refusal of the witness to answer questions, namely, "Are you a member of the Screen Writers Guild?" and "Are you now, or have you ever been, a member of the Communist Party?", which questions were pertinent to the subject under inquiry, is a violation of the subpena under which the witness had previously appeared, and his refusal to answer the aforesaid questions deprived your committee of necessary and pertinent testimony and places the said witness in contempt of the House of Representatives of the United States.

Mr. THOMAS of New Jersey. Mr. Speaker, I offer a privileged resolution (H. Res. 374) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the Speaker of the House of Representatives certify the report of the Committee on Un-American Activities of the House of Representatives as to the refusal of Lester Cole to answer questions before the said Committee on Un-American Activities, together with all of the facts in connection therewith, under seal of the House of Representatives, to the United States attorney for the District of Columbia, to the end that the said Lester Cole may be proceeded against in the manner and form provided by law.

The SPEAKER. The question is on agreeing to the resolution.

Mr. THOMAS of New Jersey. Mr. Speaker, this case is identical with all of the other cases which we have had this afternoon, and I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROCEEDINGS AGAINST ALVAH BESSIE

Mr. THOMAS of New Jersey. Mr. Speaker, by direction of the Committee on Un-American Activities, I present a privileged report (H. Rept. 1135) which I send to the desk.

The SPEAKER. The Clerk will read the report.

The Clerk read as follows:

The Committee on Un-American Activities as created and authorized by the House of Representatives through the enactment of Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress, caused to be issued a subpena to Alvah Bessie, 369 South Crescent Drive, Beverly Hills, Calif. The said subpena directed Alvah Bessie to be and appear before said Committee on Un-American Activities on October 23, 1947, at the hour of 10 30 a. m., and then and there to testify touching matters of inquiry committed to said committee. The subpena served upon Alvah Bessie is set forth in words and figures as follows:

"By authority of the House of Representatives of the Congress of the United States of America, to Robert E. Clark, United States marshal: You are hereby commanded to summon Alvah Bessie to be and appear before the Un-American Activities Committee of the House of Representatives of the United States, of which Hon. J. PARNELL THOMAS of New Jersey is chairman, in their chamber in the city of Washington, on October 23, 1947, at the hour of 10:30 a. m., then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said committee. Herein fail not, and make return of this summons.

"Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 18th day of September 1947.

"J. PARNELL THOMAS, *Chairman.*

"Attest:

"JOHN ANDREWS, *Clerk.*"

The said subpena was duly served, as appears by the return made thereon by W. S. Sweeney, deputy, who was duly authorized to serve the said subpena. The return of the service by the said W. S. Sweeney, being endorsed thereon, is set forth in words and figures as follows:

"Served September 18, 1947, on Alvah Bessie at 369 South Crescent Drive, Beverly Hills, Calif. Robert E. Clark, United States marshal: W. S. Sweeney, deputy."

On October 11, 1947, a telegram was sent to Mr. Alvah Bessie, which is set forth herein in words and figures as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON UN-AMERICAN ACTIVITIES,
Washington, D. C , October 11, 1947.

Mr. ALVAH BESSIE,
369 South Crescent Drive,
Beverly Hills, Calif.:

In response to the subpena served upon you summoning you to appear before the Committee on Un-American Activities, United States House of Representatives. in Washington, D. C., on October 23, you are hereby directed to appear on October 27 instead of October 23, at the hour of 10:30 a. m., room 226, Old House Office Building.

J. PARNELL THOMAS, *Chairman.*

The said Alvah Bessie, pursuant to said subpena and in compliance therewith, appeared before the said committee to give such testimony as required under and by virtue of Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress. The said Alvah Bessie, having appeared as a witness and having been asked questions, namely, "Are you a member of the Screen Writers Guild?" and "Are you now, or have you ever been, a member of the Communist Party?", which questions were pertinent to the subject under inquiry, refused to answer such questions; and as a result of the said Alvah Bessie's refusal to answer the aforesaid questions your committee was prevented from receiving testimony and information concerning a matter committed to said committee in accordance with the terms of the subpena served upon the said Alvah Bessie. The record of the proceedings before the committee on Tuesday, October 28, 1947, during which the said Alvah Bessie refused to answer the aforesaid questions pertinent to the subject under inquiry, is set forth in fact as follows:

"The CHAIRMAN. Mr. Stripling, the next witness.

"Mr. STRIPLING. Mr. Alvah Bessie.

"The CHAIRMAN. Mr. Bessie, will you raise your right hand, please? Do you solemnly swear that the testimony you are about to give is the truth, the whole truth, and nothing but the truth, so help you God?

"Mr. BESSIE. I do.

"The CHAIRMAN. Sit down, please.

"Mr. BESSIE. Mr. Chairman, I also have a statement I would like to read to this committee if you would like to examine it, or would you prefer to have me read it?

"The CHAIRMAN. We will be pleased to examine it. First, I think Mr. Stripling ought to identify the witness.

"Mr. STRIPLING. Mr. Bessie, will you state your full name and present address for the record, please?

"Mr. BESSIE. My name is Alvah Bessie, and I live at 369 South Crescent Drive, Beverly Hills, Calif.

"Mr. STRIPLING. When and where were you born, Mr. Bessie?

"Mr. BESSIE. I was born in New York City on June 4, 1904.

"Mr. STRIPLING. Are you here before the committee in response to a subpena which was served upon you on September 18, calling for your appearance before the committee on October 23?

"Mr. BESSIE. I am.

* * * * *

"Mr. BESSIE. I would like to ask about my statement at this point. May I be permitted to read the statement?

"Mr. STRIPLING. Just a moment, Mr. Bessie, the committee is considering the statement.

* * * * *

"The CHAIRMAN. Mr. Bessie, while there is some doubt that your statement is pertinent to the inquiry, as will be very evident when you read it——

"Mr. BESSIE. I would still like to have permission to read it.

"The CHAIRMAN. Just a minute. Nevertheless, the committee is willing that you read the statement. We are just wondering, in order to save time, if you couldn't read the first couple of paragraphs and then let us put it in the record at this point, just as we did with the record of Mr. Maltz.

"Mr. BESSIE. In accordance with your request, I will read the first two paragraphs and the last two.

"The CHAIRMAN. That is fine. Thank you very much. Proceed.

"(The witness then proceeded to read part of the statement.)

"The CHAIRMAN. Mr. Stripling.

"Mr. STRIPLING. Mr. Bessie, I am going to address certain questions to you, and I hope you will give me a responsive answer.

"Mr. BESSIE. I will do my best.

"Mr. STRIPLING. What is your occupation?

"Mr. BESSIE. I am a writer.

"Mr. STRIPLING. Have you ever been employed in the motion-picture industry?

"Mr. BESSIE. I have been employed on and off in the motion-picture industry since January 1943.

"Mr. STRIPLING. Are you a member of the Screen Writers Guild?

"Mr. BESSIE. This is the same sort of a question that was asked of other witnesses. It involves a question of my association.

"Mr. STRIPLING. Do you refuse to answer the question?

"Mr. BESSIE. I have not refused to answer the question, but I must answer the question in the only way in which I know how, and that is, that I believe that such a question violates my right of association and is not properly falling—I do not believe it falls properly within the scope of this committee's inquiry.

"Mr. STRIPLING. We will move on to the $64 question, Mr. Bessie. Are you now, or have you ever been, a member of the Communist Party?

"Mr. BESSIE. Mr. Stripling, and gentlemen of the committee, unless it has been changed since yesterday, in our country we have a secret ballot, and I do not believe this committee has any more right to inquire into my political affiliations than I believe an election official has the right to go into the voting booth and examine the ballot which has been marked by the voter. General Eisenhower himself has refused to reveal his political affiliations, and what is good enough for General Eisenhower is good enough for me.

"Mr. STRIPLING. Mr. Bessie, this committee has officially found that the Communist Party in the United States is not a political party but is, in fact, the agent of a foreign government. I will ask you again: Are you now, or have you ever been, a member of the Communist Party?

"Mr. BESSIE. Mr. Stripling, if you did not understand the answer to my question——

"Mr. STRIPLING. I understood your answer.

"Mr. BESSIE. I suggest that you have the secretary read it back to you.

"Mr. STRIPLING. Mr. Bessie, there have been charges made before this committee that you are a Communist. I didn't notice anywhere in your statement that you denied that charge. You are now being given an opportunity to deny whether or not you are a member of the Communist Party. You have not answered whether or not you are a member of the Communist Party.

"Mr. BESSIE. In the statement which you were kind enough to permit me to read, I stated I stand on the Bill of Rights on this issue, and I think either the Bill of Rights means something or it doesn't, and if it doesn't mean anything, it is news to me, and I think it would be great news to the majority of the American people.

"Mr. STRIPLING. Mr. Chairman, I ask you to direct the witness to answer the question whether or not he is now, or has ever been, a member of the Communist Party, which is the essence of this entire matter.

"The CHAIRMAN. Mr. Bessie, in order to save a lot of time we would like to know whether you are, or have ever been, a member of the Communist Party. We would like a very frank answer. You can answer it 'Yes' or 'No,' or if you don't care to answer it, just say so.

"Mr. BESSIE. Mr. THOMAS, with whatever respect is due this committee, I now state I have given you my answer to this question. I have not attempted to evade the question. I have given you the answer to the questions, according to my understanding of what protections are offered the American people, and I object violently to the procedure this committee engages in, in an attempt to make people state what they think, believe, or with whom they associate, whom they go to dinner with, or what have you.

"The CHAIRMAN. The only part of your answer I can remember is that part about General Eisenhower, and I don't think that is a——

"Mr. BESSIE. May I ask if you would have General Eisenhower here and ask him——

"Mr. STRIPLING. Just a minute.

"The CHAIRMAN. Just a minute.

"Mr. BESSIE. And ask him whether he is a member of the Republican or Democratic Party?

"The CHAIRMAN. I don't think that was a responsive answer to the question. What we are attempting to do is to ascertain the extent of Communist infiltration in the moving-picture industry.

"Mr. BESSIE. I don't believe that that is what this committee is trying to do.

"The CHAIRMAN. Just a minute——

"Mr. BESSIE. I believe what this committee is trying to do——

"(The chairman pounds gavel.)

"Mr. BESSIE. Is to do exactly the same thing——

"The CHAIRMAN. I am telling you what the committee is trying to do. We know exactly what the committee is trying to do.

"Mr. BESSIE. I have my own opinion of it.

"The CHAIRMAN. That is all right; you can have any opinion you want.

"Mr. BESSIE. Thank you.

"The CHAIRMAN. The committee would like to know now whether you have ever been a member of the Communist Party or whether you are a member of the Communist Party now?

"Mr. BESSIE. I have given you several answers to that question, and that is the best I can do for you, Mr. Chairman.

"The CHAIRMAN. Then do you——

"Mr. BESSIE. Because I believe you are violating my rights as an American citizen.

"The CHAIRMAN So you refuse?

"Mr. BESSIE. I am not refusing. I have told you that is the answer I have given you. The answer is now recorded several times. I don't believe you have the right to ask this question of anybody.

"The CHAIRMAN. It is very apparent you are following the same line of these other witnesses——

"Mr. BESSIE. I am following no line——

"The CHAIRMAN (continuing). Which is definitely the Communist line.

"Mr. BESSIE. I am using my own head, which I am privileged to do.

"The CHAIRMAN. You are excused. If you want to make a speech, go out here under a big tree.

"Mr. BESSIE. Thank you."

Because of the foregoing, the said Committee on Un-American Activities was deprived of answers to pertinent questions propounded to said Alvah Bessie, relative to the subject matter which under Public Law 601, section 121, subsection (2), and under House Resolution No. 5 of the Eightieth Congress, the said committee was instructed to investigate, and the refusal of the witness to answer questions, namely, "Are you a member of the Screen Writers Guild?" and "Are you now, or have you ever been, a member of the Communist Party?", which questions were pertinent to the subject under inquiry, is a violation of the subpena under which the witness had previously appeared, and his refusal to answer the aforesaid questions deprived your committee of necessary and pertinent testimony and places the said witness in contempt of the House of Representatives of the United States.

Mr. THOMAS of New Jersey. Mr. Speaker, I offer a privileged resolution (H. Res. 375), regarding Alvah Bessie, and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the Speaker of the House of Representatives certify the report of the Committee on Un-American Activities of the House of Representatives as to the refusal of Alvah Bessie to answer questions before the said Committee on Un-American Activities, together with all of the facts in connection therewith, under seal of the House of Representatives, to the United States attorney for the District of Columbia, to the end that the said Alvah Bessie may be proceeded against in the manner and form provided by law.

Mr. THOMAS of New Jersey. Mr. Speaker, this case is similar to the other cases we have had this afternoon.

I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROCEEDINGS AGAINST HERBERT BIBERMAN

Mr. THOMAS of New Jersey. Mr. Speaker, by direction of the Committee on Un-American Activities, I present a privileged report (Rept. No. 1136) citing Herbert Biberman.

The Clerk read as follows:

The Committee on Un-American Activities as created and authorized by the House of Representatives through the enactment of Public Law 601, section 121, subsection Q (2), and under House Resolution 5 of the Eightieth Congress, caused to be issued a subpena to Herbert Biberman, 3259 Deronda Drive, Los Angeles, Calif. The said subpena directed Herbert Biberman to be and appear before said Committee on Un-American Activities on October 23, 1947, at the hour of 10.30 a. m., and then and there to testify touching matters of inquiry committed to the said committee. The subpena served upon Herbert Biberman is set forth in words and figures as follows:

"By authority of the House of Representatives of the Congress of the United States of America, to Robert E. Clark, United States marshal: You are hereby commanded to summon Herbert Biberman to be and appear before the Un-American Activities Committee of the House of Representatives of the United States, of which the Honorable J. PARNELL THOMAS, of New Jersey, is chairman, in their chamber in the city of Washington, on October 23, 1947, at the hour of 10:30 a. m., then and there to testify touching matters of inquiry committed to said Committee; and he is not to depart without leave of said committee. Herein fail not, and make return of this summons.

"Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 19th day of September 1947.

"J. PARNELL THOMAS, *Chairman.*

"Attest:

"JOHN ANDREWS, *Clerk.*"

The said subpena was duly served, as appears by the return made thereon by Earle L. Baugher, deputy United States marshal, who was duly authorized to serve the said subpena. The return of the service by said Earl J. Baugher, being endorsed thereon, is set forth in words and figures as folows:

"Served 9–22–47 on Herbert Biberman, Robert E. Clark, United States marshal, by Earle L. Baugher, deputy."

On October 11, 1947, a telegram was sent to Mr. Herbert Biberman, which is set forth herein in words and figures as follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON UN-AMERICAN ACTIVITIES,
Washington, D. C., October 11, 1947.

MR. HERBERT BIBERMAN,
3259 Deronda Drive, Los Angeles, Calif.:

In response to the subpena served upon you summoning you to appear before the Committee on Un-American Activities, United States House of Representatives in Washington, D. C., on October 23, you are hereby directed to appear on October 28 instead of October 23, at the hour of 10:30 a. m., Room 226, Old House Office Building.

J. PARNELL THOMAS, *Chairman.*

The said Herbert Biberman, pursuant to said subpena and in compliance therewith, appeared before the said committee to give such testimony as required under and by virtue of Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress. The said Herbert Biberman, having appeared as a witness and having been asked questions, namely, "Are you, or have you been, a member of the Screen Writers Guild?", and "Are you now, or have you ever been, a member of the Communist Party?", which questions were pertinent to the subject under inquiry, refused to answer such questions; and as a result of the said Herbert Biberman's refusal to answer the aforesaid questions your committee was prevented from receiving testimony and information concerning a matter committed to said committee in accordance with the terms of the subpena served upon the said Herbert Biberman. The record of the proceedings before the committee on Wednesday, October 29, 1947, during which the said Herbert Biberman refused to answer the aforesaid questions pertinent to the subject under inquiry, is set forth in fact as follows:

"The CHAIRMAN. Go ahead; next witness.

"Mr. STRIPLING. Mr. Kenny, is Mr. Biberman here?

"Mr. KENNY. Yes; Mr. Biberman is here. You subpenaed him.

"Mr. STRIPLING. Mr. Biberman.

"The CHAIRMAN. Will you raise your right hand, please? Mr. Biberman, do you solemnly swear that the testimony that you are about to give is the truth, the whole truth, and nothing but the truth, so help you God?

"Mr. BIBERMAN. I do.

"The CHAIRMAN. Sit down.

"Mr. BIBERMAN. Mr. Chairman——

"Mr. STRIPLING. Mr. Biberman, will you state your full name and present address, please?

"Mr. BIBERMAN. Herbert Joseph Biberman, 3259 Deronda Drive, Hollywood, Calif.

"Mr. STRIPLING. When and where were you born, Mr. Biberman?

"Mr. BIBERMAN. I was born within a stone's throw of Independence Hall in Philadelphia, on the day when Mr. McKinley was inaugurated as President of the United States, March 3, 1900, on the second floor of a building at Sixth and South, over a grocery store.

"Mr. STRIPLING. Mr. Biberman, would you assure the committee that you will be as detailed and specific in all your answers?

"Mr. BIBERMAN. I assure you I will be as detailed and specific in answers to any questions you direct at me. Mr. Chairman, I have a statement here which I feel has the greatest relevance to the subject of this inquiry and to the chairman's remark of this morning.

"The CHAIRMAN. Have you fully identified this witness?

"Mr. BIBERMAN. I would——

"The CHAIRMAN (pounding gavel). Just a minute. Have you fully identified this witness?

"Mr. STRIPLING. No, sir; I haven't.

"The CHAIRMAN. Then continue to identify him.

"Mr STRIPLING. What is your occupation?

"Mr. BIBERMAN. I am a director, a producer, and a writer—in the theater in the past and in motion pictures at present.

"Mr. STRIPLING. How long have you been in the motion-picture industry?

"Mr. BIBERMAN. Since 1935, January 2.

"Mr. STRIPLING. You have been a writer?

"Mr. BIBERMAN. I have been a writer.

"Mr. STRIPLING. Have you been a member of the Screen Writers Guild?

"Mr. BIBERMAN. Mr. Chairman, I have a statement here I ask you to look at. Would you kindly do that now?

"(The committee inspected the statement of the witness.)

"The CHAIRMAN. Mr. Biberman, this statement is clearly not pertinent. If another case——

"Mr. BIBERMAN. You mean because it is directly on the subject, Mr. Chairman?

"The CHAIRMAN. It is another case of vilification, and therefore will not be read.

"Mr. BIBERMAN. There is no vilification in this statement. I feel your refusal to allow me to read it is a shameful and cowardly act.

"The CHAIRMAN (pounding gavel). Next question, Mr. Stripling.

"Mr. STRIPLING. Mr. Biberman, are you a member of the Screen Writers Guild, or have you ever been a member of the Screen Writers Guild?

"Mr. BIBERMAN. Mr. Stripling, I would like to reply to this very quietly—Mr. Chairman, also. If I will not be interrupted, I will attempt to give you a full answer to this question. It has become very clear to me that the real purpose of this investigation——

"The CHAIRMAN (pounding gavel). That is not an answer to the question——

"Mr. BIBERMAN. Is to drive a wedge——

"The CHAIRMAN (pounding gavel). That is not the question (pounding gavel).

"Mr. BIBERMAN. In to the component parts——

"The CHAIRMAN (pounding gavel). Not the question——

"Mr. BIBERMAN. Of the motion-picture industry.

"The CHAIRMAN (pounding gavel). Ask him the next question.

"Mr. BIBERMAN. And by defending my constitutional rights here I am defending——

"The CHAIRMAN (pounding gavel). Go ahead and ask him the next question.

"Mr. BIBERMAN. The right not only of ourselves——

"Mr. STRIPLING. Are you a member——

"Mr. BIBERMAN. But of the producers and of the American people.

"Mr. STRIPLING. Of the Communist Party?

"The CHAIRMAN. Are you a member of the Communist Party, or have you ever been?

"Mr. STRIPLING. Are you a member——

"Mr. BIBERMAN. What is the question now?

"Mr. STRIPLING. Are you now, or have you ever been, a member of the Communist Party?

"Mr. BIBERMAN. It is perfectly clear, gentlemen, that if you continue in this particular fashion——

"(The chairman pounds gavel.)

"Mr. STRIPLING. Mr. Chairman, will you direct the witness——

"Mr. BIBERMAN. You have only one idea——

"Mr. STRIPLING. To answer the question?

"The CHAIRMAN. Answer the question.

"Mr. BIBERMAN. And that is to cause strife in the industry——

"The CHAIRMAN (pounding gavel). You are excused——

"Mr. BIBERMAN. Chaos in the industry, and this I will not permit.

"Mr. STRIPLING. Will you direct the witness to answer that question before he leaves the stand?

"Mr. BIBERMAN. I have not refused to answer the question. I have told you before I will answer this question fully.

"Mr. STRIPLING. Mr. Biberman——

"Mr. BIBERMAN. Your purpose is to use this to disrupt the motion-picture industry——

"(The chairman pounds gavel.)

"Mr. BIBERMAN. To invade the right not only of me——

"(The chairman pounds gavel).

"Mr. BIBERMAN. But of the producers——

"(The chairman pounds gavel.)

"Mr. BIBERMAN. To their thoughts and to their opinions——

"(The chairman pounds gavel.)

"Mr. BIBERMAN. And this I will not permit.

"Mr. STRIPLING. Do you refuse to answer whether or not you are now or have ever been a member of the Communist Party?

"Mr. BIBERMAN. Mr. Stripling, I apologize for one thing and that is raising my voice. I had no intention of doing so. I told you many times, if you will not interrupt me, I will answer this question at great length. Shall I proceed with answering this question?

"The CHAIRMAN. No. You can answer the question 'Yes' or 'No.' That is a very simple question.

"Mr. BIBERMAN. Mr. Chairman, I would be very suspicious of any answer that came out of my mouth that pleased this committee.

"Mr. STRIPLING. I would, too.

"The CHAIRMAN (pounding gavel). All right, you are excused. Take him away.

"Next witness.

"Mr. STRIPLING. I want the record to show that Mr. Biberman was before this committee in response to a subpena served upon him on September 22, and also in response to a

wire sent him on October 11. I will now ask that Mr. Russell take the stand."

Because of the foregoing, the said Committee on Un-American Activities was deprived of answers to pertinent questions propounded to said Herbert Biberman relative to the subject matter which, under Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress, the said committee was instructed to investigate, and the refusal of the witness to answer questions, namely, "Are you, or have you ever been, a member of the Screen Writers Guild?", and "Are you now, or have you ever been, a member of the Communist Party?", which questions were pertinent to the subject under inquiry, is a violation of the subpena under which the witness had previously appeared, and his refusal to answer the aforesaid questions deprived your committee of the necessary and pertinent testimony and places the said witness in contempt of the House of Representatives of the United States.

Mr. THOMAS of New Jersey. Mr. Speaker, I offer a privileged resolution (H. Res. 376) regarding Herbert Biberman and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the Speaker of the House of Representative certify the report of the Committee on Un-American Activities of the House of Representatives as to the refusal of Herbert Biberman to answer questions before the said Committee on Un-American Activities, together with all of the facts in connection therewith, under seal of the House of Representatives, to the United States attorney for the District of Columbia, to the end that the said Herbert Biberman may be proceeded against in the manner and form provided by law.

Mr. THOMAS of New Jersey. Mr. Speaker, this case is similar to the other cases we have had this afternoon.

I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROCEEDINGS AGAINST RING LARDNER, JR.

Mr. THOMAS of New Jersey. Mr. Speaker, by direction of the Committee on Un-American Activities, I present a privileged report (H. Rept. 1137) that I send to the Clerk's desk.

The Clerk read as follows:

The Committee on Un-American Activities as created and authorized by the House of Representatives through the enactment of Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress, caused to be issued a subpena to Ring Lardner, Jr., 325 Georgina Avenue, Santa Monica, Calif. The said subpena directed Ring Lardner, Jr., to be and appear before the said Committee on Un-American Activities on October 23, 1947, at the hour of 10:30 a. m., and then and there to testify touching matters of inquiry committed to the said committee. The subpena served upon Ring Lardner, Jr., is set forth in words and figures as follows:

"By authority of the House of Representatives of the Congress of the United States of America, to Robert E. Clark, United States marshal: You are hereby commanded to summon Ring Lardner, Jr., to be and appear before the Un-American Activities Committee of the House of Representatives of the United States, of which the Honorable J. PARNELL THOMAS, of New Jersey, is chairman, in their chamber in the city of Washington, on October 23, 1947, at the hour of 10:30 a. m., and then and there to testify touching matters of inquiry committed to said committee; and he is not to depart without leave of said committee. Herein fail not, and make return of this summons.

"Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 19th day of September 1947.

"J. PARNELL THOMAS, *Chairman.*

"Attest:

"JOHN ANDREWS, *Clerk.*"

The said subpena was duly served, as appears by the return made thereon by David E. Hayden, deputy, who was duly authorized to serve the said subpena. The return of the service by the said David E. Hayden, being endorsed thereon, is set forth in words and figures as follows:

"Subpena for Ring Lardner, Jr., before the Committee on Un-American Activities; served September 22, 1947. Robert E. Clark, United States marshal, by David E. Hayden, deputy."

On October 16, 1947, a telegram was sent to Robert W. Kenny, which is set forth herein in words and figures as follows:

WASHINGTON, D. C., *October 16, 1947.*

ROBERT W. KENNY,
Suite 815, 629 South Hill Street, Los Angeles 14, Calif.:

The following wire was dispatched to your client, Ring Lardner, Jr., on October 11, 1947, and returned undelivered: "Due to change in schedule of witnesses you are hereby notified not to appear on October 23 as designated in the subpena which was served upon you. You will be called later in the hearings and the date of your appearance will be made known to you in sufficient time for you to appear in Washington." Kindly notify your client of this change.

J. PARNELL THOMAS,
Chairman, Committee on Un-American Activities.

Official for:
226.

On Wednesday, October 29, 1947, the chairman of the committee, Mr. THOMAS, instructed Mr. Crum, another of Mr. Lardner's attorneys, to have Mr. Lardner appear on Thursday, October 30, 1947.

The said Ring Lardner, Jr., pursuant to said subpena and in compliance therewith, appeared before the said committee to give such testimony as required under and by virtue of Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress. The said Ring Lardner, Jr., having appeared as a witness and having been asked questions, namely, 'Are you a member of the Screen Writers Guild?" and "Are you now, or have you ever been, a member of the Communist Party?", which questions were pertinent to the subject under inquiry, refused to answer such questions; and as a result of the said Ring Lardner, Jr.'s refusal to answer the aforesaid questions your committee was prevented from receiving testimony and information concerning a matter committed to said committee in accordance with the terms of the subpena served upon the said Ring Lardner, Jr. The record of the proceedings before the committee on Thursday, October 30, 1947, during which the said Ring Lardner, Jr., refused to answer the aforesaid questions pertinent to the subject under inquiry, is set forth in fact as follows:

"(The committee met on Thursday, October 30, 1947, at 10:30 a. m., Hon. J. PARNELL THOMAS (chairman) presiding.

"The CHAIRMAN. The meeting will come to order. Everyone please be seated.

"The record will show that a subcommittee is sitting, consisting of Mr. MCDOWELL, Mr. VAIL, and Mr. THOMAS.

"* * * * *

"The CHAIRMAN. The committee will come to order.

"Mr. Stripling, first witness.

"Mr. STRIPLING. Mr. Ring Lardner, Jr.

"The CHAIRMAN. Mr. Ring Lardner, Jr. Mr. Lardner, will you raise your right hand, please. You solemnly swear the testimony you are about to give is the truth, the whole truth, and nothing but the truth, so help you God?

"Mr. LARDNER. I do.

"The CHAIRMAN. Sit down.

"Mr. STRIPLING. Mr. Lardner, will you please state your full name and present address?

"Mr. LARDNER. Ring W. Lardner, Jr., 325 Georgia Avenue, Santa Monica, Calif.

"Mr. STRIPLING. When and where were you born, Mr. Lardner?

"Mr. LARDNER. On August 19, 1915, in Chicago, Ill.

"Mr. STRIPLING. What is your occupation?

"Mr. LARDNER. A writer.

"Mr. STRIPLING. How long have you been a writer?

"Mr. LARDNER. I have been a writer about 10 years.

"Mr. Chairman, I have a short statement I would like to make.

"The CHAIRMAN. Have you completed the identification?

"Mr. STRIPLING. That is sufficient.

"(The committee inspected the statement of the witness.)

"The CHAIRMAN. Mr. Lardner, the committee is unanimous in the fact that after you testify you may read your statement.

"Mr. LARDNER. Thank you.

"Mr. STRIPLING. Mr. Lardner, you are here before the committee in response to a subpena served upon you on September 22; is that correct?

"Mr. LARDNER. Yes.

"Mr. STRIPLING. Mr. Lardner, are you a member of the Screen Writers Guild?

"Mr. LARDNER. Mr. Stripling, I want to be cooperative about this, but there are certain limits to my cooperation. I don't want to help you divide or smash this particular guild, or to infiltrate the motion-picture business in any way for the purpose which seems to me to be to try to control that business, to control what the American people can see and hear in their motion-picture theaters.

"The CHAIRMAN. Now, Mr. Lardner, don't do like the others, if I were you, or you will never read your statement. I would suggest——

"Mr. LARDNER. Mr. Chairman, let me——

"The CHAIRMAN. You will be responsive to the question.

"Mr. LARDNER. I am——

"The CHAIRMAN. The question is, and I will ask it; I will repeat the question.

"Mr. LARDNER. All right.

"The CHAIRMAN. The question is: Are you a member of the Screen Writers Guild?

"Mr. LARDNER. But I understood you to say that I would be permitted to read the statement, Mr. Chairman.

"The CHAIRMAN. Yes; after you are finished with the questions and answers——

"Mr. LARDNER. Yes.

"The CHAIRMAN. But you certainly haven't answered the questions.

"Mr. LARDNER. Well, I am going to answer the questions but I don't think you qualified in any way your statement that I would be allowed to read this statement.

"The CHAIRMAN. Then I will qualify it now. If you refuse to answer the questions then you will not read your statement.

"Mr. LARDNER. Well, I know that is an indirect way of saying you don't want me to read the statement.

"The CHAIRMAN. Then you know right now you are not going to answer the questions; is that correct?

"Mr. LARDNER. No; I am going to answer the question.

"The CHAIRMAN. All right, then, answer that question.

"Mr. LARDNER. All right, sir. I think these points I am bringing out are relevant to the question because I have to consider why the question is asked——

"The CHAIRMAN. We will determine why the question was asked. We want to know whether you are a member of the Screen Writers Guild.

"The WITNESS. Yes——

"The CHAIRMAN. That is a very simple question You can answer that 'Yes' or 'No.' You don't have to go into a long harangue or speech. If you want to make a speech you know where you can go out there.

"Mr. LARDNER. Well, I am not very good in haranguing, and I won't try it, but it seems to me that if you can make me answer this question, that tomorrow you could ask somebody whether he believed in spiritualism.

"The CHAIRMAN. Oh, no; there is no chance of our asking anyone whether they believe in spiritualism, and you know it. That is just plain silly.

"Mr. LARDNER. You might——

"The CHAIRMAN. Now, you haven't learned your lines very well.

"Mr. LARDNER. Well——

"The CHAIRMAN. I want to know whether you can answer the question 'Yes' or 'No.'

"Mr. LARDNER. If you did, for instance, ask somebody about that, you might ask him——

"The CHAIRMAN. Well, now, never mind what we might ask him. We are asking you now, Are your a member of the Screen Writers Guild?

"Mr. LARDNER. But——

"The CHAIRMAN. You are an American——

"Mr. LARDNER. But that is a question——

"The CHAIRMAN. And Americans should not be afraid to answer that.

"Mr. LARDNER. Yes; but I am also concerned as an American with the question of whether this committee has the right to ask me——

"The CHAIRMAN. Well, we have got the right; and until you prove that we haven't got the right, then you have to answer that question.

"Mr. LARDNER. As I said, if you ask somebody, say, about spiritualism——

"The CHAIRMAN. You are a witness, aren't you? Aren't you a witness?

"Mr. LARDNER. Mr. Chairman——

"The CHAIRMAN. Aren't you a witness here?

"Mr. LARDNER. Yes; I am.

"The CHAIRMAN. All right then, a congressional committee is asking you: Are you a member of the Screen Writers Guild? Now you answer it 'Yes' or 'No.'

"Mr. LARDNER. Well, I am saying that in order to answer that——

"The CHAIRMAN. All right, put the next question. Go to the $64 question.

"Mr. LARDNER. I haven't——

"The CHAIRMAN. Go to the next question.

"Mr. STRIPLING. Mr. Lardner, are you now, or have you ever been, a member of the Communist Party?

"Mr. LARDNER. Well, I would like to answer that question, too.

"Mr. STRIPLING. Mr. Lardner, the charge has been made before this committee that the Screen Writers Guild, which, according to the record, you are a member of, whether you admit it or not, has a number of individuals in it who are members of the Communist Party. This committee is seeking to determine the extent of Communist infiltration in the Screen Writers Guild and in other guilds within the motion-picture industry.

"Mr. LARDNER. Yes.

"Mr. STRIPLING. And certainly the question of whether or not you are a member of the Communist Party is very pertinent. Now, are you a member or have you ever been a member of the Communist Party?

"Mr. LARDNER. It seems to me you are trying to discredit the Screen Writers Guild through me and the motion-picture industry through the Screen Writers Guild and our whole practice of freedom of expression.

"Mr. STRIPLING. If you and others are members of the Communist Party, you are the ones who are discrediting the Screen Writers Guild.

"Mr. LARDNER. I am trying to answer the question by stating first what I feel about the purpose of the question, which, as I say, is to discredit the whole motion-picture industry.

"The CHAIRMAN. You won't say anything first. You are refusing to answer this question.

"Mr. LARDNER. I am saying my understanding is as an American resident——

"The CHAIRMAN. Never mind your understanding. There is a question: Are you, or have ever been, a member of the Communist Party?

"Mr. LARDNER. I could answer exactly the way you want, Mr. Chairman——

"The CHAIRMAN. No——

"Mr. LARDNER (continuing). But I think that is a——

"The CHAIRMAN. It is not a question of our wanting you to answer that. It is a very simple question. Anybody would be proud to answer it; any real American would be proud to answer the question: 'Are you, or have you ever been, a member of the Communist Party?'—any real American.

"Mr. LARDNER. It depends on the circumstances. I could answer it, but if I did I would hate myself in the morning.

"The CHAIRMAN. Leave the witness chair.

"Mr. LARDNER. It was a question that would——

"The CHAIRMAN. Leave the witness chair.

"Mr. LARDNER. Because it is a question——

"The CHAIRMAN (pounding gavel). Leave the witness chair.

"Mr. LARDNER. I think I am leaving by force.

"The CHAIRMAN. Sergeant, take the witness away."

Because of the foregoing, the said Committee on Un-American Activities was deprived of answers to pertinent questions propounded to said Ring Lardner, Jr., relative to the subject matter which under Public Law 601, section 121, subsection Q (2), and under House Resolution No. 5 of the Eightieth Congress, the said committee was instructed to investigate, and the refusal of the witness to answer questions, namely, "Are you a member of the Screen Writers Guild?" and "Are you now, or have you ever been, a member of the Communist Party?", which questions were pertinent to the subject under inquiry, is a violation of the subpena under which the witness had previously appeared, and his refusal to answer the aforesaid questions deprived your committee of necessary and pertinent testimony and places the said witness in contempt of the House of Representatives of the United States.

Mr. THOMAS of New Jersey. Mr. Speaker, I offer a privileged resolution (H. Res. 377) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the Speaker of the House of Representatives certify the report of the Committee on Un-American Activities of the House of Representatives as to the refusal of Ring Lardner, Jr., to answer questions before the said Committee on Un-American Activities, together with all of the facts in connection therewith, under seal of the House of Representatives, to the United States attorney for the District of Columbia, to the end that the said Ring Lardner, Jr., may be proceeded against in the manner and form provided by law.

Mr. THOMAS of New Jersey. Mr. Speaker, this is the last case this afternoon and is similar to the other cases we have considered today. I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mrs. NORTON. Mr. Speaker, I have listened to the debate on the resolution, and I have also followed the proceedings of the Committee on Un-American Activities, and I find myself in the position of not being able to vote in favor of the resolution. I believe everyone who knows me will admit that when I say I abhor communism and everything that it stands for, I am telling the absolute truth, but I do not believe the tactics pursued by the Committee on Un-American Activities have been in line with what I consider fair and just. There may be a great deal of communism in Hollywood, as there undoubtedly is in many other parts of the United States, but, much as I deplore this fact, I do not consider that it is the question involved in this debate. I agree with the opinion so ably expressed by the New York Times, the New York Herald Tribune, the Washington Post, Chicago Times, and many other fine reputable newspapers, in their recent editorials, that the Committee on Un-American Activities was actually trying certain individuals for alleged subversive and un-American activities without affording them the ordinary rights accorded the most degraded criminal, the right to cross-examine their accusers and the right to call witnesses in their own behalf. As a member of the League of Women Voters, I protest the league being cited as a subversive group. Everybody knows that the League of Women Voters needs no defense on their Americanism, but what proof have we that other groups and individuals not so well known will not suffer from this type of smear.

The whole proceedings seemed to smack of unnecessary dramatic publicity and did not enhance the dignity and fair-mindedness of the House of Representatives. I have said many times, and I repeat now, that had the investigation of communism been referred to the Federal Bureau of Investigation the job would have been done much more effectively and justly at much less expense to the taxpayers of the country and with politics and drama eliminated. I believe

there is a legal question involved in these citations, which probably will come before the courts and where I am sure it will be settled with complete justice to all concerned.

EXTENSION OF REMARKS

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. DONDERO asked and was given permission to extend his remarks in the RECORD and include a statement.

Mr. MUNDT asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. BROPHY asked and was given permission to extend his remarks in the RECORD.

NICOLA PETKOV

Mr. LODGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. LODGE. Mr. Speaker, yesterday—November 23—marked the passage of the second month since the legalized murder in Sofia of the Bulgarian patriot, Nicola Petkov.

At this time, when we in America are so concerned over the preservation of liberty in Europe, it is well to recall this brutal crime.

The killing of Petkov shocked the world not alone because it brought a tragic end to the career of one of history's great champions of human rights, but because it starkly demonstrated the extremes to which the Communist puppets of the Kremlin will resort in order to crush freedom in any country in which they are able to secure a foothold.

It is clear that the crime against Petkov was but a phase of what a Basel newspaper calls an "abominable reign of terror in Soviet-dominated eastern Europe." As Raymond Daniell stated in a dispatch to the New York Times on November 8:

> From the Baltic to the Mediterranean orders have gone forth from Moscow to stamp out all opposition to the pro-Russian Communist-dominated governments behind the iron curtain. This is the second phase of a carefully planned scheme to transform them into monolithic one-party police states.

Petkov's murder was accompanied by the ruthless extinction of the entire democratic opposition in Bulgaria. Similar murders had already served to establish Nazi-type totalitarian despotism in Yugoslavia and Albania. At the present moment the Rumanian Communists are following the farcical trial and conviction of Juliu Maniu with the suppression of all democratic elements. From Poland and Hungary come daily stories of the flight or arrest on trumped up charges of leader after leader who might in any way threaten the power of Moscow's quislings. Even in Czechoslovakia, where a courageous stand has been made against Soviet tyranny, a mounting tide of oppression seems to be getting under way.

The Petkov case thus fits into a pattern. In the words of an editorial in a Geneva, Switzerland, newspaper:

> Petkov died because he stood in the way of the policy of the Soviet Union's agent, Dimitrov, of stamping out all opposition and imposing upon an unwilling peasantry the tyranny of the Red bureaucracy. * * * Petkov is dead, but to remain silent before such a crime would be tantamount to complicity. Hitler has disappeared but his methods live on after millions of men, women, and children gave their lives to free Europe from political oppression and police terror. * * * The conscience of civilized mankind cannot remain indifferent or apathetic in the face of this prostitution of justice.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. POTTS (at the request of Mr. KEATING), on account of illness.

To Mr. REED of Illinois (at the request of Mr. ARENDS), for 1 day, on account of illness.

To Mr. GILLIE (at the request of Mr. HALLECK), for an indefinite period, on account of illness.

To Mr. ELSAESSER (at the request of Mr. LATHAM), on account of official business.

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. VURSELL] is recognized for 30 minutes.

ECONOMY OF WESTERN EUROPE

Mr. VURSELL. Mr. Speaker, as a member of the Herter committee which made a 5-week study of the economy of western Europe, I want to report today my observations as to conditions as they appeared to me, paying particular attention to Germany, Austria, and with some reference to England, France, and Italy. What I shall say is in no sense intended as a reflection of the views of other members of this splendid committee. They are my own personal opinions which I give to the Congress in the hope that it may clarify to some little extent the European problems before us for consideration.

The problem of aid to Europe confronting us is indeed a grave one. We are being asked to take from the American people in money and supplies at a critical time of shortages on every hand, $597,000,000 for immediate emergency relief. We are being asked by the administration to enter into a 4-year contract to furnish some $20,000,000,000 or more in money and supplies to implement the Marshall plan. These are, indeed, grave problems before us for solution. In the interest of our own people and Nation, we must not approach them in an atmosphere of hysteria and emotion; we must think as realists.

Mr. Speaker, we all want to stop or retard communism if we can. The State Department and the administration think we can stop it with emergency relief and with $20,000,000,000 or more to follow. Before this Congress blindly follows their suggestions, in the interest of the American people, the record of their judgment in the past should be tested out on the anvil of their past recommendations and experience, to determine if we can safely follow their recommendations now. Trial and error of the past is the best yardstick with which to judge the future.

THEIR PAST MISTAKES

Our intensive 30 days' study of Germany and Austria, from the most reliable sources of information has convinced me, and I believe other members of the subcommittee making a study of Germany and Austria, that our difficulties in Germany and western Europe stem from three great mistakes made by the State Department and the administration leaders, namely, the Yalta and Potsdam agreements, the Morgenthau plan, and the failure to allow the allied British and American forces to drive right on into Berlin rather than to hold them back and allow Russia to capture the capitol city.

To escape falling into the hands of the Russians, the German Army would have probably surrendered in the closing days of the war to the American forces without putting up much further resistance. Had we done this we would have been in a much stronger position in Germany and western Europe and we would not be unwanted guests in Berlin today.

I think it important we briefly discuss these three mistakes, to clarify our thinking.

The Yalta agreement as you will recall gave to Poland and Russia 25,600,000 acres of the best agricultural land of Germany. This agreement put Russia in the driver's seat in Europe and placed her in a position to starve the rest of Germany which has cost the United States and Britain combined over $500,000,000 a year to supply foodstuffs for western Germany.

It put Russia with its army of occupation in control of eastern Austria again in charge of the best agricultural section of Austria and in control of the great Austrian oil fields so important to the economy of western Europe and so helpful to Russia. Germany is short of food today because of this agreement. In the dividing up of the administrative sections of Germany all of the territory surrounding Berlin is under Russian administration. The same is true in Austria, with the capital city of Vienna of 1,000,000 people completely surrounded by the Russian zone of occupation. To fly into Berlin or into Vienna we had to fly down a narrow air corridor and out the same way. Both capitals of these nations are completely surrounded by Russian power and influence. We are in a weak position in both of these sections by reason of the Yalta agreement.

Mr. Speaker, reparations to Russia in billions of dollars were agreed to extending from Italy up through Austria and Germany. Manufacturing plants by the hundreds needed for the rebuilding of the economy of Germany, Austria, and western Europe have been dismantled by the Russians and England under reparation agreements. I believe it was General Eisenhower who once said:

> When Germany was divided at Potsdam for administrative purposes, Russia got the bread basket of Germany, England the industrial section, and the United States the scenery.

At the Yalta Conference nearing the close of the war and with other agreements, we placed Russia in a position where she has successfully thwarted the writing of a peace treaty for Austria and for Germany. Some have said in support of the Marshall plan, if it is not approved, we may lose the peace. It is my candid opinion, if we lose the peace, the responsibility for losing the peace must be placed on the door step of the Yalta conference, and the failure to allow British and American troops to go on in and take Berlin. And, the Potsdam agreement has contributed to the debacle as well as the Morgenthau plan.

The question now is, Will $20,000,000,000 retrieve or balance off our past mistakes and contribute to the peace of the world?

Mr. Speaker, the Morgenthau plan forced upon Premier Churchill at a conference with President Roosevelt at Quebec, designed to prevent western Germany from again becoming an industrial nation and compel her to live as a pastoral or agricultural nation in the future was the second great mistake. Because of it we have lost 2 years' time in the rebuilding of Germany as an industrial state, and have furnished 50 percent of the food for 45,000,000 perple out of the pockets of our taxpayers. The Morgenthau plan in all will cost our Government a loss of over a billion dollars.

Finally, after realizing the recovery of western Europe depended largely on the coal of the Ruhr, the manufacture of steel and the re-industrialization of Germany, the Morgenthau plan was thrown out of the window permitting Germany to re-industrialize with such strict controls as will prevent her from the manufacture of any munitions or implements of war, or the maintenance of any semblance of an army or military force.

It has cost western Europe and the United States billions of dollars through the mistake of the Morgenthau plan. We are now upon the first rung of the ladder moving toward the rehabilitation of all western Europe. As the manufacturing plants begin to turn out billions of dollars worth of finished products, they will go to Norway, Sweden, Denmark, Holland, France, Italy, all western Europe and to the marts of the world in exchange for other products and for currency with which they can buy the food the United States and England has been furnishing, because of the mistakes of the Yalta agreement and the Morgenthau plan.

Largely because of the Morgenthau plan the production of coal and steel has been greatly retarded in Germany. This shortage of coal and steel has retarded the rehabilitation of France, Italy, and all western Europe. I have a letter from the Department of State of November 17, which states, and I quote, "by the end of this year the United States will have exported about 38,000,000 tons of coal to Europe." Millions of tons of this coal should have been produced in the Ruhr and shipped to all of these countries which would have lightened the load on the American taxpayers. Millions of tons of steel are provided for under the Marshall plan, which should have been manufactured in Germany, again greatly lightening the load of our American taxpayers.

Mr. Speaker, I cite this record of the past major mistakes on the part of the State Department and the administration leaders, that we may better determine whether in the light of past performance the Congress is justified in trusting the judgment of our leaders in their new plan for rebuilding western Europe.

Now let me give you my impressions of conditions in Germany as I saw them. You have heard much through the press and over the radio in this propaganda campaign about the starvation of the people of Europe. Our committee worked day and night meeting with the American, British, and French officers and civilians delving into the economic problems confronting them, as to agriculture, public health, industrial development, manufacturing, imports and exports, and stabilization of the currency. Our first concern was food and the health of the people. I am glad to say that nowhere in Europe did we hear anyone talk about starvation. We have only heard that here in America. This is administration propaganda. It is true that the people in Germany and Austria generally do not have all of the food, or the variety they would like or need. We saw some evidence of malnutrition, but certainly no evidence of starvation. There is malnutrition in our own country. We visited the schools, and saw the children coming through the line receiving heavy, hot, nourishing soup lunches once a day, each bowl containing 350 calories. I had pictures taken of a number of school children which are the best evidence of their physical well-being. If not otherwise informed you would think they were American children in American schools. Every child between the ages of 6 and 18 in the schools of Germany are receiving these extra hot lunches. These pictures were taken in cities like Stuttgart which was badly bombed, and Berlin where conditions are naturally the worst with relation to food.

In Berlin we talked with George B. McKibben, a prominent lawyer of Chicago, who as an American official, is helping to direct the government of Berlin. He has charge of education, public welfare and other duties. His statement to our committee was, "the health of the people here is excellent, no epidemics and not too much tuberculosis." I would consider him highly competent authority.

There has been great destruction in many of the big cities of Germany and it will require years to rebuild the damage done. The German people, however, have not lost their will to work and they are making a supreme effort. Those in heavy industrial and mining sections are receiving a higher ration of food because of the necessity of greater industrial production in Germany. The farmers in Germany are working intensively. All of the people in Germany and Austria as well, are putting forth in my judgment their best efforts. Our military and civilian government overseeing and advising the officials of the various state governments are working in harmony with the Germans who have been elected to the state legislature and are doing a good job.

Western Germany, by reason of the Yalta Conference, that gave 30 percent of the agricultural production over to Russia and Poland is only 50 percent sufficient in agriculture and the crops have been reduced some by a very severe summer drought.

The German state governments encourage the farmer to do his utmost to produce food. When he has produced the food the German Government allows him to retain only enough of it for seed and to feed his livestock and family. The government buys all of the remainder and then distributes it out to the people of Germany. That is one of the reasons, in addition to the food we are sending them, that the German people are as well fed as they are.

In addition to conferring with the military and civilian leaders, we conferred in each state with the elected Germans of the state legislatures and asked them to lay their problems before us. Many times at night we conferred with religious and educational leaders as to their schools and the thought of the people for the future. After traveling over 1,000 miles through Germany and Austria, making such investigations we gained considerable information as to the most serious problems confronting them, and their outlook for the future. We found that the German people and the Austrians, by religious convictions and habits, are opposed to communism.

In the last mayoralty election in Berlin; that part of Berlin which is controlled by Russia voted overwhelmingly against the Communist candidates for mayor and city offices. If a free election was held in all Germany and Austria today, it is my personal opinion that less than 5 percent of the people would vote Communist.

While in Berlin we had several sessions with General Clay and with Ambassador Robert D. Murphy. We tried to get at the roots of the situation in Germany. We held long sessions with General Mueller in Munich, with the officials of Government in Bremen, with the British officials at Hanover Dusseldorf, with the Lord Mayor and other officials in Hamburg, and with the French officials in the French zones. At all of these places we held sessions with the Germans who were working under the advice of the officials of the army of occupation. We visited the Ruhr, the coal mines, and we had a most interesting session with Dr. Mueller, a leading steel manfacturer of Germany. We had a long session with the Economic Council which directs largely the economic affairs of all Germany. This council is made up of British, Americans, and Germans, all working together for the rebuilding of Germany. We had the same type of conference in Vienna and other cities in Austria with General Keyes, Ambassador Erhardt and the top

elected Austrian officials who were directing the affairs of the Austrian Government.

Mr. Speaker, we sought information on the following questions. How can we stop communism from spreading into western Europe? Will Russia at this time push the expansion of communism to the point of war? We raised these questions with General Clay, General Keyes, Ambassador Murphy, and others. We held one very important session with another group who know, if any one in Europe knows, what Russia is up to and what we may expect. From the information we obtained it is my opinion that Russia does not want war now and will not commit an overt act of war. My information is that Russia has been so badly hurt when her territory was invaded for 1,000 miles in depth, with Russia adopting scorched earth policy of destroying and burning everything as they fell back and the destruction of what was left as Russia drove the Germans back, that Russia does not want war now. It is my opinion, however, that Russia is the worst enemy our Nation and the world has to deal with. That in her own good time she intends to take all of the continent of Europe.

We asked the question, "What about a few years from now?" The answer was, "That raises a different question. Anything can happen." Then we asked this question: "Suppose the United States spends in the future $20,000,000,000 in the rebuilding of western Germany and it becomes prosperous, would there be anything to prevent Russia from then taking over all western Europe?" The answer was, "I see nothing to prevent it when we take into consideration that controls will be placed on Germany that will prevent her from having munition factories or an army." When you realize that France and the low countries will not be able to build a potent military force, one can readily see it is next to impossible to stop Russia from taking the continent of Europe if she so desires, especially, if Russia is building the war machine that she is reported to be building at the present time. We may just as well face the facts rather than to try to fool ourselves, and deceive the American people.

Mr. Speaker, if we spend $20,000,000,000 over the next 4 years in rebuilding western Europe we may be building up a richer prize to later fall into the hands of Russia. I do not believe any responsible military man will contend that we could land and maintain in western Europe a sufficient force to stop Russia from extending her boundaries out to the Atlantic.

If we help rebuild western Europe we must simply bet that something will happen that will cause Russia to change her mind and not want to take it over.

It adds up to this: You cannot stop communism with $20,000,000,000 in western Europe, unless you have the power to stop Russia. Hysteria and sentiment will not do the job. Why not tell your people the true facts?

Mr. Speaker, now let us look at France and Italy for a minute. The Congress is asked for $328,000,000 for emergency aid to France covering food, coal and other items. If we furnish some emergency aid to France and to Italy, it may have the political effect of strengthening their governments and prevent them from going further Communist at this time. Likewise the continuance of food and other materials to Austria and Germany will have the same stimulating effect though there is little danger of Germany and Austria ever accepting communism.

When one reads in the papers that 117,000 coal miners are striking, that the civil-service public officials are threatening to strike, that 87,000 dock workers are striking and refuse to unload the food and wheat for the French people we are snipping and giving to France, that Premier Ramadier has been forced out by the Communists and the labor crowd and that for weeks they have been unable to form a cabinet, the picture is not too promising. I think it is a fair statement when I say that if we send $328,000,000 to France to shore up her tottering government, to help feed her people, and coal to keep them warm, we should do it knowing that her present condition is due to the mistakes of their weak and incompetent public officials of France.

Mr. Speaker, they failed to make a real effort to stabilize their currency and stamp out the black market. They have failed to balance their financial budget. They have failed to encourage the farmers to plant more wheat; they have failed to collect sufficient taxes from people who are able to pay to finance their government. For political reasons they have failed to properly cope with the labor organizations. They have failed to collect the food from the French farmers and have failed to lay sufficient taxes on the French farmers, again for political reasons. They have failed to purge their federal pay rolls of thousands of needless civil servants. In fact, the farmers during the last year planted 20 percent less wheat because it was difficult to sell their wheat on the black market, and because the government put a price on wheat so low that they preferred to feed it to livestock which would bring them more money on the black market. The farms of France are teeming with livestock today, yet the taxpayers of the United States are called upon in the name of humanity, and to stop communism, to send millions of dollars of food and supplies to the French Government because of its bad political leadership.

If the French farmers were working under the same supervision and the same plans under which the German farmers work, France, an agricultural nation, could be feeding herself and exporting food to the other countries of Europe today.

Mr. Speaker, the conditions in France raise the question in my mind whether or not the United States is obligated to increase inflation at home, and dig down in the pockets of the taxpayers, to feed and warm the people of a government, who find themselves in need today, because of the mismanagement of their own government.

Let me give you some relief figures I obtained last week from the Congressional Library which show how much money in loans, aids, and grants we have furnished France since VJ-day:

Loan from the Export-Import Bank	$1,200,000,000
Loan recently for coal and wheat	93,000,000
France was given by the Maritime Commission, ships in the amount of	42,163,000
Our Foreign Liquidation Commission gave to France since VJ-day in surplus property	300,000,000
Lend-lease from us during this time	365,000,000
Total amount given to France	2,000,163,000

If the French Government and the French people had used this help wisely, and if they had gone to work and fully helped themselves they would not need a dollar from the United States Government today.

I have other figures furnished last week by the Congressional Library which show that since VJ-day the United States Government has given to the world in loans, gifts, and relief grants, $24,100,000,000.

I call your attention again to a letter I received last week from our own State Department and I quote:

> It is estimated that by the end of 1947 the United States will have exported between twelve and thirteen million tons of coal to France.

And the French miners are on strike. Nearly a million people are striking in France today.

Mr. Speaker, we must be careful when we consider writing the 4-year Marshall plan contract with the nations of western Europe to supply the food, coal, steel, oil, and thousands of manufactured products in helping them to rebuild their nations. Some several months ago the Export-Import Bank, on the recommendation of the State Department, and other public officials, loaned $40,000,000 to Poland with which to buy from us 100 finished locomotives and tenders and other steel and tools to use in their transportation system. I am informed this week by the officials of our Government that 29 of these locomotives have been shipped and all of the $40,000,000 has been obligated to carry out the contract. Of course, everyone knows today that Poland is in fact as much a part of the Russian Government as are the states of Russia. Of course the loan will never be paid. The administration sent millions in lend-lease to Russia after all lend-lease was supposed to be stopped. President Truman, last week, said, and I quote:

> I see no reason to stop the sale of heavy machinery and farm machinery to Russia at this time.

The Russians have purchased $115,000,000 in goods from this country during the first 9 months of this year including 216 freight cars and 145 locomotives at a time when we are short of steel and freight cars in this country. Due to our shortage of supplies, such shipments raise the question of the danger of hastily agreeing to the signing of a 4-year contract to spend $20,000,000,000 for the

rebuilding of western Europe under the proposed Marshall plan.

Referring to the Marshall plan again. When we were in Germany we obtained the requests sent in to the 16-nation Paris Conference for Germany under the Marshall plan. One of the requirements was, for the manufacture in the United States and the shipping to Germany of 800 locomotives and tenders. In the course of our investigation, realizing that transportation in Germany was vital, we had a long session with those in charge of transportation. We asked them as to the need for 800 new locomotives. They told us frankly that in their judgment Germany would not need new locomotives built in the United States and shipped to them. They said what they needed most was spare parts and a couple hundred thousand tons of steel. That with repair parts and steel, they had the facilities and the workmen to repair their bad order locomotives and railroad cars. They said they were now repairing locomotives faster than they were going bad order, and that they were now repairing railroad cars faster than they were going bad order; that it would be better and cost much less to furnish them with extra steel and parts and let them do the work.

Now the Marshall plan and the interim aid plan calls for the shipment of vast quantities of fuel oil, gasoline, and by-products. It calls for the shipment of complete refineries from this country and we are short of refineries in America today. In fact, the oil supplies on the Atlantic coast for industrial and heating purposes at this time, is 17½ percent less than it was a year ago and we were short a year ago. We are short 11,800,000 barrels of gasoline on the east coast today.

Throughout Central United States reaching up into Wisconsin we have 3½ percent less fuel oil, gasoline, and by-products than we had a year ago. Only on the Texas coast we find a surplus of 3⅓ percent more oil than a year ago. We have this surplus in Texas because the Government has sold so many of our oil tankers for a fraction of their cost to other countries that oil transportation from Texas through the Gulf of Mexico up the east coast has been reduced until we have a 17½ percent shortage in that area. The oil suppliers in Chicago suggest ice-breaker ships be used in the Mississippi and Illinois canal this winter so oil barges can bring fuel oil to prevent great suffering, this because of a shortage of oil tank cars.

We are short of railroad tank cars, and we are short of railroad cars of every kind because of a shortage of steel, yet the Marshall plan provides for the export of locomotives, railway cars, and millions of tons of steel to western Europe. There is a shortage of steel all over this Nation, and many of our veterans who helped win the war in Europe and in the Pacific cannot get a roof over their heads now because of the shortage of steel, other supplies, and high prices.

Mr. Speaker, these are but two of hundreds of danger signals which, in my judgment, set themselves up as indisputable and indestructible facts that cannot be silenced, that should not be ignored, and cannot be obscured or blown away by the hurricane gale of propaganda that has been unleashed from Washington in an effort to whip up a wave of hysteria that will influence the Congress to go all out for the expenditure of $20,000,000,000 on the Marshall plan.

The American people ought to be told by everyone interested in this Government from the President down that you cannot reduce the cost of living, that you cannot fight inflation by shipping thousands of trainloads of food out of this country every year. The people ought to be told that you cannot supply the dollars and material called for under the Marshall plan without prices going higher and higher. The President should admit the fact, and the people should be told, were it not for the billions of bushels of grain and supplies of every kind shipped out of this country in the past 3 years, the cost of living would have gone down 40 percent rather than going higher and higher.

Mr. Speaker, we all want to stop communism if we can. Communism is a dreadful menace. We all hate it. The leaders of communism are Godless men, unworthy of confidence or belief. Few members of the House have fought communism more fervently than I during the past 6 years. We all want to block it if possible, but we must be realistic in our efforts and approach.

Lenin, 25 years ago, and Stalin more recently, have prophesied that the capitalist form of government of the United States would finally bankrupt itself and become an easy prey to Communist control.

Is it not possible that the cunning Communist leaders notwithstanding their apparent opposition to the Marshall plan, are hoping that we will spend $20,000,000,000 on the rehabilitation of western Europe in the belief that it will weaken us by shipping away our natural resources and by expending this vast amount of money, to the point where we may destroy the strength and financial solvency of our own Nation?

It is my opinion that the Marshall plan should be rejected for the reason that it will place a greater financial burden on the United States than we are able to carry, for the reason that we do not have the supplies of steel, oil, and grain and supplies of many kinds to spare, to carry out a 4-year contract if it is written. For the further reason that the requirements are fantastic and far beyond the amount of aid needed, and to attempt to furnish it, will increase inflation to a point unbearable by the American people. It is an attempt to set up a world-wide WPA we should not, and cannot carry through.

WHAT SHOULD WE DO?

Mr. Speaker, it is my opinion we should reject the Marshall plan and refuse to write a 4-year contract with 16 nations. We should continue to aid in the rehabilitation of Germany and Austria. We are in a different position in Germany than in any other country of Europe because as one of the victors, our flag floats over that country as a symbol of our authority and their control. That places the responsibility on us to aid them till we haul down our flag and move out. Furthermore, the revival of western Europe depends largely upon the rehabilitation of Germany. If France and Italy reform their governments, we might be justified in giving them some further aid. After rejecting the Marshall plan, we should deal separately with nations that need help, and the minimum amount of help should be given these nations as will compel the maximum effort on their part to rebuild their own countries. In considering any further relief it should be in such amounts as can be given or sold out of the surplus products we can spare without further increasing the inflationary pressure against our own people.

Rehabilitation so far as possible should be supplied on a loan basis with the hope of finally recovering a substantial amount of their costs. A program of this kind would enable us to help such nations as would put forth the maximum effort to help themselves at a fraction of the amount required under the Marshall plan.

England, due to financial strain, wants to be relieved of further financial aid in Germany and is anxious for us to take over her burdens there as we did in Greece. We should and probably could arrange with England to turn over to us control of the production of coal and steel in the Ruhr. As in England, her management has failed to sufficiently increase the production of coal. After such an agreement we should send, at once, the best coal and steel engineers obtainable into the Ruhr to help get greater coal and steel production.

Inasmuch as Russia has violated most every agreement made at the Potsdam Conference, and if she fails to agree to reuniting Germany at the Peace Conference now in session at London, our Government should demand that because of these broken promises she move out of Germany completely so that the nation can be reunited as an economic whole as was so agreed at the Potsdam Conference.

One move can, and certainly should be made without further delay. The President and the Department of State should insist on prohibiting the further dismantling of any factories in Germany. Six hundred and eighty-two factories and plants have been recently marked for dismantling under reparation agreements. Since the agreements have been broken and since the United States, England and France have agreed to the rebuilding of Germany, it is madness and unnecessary to tear down these manufacturing plants and at the same time ship steel, machine tools and other supplies, a part of which later on will likely be used in building new plants.

Mr. Speaker, Members of Congress who have visited Europe are alarmed as are the German people with the destruction of these plants now so much needed in the revival of the economy of Germany. Under past agreements, by our State Department and Administration leaders, we have been tearing down Germany, holding down the production of coal and steel, rather than building it up which at the same time is costing countless millions of dollars.

Mr. Speaker, then if you want to be effective in stopping the further encroachment of communism on western Europe, expend some of the billions you would waste over there under the Marshall plan in making our Air Force the strongest in the world, with a plentiful supply of atomic bombs. Strengthen our military departments wherever it is needed and be prepared to strike with power in any emergency. Cooperate more closely with South America on hemispheric defense.

When Stalin and the Russian leaders understand we are making such moves to strengthen this Nation from a military standpoint, rather than wasting our money and resources, they will most likely hesitate to make a further move into western Europe for fear such acts will precipitate war with a powerful nation that is prepared.

Force is the only language the Russian mind understands. Force and the ability to strike with the strongest air force in the world, and atomic bombs, will do more to stop Russia from moving further into western Europe than to set before them a $20,000,000,000 banquet table as provided in the Marshall plan. Twenty billion dollars spent in western Europe, plus the efforts of those countries, should build up a prize worth $50,000,000,000 within the next few years.

It is too great a temptation to place before Stalin and the Russian war lords. As a Nation we are $300,000,000,000 poorer than we were, by shipping out and shooting away our natural resources to win the last war, plus the great cost in human life, and many billions of dollars in the future for hospitalization and care of veterans.

We are subsidizing by the Government the production of many metals in this country today. We should be stock piling strategic materials necessary for national defense without further draining our natural resources.

We are short of oil today and many materials so vital to national defense. It is the first responsibility of the Members of Congress to protect the interests of our own people and preserve the financial solvency of our own Nation. The greatest contribution we can make for the future peace of the world is to keep America strong.

Mr. BUFFETT. Mr. Speaker, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Nebraska.

Mr. BUFFETT. Is it not true that the present Secretary of State was one of the responsible American officials at the Yalta conference?

Mr. VURSELL. He was there with the late President Roosevelt.

Mr. YOUNGBLOOD. Mr. Speaker, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Michigan.

Mr. YOUNGBLOOD. Does not the gentleman believe the President is inconsistent in his request for $20,000,000,000 for the Marshall plan to curb communism in Europe, and lax in the exercise of his prerogatives by continuing to permit goods and materials purchased with American dollars to pour into Russia?

Mr. VURSELL. I think he is inconsistent, of course. They have been inconsistent most of the time on many matters.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. VURSELL. I yield.

Mr. H. CARL ANDERSEN. Does not the gentleman feel that the President is entirely in error in his statement that he saw no reason to stop the sale of heavy machinery and farm machinery to Russia at this time?

Mr. VURSELL. I agree with the gentleman who asked the question. I do not think we can stop communism by feeding it; and we fed it for 2 years under the advice of this Administration under UNRRA.

Mr. H. CARL ANDERSEN. Does not the attitude of the President smack too much of the attitude that prevailed some time ago in reference to the shipments of scrap iron to Japan that eventually came back to kill our own boys?

Mr. VURSELL. The cases cited by the gentlemen are quite analogous.

Mr. H. CARL ANDERSEN. The gentleman from Illinois is absolutely right in his contention relative to the shortage of fuel oil. Only 2 weeks ago my local dealer back in Minnesota told me that it would be impossible for him to supply my farm with fuel oil for the purpose of doing a little corn drying.

Mr. VURSELL. The gentleman is only one of thousands who are being denied necessary fuel oil.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. The gentleman is making a most excellent speech and giving the House information that I think it should have. I both thank him and congratulate him for it. The gentleman has referred several times to the Marshall plan and he made reference to what it contains. What I would personally like to know is where can we see the Marshall plan. I know nothing about it. I do not know of its ever having been placed in the RECORD. The little I know about it is from reading the newspapers, and I have yet to find anyone who knows what the Marshall plan is. Would the gentleman enlighten us on where he got his information about what the Marshall plan is?

Mr. VURSELL. I will be very glad to answer that question.

Mr. CUNNINGHAM. Is there a Marshall plan, and has the gentleman seen it?

Mr. VURSELL. Yes; there is a Marshall plan, and I have the first section of it, containing some 200 or 300 pages. I have seen the second section of it, containing 500 or 600 pages. I have not received all of it. It has not been given to Congress yet. It is in preparation.

Mr. CUNNINGHAM. There is no completed plan yet ready for Congress; is that right?

Mr. VURSELL. Not completed. I have seen, I think, about half of it and I have read about half of it.

Mr. BUFFETT. Mr. Speaker, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Nebraska.

Mr. BUFFETT. Can the gentleman tell the House whether or not the so-called Marshall plan is directly comparable to the so-called Dawes plan and Young plan for European recovery which blew up in the twenties?

Mr. VURSELL. I think the Marshall plan will prove to be a great and costly mistake to the United States if approved.

The SPEAKER pro tempore (Mr. SCHWABE of Oklahoma). The time of the gentleman from Illinois has expired.

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to proceed for 15 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield further?

Mr. VURSELL. I yield.

Mr. CUNNINGHAM. I would like to get more information about the Marshall plan. I understood the gentleman from Illinois to say, first, that there was a Marshall plan, and he had seen, at least, a part of it. Now, can the gentleman tell me whether or not there is a Marshall plan, and if there is none, is one being prepared and who is preparing it?

Mr. VURSELL. The Administration and the State Department are preparing it. I have about half of it in printed form, which I will be glad to send to the gentleman's office. I think it is being printed at the present time.

Mr. CUNNINGHAM. Is the gentleman able to give us a digest of it at the present time?

Mr. VURSELL. Not within the time allotted, and I have some important thoughts that I want to get across.

Mr. CUNNINGHAM. I thank the gentleman.

Mr. SADOWSKI. Mr. Speaker, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Michigan.

Mr. SADOWSKI. I have enjoyed very much what the gentleman is saying. The information he is giving us shows he has really given the subject matter a lot of study. May I ask this question:

While the gentleman was in Germany, did he have a chance to observe whether the predominating German opinion is that the Stinnes family, that owns the coal mines, the Krupp-Von Bohlen family, that owns the war plants, and the Vereinigte-Stahlwerke gang, that owns the steel mills, should be put out of business because they are the old warmonger families in Germany, and that these industries should be nationalized or socialized?

Mr. VURSELL. I got the impression that they want all the war lords to be dealt with very severely, but we did not go into the other angle.

Mr. SADOWSKI. You did not find there was a national demand for taking away these properties from these big, powerful families of Germany?

Mr. VURSELL. The Farben group, yes, but I do not have sufficient information to answer the question as to the others.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Iowa.

Mr. JENSEN. Is the gentleman, who is making a very fine presentation, satisfied with the method which is presently being used and that has been used in the past to distribute food, clothing, and other things we have sent over to those suffering people?

Mr. VURSELL. I do not think it has been well handled. I think a different set-up of some kind should be worked out. Further, I think there has been great waste and favoritism on account of incompetent governments.

Mr. JENSEN. Did the gentleman find any indication that too much food was going into the black market?

Mr. VURSELL. There is no question about that.

Mr. BUFFETT. Mr. Speaker, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Nebraska.

Mr. BUFFETT. Does the gentleman feel there will be any genuine debate on the Marshall plan in this House unless the opposition party, the Republican Party, furnishes a vehicle for such two-party debate?

Mr. VURSELL. I am afraid there will not be sufficient debate and great sacrifice will follow as a result unless Members of Congress make a determined effort to protect the interest of our own people.

The SPEAKER pro tempore (Mr. SCHWABE of Oklahoma). The time of the gentleman from Illinois [Mr. VURSELL] has again expired.

SPECIAL ORDER

The SPEAKER pro tempore. Under special order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 15 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to revise and extend my remarks to include a description of the hemiplegics.

I would like to divide my remarks into three parts.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

MEDICAL DEPARTMENT, VETERANS' ADMINISTRATION

Mrs. ROGERS of Massachusetts. Mr. Speaker, this morning I received a letter from a patient at the Framingham Hospital. He gave me a list of some of the hemiplegics and this shows how their brain interests affect them. I would like to bring these cases to the attention of the House today because I have learned that General Hawley has definitely decided to resign and has sent his resignation to General Bradley today. I saw General Hawley in Europe. He was responsible for my visiting the European theater hospitals and field stations, where I saw the first aid given to the men in the field. He was head of medicine and surgery in the European theater. He began his work for the disabled over there. Almost miracles were performed, and he is performing almost miracles today.

Nothing has ever been done that I know of with the aphasia cases in veterans' hospitals comparable to General Hawley's work there today. This summer I saw those cases at the VA hospital at Framingham, Mass., and at the VA hospital at Birmingham, Calif; many of them learning to talk all over again. It is amazingly interesting to talk with the doctors who are guiding them out of the darkness and to watch and talk to these seriously handicapped veterans. They work so hard to talk again and to coordinate their various functions. There is a description of these cases here, sent to me by a patient who has overcome many of his handicaps—they are a brave set of patients—which follows:

CUSHING VETERANS'
ADMINISTRATION HOSPITAL,
Framingham, Mass., November 15, 1947.

Mrs. EDITH NOURSE ROGERS,
House of Representatives,
Washington, D. C.

MY DEAR MRS. ROGERS: On your visit here at Cushing Veterans' Administration Hospital last August, you will remember that two other patients and I discussed with you the matter of aphasia. As you requested, I am sending you a summary of our cases which are typical of the general condition of aphasic patients. In case you care to have medical information in regard to aphasia, you could consult with Dr. Bailey and Dr. Cole.

We are most appreciative of your interest in our problems.

Respectfully yours.

We are all hemiplegics due to brain injuries which have paralyzed either one side or the other of the entire body. Many of us have periodic convulsions. But this is not the most serious handicap under which we labor. The injury to the brain in our cases has seriously affected our memories, our mathematical abilities, and our reasoning powers. In short, we are in the same class as adolescents on skilled labor, with our faculties impaired to the extent that we would be hopelessly lost in competing for even the most routine of jobs.

Individual cases follow, outlining the various difficulties each of us faces with our type of injury:

"I had completed my law school training before I was drafted, but after my injury in combat 3 years ago, I was forced to start learning to speak all over again, beginning with the basic elements of everyday speech. Following my operation I found myself unable to speak one word, unable to write my name; my memory and spelling greatly impaired.

"I have been taking speech retraining at Cushing for the last 3 years. As a result I am now able to speak but with great effort and much hesitation. Due to my paralyzed right arm I have been forced to use my left hand, consequently I find that it takes me a full hour to write a short composition.

"Frequent mental examinations during the past year have shown that my mental powers have been seriously impaired, some more noticeably than others. A case in point is my inability to write words with correct spelling, even though verbally I have no difficulty in that respect.

"I fully intend to continue with my law training but I realize that with such handicaps as I now have it will be doubly hard."

"I had a year's college training at Princeton University previous to my being sent overseas, but since the bullet wound received in Germany 3 years ago, I had to start from scratch, retraining my speech, my spelling, and my mathematical operations. Upon returning to the United States I came to Cushing where I received speech lessons and yet my present speech is choppy, my train of thoughts ever so slow. I can't express my ideas because of poor vocabulary and reading with retaining comprehension is difficult.

"Since I have lost the use of my right arm and have difficulty writing with my left one, I find it practically impossible to phrase an idea and try to write it down. As I try to remember how to spell the words, I lose the train of my thoughts and vice versa."

"After shrapnel wounds received in combat, I found myself paralyzed on my right side, subject to convulsions, and unable to utter a sound. Now I am at Cushing and have had 3 years of speech retraining. At the present time it is very difficult for me to write or talk, because I am not able to formulate a phrase in my mind and express it since I can't find the proper words. For example, I can't place a long-distance telephone call and carry on a conversation with my party, nor can I write a letter to my family. My mathematical computation and comprehension of spoken language is also greatly impaired. Because of my hemiplegia and convulsions, I can't go back to the jobs I once held, nor learn a new trade, since my aphasia prevents me from doing so."

"I am an hemiplegic with a marked aphasia for the last 2½ years. At first, my aphasia was such that my vocabulary consisted of only three words, 'Ma, Pa, and Hello.' I have great difficulty in understanding conversation carried on at normal speed, as well as lack of adult reasoning. For example, it is possible for me to understand moving pictures such as westerns and comedies only. It is impossible for me either to read or write because letters, words, and phrases do not have any meaning. My mathematical computations are of the level of a first grader. I can't follow directions, even though my memory is quite good, because my mind is in complete confusion."

"I have been in an aphasic condition from a blow on my head which I received in Italy, close to 3 years ago. Previous to my enlisting in the service, I had attended 2 years of pre-med at Boston College and at Brown University. After the operation, I felt at a loss for words, thoughts, and actions. The ability to talk, comprehend spoken language, reading and writing was greatly impaired. Since then I have had 2 years of speech training therapy and yet I find it practically impossible to think of letters, words, and the correct pronunciation of the individual sounds. I can't follow normal conversations. I hear numbers but cannot grasp the meaning of them. My present dictation material is of the fourth-grade level and my arithmetic is even lower. One of my major problems is not only to organize my speech, but also to form a complete sentence in my mind and write it without forgetting it."

"I have been suffering from aphasia and even though my aphasia condition has improved through years of patient speech retraining therapy, I am far from normal in the use of language communication skills, some of which are speech, writing, reading, comprehension and ability to concentrate for any length of time.

"My inability to speak fluently, to write quickly with my retrained left hand, to read with retaining comprehension, my limited power of concentration, short attention span, all because of excessive fatigue, totally handicap me in relation to earning a living.

"The combination of right hemiplegia and aphasia rules out even unskilled jobs for which the loss of speech alone would not disqualify one.

"The enforced leisure due to the disability has certain special problems for an aphasic. Along the communication limitation, there is a partial loss of emotional control, making one subject to changes, varying between elation and depression. Because of my aphasic

condition, reading and conversing, two common means of spending leisure time pleasantly, are limited to me. Conversation difficulties and susceptibility to fatigue make it impossible for me to keep up with social groups of my age.

"Another of my problems is a great difficulty in making quick decisions when necessary; for instance, telling the difference between right and left is now a problem.

"It is this combination of difficulties that leaves me much handicapped in all my contacts with the outside world, and that makes it uncertain to establish a normal emotional life and to be self-supporting."

Mr. Speaker, I sincerely regret that General Hawley is going. I visited a great many veterans' hospitals during the past summer, and I think I voice the feeling of the patients there that it will be a tremendous loss to them to have General Hawley leave as the head of the medical service of the Veterans' Administration. Many of the men in the hospitals in California told me that the doctors were bringing into the practice of medicine the family physician feeling and interest in each individual case, with the highly developed specialized skill of those doctors. It makes for a very happy and I think beneficial situation. General Hawley has instilled an enthusiasm, an enthusiasm in the Veterans' Administration medical service that will be hard to equal. His leaving I believe is a calamity.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks regarding the insurance department of the Veterans' Administration.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I have in my hand a little document that was printed for the Subcommittee on Insurance of the Committee on Veterans Affairs at the request of the chairman, the gentleman from Tennessee [Mr. PHILLIPS] and myself, and I am sending to every Member one of these copies. Since the print was made I have received thousands of requests from all over the United States for copies.

I also ask unanimous consent, Mr. Speaker, that an article by George Beveridge in Sunday's Star regarding a statement made by Speaker MARTIN and the gentleman from Wisconsin [Mr. BROPHY] and other information by Mr. Beveridge be included as part of my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. There is a matter of accumulated moneys in the Veterans' Administration insurance department which some say amounts to as much as $15,000,000,000. There is the suggestion that this be returned to the veterans as dividends on insurance. For many weeks I have requested that this be done. Claim cases have not been filed with the department at the rate anticipated. There are other members of the Committee on Veterans' Affairs who have taken the matter up with General Bradley.

When you read this leaflet gotten together by the gentleman from Tennessee [Mr. PHILLIPS] and myself, you will see all through it letters I have written to General Bradley and letters he has written to me.

You will note from these letters on the Veterans' Administration that there seems always to be a feeling that "we are doing the best we can; we have always done it this way and there is no reason for any change."

And therefore we should not change. And the insurance division states that in spite of the thousands and thousands of dollars which are unidentified. In the Boston office alone, where there was confusion, there is some hundred thousand dollars that has never been identified as belonging to any veteran. That is true in other Veterans' Administration offices all over the country and practically nothing is being done so far as I can find out to really remedy the situation.

It is due to faulty administration; and the gentleman from Tennessee [Mr. PHILLIPS] and I recommend that the present methods of procedure and settlement used in the Veterans' Administration as a matter of insurance be changed, for we feel they are inefficient and inadequate satisfactorily to serve the veterans of the country. We have suggested changes and modern methods.

In our report he speaks of the desirability of a change in the top personnel of the administration of veterans' insurance.

It is perfectly obvious, Mr. Speaker, that the present administration intends to do nothing about changing the personnel. While I find there is a great deal of agitation in favor of carrying out some of the recommendations we have made in the report such as the issuance for the first time of insurance policies there is nothing very definite or constructive being accomplished.

I think there will be no change in personnel under General Bradley's administration.

We recommended that Mr. Breining be used in an advisory capacity. He said in a meeting that was held with General Bradley, the gentleman from Tennessee [Mr. PHILLIPS], and myself that he was so busy he did not have time for administration. If a man's too busy to administer a great department, the largest insurance undertaking, I believe it is, in the world, he should have a good administrator with him and he could act in an advisory capacity.

Mr. Speaker, the Insurance Division of the Veterans' Administration is the one division that has taken more in dollars and cents from the veterans than any other. It is entirely a business proposition and should be carried on like any other business. No commercial company could stay in business. There is not a Member of the House of Representatives who has not had many letters from his veteran constituents and other protesting against the inadequate, inefficient and worse reception and methods which have been used regarding veterans' insurance. Such a thing cannot be tolerated and cannot go on. It is incredible that it should have been allowed to go on for so long. It is incredible that the suggestions of first-rate insurance companies have not been taken into consideration. The Veterans' Administration say they have been taken into consideration but when I speak with insurance companies I find those methods and procedures have not been followed.

Think of men and women beneficiaries who do not receive any insurance benefits on account of the death of a husband or a father. The men, themselves, receive contradictory letters all the time. First they are told they have not paid their premiums; then they are informed that the premiums have been received. The next letter states that the veterans owe the premiums.

Mr. Speaker, I have never seen such a chaotic condition in any department in Washington as exists down in the Insurance Division of the Veterans' Administration.

Mr. CHADWICK. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Pennsylvania.

Mr. CHADWICK. May I say that while I have neither contact with the committee's activities or personal contact with the Veterans' Administration, I am sure that administration should be a matter of greater concern to the Congress than perhaps any other of the bureaucratic agencies in Washington. I receive letters of protest almost daily from my veteran constituents. It is heartbreaking because we find it so difficult to make any progress.

Mrs. ROGERS of Massachusetts. One of the worst things about the whole situation is the refusal to do anything. I am taking the matter up with the President of the United States to see if he will not act, as the Veterans' Administration has refused to act thus far. The report I asked permission to insert as a part of my remarks is as follows:

INSPECTION OF VETERANS' ADMINISTRATION INSURANCE DIVISION

PART I. INTRODUCTORY STATEMENT

Under the provisions of House Resolution 120, March 6, 1947, the chairman, Committee on Veterans' Affairs, and the chairman, Subcommittee on Insurance, directed a study of the Veterans' Administration insurance function.

On March 20, 1947, the services of a recognized procedures expert were engaged for the purpose of arriving at an evaluation of the effectiveness of the methods, procedures, and personnel being employed in Veterans' Administration Insurance Division and developing specific recommendations for effecting improvement in service to veterans.

The study has proceeded along informal lines. No formal hearings have been held.

The cooperation of the Administrator was requested and he immediately responded with a directive to his Assistant Administrators requesting the cooperation of themselves and their staffs in this study.

During the course of this study many Veterans' Administration insurance officials as well as operating personnel were interviewed. Field offices were visited. The actual clerical and accounting operations involved in the Veterans' Administration insurance operations were observed and studied. Documents and correspondence pertaining to the subject

were examined. Representatives of veterans' organizations and officials of commercial insurance companies were interviewed.

Quality of Veterans' Administration insurance service

Veterans' Administration insurance service to veterans and their dependents is most unsatisfactory. It is the source of a greater number of complaints than any other Veterans' Administration activity. Yet this is the one service in the veterans' program that the veteran pays for. He is entitled, therefore, to a service comparable to that which he can purchase from any recognized commercial company for a like premium. Among other things he is entitled to an attractive policy, which is the only tangible thing a purchaser of insurance receives. He is entitled to prompt and regular notices of premiums due, follow-up notices if he overlooks payment, prompt notice if he permits his insurance to lapse, prompt action on requests for changes, prompt action on an application for conversion, dividends when due.

Here are some of the things that are causing an increasing number of complaints about Veterans' Administration insurance service:

Letters of inquiry and requests for action are invariably "ignored," from the viewpoint of the veteran, because he received no acknowledgment or reply for weeks or months.

Delays in accomplishing requested actions frequently result in overlapping actions, thus further confusing the status of the insurance.

Veterans whose insurance has been paid regularly receive lapse notices.

Veterans who find themselves unable to keep up premium payments do not receive lapse notices.

No policies have ever been issued.

Applications for conversion of term insurance to regular forms are unacknowledged and piling up into serious backlogs.

Settlements of death and disability claims are subject to inexcusable delays which frequently cause hardship.

Thousands of veterans who pay their premiums regularly do not receive premium notices.

Others whose insurance has been lapsed for months continue to receive premium notices.

The net result of these and other Veterans' Administration insurance deficiencies is a trend on the part of those veterans who can afford it to drop their veterans' insurance in favor of commercial insurance at a higher cost in order to receive satisfactory insurance service, get delivery of a policy, and know where they stand from month to month.

These and other insurance-service deficiencies are freely admitted by Veterans' Administration officials but shrugged off with a peculiar complacency which says, in effect, "Considering all of our difficulties, we are doing a pretty good job."

Insurance in force

Recent Veterans' Administration statistics show the following:

National service life-insurance policies in force	5,688,000
United States Government life insurance policies in force	540,000
Number of veterans carrying national-service life insurance	4,800,000
Number of men still in military service	2,000,000
Number of remittances received per month	2,000,000
Number of employees in Veterans' Administration Insurance Division	18,500

(The above figures vary from month to month but are sufficiently up to date to justify any conclusions which may be drawn therefrom.)

In analyzing the above figures, the following points are emphasized:

(a) Immediately following World War I there were approximately 4,000,000 Government life-insurance policies in force. The number has fallen off to 540,000.

(b) Of a total of 18,000,000 veterans on the Veterans' Administration rolls, only 5,340,000 have retained any kind of Government insurance.

(c) Of 4,800,000 World War II veterans retaining veterans' insurance, 2,000,000 men are still in service, requiring no attention from Veterans' Administration.

(d) The 18,500 people employed in Veterans' Administration insurance far exceeds the number of employees per policy required by any commercial-insurance company.

Status of Veterans' Administration insurance accounts and records

The fundamental reason for unsatisfactory Veterans' Administration insurance service is found in the condition of the insurance accounts and records and in the cumbersome and inadequate premium billing and accounting system.

Records are inadequate, frequently unlocatable, and rarely up to date. There is little or no control exercised over the premium-accounting system. For example, while the amount of money received each day is balanced against the amount deposited for that day, no check is made of the total amount actually posted to premium-account cards.

The addressing-machine system used for producing premium notices, receipts, and lapse notices is expensive and comparatively slow and the address-plate files have been permitted to deteriorate in accuracy to a point where the system is only partially operative.

Records and accounts are not current because of large backlogs of unfinished work, among which are over 1,000,000 unapplied insurance premium remittances.

Methods and procedures

The unsatisfactory service, poor condition of records and accounts, and the large backlogs of unfinished work are readily admitted by Veterans' Administration insurance officials. They attribute these deficiencies to—

Unanticipated rate of military discharges since VJ-day.

Inadequate number of employees.

Insufficient time to train personnel.

Problems incidental to decentralization of Veterans' Administration insurance operations from New York to 13 branch offices.

(This took place over 18 months ago.)

Veterans' Administration officials will not concede that an inadequate system or inefficient procedures and methods are responsible for the deficiencies in insurance service. On the contrary they have consistently resisted and rejected all suggestions for changes and improvements in procedure from procedures experts within Veterans' Administration, from the commercial insurance field, and from veterans' organizations.

Where individuals within Veterans' Administration have been too persistent in efforts to improve insurance procedures they have sometimes found themselves out of a job.

Although experts from the commercial insurance field have studied the problem from time to time, their recommendations have not been accepted.

While an entirely new premium billing and accounting system is needed by Veterans' Administration, and this report so recommends, the present system can be improved by the adoption of certain short cuts in procedures which are recommended herein. These recommendations represent methods which are commonly used throughout industry and business.

Veterans' Administration premium billing and accounting system

The present Veterans' Administration insurance premium billing and accounting system is inadequate as evidenced by its failure to provide satisfactory service.

In defending the present system, Veterans' Administration officials have stated, in effect, "There is nothing the matter with present system. It has been in satisfactory operation for many years."

In that statement lies a clue to the trouble. The present system is not up to date and lacks the improvements and advances that have been made in accounting procedures and equiument during recent years. The present system was devised for World War I. The problem today is larger and more complex.

In 1946 a group of commercial insurance experts surveyed the veterans insurance operation, and recommended the adoption by Veterans' Administration of a punch-card premium billing and accounting system similar to that used successfully by the Office of Dependency Benefits, War Department, at Newark, N. J., during the last war.

In rejecting this recommendation, the Assistant Administrator for Insurance stated that none of these experts recommended a test of the proposed system. Actually, a test was the minimum recommendation made by any of these experts. Some of them recommended the complete installation of the proposed system without trial.

The Assistant Administrator for Insurance also referred to the proposed system with the statement that the machines involved were not developed for accounting work but for statistical purposes (evidently having in mind the first tabulating machine designed by Dr. Hollerith for the Census Bureau some 35 years ago). The fact is, of course, that a good cross section of American business uses it for punch-card accounting.

A recent development in office equipment which contains elements of considerable importance to Veterans' Administration is the combination punch-card accounting-addressing system adopted by Fortune, Time, and Life magazines. This system is the fastest and most economical method of its kind in existence. The addressing speed, for example, is five times faster than that of the machines presently used by Veterans' Administration and the accounting mechanism provides complete automatic controls of figures and funds.

(It should be noted here that the mechanics of a publication circulation and accounting system are comparable to those of an insurance premium billing and accounting system.)

An adaptation of this method to the veterans' insurance operation would inevitably result in greatly improved service, reduced administrative costs, elimination of the need for more employees, elimination of errors and inaccurate records, provision of badly needed controls.[1]

Veterans' Administration Insurance Administration

The present Assistant Administrator for Insurance has been in a comparable capacity with Veterans' Administration for a great number of years. He is, apparently, an authority on Government insurance law, precedent, and history. There is considerable question, however, as to his ability and capacity for successfully managing an operation employing 18,500 people and serving

[1] Veterans' Administration officials frequently state that the law does not require them to maintain controls required of commercial insurance companies. It is suggested that good accounting practice and efficient service to veterans call for such controls, regardless of the law.

several million customers. A knowledge of Government insurance is not nearly so important in this job as is top executive ability. Actuaries, underwriters, and other insurance specialists are available in Veterans' Administration to provide this technical knowledge. What is needed at the top is an aggressive, progressive-minded executive who will see that the end result of a satisfactory service is achieved in short order.

In a recent interview with the Assistant Administrator for Insurance, the following questions and answers developed:

Question. "It is understood that there is a considerable surplus in insurance fund. When do you expect to declare a dividend?"

Answer. "As soon as we can complete some 10,000,000 tabulations which have yet to be made."

Question. "When will that be?"

Answer. "When we can get the additional personnel we have requested."

Question. "What will happen if you are not granted additional personnel?"

Answer. "Then we will not pay a dividend."

Question. "When do you intend to issue policies to insured veterans?"

Answer. "We do not plan to issue policies to holders of term insurance, only to those who convert to regular forms."

Question. "When do you plan to issue those policies?"

Answer. "When we can get additional personnel."

Question. "And if you are not granted additional personnel?"

Answer. "Then we will be unable to issue policies."

The Assistant Administrator for Insurance and his executive assistants maintain that the present methods, procedures, and system used in the veterans' insurance operation are satisfactory. They consistently hold that all they need is more time and more people for "things to straighten themselves out." On this basis all attempts to effect the adoption of improved procedures and methods have been successfully rejected.

Informal efforts to secure action

On June 2, 1947, the chairman, Committee on Veterans' Affairs, made the following remarks from the floor of the House:

"Mr. Speaker, the following data may be of value to Members of Congress on reasons for the growing dissatisfaction with Veterans' Administration insurance service.

"There are approximately 5,000,000 veterans still retaining national service life and veterans' (converted) insurance from World War II.

"There are approximately 400,000 veterans still retaining Government insurance from World War I.

"There were approximately 13,000,000 servicemen in World War II.

"There were approximately 5,000,000 Government insurance policies in force immediately after World War I.

"This appalling drop in insurance retained by veterans of both wars and the fact that World War II insurance is falling off month by month justifies an inquiry into the reason why Government insurance for veterans, which is the most liberal and cheapest in existence, should be losing ground.

"A very superficial investigation reveals the reason for this situation very clearly.

"The average veteran who can afford it would prefer to pay more for a given amount of insurance with a commercial company because of the more efficient service he receives.

"Substantiation of this statement is contained in the following facts:

"Veterans' Administration has approximately 1,200,000 unapplied remittances floating around the country which they are unable to credit properly because they cannot locate records.

"Thousands of applications for conversion of national service life—term—insurance are lying dormant for the same reason.

"It is next to impossible for a veteran or a veteran's dependent to get an answer to an inquiry regarding insurance in anything even approaching a reasonable period of time.

"Veterans who have paid premiums regularly suddenly receive lapse notices, frequently from offices with which they have had no contact.

"Others who have been unable to keep up their premiums do not receive lapse notices.

"No policies covering any of the various types of insurance have been issued to veterans. Many have no record at all of their insurance.

"Death and benefit claims frequently run over a year before settlement.

"When these and many other deficiencies are brought to the attention of Veterans' Administration officials, from the Administrator down, the answers are always the same; namely, the unprecedented rate of discharge of military personnel; the shortage of personnel and the failure of the Congress to provide enough money to correct that situation; they have 'not been given enough time to straighten things out.'

"Considering these answers one by one, it is believed that Veterans' Administration insurance now has far more people per policy than is required by any commercial company, and it is not likely that the Congress is going to provide for any more people.

"It is almost 2 years since the end of the war. It is hoped that by 'give us enough time' is not meant that sufficient veterans will drop their insurance to make the job easier.

"Veterans' Administration officials flatly state that, unless funds for more personnel are provided, policies will not be issued, lapse notices will not go out on time, and so forth.

"Veterans' Administration officials state that they do not plan to issue any policies to holders of national service life—term—insurance even though additional personnel is forthcoming.

"There is $30,000,000 to $60,000,000 surplus in Veterans' Administration insurance funds. Veterans' Administration is vague as to the exact amount, and I have suggested to the Administrator that a preaudit of Veterans' Administration insurance funds by the Comptroller General might be of value to all concerned. Whatever the surplus is, Veterans' Administration insurance officials state no dividend can be declared until some 10,000,000 tabulations are made, and that this operation again depends on getting more people. There are people employed in the Capitol who are having the same difficulty with their insurance.

"Members of Congress are receiving an increasing number of complaints about the service being rendered to veterans and their dependents by Veterans' Administration. I believe the time has come to stop rendering lip service to the mythical fine job allegedly being done for the veteran by the Veterans' Administration insurance and face the cold fact that the service being rendered is inefficient and unsatisfactory.

"I have considerable evidence to indicate that the principal reasons for this situation are not insufficient numbers of employees or insufficient time to get organized but, rather, a stubborn adherence to obsolete and inadequate methods and procedures. I expect to have some specific recommendations to make in this connection in the near future.

"As chairman of the Committee on Veterans' Affairs I appointed a very fine subcommittee on insurance, headed by the gentleman from Tennessee [Mr. PHILLIPS], to work out insurance matters.

"They should be given every opportunity to take out various forms of veterans' insurance. They should also receive policies just as persons taking out commercial life insurance receive policies. Today the veterans receive nothing but a little slip of paper. The men who fought for us are entitled to policies that mean something; so that they can see what they are. Certainly their dependents should see those policies."

As a result of these remarks, the Assistant Administrator for Insurance, Veterans' Administration, wrote under date of June 17, 1947, as follows:

JUNE 17, 1947.

From: Assistant Administrator for Insurance.
Subject: Comments made by the chairman of the Committee on Veterans' Affairs as reported by the CONGRESSIONAL RECORD of June 2, 1947.

In accordance with our conversation I am submitting these observations on the comments made by the chairman of the Committee on Veterans' Affairs as reported in the CONGRESSIONAL RECORD of June 2, 1947.

While it is true that about two-thirds of the persons who carried national service life insurance in the service have not continued it after return to civilian status, this experience is about twice as good as that following World War I. It is highly desirable that all persons be properly insured, but it is not believed that it could reasonably be expected that too high a percentage of a group who were representative of an economic cross section would continue to carry insurance after release from military control especially when consideration is given to the improbability that many of them would have carried life insurance at all except for such military control. It is interesting to note the high amount of insurance being carried individually by those retaining their insurance. The average coverage per life being over $7,000, which is very much higher than that obtaining with commercial insurers. Despite the fact that many hundreds of thousands of persons have been separated from the armed forces since the end of last year the number of insured lives and the amount of insurance in force on May 31, 1947, was greater than that on December 31, 1946. Since February 1, 1947, over a half a million persons have applied to reinstate approximately three and a quarter billion dollars of insurance.

While it must be admitted that the lapse rate is somewhat affected by the type of service given policyholders it is not believed that this is a controlling reason because commercial insurers are also ever confronted with the lapse problem. Unquestionably some have dropped their national service life insurance policies and replaced them with commercial coverage but it is doubted that such persons represent any large percentage. Of course there are those who because of personal views do not wish to carry Government insurance without regard to how good the service might be.

The Veterans' Administration has many times publicized the fact that there were a large number of remittances unassociated with premium accounts. Many factors contributed to this situation and upon investigation of unassociated remittances it has been even found that such remittances although sent to the Veterans' Administration sometimes pertained to something wholly outside of its jurisdiction. A special program has been inaugurated in connection with unassociated remittances with the result that there has been a reduction in the pending number of several hundred thousand and it is expected that the immediate future will show even greater progress, but at best the obtaining of individual information as to each item in such large volume is no small task.

Conversions have not been accomplished with satisfactory dispatch but they are not lying dormant as is indicated by the fact that over 50,000 were acted upon during the last 2 weeks of May 1947 and although there is as of May 31 a pending balance of 197,640 it is being steadily reduced. On May 31, 1947, there were 324,663 unanswered letters regarding national service life insurance on hand, but this must be contrasted with the

fact that during the last half of May 1947—178,725 inquiries were received and 212,781 letters dispatched. While the situation is not satisfactory it is steadily improving. It would seem that the best refutation to the allegation that veterans cannot get a reply to a letter on insurance is found in the fact that during the last year approximately 5,100,000 letters relative to insurance have been mailed and this number does not include premium notices, etc.

There can be no disputing the fact that lapse notices have been sent to many persons whose insurance was in good standing and conversely lapse notices have not been sent to all persons whose insurance has in fact lapsed but the files are being checked and this situation is fast being improved.

As authorized by the law certificates have been issued in lieu of the long-form policy because it was recognized that even if it had been practicable to have issued a long-form policy it would have been made obsolete by the recent amendments to the law. A policy form is now in the course of preparation and will be issued as soon as the occasion allows. If a veteran has no record of his insurance it is because he has lost or mislaid his certificate, or this has been done by those to whom he has entrusted his certificate.

When limited facilities are available it is necessary to decide which things shall be placed first. Actuarial tabulations were deferred in favor of matters involving more direct service, consequently millions of actuarial records remain to be processed. This project is now being started and will be pushed to completion to the extent circumstances permit. Until these tabulations are completed the amount of so-called surplus available for dividends will not be determinable.

The present insurance situation is not the result of something that happened last week or last month but stems back to the war years and immediately thereafter when the Veterans' Administration was unable to obtain adequate facilities properly to do the job. The present situation is being liquidated but the very hugeness of it requires time. There are no magical panaceas. Only hard laborious work will accomplish any satisfactory results. Many persons have offered solutions to problems that didn't exist but there is no quick solution to the problem of building an organization to handle such a gigantic load. It just takes time and it is believed that an impartial appraisal will indicate that great progress has been made. Any evaluation should weigh accomplishments as against deficiencies, and complaints only should not be the criteria because the dissatisfied are vocal while the satisfied remain silent. It is inevitable that in the handling of over 19,000,000 accounts there would be errors made especially when it is considered that the chances of making errors runs in to the billions, but this does not mean that every endeavor should not be made to attain perfection and it is the strong purpose of the Veterans' Administration to achieve the goal of satisfactory service as soon as possible.

HAROLD W. BREINING.

On July 16, 1947, the Administrator for Veterans' Affairs, the Assistant Administrator for Insurance, the chairman, Committee on Veterans' Affairs and the chairman, Subcommittee on Insurance, held an informal conference on the subject of Veterans' Administration insurance service. As a result of this conference the following letter was sent to the Administrator for Veterans' Affairs.

JULY 18, 1947.

Gen. OMAR N. BRADLEY,
Administrator, Veterans' Administration, Washington, D. C.

MY DEAR GENERAL BRADLEY: As a result of the discussion of veterans' insurance participated in by you, Mr. Harold W. Breining, Assistant Administrator, the Honorable DAYTON PHILLIPS, chairman of the Subcommittee on Insurance, and I, on July 16, 1947, and from information secured during the recent survey of veterans' insurance procedures made under my direction, we make specific recommendations for changes in Veterans' Administration insurance procedures and practices which it is believed will result in improved insurance service to veterans and their dependents.

We are aware of the fact that the recommendations contained herein are not new. They have been made before by procedures experts both within and outside of Veterans' Administration. The usual reasons given for failure to adopt or put into effect such procedural changes heretofore have been lack of time to properly organize the VA insurance operation, lack of time to train personnel, the existence of large backlogs and an inadequate number of personnel in the Insurance Division.

We have been sympathetic to these conditions. We believe, however, that sufficient time has now elapsed since VJ-day to make it imperative that the VA insurance operation be established on a permanent and modernized basis at the earliest possible date and that services commonly provided by commercial insurance companies be included in the insurance services rendered by Veterans' Administration.

It is believed that the limit has about been reached as to the number of people Veterans' Administration will be permitted to employ. It is pointed out that the Insurance Division of VA now employs more people per policy in force than any of the commercial insurance companies. It is believed that the matter of training and the time necessary to accomplish training has been overemphasized, particularly with respect to clerical employees performing routine tasks. If backlogs have not been liquidated after 2 years of operation it is probably because methods employed on current work continue to create new backlogs.

We believe that the present VA insurance procedure, including the premium billing and accounting system, which may have been adequate for the requirements of World War I, does not meet today's requirements and that the entire system needs overhauling and modernization. This conclusion is supported by the failure of the present system to provide services which are standard practice among commercial insurance companies. Among such services are:

Prompt issuance of insurance policies to all holders of insurance, term or otherwise.

Prompt payment of dividends when surplus is accumulated.

Mailing of premium notices a few days prior to due date rather than at the convenience of the office.

Mailing of warning notices to unpaid accounts after due date but prior to expiration of the grace period.

Prompt replies to letters and prompt action on requests for changes.

There is no valid reason why the veteran should receive any less efficient insurance service for his dollar when he spends it with his Government than he would receive if he spent it with a commercial insurance company.

The Assistant Administrator for Insurance has indicated that his time is largely consumed on matters concerning Government insurance law, precedent, and history and that he has, therefore, been unable to devote any appreciable time to methods and procedures. Certainly the important subjects of Government insurance law, precedent, and history on which the present Assistant Administrator is so eminently qualified constitute, of themselves, a full-time assignment. In the face of this situation, it is apparent that the Assistant Administrator has lacked capable assistance in the function of business management of the VA insurance operation.

The following recommendations, therefore, are submitted for your consideration. It will be greatly appreciated if you will advise me not later than September 1, 1947, what action, if any, has been taken or is contemplated on each of these recommendations at that time.

Recommendations

It is recommended that:

1. The present Assistant Administrator for Insurance be appointed to a position where the Administrator may have the benefit of his full-time counsel on the important subjects of Government insurance law, precedent, and history and that the business management of the VA Insurance Division be delegated to an experienced business executive, not necessarily an insurance expert, who will be responsible for management, methods and procedures, personnel, and service in the VA Insurance Division.

2. The Administrator assign a procedures expert, preferably from within Veterans' Administration but not an employee of the Insurance Division, to make a procedural study of the Insurance Division and submit to the Administrator recommendations for speeding up VA insurance actions and providing commonly accepted insurance services which are not now available under present methods, with special consideration being devoted to the following possible procedural changes:

Organize the correspondence sections of the insurance division in each branch office so that form letters and form paragraphs will not be used in cases where they do not provide an intelligent reply to letters, inquiries, and applications which justify and require a personally dictated reply. The use of dictating machines should be encouraged and, where necessary, directed in these correspondence sections in order to speed up production, reduce cost of dictation, and utilize available clerk-typists.

Print in bold-face type on the address side of the premium notice-remittance envelope the phrase, "Please mail your remittance in this envelope to avoid error."

Redesign the present premium account card to include horizontal lines.

Microfilm, then destroy premium remittance envelopes and transmitted envelopes as received.

Adopt the cycle billing system which will provide for mailing premium notices to the insured a few days before premium is due.

Provide for a warning notice to insured after due date and prior to expiration of grace period.

Strip miscellaneous correspondence from open mail remittances before routing to posting clerks to speed up posting.

Eliminate posting of postmark date on timely remittances.

Adopt negative posting for all remittances covering exact amounts.

Destroy all NAN correspondence.

Develop a plan and method for the early issuance of policies to all insured veterans, including holders of term insurance.

Develop a plan and method for early payment of dividends from accumulated surplus.

Reinvestigate thoroughly the advantages which may accrue through the adoption of punch-card-accounting methods in the insurance operation with special attention to: faster operation, better controls of funds, and reduced costs. (Investigate combination punch card-Pollard Alling addressing system used by Fortune-Time-Life.)

3. The Administrator request the General Accounting Office to make a preaudit of VA insurance funds.

We know we can expect your continued cooperation on these important matters which directly affect the welfare of veterans and their dependents.

Yours very truly,

EDITH NOURSE ROGERS,
Chairman.

DAYTON E. PHILLIPS,
Chairman, Subcommittee on Insurance.

The following reply dated August 12, 1947, under the signature of the Administrator for Veterans' Affairs, was received by the chairman on August 13, 1947:

AUGUST 12, 1947.

Hon. EDITH NOURSE ROGERS,
Member of Congress, Lowell, Mass

DEAR MRS. ROGERS: There can be no difference of opinion concerning the objective expressed in your letter of July 21, 1947, to establish Veterans' Administration insurance operations on a satisfactory basis at the earliest possible date. The collateral objective, that services commonly provided for by commercial insurance companies be included in the services rendered by Veterans' Administration, seems scarcely attainable inasmuch as commercial insurers in rendering service have the advantage of an agency system which by its very nature creates a relationship between the insured and the representative of the insurer of which we have no real counterpart. This fact is entitled to emphasis because unless it is kept in mind, as well as the problems which arise from it, it is possible to attempt comparisons between commercial insurance and Government insurance which are wholly unjustified. Not only is it unlikely that we can include some services offered by the commercial life insurance companies, but there is no indication historically or currently that Congress ever intended that this should be done. Action by the Eightieth Congress has already created a situation whereby the contact offices, our nearest analogy to an agency force, have to be materially reduced. Therefore much reliance will thus have to be placed upon the several veterans' and other service organizations and those persons in the life insurance industry who have rendered such splendid cooperation to the Veterans' Administration.

It is indicated in your letter that the period since VJ-day should have been sufficient to liquidate backlogs. This would be a reasonable assumption if all of the time had been available for that purpose, but it overlooks the facts (1) that the impact of demobilization was not felt until later, (2) that when it was taking place we were in the midst of a decentralization program which, for magnitude, was without parallel in insurance annals, (3) that it was not until demobilization was well under way that we were able to procure the services of persons being released from the military and naval services, and it is these employees upon whom the present organization has been largely built and who have contributed so much to the progress that has been made, and (4) that the decentralization was nominally completed less than 6 months ago. I believe I must expand upon the first point mentioned immediately above because it will illustrate how our thinking and perspective change when something which has been undreamed of becomes a reality; our original incredulity is replaced by a strong conviction which we sincerely believed we possessed all along. Late in February 1945, my predecessor as Administrator of Veterans' Affairs, Brig. Gen. Frank T. Hines, remarked in testifying before the House Appropriations Committee that 200,000 to 250,000 soldiers would be released monthly when the European phase of the war ended. This was generally believed in all quarters to be excessive, and on March 1, 1945, the New York Times quoted Secretary of War Stimson to the effect that General Hines' statement was "both unauthorized and without foundation." The Secretary of War was further quoted as asserting that any such suggestion could only lead to cruel disappointment.

Although subsequent events showed that the statement's only error was on the side of conservatism, yet such was the then current reaction to the Veterans' Administration plans. In connection with the fourth point above, I used the word "nominally" for two reasons. First, the size and the tempo of demobilization were such that the Army, Navy, Marine Corps and Coast Guard were unable to keep their records in pace with it at times, and the consequent pressure resulted in inaccuracies and omissions which are being currently remedied but which prevented a complete decentralization of accounts at the time. For example, there are still a quarter of a million accounts for which a correct current status cannot be obtained until the War Department furnishes us with the requisite allotment information, and as recently as June 1947 we were receiving from the Navy Department notices of discontinuance of allotment for January, February, and a few for March 1947. We have, however, received assurances from the Navy Department that this will be materially improved. Such situations as these coupled with our inability to procure appropriate and adequate space in time, led to the abandonment of the original plan for decentralization under which as a serviceman was demobilized, his account would be put in current status and his complete insurance records forwarded to the branch office having territorial jurisdiction of the area in which he resided. Secondly, for reasons which are well known to you, but for which the Veterans' Administration was not responsible and was a victim of circumstances, the records which were decentralized on schedule were in many cases neither current, correct, nor complete.

Those reasons were as follows: (1) At the time when our volume of business was growing in astronomical proportions, lack of space in Washington obliged us to remove our national service life insurance operations to 10 scattered locations in New York City. (2) Priorities granted the services, the so-called war agencies, and the war industries left to us only the residuum of labor, and the working of extra shifts proved to be completely out of the question. (3) Similar priorities made equipment unobtainable and we used boxes for chairs; window sills, tables, or boards on "horses" for desks; cardboard boxes for record cases; and open shelving and often even the floor for files. As an example of the difficulty experienced at one time in getting the most essential printing done, premium notices requisitioned months in advance were taken off the press to give priority to the work of another Government agency. There could be but one result from such conditions. Vast quantities of the work had to be left undone, and at no time, even after the new employees had received enough training to be of value, was there ever sufficient manpower to straighten out the backlog before the records were decentralized. Those who have been familiar with the conditions cited above recognize them as reasons and not as excuses. The fact that such conditions did prevail despite heroic efforts to overcome them should elicit a sympathetic understanding of a problem which is well on its way to solution. May I remark at this time that there are still some national service life insurance operations in New York City which should be returned to Washington when such arrangements can be made.

Your belief that the limit has about been reached as to the number of people Veterans' Administration will be permitted to employ is not only shared by me, but I expect that we shall employ even less hereafter. The Veterans' Administration as a whole has nearly 7,000 less employees now than at its peak, and insurance is more than 3,000 under its peak. The greater number of employees per policy in force, as compared to commercial life-insurance companies, can be attributed to the fact that national service life insurance mushroomed in about 5 years from an absolute zero on October 8, 1940, until by December 31, 1945, the amount in force was equivalent to over 60 percent of all the life insurance in force in all the commercial insurance companies in the United States written throughout all of their respective existences. During 1945 our employees per policy in force were about one-third of the comparable figure for the life-insurance companies, but we are still reaping the harvest of the backlogs resulting from that unfortunate situation. Thus the actual reason for the currently greater number of employees per policy in force, as compared to commercial life-insurance companies, is that we are still engaged to a great degree in doing work which should have been, but by force of circumstances could not have been, done long ago. That Government insurance operations can be and are being conducted in an economical and efficient manner is evidenced by the fact that United States Government life-insurance activities are carried on with substantially less employees per policy in force than is true of commercial insurers. There is no reason to believe that a similar situation will not exist in national service life insurance when its operations have become stabilized and its records are properly reassociated. In connection with the decentralization to which reference has just been made, this may be an appropriate place to mention a few details. Relatively few of our employees in the branch offices had any previous experience in the Veterans' Administration and the great bulk of them did not possess even an elementary knowledge of the fundamentals of life insurance prior to their employment in the Veterans' Administration. Though possessing previous insurance experience, with two exceptions the directors of insurance averaged only about 30 days' orientation in the central office.

This may be compared with the statement of the head of one of the largest insurance companies that, despite a man having an extensive knowledge and background of general insurance training, he would not think of placing him in charge of a branch office without at least 18 months' home office specialized training, and that would not include solving problems of personnel, layout, and kindred matters incident to starting an office and organization from scratch, such as we imposed upon our directors. Another official of a large commercial insurance company estimated that a premium review clerk was not expected really to be productive for the first 6 months. We put ours to work, gave them what training we could on the job, and then expected them to not only perform their current operations but also to reduce tremendous backlogs. It is small wonder that clerical vacancies have been unfilled for long periods and that labor turn-over has been high.

Reference to the present Veterans' Administration insurance procedure not meeting today's requirements, although possibly adequate for World War I, is noted. I may remark that current premium billing, accounting, and other procedures were not in use during World War I but were largely developed for or by Veterans' Administration personnel and have been the subject of commendation. The comment is offered that the Veterans' Administration insurance system needs overhauling and modernization because the following services, which are standard practice among commercial insurers, are not provided by the Veterans' Administration:

Prompt issuance of insurance policies to all holders of insurance, term, or otherwise. Delay in the issuance of policies is wholly unrelated to present procedures. Veterans' Administration policies should reflect the

laws which constitute the contract of insurance. So many changes have been made in the laws that a policy issued in the first part of 1946 would have been grossly inaccurate now, and changes were instituted as recently as the Eightieth Congress. It is presumed, however, that the National Service Life Insurance Act has become stabilized to the point that issuance of policies may now be feasible, at such time as a major and vital point of law is finally decided. With this stabilization in mind, drafts have been submitted to the following gentlemen who constitute our actuarial advisory committee and who have rendered us invaluable service:

Mr. Horace R. Bassford, vice president and chief actuary, Metropolitan Life Insurance Co.

Mr. William Breiby, vice president, Pacific Mutual Life Insurance Co.

Mr. Valentine Howell, vice president and actuary, the Prudential Insurance Co. of America.

Mr. A. J McAndless, president, Lincoln National Life Insurance Co.

Mr. Ray D Murphy, vice president and actuary, Equitable Life Assurance Society of the United States.

As soon as their comments and suggestions are received and coordinated, it is expected that immediate steps will be taken, upon the stabilization of the law, to print and issue the policies.

Forms were drafted several years ago, but knowing that drastic changes would be made, the work was merely kept up to date and direct action toward policy issuance withheld until there were indications that future changes would be of a nominal character. The law recognized this situation by providing for the issuance of certificates and these were forwarded to the address provided by the insured at the time his insurance was underwritten. Here again it is well to point out that this matter of policy issuance is a task such as never confronted any of the commercial insurance companies; their growth and development with respect to personnel acquisition and training, insurance in force, maintenance of policyholder contacts, procedural and operational phases, and policy issuance have been the product of many years. In issuing national service life insurance policies we not only have to exercise the usual precautions of issuing a document providing for the correct plan of insurance and age at effective date, but also one containing accurate pertinent data with respect to the insured. Of primary interest to the insured and his beneficiaries are the optional settlements given in detail in the policy. It must be realized that if the action of the Supreme Court is adverse in the Zazove case, recently passed upon by the United States Circuit Court of Appeals, Seventh Circuit, it will materially affect one of the principal forms of optional settlements available to beneficiaries. Thus in such event any policy which might be issued containing calculations based upon the law as now construed by the Veterans' Administration would thereby be made obsolete. However, we hope the law in this case will be settled this fall so that we can begin the issuance of policies on converted insurance early in 1948. In any event, a policy of insurance issued by the Veterans' Administration is not (again unlike commercial insurance) the contract of insurance; the law is the contract and the veteran must always look to the law no matter what the instrument in his possession may state. While we are properly aware of the psychological value of issuing actual policies to the veteran, we are convinced that this is secondary to getting the veterans' records in order, and it may also be mentioned that whether or not the veteran possesses a copy of a long-form national service life insurance policy or only a certificate need be of no concern to him or to his beneficiaries insofar as his coverage is concerned. If his insurance is kept in force by the timely payment of premiums, he will be covered to the full extent of the appropriate contract. Premature issuance of policies would have entailed a useless expenditure of funds for which I am sure the Veterans' Administration would have been strongly criticized, to which would have been added the justifiable complaints of millions of veterans who would have possessed an outmoded and misleading policy.

When I refer to a "useless expenditure of funds" in connection with issuing policies which might not long serve the purpose for which they were intended, I am not dealing with insignificant figures. A senior executive of a major life-insurance company advises me that the cost of issuing a single policy, including all the elements of clerical labor, equipment, printing, collateral records, and other pertinent items, but excluding agency or underwriting costs, is about $2.80 per policy. Even assuming a figure of $1 per policy for conservatism and for ease in multiplying, it is immediately apparent that with our volume, we are dealing with a costly process.

Prompt payment of dividends when surplus is accumulated: This, too, has nothing whatsoever to do with existing procedures. Obviously this requires a determination of the amount of surplus, and this in turn requires a determination of the number, character, and duration of insurance coverage. Until January 1, 1948, or so long as reinstatement provisions are as lenient as at present, it is well-nigh impossible to classify an insured as definitely lapsed, because a continuation of the receipt of reinstatements at the rate which prevailed in the first 6 months of 1947 would result in hundreds of thousands of formerly lapsed policies regaining an in-force status. Surplus in commercial insurance is created from excess-interest earnings, from the loading of premium rates, and from savings in mortality. Generally speaking, only the last of these is applicable to national-service life insurance and there is thus less immediate concern for dividend payments by the Veterans' Administration because any equity the insureds have in the surplus is in substance an investment in a Government security bearing a comparatively high-interest rate. Furthermore, until the Zazove case is decided by the Supreme Court, it would be most unwise to construct any definite dividend schedule because an unfavorable decision would require a complete reevaluation of our liabilities. This is not intended to indicate, however, that the matter of dividends is not a major project, but it is one which can and must be deferred until space and personnel now needed on other and more urgent tasks can be reassigned to this work and the Zazove case is decided.

Mailing of premium notices a few days prior to date rather than at the convenience of the office: The convenience of the office has never been consulted with respect to notifying the insured of a premium payment due. Current instructions provide that this operation will be arranged so that forms can be imprinted and released to insureds not later than 10 calendar days before the first of the month in which the premium is due.

Mailing of warning notices to unpaid accounts after due date but prior to expiration of the grace period: Adoption of such a procedure as this by the Veterans' Administration would overlook the fact that the commercial-insurance companies deal with monthly premium paying policyholders as an exception rather than as a rule, and that it is by no means a standard practice among commercial companies to send warning notices to monthly premium-paying policyholders. Moreover, in recognition of the impracticability of so doing, the Veterans' Administration reinstatement requirements are much more liberal for the 3-month period following lapse than those of commercial companies. If, disregarding the additional expense and the possibility of causing confusion, the Veterans' Administration were to adopt the use of warning notices, then there would exist no justification for the liberal reinstatement provisions now extended to policyholders and it is not unlikely that the net result would be detrimental rather than beneficial to great numbers of policyholders. The opinion has thus far prevailed that warning notices, with the inevitable number that would pass remittances en route, would only serve to confuse the policyholders, occasioning additional correspondence, and therefore be less desirable than the present method so long as we are obliged to deal primarily with monthly premium payments.

Prompt replies to letters and prompt action on requests for changes: I have personally issued instructions with respect to all correspondence that a prompt reply must be made, and if a complete reply was not possible at the time, an acknowledgment is to be made, with the reply to follow as soon as information or records could be obtained. Most of the difficulties which have arisen in connection with correspondence or action on requests for changes have been the outgrowth of the period during which we were seriously undermanned, plus the complications incident to decentralizing these unworked cases While I will not countenance any dilatoriness with respect to this or any other work, I recognize that assembly of records, some of which are badly scattered, as well as the necessity for obtaining information from sources not under the control of the Veterans' Administration will mean that some of these cases will not be capable of immediate action for some time hence.

The statement is made that there is no valid reason why the veteran should receive any less efficient insurance service for his dollar when he spends it with his Government than he would receive if he spent it with a commercial insurance company. Reflection on this will, I am sure, bring into focus the fact that the holder of commercial insurance must, perforce, pay for any phase of special service to which he is entitled, even though he may not use it. In the case of Government insurance, however, the veteran is paying for virtually pure insurance. and his premium does not include any loading for service. Whatever service is received by him depends entirely upon the extent to which the Congress wishes to appropriate funds for that purpose.

With respect to the recommendations which were submitted for my consideration and to which you requested a statement by September 1, 1947, of action taken or contemplated, I offer my comments upon each in turn.

1. The Assistant Administrator for Insurance, since the commencement of national service life insurance, may have been obliged to deal more with matters concerning Government insurance law, precedent, and history than has at times been desirable, but he has certainly not done so at the expense of the administrative work of his office. Since VJ-day changes have been made in the organizational structure of the Office of Insurance, a considerable number of experienced and qualified personnel who before their entry into the military and naval services held important and responsible positions with insurance companies, have been obtained, and to them has been delegated the responsibility of examining methods and procedures and, if tests have warranted, of putting recommendations into effect. This has necessarily been a slow process because the most experienced insurance specialist who might be available must first orient his ideas to the differences inherent in Government operations before he is in a position to apply his knowledge to our problems. That more has not been accomplished is attributable to the necessity for using these men in

the solution of emergency problems. That more such men were not obtained and retained is due to the relative unattractiveness of Government employment as compared to that offered by commercial insurance companies, but what will be more serious is that those whom we how have will be unwilling to remain if their efforts are subjected to unfair and unjust criticism. It was once applicable to say that a Government job, even if not as remunerative, was attractive as compared to an industrial or commercial one because it offered security. This comparison does not apply in the case of the life-insurance business. To my knowledge, no employee of a commercial life insurance company ever lost a job because of lay-offs or depressions. Today few Government employees have a real sense of security in a particular job, and many find that years of service are of little avail in any job. I am not reversing my contention that the personnel in the Veterans' Administration must be reduced, but I am viewing the situation realistically and frankly, and, even at the risk of prolonging this digression, I am inviting attention to the fact that the current situation is not healthy from an organizational standpoint and is not conducive to efficient operation.

While the wisdom of decentralization might be theoretically debatable, I do not believe that the situation which I have aforedescribed allowed any other alternative, and I am satisfied that the insurance organization in its present form will be functioning satisfactorily in the not too distant future. As to any further division of responsibility in the conduct of insurance matters, I believe it would inevitably lead to confusion as well as violating every tenet of sound business practice No assistant administrator can undertake nor should he attempt intimately to familiarize himself or cope with the minutest details of procedure, but that does mean that control of them should be removed from him and vested in other hands. Furthermore, I cannot subscribe to the idea that ignorance of insurance practices is a desirable attribute for a person undertaking to evaluate insurance procedures. If it is intended to imply that the Assistant Administrator for Insurance is not personally versed in management or over-all procedure, it is to be recalled that a former chairman of the World War Veterans Committee of the House of Representatives expressed the opinion before the full committee that this same individual in handling the payment of the adjusted-service certificates, or so-called bonus, had done one of the biggest and finest management jobs ever performed in Government, and no dissent was expressed by the other members of the committee.

2. It is recommended in your letter that a procedures expert, preferably from within the Veterans' Administration but not an employee of the Office of Insurance, make a study of insurance and submit recommendations for speeding up actions and providing commonly accepted insurance services not now available under present methods, with special consideration being given to the following possible procedural changes:

"Organize the correspondence sections of the insurance divisions in each branch office so that form letters and form paragraphs will not be used in cases where they do not provide an intelligent reply to letters, inquiries, and applications which justify and require a personally dictated reply. The use of dictating machines should be encouraged and, where necessary, directed in these correspondence sections in order to speed up production, reduces cost of dictation, and utilize available clerk-typists."

Comment: In this connection it would probably interest you to know that the present system for handling national life insurance correspondence is based upon a survey by and the recommendations of persons in the former Coordination and Planning Service who operated entirely independently of the Office of the Assistant Administrator for Insurance. While I would not assert that the so-called correspondex system represents in itself a complete solution to the problem, I do believe that it has great merit as a helpful adjunct in the handling of correspondence. As to the use of dictating machines, this is a matter which I believe properly to be for determination by the respective deputy administrators because the desirability of using these is very likely to be governed by local conditions.

"Print in bold-face type on the address side of the premium notice-remittance envelope the phrase, 'Please mail your remittance in this envelope in order to avoid error. "

Comment: The use of a legend similar to the above in purpose if not phraseology was prescribed in August 1946 and the printing of it in red was recommended. The Post Office Department informed the Veterans' Administration that this could not be done without a special justification and approval by the Bureau of the Budget. To expedite action it was agreed that the legend would be printed in black ink and it now appears upon the premium notices as follows: "Important—Please mail remittance in this envelope."—Sometime ago redesign of the premium notice was drafted to make the legend more conspicuous and this will be accomplished when further supplies are ordered.

"Redesign the present premium account card to include horizontal lines."

Comment: The present premium account card (VA form 9–361, revised March 1946) does have horizontal lines. It may be added that an intensive study of this form was commenced sometime ago and is about to be concluded, and although some changes will be made in the present card, the horizontal rules will be continued.

"Microfilm, then destroy premium remittance envelopes and transmittal envelopes as received."

Comment: This was one of the matters referred to the Directors of Insurance in January 1947 for study and recommendation. Present plans call for the above procedure but not until such time as a type of photographic equipment particularly efficient for this operation is available. (This, it is understood, will be on the market in the next year.) Premium remittance envelopes are part of the posting media and it is contemplated that all posting media will be microfilmed after posting so that notations made by the premium review clerks concerning overages, shortages, premium interest, etc., will also be permanently recorded. It is contemplated that a schedule will be devised providing for destruction of microfilmed envelopes and posting media after an appropriate interval but not immediately.

"Adopt the cycle billing system which will provide for mailing premium notices to the insured a few days before premium is due."

Comment: While it has been viewed with great favor, before the cycle billing system is adopted as standard procedure, it is planned to make a thorough test of it in one branch office. The present system is working well in those cases where notices are sent out. The problem is not when the notices are sent, but if they are sent. We have no current reports of dissatisfaction by those who are now being billed. The difficulties that arise are principally on the part of those insureds whose records were decentralized to branch offices to which they are not now remitting and where an association of them has not yet been accomplished. Association of the records is now a special project and when this work is completed and all those who are entitled to premium notices receive them, such refinements as cycle billing would be in order for consideration. Until the associations of records is complete, cycle billing would retard general operations because the plates, being in premium due date order, are not as readily used for reference purposes and checking as when in numerical order.

"Provide a warning notice to insured after due date and prior to expiration of grace period."

Comment: This subject was discussed earlier in this letter.

"Strip miscellaneous correspondence from open mail remittances before routing to posting clerks to speed up posting."

Comment: This has been tried under various conditions and experience has indicated that any slight loss in time due to the attachment of correspondence when the posting media reach the premium review clerks is more than offset by the difficulties inherent in segregation. It requires more competence than has yet been indicated by mail readers to assure that all relevant correspondence remains attached and that only no-answer and irrelevant correspondence is detached.

"Eliminate posting of postmark date on timely remittances."

Comment: For many years the postmark date has been the customary evidence by the insurance industry of the timeliness of a remittance. It is recorded by a third party and thus is not subject to question as being arbitrary by either the insurer or the insured. It is frequently used by the Veterans' Administration because a vast number of inquiries concerning account status can be resolved to the satisfaction of the veteran only by furnishing him with a transcript of the potsmark dates forming the basis of the controversy. Because it may be the determining factor in litigation many years hence, it is deemed advisable to record it in all cases, both for the protection of the Veterans' Administration and of the veteran. While it would be available in microfilm form, the fact that records are so frequently shifted makes recourse to this source impracticable when ready reference is desired. The matter will be referred to further in the next comment.

"Adopt negative posting for all remittances covering exact amounts."

Comment: For accounting operations under certain conditions there are advantages in negative posting. We do not have the requisite conditions nor is it predictable that we ever shall have them. Companies which do employ it, as for example in home office operations, will usually be found to have supporting records at some other sources to which resort may be had if necessary. Also, while premium remittances as finally reported to the home office of a commercial company are almost uniformly the exact amount of the premium due, such a situation does not obtain with regard to national service life insurance. Varieties of negative posting with regard to recording remittances exactly corresponding to a prescribed premium, have been tried by the Veterans' Administration and the Manual M9–A of Insurance Procedures for Branch Offices, dated July 1946, so provided. The complaints were so numerous, culminating in unanimous objections raised at the conference of directors of the branch office insurance service in January 1947, that positive posting was readopted. In this regard I believe it worthy of observation that 11 of these 13 directors held no Veterans' Administration positions prior to VJ-day but all of them were experienced insurance men. The idea of negative posting, whether of amount of remittance or postmark date as referred to above, apparently springs from the idea that a material saving in time can be made by adopting the negative process, and backlogs are cited as an example. Such backlogs as exist are believed not due to time consumed in posting so much as to loss of time required to find and identify conclusively the record to which to post. There again the eventual association of misplaced records will solve the major problems encountered in eliminating posting backlogs. Again, in advocating this idea, I do not believe sufficient regard

has been given to the fact that our clientele has in it some of the least insurance-minded and certainly the poorest insurance-educated individuals ever to be dealt with by a major insurer.

"Destroy all NAN correspondence."

Comment: This is not feasible until there is a reasonable certainty that, although of a no-answer character, such correspondence does not contain statements, the loss of which would be prejudicial to the best interests of the veterans or their beneficiaries. Frequently there has been a confused idea that no-answer and no-action were identical. The basis on which some of this material has thus been classified as NAN leads to the conclusion that its summary destruction would find us derelict in our duty. As to the destruction of useless papers as distinguished from NAN correspondence, the Veterans' Administration follows the procedure prescribed by the Archivist of the United States for their disposition.

"Develop a plan and method for the early issuance of policies of all insured veterans, including holders of term insurance."

Comment: Reference in this matter was made earlier in this letter. A further comment is necessary in connection with the issuance of policies for term insurance. Under present law, in 1948 the first policies issued under national service life insurance must be converted to one of the permanent plans or expire. Each year thereafter for several years increasing numbers of term policies must be converted or expire. On the other side of the equation, few term policies are now being issued, because those individuals becoming eligible for national service life insurance are relatively few, and any who do apply for new insurance, whether currently or previously in service, are no longer obligated to "serve a 1-year apprenticeship" with term insurance but may apply for and be issued any of the permanent plans initially. Since the term contracts represent a constantly decreasing number of veterans to be covered, and since their cost of preparation, publication, and issuance would be disproportionate to any benefits derived, the issuance of policies for term insurance is not believed justifiable. As previously stated, the veteran whose policy is kept in force by the timely payment of premiums is covered to the full extent of the contract whether he possesses a certificate or a policy.

"Develop a plan and method for early payment of dividends from accumulated surplus."

Comment: This has been discussed at an earlier point in this letter.

"Reinvestigate thoroughly the advantages which may accrue through the adoption of punch-card accounting methods in the insurance operation with special attention to: faster operation, better control of funds, and reduced costs. (Investigate combination punch-card Pollard-Alling addressing system used by Fortune-Time-Life.)"

Comment: I am, of course, in favor of using every modern device which will speed up the performance of the work, but nevertheless, it must be realized that a greatly expanding organization such as this was, is a mecca for all office equipment salesmen. I do not want a repetition of what occurred after the First World War, when hundreds of thousands of dollars were invested in so-called labor saving machines and devices which afterward did not at all measure up to the claims made for them. The Pollard-Alling and other systems will be studied and, if circumstances warrant, will be tested to determine their possible profitable utilization.

All of the foregoing, presented under the general classification of recommendation 2, were so recommended on the basis of a procedural study to be made by a "procedures expert, preferably from within Veterans' Administration but not an employee of the Insurance Division." Earlier in your letter the statement was made, "We are aware of the fact that the recommendations contained herein are not new. They have been made before by procedures experts both within and outside of Veterans' Administration." To the extent that these have been made before, they have also been answered before, and, as is indicated above, some have long since been put into effect, and others either have received fair trial or have not yet been tried because of sound reasons. There seems to have arisen a misconception to the effect that the difficulties with which the Office of Insurance has been coping are procedural and that by following a methods-and-management Moses, we shall emerge forthwith in the Promised Land. There is no such panacea which will work in this case, and nothing except the tedious, time-consuming task of associating our misplaced records and posting our unapplied remittances one by one will bear the desired fruit, which is satisfactory service to the veteran. These are the priority subjects now. While they are being carried on, the matter of improving our management, our methods, and our procedures continues unabated. The entire Manual for Insurance Branch Office Operations has recently been completely revised and rewritten and the majority of it now awaits publication. I am unfavorably disposed to any new study being made at this time because such an activity is necessarily distracting to those upon whom I am depending for performance. I am further opposed because I know why things are as they are, I know what is needed in the way of accomplishment for the remedy, and I am confident that the present personnel will exercise good judgment in tackling in order of importance the problems which lie ahead. I am assuming that recognition is given to the fact that there are many pressing problems and that all of them cannot be dealt with at once. Where advice and counsel are needed, our traditional cooperation from the life-insurance companies and trade associations is available and the opportunity to study their methods will continue to be utilized to such extent as circumstances warrant. I am particularly mindful of the fact that the day is not far distant when even the justified criticisms which have been leveled at us will no longer be possible or appropriate, and I see no purpose in changing an administration which has borne the heat of battle against insuperable odds, so that others participating at the eleventh hour may claim the victory.

3. The recommendation that the General Accounting Office make a preaudit of Veterans' Administration insurance funds seems akin to turning the clock back a good many years. I am informed that such a procedure was in effect and that it was then discontinued upon passage of appropriate legislation at the insistence of the Veterans Affairs Committee of the House of Representatives of its own initiation because it accomplished nothing beyond the slowing down of payments made to veterans.

You can most certainly depend upon my continued cooperation and constructive effort in any matter which affects the welfare of veterans and their dependents and which is, at the same time, consistent with the common good of the Nation.

Sincerely yours,

OMAR N. BRADLEY,
General, United States Army,
Administrator.

PART II. CONCLUSIONS

The following conclusions have been reached by the chairman, Committee on Veterans Affairs and the chairman, Subcommittee on Insurance:

1. That the present methods, procedures, and system used in the Veterans' Administration insurance operation are inefficient and inadequate for satisfactory service to veterans and their dependents.

2 That the continued refusal of Veterans' Administration insurance officials to act on suggestions for changes and improvements in methods or to concede that there is anything wrong with the present system indicates the desirability of a change of top personnel in the administration of veterans' insurance.

EDITH NOURSE ROGERS,
Chairman.

DAYTON E. PHILLIPS,
Chairman, Subcommittee on Insurance.

At this point I set forth the article by Mr. Beveridge:

MARTIN, BROPHY ASSAIL VETERANS' ADMINISTRATION DELAY IN REPAYING TWO BILLION ON PREMIUMS

(By George Beveridge)

House Speaker MARTIN and Representative BROPHY, Republican, of Wisconsin, strongly criticized the Veterans' Administration last night for what they said were undue delays in returning to veterans about $2,000,000,000 worth of "overcharged insurance-premium payments."

Veterans' Administration said as long as a year ago that it would issue the overcharged payments in the form of dividends to current and former policyholders of national service life insurance. The payments would be made from a $7,000,000,000 fund, swelled to huge proportions because death claims on the fund have been far below expectations at the time the premium rates were set.

Veterans' Administration officials estimate that nearly all of the more than 14,000,000 World War II veterans who have participated in the program will be eligible for some dividend payment under the plan.

BOTH WOULD FAVOR PROBE

Both Mr. MARTIN and Mr. BROPHY indicated they would favor a congressional investigation into the Veterans' Administration setup. Their criticism came just a month after a blast from the House Veterans' Affairs Committee which branded the often-criticized insurance program as "inefficient and inadequate."

The Veterans' Administration came up with an immediate answer last night that while additional personnel are needed to devote all their time to the dividend payment, other factors also make it impossible to get the dividends out at the present time.

Harold W. Breining, Chief of tthe Insurance Division, has said his personnel already is short because of personnel ceilings set by Congress. The dividend payments, he added, require a check on each of the 19,600,000 GI policies that have been issued.

Officials explained that the dividend payments must be determined according to the face value of each policy, the time it has been in force, and the age of the insured.

COURT DECISION AWAITED

Principal reason for the delay, however, they said, is that VA must await a Supreme Court decision on a Federal court ruling in Chicago which could wipe out completely the insurance reserve fund. The ruling involves a plan under which VA sets rates low enough to make monthly payments for the lifetime of a beneficiary. The rates are based on the age of the beneficiary. It guarantees 120 of the monthly payments in case the beneficiary should die within 10 years.

The unusual court ruling, however, said that the full face value of each policy under the plan should be paid within 10 years, and that if the beneficiaries live beyond that time the payments should continue at the same rate for life.

Conceivably, the VA said, youthful beneficiaries would be able to collect four or five times the face value of GI policies if the ruling is upheld. Such a situation, they added, could rule out the possibility of any dividend payment.

The Justice Department has asked the Supreme Court for a final decision on the case.

MARTIN ISSUES STATEMENT

The insurance program, which has drawn protests to the White House as well, will be one of the first and largest headaches in prospect for Carl R. Gray, newly appointed Veterans' Administrator, who will take over the agency January 1. Mr. MARTIN said in his statement that he will press "in every way possible, to see to it that the money is returned to the veterans at the earliest possible date."

"Such a huge fund," he continued, "should never have been allowed to float around the Veterans' Administration, because any such accumulation of money as this is a standing invitation to careless custody if not something more serious."

Mr. ENOPHY said he has asked the agency for full details about the huge fund and the payment of dividends.

The SPEAKER pro tempore. The time of the gentlewoman from Massachusetts has expired.

ADJOURNMENT

Mr. BISHOP. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 38 minutes p. m.) the House adjourned until tomorrow, Tuesday, November 25, 1947, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1121. A communication from the President of the United States, transmitting a supplemental estimate of appropriation in the amount of $490,000,000 for the fiscal year 1948 for the Department of the Army, civil functions (H. Doc. No. 467); to the Committee on Appropriations and ordered to be printed.

1122. A letter from the Secretary of the Interior, transmitting one copy each of legislation passed by the Municipal Council of St. Thomas and St. John and the Municipal Council of St. Croix; to the Committee on Public Lands.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. THOMAS of New Jersey: Committee on Un-American Activities submits a report on proceedings against Albert Maltz (Rept. No. 1128). Ordered to be printed.

Mr. THOMAS of New Jersey: Committee on Un-American Activities submits a report on proceedings against Dalton Trumbo (Rept. No. 1129). Ordered to be printed.

Mr. THOMAS of New Jersey: Committee on Un-American Activities submits a report on proceedings against Samuel Ornitz (Rept. No. 1130). Ordered to be printed.

Mr. THOMAS of New Jersey: Committee on Un-American Activities submits a report on proceedings against Robert Adrian Scott (Rept. No. 1131). Ordered to be printed.

Mr. THOMAS of New Jersey: Committee on Un-American Activities submits a report on proceedings against John Howard Lawson (Rept. No. 1132). Ordered to be printed.

Mr. THOMAS of New Jersey: Committee on Un-American Activities submits a report on proceedings against Edward Dmytryk (Rept. No. 1133). Ordered to be printed.

Mr. THOMAS of New Jersey: Committee on Un-American Activities submits a report on proceedings against Lester Cole (Rept. No. 1134). Ordered to be printed.

Mr. THOMAS of New Jersey: Committee on Un-American Activities submits a report on proceedings against Alvah Bessie (Rept. No. 1135). Ordered to be printed.

Mr. THOMAS of New Jersey: Committee on Un-American Activities submits a report on proceedings against Herbert Biberman (Rept. No. 1136). Ordered to be printed.

Mr. THOMAS of New Jersey: Committee on Un-American Activities submits a report on proceedings against Ring Lardner, Jr. (Rept. No. 1137). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FELLOWS: Committee on the Judiciary. H. R. 420. A bill for the relief of Esther Ringel; without amendment (Rept. No. 1138). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KILDAY:

H. R. 4547. A bill to establish the United States Air Academy at Randolph Field, Tex.; to the Committee on Armed Services.

By Mr. ANDREWS of New York:

H. R. 4548. A bill to authorize the President to award the Medal of Honor to the unknown American who lost his life while serving overseas in the armed forces of the United States during the Second World War; to the Committee on Armed Services.

By Mr. BARTLETT:

H. R. 4549. A bill to authorize the enactment by the Legislature of the Territory of Alaska of a code of laws for Alaska; to the Committee on Public Lands.

By Mr. BLAND:

H. R. 4550. A bill to provide for a preliminary examination and survey of Back River, York County, Va.; to the Committee on Public Works.

By Mr. BONNER:

H. R. 4551. A bill to provide for the addition of certain surplus Government lands to the Cape Hatteras National Seashore Recreational Area project, and for other purposes; to the Committee on Public Lands.

By Mr. BUCK:

H. R. 4552. A bill to provide for the voluntary admission and treatment of mental patients at St. Elizabeths Hospital; to the Committee on Education and Labor.

By Mr. COLMER:

H. R. 4553. A bill to amend the National Housing Act, as amended; to the Committee on Banking and Currency.

By Mr. JENKINS of Ohio:

H. R. 4554. A bill to increase the pension payable to war veterans suffering from permanent total non-service-connected disabilities from $60 to $75 per month; to the Committee on Veterans' Affairs.

H. R. 4555. A bill terminating issuance of immigration visas to natives of certain countries; to the Committee on the Judiciary.

By Mr. KEFAUVER:

H. R. 4556. A bill to allow a deduction, for income-tax purposes, of expenditures made to prevent erosion of agricultural land; to the Committee on Ways and Means.

By Mr. MILLER of Nebraska:

H. R. 4557. A bill to provide for the procurement and installation of mechanism for recording and counting votes in the House of Representatives, and for other purposes; to the Committee on House Administration.

By Mr. MUHLENBERG:

H. R. 4558. A bill to provide retirement pay and hospital benefits for certain Reserve officers who were disabled while serving with the Civilian Conservation Corps; to the Committee on Armed Services.

By Mr SCHWABE of Missouri:

H. R. 4559. A bill to amend the act of July 30, 1947 (Public Law 270, 80th Cong.) to include veterans and dependents of veterans who were granted a pension by a special act of Congress; to the Committee on Veterans' Affairs

By Mrs. SMITH of Maine:

H. R. 4560. A bill to amend section 112 (f) of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. CROW:

H. R. 4561. A bill to provide for limiting participation as beneficiary under National Service Life Insurance Act, as amended, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. JENNINGS:

H. R. 4562. A bill to provide for the appropriation of $100,000,000 for the increased production, proper allocation, and better distribution of fertilizing materials, and for other purposes; to the Committee on Agriculture.

By Mr. ANDREWS of New York:

H. R. 4563. A bill to authorize the President to award the Medal of Honor to the unknown American who lost his life while serving overseas in the armed forces of the United States during the Second World War; to the Committee on Armed Services.

By Mrs DOUGLAS:

H. R. 4564. A bill to prescribe the procedures of investigating committees of the Congress and to protect the rights of parties under investigation by such committees; to the Committee on Rules.

By Mr. LARCADE:

H. R. 4565. A bill making appropriations to provide supplemental funds for the Department of the Navy and the Department of the Air Force; to the Committee on Appropriations.

By Mr. HALE:

H. J. Res. 261. Joint resolution to provide emergency relief for victims of fires in Maine, and for the restoration, rehabilitation, and reconstruction for the devastated areas; to the Committee on Appropriations.

By Mr. COLE of Missouri:

H. J. Res. 262. Joint resolution providing that the number of citizens of Soviet Russia and its satellites residing in or visiting the United States shall not exceed the number of United States citizens residing in or visiting Soviet Russia and its satellites; to the Committee on the Judiciary.

By Mr. FLETCHER:

H. J. Res 263. Joint resolution to quiet the titles of the respective States, and others, to lands beneath tidewaters and lands beneath navigable waters within the boundaries of such States and to prevent further clouding of such titles; to the Committee on the Judiciary.

By Mr. JAVITS:

H. J. Res. 264. Joint resolution to establish a Joint Committee on National and International Movements; to the Committee on Rules.

By Mr. CASE of South Dakota:

H. Res. 364. Resolution to suspend dismantling in Germany pending study by the Congress; to the Committee on Foreign Affairs.

H. Res. 365. Resolution of inquiry on dismantling and removal of plants from Germany; to the Committee on Foreign Affairs.

By Mr. MUNDT:

H. Res. 366. Resolution requesting the Secretary of Commerce to furnish the House of Representatives information concerning the sale of supplies to the Soviet Union by

firms and individuals located in the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. MACY:

H. Res 372. Resolution providing for an investigation of black markets; to the Committee on Rules.

H Res. 373. Resolution authorizing appropriations for black-market investigation; to the Committee on House Administration.

By Mr. JAVITS:

H Res. 378. Resolution to amend rule XI of the Rules of the House of Representatives; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLOOM:

H. R 4566. A bill for the relief of William Nally; to the Committee on the Judiciary.

By Mr. CLEMENTS:

H. R. 4567. A bill for the relief of W. N. Cox and Frank W. Cox; to the Committee on the Judiciary.

By Mr. GREGORY:

H. R. 4568. A bill for the relief of Cumberland Manufacturing Co.; to the Committee on the Judiciary.

By Mr. MICHENER (by request):

H. R 4569. A bill for the relief of Herbert L. Hunter; to the Committee on the Judiciary.

H. R. 4570. A bill for the relief of Howard A. Yeager; to the Committee on the Judiciary.

By Mr. RAYBURN:

H. R 4571. A bill for the relief of Carl R. Nall; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

802. By Mr. ANDREWS of New York: resolution adopted by the United Office and Professional Workers of America, Local 59, of Buffalo, N. Y, calling upon the Congress to reinstate excess-profits-tax laws, revise income-tax laws according to suggestions listed, and to roll back prices to period of June 1946, reinstating controls on all basic commodities and those items acknowledged to be in short supply for the period they remain short; to the Committee on Ways and Means.

803. By Mr. ROHRBOUGH: Petition of C. C. Caverle and 53 other members of the First Baptist Church of Weston, W. Va., urging legislation to prohibit the advertising of liquor over the radio; to the Committee on Interstate and Foreign Commerce.

804. By the SPEAKER: Petition of the Independent Order of Odd Fellows, Grand Lodge of the State of New York petitioning consideration of their resolution with reference to endorsement of the Stratton bill; to the Committee on the Judiciary.

805. Also, petition of Buddy Hays, Orlando, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

806. Also, petition of West Palm Beach Townsend Club, No. 3, West Palm Beach, Fla., petitioning consideration of their resolutions with reference to requesting signing of Discharge Petition No. 7, relative to the Townsend plan; to the Committee on Ways and Means.

807. Also, petition of Charles H. Nutting, Daytona Beach, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

808. Also petition of the Delta Council, State of Mississippi, petitioning consideration of their resolution with reference to expressing support of the work of the Un-American Activities Committee and Federal Bureau of Investigation; to the Committee on Un-American Activities.

SENATE

TUESDAY, NOVEMBER 25, 1947

(Legislative day of Monday, November 24, 1947)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Peter Marshall, D. D., offered the following prayer:

O Lord, keep strong our faith in the efficacy of prayer as we unite our petitions in this sacred moment.

We have asked for Thy guidance in difficult decisions many times, yet it has not always come when we thought it should come.

Many of the situations and relationships which we have asked Thee to change have remained the same.

Forgive us for thinking, therefore, that Thou art unwilling to help us in our dilemmas, or that there is nothing Thou canst do.

Remind us, our Father, that when we plug in an electric iron and it fails to work, we do not conclude that electricity has lost its power, nor do we plead with the iron.

We look at once to the wiring to find what has broken or blocked connection with the source of power.

May we do the same with ourselves, that Thou mayest work through us to do Thy will.

This we ask in Jesus' name. Amen.

THE JOURNAL

On request of Mr. WHITE, and by unanimous consent, the reading of the Journal of the proceedings of Monday, November 24, 1947, was dispensed with, and the Journal was approved.

OFFICIAL GREETINGS OF THE NATIONAL ASSEMBLY OF THE REPUBLIC OF PANAMA

The PRESIDENT pro tempore. On November 19, 1947, the President pro tempore was waited upon by a distinguished member of the National Assembly of the Republic of Panama, who presented an official scroll bringing to the Congress of the United States the official greetings of the National Assembly of the Republic of Panama. The President pro tempore responded orally with an expression of the appreciation of the Congress of the United States for these greetings, and an assurance of the great desire of the Government and people of the United States for an uninterrupted continuation of friendly relations between Panama and the United States as the best of good neighbors.

Without objection, a translation of the official scroll sent to the Congress by the National Assembly of Panama will be printed at this point in the RECORD.

(The translation is as follows:)

[Translation]

PRESIDENCY, NATIONAL ASSEMBLY OF PANAMA,
Panama, November 10, 1947.

Hon. Mr. PRESIDENT OF THE CONGRESS OF THE UNITED STATES,
Washington, D. C.

HON. MR. PRESIDENT: The National Assembly of Panama avails itself, through my spokesmanship, of the trip of the Honorable Deputy Jerónimo Almillátegui Neira to the great country of the north, in order to send to you, and through you to the honorable Congress, a fervent greeting and very sincere wishes which are formulated by the Panamanian people for the prosperity and greatness of the North American people.

The President of the National Assembly of Panama presents the testimony of his respect and highest consideration to the President of the honorable Congress of the United States of America.

Respectfully,

H. AROSEMENA F., *President.*
GIL BLAS TEJEIRA,
First Vice President.
JOSÉ ONEL DE LA LASTRA,
Second Vice President.
D. H. TURNER,
Secretary General.

FELICITATIONS TO SENATOR BARKLEY ON THE SEVENTIETH ANNIVERSARY OF HIS BIRTH

Mr. SMITH. Mr. President, yesterday before the recess I was called from the Chamber at the moment when felicitations were being offered to the distinguished Senator from Kentucky [Mr. BARKLEY] on the celebration of the seventieth anniversary of his birth. I cannot let this occasion pass without extending to our dear old friend the Senator from Kentucky my own personal felicitations and express to "Dear Alben" my wish for many happy returns. Last summer I had the pleasure of traveling with him, and even of rooming with him on occasion; and the intimacy of that acquaintance has meant much to me.

Mr. BARKLEY. Mr. President, I thank the Senator from New Jersey and other Senators who yesterday animadverted on my decrepitude. [Laughter.]

Mr. SMITH. Mr. President, I made no reference to decrepitude.

Mr. BARKLEY. I wish to announce that seventy sounds a great deal older than it is.

I appreciate the thoughtfulness of my friends who, in my absence yesterday, offered felicitations on the occasion of the seventieth anniversary of my birth. I deeply appreciate their kindness and that of the Senator from New Jersey. There is no man for whom I have greater admiration and affection, and that extends to members of his family.

Mr. SMITH. I thank the Senator.

TRIBUTE TO JOHN C. CROCKETT—EDITORIAL FROM THE WASHINGTON POST

Mr. GEORGE. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from this morning's Washington Post dealing with the retirement of John C. Crockett, who, it must truthfully be said, for half a century has rendered distinguished service in this body as the reading clerk of the Senate.

The PRESIDENT pro tempore. The Chair is very sure the Senate will be

happy to grant the unanimous consent requested.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE LAST HERALD

The retirement of Mr. John C. Crockett, after nearly half a century of heroic service as reading clerk of the United States Senate, is a reminder of how many ancient arts are destined to perish in the hostile climate of a technological civilization. Mr. Crockett was perhaps the most eminent modern practitioner of a noble trade the origins of which reach into the great dimnesses of history. He was the spiritual descendant of the immortal herald of the Argive host described by the noblest of poets as—

"* * * great-hearted Stentor, with voice of bronze,
Whose cry was loud as the cry of fifty other men."

It will not be easy to replace Mr. Crockett, although we hear that the Senate plans to test prospective candidates in a series of auditions. Nature had endowed Mr. Crockett with magnificent lungs and superb laryngeal parts, but these gifts might have availed nothing had he not developed and perfected them with lifelong practice. Some say that Mr. Crockett's rare powers became evident in his early youth when, as a plowboy in his native Iowa, he exercised them on a pair of mules—at any rate, such employment has been often commended as highly beneficial both to voice and vocabulary, and it is surely no accident that so many of the world's greatest orators have been, like Mr. Crockett, of rustic origin. Others say that Mr. Crockett discovered his metier after he was graduated from the University of Iowa, when he spent some seasons barnstorming with a theatrical troupe, which had a repertory of crude but popular melodramas. Anyway, he was brought to the Capitol in 1907 by the late Senator Allison, and from that time his preeminence has been unchallenged.

In the somewhat narrow confines of the Senate Chamber Mr. Crockett was obliged to modulate his voice to something like the resonance of a double quartet of bass viols. It was only in the great national conventions that he dared to work in open diapason. But the marvel of Mr. Crockett's work was not merely in the vibrancy of his instrument; it was also in the tempo of his reading. He rendered everything—bills, resolutions, roll calls, Presidential messages, amendments, amendments to amendments—in a kind of five-alarm legato, never tripping over commas, never slowing up on the syntactical curves, spelling out without hesitation whatever he could not pronounce. Later he began to make his own rearrangements of the stuff placed in front of him, omitting the middle in favor of the beginning and end.

As we say, it will not be easy to replace Mr. Crockett. We even doubt that it will be possible at all. We shall not be surprised if the Senate resorts in the end to some kind of amplifying system or clerical jukebox. This, as you know, is what has happened in the railroad terminals and baseball parks. Gone forever is the cathedral-toned train announcer who sang the station stops in a kind of ambrosian plainchant; gone is the blood-chilling bellow of Silk O'Laughlin proclaiming the second strike.

NOTICE OF HEARING BEFORE COMMITTEE ON THE JUDICIARY

Mr. MOORE. Mr. President, as chairman of a subcommittee of the Senate Committee on the Judiciary appointed to consider Senate bill 1567, to provide the venue in actions brought in United States district courts or in State courts against interstate commerce carriers by railroad for damages for wrongful death or personal injuries, I desire to give notice that a public hearing has been scheduled for Wednesday and Thursday, December 10 and 11, 1947, at 10 a. m., in the Senate Judiciary Committee room, room 424, Senate Office Building. The companion bill is H. R. 1639. Wednesday, December 10, will be reserved for the appearance of the proponents of the bill, and Thursday, December 11, will be reserved for the appearance of the opponents to the bill. At the indicated time and place all persons interested in S. 1567 may make such representations as they desire. The subcommittee consists of myself, chairman; the Senator from Missouri [Mr. DONNELL]; and the Senator from Rhode Island [Mr. MCGRATH].

MEETING OF COMMITTEE ON APPROPRIATIONS

Mr. GURNEY. Mr. President, at the request of the chairman of the Appropriations Committee, I ask unanimous consent that that committee be permitted to hold hearings this afternoon and tomorrow.

The PRESIDENT pro tempore. Without objection, consent is granted.

MEETING OF SENATE SMALL BUSINESS COMMITTEE

Mr. WHERRY. Mr. President, I ask unanimous consent that the Committee on Small Business be permitted to hold hearings for the remainder of the morning and also in the afternoon, if necessary, while the Senate is in session.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MEETING OF COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. AIKEN. Mr. President, I ask unanimous consent that the Committee on Agriculture and Forestry may sit in hearing until 12 o'clock today.

The PRESIDENT pro tempore. Without objection, the order is made.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

COMMITTEE SERVICE

On motion of Mr. BARKLEY, and by unanimous consent, it was

Ordered, That the Senator from Florida [Mr. HOLLAND] be excused from further service on the Committee on Rules and Administration and that he be assigned to service on the Committee on Public Works; and that the Senator from Mississippi [Mr. STENNIS] be assigned to service on the Committees on the District of Columbia and Rules and Administration.

MEMORIAL

The PRESIDENT pro tempore laid before the Senate a resolution adopted by the board of directors of the Associated Industries of Alabama, Birmingham, Ala., protesting against the Great Lakes-St. Lawrence waterway and power project, which was referred to the Committee on Foreign Relations.

PROHIBITION AGAINST LIQUOR ADVERTISING—PETITION

Mr. CAPPER. Mr. President, I have received a petition from Mrs. D. B. Martin and about 250 other citizens of Sterling, Kans., requesting Congress to pass Senate bill 265, prohibiting the advertising of intoxicating liquors. I ask unanimous consent to present the petition and request that it be referred to the Committee on Interstate and Foreign Commerce, which has charge of the legislation.

I am deeply interested in this measure, and I am of the opinion that the great majority of the people of Kansas favor the legislation. I have received a good many letters from all over the United States appealing to Congress to enact this legislation as soon as possible.

The PRESIDENT pro tempore. Without objection, the petition wil be received and referred to the Committee on Interstate and Foreign Commerce, as requested by the Senator from Kansas.

REPORT OF COMMITTEE ON BANKING AND CURRENCY

Mr. TOBEY, from the Committee on Banking and Currency, to which was referred the bill (S. 1770) to amend the National Housing Act, as amended, reported it with an amendment, and submitted a report (No. 772) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILEY (by request):

S. 1805. A bill to incorporate the Italian-American World War Veterans of the United States; to the Committee on the Judiciary.

By Mr. GURNEY:

S. 1806. A bill for the relief of Ensign Merton H. Peterson, United States Naval Reserve; to the Committee on the Judiciary.

By Mr. COOPER:

S. 1807. A bill to provide for the temporary extension of the Export Control Act and title III of the Second War Powers Act; to the Committee on the Judiciary.

(Mr. BUTLER introduced Senate bill 1808, to encourage sales of wheat and rye during 1947 and 1948, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. JOHNSON of Colorado:

S. 1809. A bill for the relief of Mrs. Selma Matsen Parna and Juri Peet Parna; to the Committee on the Judiciary.

By Mr. TAFT (by request):

S. 1810. A bill to provide for the voluntary admission and treatment of mental patients at St. Elizabeths Hospital; to the Committee on Labor and Public Welfare.

By Mr. THYE:

S. 1811. A bill to amend the Internal Revenue Code to permit producers selling livestock or poultry in December 1947, to defer reporting the gain from such sale until the following taxable year; to the Committee on Finance.

THE MEANING OF AN INDEPENDENT JUDICIARY—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address by him at Grand Rapids, Mich., September 18, 1947, at the annual meeting of the State Bar of Michigan, which appears in the Appendix.]

TRIBUTE TO THE LATE CHIEF JUSTICE STONE BY HERBERT WECHSLER

[Mr. HILL asked and obtained leave to have printed in the RECORD an adress in tribute to the late Chief Justice Stone, by Herbert Wechsler, at a meeting of the bar of the Supreme Court of the United States in Washington, D. C., November 12, 1947, which appears in the Appendix.]

REPORT OF THE PRESIDENT'S COMMITTEE ON FOREIGN AID—ARTICLE BY RICHARD L. STOKES

[Mr. HILL asked and obtained leave to have printed in the RECORD an article concerning the report of the President's Committee on Foreign Aid, by Richard L. Stokes, from the Washington Star of Sunday, November 23, 1947, which appears in the Appendix.]

STIMULATION OF SALE OF WHEAT AND RYE

Mr. BUTLER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to stimulate the movement of wheat and rye from the farm—not only that we may provide increased amounts of these grains for shipment abroad but also that the supply for domestic use may be increased and the cost to the consumer kept at a reasonable level.

We find ourselves in a very extraordinary situation as regards our domestic wheat markets. On one hand, we have experienced a record production of wheat, for which there is an unusually heavy export demand. Then, on the other hand, we have experienced great difficulty in getting sufficient wheat to move from the farm into the regular commercial channels to satisfy the foreign and domestic requirements. Several suggestions have been made to the administration. One is the certificate plan, whereby producers could turn their wheat over to the Government now and sell at some future time. Another suggestion has been to allow the domestic market to advance to the world basis, which some think would bring the grain off the farm and into the channels of trade.

I have a suggestion, Mr. President, which I feel certain will solve the serious situation in which we find ourselves, and have proposed this bill today in order to bring the matter to the attention of Congress. The key to the mystery that appears to surround the nonmovement of wheat lies, I think, in the peculiar effect of our present income-tax regulations, which places a very heavy tax on the producer who sells his wheat today. The only way the producer can avoid this tax is to keep his wheat on the farm.

I wish to illustrate. A wheat producer in Montana, for example, is able to sell his wheat now for around $2,65 a bushel, which is about 50 percent of the world price. After paying income tax, he will have left a net of about 55 cents a bushel. A banker in one of the biggest wheat-producing sections of western Nebraska tells me that he thinks 70 to 75 percent of the wheat held back on the farm is held back due to this situation. Wheat producers generally are pretty good businessmen, and the producer, I think, is correct in thinking he should have a larger share of the sale price for his own use. There is still considerable 1946 wheat on the farms. A great percent of the 1947 wheat is in farm bins. The bill I am presenting suggests that producers be not taxed beyond 25 percent of the sale price of the wheat or rye, both bread grains; that is, on the surtax. Including the 3 percent normal tax, that would make a total of 28 percent on the sales of wheat and rye by producers.

There is precedent and several good reasons for this proposal. My proposal would be the same as the provisions of section 105 of the Internal Revenue Code, which placed a ceiling on the tax on proceeds of sales of oil and gas properties. It is exactly the same principle as embodied in the law we passed in 1943 to encourage the production of lumber. Under the law which we extended early this year permitting export controls on grain—a bill was introduced earlier today by my good friend the Senator from Kentucky [Mr. COOPER] to provide for the temporary extension of the export Control Act and title III of the Second War Powers Act—the producer has been denied the world market; that is, the world price for his wheat. The world price in 1946 was around $5 and this year, 1947, it has been as high as $6 f. o. b. seaboard. This world price is from $1.50 to $2 above the domestic price that the Commodity Credit Corporation has paid locally for our producers' wheat. In other words, the wheat producer has already contributed from $1.50 to $2 a bushel to the United States Government as the Commodity Credit Corporation has, for account of the Government, bought all his wheat that has moved here. He has been denied the opportunity to obtain the world price for his wheat because he is denied an export license to avail himself of the world price.

I cannot help but recall how I opposed the extension of the export-control law—with respect to which a bill was introduced a few moments ago—when the subject was up for consideration several months back. I objected to the bill unless it placed grain in the same category as coal was placed at that time, and as practically every other commodity we export was placed at that time. In other words, coal and other items went through the regular channels of trade to the export destination, while grain was restricted to the Commodity Credit Corporation as its only outlet. In view of this fact, I hope the Congress will promptly enact the proposal which I am submitting today so that we may not only get wheat which is so sorely needed both in foreign markets and in our own domestic market, but also that we may in a measure correct the mistake we made last session when we denied the wheat producer the world price for his labor.

I also direct the attention of my colleagues to this fact: A speculator who buys wheat for future delivery, say for next May or July, and after holding it for 6 months or longer, can sell it and his profits are taxed on basis of capital gains. In other words, there is a 25-percent tax. Think of this injustice. The producer pays the regular tax and surtax and many wheat producers are in the higher brackets, while the speculator pays about one-third or less tax on the same bushelage handled, bought, or sold. Please do not misunderstand me. I think the speculator may contribute something to the market, as he takes the hedge that is sold by the processor or the grain warehouseman, but he does not plant or cultivate or take his chances with the weather, as does the producer. In fact he does not create a single bushel of wheat. Therefore, I think that the dirt farmer who has planted, cultivated, and harvested his crop and now holds it for a fair price is entitled to the same treatment at least that we grant to the market speculator, or the man who produces lumber or gas or oil, for all of whom we have already made this concession in taxes.

This bill when enacted will bring a tremendous flow of wheat on the market and this movement in itself will prevent any undue advance in the market. It will be giving fair treatment to the man who feeds us, and at the same time will prevent any unreasonable advance in the costs to the consumer.

I sincerely hope that the Ways and Means Committee of the House, where action on this proposal must start, will give it early consideration, and when it is in line for us in the Senate to consider it, I hope we shall waste no time in its passage. I have proposed it only as a temporary measure, for the tax years 1947 and 1948. I have been unable to estimate what it would cost the Treasury in reduced tax income, but whatever the amount, what is the difference? After taking it from the farmer at less than its value, we have been giving it away anyhow. If we must be charitable—and I believe in charity—let us begin it at home.

We should do everything possible to encourage the production of food grains. Providence has been more than kind to us during the war years, and I hope our abundant yields may continue, but at the moment the prospect for next season is most discouraging. In fact, due to the drought in the Wheat Belt of the Southwest, we may not have even a bushel for export. We may be short on our own diet.

Mr. President, I ask unanimous consent to have the bill printed in the body of the RECORD at the conclusion of my remarks.

The PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

There being no objection, the bill (S. 1808) to encourage sales of wheat and rye during 1947 and 1948, introduced by Mr. BUTLER, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD as follows:

Be it enacted, etc., That supplement A of subchapter C of the Internal Revenue Code, as amended, is amended by adding at the end thereof a new section as follows:

"SEC. 110. Sale of wheat and rye during 1947 and 1948.

"(a) In the case of a bona fide sale by a producer of wheat or rye, the portion of the tax imposed by section 12 attributable to such sale shall not exceed 25 percent of the selling price of such wheat or rye.

"(b) The provisions of subsection (a) shall apply only to sales made within taxable years beginning after December 31, 1946, and prior to January 1, 1949."

PRINTING OF FIRST QUARTERLY REPORT DEALING WITH FEDERAL INSPECTION OF COAL MINES (S. DOC. NO. 109)

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed as a

Senate document the first quarterly report, beginning July 1, 1947, covering conditions in all underground bituminous-coal and lignite mines inspected by Federal coal-mine inspectors, submitted by the Secretary of the Interior on October 9, 1947, that was made pursuant to provisions of Public Law 328 of the Eightieth Congress. We have received many requests for the report, and I am sure all Senators will want a copy.

There being no objection, the report was ordered to be printed as a Senate document.

CALL OF THE ROLL

Mr. WHITE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	O'Conor
Baldwin	Hickenlooper	O'Daniel
Ball	Hill	O'Mahoney
Barkley	Hoey	Overton
Bricker	Holland	Pepper
Bridges	Ives	Reed
Brooks	Jenner	Robertson, Va.
Buck	Johnson, Colo.	Russell
Bushfield	Johnston, S. C.	Saltonstall
Butler	Kem	Smith
Byrd	Kilgore	Sparkman
Cain	Knowland	Stennis
Capehart	Langer	Stewart
Capper	Lodge	Taft
Chavez	Lucas	Taylor
Connally	McClellan	Thomas, Okla.
Cooper	McFarland	Thomas, Utah
Cordon	McGrath	Thye
Donnell	McKellar	Tobey
Downey	McMahon	Tydings
Dworshak	Magnuson	Umstead
Eaton	Malone	Vandenberg
Ellender	Martin	Watkins
Ferguson	Maybank	Wherry
Flanders	Millikin	White
Fulbright	Moore	Wiley
George	Morse	Williams
Gurney	Murray	Wilson
Hawkes	Myers	Young

Mr. WHERRY. I announce that the Senator from Maine [Mr. BREWSTER] is absent on official business, attending the Geneva Conference.

The Senator from Wisconsin [Mr. MCCARTHY] and the Senator from Wyoming [Mr. ROBERTSON] are necessarily absent.

The Senator from West Virginia [Mr. REVERCOMB] is necessarily absent because of illness in his family.

Mr. LUCAS. I announce that the Senator from Mississippi [Mr. EASTLAND] is absent because of illness in his family.

The Senator from Rhode Island [Mr. GREEN] is detained on public business.

The Senator from New Mexico [Mr. HATCH] and the Senator from Nevada [Mr. MCCARRAN] are absent on official business.

The Senator from New York [Mr. WAGNER] is necessarily absent.

The PRESIDENT pro tempore. Eighty-seven Senators having answered to their names, a quorum is present.

INTERIM EUROPEAN AID PROGRAM

The Senate resumed the consideration of the bill (S. 1774) to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis.

The PRESIDENT pro tempore. The question is on the engrossment and third reading of the bill.

Mr. SMITH. Mr. President, addressing myself to the subject before us, I wish first to express my deep appreciation of the wonderful presentation which was made yesterday by the chairman of our Foreign Relations Committee, the Senator from Michigan [Mr. VANDENBERG], in giving the high spots of the picture of the bill, the reasons for the bill, and the place of the bill in the present consideration of our foreign relations.

I wish also to take this occasion to express my personal appreciation of the leadership which the chairman of the Foreign Relations Committee has given us in keeping this debate and the consideration before the committee on the highest possible bipartisan plane. I wish to express my full concurrence with his view, and that of members of both parties, that when we are approaching questions of foreign policy we must have a united American front.

In opening my remarks I think it is well to emphasize again, as was properly brought out yesterday, the distinction between the pending measure and the so-called long-range plan, the Marshall plan.

The pending bill is definitely a relief bill. It aims to provide food and fuel for the people of certain countries in Europe which, after investigation and study, were felt to be in an emergency situation and in great danger, both from starvation and from cold, as well as from probable economic collapse if interim aid were not given.

In a sense, we are buying time by holding the status quo as it is until we can think through, debate among ourselves, and properly develop the so-called Marshall plan.

I fully agree that there are two different problems. One is a relief problem, and the other is a problem of economic rehabilitation. We are not discussing economic rehabilitation at this moment. We are discusing a pure question of relief.

There is no purpose in my reviewing what has already been said, and I shall not try to do so. In my remarks I shall try to reflect my personal experience during the past summer. I wish to stress the word "emergency." When I say "emergency" I do not mean that we should not fully debate the bill. I approve of every question which has been asked and every question that can be asked to make this a better bill, to safeguard its administration, and to see that the money which we are contributing to help the starving people abroad is not wasted. All those things should be explored.

In what I have to say today I wish to emphasize the word "emergency." I wish to illustrate my feeling with regard to the emergency from my experiences of last summer. As my colleagues know, I was cochairman of a committee which went abroad on a special mission to study the Voice of America program. Before I left, Secretary Marshall, with whom I talked, expressed the hope that we would also get our own impressions of the economic situation. We covered every country in Europe except Yugoslavia, Albania, Russia, and Ireland, and in the over-all survey I at least came to some direct, definite conclusions which I want to record for the RECORD, because they point up my insistence on this word "emergency" and my feeling that we must deal with the matter promptly, effectively, and with an attitude of a positive approach.

I do not think I am exaggerating when I say that the United States is facing one of the most challenging crises of its entire history. At the moment we are the bulwark of freedom to whom the world looks for leadership. Europe is in a state of almost complete economic collapse, with consequent despair. The threat to civilization cannot be exaggerated. The Moscow policy, I regret to say, is to divide and then to absorb. Communism feeds on famine, cold, and despair. The end, as we have ourselves seen, is human slavery.

The trip of our committee to the capitals of Europe has revealed the facts of the situation and the issue. We visited the satellite countries and those still struggling to survive. The pattern is the same everywhere. Freedom is being treacherously destroyed. The police state is emerging with a totalitarianism that surpasses the naziism of Hitler. Freedom-loving people have been and are being liquidated.

America and the remaining free nations of the world must decide, and now. Time is running against the fundamental freedoms and the sanctity of man.

Let me consider our alternatives. If America withdraws now, it means the immediate absorption of Europe by communism, controlled and directed by a small, well-organized minority in Moscow, which has enslaved the Russian people and now seeks to enslave the entire world.

Our alternative is difficult, but it must be faced. We have the responsibility to march with the United Nations in bringing the world to freedom and peace. We must act with the United Nations, and now.

I bring in the United Nations at this point, not because they are participating in this relief program, but I want to emphasize that the measures which we are now debating are not war measures, but are just the reverse. They are measures which alone will prevent war, and the United Nations must be called into it, because if it should come to a question of conflict, such action should be taken not by ourselves alone.

Let me further develop this point. I think I can bring out what I have in mind by high-lighting the countries which we visited. We went to France, Germany, Poland, Czechoslovakia, Greece, Turkey, Italy, Spain, Portugal, Belgium, and to the Scandinavian countries—Norway, Sweden, and Denmark—and I include in that group Finland and England. It was impossible to travel through those countries, even though we were not primarily studying the economic situation, without feeling the food shortages. Someone has said that no one in Europe is starving to death. I agree with that statement; I did not see anyone starving to death, but I met hardly anyone among the people we vis-

ited who did not show the debilitating effects of malnutrition. We felt the atmosphere of food shortages, the desperate economic break-down, the war destruction which cannot be exaggerated, and the moral let-down of all the people of Europe.

When I reviewed my trip and thought, on the one hand, of the so-called western countries of Europe, which would include Greece and Turkey, which are under our protection at the moment, and contrasted those countries with the so-called satellite countries, I began to see what the issue was and why we have an emergency which must be met.

There is a regular Communist pattern, which I shall try to describe briefly, and which, it seems to me, is the thing we are fighting in the position which we have taken concerning the freedoms of people. That pattern takes the form of, first, infiltration, then control through some sort of coalition government of some important ministry, usually the ministry of the interior which controls the police, and then by degrees other ministries, until the so-called free elections can be controlled. That would include the absorption of the ministry of defense, the ministry of transportation, the ministry of armed forces, and the ministry of education also. After getting those controls set up, they are prepared for the so-called free election. We witnessed the strange picture of a free election in countries where they had this tight control, and where, with the police on the job, there was no question of what the outcome would be.

Following the pattern further, we found that after a certain step in the proceedings—and we checked it in the various countries behind the iron curtain—the next development would be charges against the opposition, and attempts to liquidate the opposition party because its members were alleged to be traitors to their country. This would be followed in the pattern by the arrest and trial of the leaders. I need only to recite here for the record the sequence of cases that demonstrate that point.

There was, first of all, before we had hardly awakened to it, a situation in Yugoslavia in which Tito liquidated Mihailovich. Then there was the murder of Petkov in Bulgaria. He had been the head of the opposition movement in that country, and he had the courage to resist the onsurge of the communistic movement in the police state.

As to Rumania, we have just heard of the trial of Maniu. When I was in Rumania, approximately 15 years ago, I had the pleasure of meeting Maniu, who was very high in the favor of his people. He at one time served as prime minister of his country. He was about 75 years of age. He was tried on charges of treason simply because he had headed the opposition to the taking over of his country by alien forces. He was not allowed to have witnesses. They were all in prison. We read in the press the shocking story of his being condemned to solitary imprisonment for the rest of his days.

Going a little further along, we have the picture of Hungary, where we know that Nagy was eliminated and had to flee for his life, and where Pfeiffer, whose name we have seen recently in the newspapers, has, thank God, escaped, and come to this country. We talked to Pfeiffer in his country. I had a talk with him lasting something over an hour. I was so much impressed with his integrity and the clearness of his vision of what was going on, that I said to him, "Mr. Pfeiffer. I hope that some day you can come to our country and study our institutions." He said, "Senator, I never expect to go to America. If you come back here in a month, I do not think you will find me." He said, "I am marked for liquidation, and I know what is coming to me." Fortunately, with the aid of the underground he was able to escape, and he is in America now. I hope to have the pleasure of seeing him sometime.

In Poland we have the similar case of Mikolajczyk, who also was able to escape to England, but who, in the same way, was marked for slaughter because he headed the opposition. I read rather recently of the subtle infiltration of the same movement into Czechoslovakia, where, when we were there, it was touch and go between the two opposing forces, but with the Communists in control, because, as we were told there, the border line between Russia and Czechoslovakia is disappearing, in light of the movement of Russia westward and the absorption by Russia of what was Polish territory.

Mr. President, I am citing these things to show what is happening in the world and to show that what we are up against is an infiltration of a kind with which we have not had experience so as to know how to deal with it. This recital of swiftly moving events makes it clear to me and, I think, to all our colleagues who were on that trip, what the collapse of France, Italy, and Austria would mean. In the Foreign Relations Committee we studied conditions in those countries carefully, and raised the question why those countries were selected, rather than others, and it was brought out clearly that they are the countries which are in the most critical condition, and as we read the newspapers today, I think we find that they are in the most critical condition. It is clear the collapse of France, Italy, and Austria, if aid were not given, would also mean the collapse of Greece and Turkey, because we could not support them as mere islands in a completely communistic Europe.

It would also mean the isolation and collapse of Great Britain, because of the cutting off of her previous markets and sources of food. The only result I can see from that situation would inevitably be world war III, and all of us are determined to do our utmost to avoid a third world war, and that is our problem. We can only prevent it if we can hold the fort and can sustain those countries on the western front—I refer to those critical countries, including Greece and Turkey—and can enable them to move into their own economic rehabilitation, which is a subject we shall discuss when we consider the so-called Marshall plan. But in the meantime the emergency requiring the enactment of the pending interim aid bill to me is so clearly evident, it is so plain that we must hold the fort until we can give proper consideration to the terrible crisis facing the world, that I urge with all the eloquence at my command that America act, and act now.

Mr. President, this subject is related to the Marshall plan. I shall not discuss that plan now. However, I had the privilege of being invited by the Foreign Policy Association to make an address in New York last Saturday on the subject of the relationship of these two plans to each other. In connection with that address, I tried to point out that the interim-aid plan is the immediate matter before the Senate, whereas the other plan is not yet before us. But the other plan will be debated fully and carefully, with the aid of all the expert economic advice that has already been assembled. All such information and advice will be available to us when we work on that plan. But I feel that the two subjects are related to the extent that it is wise for us, in considering the problem of interim aid to Europe, which presently is before us, to consider the over-all picture. Agreeing, as I do, with the chairman of the Foreign Relations Committee that a vote in favor of the interim-aid bill does not commit anyone to vote for the long-range plan, nevertheless, I believe that the interim-aid bill can properly be considered in connection with the long-range picture. Therefore, believing, as I do, in the interim-aid bill and in the need for immediate action, I ask unanimous consent to have printed in the RECORD as a part of my remarks the analysis which I made of the whole program in the speech which I delivered last Saturday before the Foreign Policy Association in New York City.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

Mr. President, members of the Foreign Policy Association, and distinguished guests, we are considering today a matter that has been on the minds of practically everybody in the United States for some time, namely, aid to Europe. I have just returned from a trip of seven strenuous weeks in Europe. The committee of which I was cochairman of the Senate and House which went abroad to study our information program and the so-called Voice of America radio broadcasting covered every capital in Europe except Yugoslavia, Albania, Russia, and Ireland. Let me open my remarks with my over-all impressions of the existing emergency.

The United States is facing the most challenging crisis of its entire history. We are the bulwark of freedom to whom the world looks for leadership. Europe is in a state of almost complete economic collapse, with consequent despair. The threat to modern civilization cannot be exaggerated. It is here and now. The Moscow policy is to divide and then absorb. Communism feeds on famine, cold, and despair. And the end is human slavery.

The trip of our committee to the capitols of Europe has revealed the facts of the situation and the issue. We visited the satellite countries and those still struggling to survive. The pattern is the same everywhere. Freedom is being treacherously destroyed.

The police state is emerging with a totalitarianism that surpasses the nazism of Hitler. Freedom loving men who have opposed have been and are being liquidated.

America and the remaining free nations of the world must decide and now. Time is running against the fundamental freedoms and the sanctity of the individual man.

If America withdraws now it means the immediate absorption of Europe by communism, controlled and directed by a small, well-organized minority in Moscow, which has enslaved the Russian people and now seeks to enslave the entire world.

Our alternative is difficult, but must be faced. We have the responsibility to march with the United Nations in bringing the world to freedom and peace. We must act with the United Nations and now.

While these are my own conclusions from my recent trip, I know that the seriousness of the situation has been well known to our authorities in Washington and especially to Secretary Marshall. In a speech which he made at Harvard University on June 5, which may very well have an important part in making world history, the Secretary made a statement which seemed to me at the time to be perfectly obvious, and yet none of us, not even the Secretary himself, probably realized what its far-reaching effect might be. He virtually said in that speech that while the United States had already extended itself to give relief aid to struggling countries and while it would continue to do all it could to prevent starvation and cold during the coming winter, it was time that the nations of Europe realized that it was not economically possible for us to go on supporting them indefinitely. The next step was for them to get together on their own initiative and develop some sort of a mutual-aid plan whereby they could get back on a self-sustaining basis and remove those barriers to recovery which apparently had been holding up rehabilitation since VE-day and VJ-day. He concluded this part of his address by suggesting that the United States would be interested in cooperating within the reasonable scope of its resources to help the European nations to make such a program successful. And let me emphasize here that the proposal was made to all of Europe. It included eastern Europe as well as western Europe. It included Russia. There was no attempt or purpose of Secretary Marshall in his suggestion to divide the world into two camps.

One of the great disappointments in this development was the declination of Russia to participate herself in the Paris Conference or to permit the so-called satellite countries, under the control and domination of Russia, to participate in that conference. Russia's action in opposing this suggestion of a possible program for mutual aid and rehabilitation dramatized and brought out at once what we had been fearing for some time—namely, the persistent Russian policy of bringing about chaos, division, and absorption. This is in sharp contrast to the world policy which we in the United States have been advocating—namely, creative reconstruction.

In spite of the unfortunate Russian opposition, however, what might be called a miracle was accomplished at Paris in the short space of 10 weeks. The countries of Europe outside the iron curtain, under the leadership of Britain and France, organized an intensive study of their mutual economic needs and resources and prepared a well-organized and impressive 4-year program based on the mutual obligation of each of the countries concerned—16 in all—to meet certain essential production targets, which taken as a whole might well mean the restoration of Europe's economy. I want to emphasize here that the United States was not present at this conference and did not initiate the proposals or the setup of the plan. We were in the background, of course, because it was the desire of these cooperating countries to present a fair picture as to what they would need. They knew that we would carefully scrutinize any proposals for aid and would have to relate our aid to our economic resources. I think I am right in suggesting that this Paris meeting was a new precedent in international collaboration, and whether or not one agrees with the figures finally arrived at, one cannot read the report without feeling an atmosphere of sincerity and real recognition that Europe cannot afford the luxury of excessive nationalism.

This report was submitted to Secretary Marshall on the 23d of September and immediately we set up in this country groups of experts whose duty it was to check the accuracy of the figures presented by the conference report and to determine the extent to which our national resources might be applied to the rehabilitation of Europe without breaking down our own national economy.

You are familiar, if you have followed the matter in the newspapers, with the study of the Department of the Interior under Secretary Krug, having to do with our available national resources; with the expert economic report by the President's group of economic advisers under the chairmanship of Mr. Edwin G. Nourse, and particularly the summary and observations of the special committee of 19 outstanding businessmen, labor leaders, and economists who were assembled by Secretary of Commerce Harriman to make an independent approach to the problem.

Being a member of the Senate Foreign Relations Committee, I had the privilege of hearing all these reports presented with their principal recomendations and of getting evidence as to the background on which the conclusions were reached. We also had the benefit at our hearings of the observations made by the special committee of the House of Representatives under the chairmanship of Congressman HERTER, of Massachusetts, which spent time abroad this summer making a special study of the economic resources of Europe and the immediate need to get the pipe lines going again and put Europe back on her feet. To my mind we are not faced with the question of too little information to deal with the subject, but, if anything, too much information. Any conscientious legislator would like to feel he had covered the whole ground and had all the facts at his command before he voted substantial sums of money which belong to the taxpayers to support a plan which may or may not, no matter how we look at it, accomplish the objectives we are all so anxious to see brought about. It is my own conclusion, however, that no one Congressman or no one Senator could personally cover the entire ground, but what we should be sure of is that those experts who have studied the figures can be relied upon, know their business, and have gotten hold of all the relevant data to determine what the program should be.

In presenting the case to the committees of the Congress, Secretary Marshall outlined the over-all plan and the other witnesses gave us the approach to the plan which they had adopted in checking up on its soundness. Secretary Marshall pointed out, however, that while the long-range plan will take some time to be effected and cannot be dealt with finally until the session of the Congress beginning in January, we must have an interim aid program to keep alive and functioning three of the countries of Europe which have been found to be in desperate economic situations. These three countries are Austria, France, and Italy, and it is because of their desperate situations that President Truman called the special session of the Congress to deal with their needs and keep their pipe lines filled until the long-range plan—the Marshall plan—can be developed and put into operation. This interim aid program which we are working on now is distinctly a relief program in the ordinary sense and is proposed because of the desperate need to relieve people from hunger and cold during the winter months and until March 31, 1948. It is an initial stopgap program to hold the fort, so to speak, until the long-range program can be perfected.

In my opening remarks I referred to the trip I took to Europe this summer and the countries visited. While I had a special mission for the Foreign Relations Committee of the Senate, I was also asked by Secretary Marshall to get any further information I could with regard to the so-called rehabilitation program. It was inevitable in the kind of a trip we took, which covered France, Germany, Poland, Czechoslovakia, Austria, Hungary, Rumania, Bulgaria, Turkey, Greece, Italy, Spain, Portugal, Belgium, the Scandinavian countries and finally England, that we should have felt the atmosphere of food shortages, the desperate economic breakdown, the war destruction which cannot be exaggerated, and the moral let-down of all the people of Europe. It was the whole picture, rather than any specific picture that led us to our conclusions. And it was because I had the contrasting experience in the so-called western countries outside the Russian orbit with the satellite countries within the Russian orbit that I came to my over-all conclusions. The western countries, including of course Greece and Turkey, which countries we are supporting under the Truman Doctrine, still are free peoples and they can remain free and prosperous if they can be economically rehabilitated. The people behind the iron curtain either have completely succumbed to communistic infiltration, or they are in imminent danger of doing so. I need only cite briefly the Russian pattern—first, infiltration, then control under the plea of a coalition government of some important ministry, usually the Ministry of the Interior which controls the police, and then by degrees other ministries until the so-called free elections can be controlled, then the liquidation of the opposition and finally the arrest and liquidation of opposition leaders. We see this dramatically brought out in the cases of the murder of Mihailovich in Yugoslavia, of Petkov in Bulgaria, the sentence to solitary life imprisonment of Maniu in Rumania, the threatened liquidation of Pfeiffer in Hungary and Mikolajczyk in Poland, and the recent subtle infiltration into the government in Czechoslovakia.

This recital of swiftly moving events seems to make it clear that the collapse of France, Italy, and Austria, which may be imminent if the emergency aid is not given, would mean the collapse of Greece and Turkey, because we could not support them as mere islands in a completely communistic Europe. It would also mean the isolation of Great Britain unable to feed herself without imports and cut off from her previous markets and sources of food. To me such a result would mean inevitably world war III.

These threatening events have left in my mind some indelible impressions and a challenge, as I see it, to the United States of America, to accept a responsibility that it has never had before in its entire history. That responsibility comes to us because we have emerged from the war as the strongest Nation in the world and as the only Nation left that can possibly give aid in substantial amounts to help restore what might otherwise be a dying civilization. And so I plead for a sound, positive, aggressive foreign-aid policy that must be clearly and constantly ex-

plained to the world. It may be definitely related to the very survival of the United Nations organization.

In approaching this matter I see grave danger of mistakes on our part that might well spell disaster. Certainly if we contributed of our wealth to continue in existence an obsolete European structure, which has been the cause of two world wars within 25 years, our contributions would be wasted. And so we are confronted with the fact that the mere giving of dollars or even of commodities is not sufficient to do the creative job that must be done. We must make it clear to the world that what we are trying to do is to help people help themselves—people who have voluntarily proposed to merge their political and economic differences in order that they may mutually recover from this terrible inertia and chaos that has overcome them. We all know that the small compartments of Europe for hundreds of years have made difficulties that prevented human understanding between people by which they could mutually move forward. We have solved this particular problem in America by our economic unity and our political safeguards. Our experience may suggest an ultimate United States of Europe or at least a Federation of European States which would have the responsibility for the common welfare. The problems, of course, are the trade barriers, the currency differences, the racial jealousies and prejudices and all those things that tend to drive people apart rather than bring them together.

Now we have a gleam of hope in the amazing accomplishment of the Paris Conference where these divided peoples have adopted goals for their respective accomplishments as conditions of their further aid from us. And let me add here and emphasize that whether or not a united over-all Germany can be brought into this picture of mutual aid at the coming London Conference, we certainly have the responsibility with Great Britain to bring in western Germany and make it a part of the economic over-all picture. We and Great Britain at the moment are the government in this so-called bizonal area. We should use the Ruhr and its industries, not alone to put Germany on a self-sustaining basis again, but also and more especially to make the German resources a part of the entire western European rehabilitation. And so I want to suggest that in this program of aid for Europe we are not dealing with a charity problem, but we are dealing with a problem that concerns the morale, not only of Europe, but of the entire world. The program brings out in bold relief hope versus despair. It suggests an over-all vision of a united world of mutual aid, as opposed to a divided world of selfish national pressure groups. To bring this about the movement can and should be spearheaded by an enlarged vision of America's foreign-aid policy, which as I visualize it, would have the following characteristics:

First. It should be bipartisan and all-American.

The great majority of people today accept the fact of the interdependence of nations and the threat of communism. The extreme sacrifices in the late war made by our own boys have brought home to us again the values of our human freedoms. There can be no distinction between Republicans and Democrats when we are thinking in these terms. If we can have an American bipartisan foreign policy which is understood by the world, we can remove the fear for the future that other nations might have if they felt that a change of administration might mean a change in that policy.

Second. It should be positive and creative and not grudging.

We must move into our responsibility with enthusiasm and not with reluctance or suspicion or grudgingly. We must have care in our giving and in our lending, but in our relationships with other countries in dealing with this aid program, let us use the opportunity to raise the level of international understanding and mutual trust in each other.

Third. It should help nations to help themselves.

Our help must be designed to strengthen the economy and life of other nations rather than to make them dependent. This means that they must have the primary responsibility to work out their own self-imposed programs of productivity. There must, of course, be adequate supervision to see that these programs are being carried out while we continue our aid, but fundamentally we must respect and support the spirit of independence and pride of accomplishment that is inherent in any free people.

Fourth. It should be administered by the nations themselves under proper observation.

Technical help and professional advice should certainly be offered and we should have observers to see that the aid is used as intended. But it is my judgment that ordinarily the workings of a free press with its free criticism should be our main reliance to check the results. The extent to which we refuse responsibility to the nation concerned to put its own house in order is the extent to which we invite suspicion and failure.

Fifth. It should be world-wide.

China and the Far East should be included as well as Europe. If our policy is set for the presentation of an alternative to communism, there is no more glaring example of this need than in China. I fear that our policy in China has been founded on some aid, but chiefly on moral lectures and pointing out the defects in the Chinese set-up. We must be sympathetic with the vast continent of China struggling for order and unification, which presents some of the elements that we had in this country during the early days of the Republic. If we are saying to these other nations of Europe, "We will help you and your plans for recovery," we should make the same offer to China in order that there may be no gaps in the world program that our new foreign-aid policy envisages. And I would certainly hope ultimately to include Russia and the satellite countries, but only when and if Russia is willing to forego the insidious spirit of communism and the use of the intolerable, treacherous police state which destroys the fundamental freedoms.

Sixth. It should be carried out, so far as possible, within the framework of the United Nations.

This "town meeting of the world," as John Foster Dulles termed the General Assembly, has amply demonstrated its usefulness in the uniting of public opinion of the free nations against the resistant imperialism of the rebel nations. Let us move with the conscience of the world in all that we do.

Seventh. It should be made known by the expansion of the United States Information Service.

All that we do in the world is being misrepresented by alien forces. Those forces even seek to take the credit for the good that we accomplish. The experience of my committee in Europe in studying our information program and comparing it with comparable programs of other nations shows clearly that we are staffed inadequately and we are lacking in the kind of a policy that should make our voice authentic and a true interpretation of our purposes. An expanded information service is an integral part of the proposed interim relief and the ultimate long-range plan for economic recovery. We should make it clear that we seek nothing for ourselves except a world in which we may be a part and which will seek the freedom and well-being of all mankind.

In conclusion, let me emphasize that we must relate our living at home to these international responsibilities. This crisis in world affairs is a crisis for America in more ways than one. It is our way of life that is on trial and not merely our ability to furnish material aid in dollars and commodities. The intensity of the existing world struggle will test our character of living.

We must prepare ourselves in every possible way. I am strongly in favor of keeping our armed strength at a readiness that will serve as a warning to potential aggressors and will support the objectives of the United Nations. But let us ever bear in mind that this is a war of ideas and the democratic system is on trial. Communism waits for our economic system to break down. Our inability through selfish divisions at home to aid in the rehabilitation of Europe at this critical moment will be the signal for communism to move in and take over. This is a direct challenge to each one of us.

But I will not close on a negative note. Under God, the people of America will not betray their destiny; rather will we courageously overcome the negative defeatism of communism by saying to those nations of the world which are still free to listen:

"We are embarking on the greatest venture in history—the building of a true democracy. We do not have all the answers. We have made many mistakes. But we are on an upward pilgrimage. Let us battle together and make our distinctive contributions to a united world built on a true sharing of the material and spiritual benefits which are the heritage of the ages."

This, as I understand it, is the spirit and purpose of the Marshall plan.

This conception of our foreign-aid policy would proclaim to the world the dedication of America and its resources to a creative, inspiring, and lasting peace.

Mr. SMITH. Mr. President, I shall conclude by saying to you, sir, as chairman of our Foreign Relations Committee, that I have felt a real inspiration in working with you and the other members of our committee—and I think you share the feeling with me—in the spirit in which this subject has been approached, in the spirit in which we have tried to meet the perfectly proper objections which have been raised and the questions in regard to administration. It has been a privilege to be a member of the group which has made this study, and to be able to report unanimously to the Senate that in our conviction an emergency now faces us, and this interim-aid bill should be passed.

Mr. KNOWLAND. Mr. President, I shall not take much of the time of the Senate today, because I know all of us are anxiously awaiting the speech of the able senior Senator from Texas [Mr. CONNALLY], the former chairman of the Foreign Relations Committee. However, I wish to make a few remarks regarding the pending bill.

In the first place, I wish to join my colleague the Senator from New Jersey [Mr. SMITH] in commending the very able address made by the distinguished senior Senator from Michigan [Mr. VANDENBERG], the chairman of the Foreign Relations Committee, in presenting to the Senate and to the people of the United States very clearly the urgency

of the situation we now face. I, too, have just recently returned from Europe and from some of the countries that now are behind the iron curtain; and I can say without any mental reservation whatever that the great export out of Russia today is fear and terror. The Senator from New Jersey has already mentioned the facts regarding the killing of Mihailovich, in Yugoslavia; the "legalized" murder of Petkov, in Bulgaria; the sentencing to life imprisonment of Maniu, in Rumania; and the forcing of Mikolajczyk to flee for his life from Poland. Every place you go in the border countries and within the iron curtain the people have the same sense of fear and urgency.

Mr. President, I believe that it is important that this Congress proceed forthwith to act on this proposed legislation and such other legislation of a longer term nature as may ultimately come before us for decision. But I do wish to make clear that I find it a little difficult at times to follow the thinking behind the policy of the State Department.

In the first place, taking the case of Petkov as a specific example. If we examine the record, we see that this Government sent its first note to the Bulgarian Government on June 7, sent another note on the subject on the 18th of August, sent another note on the 22d of August, sent another note on the 23d of August, sent a note to the Soviet Russian Government on the 30th of August, and then on the 23d of September issued a statement to the press, acknowledging the fact that the State Department had just received word that Petkov, the democratic leader, had been executed in that country on that date.

Then, lo and behold, what happened? Within 10 days of the execution of Petkov, our State Department gave full and complete recognition to the Bulgarian Government. I wish to say to my colleagues from my personal observations in talking to the democratic leaders in Poland, in talking to the democratic leaders in Czechoslovakia, and in talking to the democratic leaders in Austria and other countries which I visited within the last month, that I found nothing that had done as much damage to American prestige, that had done as much damage to the cause of democratic institutions, as this Government's giving full and complete recognition to the Bulgarian Government within 10 days after they had murdered Petkov, the democratic leader.

Mr. President, I find it very hard to understand the policy of the State Department of this Government in continuing to permit the shipping of machinery and other materials to the Government of the Soviet Union. I have in my hand a statement from the Department of Commerce, which I ask to have inserted in the RECORD in this part of my remarks, showing our exports to Russia and our imports from Russia. I call attention to the fact, which will be in the RECORD for Senators to study, that we are shipping substantial quantities of machinery and other types of material of that nature, and we are receiving from them principally furs.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from California?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

United States trade with U. S. S. R., by commodity groups and principal commodities

[Value in millions of dollars]

Commodity	Monthly, 1947			6-month average, 1938	January to June		July 1947
	April	May	June		1946	1947	
Exports, including reexports, total [1]	9.3	27.1	7.1	34.8	223.5	91.2	15.7
Lend-lease shipments	1.8	3.6	.1		105.3	14.9	1.2
UNRRA shipments	4.1	10.1	1.3		91.8	31.2	.7
Foodstuffs	.1	.7	.1	(2)	71.8	3.7	(2)
Canned meats	.1	.4	(2)		44.9	3.1	(2)
Textile fibers and manufactures	(2)	.7	.2	(2)	5.5	1.4	(2)
Nonmetallic minerals	.2	.9	.2	2.9	3.3	1.9	1.6
Metals and manufactures	1.8	3.2	.9	6.1	9.6	12.9	1.2
[illegible]	1.7	2.8	.7	3.3	6.8	11.4	1.2
Machinery and vehicles	6.8	20.2	5.1	24.7	99.0	64.2	11.3
Electrical, and apparatus	1.5	3.0	.6	1.7	22.8	10.9	2.5
Industrial, total	4.2	16.2	4.3	20.1	71.8	48.3	7.8
[illegible]	.6	2.2	.1	.5	27.6	4.7	.1
[illegible]	.1	.3			18.5	1.1	
Construction and conveying	.4	1.6	.1	(2)	1.6	4.1	1.4
[illegible]	.9	2.4	.3	.4	7.8	9.2	1.2
[illegible]	.9	3.2	2.3	17.6	25.6	13.6	3.7
All other	.4	1.4	.6	1.1	29.3	6.8	1.6
[illegible]	(2)	.4	.1		8.8	1.7	.1
Reexports, total		(2)	1	(2)	4.8	.4	.1
General imports, total [3]	6.3	4.5	10.5	11.8	57.2	32.5	10.0
Foodstuffs	.5	.1	.1	.7	.9	.7	(2)
Sausage casings	.1	.1	.1	.2	.5	.3	
Sturgeon roe	.4	(2)	(2)	.1	.4	.5	(2)
Furs, undressed	1.0	2.7	8.0	6.1	41.4	16.6	5.7
Fur manufactures	.2	(2)	.1	.3	1.2	.4	.1
Tobacco, [illegible] leaf, unstemmed	.8	(2)	.3	.1	.9	3.0	1.2
Textile fibers and manufactures	.2	.1	.4	.8	2.1	1.7	.4
Cotton linters	.2	(2)		.1	.3	.4	.3
Wool, unmanufactured			.2		.3	.6	
Metals and manufactures	3.5	1.5	1.1	1.8	7.6	9.1	2.2
Manganese ore	1.3	.3	.7	1.3	4.4	4.1	.5
Chrome ore or chromite	1.1		.3		1.9	2.0	1.6
Platinum	.6	.7		.5	.5	1.8	
Palladium	.4	.2	.1		.5	.8	
All other imports	.1	.4	.5	2.0	3.1	1.0	.4

[1] Includes lend-lease, relief, and commercial shipments.
[2] Less than $50,000.
[3] Imports for consumption in 1938.

Mr. KNOWLAND. Mr. President, in the modern world in which we live the strength of nations for aggression is not limited to the size of their armies; it is not limited to the size of their air forces or their navies, but the ability of any nation to make aggressive warfare hinges upon the type of the economic foundation upon which their armed forces rests. I say that when we ship materials to the Government of the Soviet Union, even though the shipments are of limited nature, to that extent we are strengthening their hands to carry out their aggressions throughout the world wherever they may choose to follow them out. To me it does not make sense; it smacks too much of the years 1938, 1939, 1940, and 1941, when scrap iron and oil were being shipped from this country to Japan. At that time there were those in the State Department who said, "Well, we must not interfere with this trade. If we do we will annoy the Japanese Government. If we do, it may be considered an act of economic warfare."

I say, Mr. President, that the policy we followed at that time contributed to the ability of Japan to make war upon China, a country which has been the traditional friend of the United States; it contributed to the strength of Japan to strike us at Pearl Harbor; it contributed to the strength of Japan to join with the other Axis Powers to make war upon us and the other democratic nations throughout the world.

I am unimpressed by the statements made now by representatives of this Government who say there is no need at the present time to cut off these shipments to Russia. To the contrary, I believe that when Russia has been placing obstacles in the way of the rebuilding and rehabilitation of a war-torn world, when time after time by obstructionist tactics in the United Nations, and in Germany, and elsewhere throughout the world, they have interposed obstacles in the path of the economic rehabilitation of the world, it is high time for us to face realities.

The able Senator from Michigan [Mr. VANDENBERG] yesterday very clearly, and very excellently, in my opinion, mentioned the two trains which have been crossing the continent of the United States, the Freedom Train and the Friendship Train. I am sure all of us have clearly understood the spirit of the American people which has supported both those trains. But I say, Mr. President, that if we know an individual or a nation is attempting to wreck the Freedom Train, is attempting to wreck the Friendship Train, is putting ties, is putting rocks, is putting pieces of steel, upon the tracks, in order to derail those two trains, it certainly is high time that we stop giving them the materials with which to carry out their sabotage.

Mr. President, in the report of the Senate Committee on Foreign Relations on the pending bill, in answer to the statement by the chairman of the committee relative to the shipping of lend-lease supplies to Russia, the State Department sent in a note which the chairman of

the committee put into the RECORD. The able Senator from Texas [Mr. CONNALLY], former chairman of the committee, expressed the hope, as appears on page 250 of the hearings, that that letter from the State Department, in addition to being published in the RECORD, would also be published in the newspapers of the United States.

I wish now to read just a few paragraphs from the memorandum of the State Department as it appears in the hearings. It says:

No lend-lease goods of any kind are now being delivered to the Union of Soviet Socialist Republics, nor have any been transferred to Soviet custody for many months.

I skip two paragraphs and read further:

Deliveries of supplies under the U. S. S. R. agreement were suspended after December 31, 1946, as a result of passage of the Third Deficiency Appropriation Act, approved July 23, 1946, and in accordance with a ruling by the Comptroller General restricting further expenditures of funds supplied by the foreign governments were used for the purpose. The Supplemental Appropriation Act, 1948, approved July 30, 1947, made provision for resumption of lend-lease deliveries to 10 countries but made no provision for further deliveries to the Soviet Union. No further deliveries are being made since legislative authority therefor has terminated.

Mr. President, what the State Department did not tell the committee at that point was that these deliveries were discontinued over the objections of our State Department. The original provision in the Deficiency Act of 1946 was inserted by the Committee on Appropriations of the Senate over the violent protest of the State Department. They then attempted to circumvent the law passed by the Congress of the United States and ship lend-lease materials to Russia, in spite of the fact that the law stated that shipments should terminate by a certain date. They were caught at it by the Comptroller General of the United States. They then came before the Committee on Appropriations and attempted to get the committee to permit the illegal transfer of lend-lease materials to the Soviet Union, and the Committee on Appropriations, after extensive hearings of some magnitude, refused to give the permission for the shipping of these lend-lease supplies to the Soviet Union.

Mr. President, I merely wish to point out that it was not the State Department which stopped these lend-lease supplies going to the Soviet Union. It was the action in the first instance of the Committee on Appropriations of the Senate of the United States, and in the second instance, of course, of the Senate and the House of Representatives, constituting the Congress of the United States.

I wish to reiterate, I believe we should have the bipartisan foreign policy we are now following. I believe we should have an American foreign policy which is not Democratic and not Republican. Partisan politics should stop at the water's edge. However, it is going to be very difficult for the American people and the Congress to follow two different policies at the same time. It is most difficult to go forward and help the democratic nations of Europe, which are in desperate need, to rebuild their economies, help them with food and help them with materials when our own supplies are short, when at the same time we keep shipping supplies to the one nation which is a threat to their liberties and a threat to their independence.

Therefore, Mr. President, I felt it was quite in order at this time to voice the personal expression, on my own responsibility as a Member of the Senate of the United States, that I think that the State Department should begin following a consistent policy in this matter.

In conclusion, Mr. President, I merely wish to say that I recognize the urgency in the situation. I, too, believe that the sands of time are rapidly running out, and from what I have seen in Europe in the last few weeks I am firmly convinced that the peace of the world will not be saved if we follow the appeasement policy developed at Munich. If we take the road that led to and from Munich, and surrender the sovereignty and independence of small nations to international blackmailers in the same way the independence of Manchuria was surrendered to the war lords of Japan, in the way the independence of Ethiopia was surrendered to Fascist Italy, and the independence of Austria and Czechoslovakia was surrendered to Nazi Germany, the only result will be to increase the appetites of those who prey upon their weak neighbors.

If we are to save the peace of the world, I firmly believe that the United Nations, and this country as a member of the United Nations, must make it crystal clear, so that no person anywhere can ever misunderstand it, that a threat to the territorial integrity and independence of any nation, anywhere, is a threat to the territorial integrity and independence of all nations, everywhere. Lest there be any misunderstanding as to what I mean, I refer to any threat to the territorial integrity of Greece, of Turkey, or Iran, or of any other nation in Europe or elsewhere throughout the world.

Mr. President, in closing, I say that I expect to support enthusiastically the legislation presently before us, and such other legislation as may be presented for the rehabilitation of Europe and of China and of the world; but I do hope that our State Department will follow a more consistent policy.

Mr. CONNALLY obtained the floor.

Mr. BARKLEY. Will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Capehart	Flanders
Baldwin	Capper	Fulbright
Ball	Chavez	George
Barkley	Connally	Gurney
Bricker	Cooper	Hawkes
Bridges	Cordon	Hayden
Brooks	Donnell	Hickenlooper
Buck	Downey	Hill
Bushfield	Dworshak	Hoey
Butler	Ecton	Holland
Byrd	Ellender	Ives
Cain	Ferguson	Jenner
Johnson, Colo	Millikin	Stewart
Johnston, S. C.	Moore	Taft
Kem	Morse	Taylor
Kilgore	Murray	Thomas, Okla.
Knowland	Myers	Thomas, Utah
Langer	O'Conor	Thye
Lodge	O'Daniel	Tobey
Lucas	O'Mahoney	Tydings
McClellan	Overton	Umstead
McFarland	Pepper	Vandenberg
McGrath	Reed	Watkins
McKellar	Robertson, Va.	Wherry
McMahon	Russell	White
Magnuson	Saltonstall	Wiley
Malone	Smith	Williams
Martin	Sparkman	Wilson
Maybank	Stennis	Young

The PRESIDENT pro tempore. Eighty-seven Senators have answered to their names, and a quorum is present.

Mr. CONNALLY. Mr. President, World War II left its indelible stamp of ruin and devastation all over the map of Europe. In a larger measure its tragedy touched other areas in distant parts of the world. The peoples of distressed countries must be given an opportunity to rebuild their shattered economies and again to assume their governmental processes.

Europe has for centuries been one of the most advanced, progressive, and enlightened sections of the world. It has been torn and lacerated by the recent war. The nations of western Europe and the United States have shared in large measure the same political and governmental views. Notwithstanding the misfortunes and devastation of World War I, western Europe, prior to World War II enjoyed practically one-half of the world's foreign trade. It is populated by intelligent, skilled, and enterprising people. Its fortunes must be restored if the people of western Europe are to enjoy revived industry, commerce, and trade. Western Europe has been a land in which democracy and free government have served their people. These concepts have been and are now under bitter and destructive attack by powerful influences from the outside.

President Truman, in response to convincing evidence from American committees and our foreign representatives respecting the critical situation in western Europe as regards food and fuel during the coming winter, called the Congress into session to provide funds of an emergency and interim character to aid France, Italy, and Austria in the purchase of critical and necessary supplies of food and fuel during threatening days until March 31, 1948.

Mr. President, I hold in my hand clippings quoting the views of Members of the House of Representatives and other Americans traveling in Europe who are familiar with the situation in that section of the world, and who describe the need and the urgency of that need.

In the New York Times of November 14, 1947, I find a statement by Representative HERTER. I shall not read the entire statement. He was vice chairman of the committee which made a tour of Europe for the purpose of ascertaining conditions and passing upon the necessity for relief. He approves the proposal for relief, and sets forth the reasons which actuated him.

Representative TABER said that he saw no hunger; and yet he states that America must assist the war-stricken peoples to recover.

Representative DIRKSEN, prominent Republican from the State of Illinois, is loud in his demand for United States relief to the stricken areas. Representative DIRKSEN urged swift American aid to Europe.

Representative WIGGLESWORTH, a distinguished Member of the House from Massachusetts, says:

> It is clear that recuperation in western Europe is today threatened by economic and political dangers of the most serious character.

Representative SCOTT also made a favorable report.

Representative DEWEY SHORT, of Missouri, was most insistent in the demand that aid be extended to those areas.

Representative MONRONEY is of the same opinion.

The Senator from Kentucky [Mr. BARKLEY], our own minority leader, after having visited most of the countries of Europe, expressed his advocacy of relief to western Europe.

Mr. President, the objective is to relieve the peoples of these countries from suffering, from hunger and cold—to provide the most elemental and imperative needs on a temporary basis. As has already been stated, the provisions of the bill are restricted to France, Italy, and Austria.

The bill authorizes an appropriation of 597 millions of dollars, and sets up a standard of administration and supervision to safeguard the funds and to direct them to the objectives of the bill. The Committee on Foreign Relations wisely treated the pending measure as one of a temporary and interim character, and not associated with the proposals for a long-range policy known as the Marshall plan.

This separate treatment will enable the Congress to acquire experience in the handling of the funds by the recipient nations. It will produce information valuable to the Congress in its consideration of any long-range plan which may be proposed. The pending bill authorizes the President, acting through departments and agencies and independent establishments of the Government, to administer the funds authorized. The bill reveals in detail the commodities to be provided for the recipient nations, including food, seed, pesticides and fertilizers, medical supplies, fibers, coal, petroleum and petroleum products; and, when the President determines it essential to prevent economic retrogression in any of the recipient countries, spare parts and raw materials, processed or unprocessed.

The committee wisely inserted a clause in the bill that the act shall not in anywise imply any obligation on the part of the United States to give assistance to any of the countries mentioned, nor shall it imply or guarantee the availability of any specific commodities. The reason for the insertion of that clause will readily occur to Members of the Senate. We did not want to place the United States in such a position that the countries of Europe could say that we had promised them aid which, for unforeseen reasons, we could not furnish. So the Congress and the Government of the United States are left free to grant these sums or not to grant them. The United States thus reserves its freedom of action to terminate the program with reference to any recipient country or to all recipient countries. It is physically impossible for the United States to guarantee the availability of any specific commodity in any specific amount. Many commodities are now in short supply, and the hazards of winter and unforeseen events render it impossible and undesirable to make any commitment with respect to the availability of any particular amount.

In addition to the alleviation of suffering because of lack of food or from lack of fuel or the elemental necessities of life, one of the cardinal purposes of the bill is to encourage and stimulate the recipient countries to exert to the limit of their ability their own efforts to improve their economic conditions and restore their own economies. It is, therefore, provided in the bill that the President, through such agencies as he may employ, is authorized to execute with each recipient country a contract in which the recipient country assumes certain obligations and agrees to perform specific commitments. Among these are the efficient use of the commodities or foods made available in order to achieve an improved economy, to place in a special fund in the local currency of the recipient country any funds received from the sale of such commodities as may be furnished, such funds to be held for the account of the United States and disposed of in the manner directed by the United States Government, to give full and continuous publicity within such recipient country as to origin of the commodities furnished so as to inform the ultimate consumers as to the purpose, sources, character, and amounts of commodities made available by the United States.

Mr. President, it is perfectly apparent that the reason for the insertion of that language in the bill was to encourage and stimulate the recipient countries and place upon their shoulders responsibility for exerting themselves to the utmost to rebuild their shattered economies, rather than merely depending upon the largesse and charity of the United States Government.

This clause was prompted by our experience under other relief measures and under the UNRRA in which in some instances supplies furnished by the United States and other generous contributors have been represented as not coming from the United States or the UNRRA supporters, but have been employed for political purposes, actually to the detriment and injury of the United States and associated countries. It is also embodied in the contract or agreement that the recipient country shall supply the President upon request information concerning the method of distribution and use of the commodities made available and to make available to the people of their respective countries at reasonable prices the commodities it receives under the terms of the proposed act.

That, Mr. President, is designed to prevent the mishandling of the funds, to prevent their use for political purposes, and in order that the people may know the United States is furnishing the funds, that they are not furnished by some alien power.

Important is the agreement between recipient countries to make all possible efforts to secure the maximum production and distribution of locally produced supplies. It is also agreed that the recipient country shall not export or permit the removal from such country, while need therefor continues, of commodities made available to such country under this act.

It is our purpose to urge and to stimulate all these countries to produce out of their own soil, by their own industry, the products of those countries so as to contribute not only to the rebuilding of their own economy, but to reduce the drain on the funds granted.

It is also provided that the recipient country shall permit representatives of the Government of the United States to observe and report on the distribution among the people of such country with respect to the commodities transferred or otherwise made available under the act.

In other words, while we are not interfering with the internal affairs of any government, the Government of the United States should be supplied with information as to how recipient countries are administering the funds and as to how they are distributing them, in order that we may have a proper understanding of the problem.

These provisions have been adopted in order to insure the right of the Government of the United States to exert a certain supervision over the administration of the act and to guarantee that the purposes which motivate the act are essentially met by the administering authority.

The power of the President to terminate the operation of the act is preserved. Whenever he may determine that a recipient country is not administering according to the terms of its agreement or whenever he finds by reason of changed conditions that the provision of assistance is no longer necessary or desirable, he may terminate operations under the act as related to that country.

Section 10 of the act provides that the responsibility for administering in Europe the program of assistance provided for may be vested in the field administrator of the United States foreign relief program, pursuant to section 4 of the act of May 31, 1947, providing for relief to the devastated areas. However, it is provided that such field administrator must perform his duties under the direction of the President of the United States. The objective and the policies embodied in the bill are a vital and integral part of the foreign policy of the United States. It is therefore appropriate that the President, who, under the Constitution, is charged with the conduct of our foreign relations, and his Secretary of State, should have authority for the administration of the act.

One objective of the United States is to relieve the distress in the recipient nations caused by the shortage of food and fuel supplies and the danger to human life and activity. Another objective is to aid people of the recipient countries to manage their own affairs, to rebuild their own economies, and to control their own governmental activities. Another objective is to stimulate the responsibility of the respective nations. Those who do not endeavor to help themselves must not expect our help. They must realize that their destiny is in their own hands. They must acknowledge that their fortune is of their own making. The United States is willing to aid, but it has no desire whatever to intervene in the domestic affairs of any recipient nation. It has no purpose to control their economy or their government. These things are wholly within the determination of the respective recipient countries. We would not have it otherwise. We want them to stand upon their own feet, to look the world in the face and with dignity to demonstrate their own independence and their own innate power to make and administer their own institutions.

We are aware that the Soviet Union and some of the nations of eastern Europe known as the satellite states are bitterly and vigorously resisting the acceptance by the recipient countries of aid from the United States. This is a curious phenomenon. Nations that are unwilling themselves to join in furnishing aid to those in need, object and restrict any effort by the United States to alleviate human suffering and to give strength and encouragement to those who face the danger of suffering and despair for the lack of the vital necessities of life.

It is quite a curious thing that any nation, any people, should strike the crust from the hands of a hungry man. Why the resistance by the Soviet Union and its satellite states to the acceptance by the recipient countries of the aid furnished at a great cost to ourselves in the denial and sacrifices of our own people which it entails? Why should they object? Why should they be concerned? Is it because they hope that in the confusion and chaos and suffering and uncertainty that accompany physical distress, hunger and hardship the political purposes and the ideological concepts of communism may seize upon the imagination of the distressed and suffering.

The world has noted within recent weeks disturbances fomented by Communists in a number of countries of Europe for political and ideological reasons. We have seen how the Government of Italy has been attacked by widespread strikes. Even now the Republic of France is in the throes of a political crisis, and under the influence and leadership of the Communists in France widespread strikes are taking place and open threats are being made against the life of the French Government. In France, for which country we have sacrificed, which we have defended in two world wars, and into which we have poured millions of dollars for relief purposes, we hear denunciations of the United States, of our people, and of our purposes. Those denunciations come from the Communist leaders, and are, of course entirely baseless, and without foundation.

It is difficult to understand how any people who claim to have an attachment to human rights and the welfare of mankind can oppose the granting of aid to the hungry and the suffering. The United States entertains no selfish purpose in its course. It does not desire to exert any control or influence over the recipient nations. It does hope that the recipient nations may be allowed to pursue their own course and to choose their own way of life. It does not believe that they should be compelled under the pressure of physical suffering, under the punishments of a political knout to adopt a political system alien to their traditions and opposed to their concepts of liberty, freedom, and constitutional government.

The fate that may befall countries coming under the influence or domination of Russia ought to be known of all men. In Bulgaria, Petkov, an independent democratic leader of that nation, who had held high and responsible positions, forfeited his life because he opposed the policies of a totalitarian government.

In Hungary, Nagy, Premier, fled to the United States in fear of his life. In Poland, Mikolajczyk, formerly holding honorable and high positions in the government, fled before the terror of communism. In Rumania, Maniu, a former Premier, languishes in a prison cell. Totalitarian tyranny has terrors which even Siberia did not hold under the Czars.

Let the nations of Europe beware. The hug of the bear is not a gesture of affection. It is the treacherous and deadly embrace to democracy and free peoples.

Russia almost daily denounces and abuses the United States with bitter and baseless invective. It assails the United States as being an imperialistic power. It charges us with seeking even in our charitable efforts embodied in this measure to have sinister designs upon the countries of western Europe.

Mr. President, the United States has claimed no reparations from any nation as a result of the recent war, whereas the Soviet Government has laid a heavy hand upon every defeated nation, and in the conferences on the peace treaties has demanded exorbitant reparations. The United States has claimed no territory, whereas Russia has had added to her realm thousands of square miles of territory and there have been brought under her yoke millions of people who formerly inhabited other lands.

Whatever indirect result the bill may have is in behalf of the freedom of western Europe and in defensive resistance to aggression that would reduce western Europe to vassalage and political slavery.

International harmony and good will are the desires of most of the nations of the earth. We fought to embody these principles in the United Nations organization. Russia, however, has impeded, delayed, and hindered the work of the United Nations, seeming to prefer friction and chaos in the relations of the peoples of the earth.

Yesterday the Council of Foreign Ministers met in London to consider peace treaties with Germany and Austria. More than 2 years have elapsed since the termination of combat, with no treaty with either of these countries.

Mr. President, I recall distinctly that in the Council of Foreign Ministers meeting in Paris, Secretary of State Byrnes repeatedly before the Council pressed for the consideration of peace treaties with Austria and with Germany; but the Soviets of Russia, under the lead of Mr. Molotov, always found some pretext for delay, some reason for postponement, and refused to agree upon fixing any definite time to take up those questions, and refused to incorporate them in the agenda. So, from that time to this, chaos, uncertainty, and distress have prevailed in Austria and in Germany. It seems to be the Russian thought that if they can cause delay, confusion will be increased, people will become troubled with misunderstanding, and will embrace any promise of a different ideological nature and character; that, because of the failure to write peace treaties and the failure to agree to the restoration of their own individual and nationalistic desires, they may turn to communism.

The economy of Germany must be restored, if Europe is to have a healthy economic future. Germany is the heart of European industry. It is inhabited by a skillful, industrious, and intelligent people. Of course, its war potential must be destroyed. The Allied nations must see to it that Germany is never again able to lift a hostile sword. But this does not mean that Germany should not be rehabilitated as a mighty workshop. Delay on the Austrian and Germany treaties has made it possible for foreign influences to infiltrate Germany and Austria, and seek to implant in the hearts of the people support of an alien concept of government, and to embrace the doctrines of communism. That condition exists now, and has been present since the termination of hostilities.

This infiltration of foreign influences is an approach which seeks to absorb not alone their resources, but the sympathies of their peoples. If the Council of Foreign Ministers cannot bring about peace treaties with Germany and Austria, eventually the other great powers must conclude treaties with Austria and Germany without Russia, in order to restore peace and to determine the status of the former enemy states. Technically, we are still at war. These countries cannot be expected to go on living in a state of war. We cannot be expected to continue the relationship of victor and vanquished. If Europe is to live, if the peoples of these countries are to survive, if the peace of the world itself is to be preserved, Germany and Austria must have peace treaties determining their fate and future.

Mr. President, it will be recalled that in both World War I and World War II—we participated unwillingly, doing so under provocations—originated in Europe. Today there are in Europe spots which

have within them the possibilities of a future war. Anything that we may do to establish conditions which will promise peace in Europe will mean peace to us and to the rest of the world.

The United States not only wants the people of the recipient countries to receive material benefits which may preserve their physical bodies, but it desires that their intellects and their character may likewise be preserved and stimulated and strengthened so that they may lead their own lives, free from the dictates of force and extortion.

Western Europe must be able to think and to determine its own course. The United States makes no effort to coerce or to persuade any recipient country as to the form of its government or its political institutions. We do, however, believe that the peoples of western Europe are entitled to decide such questions without the pressure of hunger and suffering from cold. They must do it also without pressure from alien influences backed by a threat of armed force.

Should the nations of western Europe be plunged into the misery and suffering which continued lack of food and fuel may entail, they may be swept by despair into the morass of communism and anarchy. The freedom and the stability of Europe are necessary to the freedom and stability of the world. We cannot ignore them. We cannot close our eyes to their miseries. Western Europe must not be turned back centuries into tyranny and totalitarianism. The rule of the Czars must not be resurrected, even though it may wear a different cloak and speak another tongue. The freedom of western Europe was purchased by peoples who were fighting their way toward the light. They must not be hurled back into the midnight darkness of a police state. Pressed as they are by Communist threats within and without, they must not succumb to strangulation by the evil forces that assail them.

Mr. President, there are among our people those who propound many questions regarding the particular measure we are considering at this time. There are those who ask, "Why should we do this for western Europe?" Whether we wish it or not, destiny has laid its hand upon us. We are today the most powerful Nation on earth, both economically and militarily. As a world leader, whether we like it or not, we cannot shun the responsibilities that go with tremendous power and prestige. We must justify the confidence and trust of the war-torn world. We cannot with indifference view the collapse or distress of some of the fairest regions of Europe. We cannot witness the destruction of democracy and the substitution of cruel and savage communism in those areas of the world. Their freedom was purchased by bitter sacrifices through the years. Wherever tyranny attacks freedom, our hearts must be on the side of liberty. The United States has fought two wars to defend the liberty and the independence of European nations and peoples. Shall we surrender such leadership? Shall we abandon such a high purpose and such a lofty motive? Today we are called upon—not to lay down our lives, not to take up arms—but out of generous hearts to extend food and fuel to keep alive threatened nations and threatened democracy.

Mr. President, the United States is looked upon by the other nations of the earth as the greatest and most powerful nation on the globe. In this period when the world is in turmoil, when many of the nations are without leadership; when they find no directions along the crossroads as to where they shall go and as to what they shall do, there must be asserted by some power a spirit of leadership that will direct them along the righteous pathways of democracy and peace.

Men in distant parts of the earth look to the United States as the symbol of liberty. They look to it and love it and venerate it as the land of justice and democracy.

They look to it with longing eyes and hungering hearts. They look to it as a redeemer and liberator who will break the chains of slavery from their festering limbs. For the sake of the world, for the sake of mankind, and for our own sakes, we cannot, we dare not, we must not, surrender the noble leadership that points the way to freedom and democracy for mankind.

Mr. VANDENBERG. Mr. President, in the course of yesterday's debate I agreed to acquire certain specific information that was sought from me, and I should like to start to respond to that obligation. The first thing I want to deal with is the question submitted by the able Senator from Colorado, along with the able Senator from Nebraska.

The Senator from Colorado will recall that he was asking for a typical case of the handling of a typical commodity like wheat, in a typical relief area like Italy, to see what happened to assure its ultimate arrival at the objective to which our effort is dedicated.

This statement describes officially the precise process that is followed in connection with the question raised by the Senator from Colorado. It is a statement respecting the receipt and distribution of United States relief supplies in Italy.

Both the Italian Government and the United States Relief Mission in Rome are advised in advance of the sailing and probable arrival dates of all ships carrying United States relief supplies.

Pursuant to the Senator's request, we are starting right at the American shore and following straight through.

The Central Shipping Coordinating Committee of the Italian Government with the participation of a representative of the United States Relief Mission then determines the port at which the cargo is to unload and notifies the ship's master. The several ministeries of the Italian Government with the United States Relief Mission participating then work out the distribution plans for each cargo. The cargo is unloaded into rail cars or trucks and transported to a regional internal distribution point which has been agreed upon by the Italian Government and the American mission. From this point the distribution is handled in various ways, depending upon the commodity involved.

FOODSTUFFS

Let us discuss foodstuffs particularly, because that is what the Senator from Colorado had in mind.

The High Commissioner of Food, who is an Italian officer, allocates all imported food supplies, but a representative of the United States Relief Mission participates in the allocation program. This commodity has now reached the port, has been distributed internally in Italy, and is ready for ultimate disposal. Distribution and handling is through an agency of the Government, which is an Italian federation of agrarian activities, an arm of the Italian Government. It is called the Federazione Italiana dei Consorzi Agrari. This organization has branches in each province and commune and maintains a staff of regional inspectors and statistical officers who supervise the distribution of the foodstuffs on the basic ration list. United States observers are in constant touch with the local offices of this organization.

We are now getting down to the final point where the real activity begins. We are approaching the mouth of the ultimate consumer, in whom the Senator from Colorado is particularly interested. It is a new portal-to-portal inquiry upon which the Senator has embarked me.

Upon its arrival at the basic distribution points grain is allocated to the various millers who, after grinding the grain, transmit the flour to bakeries under the approved distribution program. Bakeries then distribute bread to retail stores. The bread is sold to the consumers at the retail levels at prices agreed to between the United States mission and the Italian Government. Grain and other foodstuffs are sold to ration card holders and in quantities and at prices approved by United States representatives. Some foodstuffs are distributed free to indigents through relief agencies and institutions in accordance with agreements between us and the Italian Government.

Bread, flour, pasta, rice, sugar, and fats are subject to national rationing. United States supplies are mixed with locally collected supplies at mills and warehouses and both are distributed in the same manner as indicated above.

The Italian Government requires compulsory collection and Nation-wide control of breadgrains, rice, olive oil, animal fats, and sugar beets. Meats, cheese, potatoes, fruits, and vegetables are not subject to compulsory collection or to rationing.

The distribution of relief supplies, at all these stages, including the sale to the ultimate consumer under the rationing system, is subjected to continuous check by United States observers, to determine as far as possible that the commodities are reaching the Italian people in accordance with the terms of the relief bill and the agreement between the two governments.

I think that covers the general process and answers the Senator's question. I have additional information dealing with

the distribution of coal, medical supplies, and so forth, but I do not believe it is necessary to burden the RECORD with the detail, unless the able Senator from Colorado has a further inquiry he would like to submit.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. MILLIKIN. I am very grateful for that information, because it follows out the distributive process with the meticulousness that I wanted, at least for my own satisfaction. I am particularly heartened to know that representatives of this Government will be following the distribution of the foods from arrival at port to the ultimate consumer. I am correct in that; am I?

Mr. VANDENBERG. Entirely so.

Mr. MILLIKIN. There is one angle that was developed that is still of interest to me. I notice the plan comprehends that those who receive the supplies shall pay for them. There was reference to an arrangement regarding indigent people. It seems to me that is a very important part of the plan, which perhaps should be focused a little more sharply. Such people certainly are the people to whom we want to get the food.

Mr. VANDENBERG. Among others.

Mr. MILLIKIN. We want to get it to everyone, but people with a lot of money can eat, as they are doing now; they can patronize the black market. I think we should focus a little more sharply what we are going to do about indigent people.

Mr. VANDENBERG. I interrupted the Senator only to take his priority off the indigent. I think the great middle class are the chief victims of the situations such as we confront over there and over here.

Mr. MILLIKIN. Am I not correct in saying that we want to get food to everyone who needs it and cannot get it otherwise?

Mr. VANDENBERG. That is correct.

Mr. MILLIKIN. Rich or poor; middle class, low class, or upper class?

Mr. VANDENBERG. That is correct.

Mr. MILLIKIN. Under the purchase plan, I think it should be emphasized that all the people of Italy who have money, who are able to buy, regardless of their political beliefs, will be in position to buy the food. Is that correct?

Mr. VANDENBERG. That is correct.

Mr. MILLIKIN. There will be no attempt to distribute the food according to political beliefs. Is that correct?

Mr. VANDENBERG. On the contrary, the requirement is exactly otherwise.

Mr. MILLIKIN. I think that is a very important part of the plan.

Mr. VANDENBERG. May I ask the Senator if I have obtained the information he sought?

Mr. MILLIKIN. The Senator has obtained precisely the information I wanted, and if our American observers are alert, and if we pace our shipments so that we do not put everything out of our own control at once, we shall have the opportunity to protect ourselves, I believe.

Mr. VANDENBERG. I thank the Senator.

Mr. MILLIKIN. May I explore that point a little more?

Mr. VANDENBERG. Yes.

Mr. MILLIKIN. I assume that as a practical matter we would not in one grand parade of ships put all the stuff out of our exclusive control all at once. In other words, I am assuming that as prudent and reasonably cautious suppliers we would keep enough back so that if this thing commences to fail we can control the remaining part of the supplies.

Mr. VANDENBERG. I think there is no doubt about that. I should like to add one comment at that point, because I think it has a rather colorful impact on the whole concept. The chief administrator of the entire relief set-up, Mr. Allen, who is continued in his responsibility under the terms of the proposed legislation, I should like to tell the Senator from Colorado, has a long-time background of experience as a high administrator of international Red Cross relief. I think the very identification of that fact, the fact that his substantial background is the background of a highly experienced international Red Cross administrator, will put an added degree of confidence in the Senator's mind.

Mr. MILLIKIN. Will the Senator yield?

Mr. VANDENBERG. Yes.

Mr. MILLIKIN. What staff has that gentleman in Italy, for example?

Mr. VANDENBERG. I cannot tell the Senator what staff he has in Italy. He is the over-all administrator, under the existing relief act, for the areas involved, which are Italy, Austria, and Trieste, and he in turn has a United States mission in each of the areas which are under his general control. These missions, in turn, have organized the staffs that operate the inspections and the controls and the restraints which I have previously identified in detail.

Mr. MILLIKIN. Has that gentleman been consulted specifically as to whether he considers his staff adequate for the performance of the duties imposed upon him by the bill?

Mr. VANDENBERG. I can only answer that in reverse—that I know of no complaints along the line indicated. I am advised by our own chief of staff of our Senate committee that Administrator Allen says he can easily accommodate himself to this expanded responsibility with substantially his existing staff, with the single exception that he will have to create a new mission for France, which is not now within his jurisdiction.

Mr. MILLIKIN. Mr. President, will the Senator again yield?

Mr. VANDENBERG. I yield.

Mr. MILLIKIN. May I assume that the other plans for the treatment of other relief articles will be put into the RECORD by the Senator?

Mr. VANDENBERG. Yes; I shall be glad to put the remainder of the memorandum in the RECORD.

Mr. President, I ask unanimous consent that the remainder of the memorandum from which I have just read be printed in the RECORD at this point.

The PRESIDING OFFICER (Mr. SMITH in the chair). Is there objection?

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

COAL

In the case of coal, there is a monthly allocation by an agency established by the Italian Government. A member of the United States relief mission participates in the monthly allocation meetings. Coal for railways is turned over to the railways at ports. Coal allocated to gas works and industrial firms is distributed through commercial channels under the approved allocation plan.

MEDICAL SUPPLIES

An Italian organization called SAICEF handles the distribution of medical supplies. In this case also the allocation of the supplies is agreed to by the United States mission. The distribution to the ultimate consumer is made principally through the hospitals and clinics. In the case of particularly valuable medicaments, such as streptomycin and penicillin, SAICEF arranges for special guards and other security measures.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. JOHNSON of Colorado. If I may interpose a question into this interesting colloquy between my colleague and the Senator from Michigan, I should like to know what becomes of that money. The Senator says that these relief goods in some instances are sold in the regular markets. What becomes of the money that is received for these goods?

Mr. VANDENBERG. Under the terms of the existing post-UNRRA Relief Act and under the terms of the pending bill all of these commodities are paid for in local currency by the recipient government, which is put into a trust fund, the fund being under the joint control and disposition of the Government of the United States and the government of the recipient country for such expenditure as they may agree upon, and any unencumbered balance at the end of the enterprise is to be similarly disposed of, with the approval of Congress.

Mr. JOHNSON of Colorado. Has Congress ever approved the disposition of any such fund?

Mr. VANDENBERG. We have never confronted the opportunity as yet.

Mr. JOHNSON of Colorado. This is a new arrangement?

Mr. VANDENBERG. Yes; which started June 30.

Mr. JOHNSON of Colorado. Which started June 30, 1947.

Mr. VANDENBERG. And I want to come now immediately, if I may, to that point, because I wish to offer an amendment.

Mr. President, I wish to submit an amendment which is in a sense a clarifying amendment. It deals, however, with a point in which the Senator from Missouri [Mr. DONNELL] was very much interested yesterday, and it deals with a point in which I am very much interested fundamentally in connection with the philosophy of the bill. It also has something to do with the questions just submitted to me by the senior Senator from Colorado.

When this device of requiring the payment by the beneficiary country in local currency for the relief commodities was initiated in the post-UNRRA relief bill, it was confined to such supplies as were resold by the recipient government. It was thought in connection with the pending bill that it would be a step forward if that process were applied to all commodities received by the recipient government whether resold or not, inasmuch as we are very anxious to keep this relief from being any sort of a budgetary windfall in the recipient countries.

As submitted originally by the State Department and as recommended originally by the Department, the pending proposal broadened itself as I have indicated—not only broadened itself in respect to a requirement that all commodities must be paid for in local currency, but also broadened the terms of the agreement which our Government and the beneficiary government could make in respect to the use of the funds. I wonder if I have made myself clear.

The original plan in the post-UNRRA relief program only required the deposit of local currency for goods resold by the beneficiary country, and the resulting trust fund, under the terms of the post-UNRRA Act, could be used by the beneficiary government and the United States Government for only certain limited purposes. The proposal sent down to the State Department, which the committee thought it was approving, because nothing to the contrary was brought to its attention, broadened that concept to the point where local currency must be provided against all commodities received, which I think is a very great step in advance, and covers the point raised yesterday by the able Senator from Missouri [Mr. DONNELL], and also broadens the area in which the joint trusteeship can ultimately expend these trusteed funds.

The clerical error arises because in the committee we wanted to add to the language proposed by the State Department an additional provision from the old bill requiring the consent of Congress to the ultimate disposition of any unencumbered balances at the end of the adventure. In picking up the latter language the draftsmanship picked up all of the old concept and omitted the new, and it is simply to bring the text back to the basis upon which the committee thought it was acting—and I am sure there is no controversy about it—that I offer the following amendment. I ask that the bill be perfected on page 4, line 11, by striking out lines 11 through 23 to and including (c), and substituting the following language:

(b) To make, when any commodity is made available under this act, a commensurate deposit in the currency of such country in a special account under such terms and conditions as may be agreed to between such country and the Government of the United States, and to hold or use such special account only for such purposes as may be agreed to between such country and the Government of the United States.

Then at that point we pick up the additional language which requires the consent of Congress to the disposition of the unencumbered balance at the end of the enterprise.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from Colorado.

Mr. MILLIKIN. I believe it would be useful if we had a little more information as to the ultimate purpose and disposition of that fund. Will any part of it come back to us, or is it intended that it shall be spent in Italy for other aid purposes? What is the thinking so far as the ultimate purpose of the fund is concerned?

Mr. VANDENBERG. Of course we are dealing with a novelty in connection with this enterprise. The original thought behind the idea was that we could thus turn our relief virtually into a revolving fund as a result of which we could substantially multiply, without increased cost, the beneficial advantages by way of relief and work-relief which were particularly identified in the original act. Now, in addition, there is thought being given, for example, to the idea that this fund might be available for expenditure in local currencies for the furtherance of the public information program in connection with these relief enterprises.

There is the question whether American expenditures in the beneficiary countries in other directions could be covered by agreement with the beneficiary countries. It is particularly and specifically anticipated that the local currencies can be used to pay the administrative cost of the American supervision. Beyond that, I can be nothing except vague in connection with the proposition. It is a very great step forward, in my view, to offset the enormous relief shipments by a deposit in local currency which creates a protection against the use of our beneficence as an escape from budgetary responsibilities at home.

Mr. MILLIKIN. That results from prior experience on the same subject, does it not?

Mr. VANDENBERG. Precisely. This is one of the reasons why I say that we are learning from our old mistakes, and that we are making headway.

Mr. MILLIKIN. Am I correct in thinking that, whatever use is made of that trust fund, it will have to be with the consent of Congress?

Mr. VANDENBERG. No. Whatever is done with any unencumbered balance at the end of the term—which in this instance is March 31, 1948—will have to have the consent of Congress. Prior thereto the arrangement rests upon an agreement between the American Government and the beneficiary government.

Mr. MILLIKIN. It occurs to me that the fund might be used for purposes which might not have met the approval of Congress had Congress had any voice in the matter. Let me put it this way: Does the Senator believe that, as a practical matter, any such questions will arise before March 31, 1948?

Mr. VANDENBERG. Of course, under the existing relief act, in which there is partially a similar provision, the termination date is June 30, 1948.

Mr. MILLIKIN. Frankly, what is in my mind is this: I can see that this fund might be used for political purposes of which the Congress might not approve. Do I have an unnecessary alarm in that connection, or should there be some tightening of the provision?

Mr. VANDENBERG. I think the Senator has an unnecessary alarm, because if we cannot trust the judgment of our own Government to be judicious in respect to its responsibility at this point, I am afraid there is no point at which we could trust it. Furthermore, this is a highly experimental enterprise in respect to the new concept of depositing local currencies. I do not think anyone can be dogmatic in a statement as to how it will work out, or how it ought to work out, so long as the proceeds are dedicated to the recuperation, recovery, and relief which are specified as the objective of the act itself. I think it would be impossible to go into any detail. I am sure it would be wholly impracticable to try to inject the Congress into a 90-day experiment of that character. I think that whatever education we get in this field in the next 90 days will be worth whatever it costs; and my personal anticipation is that this provision can be used to the everlasting advantage of the general objective to which we are addressing ourselves.

Mr. MILLIKIN. I am not oblivious of the fact that by the end of the 90 days, assuming the plan has been completely executed, there will be $600,000,000 in the revolving fund.

Mr. VANDENBERG. Yes, indeed.

Mr. MILLIKIN. That is not "hay" in any man's language.

Mr. VANDENBERG. No, indeed.

Mr. MILLIKIN. It is not customary for the Congress to turn $600,000,000 loose without any direction as to its expenditure.

Mr. VANDENBERG. Let me reorient the Senator's point of view. The very fact that the deposit of local currency will be so large—it will probably be the largest single deposit in the country—makes it of fundamental and primary importance to the beneficiary government or country itself, because at that point a control of the fund, if misused, could virtually wreck the economy, or certainly the fiscal system of the country.

This fund is not accumulated on the theory that it is pay to us for anything. That is not the theory. It is accumulated on the theory that we want to protect the bona fides of the transaction by requiring this local indication of cooperation. But it is definitely and specifically done for the good of the beneficiary country, and in keeping with the objectives which are sought to be served by the legislation under which the transaction occurs.

Mr. MILLIKIN. Then the purposes may be controlled, prior to the date which the Senator has mentioned, between the executive department of the United States and the foreign government.

Mr. VANDENBERG. That is correct.

Mr. MILLIKIN. After that, by the Congress and the foreign government. Is that correct?

Mr. VANDENBERG. That is correct.

Mr. MILLIKIN. I have been informed that in connection with the Greek and Turkish loans, the late and unlamented Luckman program was paid for out of those funds. Is that correct?

Mr. VANDENBERG. I have no information on the subject.

Mr. MILLIKIN. I wonder if we could find out.

Mr. VANDENBERG. I have no basis for an opinion. I should be amazed if the relief funds to which the Senator refers had been used for that purpose.

Mr. MILLIKIN. I wonder if the Senator will be good enough to ask his staff to inquire into that question.

Mr. VANDENBERG. I shall be very glad to do so.

Mr. MILLIKIN. Let me ask one further question, and then I shall subside.

Will there be any provisions—there obviously are none in the bill—in the agreements between this country and the beneficiary countries respecting the rates of exchange which will control the purchase of the goods by the ultimate beneficiaries?

Mr. VANDENBERG. I do not believe I follow the Senator.

Mr. MILLIKIN. For example, in Italy there are three rates of exchange, or perhaps four. Does a citizen of Italy who wants to buy some flour pay the official rate, or is there leeway to establish other rates?

Mr. VANDENBERG. I believe that everything is a matter of the fundamental agreement which is made between this country and the beneficiary country; and I think the situation is completely in our own control in writing the ticket.

Mr. MILLIKIN. I thank the Senator.

Mr. VANDENBERG. Regardless of how one might feel about the process of using this device for local currency, I am sure everyone would agree that it ought to proceed under this broader authority rather than under limited authority; and for that reason I hope the amendment will be adopted.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. DONNELL. I should like to ask the Senator from Michigan a few questions in regard to the revolving fund. I preface my inquiry by stating that yesterday the Senator said:

> Thus our aid does not become a windfall to release the budget of those countries from the impact of these expenditures.

I judge, therefore, that he considers the question of a revolving fund as of very real importance in the proposed legislation.

The first question which I should like to ask the Senator in regard to the amendment which he submitted a few moments ago is whether he would be agreeable to the insertion of certain language in the amendment. If he will refer to the language of the amendment, I believe that by a visual inspection of it he may get my point better than I could state it.

I inquire whether the Senator would have any objection to inserting in the amendment, following the words "terms and conditions as may", the words "in said agreement"; also, further down in the amendment, after the words "only for such purposes as may", to insert "in said agreement", so that the amendment would read:

> (b) to make, when any commodity is made available under this act, a commensurate deposit in the currency of such country in a special account under such terms and conditions as may in said agreement be agreed to between such country and the Government of the United States, and to hold or use such special account only for such purposes as may in said agreement be agreed to between such country and the Government of the United States.

The reason for my inquiry is this: I believe, as the amendment has been presented, that it is subject to an ambiguity, in that the agreement which is referred to therein in the language "as may be agreed to" in two places may be an agreement not made before the rendition of the aid but an agreement to be subsequently made between the recipient country and the United States. I think the value of the revolving-fund provision is largely lost if the agreement to which reference is made is one which is to be made in the future, after the money has been paid over or the food has been delivered to the recipient country. Of course, if it were that agreement which would determine the uses to which the fund would be put, it might well be that a difference between the recipient country and our country would prevent any such agreement being made. Therefore, by the language which I have suggested be inserted, I am referring back to the agreement referred to in line 2, on page 4, which is an agreement entered into prior to the rendition of the aid.

I may say further, in support of my suggestion, that yesterday the Senator, in response to the question with reference to the language in lines 19 and 20, on page 4, "as may be agreed to between such country and the Government of the United States," expressed the view that the purpose of that language was to refer to the agreement made prior to the rendition of the aid. So I ask him if he will consent to the insertion in the proposed amendment of the words "in said agreement" in the two places indicated.

Mr. VANDENBERG. I will say to the Senator that I think, upon reflection, he will discover that his last suggestion is probably entirely impractical. The agreement here referred to in respect to the disposition of the trust fund is not the agreement which is initially made, preceding any relief aid itself. The initial agreement which is made before any aid is rendered must include an agreement to proceed with the local currency device; but the agreement as to the ultimate use of the trust fund must involve a continuing opportunity to use the fund for such objectives as may seem to develop usefully in respect to the continuing effort to reach the objectives of the act.

Mr. DONNELL. Will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. DONNELL. I think, if the view of the Senator be correct, that the language in the bill as it was authorized, and as it is still authorized before this amendment shall be adopted, is subject to the same objection, because we were assured yesterday by the Senator that the language in lines 19 to 21, "only for such purposes as may be agreed to between such country and the Government of the United States", refers to an agreement made prior to the rendition of the aid. If we are to have only a revolving fund which has any certainty about it, it is very important that the agreement be made before the aid be rendered, rather than to be dependent on a subsequent agreement made between the United States and the recipient country.

Mr. VANDENBERG. How can the Senator anticipate what the revolving fund is to be used for before the contingency arises to which the revolving fund is to address itself?

Mr. DONNELL. I think that certainly our Government and the recipient government could agree as to the general purposes. There may be specific instances or specific persons or subsidiary purposes that do not have to be comprehended by general language. Yesterday the Senator assured us that this language did refer to the agreement made before the rendition of the aid, and I think it is very important that it should.

Mr. VANDENBERG. I do not know what the Senator is reading from. I had some difficulty with the Senator's questions yesterday, as he will recall. If I answered the question as indicated I was answering on the theory that the question asked me was as to whether the original agreement did not have to cover the creation of the local currency device. That is what I thought we were talking about. But I also call the Senator's attention to the fact that I told him yesterday I would offer an amendment on the subject to help clarify the whole affair.

Mr. DONNELL. I realize that the Senator did so. I certainly had the understanding which I have indicated; and I quote from page 10721 of the RECORD, as follows:

> Mr. DONNELL. I shall examine the amendment with much interest. I thank the Senator for his courtesy.
>
> Now let me ask this further question. On lines 19 and 20 of page 4 there is a reference to the use of the revolving fund. I quote:
>
> "Only for such purposes as may be agreed to between such country and the Government of the United States."
>
> I should like to have the Senator's interpretation as to whether the agrement that is mentioned in what I just read, from lines 19 to 21, is to be a part of the agreement entered into prior to the furnishing of the supplies, or whether it is some future agreement which is to be entered into between the recipient country and the United States.
>
> Mr. VANDENBERG. It is an agreement preceding any operations under the contract or the act.
>
> It would seem to me——

Mr. VANDENBERG. I misunderstood the Senator as to which agreement he was talking about.

Mr. DONNELL. I understand, then, that the Senator would not be willing to accept the suggestion made by me a few moments ago?

Mr. VANDENBERG. No; I think it would be impracticable, in the fashion indicated by the Senator. I see the point

the Senator is making, and I should be quite willing to have the language indicate that the purposes referred to in the new amendment are the purposes within the jurisdiction of the objectives set forth in the bill.

Mr. DONNELL. Would the Senator care to phrase it at the moment, or would he like to phrase it more deliberately?

Mr. VANDENBERG. I should prefer to phrase it more deliberately. I am anxious to get this particular amendment behind us, because it will clear the track with respect to other amendments pending, such as the amendments submitted by the Senator from Illinois. If we can get this general concept back where the committee thought it was, I think the track will be cleared.

Would the Senator suggest what language would be agreeable to him?

Mr. DONNELL. The language I would prefer is the language I have suggested, but I understand the Senator does not agree with that.

Mr. VANDENBERG. Try a new one.

Mr. DONNELL. I do not understand that I have thoroughly in mind what the Senator would be willing to accept. If the Senator would be kind enough to phrase the language, I should like to have the benefit of his judgment upon it.

Mr. VANDENBERG. Suppose the language read in this way—I am only thinking aloud now:

Only for such general purposes as outlined in section 2 of this act as may be agreed to between such country and the Government of the United States.

In other words, the purposes would be tied down squarely to the purposes of the act.

Mr. DONNELL. I realize that the Senator is working under some disadvantage in phrasing it, but I should like to have the language as it finally would be. I think it is very important and is an assurance against this fund becoming a windfall to the recipient government.

Mr. VANDENBERG. Yes. I was under the impression that I was moving in the direction desired by the Senator from Missouri. I seem to have met myself coming back in that journey.

Is the Senator asking me to repeat what I said?

Mr. DONNELL. I should like to have the wording as it would appear, as the Senator has suggested.

Mr. VANDENBERG. I am suggesting that in line 6 of the amendment the language read as follows:

And to hold or use such special account only for such purposes as are defined in section 2 of this act and as may be agreed to between such country and the Government of the United States.

Mr. DONNELL. Would the Senator be willing to pass the matter over until I can study it more carefully?

Mr. VANDENBERG. I shall be glad to withdraw the amendment.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield the floor.

Mr. WHITE. Yesterday afternoon the Senator from Michigan indicated immediate disapproval of an amendment which would provide that any definite proportion of American ships should be employed in the carriage of these goods. I do not at all want by my statement of yesterday to indicate that I am fully satisfied with the language of section 3. It raises a very definite question in my mind. It reads as follows:

The President, acting through such departments, agencies, or independent establishments of the Government as he shall direct—

Those are all governmental agencies—

shall—

And then it goes down to (b)—

transport and store—

And so forth. That might, it seems to me, by some far stretch, be construed as giving to the Government the sole opportunity and the sole responsibility for the transport of the food that is going to Europe. I specifically wanted to know whether any such purpose as an exclusive Government grant or a Government obligation was imposed by this language. It has been my thought that we are definitely espousing the cause of the private ownership and operation of our merchant marine, and that the Government ought to make the largest use practicable of the private enterprises of the United States in this task.

What I should like to hear from the Senator from Michigan, if his conscience will permit him to say it, is that section 3 does not grant an exclusive Government monopoly at all, but that we still stand for and still favor the largest practicable use of private shipping enterprises in the meeting of this problem.

Mr. VANDENBERG. It is not my conscience that bothers me in answering these questions; it is the fact that we are dealing with certain imponderables which require a degree of elasticity for the future if we are to meet the objectives of the proposed act. Let me say this with respect to the particular question which the Senator asks. I think this inquiry was initiated in the first place by a very distinguished Member of the House of Representatives, Representative BLAND, of Virginia, who has a long-established interest in this subject, as has also the Senator from Maine.

In correspondence Representative BLAND has said to me that he understands why it would be undesirable to attempt by specific definition to hamstring the freedom of the Government during the next 90 emergency days in finding transport facilities for these emergency supplies; and he has said that from his point of view he would be completely satisfied if the chairman of the committee were to state on the floor of the Senate, as the chairman did twice on yesterday, that it is his judgment that insofar as it is possible to use the existing private merchant marine of the United States it will be expected that that facility will be the one upon which the Government primarily relies and upon which it exclusively relies, insofar as it can, for the delivery of these supplies, always reserving the fact, however, that we are dealing with an emergency, that food is available here and that the necessity is yawning in the foreign countries, and we have to take whatever facility happens to be immediately available.

Mr. WHITE. Mr. President, I am in complete concurrence with what the Senator has just said. I should not want to limit the Government to the use of privately-operated ships, but by the same token I did not want the language in the bill to be understood as conferring a governmental monopoly.

Mr. VANDENBERG. The Senator is satisfied with the statement I made?

Mr. WHITE. Yes.

Mr. VANDENBERG. It refers to freight forwarders as well as to merchant ships.

Mr. BARKLEY. Mr. President, I agree with the Senator from Michigan in regard to his interpretation of the language in subsection (b), but if anybody still has any doubt about it, it can be cleared up by having the language read:

transport or cause to be transported and stored.

Mr. VANDENBERG. I say to the Senator from Kentucky that I think the situation is in satisfactory form, in the light of the statement I have made.

Mr. BARKLEY. I agree with that interpretation; I think so, too. But I was anxious to clear up any doubt about it in anyone's mind, and I think the statement of the Senator does that.

Mr. WHITE. Mr. President, I repeat that, so far as I am concerned, I am entirely satisfied with the statement of the Senator from Michigan.

Mr. VANDENBERG. I thank the Senator.

Mr. President, I yield the floor.

Mr. McCLELLAN. Mr. President, last spring when we had before the Congress the proposals for foreign emergency relief and also for aid to Greece and Turkey, I became interested in knowing how much foreign aid and relief our country had provided since the cessation of hostilities. I made inquiry and did some research to ascertain the amount of expenditures this country had made; and on April 7, I placed in the CONGRESSIONAL RECORD a number of tables showing the various kinds of aid we had given, the amount of such aid, and the nations and governments to whom it had been extended.

As I recall, Mr. President, up to that time, taking everything into account and projecting those figures to the end of the fiscal year, which was June 30 last, our Government had expended and authorized the expenditure of, and had appropriated for expenditure, approximately $16,000,000,000—I think the figure was nearer $17,000,000,000, but between $16,000,000,000 and $17,000,000,000. I also ascertained, Mr. President, and called to the attention of my colleagues at that time, that $1,807,000,000 of that money had gone directly to Russia and to some seven of her satellite nations.

Mr. President, at this time we are not immediately considering, of course, the long-range program or the Marshall recovery plan—that is not the pending question; but we shall soon be called upon to consider it and to act upon it. At the time when I was discussing the relief

which we had provided abroad, the bill to extend aid to Greece and Turkey, to help those two countries resist communistic aggression, was the pending issue; and I pointed out then that it was inconsistent and incompatible with our own national security, and with the objectives sought in that legislation, for this country to aid Greece and Turkey and at the same time continue aiding Russia and her satellite nations, including those on the border of Greece which were applying pressure that was making it necessary for us to extend aid to Greece and Turkey at that time.

Mr. President, we shall soon undertake an over-all program, to last some 4 or 5 years, of extending aid to the western European countries that have come into the Marshall plan, in an effort to help them reconstruct, rehabilitate, and stabilize their economies and return to a position where they will be self-sustaining, and at the same time preserve their freedom and their democratic form of government. Mr. President, it occurs to me that if this Nation is going to undertake to underwrite such a program and expend from fifteen billion to twenty billion dollars attempting to carry out a reconstruction program in the nations that have joined the Marshall plan, we should take into account the aid we are providing and have been providing to Russia, and we should also consider the exports from this Nation to Russia. Obviously, if we are to carry out the Marshall plan in rehabilitating those nations, it will require from our productive sources not only food and other commodities which are in short supply, but also a considerable quantity of our basic raw resources and a great many steel products and other mineral products that now are needed to supply the demands of the domestic markets of this country.

Therefore, Mr. President, it is my thought that inasmuch as we do not have, and cannot expect to have during the period of execution of the Marshall program, sufficient productive capacity to meet all those demands—to take care of the markets of Russia, to meet her demands or to supply what she would be willing to purchase from us, and also to give this aid to the countries that are to be the beneficiaries of the over-all program, and at the same time to meet the demands of our domestic markets—inasmuch as we do not have that productive capacity, in order to carry out the Marshall program on a basis of between fifteen billion and twenty billion dollars and to help those countries reconstruct, it will be necessary for us to deny to our own people not only food but also machinery, tools, and equipment which our domestic market could readily absorb.

Therefore, Mr. President, these extraordinary demands from abroad for our products and our goods necessarily add pressure to the inflation spiral. This is the point I want to make, that if we are going to undertake this program, and if this program is, as we know it is, absolutely opposed by Russia and opposed by communism all over the world, which is organized now and undertaking to sabotage it before it is initiated, certainly then, Mr. President, while we are asking our people here at home to do without some of these goods which they need—while we are asking our farmers in this country to forego buying a new tractor, buying new machinery, because our production is not adequate to meet the demands of the Marshall program and also our domestic requirements—while we ask them to make that sacrifice, so that we can help rehabilitate the western powers of Europe, Mr. President, I again say it would be inconsistent and incompatible with any sound business principle, and with our own interest, for us to undertake at the same time to supply to Russia goods that are in short supply. to the further sacrifice of the interests and welfare of our own people here at home, who are clamoring for the materials.

Therefore, Mr. President, I have asked the Department of Commerce to supply me with the latest statistics regarding our exports and imports to Russia. I have a number of tables prepared which I shall want to insert in the RECORD, because I think this is of interest. I think that in the course of our contemplating consideration of the Marshall plan, when the bill comes before us at the next session of Congress, we shall want to consider whether we shall continue to undertake to supply the Russian markets with goods and equipment and materials and machinery that are in short supply, and which are needed both for our domestic economy and for the rehabilitation of other countries.

In the last 12 months, ending September 30, 1947, United States exports to Russia totaled $155,398,000; in the first 9 months of 1947 they totaled $114,045,000. Imports from Russia during that same period totaled $83,873,000; for the last 9-month period they totaled $58,981,000.

When I conclude, I shall ask permission to insert into the CONGRESSIONAL RECORD tables supporting and verifying these figures—tables which give more detailed information about them.

In the 12 months ending September 30, 1947, our exports to the eastern nations which we regard as satellite nations of Russia, and which are not included in the group of nations to benefit from the Marshall program, our exports totaled $286,860,000. In the first 9 months of 1947, our exports to those countries totaled $231,753,000. Our imports from those countries, Mr. President, for those 12 months totaled $70,164,000, and for the last 9 months our imports from those countries—and I shall name them here, Mr. President—totaled $53,773,000. The countries to which I have referred as "satellite countries" or the "eastern nations of Europe," which have not joined the Marshall plan, are Czechoslovakia, Hungary, Finland, Estonia, Latvia, Lithuania, Poland and Danzig, Yugoslavia, Albania, Rumania, and Bulgaria.

Mr. President, I ask to insert in the RECORD at this point a list of these countries, which I have read, together with the amount of exports and imports with respect to each during the period from January through September of this year.

The PRESIDING OFFICER (Mr. COOPER in the chair). Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

In the 12 months ending September 30, 1947, United States exports to Russia totaled $155,398,000; in the first 9 months of 1947, $114,045,000 (table 1).

Imports for the 12-month period totaled $83,873,000; for the 9-month period $58,981,000 (table 2).

In the 12 months ending September 30, 1947, United States exports to certain eastern European countries regarded as satellite nations of the Soviet Union totaled $286,860,000; in the first 9 months of 1947, $231,753,000 (table 1).

Imports for the 12-month period totaled $70,164,000; for the 9-month period $53,773,000 (table 2).

For the first 9 months of this year (January through September 1947) exports to and imports from eastern European nations regarded as satellites of the Soviet Union totaled (tables 1 and 2):

County	Exports	Imports
Czechoslovakia	$43,417,000	$16,554,000
Hungary	9,981,000	1,208,000
Finland	45,642,000	27,854,000
Latvia, Estonia, Lithuania	8,000	
Poland and Danzig	84,875,000	1,173,000
Yugoslavia	29,151,000	2,396,000
Albania	4,359,000	8,000
Rumania	13,427,000	376,000
Bulgaria	893,000	4,204,000
Total	231,753,000	53,773,000

Mr. MCCLELLAN. Mr. President, for the third quarter of this year, the exports to Russia totaled $22,825,000, whereas imports totaled $26,458,000. I mention that because it indicates a trend on the part of this country to curtail shipments to Russia. I think that trend has begun, but I also think, in view of the program we contemplate inaugurating and executing, that no commodities, materials, tools, or machinery which are in short supply should be exported to Russia, while we are making this struggle to try to accommodate our local markets and also trying to rehabilitate certain countries.

Mr. President, at this point I should like to insert in the RECORD a table showing exports by principal commodities to Russia for the first 9 months of this year, January to September, and also showing the 9 months' average of exports of the same commodities to Russia in 1938. These figures will be in millions of dollars, and I wish to call attention to some four or five of the items. For instance, there is an item of metals and manufactures. In 1938 we exported during the 9 months' period, an average of $9,200,000 worth of those materials. During the past 9 months, from January to September of this year, we exported to Russia $15,000,000 worth of the same materials.

Of iron and steel-mill products, during the 9 months of 1938 we exported $5,000,000 worth to Russia, whereas during the past 9 months we exported $13,400,000 worth.

I call attention to the item of machinery and vehicles, all of which we know are very much in short supply in this country, and all of which will be vitally essential to any reconstruction and rehabilitation program of the western nations of Europe. During 1938, for a 9 months' period, we sent to Russia $37,000,000

worth of machinery and vehicles. During the past 9 months, with vehicles and machinery in short supply in this country, we exported to Russia $80,500,000 worth. That applies also to industrial machinery. In 1938, for a 9 months' average, we exported to Russia $30,100,000 worth of industrial machinery, whereas in the last 9 months we exported to Russia $59,300,000 worth of machinery.

There is another item, tractors and parts. We all know the urgent need in this country for additional tractors and for parts with which to service them. I think that shortage of parts has been somewhat relieved, but there is still a great demand for tractors. In the 9 months' average for 1938, we shipped to Russia less than $50,000 worth of tractors and parts, and in the last 9 months, with the tremendous shortage in this country and the heavy demand we have here, we have shipped to Russia $2,200,000 worth.

Mr. President, I ask that this statement showing the different items of export to Russia for the 9 months' period in 1938, and during the first 9 months of 1947, be inserted in the RECORD at this place.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

For the third quarter of this year (July, August, September, 1947) exports to Russia totaled $22,825,000, and imports totaled $26,458,000. (Imports slightly more than exports.)

For the same period exports to Russia's satellites totaled $54,625,000, and imports from those nations totaled $23,976,000. (Imports less than half of exports.)

Exports by principal commodities to Russia the first 9 months of this year (January-September) and the 9-month average for the same commodity exports to Russia in 1938 (in millions of dollars) follow:

Commodity	9-month average, 1938	January to September 1947
Foodstuffs	(1)	3.7
Canned meats		3.1
Tobacco, unmanufactured		1.2
Textiles and textile manufactures	(1)	1.9
Cordage, except of cotton or jute		1.1
Nonmetallic minerals	4.4	3.8
Petroleum and products	2.3	2.8
Carbon or graphite prodnets	[2]1.4	.3
Metals and manufactures	9.2	15.0
Iron and steel products	5.0	13.4
Iron and steel advanced manufactures	.8	.9
Copper insulated wire and cable	(1)	.4
Machinery and vehicles	37.1	80.5
Electrical machinery and apparatus	2.6	14.3
Generators, accessories and parts	(1)	2.5
Transforming or converting apparatus	(1)	2.1
Transmission and distribution apparatus	.2	2.4
Motors, starters, and controllers	.4	3 5
Industrial machinery	30.1	59.3
Power-generating, and parts (locomotives)	.7	4.8
Construction and conveying	.1	6.2
Mining, well, and pumping	.6	10.7
Metal-working	26.4	18.4
Tractors and parts	(1)	2.2
Motor trucks, busses, and chassis, new	.1	1.1
Merchant vessels	.1	1.2
Freight cars, over 10-ton capacity		1.2

[1] Less than $50,000.
[2] Mainly electrodes for furnace of electrolytic work.

Mr. McCLELLAN. Mr. President, I have before me another chart showing imports from Russia of different materials for the same period of time covered by the other table, and I ask unanimous consent that it may be inserted in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Imports by principal commodities from Russia for the first 9 months of this year (January to September) and the 9-month average for the same commodity imports from Russia in 1938

[In millions of dollars]

Commodity	9-month average, 1938	January to September 1947
Foodstuffs	1.0	0.9
Sausage casings	.3	.4
[illegible]	.1	.5
[illegible]	.4	
Furs, undressed	9.1	33.9
[illegible]	5.0	14.1
Furs, [illegible]	.7	.7
Licorice root	.2	.2
Tobacco, cigarette leaf, unstemmed	2	4.2
Textile fibers and manufactures	1.2	2.9
Cotton linters	.1	1.3
Cotton waste	(1)	.5
Woven fabrics of flax, hemp, and ramie	.6	(1)
[illegible]		.6
Sausage casings, unclassified		.3
[illegible]	.8	
Diamonds, cut but not set	(1)	.5
Metals and manufactures	2.7	14.8
Manganese ore	2.0	5.5
Chrome ore or chromite		6.2
Platinum and platinum combinations	.7	2.9
All other imports	1.7	.8

[1] Less than $50,000.

Mr. McCLELLAN. Mr. President, the tables which I shall insert in the CONGRESSIONAL RECORD at the conclusion of my remarks on this subject will disclose that total exports by the United States to Russia for the period July 1945 through September 1947—or since shortly after VJ-day—amount to $905,009,000.

Total exports by the United States to Russia's satellite nations for the same period amount to $901,876,000.

Total exports by the United States to Russia and satellites for the same period amount to $1,806,885,000.

Table 3, which I shall insert in the RECORD, will verify these figures and give a break-down of them.

Mr. President, here are some figures which will be found in table 4, which I think are of interest.

Total exports of three strategic groups of commodities to Russia and to satellite nations since VJ-day amount to:

	To Russia	To satellites
Metals and manufactures	$65,527,000	$18,918,000
Machinery and vehicles	502,443,000	88,183,000
Nonmetallic minerals	21,332,000	20,881,000

Summary

Total exports to Russia since VJ-day	$905,009,000
Total exports to satellite nations since VJ-day	901,009,000
Total exports to Russia and satellite nations since VJ-day	1,806,885,000
Total exports to Russia past 12 months (October 1946–September 1947)	$155,398,000
Total exports to satellite nations past 12 months (October 1946–September 1947)	286,860,000
Total imports from Russia past 12 months (October 1946–September 1947)	83,873,000
Total imports from satellite nations past 12 months (October 1946–September 1947)	70,164,000

Mr. President, as I have stated, my purpose in bringing these figures and statistics to the attention of my colleagues is to establish the fact that if we are to undertake this tremendous program of providing billions of dollars of aid to western Europe, we cannot consistently continue to permit these strategic materials and supplies to be exported to Russia from our production in this country.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am happy to yield.

Mr. McMAHON. I presume then when the Senator speaks of the billions of dollars which we are going to appropriate, if and when we do, the Senator realizes that that sum of money will be used to resuscitate western Europe's economy, and I suppose the Senator knows that in the Paris report there is a cold and clearcut statement to the effect that the success of the so-called Marshall plan depends upon the resumption of the historic and the normal channels of trade east and west. I just wondered whether the Senator could reconcile for me the idea of cutting off export trade with Russia with the announced program that we will have of promoting trade east and west under the Marshall plan.

Mr. McCLELLAN. I do not know whether I will be able to reconcile it to the satisfaction of the Senator from Connecticut, but I can reconcile it for myself. Russia is fighting the Marshall plan. Russia and communism are determined to sabotage it before it is even begun. In view of Russia's announced plan, Mr. President, I do not want to deny to the people of my country the goods and supplies which they need, simply in order to supply the Russian market, particularly since we are calling on our people to make sacrifices to enable us to carry out the rehabilitation program in western Europe. I am willing to sell to Russia and continue to trade with Russia, to give her any supplies we may have which are not essential, and which are not needed and are not vital or are not in short supply, for the carrying out of the Marshall plan. But I am unwilling to burden the people of this Nation more and more, and cause them to do without the machinery they need, and at the same time urge them to produce so that we can meet our committals under the Marshall plan. Such a program simply does not add up to me.

I do not want to break trade relations with Russia. We can continue to trade with her in such supplies as we have without imposing this additional burden upon our economy and requiring our peo-

ple to sacrifice that much more. If Russia wants to call off her opposition to the Marshall plan, if she will withdraw her efforts to sabotage that plan, then I am willing to trade with Russia on the time-honored historical basis.

Mr. McMAHON. Mr. President, will the Senator again yield?

Mr. McCLELLAN. I am glad to yield.

Mr. McMAHON. As I understand, the Senator is for continued trade with Russia on a restricted basis, namely, the things we do not need, the things we have too much of. Does that mean that the Senator would approve of the same restriction on the 16 western countries when the Marshall plan went into effect?

I might say to the Senator, before he answers that question, that if, of course, we resuscitate the European economy and are successful with the Marshall plan it will promote the free flow of trade east and west, and of course the very restrictions which the Senator wants to put on our country in respect to making of shipments to Russia will be nullified through our increase of the production of the economy of western Europe which will be shipped east to the satellite states.

Mr. McCLELLAN. I do not follow the Senator's reasoning. No help is going to be received from Russia. She is committed to sabotage the whole plan.

Mr. McMAHON. Does not the Senator see that when we increase the production of the economy of western Europe, and if the historic channels of trade remain open, which the framers of the Paris agreement or the Paris Convention stated must remain open if the plan was to be successful, with every bit that we increase the production of western Europe there consequently is, as a necessary concomitant, increased flow of goods into eastern Europe?

Mr. McCLELLAN. Well, by diverting some material to western Europe that it is proposed we continue to send to Russia, can we not more rapidly increase the production of western Europe? That is the point I am making.

Mr. McMAHON. And then what happens to it when it goes to western Europe?

Mr. McCLELLAN. Tell me what happens to commodities when they go to western Europe.

Mr. McMAHON. The whole purpose, as I understand, is that we make western Europe wholly productive again. The raw materials which come from east of the Stettin-Trieste line are fabricated in the factories of western Europe, and in return are shipped back in the form of tractors, agricultural implements, and other materials and supplies. The finished products are shipped back in return for raw materials. My point to the Senator is that we will be doing indirectly what the Senator condemns our doing directly. I want to emphasize this so the record will be clear. I am raising the problem. I am not attempting to answer it. It is still something about which I am doing a lot of thinking. I merely raise that as one of the problems we are going to have to meet.

One of the things which struck me during the last week was the speech of a Presidential aspirant for the Republican nomination who condemned another Republican aspirant on the ground that he was too miserly in his ideas about the amount of money that should be appropriated in the Marshall plan, and then the next day condemned the idea of any trade relations with Russia. Apparently he does not see the inconsistency in his position.

Mr. KNOWLAND. Mr. President, will the Senator from Connecticut yield?

Mr. McMAHON. I do not have the floor.

Mr. McCLELLAN. I am not trying to speak this afternoon on the basis of partisan politics, Mr. President.

Mr. McMAHON. Neither am I.

Mr. McCLELLAN. I am not undertaking at this time to discuss this whole question. I did want to bring into the RECORD these statistics which are, I understand, up to date—they were furnished me by the Department of Commerce—so that Senators might have the information and study it in the light of the problems with which we are confronted.

Mr. President, I did want to emphasize my position according to my thinking at the moment. If I am wrong, I hope I may be corrected, but in this period of stress, when our economy and our productive capacity are going to be strained to the limit to meet our domestic demand, and at the same time to rehabilitate western Europe, in view of the fact that Russia is opposing the plan and undertaking to make it more and more difficult for us, undertaking, in fact to sabotage the whole thing, I believe, Mr. President, that good sense dictates that we not ship to Russia during that period the critical supplies which are so badly needed for our own economy and for the rehabilitation of western Europe which we are now undertaking to underwrite.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am glad to yield to the Senator from California.

Mr. KNOWLAND. First of all, I wish to commend very highly the able Senator from Arkansas for the presentation which he has made today and the tables which he has placed in the RECORD.

I am referring particularly to the question raised by the senior Senator from Connecticut [Mr. McMAHON] in connection with the stoppage of shipments of supplies and materials which are urgently needed in the American economy and in the countries of western Europe which we are trying to rehabilitate. It seems to me perfectly clear that if Russia wishes to come into the situation and help rehabilitate the war-torn world, if she will stop sabotaging the rehabilitation of the world and start to cooperate instead of placing obstructions at every turn in the road, it will be beneficial to have a flow of trade between eastern and western Europe.

The able Senator from Connecticut himself, in the field of atomic power, recognized the importance of making sure that there should be no shipments to Soviet Russia of machinery which might be used in that field. I say to the able Senator from Connecticut that in building the war potential of Russia there is far more involved than merely building atomic power, because her military machine, her aviation, and such naval establishment as she may have rest pretty largely upon having a going industrial concern.

If we continue to ship electrical equipment, industrial tools, and machine tools to Russia, we are strengthening her hands to carry out the type of international blackmail in which she has been engaged for the past few years by attempting to intimidate the various countries of western Europe and the Middle East. Until she is ready to have a general settlement so that the people of the world may feel secure, I believe that the time has long since passed when we should stop shipping these potentials to Russia.

Mr. McMAHON. Mr. President, will the Senator from Arkansas yield?

Mr. McCLELLAN. I am glad to yield to the Senator from Connecticut.

Mr. McMAHON. I am afraid the Senator from California has entirely misunderstood my position. I had intended not to speak upon this subject until the so-called long-range plan came under discussion.

The Senator is absolutely correct when he states that in connection with the McMahon Act I had a prominent part in seeing to it that the Atomic Energy Commission had the right to impose an embargo on shipments outside this country of things which might be useful in making weapons of mass destruction.

Last summer when the so-called Marshall plan was announced I think the voice of the Senator from Connecticut was the first voice raised—at least to my knowledge—to point out that one of the things which we had to consider seriously in the so-called Marshall program was that fact that in every bit of additional resuscitation of European economy that we could accomplish, unless we saw to it that there were the proper safeguards in consideration for our aid, we would be increasing the possibility of a quickening of the accomplishment by the Russian Government of the very thing which we were blocking here under the McMahon Act.

I want the record to be clear; but I also wish to point out—because I think it is something which all Members of this body must begin to consider—that we are confronted with the question of how to accomplish what we wish to accomplish in western Europe and still see to it that materials which may come back to us with compound interest do not go east of the Stettin-Trieste line. We shipped scrap and oil to Japan, and we got them back at Pearl Harbor and in successive engagements; but at least we purchased time. If we do not take the proper steps to see to it that the material of which I speak does not go to Russia, we shall be giving away the only thing we have with respect to weapons of mass destruction, and that is time.

Mr. President, I trust that I make my position clear.

Mr. McCLELLAN. Mr. President, I did not know that this discussion would lead into such a broad field. I wish to continue my remarks.

I wish to place in the RECORD certain tables to which I have referred. These tables were prepared for me at my request by the Department of Commerce through the Special Programs Division, Areas Branch, Office of International Trade.

Table 1 shows the amount of United States exports to eastern European countries monthly from October 1946 through September 1947. I ask unanimous consent that the table be printed in the RECORD at this point as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1.—*United States exports*[1] *to eastern European countries monthly, October 1946 to September 1947*

[Value in thousands of dollars]

Month	Eastern Europe, excluding U. S. S. R.										U. S. S. R.
	Czechoslovakia	Hungary	Finland	Estonia, Latvia, and Lithuania	Poland and Danzig	Yugoslavia	Albania	Rumania	Bulgaria	Total	
1946:											
October	2,045	76	1,224	----------	2,746	1,867	343	7	1	8,309	11,106
November	7,540	398	4,624	----------	5,856	5,801	190	688	175	25,272	16,039
December	5,991	633	3,073	1	5,102	6,129	125	403	69	21,526	14,208
1947:											
January	7,639	1,042	2,980	----------	10,633	3,329	363	561	49	26,596	24,671
February	4,612	658	4,496	5	8,727	2,036	425	179	294	21,432	15,780
March	5,159	836	4,803	----------	5,586	6,622	661	778	37	24,482	7,232
April	7,109	2,240	1,772	----------	17,067	6,752	1,090	3,590	33	39,653	9,281
May	6,404	1,921	8,339	----------	17,434	4,899	942	2,372	162	42,473	27,116
June	4,775	755	6,633	2	7,393	2,435	309	165	24	22,491	7,140
July	2,080	912	4,912	(2)	6,672	1,483	496	5,126	110	21,791	15,712
August	3,595	1,042	5,571	1	4,362	1,490	37	593	138	16,829	4,051
September	2,043	575	6,137	----------	7,001	103	37	62	47	16,005	3,032
January-September	43,417	9,981	45,642	8	84,875	29,151	4,359	13,427	893	231,753	114,045

[1] Exports, including reexports.
[2] Less than $500.

Mr. McCLELLAN. Table No. 2 shows the amount of general imports from the eastern European countries monthly from October 1946 through September 1947. I ask unanimous consent to have this table printed in the RECORD at this point as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 2.—*United States general imports from the eastern European countries, monthly, October 1946 to September 1947*

[Value in thousands of dollars]

Month	Eastern Europe, excluding U. S. S. R.										U. S. S. R.
	Czechoslovakia	Hungary	Finland	Estonia, Latvia, and Lithuania	Poland and Danzig	Yugoslavia	Albania	Rumania	Bulgaria	Total	
1946:											
October	1,785	49	843	----------	10	107	----------	----------	67	2,861	7,139
November	2,636	64	2,517	----------	3	36	----------	2	2,589	7,847	1,809
December	2,523	69	1,900	----------	9	131	----------	1	1,050	5,683	15,944
1947:											
January	3,212	101	1,500	----------	116	241	----------	(1)	2,962	8,132	9,006
February	2,166	201	2,554	----------	278	16	----------	----------	41	5,256	1,047
March	1,907	117	109	----------	28	159	----------	----------	797	3,117	1,245
April	2,359	140	116	----------	33	149	----------	1	66	2,864	6,284
May	1,639	147	1,663	----------	116	30	----------	242	46	3,886	4,405
June	1,036	130	4,953	----------	280	35	----------	72	36	6,542	10,475
July	1,716	150	6,261	----------	88	685	8	32	149	9,089	9,956
August	1,265	116	7,468	----------	48	430	----------	18	94	9,439	2,503
September	1,254	106	3,227	----------	186	651	----------	11	13	5,448	13,994
January-September	16,554	1,208	27,854	----------	1,173	2,396	8	376	4,204	53,773	58,981

[1] Less than $500.

Mr. McCLELLAN. Table 3 shows the exports to eastern European countries, by classes of shipments, since July 1945, through September 1947. I ask unanimous consent to have this table printed in the RECORD at this point as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 3.—*United States exports to eastern European countries by classes of shipments, July 1945 to September 1947*

[Value in thousands of dollars]

Class	Eastern Europe, excluding U. S. S. R.										U. S. S. R.
	Czechoslovakia	Hungary	Finland	Estonia, Latvia, and Lithuania	Poland and Danzig	Yugoslavia	Albania	Rumania	Bulgaria	Total	
Total United States merchandise:											
July to December 1945	43,489	115	891	18	71,166	84,782	6,911	2	375	207,749	433,043
January to December 1946	106,697	6,382	31,216	6	183,126	126,614	4,324	2,028	1,981	462,374	357,921
January to September 1947	43,417	9,981	45,642	8	84,875	29,151	4,359	13,427	893	231,753	114,015
Total	193,603	16,478	77,749	32	339,167	240,547	15,594	15,457	3,249	901,876	905,009
Lend-lease shipments (combined total, Russia and other nations, $1,808,855,000):											
July to December 1945											390,882
January to December 1946					100					100	152,124
January to September 1947											16,080
Total					100					100	559,086
UNRRA:											
July to December 1945	42,797				69,399	82,473	6,891			201,560	16,521
January to December 1946	85,923	2,281	431		166,254	121,691	4,246	8		380,834	141,744
January to September 1947	14,464	256	158		43,016	23,859	4,346			86,099	31,962
Total	143,184	2,537	589		278,669	228,023	15,483	8		668,493	190,227
"Private" relief shipments [1]											
July to December 1945	603	97	485		1,621	2,085	18	(2)	375	5,284	21,905
January to December 1946	4,641	2,758	3,616	3	15,657	4,028	57	1,697	226	32,683	10,674
January to September 1947	1,813	5,404	1,453		6,597	1,257	8	3,033	271	19,836	1,879
Total	7,057	8,259	5,554	3	23,875	7,370	83	4,730	872	57,803	34,458
Cash-purchase exports:											
July to December 1945	89	18	406	18	146	224	2	2		905	3,735
January to December 1946	16,133	1,343	27,169	3	1,115	895	21	323	1,755	48,757	53,379
January to September 1947	27,140	4,321	44,031	8	35,262	4,035	5	10,394	622	125,818	64,124
Total	43,362	5,682	71,606	29	36,523	5,154	28	10,719	2,377	175,480	121,238

[1] Mainly foodstuffs and clothing.
[2] Less than $500

Mr. McCLELLAN. Table 4 shows exports to the eastern European countries by commodity groups since July 1945, through September 1947. I ask unanimous consent to have this table printed in the RECORD at this point as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 4.—*United States exports to eastern European countries by commodity groups, July 1945 to September 1947*

[Value in thousands of dollars]

Commodity group	Eastern Europe, excluding U. S. S. R.										U. S. S. R.
	Czechoslovakia	Hungary	Finland	Estonia, Latvia, and Lithuania	Poland and Danzig	Yugoslavia	Albania	Rumania	Bulgaria	Total	
Total United States merchandise:											
July to December 1945	39,497	115	891	18	67,013	78,684	6,911	2	375	193,506	432,771
January to December 1946	104,418	6,354	31,174	6	170,336	122,292	4,121	2,024	1,931	442,656	351,941
January to September 1947	43,451	9,854	45,643	8	83,538	27,237	4,268	13,423	823	228,245	113,684
Total	187,366	16,323	77,708	32	320,887	228,213	15,300	15,449	3,129	864,407	898,396
Animals and products, edible (combined total, Russia and other nations, $1,762,803,000):											
July to December 1945	10,226				17,562	15,428	776			43,992	60,556
January to December 1946	38,496	1,787	310		67,463	42,456	56			150,568	91,847
January to September 1947	5,589	133	1,807		8,329	974	84	2	(1)	16,918	3,606
Total	54,311	1,920	2,117		93,354	58,858	916	2	(1)	211,478	156,009
Animals and products, inedible:											
July to December 1945	735			(1)	2,908	1,310	467			5,420	6,382
January to December 1946	2,830	2	218		11,750	6,028	141	3	669	21,641	6,550
January to September 1947	1,208	344	211		3,219	980	66	32	(1)	6,060	603
Total	4,773	346	429	(1)	17,877	8,318	674	35	669	33,121	13,535
Vegetable foodstuffs and beverages:											
July to December 1945	11,967				5,178	32,362	2,915			52,422	12,486
January to December 1946	25,487	176	7,445	1	33,021	25,910	1,257	8		93,305	12,039
January to September 1947	2,703	1,086	20,746		24,207	1,210	33	9,077	7	59,069	98
Total	40,157	1,262	28,191	1	62,406	59,482	4,205	9,085	7	204,796	24,623
Vegetable products, inedible:											
July to December 1945	841		164		1,645	1,480	499			4,629	7,059
January to December 1946	5,968	146	2,372	1	6,476	3,042	203	12	4	18,224	15,456
January to September 1947	7,820	992	2,368		5,926	1,345	630	320	3	19,404	1,649
Total	14,629	1,138	4,904	1	14,047	5,867	1,332	332	7	42,257	24,164

TABLE 4.—*United States exports to eastern European countries by commodity groups, July 1945 to September 1947*—Continued

[Value in thousands of dollars]

Commodity group	Eastern Europe, excluding U. S. S. R.										U. S. S. R.
	Czechoslovakia	Hungary	Finland	Estonia, Latvia, and Lithuania	Poland and Danzig	Yugoslavia	Albania	Rumania	Bulgaria	Total	
Textile fibers and manufactures:											
[illegible]	9,946		218		28,352	16,053	1,409			55,978	18,505
[illegible]	14,668	1,085	6,564	(1)	12,237	18,295	775	6	16	53,646	8,009
[illegible]	6,931	218	1,040		9,862	3,124	272	35	6	21,488	1,879
Total	31,545	1,303	7,822	(1)	50,451	37,472	2,456	41	22	131,112	28,393
Wood and paper:											
July to December 1945	48		(1)		50	43	4			145	552
January to December 1946	153	(1)	7		220	343	29	(1)		752	50
January to September 1947	127	8	19		80	176	52	8		470	48
Total	328	8	26		350	562	85	8		1,367	650
Nonmetallic minerals:											
[illegible]	68				71	117	3			259	9,092
[illegible] 1946	2,594	29	4,128	(1)	4,630	974	46	13	1	12,415	8,431
[illegible] 1947	985	213	4,597	5	737	1,610	22	37	1	8,207	3,809
Total	3,647	242	8,725	5	5,438	2,701	71	50	2	20,881	21,332
Metals and manufactures:											
July [illegible]	236	(1)	(1)	3	450	423	18			1,130	28,353
January to December 1946	1,224	(1)	1,402		1,114	3,462	298	23	207	7,730	22,189
January to September 1947	2,214	256	4,466		1,692	982	189	174	85	10,058	14,985
Total	3,674	256	5,868	3	3,256	4,867	505	197	492	18,918	65,527
Machinery and vehicles:											
July to December 1945	1,067		2		3,267	3,900	47			8,283	252,892
January to December 1946	3,353	11	3,746	1	11,016	10,744	780	57	91	29,799	169,045
January to September 1947	9,432	420	7,636	2	17,671	12,035	2,267	366	272	50,101	80,506
Total	13,852	431	11,384	3	31,954	26,679	3,094	423	363	88,183	502,443
Chemicals and related products:											
[illegible]	2,352	18	20	3	3,151	3,070	174		(1)	8,788	9,681
[illegible]	3,267	108	1,063		3,761	2,836	392	186	715	12,328	1,947
[illegible]	3,382	697	970	(1)	2,968	1,764	422	267	162	10,632	1,517
Total	9,001	823	2,053	3	9,880	7,670	988	453	877	31,748	13,145
Miscellaneous articles: [2]											
July to December 1945	2,011	97	487	11	4,379	4,498	599	2	375	12,459	27,213
January to December 1946	6,377	3,010	3,918	3	18,648	8,203	145	1,717	229	42,250	16,378
January to September 1947	3,060	5,486	1,782		8,847	3,037	232	3,106	287	25,837	4,984
Total	11,448	8,593	6,187	14	31,874	15,738	976	4,825	891	80,546	48,575

[1] Less than one-half the unit.
[2] Mainly "private relief" shipments as shown on table 1.

Mr. McCLELLAN. Mr. President, I thought it would be well for us to have some further information regarding the countries which are in the Marshall plan group. I had the Department of Commerce prepare for me some figures relating to those countries. The 16 Marshall plan countries are Austria, Belgium, Luxemburg, Denmark, Eire, France, Greece, Iceland, Italy, the Netherlands, Norway, Portugal, Sweden, Switzerland, Turkey, and the United Kingdom. Our exports to the 16 Marshall plan nations for the first 9 months of this year totaled $3,724,860,000, whereas our imports from those countries amounted to only $498,213,000. We had an excess of exports over imports with respect to those countries of $3,226,647,000.

Our exports to 16 Marshall plan nations for the year 1946 totaled $3,278,007,000, whereas our imports from those countries totaled $678,562,000. Our exports were in excess of imports during 1946 by $2,599,445,000.

Mr. President, the total United States exports to all nations for 9 months, from January to September of this year, amounted to $10,950,578,000. Thirty-four percent of all these exports went to the nations which are included in the Marshall plan.

The total imports from all nations for the same 9-month period amounted to $4,192,150,000. Eleven and nine-tenths percent of these imports came from the nations which are under the Marshall plan.

Mr. President, at this point I ask unanimous consent to insert in the RECORD a table showing exports to and imports from Marshall plan nations, by countries, for the first 9 months of this year, and showing also the excess of exports over imports.

The PRESIDING OFFICER (Mr. BALDWIN in the chair). Without objection, it is so ordered.

There being no objection, the table referred to was ordered to be printed in the RECORD, as follows:

Exports and imports of Marshall plan countries, January to September 1947

[In thousands of dollars]

Countries	January to September 1947		
	Exports	Imports	Excess of exports over imports
Austria	26,051	2,625	23,426
Belgium and Luxemburg	370,871	40,979	329,892
Denmark	64,156	3,925	60,231
Eire	69,148	2,046	67,102
France	646,540	36,041	610,499
Germany	118,563	3,569	114,994
Greece	130,542	11,138	119,404
Iceland	12,978	2,274	10,704
Italy	379,753	28,731	351,022
Netherlands	275,568	19,392	256,176
Norway	123,528	13,905	109,623
Portugal	72,494	14,277	58,217
Sweden	330,970	67,813	263,157
Switzerland	139,849	60,431	79,418
Turkey	64,323	38,565	25,758
United Kingdom	899,526	152,502	747,024
Total	3,724,860	498,213	3,226,647

Mr. McCLELLAN. Mr. President, I want to call the attention of my colleagues to the fact that exports to the Marshall plan nations for the first 6 months of this year, from January to June, total $2,498,367,000. A breakdown of those exports by groups shows that UNRRA exported $128,518,000; private relief sources, $19,355,000; lend-lease, $2,922,000. Cash purchases were $2,347,572,000; making the total which I have previously given.

Mr. President, I ask unanimous consent to insert at this point in the RECORD a table showing exports to all nations, including the Marshall plan nations, with percentages of total exports shipped to the latter nations. The table will speak for itself. I shall not attempt to read the figures, but will place them in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 5.—*United States exports, imports, and balance of merchandise trade with the 16 countries participating in the European Economic Conference (Marshall plan countries) and Germany, 1946, and January to September 1947*

[Value in thousands of dollars]

	1946			January–September 1947		
	Exports	Imports	Excess of exports (+) or imports (−)	Exports	Imports	Excess of exports (+) or imports (−)
Total United States trade with all countries	9,739,408	4,908,683	+4,830,725	10,950,578	4,192,150	+6,758,428
Trade with participating countries	3,278,007	678,562	+2,599,445	3,724,860	498,213	+3,226,647
Percent trade with participating countries of total trade	33.7	13.8	[1] 53.8	34.0	11.9	[1] 47.7
Austria	45,798	1,494	+44,304	26,051	2,625	+23,426
Belgium and Luxemburg	279,099	77,306	+201,793	370,871	40,979	+329,892
Denmark	38,077	4,276	+33,801	64,156	3,925	+60,231
Eire	28,188	2,174	+26,014	69,148	2,046	+67,102
France	712,001	62,478	+649,523	646,540	36,041	+610,499
Germany	82,251	3,158	+79,093	118,563	3,569	+114,994
Greece	142,845	23,651	+119,194	130,542	11,138	+119,404
Iceland	11,631	5,662	+5,969	12,978	2,274	+10,704
Italy	370,632	68,657	+301,975	379,753	28,731	+351,022
Netherlands	221,688	22,906	+198,782	275,568	19,392	+256,176
Norway	78,801	13,231	+65,570	123,528	13,905	+109,623
Portugal	60,030	23,238	+36,792	72,494	14,277	+58,217
Sweden	206,236	47,117	+159,119	330,970	67,813	+263,157
Switzerland	108,426	98,479	+9,947	139,849	60,431	+79,418
Turkey	36,675	68,321	−31,646	64,323	38,565	+25,758
United Kingdom	855,629	156,414	+699,215	899,526	152,502	+747,024

[1] Percentage the export balance of trade with 16 countries was of the total United States export balance.

NOTE.—Exports include reexports, and imports are "general" imports.

Mr. McCLELLAN. Mr. President, I ask unanimous consent to insert tables Nos. 6, 7, and 8, at this point in the RECORD. Each table is self-explanatory and gives in detail a break-down of some of the exports and imports which I have been discussing pertinent to the nations in the Marshall plan group.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE 6.—*United States merchandise exports to the 16 countries participating in the European Economic Cooperation Conference (Marshall plan countries)—Value of lend-lease, relief, cash-purchase and total exports, January to June 1947, and value in 1936–38 dollars*

[Value in thousands of dollars]

Country	Value of exports, including reexports			Cash-purchase	Total	Total adjusted to 1936–38 dollars
	UNRRA	Private relief	Lend-lease			
Total United States exports to all countries	355,298	54,077	19,638	7,124,035	7,553,048	4,082,729
Exports to participating countries	128,518	19,355	2,922	2,347,572	2,498,367	1,283,947
Percent exports to participating countries of total exports	36.1	35.8	14.9	33.0	33.1	31.4
Austria	17,990	4,048	----------	508	22,546	10,799
Belgium and Luxemburg	----------	1,170	25	235,911	237,106	119,260
Denmark	----------	203	----------	46,589	46,792	25,081
Eire	----------	24	----------	40,094	40,118	21,292
France	61	3,712	2,645	453,655	460,073	241,947
Greece	28,390	2,027	----------	59,354	89,771	47,404
Iceland	----------	1	----------	8,883	8,884	4,807
Italy	81,953	5,125	----------	200,114	287,192	139,111
Netherlands	----------	854	128	192,010	192,992	101,432
Norway	----------	275	----------	80,826	81,101	44,681
Portugal	----------	55	----------	48,723	48,778	24,983
Sweden	----------	56	----------	224,028	224,084	122,960
Switzerland	119	170	----------	92,389	92,678	47,417
Turkey	----------	14	----------	47,418	47,432	26,420
United Kingdom	5	1,621	124	617,070	618,820	306,353

TABLE 7.—*United States exports, by commodity groups and principal commodities to the 16 countries participating in the European Economic Cooperation Conference (Marshall plan countries)—Total value and percentage of total United States exports, January–June 1947*

[Value in thousands of dollars]

Commodity group and commodity	Total United States exports	Exports to 16 participating countries		
	Value	Value	Percent distribution	Percent of United States exports
Total exports of United States merchandise	7,445,982	2,455,446	100.0	32.8
Foodstuffs	1,240,979	620,098	25.3	50 0
Grains and preparations	673,954	325,876	13.3	48 4
Meats, dairy products, dried eggs	221,300	133,343	5.4	60 3
Animals and animal products, inedible	104,293	44,361	1 8	42 5
Leather	19,690	8,530	.3	43.3
Furs and manufactures	32,699	18,768	.8	57 4
Vege[illegible]	382,085	175,040	7.1	45 8
[illegible]	120,466	37,787	1 6	31.4
[illegible]	176,713	106,234	4.3	60.1
Textile fibers and manufactures	1,069,946	297,778	12.1	27 8
Cotton, unmanufactured	306,216	164,913	6.7	53 8
Textile manufactures [1]	763,730	132,885	5 4	17.4
Cotton manufactures	394,102	54,054	2 2	13.7
Wool manufactures	38,981	7,847	.3	20.1
Synthetic fibers and manufactures	178,281	24,249	1.0	13.6
Wood [illegible]	182,777	54,024	2 2	29.6
[illegible]	58,428	26,520	1.1	45 4
[illegible]	34,282	15,242	.6	44.5
Nonmetallic [illegible]	709,502	286,488	11.7	40.4
[illegible]	264,133	136,217	5.5	51 6
Petroleum and products	307,926	127,485	5.2	41.4
Metals [illegible]	655,778	160,955	6.6	24 5
Iron [illegible]	401,164	98,494	4.0	24.6
Iron [illegible]	131,782	15,390	.6	11.7
[illegible]	39,507	20,809	.9	62.9
Manufactures	2,334,615	650,777	26.5	27.9
Automobiles, parts, accessories, and service equipment	578,375	91,080	3.7	15.7
Merchant vessels	395,332	238,130	10.0	60.2
Freight cars over 10-ton capacity	76,800	72,394	2.9	94.3
Machinery.				
Electrical	278,965	28,709	1.1	10 3
Industrial	668,619	136,525	5.6	20 4
Agricultural	150,810	25,230	1.0	16 7
Chemicals and related products	386,848	97,009	4.0	25.1
Miscellaneous	379,158	68,913	2.8	18 2
Commodities exported for relief and charity [2]	57,744	19,903	.8	34.5

[1] Includes a small amount of unmanufactured wool, hair, and vegetable fibers.
[2] Mainly "private relief" [illegible] UNRRA shipments of used clothing are included. Data for individual commodities include the main part of UNRRA supplies.

TABLE 8.—*United States exports to selected European countries by economic groups—Value, 1936–38, 6-month average, January to June 1946, and January to June 1947, and value in 1936–38 dollars for January to June 1946 and January to June 1947*

[Value in thousands of dollars]

Country	1936–38, 6-month average		January to June 1946				January to June 1947			
	Value	Percent of total	Value	Percent of total	Unit value (price) index [1]	Value in 1936–38 dollars	Value	Percent of total	Unit value (price) index [1]	Value in 1936–38 dollars
Denmark, total	9,010	100.0	14,991	100.0	150	9,986	46,627	100.0	186	25,081
Crude materials	1,566	17.4	3,846	25.7	156	2,470	14,513	31.1	200	7,246
Foodstuffs	1,680	18.6	306	2.0	168	182	1,520	3.3	222	686
Manufactures	5,764	64.0	10,839	72.3	148	7,334	30,594	65.6	178	17,149
Eire, total	7,782	100.0	11,580	100.0	153	7,591	39,679	100.0	186	21,292
Crude materials	1,730	22.2	3,347	28.9	156	2,150	6,653	16.5	200	3,272
Foodstuffs	4,197	53.9	934	8.1	170	549	6,251	15.8	223	2,802
Manufactures	1,855	23.8	7,299	63.0	149	4,892	26,875	67.7	177	15,218
Finland, total	5,272	100.0	12,265	100.0	157	7,822	29,030	100.0	201	14,413
Crude materials	1,140	21.6	2,788	22.7	156	1,791	1,678	5.8	200	835
Foodstuffs	529	10.0	2,484	20.3	177	1,406	16,178	55.7	223	7,243
Manufactures	3,603	68.3	6,993	57.0	151	4,625	11,174	38.5	177	6,327
Italy, total	31,616	100.0	190,334	100.0	170	111,941	276,640	100.0	199	139,111
Crude materials	16,634	52.6	52,328	27.5	156	33,608	73,993	26.7	200	36,997
Foodstuffs	505	1.6	109,820	57.7	186	59,107	103,352	37.4	225	46,016
Manufactures	14,476	45.8	28,186	14.8	147	19,226	99,295	35.9	177	56,098
Norway, total	9,957	100.0	35,156	100.0	155	22,612	81,245	100.0	182	44,681
Crude materials	1,263	12.7	5,653	16.1	156	3,631	8,629	10.6	200	1,308
Foodstuffs	1,490	15.0	5,634	16 0	189	2,983	4,705	5.8	225	2,092
Manufactures	7,204	72.3	23,869	67.9	149	15,998	67,911	83.6	177	38,281
Iceland, total	68	100.0	5,950	100.0	154	3,866	8,875	100.0	185	4,807
Crude materials			35	.6	160	22	437	4.9	200	219
Foodstuffs	5	7.4	1,010	17.0	176	574	1,396	15.7	221	632
Manufactures	63	92.6	4,905	82.4	150	3,270	7,042	79.3	178	3,956

Footnotes at end of table.

TABLE 8.—*United States exports to selected European countries by economic groups—Value, 1936–38, 6-month average, January to June 1946, and January to June 1947, and value in 1936–38 dollars for January to June 1946 and January to June 1947*—Continued

[Value in thousands of dollars]

Country	1936–38, 6-month average		January to June 1946				January to June 1947			
	Value	Percent of total	Value	Percent of total	Unit value (price) index [1]	Value in 1936–38 dollars	Value	Percent of total	Unit value (price) index [1]	Value in 1936–38 dollars
Austria, total [2 3]	1,400	100.0	18,699	100.0	168	11,125	22,499	100 0	208	10,799
Crude materials	107	7.6	387	2.1	156	[illegible] 248	386	1.7	200	193
Foodstuffs	32	2.3	14,274	76.3	174	8,203	15,232	67 7	226	6,740
Manufactures	1,261	90.1	4,038	21.6	151	2,674	6,881	30.6	178	3,866
Portugal, total	5,735	100.0	28,868	100.0	160	18,090	48,091	100 0	192	24,983
Crude materials	1,445	25.2	4,542	15.7	156	2.912	5,594	11 6	200	2,797
Foodstuffs	361	6.3	9,698	33.6	188	5,159	14,883	30.9	226	6,585
Manufactures	3,928	68 5	14,628	50.7	146	10,019	27,614	57 4	177	15,601
Greece, total	3,300	100.0	73,601	100.0	169	43,540	89,617	100.0	189	47,404
Crude materials	40	1.2	3,440	4.7	156	2,205	684	.8	200	342
Foodstuffs	661	20 0	51,869	70.5	178	29,140	24,710	27.6	225	10,982
Manufactures	2,600	78.8	18,292	24.9	150	12,195	64,223	71 7	178	36,080
Turkey, total	5,701	100.0	17,681	100.0	147	12,021	46,805	100.0	177	26,420
Crude materials	232	4.1	131	.7	156	84	249	.5	200	125
Foodstuffs	25	.4	21	.1	167	13	73	.2	221	33
Manufactures	5,444	95.5	17,529	99.1	147	11,924	46,483	99.3	177	28,262
United Kingdom total	246,406	100.0	414,135	100.0	159	260,451	607,178	100.0	198	306,353
Crude materials	91,421	37 1	141,896	34.3	156	90,959	140,749	23.2	200	70,375
Foodstuffs	49,406	19.9	153,996	37.2	174	88,503	232,325	38.3	224	103,716
Manufactures	105,939	43.0	118,243	26.6	146	80,988	234,104	38.6	177	132,262
Belgium, total	38,264	100.0	132,874	100.0	163	81,308	230,878	100.0	194	119,260
Crude materials	6,315	16.5	21,484	16.2	156	13,772	37,513	16.2	200	18,757
Foodstuffs	8,029	21.0	64,064	48.2	177	36,194	69,273	30.0	225	30,788
Manufactures	23,920	62.5	47,326	35.6	151	31,242	124,092	53.7	178	69,715
France, total	69,976	100.0	423,093	100.0	159	265,633	454,197	100.0	188	241,947
Crude materials	30,928	44.2	67,211	15.9	156	43,084	96,204	21.2	200	48,102
Foodstuffs	5,620	8.0	119,377	28.2	184	64,879	69,790	15.4	225	31,018
Manufactures	33,422	47.8	236,505	55.9	150	157,670	288,203	63.5	177	162,827
Netherlands total	39,519	100.0	82,768	100.0	169	51,914	190,732	100.0	188	101,432
Crude materials	5,324	13.5	13,139	15.9	156	8,422	31,544	16.5	200	15,772
Foodstuffs	10,965	27.7	23,759	28 7	184	12,913	35,487	18.6	225	15,772
Manufactures	23,230	58.8	45,868	55.4	150	30,579	123,701	64.9	177	69,888
Sweden, total	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Crude materials	4,622	16.2	6,623	7.6	156	4,246	17,289	7.8	200	8,645
Foodstuffs	2,258	7.9	7,934	9.1	195	4,069	14,458	6.5	222	6,513
Manufacturers	21,627	75.9	72,651	83 3	148	49,089	190,809	85.7	177	107,802
Czechoslovakia total [4]	7,324	100.0	60,893	100.0	167	36,550	35,928	100.0	189	19,028
Crude materials	2,767	37.8	1,666	2.7	156	1,070	8,045	22.4	200	4,016
Foodstuffs	412	5.6	44,100	72.4	174	25,389	7,046	19.6	222	3,180
Manufactures	4,144	56.6	15,127	24.8	150	10,091	20,837	58.0	176	11,832
Switzerland, total [4]	4,547	100.0	45,724	100.0	147	31,176	89,826	100.0	189	47,417
Crude materials	698	15.4	5,802	12.7	156	4,726	9,050	10.1	200	4,518
Foodstuffs	292	6.4	12,061	26.4	187	6,464	26,642	29.7	224	11,894
Manufactures	3,556	78.2	27,861	60.9	139	19,986	54,134	60.3	175	31,005

[1] 1936–38 average=100, estimated indexes based on the unit value of total United States exports weighted by the value of each economic class in the trade with each country.

[2] Data represent direct shipments only; these figures for 1936 and 1937 greatly understated the total trade since a substantial amount of United States cotton went to Austria via free ports of Hamburg and Bremen, chiefly recorded in United States statistics to Germany. For direct and indirect trade, see Austrian statistics.

[3] 6-month average for 1936–37; German occupation of Austria precluded complete data in 1938.

[4] Data represent direct shipments only; these figures for 1936, 1937, and 1938 greatly understated the total trade since large quantities of United States merchandise which reached these countries indirectly are credited in United States statistics to other countries through which these goods were transshipped. For direct and indirect trade, see statistics of the individual countries.

Mr. McCLELLAN. My purpose in placing these documents in the RECORD and calling them to the attention of my colleagues is that we might have a better picture of the problem of our being able to carry out this tremendous commitment of some fifteen to twenty billions of dollars during the next 4 or 5 years. I am convinced that we cannot justify continuing the shipping of vital, strategic goods, commodities, materials, implements, machinery, and tools to Russia while we are undertaking to carry out the Marshall program. As I have stated previously in my remarks, I should not want to break off trade with Russia. It is perfectly all right to trade where we have something to sell which is not in short supply. But in the instance of strategic commodities we do not have anything for sale, Mr. President, without imposing upon our own economy and without making more difficult and more doubtful the fruits of the Marshall program. I think it well that before we undertake the Marshall program we consider our ability to meet all these commitments and to meet all the obligations which will be placed upon us when the Marshall program is adopted.

Mr. VANDENBERG. Mr. President, earlier in the afternoon I presented an amendment to clarify section 6 to make it plain that the committee intended that the compensatory deposits and local currencies should be made for all commodities, and not just for those commodities offered for resale. The able Senator from Missouri [Mr. DONNELL] was doubtful about the language at one or two points. The language in which I have offered the amendment is the precise language in the original State Department bill. I have no objection to the suggestions which have now been made by the able

Senator from Missouri which simply tend to clarify rather than to change the objective which we are both seeking to reach. I should like very much to get this amendment adopted, if possible, so that the bill will be in the shape in which the committee intended it before we start to consider the other amendments.

Mr. LUCAS. Mr. President, will the Senator yield for one question?

Mr. VANDENBERG. I yield.

Mr. LUCAS. On yesterday I offered two amendments to that section of the bill, with the primary purpose of attempting to say to the government of France that we should like to use part of the money in the revolving fund to furnish information to the French people as to the origin, character, and source of the supplies, goods, and materials which we are sending them. I still feel that that is one of the most constructive things that could be done in carrying out the interim-aid program and in ultimately carrying out the Marshall program in the event that Congress should see fit to adopt it. After talking with the able Senator from Michigan, I shall not press my amendments. But I hope that the Senator will impress upon the State Department the necessity of incorporating the very language I suggested in the amendments into the agreements between the United States and the other countries which are to receive the interim aid.

Mr. VANDENBERG. I was about to say to the Senator that the bill as reported has one section which is in error, because in drafting it the language of the old law was picked up at a point where it was not expected that it would be picked up. I am simply offering a clarifying amendment to make it clear that it was the intent of the committee that (1) the commodities hereafter sent under the bill should be covered by the deposit of local currencies, and (2) that we are leaving open agreement as to what the use of the local currency should be for instead of tying it down as was the case in the text reported. I would say to the Senator that I think that under the language which the committee intended to report it is entirely possible for the intergovernmental agreement to do the thing which the Senator wants done, and I think it is far better to leave it on an optional basis without identification than to start to try to write a bill of particulars.

Mr. LUCAS. Mr. President, I agree with the Senator upon that point, and I know that it is a delicate matter to attempt to write into statutory law anything which would in the slightest degree give to a foreign government the implication that we were interfering in any way with its sovereignty.

But I raised the question yesterday, through these amendments, primarily for the purpose of pointing out that I hope that when the State Department finally makes the agreements with these various governments, it can follow through and can reach agreements which will give this country the right to give information and disseminate propaganda along American lines, so that those people will really know exactly what America is doing; and I know the Senator agrees with me upon that.

Mr. VANDENBERG. Yes; and I think the record now puts the State Department upon notice that this is one of the factors that must be surveyed.

Mr. LUCAS. I thank the Senator.

Mr. VANDENBERG. Mr. President, I am sure the amendment is not controversial. I ask that it be read at the desk in the form in which it has been agreed upon for submission.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 4, it is proposed to strike out lines 11 through 23, to and including "(c)", and substitute the following language:

(b) to make, when any commodity is made available under this act, a commensurate deposit in the currency of such country in a special account under such general terms and conditions as may, in said agreement, be agreed to between such country and the Government of the United States, and to hold or use such special account for, and only for, such purposes as may be agreed to between such country and the Government of the United States.

The PRESIDING OFFICER. The question is on agreeing to the amendment as modified, as offered by the Senator from Michigan.

Mr. GEORGE. Mr. President, as I understand this amendment, it converts into a mere grant the entire sum appropriated under the bill.

Mr. VANDENBERG. No. All in the world this amendment does is precisely what the committee thought it was doing in requiring that all commodities under the bill shall be covered by the deposit of local currency, instead of simply a part of the commodities, as is the case under the post-UNRRA relief act. This is the precise language, with one or two clerical changes, which the Department submitted.

Mr. GEORGE. I do not think there can be any mistake about the amendment which the Senator sent to the desk. It would make an outright gift of everything appropriated under the proposed act, and there would be no sales for value, notwithstanding the fact that we might sell cotton and might be able to recover some value on the sales of cotton.

Mr. VANDENBERG. I do not understand the amendment to be of that purport at all. On the contrary, I think the result of the amendment would be to require the deposit of local currency for every commodity received under the terms of the bill.

Mr. GEORGE. I know; but that local currency then would go to the benefit of the recipient country, not to ourselves.

Mr. VANDENBERG. It would do so under an agreement between the United States and the recipient country.

Mr. GEORGE. Yes, and it would not go to us.

Mr. VANDENBERG. But I see no prohibition against resale. I do not understand where the Senator gets his notion that there is a prohibition against resale.

Mr. GEORGE. As this section was written, it read as follows: "to the extent that supplies procured with funds authorized under this act are not furnished on terms of repayment in dollars" then this fund should be created. But now the amendment the Senator has proposed would wipe all that out, so that none of the supplies would be repaid in dollars. Perhaps none would. But this amendment presents quite a big question of public policy, and a very important question of public policy, namely, whether we should appropriate more than a half billion dollars to be given away, without any effort to see that any of it is repaid.

If the Senator from Michigan is not going to press for final action on his amendment today, I have no objection to having the amendment received and printed, so that we can see it in the morning. But as I catch it from the reading which has just been given of it, it means absolutely that everything under this bill is a straight-out grant to the recipient countries.

Mr. VANDENBERG. I totally disagree with the Senator's interpretation. On the other hand, I have had so much difficulty in trying to straighten out this palpable error in the reporting of the bill that, so far as I am concerned, inasmuch as the existing process provided in the bill is the process provided in the existing relief act, I am going to withdraw the amendment. I think that is a step backward. I think it was a great step forward to require that all commodities should be covered by the deposit of local currency. I think it was a great step forward to widen the option under which the deposit of local currencies could be used. But it seems to be quite impossible to get an agreement on desirable language to accomplish the purpose; and so far as I am concerned, I shall rest on the bill as reported.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. LUCAS. Before the Senator does what he has just stated, why does he not follow the suggestion made by the able Senator from Georgia, namely, let the amendment go over until tomorrow, so that Senators will have an opportunity to study it? Perhaps I should not say this, but I am inclined to agree with the Senator from Michigan about the amendment, after giving it some study. However, it seems to me that the Senator from Michigan should do what the Senator from Georgia suggested. Then, if on tomorrow we cannot agree, it seems to me the Senator from Michigan should do what the Senator suggested a moment ago, namely, withdraw the amendment. But I feel that we should have an opportunity to study it overnight.

Mr. VANDENBERG. Well, I am withdrawing the amendment. If any Senator wishes to offer it later, he is at liberty to do so.

Mr. DONNELL. Mr. President, I should like to reoffer the amendment with one change to cover the point made by the distinguished Senator from Georgia. I think it would cover his point were it to be worded as follows—and I so offer it:

Strike out lines 11 through 23, to and including "(c)," and substitute the following language.

By the way, I notice that the amendment provides for striking out "including (c)." I understood that the amendment went down only to "(c)," and that paragraph "(c)" was to stand.

Mr. VANDENBERG. The designation "(c)" is merely an identification letter, and the amendment propose to strike that out, because there would cease to be any previous paragraphs (a) and (b) in the subsection, under the amendment.

Mr. DONNELL. Was it the intention of the amendment to strike out the end of line 23 and lines 24 and 25?

Mr. VANDENBERG. No; the paragraph now designated as "(c)" would remain, but it would cease to be identified as "(c)." That is the only thing.

Mr. DONNELL. I see.

Then, Mr. President, I offer the following amendment:

On page 4, strike out lines 11 through 23 to and including "(c)" and substitute the following language:

"(b) to make, when any commodity which is not furnished on terms of repayment in dollars is made available under this act, a commensurate deposit in the currency of such country in a special account under such general terms and conditions as may, in said agreement, be agreed to between such country and the Government of the United States, and to hold or use such special account for, and only for, such purposes as may be agreed to between such country and the Government of the United States."

I offer that amendment at this time.

Mr. VANDENBERG. I suggest that the Senator let his amendment lie over.

Mr. DONNELL. Yes.

Mr. VANDENBERG. This is a very technical subject, upon which the language has to be very precise. I know the language I first offered is workable, because it is taken directly from the text of the original State Department bill. I would not know the precise effect of the language submitted by the Senator from Missouri. So I suggest that the whole matter go over until tomorrow. Then if any Senator has any interest in bringing it up—and I am through with it—I should be very glad to consider it.

Mr. DONNELL. That is quite agreeable to me, and I think that is a very wise course of procedure.

Mr. President, I should like at the appropriate time—and as a parliamentary inquiry, I inquire at this time whether it is now in order—to have other amendments offered and considered.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. DONNELL. Will the Senator from Michigan yield for the purpose of permitting me to present other amendments?

Mr. VANDENBERG. Yes; I hope other amendments will be presented.

Mr. DONNELL. Mr. President, I offer the following amendment: On page 7, lines 6 and 7, strike out the following words:

or any other official or officials of the Government.

The next amendment I offer is, on page 7, to strike out the last sentence, and substitute therefor a sentence reading as follows:

The provisions of subsection (h) of section 6 of this act shall not apply to distribution of supplies in Austria: *Provided*, That the President shall have determined, upon recommendation of the United States High Commissioner for Austria, that supplies furnished to Austria hereunder will be distributed under control systems embodied in agreements between the High Commissioner and the other occupying authorities or the Austrian Government which assure compliance with the objectives of the occupation and with the purposes of this act.

The last amendment which I offer at this time is to amend the first sentence of section 4 (a) to read as follows:

There is hereby authorized to be appropriated not to exceed $597,000,000, out of any money in the Treasury not otherwise appropriated, to carry out the provisions and accomplish the purposes of this act: *Provided, however*, That of said sum there may be applied toward assistance to the people of Austria not to exceed $42,00,000, toward assistance to the people of France not to exceed $328,000,000, and toward assistance to the people of Italy not to exceed $227,000,000, except that if the President shall determine that, because of changed conditions or for other reason deemed by him to be good and sufficient, the amount so to be applied respectively toward assistance to the people of any one or more of said countries should exceed the amount so respectively above specified, he is hereby authorized to increase the amount so to be applied: *Provided*, That the aggregate of the amounts to be applied toward assistance to the people of said three countries shall not exceed the total amount which shall be appropriated pursuant to the authority granted by this act.

I thank the Senator.

The PRESIDING OFFICER. Does the Chair correctly understand that all those are one amendment, or are they three separate amendments?

Mr. DONNELL. They are three separate amendments.

The PRESIDING OFFICER. Does the Senator from Missouri desire to have the amendments considered at this time?

Mr. DONNELL. The debate will continue until tomorrow, undoubtedly; and it appears to me that the amendments should be printed and lie over until tomorrow.

Mr. VANDENBERG. Mr. President, I think the Senator's original assumption is correct, and I think his deduction therefrom is wise.

Mr. DONNELL. Mr. President, let me call attention to a slight amendment to which I know the Senator from Michigan will agree. On page 2, line 13, following the word "source", the word "of" should be inserted, so as to make the sentence grammatical and in accordance with the construction of the next subsection "(b)."

Mr. VANDENBERG. I think the Senator from Missouri is entirely correct.

The PRESIDING OFFICER. Without objection, the amendment in the nature of a correction will be made.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. TAFT. I wish to ask the Senator's opinion of the wisdom of the currency provision which would put the United States into the domestic affairs of every country of Europe in determining how money belonging to that government should be used. Has the Senator considered the objections made to that by American representatives abroad?

Mr. VANDENBERG. The subject has been very carefully canvassed. Speaking for himself, the Senator from Michigan will say that he thinks this is a very great advance in the philosophy of this type of international contact, because in a sense it takes the relief bill out of the relief category in its first impact, and takes it out of the windfall class, so far as the budgets of these other countries are concerned.

I think it is of tremendous advantage to multiply the potentiality of our aid by creating what are in effect revolving funds out of our initial appropriation, so that the helpful impact multiplies in final net result. This system has been partially operating under the present relief law since the first of last July, and I have heard no complaint from beneficiary governments about the device.

Mr. TAFT. My fear is that we will set up a joint commission in England, for instance, and that commission is going to decide whether British pounds are going to be used for building more housing in England, or building more power plants, or stimulating the production of coal; and whenever anything is proposed and done that is not popular, and whenever anything is turned down, then the government is going to blame the United States for what is done. In other words, we are assuming a power to say how British pounds shall be spent within England.

Perhaps certain countries—Greece, of course, is an example—are in such a position that they cannot object, but it does seem to me we are getting into the internal affairs of other countries, which may be very dangerous. I understand that at least one prominent American ambassador is very much opposed to it and is very much of the opinion that it will create difficulties and trouble for the United States.

Mr. VANDENBERG. Of course, the example the Senator uses is not particularly pertinent, because Britain is not involved in the legislation. I would agree with the Senator that when it comes to recuperation and reconstruction programs, the viewpoint he expresses is to be very seriously weighed. I doubt whether it has the same impact when we are dealing exclusively, or at least overwhelmingly, in relief commodities, and when the net effect of the operation is simply to multiply the availability of the initial relief appropriation for subsequent advantage.

Mr. TAFT. For what purpose does the Senator suggest that the funds should be used? They cannot be used for the purchase of food, because that would take dollars. English pounds are not useful anywhere, as I see it, except within England, to be spent in England, for some purpose. What is the purpose? What kind of purpose has the Senator in mind?

Mr. VANDENBERG. Under Public Law 84, the existing relief statute, it is specified that the funds shall be used for relief and work-relief purposes. In other words, it is contemplated, I assume—because we are speaking now

speculatively on the whole subject, inasmuch as it is an entirely new adventure—that work-relief projects could be set up in connection with relief, to make its recipients more self-supporting, and contemplations of that character.

Let me add one or two other thoughts. It is also suggested that we can appropriately pay our own administrative expenditures in connection with relief, where those expenditures involve local currencies.

Mr. TAFT. I would not raise any question at all about that; that seems to be perfectly clear; but when we get beyond that, it seems to me that if we are going to be responsible for a WPA in England, we may become as unpopular as the WPA became in the United States. I only wanted to put in a caveat and express a doubt as to whether what is suggested is advisable. While the other condition is undesirable, with respect to money which is going into the Treasury, I think we may get into something still worse by attempting to go into certain countries and exercise some control over expenditures of the currencies there.

Mr. VANDENBERG. I will submit this notion to the Senator. The Senator agrees that it is bad to have the relief funds just flow into the governmental treasury without any recoupment. That is bad. The Senator is fearful that in the evolution of this plan we may run into alternative contingencies that are also bad. I suggest to him that we know the result of the first contingency is bad, and that it may be worth while and interesting for 90 days to find out whether there is an alternative which is not quite so bad.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from Massachusetts.

Mr. LODGE. I should like to comment, in connection with the question of the Senator from Ohio, that it is impossible to tell exactly what services it may be desired to buy abroad, which should be paid for with local currency. That is the first point. The second point is that it might be very good judgment, it might be desirable and proper and something that would be fairly understood and recommended abroad, for us to use these funds, for example, to buy time on local radio stations. I think we very materially skimped our public-information program, and in my opinion, what we have of it is not being handled in the right way. Here would be an opportunity to use funds in a legitimate way, to get services abroad which we need, and which could be bought with local currencies.

Mr. TAFT. Mr. President, would the Senator yield?

Mr. VANDENBERG. I yield.

Mr. TAFT. I fully agree with what the Senator says, as far as our using the funds we need and can use is concerned. My question was rather as to the expenditure, by this joint board, by agreement with the government, on a lot of other things that are in the nature of relief or production within the foreign countries, that is all. I fully agree with the Senator that we ought to get all the pounds we can use, if we ship commodities to England.

Mr. DONNELL. Mr. President, would the Senator from Michigan yield for a comment?

Mr. VANDENBERG. I yield. I am glad to yield the floor to any Senator who desires to offer an amendment.

Mr. DONNELL. I want to propound an inquiry to the Senator, for information. I do not at all share the view that, if a country is willing to pay for the commodities, we should not accept the payment. I think the point the Senator from Georgia has raised this afternoon is a perfectly proper one. I do not know whether any of the countries referred to can or cannot pay, but certainly if they can, and are willing to do so, I see no objection to our accepting their money. But I should like in that connection to ask the Senator whether or not this paragraph, which I find in the report of the Committee on Foreign Relations, indicates the position of that committee on this subject.

NATURE OF ASSISTANCE: GRANTS RATHER THAN LOANS

It is the intention of the administration to extend this aid in the form of grants rather than loans. Nearly all of the commodities will be of a type currently consumed, helping to maintain, but not adding greatly, to the three countries' productive capacity. Moreover, the tasks of Austria, France, and Italy in the field of rehabilitation and reconstruction are so compelling that all of their available resources and foreign exchange will be sorely needed for some time to come for the purchase of essential imports and for the servicing of reconstruction and rehabilitation loans. In view of the precarious financial position of the countries involved, and the emergency character of this act, the committee agreed that it would be unwise and unsound economically to burden them with additional debts in the form of loans at this time.

Mr. VANDENBERG. I think that is the philosophy of it.

Mr. DONNELL. That is the view of the committee, and this paragraph expresses that view?

Mr. VANDENBERG. I think that is so.

Mr. BALL. Mr. President, I send to the desk an amendment which I offer to the pending bill.

The PRESIDING OFFICER. The clerk will report the amendment.

The LEGISLATIVE CLERK. On page 3, line 24, after the period, it is proposed to insert the following:

Buying policies and methods which will exert the least possible upward pressure on prices in the United States shall, to the maximum extent practicable, be followed in the procurement of commodities provided for under this act.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota.

Mr. BALL. Mr. President, that is the amendment lettered "B," which is on Senators' desks, with one insertion, namely, the same proviso which is in the sentence preceding it, in section 5 of the bill, on page 3, relating to petroleum products. In other words, the amendment, as it stands, could be interpreted as practically precluding any purchases. Of course, that was not the intent. The intent was merely that the Government should not buy a hundred million bushels of wheat, for instance, within a period of 2 weeks. That would obviously cause a sudden rise in the market. As a matter of fact, in the last 2 days, in the Appropriations Committee, I have been very much impressed by the testimony of Secretary Anderson, of the Department of Agriculture, describing the way in which he has carried out the purchasing under previous programs.

The amendment is merely in the nature of an admonition, I think, from the Congress to the executive branch, that the price program in the United States is a serious problem, and that this program, while it is not the whole factor concerned, is yet a factor of major importance, certainly, in the prices of certain food products here in the United States.

Mr. VANDENBERG. Mr. President, the Senator discussed his amendment with me. I suggested I would not resist it, if the saving clause were added which puts it in the nature of an admonition rather than an order.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Minnesota.

The amendment was agreed to.

Mr. BALL. Mr. President, yesterday, I questioned the Senator from Michigan about certain language on page 2, line 5, which authorizes the President to allocate funds to recipient countries. As I understand, he has since obtained information from the State Department to the effect that that authority was intended primarily to authorize credits for offshore purchases by foreign countries, and it was not intended, through the use of funds appropriated under this authorization, to turn over to foreign governments the power to purchase here within the United States, in competition with our own purchasing agents. That is the question which primarily concerned me.

Mr. VANDENBERG. Mr. President, it is my understanding that there are to be no funds turned over to any beneficiary government under the terms of this measure. It is my understanding that the phrase "by allocation of funds," and so forth, refers to credits rather than funds, and would operate in the following fashion. As the Senator knows, an effort is to be made to procure offshore purchases as far as possible in order to relieve the strain upon the domestic economy. When off-shore purchases are made the beneficiary government will make the off-shore purchases itself. When each transaction is concluded the papers will be submitted to the supervising officers of the Government of the United States for approval, and if they are approved, there will be an allocation of a credit to cover the purchase. Except as there was some such covering language it would be impossible to proceed in that fashion.

Mr. BALL. Mr. President, I thank the Senator for his information. It coincides with the information I received in the Appropriations Committee in questioning Secretary Anderson, who said that is currently the practice, and that he had every reason to believe it would continue. I therefore will not

offer any amendment to that particular portion of the bill, but I do send the desk my amendment lettered "A," which I now offer.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 1, line 10, beginning with the word "which", it is proposed to strike out through the word "cooperation" in line 2 on page 2.

Mr. BALL. Mr. President, the effect of that amendment is to strike out the words beginning in line 10 on page 2, "which would jeopardize any general European economic recovery program based on self-help and cooperation." The effect of the whole phrase is that it is the purpose of the measure to provide immediate assistance needed by the peoples of Austria, France, and Italy "to alleviate conditions of intolerable hunger and cold and prevent serious economic retrogression." Then the qualifying phrase continues.

It seems to me, and I think the Senator from Michigan agreed in our colloquy yesterday, that the President and the executive agencies can do everything under the language putting a period after the word "retrogression" which they could under the further language, the inclusion of which seems to me to imply to the countries in question a sort of commitment by our Government to go on with some general European economic recovery program. I realize that the distinguished chairman of the Foreign Relations Committee made it abundantly clear in his address yesterday that no Senator was to be committed by voting for the interim aid bill, and I think most of us certainly intend to support it. I myself am convinced that it is necessary to do so in order to prevent serious hunger and starvation and want over there due to their very short crops this year. But I for one have not had the information on which to reach any decision on the longer range plan. As a matter of fact, one set of factors that will be very important to me in making any final decision will be how these recipient countries under this bill perform in the next 4 or 5 months. If they make some progress toward stabilizing their currencies, which is one of the most serious problems in connection with the real economic recovery over there, if they make some progress in stopping the virtual insurrections which the Communists are staging in Italy and France today, then I certainly would be much more favorably disposed toward the longer range plans than I would be if conditions continue to deteriorate in the fields of currency stabilization and control of the Communist guerrilla warfare and sabotage of the economies of those countries.

For that reason it seems to me a little inconsistent with the statement made by the Senator and the statements in the committee report, to retain this language in the bill, which could very easily be interpreted by the countries in question as a commitment by the United States to the whole long-range plan. Personally I kind of like to keep them on good conduct for the next few months.

Mr. VANDENBERG. Mr. President, the language which the able Senator from Minnesota wishes to delete is language which describes certainly a highly laudable and legitimate objective. If it is deleted, I would not want its deletion to indicate that we have ceased to have any interest in economic retrogressions which would jeopardize any general European economic recovery program based on self-help and cooperation. I am sure that we all have a common interest in that broad objective, whether we are going to agree with the so-called Marshall plan or not. The only thing I dislike about the Senator's amendment is that it might be interpreted as suggesting to somebody that we have no interest in this sort of an objective. I think we have a very definite interest in it regardless of how that interest is subsequently implemented. But so far as I am concerned, the additional language certainly is not essential to the operation of the bill. I agree that the Senator perhaps does have something of a point when he suggests that if we are sharply to discriminate between this bill and the long-range bill the language should be eliminated. Inasmuch as the long-range bill is quite obviously identified with the words that are used at the end of the sentence, it might perhaps make the discrimination between the long-range and the short-range plan more obvious if the language were changed as he requests. I have no feeling one way or the other about it.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. BARKLEY. I wish to say that the language which the Senator seeks to strike out is not essential to the carrying out of the purposes of the bill, but it seems to me that rather than in any way committing us to the long-range program it is an emphasis on the recovery of Europe based upon self-help and cooperation there. There is not anything in that language that commits us to anything in the future, but it does seem to me to emphasize that it is necessary and will be necessary for the European countries to indulge in a considerable amount of self-help and cooperation among themselves, not necessarily by reason of any aid from the United States based upon the long-range program, which I am quite sure when the time comes I shall support. The language has no immediate connection with the bill now under consideration. Rather than committing us to anything, it does hold out the requirement that there shall be self-help and cooperation among the European nations, and that perhaps the expenditure of this sum will have some connection with their beginning of that self-help and cooperation which we hope will increase as time goes by. In spite of that, I agree that the language is not absolutely necessary, but I do not think it is harmful in so far as committing us to anything in the future is concerned.

Mr. BALL. Mr. President, will the Senator yield?

Mr. VANDENBERG. If I have the floor I yield.

Mr. BALL. I should like to make very clear that my offering of the amendment certainly does not indicate any indifference on my part to the whole problem of European economic recovery and stability. I have spent practically all my time for the last month trying to read through and analyze and study all the various reports on the long-range program, including the Nourse report, the Harriman report, the Krug report, and the Foreign Relations Committee documents, to say nothing of the Paris reports themselves. I admit I have not been able to get through all of them, but I certainly do not want the implication to be left in the RECORD that I offer the amendment out of any indifference to the basic purpose of any Marshall plan or any European economic recovery plan. The United States should help as much as it can to achieve economic stability and health in Europe. It certainly is to our own self-interest to do so. But I think the additional language clouds up somewhat the sharp differentiation between the interim program to carry the countries of western Europe through this winter and the long-range program, which I think everybody here wants to make clear.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. CONNALLY. I am in agreement with the Senator from Michigan and the Senator from Kentucky that the words in question are probably not essential. But those words do not tie down to any governmental plan whatever. The language relates to any recovery, whether the European countries achieve it on their own, or whether they achieve it in cooperation with other nations, or whether it is brought about by action of the Congress. It simply is a general expression respecting retrogression which would prevent recovery.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. TAFT. I suggest that if the Senator will agree to have the words stricken it certainly will eliminate a question of controversy and will point up what the Senator himself said, that this is not a reconstruction bill, it is a human relief bill, and that it is in no way intended to pass on the Marshall plan. I do not think the words in lines 1 and 2 on page 2 could be interpreted as anything but a reference to the Marshall plan. That is the only plan which is now before us. I do not think it can be said that those words are general. I think they refer clearly to the Marshall plan. I think it would be clearer and more in accord with the Senator's suggestion if we were to eliminate the words. There certainly is no implication against the Marshall plan. If the words had never been there no one would have thought of putting them in. I believe the Senator would eliminate considerable haziness and doubt if he were to agree to eliminate the words. That would point up his own argument of yesterday.

Mr. VANDENBERG. It might also remove a little further debate.

Mr. BARKLEY. Mr. President, in that connection I am interested in the latter suggestion; but if we eliminate those words and place a period after the word "retrogression," since we are indulging in implications, it might be implied that we are interested only in

maintaining the status quo in those countries, that we are indifferent to any advance, but do not want any retrogression. Certainly, conditions are bad enough so that if they can be improved a little the situation will be helped. I would not like to have us placed in the position where we would be considered as trying only to "hold the line." We hope those countries can advance somewhat from their present status, in addition to preventing any retrogression. However, the point is probably not worth talking about, so I shall say nothing further about it.

Mr. LUCAS. Mr. President, I do not suppose I can add anything to all these implications; but unless these words which were placed there are removed, it might also be implied that we do not expect to enter into any recovery program based upon self-help and cooperation. In other words, those countries might expect to come to us again for an interim-aid program at the expiration of the program now under consideration. I think the language might be very well construed to mean that we would continue what we are now doing.

Mr. BALL. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield for 1 minute.

Mr. BALL. I hardly think that any government can draw such an inference, because the President in his address to us a week ago Monday stated that he would have a message for us some time in December proposing the long-range European plan. I think there is no question about our intention to give it very serious—and, I gather, very sympathetic—consideration. However, we do not wish to commit ourselves in advance.

The PRESIDING OFFICER (Mr. THYE in the chair). The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. BALL].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment.

Mr. VANDENBERG. Mr. President, I believe that the amendments which the able Senator from Missouri [Mr. DONNELL] has submitted are awaiting printing. It was suggested that they go over until tomorrow. Let me ask whether there are any other amendments on the clerk's desk. The Senator from Illinois [Mr. LUCAS] has indicated that he does not intend to press his amendments.

The PRESIDING OFFICER. There are no other amendments on the desk.

Mr. VANDENBERG. Then the only amendments remaining are those submitted by the Senator from Missouri.

Mr. BARKLEY. Mr. President, I suggest that we might understand those amendments by having them read and explained, without waiting until tomorrow to have them printed. If that could be done, it would facilitate final disposition of the bill.

Mr. VANDENBERG. It certainly would.

Mr. BARKLEY. I am certain that the lucidity of the Senator from Missouri will give us a clear understanding of his amendments, without waiting until they are printed.

Mr. VANDENBERG. I am quite willing to experiment with the Senator's lucidity.

Mr. DONNELL. Mr. President, I appreciate the compliment. It is quite agreeable to me to consider the amendments at this time, if that is the desire of the Senate.

Mr. VANDENBERG. Suppose we try one or two of the more lucid amendments first.

The PRESIDING OFFICER. Copies of the amendments are expected to be available in a moment.

Mr. VANDENBERG. The Senator from Illinois [Mr. LUCAS] reminds me—and I think it is so—that some of us were asked by several Senators this afternoon whether it was intended to complete consideration of the bill today. Since we did not have the remotest contemplation that that could happen, I am afraid a number of Senators have been told that the consideration of the bill, undoubtedly, would not be finished today. I wonder if, in an excess of good faith—which is never a bad investment—it would not be well to take a recess until 12 o'clock noon tomorrow, since apparently there is very little left in controversy.

Mr. BARKLEY. In the language of a former Senator from Alabama whom we all remember, "under them heads" I have no objection.

RECESS

Mr. VANDENBERG. I move that the Senate take a recess until 12 o'clock noon tomorrow. In the meantime the remaining amendments will be printed, and they can be considered at that time.

The motion was agreed to; and (at 3 o'clock and 30 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, November 26, 1947, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

TUESDAY, NOVEMBER 25, 1947

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Holy, holy, holy, Lord God almighty, Thou art revealed not only by the heavens above and the earth beneath, but by the silent power that holds together the thoughts and prayers and aspirations of men. Manifest Thyself in that love and wisdom that seeks for the weary mind and loaded heart, that they may find the fullest measure of comfort and peace in Thy merciful providences. Amid the confusion of many voices, speak to us, O God, in a language we can understand. Grant that our fellow men may offer at the altar of our Republic the last full measure of sacrifice and devotion. Bind us so closely together that perilous discord may never cast its threatening shadow upon us, but that we may walk together to the higher levels of Christian brotherhood. In the name of Him who endured the Cross. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed the following resolution (S. Res. 170):

Resolved, That the Senate has heard with profound sorrow and extreme regret the announcement of the death of Hon. James J. Davis, for 14 years a Senator from the Commonwealth of Pennsylvania, and Secretary of Labor for nearly 10 years.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased, together with a transcript of remarks made in the Senate in praise of his distinguished service to the Nation.

CONTEMPT CITATIONS

The SPEAKER. The Chair desires to announce that pursuant to House Resolution 363, Eightieth Congress, he did, on November 25, 1947, certify to the United States attorney, District of Columbia, the refusal of Albert Maltz to answer questions before the Committee on Un-American Activities;

That pursuant to House Resolution 367, Eightieth Congress, he did, on November 25, 1947, certify to the United States attorney, District of Columbia, the refusal of Dalton Trumbo to answer questions before the Committee on Un-American Activities;

That pursuant to House Resolution 368, Eightieth Congress, he did, on November 25, 1947, certify to the United States attorney, District of Columbia, the refusal of Samuel Ornitz to answer questions before the Committee on Un-American Activities;

That pursuant to House Resolution 369, Eightieth Congress, he did, on November 25, 1947, certify to the United States attorney, District of Columbia, the refusal of Robert Adrian Scott to answer questions before the Committee on Un-American Activities;

That pursuant to House Resolution 370, Eightieth Congress, he did, on November 25, 1947, certify to the United States attorney, District of Columbia, the refusal of John Howard Lawson to answer a question before the Committee on Un-American Activities;

That pursuant to House Resolution 371, Eightieth Congress, he did, on November 25, 1947, certify to the United States attorney, District of Columbia, the refusal of Edward Dmytryk to answer a question before the Committee on Un-American Activities;

That pursuant to House Resolution 374, Eightieth Congress, he did, on November 25, 1947, certify to the United States attorney, District of Columbia, the refusal of Lester Cole to answer questions before the Committee on Un-American Activities;

That pursuant to House Resolution 375, Eightieth Congress, he did, on November 25, 1947, certify to the United States attorney, District of Columbia, the refusal

of Alvah Bessie to answer questions before the Committee on Un-American Activities;

That pursuant to House Resolution 376, Eightieth Congress, he did, on November 25, 1947, certify to the United States attorney, District of Columbia, the refusal of Herbert Biberman to answer questions before the Committee on Un-American Activities; and

That pursuant to House Resolution 377, Eightieth Congress, he did, on November 25, 1947, certify to the United States attorney, District of Columbia, the refusal of Ring Lardner, Jr., to answer questions before the Committee on Un-American Activities.

ADJOURNMENT OVER

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Friday next.

The SPEAKER. Is there objection to the request of the gentleman from from Indiana?

There was no objection.

COMPENSATION FOR EMPLOYMENT OF PAGES

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 360) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That during the period of November 12 to December 31, 1947, inclusive, there shall be paid out of the contingent fund of the House compensation for the employment of 50 pages, Doorkeeper's department, at the basic salary rate $1,800 per annum each

The resolution was agreed to.

A motion to reconsider was laid on the table.

LAURA F. PALMER

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I offer a resolution (H. Res. 357) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Laura F. Palmer, wife of Washington Irving Palmer, late an employee of the House, an amount equal to 6 months' salary at the rate he was receiving at the time of his death, and an additional amount not to exceed $250 toward defraying the funeral expenses of the said Washington Irving Palmer.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ECONOMIC CONTROLS

Mr. McGARVEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. McGARVEY. Mr. Speaker, Congress has been called into special session to consider assistance to the needy countries of Europe. We have had tied to this relief program a request for controls on the American economy. We have also had the rather remarkable picture of the Democratic Party voicing the hope that the session will not degenerate into a political session, while, at the same time, they tell the American people that, of course, the Republican Party will spend their time in so-called political haymaking. While denying any intent of playing politics, they also state that the current high prices are due to the Republicans, who have had control of the legislative branch of the Government for only 10 months, and completely ignore the fact that the New Deal planners and economists have been slowly strangling the American economy for over 14 years.

The Democrats charge that by killing the OPA the Republicans started the present inflation—a falsehood which I do not intend to go into at the present time, nor do I intend to touch upon President Truman's actions in regard to the controls which he so recklessly abandoned. The contention of the socialistic planners in the administration is that free enterprise and the law of supply and demand have had time to lower consumer prices, have failed, and a return to controls and a planned economy is now the only course for America to follow.

I charge that free enterprise has not had a chance to function since the abolition of OPA, and the sole reason for this and for our present high cost of living may be placed right on the doorstep of the White House.

Consider the facts: Immediately after Christmas of last year department stores sharply reduced the price of their merchandise, and cotton and grain prices fell. The rise of prices was checked, and wage increases on the basis of the high cost of living were not necessary. About February of this year the Government stepped into the grain markets and recklessly bid up the price of wheat from an average of about $2.15 a bushel to $3 a bushel, where it still remains. Previously the farmer considered himself lucky to get $2 for his wheat. Following the rise in the price of this basic commodity, other costs, such as meat, flour, and food generally, naturally rose. The fearsome spiral of inflation had again started as a result of the administration's own actions. Naturally, wage increases were asked; they were necessary for the workingman. Was this free enterprise functioning? Was this the law of supply and demand which the planners claim has failed to combat high prices?

In a discussion such as this the administration's price support policy must be considered despite the protests of those in the Department of Agriculture who curry the farmer vote. However, the city dwellers, whom I represent, suffer most from the Government's encouragement of high prices. It is also the city dwellers who stand in line during rationing, the city dwellers who do without when items are diverted to the black market to bring a higher price than can be had by legitimate means. Last year, the administration's buying of surplus potatoes created a national scandal, but economic planners never learn. They are doing the same thing this year, not only with potatoes, but with wheat, corn, cotton, rice, tobacco, milk, butter, and eggs. Why should the consumer pay 90 cents for eggs when the administration, by buying three hundred million, creates a shortage with resulting high prices? Is this the law of supply and demand working, the law which Democratic New Dealers claim has failed to lower prices? Has the Department of Agriculture changed hands, that the Democrats can accuse the Republicans for the responsibility of the high prices of these commodities?

Consider the law of supply and demand in relation to the thinking of the economic planners of the administration, who will control the whole of the American economic system if Mr. Truman's wishes are granted. Before our crops were harvested, they decided that so much of each crop was to be for export and so much for domestic use. Since they reached this decision, the corn crop has been ruined. Have they changed their plans to bear some reasonable relation to the amount available? The answer is "No." They are still planning to export 500,000,000 bushels, even though the corn crop is approximately 900,000,000 bushels short of what they had thought it would be at the time that they made their original plans. When told that as a result of this, prices have risen, they expressed surprise, and shout either "speculators in the market," or "the Republicans did it when they abolished OPA."

President Truman seems to be of the same conviction that high prices are due to speculators on the grain exchanges. Does he have proof of this? If such a disgraceful condition is due to speculators as claimed, why does not his Attorney General prosecute them? I, too, agree that there is speculation, and the biggest speculator in the market today is the United States Government, or more specifically, the Democratic administration. Perhaps that is why we shall never have more than token accusations against the big, bad grain speculators.

Free enterprise has not worked, since the abolishing of the OPA; supply and demand has not lowered prices. They have not been given the opportunity to return this country to economic stability on the basis of the capitalistic system which has made the United States the great country which it is today. But to remedy high prices created by the administration's economic planners, we have been asked to use the taxpayers money to pay the salaries of a gigantic bureaucracy of planners who will reduce us to the level of a socialistic country where the worker by means of wage controls has no incentive to work, where industry has no incentive to produce, and where the housewife stands in line to buy inferior goods when and if she can get them. It is useless to point out that we are presently asked to rescue England from the results of such a system; the planners who flourished under the protection of Roosevelt are riding high in

the anticipation of another gravy train at the taxpayers' expense.

We are going to increase our national debt by issuing savings bonds; we shall have allocations and priorities once more. Any veteran can tell you about priorities—that was when a dog could ride in an airplane, but a GI could not. Of course we are told that things like that would not happen this time, but what assurance do we have? The same old crew is waiting eagerly to administer controls, and if they could not refrain from malpractices in wartime, there is no assurance that they will do so in time of peace.

The Republican Congress is tired of being accused of the mistakes made by the Democratic administration both present and past. To hear Mr. Truman speak, one might think that the Executive had no powers whatsoever, he is so eager to blame everything on Congress. He asks for more powers in order to curb inflation, although he has never used the powers he now possesses to that end. It was easier to blame the Republicans for inflation than to exercise his own powers to control exports and currency issuance, two factors which would greatly alleviate the present inflation. Instead of taking cognizance of the need for increased production as a means of high prices, he would saddle industry with every conceivable control, and give the workingman no incentive for which to increase his output. From a party which has consistently harbored a left-wing element, the powers asked sounded strangely like the beginnings of a Fascist state in America. Holding the club of every sort of control over the heads of the American people if they fail to voluntarily ration themselves is not my idea of how people in a free country should live. And the vesting of so much power in the person of one man corresponds more to my idea of a totalitarian dictatorship than the republican form of government guaranteed us by our Constitution.

If we wished to be as political as the opposite party has been, we could grant the President the powers he asks, and have him prove to the American people once and for all the inadequacy of government by economic control. However, I propose to rid the country of the harmful practices of the Democratic administration, which have caused our present high prices, and let the people see that the cries of "Playing party politics with the welfare of the American people" and "Your actions caused high prices" stick where they belong—right on the doorstep of the Democratic Party.

COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4469) to amend the act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. McCORMACK. Reserving the right to object, Mr. Speaker, and I shall not object, I suggest that some one of my friends make a brief explanation of the bill for the RECORD.

Mr. HOFFMAN. For that purpose, Mr. Speaker, I yield to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, this bill was introduced at the request of the Commission on Organization of the Executive Branch of the Government. It contains provisions to give certain authorities not contained in the original law that are now found necessary for the proper functioning of the Commission.

First of all, it gives the Commission the same right as is now given to various departments of the Government to employ persons for intermittent services at a rate of not to exceed $50 per diem. This would apply to specialists, such as engineers, who might be called for a few days or weeks to make studies of certain activities of the Government.

The second provision of the bill exempts the members of the Commission and its employees from the law which prohibits any employee of the Government transacting business with the executive branch of the Government.

We have men, such as the president of the Prudential Life Insurance Co. who has agreed to head the study of the Veterans' Administration, who will give the benefit of their great experience and knowledge to the Commission. His company, for instance, is constantly buying and selling bonds and doing business with the Treasury. It is a technical, legal question as to whether or not such men could serve without injury to themselves or their enterprises, and we do not want to bar from serving the Commission some of the best minds in the country, who are being called to this work on a purely voluntary and patriotic basis.

I might add, Mr. Speaker, that the enactment of this bill has been unanimously requested by the entire Commission, which is bipartisan.

This bill also has been unanimously reported favorably by the Committee on Expenditures in the Executive Departments.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 7 of the act of July 7, 1947 (Public Law 162, 80th Cong.), is hereby amended to read as follows:

"SEC. 7. The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of the civil-service laws and the Classification Act of 1923, as amended: *Provided,* That the Commission also may procure, without regard to the civil-service laws and classification laws, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the act of August 2, 1946 (Public Law 600, 79th Cong., 60 Stat. 810), but at rates not to exceed $50 per diem for individuals."

With the following committee amendments:

Page 1, line 5, after figure "7" insert "(a)."

Page 2, line 5, after the period, add paragraph:

"(b) That nothing contained in sections 109 and 113 of the Criminal Code (U. S. C., title 18, secs. 198 and 203) shall be deemed to apply to any member of, or to any person heretofore or hereafter employed by, the Commission on Organization of the Executive Branch of the Government pursuant to Public Law 162 approved July 7, 1947."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE MARSHALL PLAN

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, while it is rather well agreed by most people that interim aid to certain foreign nations must soon be voted by the Congress, there exist great differences of opinion on the part of not only the Members of Congress but of citizens in all walks of life as to the so-called Marshall plan. I have discussed this plan with many people in my district, and I am now receiving mail from my constituents proposing various ideas and suggestions as to what is the best thing to do. This morning the following suggestion came to me:

Why not have a national referendum on the Marshall plan somewhat as follows:

The President has said that the Marshall plan represents one of the most important commitments the American people have ever been asked to make. He says the cost of it must be met in higher taxes. All the economists are agreed that the shipment of five to six billion dollars' worth of American poducts abroad each year for 4 or 5 years must result in higher prices for those products at home.

Are you willing to pay your share of the Marshall plan if it means (1) a minimum of 10-percent increase in your cost of living; (2) a withholding tax of at least 30 percent of your pay instead of the present 20 percent?

Vote "yes" or "no."

Mr. Speaker, I wonder how the American citizenry, the people whom we must consider, would vote on the above-mentioned question. It seems to me a proposal of this type might afford United States taxpayers an opportunity to state their position on this all-important question and call to their immediate attention the cold and blunt fact that if we are to give away five or six billion dollars' worth of our American substance each year for 4 or 5 years, that it will be done through real sacrifice on the part of all our citizens.

EXTENSION OF REMARKS

Mr. SNYDER asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. McCOWEN asked and was given permission to extend his remarks in the RECORD and include a resolution of the American Legion.

SPECIAL ORDER GRANTED

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent that on Tuesday next, after the disposition of business on the Speaker's desk and the conclusion of special orders heretofore granted, I may be permitted to address the House for 76 minutes.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

EXTENSION OF REMARKS

Mr. BRADLEY asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the Compton Post of the Veterans of Foreign Wars in Compton, Calif.

Mr. TWYMAN asked and was given permission to extend his remarks in the Appendix of the Record.

Mrs. ST. GEORGE asked and was given permission to extend her remarks in the RECORD and include an editorial.

Mr. GROSS asked and was granted permission to extend his remarks in the Appendix and include a report he made on the Agricultural Committee's Nationwide tour, as published in the York Dispatch under recent date.

Mr. McMILLEN of Illinois asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Decatur Herald, Decatur, Ill., of recent date.

DESECRATION

Mr. BUCK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a letter from a constituent.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. BUCK]?

There was no objection.

Mr. BUCK. Mr. Speaker, when the gallant battleship *New Mexico* moved recently through New York harbor en route to the scrapping yard, her hull carried a blatant sign advertising in huge letters the name of her new junkman owner.

Under unanimous consent, I include in my remarks a letter received from a constituent on the subject of this desecration:

NEW BRIGHTON, N. Y.,
Wednesday, November 19, 1947.

DEAR CONGRESSMAN BUCK: We have this day had the opportunity of seeing the grand old *New Mexico* towed through the Kills on the way to Newark. The towing conditions were perfect and the slow progress was impressive.

But to see this battleship, victor in some of the world's most famous engagements with the insignia denoting the defeat of enemy planes and ships painted on her bridge, insulted by the plastering of a junkman's name all over her hull is just plain disgusting.

Could not the respect that every American has for a proud American battleship be carried to its last resting place? Is it not true that deeds performed by other and older war vessels brought forth sentiments expressed by famous poets? Is the *New Mexico* any less to be respected than *Old Ironsides?* Why is such a vessel desecrated in this manner and who is so lacking in sentiment in the high places to allow of this act of disrespect? How can we explain to our younger generation on the one hand our praise of such as the *Constitution* and on the other the brazen advertising on a vessel equally deserving of honor and respect?

Is it asking too much, Mr. BUCK, of you as our Representative, making known our condemnation of such a flagrant act of disrespect and an effort being made that such an act will not be perpetrated in the future?

Respectfully,

ART DOWNS.

THE AIR SUPREMACY ACT

Mr. GOFF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. GOFF. Mr. Speaker, this Congress must take positive steps, not only to protect our Nation in case of attack, but more than that, to prevent the launching of any onslaught against us. I realize that widespread support exists for the enactment of H. R. 4278, the national security training bill, which has been reported favorably to this House. I do not feel that mere manpower is our most urgent need. For this reason, I introduced last Thursday H. R. 4527, to insure the safety of the United States by retrieving our air supremacy. Now is the time to resolve any uncertainty as to the means by which we can best guarantee our national security. I offer this bill for your careful consideration.

I favor the immediate building of an air fleet, and intensifying our research, instead of dawdling with a plan which will not solve our defense problem. In all our recent show of firmness with the Soviet, in all our statements and diplomatic exchanges, we have neglected to speak the one kind of language dictators understand.

Universal military training has received wide support because it is too often regarded as synonymous with national security, and because it has been recommended by certain of our professional military leaders.

I consider that its sponsors are considerably less than realistic in their thinking. In the preparation for war or its prevention, we ought to look forward instead of backward. I am a veteran of two wars, an active Reserve officer, but I am not connected with the Air Force. The hostilities just ended, the atom bomb, and the destruction our air forces brought to Germany and Japan, have changed my mind on this subject. The brief, taffy-pull training of all our 18-year-olds, who will be in the National Security Training Corps under a civilian training commission as provided by the bill reported out to the House, will give us a false sense of security. Our only antagonist on the immediate horizon is the U. S. S. R., and millions in half-trained manpower will neither dissuade Russia from attacking us nor be effective in carrying the war to her if she does. What we need is the biggest, fastest, and most modern air force in the world, backed up by guided missiles, unremitting research, and plenty of the machinery of destruction. We need a striking force that can go any place in the world on a moment's notice. We will never start a war with Russia. Russia will never attack us if we have the means to meet an assault from the air over the polar icecap and are capable of swift and devastating retaliation. The money this country will spend for national defense is bound to be limited. We must spend that money where it will give us the biggest return in security for each dollar invested. Of course, we need have no illusions that the "Mr. Milquetoast" attitude toward the Russians will keep them from descending on us. And we must not attempt to compete with them on the basis of manpower, where we are already hopelessly outdistanced.

To those who believe that Russia will be impressed by our adopting universal military training, I can only say that in my opinion nothing would please the planners of the Kremlin more than for us to spend our money for raw manpower. The urgent need is for plenty of modern planes. With proper inducement we can enlist the relatively small number of men to man and service our planes. If there should be a shortage, then we can turn to the selective draft. In my opinion, only in case of the certainty of war should there be universal conscription. Under the plan I offer, men to operate planes will be trained in our colleges and in a vastly increased air reserve. Service in the reserve can be entirely voluntary, for the modern American youth is interested in airplanes and everything that has to do with aviation.

The B–29 was on the drawing boards in 1938. Production did not come until 1944. There will be no time for such development if we are attacked again.

The $5,000,000,000 authorization called for by my bill in the House of Representatives need not increase our total defense budget. The $3,000,000,000 current budget for the Air Force will be increased by $2,000,000,000, but this can come from realignment of our plans for sea power and land operations. Remember that the smallest estimate of the additional cost of universal military training is $2,000,000,000. I am informed that this sum does not include pay of officers.

I wish to acknowledge my indebtedness to the Veterans of Foreign Wars for the form of the bill, and to congratulate that organization on approval of the policy announced by its last national encampment. I am pleased to find support for the views expressed by me on other occasions, and particularly in my remarks in this Chamber of June 5 last, on the War Department appropriation bill, and of July 19 on the bill for Army and Navy unification.

On June 5, 1947, in urging additional funds for combat plane construction, I used these words:

I think in considering this amendment we ought to try to determine who our potential enemies may be and against whom we are likely to use any armed force that we build up. I think most of us will agree that the only potential enemy we have right now is

the country of Russia. In considering Russia we ought to decide also what type of military force would be effective against such an enemy. When I say this, I do not want anyone to think that I believe war with Russia is inevitable. If war comes, it will be only because we are first attacked. We cannot hope to cope with Russia on the basis of land armies. Hitler tried 220 divisions of the best ground forces that up to that time had ever existed and they were defeated. Napoleon tried the same thing with the grand army. We are not going to fight Russia with our ground forces and we are not going to fight Russia with our Navy. Our Navy can blockade Russia all it wants to, but the Soviet Union is a self-sufficient country. * * *

I invite attention to the fact that times have changed since the airplane came. The north polar barrier does not mean anything any more. Across the top of the world it is only a matter of 5,000 miles from Europe and Asia into any of our major cities in the United States. If we are going to stop an attacking force, that force is going to come from the air. Our Army and Navy are not going to defend this country in case of any attack that can be seen now. That is why it is so vital that we maintain the most effective air force in the world. (CONGRESSIONAL RECORD, June 5, 1947, p. 6472.)

On July 19, after pointing out that the unification bill did not, in fact, provide the unity with which it was labeled, I said:

I would not have you think that I do not fully appreciate the importance of the air arm in the situation that faces the security of this country today. In evaluating our national defense establishment we must come down to the practical business of analyzing just what enemy we are likely to fight, should the great tragedy come of our being forced into another war. I think all of us have to agree that there is but one nation from whom we may have any cause to anticipate an attack. * * * I say again that the attack, if it comes, will be by air, over the polar cap, and that is why I spoke so strongly for an increase in the House appropriation for the construction of planes, when the War Department appropriation bill was before this body.

In my view, for the next two decades war with Russia will almost entirely depend on whether we maintain an air-striking force superior to that of Russia. It will be far cheaper for this country to spend the major part of its defense funds for planes and guided missiles in the sure hope and expectation that they will never have to be used and from time to time be discarded as obsolete. We will have no war if we can maintain air superiority over the Russians until by education and agreements sincerely entered into on both sides, war is at last abandoned as a method of settling disputes and uniform disarmament becomes possible. (CONGRESSIONAL RECORD, July 19, 1947, p. 9456.)

I include a copy of H. R. 4527 for your information:

H. R. 4527

A bill to insure the safety of the United States, to authorize the construction of certain aircraft, and for other purposes

Be it enacted, etc., That this act may be cited as the "Air Supremacy Act of 1948."

SEC. 2. The purposes of this act are—

(a) to retrieve the air supremacy of the United States by insuring the construction an maintenance of 6,000 additional modern combat airplanes during the fiscal year 1949;

(b) to provide constant scientific air research in the development of aircraft, rockets, guided missiles, atomic weapons, electronic equipment, and other modern offensive and defensive weapons to the limit of the genius of the citizens, including the resources and industrial capacity, of the United States; and

(c) to foster and inspire a continuing program of national security designed to enable the United States to launch a maximum air offensive immediately the security of the United States is endangered through the overt act or acts of any aggressor nation.

SEC. 3. The President of the United States is hereby authorized to construct combat airplanes, and spare parts and equipment as may be necessary to insure the acquisition and maintenance of not more than 6,000 additional combat airplanes annually, and to preserve an aircraft industry capable of expansion to meet any emergency.

SEC. 4. There are hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be necessary to effectuate the purposes of this act, not to exceed $5,000,000,000 annually.

WAR AGAINST THE HIGH COST OF LIVING

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, as one who is vitally concerned with the situation in the country, today I am introducing the following resolution calling upon Congress to wage war against the high cost of living:

Whereas the Congress is once again convened for the purposes of meeting the exigencies of these difficult times; and

Whereas the American people are now being forced to pay the highest prices in our history for food, clothing, and other essentials; and

Whereas the American people expect their Congress to give first attention to the serious domestic and economic situation in which they find themselves; and

Whereas a continuation of spiraling prices and inflationary trends will threaten the American form of government and the free-enterprise system, and give strength and encouragement to subversive elements: Therefore be it

Resolved, That the House of Representatives and the Senate of the United States in Congress assembled, take immediate action to the end that inflation be checked and the trend of prices reversed to enable the American people to feed, clothe, and provide for themselves and their families in an adequate manner.

COMMUNISM

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. McDONOUGH]?

There was no objection.

Mr. McDONOUGH. Mr. Speaker, I am today introducing a House bill to define communism and make the practice of communism a treasonable act in the United States.

The bill reads as follows:

A bill to define communism and to make the practice of communism a treasonable act in the United States

Whereas communism as a political policy, or as a way of life, is inimical to the people of the United States; and

Whereas communism advocates deceit, conspiracy, confusion, subversion, revolution, and the subordination of man to the state; and, because of its practice of deceit and confusion, its real purposes and intentions are clouded and misunderstood to the extent that many persons in the United States have been influenced to believe in and sympathize with communism; and

Whereas there is a pressing need for a clear and easily understandable definition of communism in order to protect the people of the United States from its insidious influence: Therefore

Be it enacted, etc., That communism be defined and declared to be not a political policy, but is an international conspiracy and an atheistic and an antireligious ideology which advocates and practices deceit, confusion, subversion, revolution, and the subordination of man to the state, and which has for its purposes and intentions the overthrow of any democratic or other form of government by force and violence, if necessary; and

That any person, either citizen or alien, in the United States, actively practicing communism, should be exposed and treated as a treasonable enemy of the United States and dealt with accordingly.

SPECIAL ORDER VACATED

Mr. GAVIN. Mr. Speaker, I ask unanimous consent that the special order I have for Friday, November 28, may be vacated.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

INCENTIVE FOR EARLY MARKETING OF LIVESTOCK

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, once in a while I get a little bold. Since so many people have offered a little advice on how to save feed grain, including the idea of stopping eating chickens on Thursday in the hope that the chickens will stop eating, too, I venture an idea on the subject.

I am introducing a bill that would seek to encourage the saving of feed grains by providing an inducement instead of a penalty for marketing at lighter weights now. It provides:

That in order to encourage the saving of feed grains, notwithstanding any law, producers and feeders of cattle, sheep, hogs, and poultry who sell live cattle, sheep, hogs, and poultry in the month of December 1947 for slaughter may for income-tax purposes report the proceeds therefrom as a part of their 1948 income if they so desire.

The reason a great many growers do not sell livestock now is that, in addition to loss of possible gains in weight, they have already sold a normal crop of livestock, so to speak, and cannot afford to throw their 1948 income into 1947, and force themselves into a higher tax bracket. So they keep the livestock over the first of the year—and feed it.

My bill would let them sell in December and yet not put that part of their normal 1948 income on their 1947 returns. This would avoid the jump into a higher tax bracket. The government would collect the normal tax. The livestock would go to market now. Feed grains would be saved.

That the idea makes sense, I think anyone will agree who knows anything about actual conditions on farms and ranches today.

EXTENSION OF REMARKS

Mr. CASE of South Dakota asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

THE HIGH COST OF LIVING AND FOREIGN RELIEF

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I realize that the gentleman from New York [Mr. HALL] wants to keep down the high cost of living I think we can do that if everybody in this country will produce more. Eventually we will then get our supply up to our demand, provided we all do our share and work, work, work and produce more and more and more. That, however, is not what I rose to talk about.

The thing I am interested in is to keep down the national debt. The Members of Congress have got to realize that there is a limit that we can go in borrowing, a limit in our ability to pay our debts. We have reached that limit now. If our Members of Congress are going to be influenced by all these speeches as to what we ought to do for foreign countries to the extent of spending five, six, or eight billion dollars in the next year—that is terrible enough—they must not have the further idea of trying to carry these nations for 4, 5, or 6 years, by obligating our taxpayers to billions of dollars and great quantities of materials annually, thus increasing our high cost of living here in America. We cannot interfere with all the governments of Europe, nor can we tell them how to run their governments.

Just remember that if we want to make ourselves strong we must do the things necessary to keep ourselves strong, prosperous, and happy. In this world of today we have got to keep America strong and sound, and you cannot do it by going into debt. With a debt of $250,000,000,000 where will you get this money? The first thing we must realize is that we must cut down Government expenses, the cost of operating the Government is too high. Then we have got to realize that if we do not cut down our national debt, by at least $5,000,000,000 annually, we are foolish people in thinking we can reduce taxes. We have got to get some common sense into our thinking, and we have got to be sensible ourselves if we are going to manage America's affairs in the world of today.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

UNITED STATES HOLDINGS OF FRENCH NATIONALS

Mr. KUNKEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KUNKEL. Mr. Speaker, today I have introduced a bill instructing the United States Government through the Secretary of the Treasury to disclose to the French Government upon request the necessary information concerning the holdings in this country of French nationals. The gentleman from Massachusetts [Mr. HERTER], in his testimony before the Foreign Affairs Committee on the question of emergency aid, called attention to the fact that the Congress should make a decision on this point at once.

French nationals have in excess of $500,000,000 in this country which under French law is subject to mobilization by the French Government. If the French Government can find out who those people are and where the securities and accounts are the French Government can use those assets to tide itself through the next few months of the emergency situation now facing France.

The amount of money is in excess of the $328,000,000 asked by the President and the State Department for emergency aid to France. I strongly feel this proposition should be decided before $328,000,000 worth of goods and commodities paid for by the American taxpayers is turned over to the French Government. The French citizens themselves should first be called upon to meet their government's needs in this emergency.

EXTENSION OF REMARKS

Mr. McGREGOR asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Cleveland Plain Dealer.

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in a Lynn, Mass., paper.

Mr. PASSMAN asked and was given permission to extend his remarks in the RECORD.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks and include resolutions adopted by the twenty-first annual convention of the Propeller Club of the United States and Merchant Marine Conference. I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost $260.35, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a statement to the Joint Committee on Housing by Mayor William O'Dwyer of the city of New York. I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost $177.50, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. SMITH of Virginia asked and was given permission to extend his remarks in the Appendix of the RECORD and include a speech by the Honorable J. VAUGHAN GARY before the William Byrd Chapter of the Daughters of the American Revolution entitled "Madison and the Constitution."

EXPORT OF GOODS AND MATERIALS TO RUSSIA

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McGREGOR. Mr. Speaker, I completely disagree with the President's attitude and policy of continuing to export goods and materials, including heavy machinery, to Russia.

United States Department of Commerce figures show that during the first 9 months of this year—1947—this country shipped $113,700,000 worth of goods to Russia. This figure includes $80,500,000 worth of heavy machinery and vehicles. Reports from New York indicate United States shipments of heavy machinery to Russia are continuing. Six ships are reported to have left New York since October 1, 1947, carrying the same type of electrical and industrial machinery that Russia has been receiving from us for many months. These reports show that several other Russian ships are now en route to the United States to pick up additional shipments.

The President has asked us for billions of dollars to feed Europe in order to prevent the spread of communism. I say it is inconsistent to spend billions of United States taxpayers' money to feed Europe, and thereby fight communism, and at the same time send to Russia materials and goods which will only strengthen the cause of communism.

President Truman in a press release of a few days ago said that he sees no reason for halting current shipments of heavy machinery to Russia. I say that every reason exists to halt this Russian aid and that it should be stopped at once. Remember the history of events leading up to the last war. Remember our aid to Japan just prior to Pearl Harbor.

President Truman, you have a duty to perform to the American people. Perform that duty now—stop exporting to Russia.

APPOINTMENT OF CARL R. GRAY AS VETERANS' ADMINISTRATOR

Mr. JOHNSON of Oklahoma. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. JOHNSON of Oklahoma. Mr. Speaker, as a member of the Veterans'

Affairs Committee I want to take this opportunity to speak for a minute about the appointment of the new Administrator of Veterans' Affairs, Mr. Carl Gray. The 20,000,000 GI's throughout the country and the service organizations are well pleased that this appointment went to a civilian. This is what I have been pressing for during the last year or so. In my opinion, the GI's are going to endorse the fact that now their affairs are going to be administered by a civilian. They are also going to be pleased to know that one of the first things that Mr. Gray states he will do is investigate insurance conditions in the Veterans' Administration. The investigation recently conducted by the Veterans' Affairs Committee shows this should have been done long ago. Mr. Gray's qualifications, his background in the Army, and his civilian background eminently qualify him for this great job that lies ahead. I wish him Godspeed in his new task.

EXTENSION OF REMARKS

Mr. BATTLE asked and was given permission to extend his remarks in the RECORD and include an article appearing in the Birmingham News.

Mr. TIBBOTT asked and was given permission to extend his remarks in the RECORD and include a radio address delivered by George E. Ready.

THE LATE JAMES J. DAVIS

The SPEAKER. The Chair recognizes the gentleman from Pennsylvania [Mr. TIBBOTT].

Mr. TIBBOTT. Mr. Speaker, it becomes my sad duty to speak to the House at this time of the death in Washington on November 22, 1947, of the Honorable James J. Davis, formerly a United States Senator from Pennsylvania. Senator Davis served as Secretary of Labor under three Presidents and two terms in the United States Senate. He was faithful in his service to his country and was loved by all who knew him. To appreciate his friendship one had to know him intimately. It was my good fortune to have known him closely for many years. His unquestioned loyalty endeared him to his many friends.

Men like Senator Davis helped to make this country grow. He came up the hard way. He knew and loved his fellowmen, always appreciated the other fellow's position whether he was high or low, rich or poor, friend or foe. He was happiest when he was helping others. He devoted his unselfish and untiring service for others. He was always for what America stands for. In the passing of Senator Davis the State of Pennsylvania has lost a faithful servant and the country has lost an outstanding citizen.

Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. GRAHAM].

Mr. GRAHAM. Mr. Speaker, as has been stated, in the passing of James J. Davis, Pennsylvania has lost a great citizen. He was born in Wales. He came to this country when he was 6 years of age with his father. They were very, very poor, and as a poor immigrant boy he made the most of every opportunity. The record of his life is a record of the American tradition of a humble boy, almost penniless, climbing the ladder of fame and success. The mere recital of his public offices in itself should impress any individual of the wealth of opportunity here in America and the chance that every boy has, who will apply himself; the three terms that he served as Secretary of Labor, his two terms in the Senate, all speak of his ability and integrity.

I remember him very distinctly as a young man when I was a candidate for district attorney of my own county. He and I spoke together and I shall never forget his kindness toward me, his advice and encouragement in the fight that lay ahead. He was instrumental in helping me being appointed United States attorney at Pittsburgh, and he frequently came into my office and talked to me about the great problems of that vast industrial center, with its polyglot population and heterogeneous people that make up our western Pennsylvania, filled with its great industrial factories and mines. It can be truthfully said about James J. Davis that he loved life and I think life loved him. The thing nearest to his heart was Mooseheart, where he thought of poor orphan children having come up as he did through poverty. His heart went out to every boy and girl who was homeless and friendless. The dream of his life was realized in the building of this great school at Mooseheart, Ill. Many times he invited me to be present at the dedication service and commencement exercises. Now that he is gone I think every Member of the Pennsylvania delegation will miss him. It was his custom once a year to invite us to his home. We would have dinner there. Each man would bring from his district some outstanding thing to the meeting. It may seem out of place to mention this here, but he always asked me to bring buckwheat flour from Butler County, Pa., so that we could have our buckwheat cakes with maple syrup. I know of no man who could regale us with finer Welsh stories than he. So, in the close intimate friendship, in the recognition of a man who gave a great deal to America, he was an inspiration to every boy and girl.

The life of James J. Davis will long stand up as an inspiration to every real boy in America who believes in his country and its ideals.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. GRAHAM. I yield to the gentleman from Mississippi.

Mr. RANKIN. Speaking for the Members on this side of the House who knew Mr. Davis, I am reminded of the statement by someone many years ago who likened the friendships that spring up between Members of the two different parties on Capitol Hill to the flowers that overhang the walls of party politics.

That expresses my feeling toward James J. Davis of Pennsylvania. I knew him when he was a member of the Cabinet. I knew him all the time that he was a Member of the United States Senate. He was one of the most kindly humane men I have ever known.

In the words of Rudyard Kipling, "He walked with kings nor lost the common touch."

I dare say that no man ever had at heart the welfare of the toiling masses of Pennsylvania more thoroughly than did James J. Davis.

I merely wanted to say these few words as an expression of my appreciation of the life of a great American.

Mr. GRAHAM. I thank the gentleman.

Mr. TIBBOTT. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. KUNKEL].

Mr. KUNKEL. Mr. Speaker, my two colleagues from Pennsylvania and the gentleman from Mississippi have paid eloquent tributes to former Senator Davis. I agree with what they have said most thoroughly. I know of no one who had more friends throughout the length and breadth of the State of Pennsylvania than did James J. Davis. While he was in the Cabinet and while he was United States Senator, and insofar as he could thereafter, he continually came back to the State and renewed his friendships throughout Pennsylvania from its eastern to the western border. He came to Harrisburg frequently; in fact, he visited every section of my district frequently. I believe he knew nearly as many people in my congressional district as I do myself. He being a Senator, representing the entire State, and I being a Member of Congress representing the congressional district, I think that gives the way in which Jim Davis kept in touch with his friends back home. His kindness, his courtesy, his sterling character endeared him to all. After you had once met Jim Davis, you remembered him. And he remembered you.

His life was a story of American success. His career proves to everyone what can be done by constant effort, by adherence to ideals, and by doing one's best for one's country. He came over here and worked his way from the bottom to the top by his own efforts. Having reached the top he did not forget those who helped him along life's highway nor did he forget those who might have to face through their lives the same struggles which he had faced in his life. Mooseheart is an evidence of this. In the passing of James J. Davis our Nation and our State have suffered a great loss, one which will be difficult to repair. The people have lost a friend and a champion. As one who had the privilege of knowing him so well and so long, I feel his loss most deeply.

Mr. TIBBOTT. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. MCDOWELL].

Mr. MCDOWELL. Mr. Speaker, the passing of the Honorable James J. Davis this week closes a chapter of American history that to me represents America as truly as the flag that flies above this Capitol. Senator Davis was from my State, from my city of Pittsburgh. I knew the Senator for many, many years. We campaigned together, we made many speeches together, and we had a million talks together. His passing takes out of active life a chapter of Washington, D. C., that I do not believe can be found any place else. In almost 40 years of continued association with this city and its officials in the Government and both

parties, Republican and Democratic, Jim Davis accumulated a mass of useful information which I am afraid is now gone forever.

His life in America was almost fantastic. From a poor immigrant boy working in the mills, he rose to receive many of the highest honors that the people of America can give to a citizen. He rose from poverty to riches and great fame. Jim Davis was a lovable man, a kindly, generous American. His life, to me, will ever refute these arguments that sometimes arise that the time for immigration into this country is over and that there should be no more immigrants. Jim Davis was a living proof that that is not true. There may be many more like Jim Davis around the world to sometime come to America.

Together with all of the other members of the Government of the United States, I extend my deepest sympathy to his family and pay tribute to this great American figure.

Mr. TIBBOTT. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. GROSS].

Mr. GROSS. Mr. Speaker, in the passing of Senator Davis, who loved to be called "Puddler" Jim, I have lost a friend. A good many years ago at a time when it never dawned on me that I would be a Member of this body, I was in Washington with a group of men. We went out to the home of Senator Davis on Massachusetts Avenue. It was then that I learned to know the man. It was then I learned to love him when I saw what a nice home he had, what a fine family he had, and what a loving wife he had. From then on I followed him in his active life. I spent many days with him, campaigning and otherwise. He was a genial fellow, a lovable character. In the fraternal world, he probably stood at the top. He always kept the common touch. He always had an interest in ordinary folks. He loved them because he came up the hard way. He never loved or catered to people because he had an ax to grind or because he wanted a following. He had the sort of disposition and personality which commanded a following, and he had it.

The people followed him because they loved him and because they knew his advice was sound and good. Jim Davis is an example of what a man can become in a land where men can go as far and as high as they have the initiative and the willingness to go. He was an example of what a man can do for himself, his community, his State, and his Nation when he is willing to apply himself and work, and work hard. I would like every boy in America to know the life of Jim Davis, who from humble beginnings came to this country with no desire in the world except to be with his family. When I think of how Jim Davis worked as a boy and then listen to some of the people today who try to tell us how boys and girls should not work, it just confirms an old belief that I have always had that nothing is so good in the world for a youngster or will go so far in making a real man out of him as for him to have something to do, and to make him work. The boys from poor homes such as he came from make our big men. You can read the lives of the big men of our country today who do things for the common people of our country and see that this is the truth. It is the men who learned early in life what it means to work and who realize how hard it is to get a dollar and how hard it is to keep it who become the great men of our country.

They become sympathetic and kindly. That is the Jim Davis I knew. In his passing I have lost a friend and humankind in America has lost a champion.

May his soul rest in peace.

Mr. TIBBOTT. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD on the life and character of the late Senator Davis.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, it will always be a joy and comfort to me to remember during the rest of my lifetime that I had the opportunity to associate with former Senator James J. Davis. It was a rare privilege to be in his company. He was kind, considerate, jovial, and entertaining, and a man of great ability and intelligence.

The services Jim Davis rendered as Secretary of Labor under three Presidents, as United States Senator, and in various other capacities were his contribution to his Nation and State and to the welfare and progress of America. It can be said without fear of contradiction that his services to his Government will long be remembered as outstanding and worth-while achievements in the best interests of all the American people.

We are going to miss our former colleague and friend from our midst. But however much we miss him here in this world, yet he has gone home to meet his dear wife, who passed on several years ago, and I know their reunion will be one of great joy and happiness. I am sure that we all will be better for having associated with Jim Davis, and it is our hope that some day we may have the pleasure and happiness of joining him and his dear wife around the Great White Throne.

Mr. JENKINS of Ohio. Mr. Speaker, it was my privilege to have known intimately for many years my good friend, Senator James J. Davis. I knew him before he was chosen to be Secretary of Labor in the Cabinet of President Harding. I watched him with great pride as he acquitted himself ably and nobly in that high office which he held under the administration of President Coolidge and also under the administration of President Hoover. I rejoiced with him when he was elected to the Senate from the great State of Pennsylvania. I also rejoiced with him as he progressed until he occupied a unique position among American citizens as a great humanitarian.

James J. Davis was a man who had been denied the opportunity of an education but with that he was well educated in that he knew well the relationships between and among people. He was a dynamic man with great energy, with good judgment, and with a great sense of justice. These traits of character carried him to the highest public position to which he could attain in the United States.

I sorrowed with him when I saw him fail in health. His strong rugged constitution wore out under the constant drive which carried him through a most active life. His name is revered and respected by many thousands of people for I once heard him say that he had visited practically every city, large and small, in the whole United States and that he had friends in all of them.

We were drawn together by one tie which is a strong tie in human relations. His ancestors and my ancestors came from the same country and from practically the same section of that country. He was born in Tredegar, Wales. Just about 3 months ago I had the privilege of visiting in that village. My ancestors came from a nearby section. Because of this fact, he and I had occasion to meet frequently with people of Welsh extraction and enjoy together the songfests for which the Welsh people are famous. Senator Davis was a fine natural singer. It is commonly known that most people of Welsh extraction are good singers. I am an outstanding exception to this rule. However, Senator Davis and I did, on several occasions, attempt to sing together an outstanding hymn of many outstanding hymns of the Welsh people. I shall not attempt to give you this Welsh hymn at this time, but I shall extend one stanza of it in the RECORD at this point:

Oh fryma caresalem caer gwelyd,
Holl daith yr anwylach y gyd,
Pryd hyn y daw trion yr yrfa
Un felus y llawnw ein bryd.

Cawn edrych ar stormydd ac ofnau
Ac angau drycheynllyd ar bydd
A ninau yn diangol or chyaradd
Yn nofio mewn cairad y hedd.

In the passing of Senator Davis I have lost a loyal friend for whom I am proud to give this testimony today.

Mr. LICHTENWALTER. Mr. Speaker, today we pause to pay tribute to the memory of that outstanding American and great Pennsylvania, James J. Davis, who truly portrayed the American way of life—a life that should be an inspiration to any young man or woman who possesses his courage and perseverance. From a humble beginning, he rose to be a national figure as an administrator and legislator. He demonstrated on many occasions his great understanding of human needs and always held foremost in his thinking and in his actions the welfare of others.

He demonstrated during the major portion of his life—in fact, until the time of his death—his great interest in the less fortunate youth of America. The establishment of the institution known as Mooseheart will stand as a monument to the untiring work of this man.

James J. Davis had the distinction of being named to the Cabinet of three Presidents of the United States, and will long be remembered for the manner in which he distinguished himself as a Senator from Pennsylvania. Upon the floor of the Senate he spoke with courage, with conviction, and with sincerity. These

were characteristics which could be identified through all the years of his life. We, as Americans, always admire men who have demonstrated these characteristics.

James J. Davis has passed on, but we will always remember his contribution to this Nation as an administrator and legislator, and the memory of his outstanding contribution and human qualities will continue to live on.

Mr. CORBETT. Mr. Speaker, James J. Davis was a fine person. Today many are remembering him as the Senator from Pennsylvania as a former Secretary of Labor, as the organizer and governor general of the Loyal Order of Moose, or as the founder of Mooseheart and Moosehaven. I remember him primarily as a splendid man.

His kindly concern for the welfare of others was not artificial, it was part of him. Nobody will ever know how many thousands of his decisions were made with the interests of some other person foremost in his mind. From the simple matter of going out of his way to say a friendly "hello" to making decisions on vital economic, social, and political policies he was influenced primarily by his desire to make things better and happier for the other fellow.

Senator Davis never forgot his days of riding the rods, shining shoes, steaming in the steel mills, or of going hungry. Had those days slipped from his memory it would not have mattered, because they made him basically kind, understanding, and charitable; not hard or bitter. It was no accident that when he secured the necessary instruments that he would create a Mooseheart and a Moosehaven. It was no accident that none who associated with him ever lost by the association. He was that kind of a man. He was made that way.

During the past 10 years I was intimately associated with the Senator. I knew him in office and out of office. I knew him in victory and defeat. I went campaigning with him all over Pennsylvania. I knew him when he was vigorous and when he was tired. I never knew him to be much different day by day or situation by situation. When depression days forced the sale of the million-dollar Moose Temple in Pittsburgh he tore up his notes against the property and went out to look for a new place. When he finally lost his seat in the Senate it only changed his immediate plans. He faced life as he found it, and made the best of it. I choose to remember him as a friend, and as a man.

To those who did not know him well or to those who will only be able to read about him, Senator Davis will be remembered as perhaps the outstanding example of what can be done by those who will in our American scheme of things. No one could have started with less material things or less opportunities. He had nothing but a sound spirit, mind, and body. It is hard, very hard, to realize that he rose from a job of separating iron slivers from nails to a place in the Cabinet of three Presidents. It is hard to realize that from puddling iron he went on to represent the great State of Pennsylvania in the Senate of the United States. It is hard to realize that from a bed in a barn he moved to a large home on Massachusetts Avenue. Both financially and in the arduous field of public service he made his way to the top. When he reached the top and all the way up he never failed to turn and help others, but that is not the point. The point is that probably no one in American history ever started with less and accomplished so much. His life is the grand example of what can happen here.

Senator Davis' family, relatives, and friends will mourn his passing. There could not be less than great sorrow that he is no longer with us. But for all of them it must be a proud consolation to have had him. He had to die, but when he did die he left behind a record of achievement and loving kindnesses that may never be equaled by any immigrant to our great country. Just as his loved ones must be happy to have had him, America is happy to have had Jim Davis. The good he did will not be interred with his bones.

Mr. GAVIN. Mr. Speaker, it is with a feeling of deep sadness that we record the passing of a great friend and citizen, James J. Davis, of Pennsylvania.

To us, who have known him for many years, he was greatly loved. He always greeted you with a cheery smile and a warm handclasp, and we enjoyed his fine companionship for many years.

He was one of the outstanding leaders of Pennsylvania; a man of indomitable courage; a tireless worker, and one who inspired trust and confidence.

Jim Davis was a self-made man; a stalwart character who started in life from humble surroundings and rose to great heights and outstanding success.

I cannot attempt to grasp and sum up the aggregate of his life of public service in a short space of time, and it is needless. His life comprised a long span of years, and by his work produced a record that won for him the recognition and hearty commendations of the people of his State and Nation.

He was friendly, charitable, and tolerant by nature; intensely patriotic; loved his country; was grateful for the opportunities and blessings it afforded him, and his one great thought and ambition was to hand on to the generation of tomorrow a finer and greater Nation than was handed to him.

I visited with him on many occasions. He was always kindly, sympathetic, understanding, and tried to be helpful to all people, at all times, in any way that he could.

Jim Davis made a memorable record in the Senate of the United States. His judgment was sound. He was fair in all things, and he rendered a service to his State and Nation that was outstanding.

He came from my section of my State, northwestern Pennsylvania, where he was known to everyone as a man who by his work and deeds contributed greatly to the progress of our State and the welfare of its people, and to the cause of good government.

We extend to his family our deepest sympathy and mourn the passing of this great citizen and leader.

SPECIAL ORDER VACATED

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the special order granted today to the gentleman from Ohio [Mr. SMITH] may be vacated.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

WHAT ABOUT THE COMMUNIST THREAT IN CHINA?

Mr. JUDD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Speaker, for months the Soviet Union has been waging political war on the United States and everything we believe in and stand for. It is waging it all over the world—on all our fronts and on its fronts. We have a European front and an Asiatic front. even as the Soviet Union has a European front and an Asiatic front.

It has been most disturbing to have the administration ask us to put some $20,000,000,000 into helping the people on the European front withstand the attacks of Communist-led groups and nothing as yet to help those on the Asiatic front, who are making the same effort to maintain their independence against organized minorities trying to destroy them.

To be successful anywhere we must have a well-rounded and consistent program against this sort of warfare everywhere. Actually, more can be accomplished in Asia to help free nations remain free, for much less than will be required in Europe. I believe in doing all we can to help free peoples maintain their independence in both. It is indefensible to put billions into the resistance effort on one front and none on the other.

Last night, the Governor of the State of New York, Governor Dewey, made a comprehensive and, in my judgment, irrefutable argument on this exceedingly important question. I hope the Members will all read it carefully. I include his speech in my remarks under the permission granted:

[From the New York Times of November 25, 1947]

DEWEY'S TALK DEMANDING UNITED STATES HELP CHINA TO COMBAT COMMUNISTS

The text of the address delivered by Governor Dewey at the dinner of the alumni of Columbia University Law School at the Waldorf-Astoria Hotel last night follows:

"This is a wholly nonpolitical occasion. But in the state of the world today there is no subject which is not deeply fraught with heavy political implications.

"Economic decisions, the direction of government action, the fate of nations, and the peace of the world depend upon wholly political decisions. Accordingly, while it is quite impossible to be nonpolitical, I can and do speak about a subject which transcends political considerations and is of momentous import to the future of the United States. I shall speak as dispassionately as is possible, consistent with my very strong beliefs.

"Today we are, as always, interested in the security of the United States of America and in building that security for the years to come. We are also interested in preserving freedom, not only because we believe it is the highest expression of man's aspirations, but because in a world engaged in a cold war, we need friends. I speak, therefore, in the interest of America and of keeping our bulwarks strong enough so that our sons shall not be sacrificed in another world war.

"To this end, I undertook to set forth a program for foreign assistance in a speech 3 weeks ago, in this room, urging full aid on a bipartisan, businesslike basis. Our bipartisan foreign policy which I inaugurated in 1944 has served the Nation well. Even as I speak, Mr John Foster Dulles, having completed a tremendously burdensome session at the United Nations Assembly, has flown to London to participate in the Conference of Foreign Ministers, while Senator VANDENBERG is piloting the program of foreign aid through the United States Senate. But most unfortunately there has been no consultation and therefore no bipartisanship in many aspects of our foreign policy and that is conspicuously true with relation to China.

"In addition to recommending strong and effective measures to preserve the integrity of the free nations of Europe, I pointed out that only 4 months after VJ-day we saw the strange spectacle of our own President, publicly ordering our Chinese allies, under pain of losing American support, to accept into their government the very Communists who seek to destroy it. It was my earnest hope that in the face of great peril to China, our own Government would reverse its policy and take positive steps while there is still time."

PROGRAM HELD WORLD-WIDE

"We are facing one whole problem—not little bits of problems. We have a whole struggle on our hands; world-wide in scope. We and all other nations which resist totalitarian dictatorship are being attacked by all means short of war. In America we are under attack by propaganda, falsehood, and economic sabotage. Free governments in Europe are being under attack by rioting, political strikes, and armed violence. But the program of Communist world conquest of the remaining free nations is furthest advanced in China, the largest nation of all. The cold war which has become a warm war in Europe, is a very hot and successful war in China. The inescapable fact is that unless we change our national policy immediately there is good reason to believe that the 450,000,000 people of China will soon fall wholly into Communist hands.

"The free world is now in the desperate position of a man who has gangrene in both legs—in western Europe and in Asia. As a doctor, our Government is telling the world we have a very good cure for gangrene but we will apply it to one leg only while the gangrene in the other leg destroys the patient.

"There can be no doubt that all Americans must be united on aid, prompt aid, to the free peoples of Europe. The ominous news from France and Italy, during these last few days, proves conclusively that international communism is on the march; that it is coldly and deliberately seeking to gain control in these countries by promoting civil wars such as those which are raging in China. It would be a world-wide catastrophe if they were to be successful. A Communist police state in the Mediterranean and in France would be as serious a blow to the freedom of man as would have been the victory of the Axis in the recent war.

"But obviously the danger points are not centered exclusively in Atlantic and Mediterranean areas. We also had to fight a great war in the Pacific. We need a strong policy in both oceans. We soon found that we needed the two-ocean Navy which I was so much abused for demanding in 1940. I insist that we now need a two-ocean foreign policy.

"We are generally agreed as a nation that we have no choice today whether or not to act in the world emergency. We are going to act because it is unthinkable that after winning a war we should surrender the fruits of victory by allowing the free nations to fall into economic chaos and then under Soviet control. But if 275,000,000 people are important, it seems to me that 450,000,000 people are also important. As we take action to save the 275,000,000 people of Europe for the free world, it is the sheerest folly to abandon the 450,000,000 people of China. If China falls, we may reasonably assume that all Asia is gone, and western Europe and the Americans will stand alone—very much alone in a hostile world.

"Accordingly, I was dismayed to discover that in the emergency program presented to the Congress by the President last Monday, there was not even a mention of China. This is utterly incomprehensible at a moment when the world is in imminent peril of losing a free China.

"Now, I suppose there are many Americans who are inclined to say, 'Well, China has been engaged in civil wars for decades and this is just some more Chinese civil war. Why should we undertake the impossible?'

"I can understand this point of view very well, but let's look at some facts. The previous civil wars in China have been primarily internal affairs. The present struggle is a war of conquest under the leadership of a small group of avowed Chinese Communists who are serving the purposes of Soviet imperialism.

"The startling fact is that these Communist forces have actually conquered nine-tenths of all of Manchuria, which is larger than all of France and Germany, and embraces 70 percent of the industrial might of all China. They have infiltrated nearly half of the balance of China with active and successful guerrilla warfare. A less sturdy people would already consider themselves defeated. But the Chinese still hold out, hoping that America, having helped to save them from one oppressor, will not deliver them into the hands of another.

"The situation in Korea is a good example of what might well happen in China. At this moment Soviet occupation forces hold the northern half of Korea and American occupation forces hold the southern half. The Communists have completely regimented the northern half, installed a totalitarian government, and built up a well-trained, well-armed, fighting army of 250,000 men under puppet leadership. In the American half there is no civilian government, no native military force—nothing but a political void.

"We have now, with great pains, prepared for a plebiscite in Korea, which the Soviets are cynically boycotting. They are boycotting it because they anticipate that immediately upon the withdrawal of American and Soviet occupation troops, the armed forces of the north will engulf all of Korea. This will completely outflank northern China and will result in the delivery of the 23,000,000 Korean people from Japanese tyranny to Soviet tyranny.

"Next to the Monroe Doctrine our policy of the open door and the political integrity of the Chinese Republic is the oldest and most fundamental part of the foreign policy of the Government of the United States. Time and again over the years we have reemphasized that policy through Republican and Democratic administrations. Time and again over the years we have implemented that policy with strong actions when required and generous assistance when needed.

"There must be some basic importance to a policy so deeply rooted in the history of our country. That importance obviously stems from the fact that as a Nation we long ago decided that it was essential to our welfare to have a free and friendly China while it was dangerous to have one under the dictatorship of an unfriendly and possibly hostile power.

"It is a frequently forgotten fact of modern history that the infamous Japanese attack on Pearl Harbor was precipitated by our insistence upon the independence of China and upon the withdrawal of Japanese troops from their adventure of armed conquest. This is made perfectly clear in our official white book issued in 1943. In short, however deeply our emotions were stirred and our interests were centered on the defeat of the Nazis in Europe, it was our defense of the freedom of China which precipitated the perfidious attack on our Nation and brought us into the war. For 5 years we waged a global war at staggering cost in blood and resources—and we won it.

"And now, a little more than 2 years later, our dearly bought victory still eludes us and our Government watches the same China under the same government rapidly being overrun by a new aggression.

"In the face of this world tragedy, I regret to say that for the first time in our history, we have a Government which has no discernible Chinese policy whatsoever. We are bankrupt so far as Chinese policy is concerned.

"In excuse for our failure, it has been said that there is corruption within the Chinese Government and that the most we can hope is that about 70 percent of any aid we might send would be effective. I do not know whether it would be 50 percent effective or 80 percent effective, and I doubt if anyone knows. Of one thing I am sure: it would be immensely more effective than nothing. Now, I do not excuse the fact that there is corruption in the Chinese Government. I do not suppose anyone excuses the fact that the Greek and Turkish Governments do not wholly fit our ideals. There are obviously faults in the British and the French and the Italian Governments, and I suppose we have a couple of faults ourselves

"But the fact is that these governments have taken their stand on the side of human freedom which we are struggling to preserve in the face of remorseless, spreading totalitarianism. We in America have chosen sides in a mighty movement. We chose our side a century and a half ago. It is still our side. We are on the side of freedom against tyranny and I hope we always shall be.

"But to be specific: This is the same Chinese Government, headed by the same individual, which we have supported against Japanese aggression since the invasion of Manchuria 16 years ago, in the year 1931. It is the same government which we supported in 1939 through the note of Secretary Hull demanding that the Japanese surrender their conquests. It is the same Chinese Government in defense of whose independence our Nation demanded that the Japanese cease their attacks in 1941. It is the same government with which we fought shoulder to shoulder for 5 years.

"It was this Chinese Government to which we insisted Marshal Stalin pledge his 'moral support and assistance with military equipment and other resources'—an agreement which is now openly and flagrantly violated.

"It is unnecessary to rehearse in detail the history of our own broken pledges. But it is worth noting that having provided small arms, artillery, and airplanes to the Chinese when they were fighting the Japanese at our side, we committed ourselves at Cairo to support them in reestablishing their territorial integrity after the war. Yet, even as the need became acute, our Government suspended the shipment of the ammunition without which those arms are today useless, and the parts without which many of those airplanes are today useless. It was not until

a year later, in May of this year, that we released a small amount of ammunition, meanwhile allowing the half billion credit previously earmarked for China by the Export-Import Bank to lapse. Recent allocations of ammunition and aircraft are grossly inadequate. The miracle is that, beset on every hand, the Chinese still fight on in the dim hope that our country will finally redeem its pledges before it is altogether too late.

"The tragic result of our Government's ineptitude and lack of policy in Asia has been to allow the Soviets and their allies to make rapid progress in liquidating their problems there and completing their expansion in the Orient so as to be free to turn all their effort to the subjugation of Europe.

"Desperate as the situation is, it is still not too late. The tremendous resiliency, the hard work, the great loyalty of the Chinese people can still be mobilized if aid is extended. The total omission of any reference to China in the President's call for emergency foreign aid, is an error which can still be repaired. Any one of several administrative actions which are immediately available could partially repair the damage. The recent faltering steps must be accelerated. They must be integrated into a comprehensive and effective program.

"Insertion of even modest aid in the bills now in preparation by the Congress would help materially. But if at least some aid is not given immediately by these bills, the moral effect upon our Chinese friends will be terrible beyond contemplation. Now, let me make myself perfectly clear. I know very well that there is no simple solution to this problem. But I can neither understand nor excuse a government which is too timid or befuddled to attempt a solution. I urged most earnestly that however hard a job it will be to shape a policy and carry it out, it will be no harder than the war we fought, among other objectives, for the preservation of a free China. With a tiny fraction of the effort we expanded in the Pacific theater of the war we could provide the resources and skills which we might reasonably hope would save China—would save one-fifth of the whole world for the growth of the institution of human freedom.

"I believe that sooner or later our Government will discover its errors and will inevitably, in the interest of the American people, return to our traditional policy of backing a free China. The only question is whether we will do it soon enough—while there is still a government to support and while it can be done without tremendous cost. Events are moving swiftly. Last August the Chinese dollar stood at 40,000 for 1 American dollar. The ensuing decline in three short months has carried it down to 100,000 for 1 American dollar. The combination of Communist successes and loss of hope in America has accelerated tragedy for the whole Chinese people. The Chinese know that without American help they are doomed to become victims of a Soviet scheme of world conquest. And that knowledge is reflected in the events from day to day.

"So much of China is mountain and desert that pressure of population on the arable land is intense. Eighty percent of the Chinese are farmers and live for the most part at a subsistence minimum. But perhaps because of this only the strongest have survived, and the Chinese can work harder on less food than any other people in the world. The average Chinese exists on the equivalent of about 40 American dollars a year. At the same time they preserve a level of courtesy and tolerance in human relations which might well be an example to the rest of the world.

"In the long Japanese war most of China's industrial regions, great cities and banking centers were occupied. The nation could maintain only a small portion of the cost of war by taxes or the sale of bonds. The result was that the war was financed to the extent of about 70 percent by the issuance of paper currency. The cost of living expressed in Chinese dollars was recently thirty thousand times what it was in 1937.

"The whole Chinese Government is maintained at a total cost at the current rate of international exchange of one billion United States dollars a year, including the cost of its current war, which accounts for 70 to 80 percent of the budget. In this condition of economic prostration it is obvious that the government is unable to purchase in the world markets any substantial amount of essential supplies.

"It is equally obvious that a comparatively small expenditure by our country should produce enormous results. Even seventy-five to one hundred million dollars in the present bill before the Congress for emergency aid to China would change the entire situation psychologically.

"The longer term program, should be worked out by competent experts on the spot. It has been estimated that an annual program as small as $250,000,000 a year for 3 or 4 years would provide the necessary imports to maintain China's economic life while she wages the struggle against her Communist enemies. A smaller sum in addition should meet all needs for purchase of military equipment and service of supply.

"There are in existence at this moment surplus supplies which would provide a large proportion of the material immediately necessary to the Chinese armies. These supplies are actually in the Pacific now, situated in the Philippines, Guam, Okinawa, and Japan. Only an order is needed from Washington, and they could be shipped immediately to armies where men are dying for lack of them.

"In short, sums of money are needed which would be comparatively modest additions to our foreign-aid program. The supplies in the Pacific are presently available. The military personnel urgently needed to provide technical advice to the Chinese armies is to a large extent on the spot and needs only orders to go to work. We need a man to run the job in China who not only knows China but who has the broad economic, social, and governmental training so essential to a task of this magnitude. Above all, we need an honest about-face which will produce immediate administrative action to restore the honor of the American Republic in keeping its commitments and in keeping one-fifth of the world in the area of human freedom.

"This program is essential, in my judgment, to the safety of the American Republic. It is a traditional and vital part of our American policy. With vigor and competence there is reason to believe we can succeed.

"I earnestly hope that our Government will speedily move to keep the faith by action which will bring cheer to freemen everywhere and will stand as a bulwark of American liberty and independence in all the years to come."

EXTENSION OF REMARKS

Mr. VAN ZANDT asked and was given permission to extend his remarks in the RECORD and include a letter from a constituent.

Mr. WEICHEL asked and was given permission to extend his remarks in the RECORD.

Mr. MURDOCK asked and was given permission to extend his remarks in the Appendix in regard to the Navajo Indian problem.

The SPEAKER. Under previous order heretofore entered, the gentleman from Connecticut [Mr. LODGE] is recognized for 60 minutes.

THE CHALLENGE OF THE HOUR

Mr. LODGE. Mr. Speaker, I have listened with great interest to the stimulating and thoughtful addresses delivered in this Chamber by several of my colleagues since we foregathered here in special session. The issue with which we are confronted is probably the most challenging and complex that we have ever had to face in the history of our Republic. For this time we must do our thinking in an entirely new frame of reference. The lines of thought established over a long term of years have vanished and we must attempt to catapult our imaginations into the cold and unfamiliar mists of the future in an effort to grapple with our problems on the basis of present realities.

It is sad that so soon after a terrible war we should be face to face with another great crisis. I say another, although in a sense the crisis is a continuing one. The age-old struggle for freedom is not yet won. It is hard for us after all the tragic losses in human life, the vast expenditure of national treasure, and the great Gethsemane through which we passed during the war years to find ourselves once more threatened with the dread menace of tyranny. Of course, there are no pat answers to our great dilemma. There is no open sesame by which we can suddenly emerge from the dark clouds of oppression which are closing down upon us into the sunlight of a secure freedom. There is no sudden deed of excellence which will guarantee for us overnight the peace for which we recently sacrificed so much. We are inextricably involved in a conflict of titanic proportions, and it will take all the energies, all the stern resolve, all the balanced judgment, and all the spiritual fervor and spirit of sacrifice of which we are capable to surmount our difficulties. We cannot afford to grow tired at this time.

I have taken the liberty of asking for a special order this afternoon because I hope that perhaps I may make some contribution to the sum total of information possessed by this body—that I can somehow add a little to the thinking of this Congress in connection with these vital matters.

During the first part of my trip, I traveled with Mrs. BOLTON'S Subcommittee No. 5 on National and International Movements. I then joined the Smith-Mundt committee, of which I am a member, and which, as you know, was charged with the investigation of the State Department's cultural and information program, and finally I made an investigation as a member of Subcommittee No. 1 of the Foreign Affairs Committee. This subcommittee is charged with questions affecting our national security.

I want to commend my colleagues in both Houses for the tireless energy and devotion which they displayed during this gruelling voyage. I want to commend the gentlewoman from Ohio [Mrs. BOLTON] and her subcommittee with whom I traveled for a few days for their valuable accomplishments.

I want to commend Senator SMITH, Congressman MUNDT, and my colleagues from both Houses on the Smith-Mundt committee for their important contributions to our vital undertaking. These were certainly no junkets. They were exhausting and wherever possible exhaustive surveys of the troubled conti-

nent from which most of our ancestors came to people our great land.

I want also to pay tribute to the ATC crews of the planes which transported us safely from one country to another. We are fortunate to have men of such high caliber in our Air Transport Command.

Now while I quite agree with the distinguished gentleman from Illinois [Mr. DIRKSEN], that in the long run the rehabilitation of Germany and its integration into the whole economic scheme of western Europe is of prime importance, it seems to me that from the short-term point of view, the Italian situation contains the most imminent dangers. Accordingly, with your permission, I shall address myself particularly to that situation since other aspects of this vast problem have been so ably covered by my colleagues. I shall address myself to that situation from the point of view of our national security which, as I have said, is the concern of Subcommittee No. 1, because I feel that the information program, the $332,000,000 relief bill, interim aid and the Marshall plan are all a part of the strategical picture. In saying this, I do not mean to diminish in any way the humane considerations which animate us as a generous people to do what we can for those who are afflicted, for those who are starving, and for those who are suffering. It should be borne in mind, however, that what we can do in the future in this connection inevitably depends on the maintenance of a secure strategical position, since the forces of tyranny, darkness, and reaction, which we thought we had disposed of in World War II, are still very much on the march.

In addressing myself to these strategical considerations, I want it also clearly understood that this approach takes into account, though it does not discuss, the great ground swell of barbarism to which we are exposed in the world today, the fundamental conflict of liberty against tyranny, the challenge to us all to show how deeply we appreciate the responsibilities which are inseparable from our liberties, the assault upon our free private property incentive system, and the moral and spiritual factors which alone give life a meaning.

There is, however, an immediate challenge in connection with the European scene and with particular reference to Italy, an Italy which, I need hardly remind you, sacrificed much to help us achieve victory, an Italy which stands today as a bulwark of freedom across the path of Communist reaction. I should like to call your attention to that challenge.

In the course of the 3 weeks which I spent in Italy, I visited Rome, Naples, Salerno, Civitavecchia, Leghorn, Florence, Genoa, Milan, Turin, and other cities, and also Trieste, which although it is not officially a part of Italy is nevertheless, for some rather obvious reasons, appropriately to be considered in connection with the Italian problem.

With the exception of my trip to Trieste, my Italian travels were made by automobile and this gave me a chance to examine conditions in Italy more closely than I would otherwise have been able to do.

Now there are a few salient factors in connection with the Italian situation which I should like to have you bear in mind.

First. The Italians are working very hard. I think that is the consensus of opinion of most of my colleagues. They are showing a very real desire to reconstruct their country, to rehabilitate their economy, and to take their place among truly freedom loving, law abiding nations.

Second. On the economic front they are suffering primarily from overpopulation. This is a situation which the Italians cannot solve by themselves. It should be studied by the appropriate United Nations body in order that some plan may soon be forthcoming to relieve this particular distress. The Italians now number some 46,000,000, which I believe is approximately 5,000,000 more than before the war. By the peace treaty they have lost certain parts of their own country, and they no longer have access to their colonies. There are countries which are short of population, and it is devoutly to be hoped that an early adjustment of these difficulties can be found.

Third. They are suffering from the widespread destruction and ravages of war and from the confusions of the Anglo-American postwar policy. The Italian population, which, as I have indicated, is a great deal larger than before the war, has, because of the war's destruction, far less housing to accommodate it. They are doing an excellent job of rebuilding roads and bridges, restoring railroads, and rebuilding their destroyed towns; but there is much to be done.

Fourth. They are suffering from the effects of the Italian peace treaty and the uncertainty of the status of their colonies.

Fifth. They are suffering from Communist infiltration, from the domestic disruptions ordered by Togliatti and Lungo, and from the pressure of the Yugoslavs on their borders. Here it is appropriate to point out that the Communist Italians are, generally speaking, Communists by default. Of the supposed 2,200,000 Communists in Italy, I believe, as a result of my investigation, that very few are sincere Communists. They are Communists from opportunism rather than from conviction. The number of Marxists is very small and the number of actual Comintern agents is small. The Italians are Communists in the same way that they were Fascists—for lack of a sense of a constructive alternative. There is where we come in. We must somehow provide the alternative. I think it important to bear in mind that the former army of liberation, the Partegiani, is now the center of the Communist movement and that the non-Communists have withdrawn from that organization. It can be compared to the FTPF in France. This was a kind of by-product of the FFI. While the FFI was a large, vital organization during the war and the FTPF was small, today the FFI has either been disbanded or absorbed into the French Army and the FTPF has grown to a huge size. So is it with the Partegiani.

Approximately—and this, of course, is a rough estimate—one-half of the leading Italian Communists are former Fascists. This is a measure of the cynical nature of the Communist movement.

I need hardly tell you that communism as it exists all over Europe, and indeed in the United States, is but the cynical tool of Soviet imperialism and has no bearing on any truly ideological concepts. Indeed, there is a Warsaw declaration that the real Communists—the Leninists and the Marxists—are the first to be liquidated or sent to concentration camps, which is practically the same thing. They are Public Enemy No. 1, That is a matter of official record. The same thing, of course, is true in Italy.

Now there appear to be three stages in this so-called cold war: The first is the attempt to capture a legally constituted government by constitutional means;

The second is the resort to internal force;

The third is war.

I shall take up the third first. In my opinion there is no immediate danger of war. On the other hand, based on conversations which I had with many responsible people, people in private life as well as highly placed officials and military men in the countries which I visited, there is no question in my mind that if Russia chose at this point to capture western Europe by war, she could do so in approximately 2 or 3 weeks, including Spain and Portugal.

Personally, I do not believe that she will do that. One reason for my belief is that it seems to me that she is convinced that she can capture western Europe without war. Another reason is that she is not ready herself to engage in a world war.

I believe, however, that in France and Italy, which are the two most important continental nations in western Europe, Russia has abandoned the attempt to capture their governments by the first method; that is, by constitutional means. That is largely due to our efforts to maintain liberty and independence in these countries. It is in a way a tribute to the general effectiveness of our aid. In that sense, I agree with my distinguished and able colleague the gentleman from South Dakota, Congressman MUNDT. I agree that in terms of popularity, communism is on the wane in Europe. I believe that the contagion of communism has been slowed down by American relief and by the sense of American support. I believe that the change in the disastrous policy which we followed for so long after the end of the war has had a great deal to do with producing this result. But, as I told the Committee on Foreign Affairs a few days ago, I think that that is precisely the reason why communism has now entered the second stage which is the resort to internal force. We have precipitated that stage and we must now be prepared for an increased tempo in the onslaughts on the French and Italian Governments which are currently being made.

In Italy there are a certain number of factors which should be borne in mind in connection with this attempt:

First. The Italian Treaty, to which, at the time that it was under discussion, I was vehemently and actively opposed, is considered by most responsible people in Italy and France to be a major catastrophe. As you will recall, it provides for the withdrawal of United States troops by December 15 of this year. I had a conference with General Jaynes in Leghorn and he informed me that all United States troops will be out of Italy by December 3. One of the few arguments advanced in favor of the ratification of this treaty was that it should be considered in connection with the Hungarian, Rumanian, and Bulgarian treaties and that under the Bulgarian treaty all Russian troops were to withdraw from Bulgaria by December 15 of this year. Even were they to withdraw their troops, it would, judging by past performance, be no more than an idle gesture. The Soviets resort to a simple expedient—they take off their uniforms and put on civilian clothes. In any event Bulgaria is now in Dimitrov's iron grip. But to date they have not even begun to withdraw and it is the opinion of our high military authorities that were they to begin now, they could not complete their withdrawal by December 15. This should not surprise us since the Soviet Government has not been in the habit of abiding by its agreements. They have violated the United Nations Charter, the Yalta Agreement, the Potsdam Agreement, and they have already violated the Hungarian, Rumanian, Bulgarian, and Italian peace treaties. These violations are easily documented. This is a part of their technique, as perhaps they will tell you. I can think of no surer path to national disaster and war than for us to feel bound by treaties and agreements by which the Soviet Government does not feel bound. A diplomat whom I know reminded me that a breach by one party to an agreement does not necessarily mean that we are not bound. I have not gone into the technical legalities of international law in this connection but I venture the suggestion that the time has arrived for us to find ways why we can do things in our national interest and in the interests of world peace instead of dreaming up reasons why we cannot. Here I might suggest also that it would be more salutary and just to take a page out of the book of George Washington or Abraham Lincoln instead of attempting to live in the tradition of Don Quixote.

Second. The Italian treaty provides for a reduction in the Italian Navy to 25,000 officers and men. The Italian Navy is reliable. It contains virtually no Fascists or Communists. This was true during the war and it is true now. But the navy is small.

Third. Under the Italian treaty the army is reduced to 165,000 officers and men. Although the army has begun to be infiltrated with Communists, it still constitutes an important element in preserving order in Italy and, in General Marras, the chief of staff, the Italians have a very fine soldier.

Fourth. The Italian treaty provides for some 60,000 carabinieri. These are on the whole very reliable, but they are ill-equipped and insufficient in numbers. It is the opinion of most of the thoughtful people with whom I conferred that the Communists, who are well armed, are in a position to dispose of the carabinieri within about 3 days.

Fifth. The Italian treaty provides for the defortification of the Italian frontier. This will weaken Italy, particularly with respect to her frontier with Yugoslavia. In Yugoslavia there are 41 divisions.

Sixth. The very cold winter ahead. The homes of the people will be largely unheated. Istrian coal has been cut off by the treaty; whatever coal they receive will go first to industry.

Seventh. In spite of everything we can do, the Italians will have an austerity diet. It will, in general, be inadequate. It will be the best we can provide. Here I think that much can be done to stimulate the production of local wheat and to bring it into the open market. The Italian farmer has no confidence in the currency, and hence neither grows the wheat that he could grow nor sells it at the controlled price in the quantities available. We might well consider providing consumer goods which are in long supply here as inducements for the production of Italian wheat and thereby diminish the wheat demands on the United States.

Eighth. Unemployment is increasing. When I was in northern Italy, in Milan and Turin, thousands of workmen were being laid off because the plants no longer had any funds with which to pay them and because of the lack of raw materials. The Fiat Co., which had an Export-Import Bank loan, was going at full tilt, but in general there were increasing lay-offs.

Ninth. Fear. Fear more than anything else breeds adherence to communism. The Italians and the French have been through such unbelievable suffering at the hands of the Germans that it is hard to overestimate how much their resistance to intimidation has been broken. Human flesh and blood simply cannot endure any more brutality. And therefore out of fear they become Communists, since many of them believe that communism is in the offing.

Tenth. The inadequacy of publicity in connection with post-UNRRA relief which we know variously as the $332,000,000 relief bill and Public Law 84. Generally speaking, they do not know where this relief comes from. It is all handled on such a high, vast government level that they rarely have a sense that it is a gift from the American taxpayers. There are a few labels pasted on here and there but by and large the publicity provision in Public Law 84 has not been implemented as we hoped. Of course, this may not be the fault of our administrators who are very few in number. Perhaps we should consider an entirely different system of distribution, although I imagine that it would be impracticable radically to alter the distribution system for interim aid. There are, however, a number of things which should be done and which I shall recommend.

Eleventh. The complete inadequacy of the USIS program due primarily to lack of funds. I believe that I was the only member of the Smith-Mundt committee to travel extensively in Italy. While I expect to make a full report on my findings to the gentleman from South Dakota [Mr. MUNDT], I should like at this time to make a few major suggestions in connection with the administration of an effective cultural and information program when, as I earnestly hope, adequate funds are forthcoming.

(a) I believe that until these activities are treated as top level matters by the State Department, they will fail of their objectives. The USIS offices in all the countries and cities which I visited were treated as stepchildren rather than as a vital and integral part of our diplomatic representation.

(b) While I do not believe that we should emulate the Germans and the Russians by spreading lies and distortions, I do believe that a mere recital of fact will not tell the truth about America. There is a happy middle ground which requires expertness and subtlety in presentation. Here, too, we have had a tendency to behave like Don Quixote. We must be more militant in our approach to these great issues which divide the world. We must be willing to battle with the enemies of liberty on the propaganda front. Under our system a lawyer who has an innocent client nevertheless is bound to use all the guile and eloquence at his command in pleading his case. So must we do in pleading the cause of freedom before the bar of world public opinion.

(c) We must tell the truth, not only about America but also about Soviet Russia and the iron-curtain countries. This is vital in order that those countries which are not yet behind the iron curtain shall know the facts in connection with the forces which are seeking to enslave them. It is interesting to note that in France and Italy there is a larger percentage of Communists than in the countries behind the iron curtain. These French and Italian Communists do not know what communism is about. They should be informed.

(d) We must make contracts with the governments in these countries for radio time on the government radio stations in order that the people may be fully informed, not only with respect to the world struggle but also with respect to the economic aid which we are bringing to them.

(e) Since we are engaged in a cold war, we should step this program up to the realm of psychological warfare. For example, we should address ourselves not only to our problems but to the problems which beset the Kremlin in its efforts to spread the Communist terror. One of its greatest problems is the fact that nationalism is still a stronger sentiment than communism. The great majority of French and Italian Communists are Frenchmen and Italians first. I happen to know that the Italian leader, Togliatti, was very much disturbed sometime ago by Tito's efforts in the Venezia-Giulia area. He is reported to have asked Tito to lay off because of the difficulties he was having in holding the Italian Communists in line. Tito is said to have replied that he, too, had his difficulties

with Yugoslav nationalistic sentiments. Accordingly they brought their troubles to Stalin, who, I understand, maintained a Sphinxlike silence. We should tell the Italians how the Russians imposed onerous treaty terms on them, how they opposed their membership in the United Nations, and how they refused to renounce their share of the Italian Navy. We should tell the French how the Russians have opposed the French interests in the Saar. We should tell them that it is because of the Russian seizure of eastern Poland that there are now between seven and ten million more Germans than before the war living on the borders of France. We should tell the Germans to whom the Russians promise national unity about the anti-German propaganda which the Russians create. We should tell the truth about these things. We should turn on the light where now there is darkness.

These are but a few suggestions which I wish to make in connection with these vital implements in the execution of our foreign policy and in the cause of world peace.

Twelfth. One of the most significant factors in the Italian situation is the evil legacy which Mussolini bequeathed to the Italians in muddying the waters of an honest, decent patriotism. It is hard for Prime Minister De Gasperi, who is a fine man, a good man, and an able man, to make a call on the patriotic feelings of the Italians without resuscitating latent fascism and without accusations that he is another Mussolini. That situation does not obtain in France, and this factor presents the Italian Government with a very difficult problem.

Now let us turn our attention briefly to the political situation in Italy. In my opinion, the choice is between the De Gasperi government, which can be characterized as honest, able, and sincere, and communism. It may be that Mr. De Gasperi has had to resort to some measures which could be called socialistic. But the question of whether or not we believe in socialism is neither here nor there in this particular problem. Again it is a question of constructive alternatives. Unless we are willing to think in terms of constructive alternatives, we are going to miss the relentless realities of the situation.

The help which we have rendered to Italy is well known. It amounts to over $1,500,000,000.

First. UNRRA aid. In spite of UNRRA aid to Tito, in spite of the inefficiency and misdirection associated with the UNRRA program, it was a vital factor in combating the spread of communism in Italy.

Second. The agreement renouncing approximately $1,000,000,000 of Italy's debt to us, a debt due in large part to the expense of the United States army of occupation.

Third. Numerous credits extended by the Foreign Liquidation Commission, the Maritime Commission, and the Export-Import Bank. These credits enabled the Italians to acquire surplus property, shipping, and raw materials.

Fourth. The unfreezing of $45,000,000 blocked by the United States Treasury.

Fifth. The release of $15,000,000 with the Alien Property Custodian, and the transfer of some 200,000 tons of shipping to the Italians. This was provided for in legislation enacted during the last 2 days of the last session.

Sixth. The United States, while I was in Italy, renounced its share of the Italian Navy. This produced an excellent effect in Italy, and I devoutly hope that Britain will follow suit.

Seventh. The post-UNRRA foreign relief program. It is called AUSA in Italy and is of tremendous importance. I need hardly say why. As a passing comment, however, I might remark that it is a paradox of human nature that people are often willing to die for liberty but that they will give up liberty in order to live. AUSA aid has helped them to live.

Eighth. The proposed Marshall plan and interim aid has, I think, done much to consolidate the forces of anticommunism in Italy. I use the term "anticommunism" because there are some 14 parties in Italy. Indeed, it has been said that while in Italy there are some 14 parties and but two ways of thinking, in the United States there are only two parties but at least 14 ways of thinking. We have rendered great assistance, but I repeat, we have, by virtue of the effectiveness of our assistance, precipitated a situation in which we must now consider what we are going to do to preserve our great past and prospective investments, to safeguard our strategic position, and to protect freedom in these two countries from the onslaught of Soviet tyranny.

We have caused the Kremlin to abandon the attempt to capture the Italian Government by constitutional means. Accordingly, a resort to internal force seems likely. The recent and current rumblings of civil war are indications of what we may expect. The Provisional Assembly expires on December 31. The present Italian Government is not a permanent government at this time. Elections are to be held in March. The Congress is considering interim aid and the Marshall plan. The Russians feel that time is running against them.

In spite of current riots in Italy, I am inclined to think that the Communists will not attempt to seize the Government before the end of the year. The present disturbances are probably designed to prepare the way and also to persuade the American Congress not to grant aid to a country so torn by internal strife. I believe that Togliatti will probably hold off for a discreet length of time following the withdrawal of United States troops. I am not a prophet, and of course there are many unpredictable factors; but based on the information which I have it might well come sometime prior to the March elections. I believe that it will be synchronized with a general strike in France.

Now the greatest danger is in northern Italy. That is the heart of Italian industry. It is an area about one-fourth the size of Italy but it contains one-half of the population. The entire valley of the Po, stretching all the way from Florence, Piacenza, and Bologna to Milan in the north, to Genoa in the west, and to Venice in the east, is caught in a Communist network. That whole valley has been organized from the mayors right down to the postmen. These people in key positions are Communists, and in some of these areas they are at the present time paying no attention to the regulations and to the laws promulgated in Rome. If Milan falls, northern Italy goes, and then it would be possible—and, of course, I am not a specialist in these matters, but it would be possible, I think, for the Communists to draw a line in the vicinity of Florence and to divide Italy in half. Although there are few Communists in southern Italy, southern Italy and Sicily could hardly hold out.

If Italy succumbs to the Red infection, I need hardly call attention to the fact that the position of Greece, already precarious, becomes untenable. The program in Greece will be completely outflanked, the $300,000,000 which we are investing there will be lost, and our efforts in Greece will have failed.

Now, of course, if Greece goes, there is no question that Turkey cannot hang on for very long. The situation in Turkey differs from that of other countries in that there are virtualy no Communists within Turkey. Accordingly, Russia would presumably have to resort to external aggression. In any event, the position of Turkey would soon become untenable. I had a 2-hour conversation with the Chief of Staff in Turkey and with Mr. Sadak, the Foreign Minister. They said that the Turks will fight to the death for liberty but that they cannot hope to win.

If Turkey falls, I think you will agree that the entire Middle East, and with it the vital Arabian oil, the Suez Canal, and Egypt will be lost. North Africa would, of course, be helpless to defend itself.

As to whether France could survive under those circumstances, I leave to your imagination.

In fact we might wake up some fine day to find ourselves isolated from continental Europe. We might find the Red tide at high tide on the Atlantic. I am told that in these circumstances there is a grave question as to whether England could be used as a base of operations in view of the long-range weapons which are now in the offing. The United States would then suddenly be faced with an enormously difficult and highly expensive strategical problem. The entire European Continent would have been encompassed by Soviet tyranny without an overt act of war.

Accordingly, I believe that it is urgent that we reassess the nature of the threats to which we are exposed and reexamine the means at our disposal to meet such threats. "A stitch in time saves nine"; "an ounce of prevention is worth a pound of cure."

The main burden of what I have to say is to direct your attention to aspects of this problem which have nothing directly to do with economic aid, although, of course, the questions of internal force and economic aid are, to a great extent, interdependent. Economic aid will strengthen the hand of the Government in dealing with internal force. But it

may not be enough. I do not mean that the amount we appropriate by way of economic aid will not be enough. I mean that economic aid and relief in and of themselves may well not do the job. Where the stakes are so high can we take that chance? Lincoln said, "Let us hope for the best and prepare for the worst." Are we preparing for the worst when we think solely in terms of economic aid? Can relief to Italy, amplified and extended by whatever we appropriate for interim aid, go far enough to help the De Gasperi government to protect itself against a Communist insurrection? In other words, will economic aid alone protect the legality of the Italian Government against extra-legal force? This is the urgent question.

If I may so say, I think we must revise some of our thinking. I think we have a tendency to indulge in certain superstitions, and I believe that these superstitions stand in the way of effective and protective action at this time.

First. It has become a sort of fetish that we must not intervene in the affairs of other nations. The word "isolationism" has become an ugly word and, since the war, the word "interventionism" has also become taboo in some circles. To my knowledge, no one has bothered to explain how we can be both anti-isolationist and anti-interventionist at the same time. I believe it to be impossible. I believe that it is vital to recognize that as we shoulder our world responsibilities to that extent, we automatically intervene; that to the extent that we are not isolationists, to that extent are we interventionists. Economic aid is a form of intervention. The just conditions which we attach to our aid constitute intervention. The USIS program is a kind of intervention. The question is for what purpose do we intervene? We intervene not for the purpose of domination but for the purpose of preventing domination by others. We intervene not to impose any system but to allow other people to choose their own system. We intervene to protect freedom. We intervene in the cause of world peace. No amount of distortions and lies, no quantity of Soviet propaganda, no windy sophistries, can change these unalterable facts. We know this to be true; we know this in our own minds and hearts, and we need have no fear, therefore, to go ahead and, in this case, to intervene to protect the integrity of those nations, safeguard our own national security, and with it the peace of the world.

Second. There is a kind of feeling that we must either go to war or combat Communism by economic aid and the influence of an information program; that these are the only means which we have of combating the Red terror, that this is our only choice. As I have said, it does not appear likely that there will be war for several years. But it is my considered judgment that the question of whether or not there will be another great war and the question of whether or not we will win it will be decided within the next two or three years; in fact, the next four or five months are critical.

Now I am a firm believer both in economic aid and in an adequate information service. They are all very well in themselves. But those who are trying to capture the governments of France and Italy by internal force do not restrict themselves to that particular pattern of action. There is no reason why we should do so. Economic aid and the USIS program are designed to counteract the growth of communism as a popular movement. Their purpose is to prevent the spread of this contagion. But it has been estimated that in Poland, Czechoslovakia, Hungary, Rumania, and Bulgaria only 5 percent of the population is Communist. Yet these countries are well behind the iron curtain. These countries became Communist, not through the popularity of the Communist movement, but by internal force. We shall be deluding ourselves if we think that economic aid and an information service are the only weapons available to us in this "cold war." We are quite willing to use an information program to combat the lies of Russian propaganda. We are not averse to using American dollars to relieve the starvation and misery caused by the war and aggravated by Communist agitation. In wartime we are not averse to using flame throwers, incendiary bombs, and atom bombs to achieve victory. Had the Germans used poison gas, we, too, were prepared to use it. But we seem unwilling to meet the threat of internal force. In this undeclared "cold war" we somehow have failed to realize that we are not meeting the challenge merely with economic aid and an information service.

There is a twilight zone in which we can act cheaply and effectively. We must give up the fond notion that if we only curtail our own power we shall be safe. We have the power to act in this emergency. We must fill this vacuum in our strategical thinking. There are many effective ways of combating internal aggression. A disclosure of these countermeasures would compromise their aims and jeopardize national security. We must have a plan of action. The details of such a plan are an executive responsibility. My purpose is to call attention to the problem. I want to stimulate executive action. We have the means to assist France and Italy to combat internal force. It may not even require force on our part, but it will require action. As I have said, economic aid and the USIS will bolster these governments so that they can do more to combat it. The balance of what we can do will demand but a fractional effort and a minimal expense on our part. Insofar as it neutralizes this internal force it will substantially reduce the economic needs of these countries and will relieve the American taxpayers of a tremendous load. Let us not, Mr. Speaker, shrink from doing a fraction of what we would have to do in the case of war, a fraction of what we propose to do for the interim aid program and the Marshall plan. We must be willing to protect these countries from internal aggression just as we would protect them from invading armies.

Third. We seem to cling to the belief that there is a sharp dividing line between war and peace. Although the Russians have not been exposed to the enlightened humanism of the nineteenth century or to the soothing winds of liberty, although they live largely in a sixteenth-century world, they have not succumbed to that particular superstition. They seem to recognize that these disagreements are a part of the stream of human conflict and they draw no such dividing line as we draw. We should not tie our hands at this time by adhering to the fiction that there is such a line. The expression "cold war" was happily coined, I think.

The Communists have a way of using our own forms against us, of perverting our conventions and traditions in order to destroy them. These forms, these conventions are an imporant part of our tradition; they are invaluable to us and they must be preserved. But they will be an Achilles heel if we allow them to be destroyed by permitting others to use them against us. As the late Mr. Justice Oliver Wendell Holmes once remarked, "Freedom does not mean the right to yell 'fire' in a crowded theater."

Mr. Speaker, freedom does not mean the right to destroy the freedom of any country.

We are preoccupied with the condition of our own economy. We are worried about our own dwindling resources, about high prices and inflation, and a diminished wheat crop. These aspects of interim aid and the Marshall plan have been stressed, and, in my opinion, quite properly. And yet the very thing which causes a greater drain on the American taxpayer and on our national resources is the fact that Communist agitation in these countries increases the strain on their economies. This makes the whole affair far more expensive for us. Indeed, that is one of the chief purposes of the agitation—to make it more expensive for us.

We know that economic stability cannot be restored to Greece while the guerrilla war continues. We know that economic stability in France and Italy is difficult and highly expensive to achieve while the disruptive forces of Communist aggression have not been disposed of. First things first. We must help these governments to eliminate Communist disruptions in order to create economic stability. Even if no internal coup were likely we should endeavor to minimize these disruptions in order to relieve the American taxpayer of at least a part of his great burden.

Therefore, I say that we must seriously consider taking the relatively infinitesimal steps that are required to meet the vicious threat of internal force within these countries. We must help the police in these countries or they will become police states. The dividends will be out of all proportion to what we invest in this effort. And if we should feel somewhat squeamish about taking this action, let us think of the concentration camps, the torture chambers, the mock trials, the kangaroo courts, the misery, starvation, brutality, degradation, and death which the Communists have spread far and wide over this troubled planet.

Let us think of Mihailovich and Petkov, of Maniu and Mikolajczyk. And let us think of our huge investments in relief and rehabilitation, of the sacred prin-

ciples for which we fought World War II, of the America which we are now enjoying and which we owe to the blood and valor of our fighting men, of American national security, of our homes and loved ones, and of a peace based on freedom, virtue, and reason.

Let us roll back the tide of Red fascism before it envelops the democracies of western Europe. Let us make sure that these few remaining citadels of freedom do not become black and stinking hell holes of oppression languishing behind the "iron curtain." Let us meet the challenge of the hour.

It is almost midnight in Europe. This is no time to grow tired. This is the time for action. The future is now. Mr. Speaker, this is the time for greatness.

Mr. VURSELL. Mr. Speaker, will the gentleman yield?

Mr. LODGE. I yield to the gentleman from Illinois.

Mr. VURSELL. I have enjoyed the very splendid address of the gentleman, who is well informed, possibly one of the best informed men as to the Italian situation. I thought the gentleman was going to tell us how for an infinitesimal amount of money we could stop this Red scourge. Does the gentleman have a plan for that?

Mr. LODGE. I will say to the gentleman that we are in a cold war and that, as I remarked in my speech, a disclosure of details might compromise the aims. Further, the details are a matter of executive and not legislative responsibility.

Mr. VURSELL. The gentleman says the aid we render may not stop the success of internal force?

Mr. LODGE. It may not.

Mr. VURSELL. How far would the gentleman advise we go if it does not? Does the gentleman have a plan, if internal force cannot be stopped in Italy?

Mr. LODGE. I think that force could be very easily disposed of.

Mr. VURSELL. Assuming that it cannot, how far would the gentleman go?

Mr. LODGE. How far would I go with what?

Mr. VURSELL. To keep these governments on their feet, say for instance the government of Italy.

Mr. LODGE. I would go as far as necessary to protect the legality of the Italian government from extra-legal force.

Mr. VURSELL. Suppose internal force does overtopple these countries, say one or two of them. The gentleman says Russia does not want war now, and I agree with him. That is the information I get from talking with the Intelligence Department of the Army. I understood you to further say that in 2 weeks' time you thought Russia could conquer western Europe.

Mr. LODGE. I think she could conquer western Europe by force within 2 or 3 weeks if she wanted to, but I did not think she would for two reasons. First, because I think she feels she can conquer without a hot war that is by internal forces, and secondly, because I do not believe that she is ready for a world war.

Mr. VURSELL. I agree with you there.

Mr. LODGE. There are probably many other good reasons, but I will say that those are two that happen to come to mind.

Mr. VURSELL. Following just a little further, you doubted in your discussion as to whether or not we might be able to use England as a base. I would like to ask you how we are going to stop communism in western Europe, how we are going to prevent Russia from coming right out and taking all of western Europe, even if we do spend several billions of dollars to build up western Europe. How are we going to stop Russia if that is her future design and plan? How can we do it?

Mr. LODGE. You are talking about military force now, and in terms of external aggression. You are not talking in terms of internal aggression.

Mr. VURSELL. Yes; in any field. Say 4 years from now, western Europe is going to be in pretty good shape. Is there anything that we can do, and my question is, Can we stop her then from taking over all the rich prizes that we have helped to build up at the expense of our taxpayers to the tune of ten or fifteen billion dollars? Can we stop her from taking them?

Mr. LODGE. You mean militarily?

Mr. VURSELL. I mean militarily.

Mr. LODGE. I am not a military expert; but I think it can be done, but it would take a far vaster effort than we have been willing so far to make.

Mr. VURSELL. Even if they establish or maintain a bridgehead in western Europe, from your observation and your knowledge, if Russia undertakes to do that?

Mr. LODGE. From the point of view of ground forces, of course, Russia has an enormous advantage, but I think that certain things could be done which would make it extremely doubtful that Russia would want to undertake such an effort.

Mr. VURSELL. This is a very big question in which many of us are interested. We ought to take time to discuss it a little. My point is I am wondering if you can stop communism as we all want to stop it or to confine it within certain limits.

Mr. LODGE. I would say that you can stop it. I am not in the least a defeatist on that score. I think this Nation can stop it.

Mr. VURSELL. I was not quite through with my question. Can we stop communism unless we go on the continent of Europe, that is, western Europe, and will that not involve men to stop the military power of Russia?

Mr. LODGE. I am not enough of a military expert to comment specifically on the measures which should be undertaken by our Department of National Defense to meet such an emergency. But I would say that there are certain things which could be done. It is a difficult military problem, but there is no question but that there are certain things that we could do that would strengthen us to such an extent that the chances for peace would be enhanced.

Mr. JOHNSON of California. Mr. Speaker, will the gentleman yield?

Mr. LODGE. I am glad to yield to the gentleman.

Mr. JOHNSON of California. I commend the gentleman on the very interesting speech that he has made. He has been very eloquent. I went to Italy with another group and I think I met the gentleman one night in Rome. One question that I kept asking the people in the various countries was: Is Italy and is France and are the other countries taxing their people who have the capacity to pay?

Mr. LODGE. As far as Italy is concerned, there is a new tax structure which provides for a tax on what the Italians call patrimony, a tax on capital. They are going very far in an effort to meet the difficult situation in which they find themselves, in an effort to get money from the sources where the money is most abundant.

Mr. JOHNSON of California. The gentleman is perhaps the best-informed man in Congress on Italian problems. Did you convince yourself that they were taxing their wealthy people in anywhere near the degree we are taxing ours?

Mr. LODGE. They are taxing them heavily, but there is some question as to whether the taxes are always collected. They are inefficient in their administration of it, but they are making a great effort in that direction.

Mr. JOHNSON of California. When we realize that 80 percent of our tax money comes out of the people in the middle classes, we want them to collect taxes where they should also.

Mr. LODGE. They are trying hard. They have recently promulgated this new tax structure, and they are going to do their best to enforce it. There has always been a difficult problem of enforcement.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. LODGE. I yield.

Mr. CANFIELD. The gentleman from Connecticut very properly says it is close to midnight in Europe. We might also observe that the Russians can turn the lights out in Berlin and many other European hot spots almost any night. I wonder if the gentleman had the experience I had in the Eternal City of Rome. Was he there on Sunday when hundreds of lorries came into Rome from the nearby communities, carrying thousands of Communists?

Mr. LODGE. Yes.

Mr. CANFIELD. Choosing the Cathedral Squares to espouse their philosophy and damn everything American. I wonder if the gentleman observed on the outside walls of Vatican City the hammer-and-sickle insignia?

Mr. LODGE. I did.

Mr. CANFIELD. Pope Pius XII, the spiritual father of millions of people throughout this world, has to do this when he goes out to his summer home in the Albano Mountains. He has to pass house after house showing the hammer and sickle.

Mr. LODGE. I will say to the gentleman that if Italy goes under as a result of internal insurrection, it would make the Vatican the prisoner of the Communists, which would be a very tragic thing.

Mr. CANFIELD. I happened to be in Rome the very night De Gasperi was fighting for his constitutional life. There are 540 deputies in the assembly. He was pleading for a vote of confidence

and he got one. What was the margin of victory? Five hundred and forty deputies, and he won by a margin of 34 votes. That shows the power of communism in Italy.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended 15 minutes, with the permission of those who have special orders following.

The SPEAKER pro tempore (Mr. CURTIS). Before submitting that unanimous-consent request, the Chair would state the gentleman from Missouri [Mr. SHORT], the gentleman from Ohio [Mr. BENDER], and the gentleman from New York [Mr. TABER] all have special orders.

Mr. McCORMACK. I said with their permission.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. RICH. Mr. Speaker, will the gentleman yield?

May I ask the gentleman from New Jersey a question?

Mr. CANFIELD. If it is agreeable to the gentleman from Connecticut who has the floor.

Mr. LODGE. I yield.

Mr. RICH. When you speak about these Italian boys in Italy now speaking for communism, do you recall before they came into the last war how those college students in Italy waved the flag of Italy and said, "Let us go out and fight France?" And they went into war at a time when they should have known better.

Mr. LODGE. I will say to the gentleman from Pennsylvania, he will have to make up his mind whether he is going to keep on fighting World War II or try to prevent world war III.

Mr. RICH. If you are going to fight world war III, it will be whenever you have wrecked this country and we are not able to protect ourselves or protect the people of America. Just as soon as you weaken our own structure by helping all the countries of the world, then we are no good to help ourselves or to help anybody else.

Mr. LODGE. I thank the gentleman for his statement of opinion on the question of national security.

Mr. BENDER. Mr. Speaker, will the gentleman yield?

Mr. LODGE. I yield to the gentleman from Ohio.

Mr. BENDER. Is it not a fact that Mr. Roosevelt and Mr. Truman, by agreement, turned over eastern Europe to Russia?

Mr. LODGE. I think the policy that we followed with respect to the Yalta and Potsdam agreements was one of the most ruinous and disastrous policies ever followed by a great nation.

Mr. BENDER. What did they expect Russia to do after they turned it over to them?

Mr. LODGE. I have not asked them that.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. LODGE. I yield.

Mr. RICH. The gentleman in his speech awhile ago said we should do everything to help these foreign countries in order to get communism out of Europe. How much farther can America go with a $260,000,000,000 debt and be able to furnish five, six, or seven billion dollars a year as a great many of the Members of Congress want this country to do, and keep solvent? How far can we go?

Mr. LODGE. I am afraid I did not make myself clear in my speech.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. LODGE. I am delighted to yield to the distinguished gentleman from Massachusetts.

Mr. McCORMACK. If I understand the gentleman's argument it is based upon the national interests of the United States. If I interpret the gentleman's remarks correctly he is thinking only of our national interests, present and future. Am I correct?

Mr. LODGE. That is correct. However I believe that there is a happy coincidence in that the peace of the world cannot be assured without guaranteeing the national security of this country; and, therefore, I see no reason to draw any egregious distinctions in that connection.

Mr. McCORMACK. And if I interpret the gentleman's remarks and his mind correctly—and I ask the gentleman if my construction is based on sound grounds—the gentleman is fearful that should Europe fall under the domination of communistic regimes it will not be consistent with the best interests of our country.

Mr. LODGE. That is precisely correct, sir.

Mr. McCORMACK. I thoroughly agree with the gentleman.

Mr. LODGE. I am delighted to have the concurrence of the distinguished gentleman from Massachusetts.

Mr. McCORMACK. In other words, my actions and speeches in the past have been, my actions and speeches are, and of the future will be predicated upon the national interest of our country. It happens that in responding to the call of humanity the response is consistent with our natural interest, because as I have observed, the best ally of communism outside of military power, is widespread poverty and distress.

Mr. LODGE. That is right.

Mr. McCORMACK. Wherever poverty and distress exist communism makes its gains.

Mr. LODGE. I agree with the gentleman.

Mr. McCORMACK. It makes its gains amongst people who are ill and suffering.

Mr. LODGE. Yes, amongst people who are ill and suffering. And may I say that I discussed only the strategical aspects and did so not because I was not mindful of what the gentleman has just so ably said.

Mr. JOHNSON of California. Mr. Speaker, will the gentleman yield?

Mr. LODGE. I yield.

Mr. JOHNSON of California. Is it not also the view of the gentleman from Connecticut that the only way we have of obtaining collective security, which is the only way to have a peaceful world, is by strengthening those countries that have a form of government and an outlook socially like we have?

Mr. LODGE. Precisely.

Mr. JOHNSON of California. When, therefore, you strengthen those people from Norway all the way down to France and Italy, you are strengthening the opportunity to obtain collective security and ultimately, maybe, world peace.

Mr. LODGE. Precisely.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. LODGE. I yield.

Mr. KEEFE. Congress by a huge vote yesterday cited 10 alleged Communists for contempt of Congress. The statement was made that they all represented individuals who were making from a hundred to a hundred and fifty thousand dollars a year. If that be true, then, I wonder if it is a correct answer to the statement of the gentleman from Massachusetts [Mr. McCORMACK] to say that communism flourishes and grows where there is death, destruction, disease, and so on?

Mr. LODGE. I think the gentleman is making a very interesting point. It is successful in those places. Let us say that it also flourishes in places where people are suffering from some kind of fundamental maladjustment.

Mr. KEEFE. Mr. Speaker, will the gentleman yield further?

Mr. LODGE. I yield.

Mr. KEEFE. I have listened very carefully to the gentleman's very excellent exposition of his investigation, and he is a member of the Foreign Affairs Committee of the House and is quite familiar with the Italian situation. I shall read his remarks in the RECORD tomorrow. May I say to the gentleman that having listened very carefully I fail to find where the gentleman offered a direct and positive program or plan to achieve the ends which he pictured so graphically.

Mr. LODGE. I realize the difficulty the gentleman has in that connection. I can only say that having exposed the problem, having indicated the solution, that I believe it would be irresponsible on my part to go into too many details; we might compromise the aims and objectives of national security in doing so. We are in a cold war. This is a twilight zone of action.

Mr. KEEFE. May I say to the gentleman we have altogether too many twilight zones of action. Too many things are being kept from the American people under the specious argument that the people should not know.

Mr. LODGE. I do not want to keep it from the American people.

The details of such action are the function of the Executive. If these details are made known to the public, they will be known to the world and the aims would be compromised.

Mr. KEEFE. The point is you cannot keep it from the American people and say that the American people are being directed and guided in the proper direction unless they know where they are going and why. Now, I want to ask the gentleman this one simple question. I assume that ultimately, I hope at some time, although we have been here now

since the 17th of November, we will have some sort of a program from the gentleman's committee that will express an authorization of some kind of action on the part of the Congress in view of what we have been told the very critical condition is. I have been here, and willing to come for a month or two. I am a member of the Deficiency Committee of the Appropriations Committee that will consider this appropriation. I have been sitting here anxiously awaiting a program of action.

Mr. LODGE. May I say to the gentleman I am reliably and authoritatively informed that it is not the Foreign Affairs Committee which is holding that up.

Mr. KEEFE. Well, who is holding it up?

Mr. LODGE. That is what I would like to know.

Mr. KEEFE. If we are facing the midnight hour and the dire things are in progress that the gentleman has described, why is it that we do not have some action and have this thing brought up here so that the American people may be given an opportunity to determine it?

Mr. LODGE. That is the question I was going to ask the gentleman.

Mr. GORE. Mr. Speaker, will the gentleman yield?

Mr. LODGE. I yield to the gentleman from Tennessee.

Mr. GORE. I wonder if the answer to the gentleman's question might be that if we finish the foreign-aid program too soon, then a lot of questions might be asked why something is not done about the high cost of living before the Congress goes home for Christmas?

Mr. KEEFE. That is a demonstration of the little cheap politics that usually comes from the gentleman from Tennessee.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. LODGE. I yield to the gentleman from Illinois.

Mr. CHURCH. I am anxious to see if the gentleman knows and can inform the House whether or not the Italian people are helping themselves whenever they have an opportunity to do so?

Mr. LODGE. They most certainly are.

Mr. CHURCH. The allegation has been made that many of the people are not in the fields when heretofore during these periods in the years the people were in the fields of Italy working.

Mr. LODGE. I may say that the Italian people are working very hard indeed.

Mr. CHURCH. Did the gentleman go over that territory this year so that he could see the people or could not see the people working or not working in the fields?

Mr. LODGE. I did.

Mr. CHURCH. Was the gentleman there years before in the same period of time?

Mr. LODGE. Yes; I have been to Italy from time to time over a number of years.

Mr. CHURCH. Has the gentleman compared the possibility of working?

Mr. LODGE. I have made no detailed comparison. I would say, however, that based on my 3 weeks' investigation the Italian people are working hard.

Mr. O'KONSKI. Mr. Speaker, will the gentleman yield?

Mr. LODGE. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. I wish to endorse the statement of the gentleman from Connecticut, especially when he said that the midnight hour is here. I have been of the opinion for a long time that the midnight hour has been here, particularly when we went over to Yalta in 1945. I would like to ask the gentleman this question: Your committee is urging that we assume the offensive in this whole war against communism. To me it is long overdue. What I want to know is this: Is the gentleman's committee contemplating any action to stop the shipment of strategic materials from this country to make Russia stronger than it is today?

Mr. LODGE. I have already made a point of that during our deliberations. However, I wonder whether that is a function of our committee. I think it might possibly be attached as a condition to some of the legislation to come before us.

Mr. O'KONSKI. Then it is up to the legislative and executive branches to get together. If we are going to assume the offensive in the cold war, we should not finance communism on the one hand and feed it on the other.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. LODGE. I yield to the gentleman from Texas.

Mr. RAYBURN. I notice by the press that the United States of America this year will export somewhere in the neighborhood of $20,000,000,000 in goods and services. The terrific amount of $113,000,000 of that goes to Russia. In return for that we are getting a great many materials in which we are on short supply. Now, if we by $113,000,000 out of $20,000,000,000 prepare Russia to fight us, why that is strange arithmetic to me.

Mr. LODGE. May I say to the gentleman that insofar as we are getting a quid pro quo in the form of strategic materials for certain types of machinery and processed materials, I think that some trade with Russia might be justified. Insofar as western Europe is able to provide agricultural products against the capital goods of eastern Europe, it may perhaps be justified. But I understood Mr. Harriman to say that he did not feel that the quid pro quo was adequate at this time in many instances. Above all else I believe that we have to forbid the shipment of heavy machinery in which we are in short supply and which Soviet Russia can use to wage this cold war on us.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. LODGE. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman, I think, expressed one viewpoint that reflects the general fallacy in this country and that is that communism feeds and fattens on poverty.

Mr. LODGE. I agree with the gentleman from Massachusetts that communism is bred in many instances in poverty and starvation. There is no question that those conditions stimulate communism. As the gentleman from Wisconsin pointed out, communists are not all bred in such an environment.

Mr. RANKIN. If the gentleman will yield further, I want to say that communism is one of the best organized and one of the most highly financed movements spread throughout the world that civilization has probably ever known. As the gentleman from Wisconsin [Mr. KEEFE] pointed out, those known communists who were cited yesterday were drawing down salaries of $100,000 to $150,000 a year and using the picture shows to spread communism throughout America. The idea that it feeds on poverty is a fallacy. It is one of the most highly financed organizations the world ever saw.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. LODGE. I yield.

Mr McCORMACK. There is no question but what it is a powerfully financed organization, and there is no question but what there is power behind it. Twelve years ago I was chairman of a special committee out of which has come the only legislation aimed at subversive activities in over 30 years, the Foreign Agent Registration Act, the McCormack Act, making it a crime for anyone to knowingly or willfully advocate the overthrow of the Government by force, and giving the Army and the Navy power to combat subversive activities. That came out of my special committee, and I am looking forward some day to having legislation recommended to meet that situation. Everybody knows that. But what I say is this, that the best ally communism has in these foreign countries not subject to communism is where widespread poverty exists.

The SPEAKER pro tempore (Mr. CURTIS). The time of the gentleman from Connecticut has expired.

EXTENSION OF REMARKS

Mr. KEATING asked and was given permission to extend his remarks in the RECORD and include an address delivered by Gov. Thomas E. Dewey, of New York.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Missouri [Mr. SHORT] is recognized for 75 minutes.

FOREIGN AID

Mr. SHORT. Mr. Speaker, we have listened with much interest, profit, and sincere appreciation to the many splendid addresses given by different Members of the House who went on various committees abroad during the recent recess. I feel a wee bit superfluous here today, because I know that much of what I shall say will be repetitious, more or less like carrying coals to Newcastle. However, it is poor stuff that does not bear a little repetition, and perhaps people need to be reminded more than informed. Having always believed that there is wisdom in a multitude of counsel, I think it is worth while for members of the various committees who have visited many of the same countries to express their views freely, because each individual approaches this very tough and complex problem from a different point of view. You could take any 30 Members of this House downtown to witness an accident,

and bring them back to this Chamber, and you would get 30 different reports; but notwithstanding the minor discrepancies in these reports, I think you would find them all to be in fundamental agreement upon the big and important thing.

The decision we are called upon to make in this special session of the Congress is by no means an easy one. Whatever decision we make, we might be wishing before long that we had made it differently. Frankly, I am confused and bewildered myself. You roll and toss at night and try to arrive at some conclusion or form an intelligent opinion, only to awaken a few hours later skeptical of the decision you have reached.

Most of the worries and troubles of the admirals and generals ended on VE- and VJ-days. The headaches and the worries of Congressmen and of statesmen just began. Never before in our history have the American people and the American Congress been confronted with so many baffling and complex problems as have confronted us since VE- and VJ-days. Demobilization, reconversion, peacetime military conscription, merger of the armed forces, control of atomic energy, disposal of surplus property—over $100,000,000,000 worth—veterans' legislation, labor-management relations, strikes, the battle against inflation, relief for the needy and distressed, loans and gifts to foreign governments—these are only a few of the myriad, complex, and baffling problems that have left us all puzzled and bewildered.

Those of us who have served in this body through those troubled years of a prolonged and paralyzing depression, through the terrible years of a devastating and destructive war, will confess, I believe, that the most serious time in which we have served, and perhaps the most critical as far as the future of mankind is concerned, is this present hour, the postwar period of readjustment. It was tough enough to win two wars, in Europe and in Asia, but we are finding out it is even more difficult to establish a just and lasting peace. It only goes to prove that Will Rogers never uttered a greater truth than when he said: "The United States has never lost a war, but has never won a treaty or a conference."

We are living in dark and perilous days with the destiny of humanity hanging in the balance. Grave as is the difficulty, we shall not shirk it nor shun our responsibility, but will rather accept it as a glorious opportunity to stand up in the faith of our fathers and meet it squarely.

No one yet can accurately estimate the total loss of life and treasure in this recent global conflict. You cannot blow the brains of millions of men, women, and children into the mud, and billions upon billions of dollars of the world's wealth up in smoke and steel and powder, without every participant in the savage struggle suffering political upheaval, social chaos, and serious economic dislocation. Indeed the neutral countries, fortunate as they were to escape the ravages of war, find themselves caught in this economic maelstrom in the backwash of the repercussions of war which often are worse than war itself. Hunger, starvation, disease, pestilence, and often revolution follow in its wake. Our Committee on the Armed Services and the Committee on Appropriations left on the 8th of September in a C–54. We flew the northern route by way of Newfoundland to Shannon Airport, where we spent the night at Limerick in that peaceful, refreshing, green emerald isle, where one would never dream that a war had ever existed. God bless the Irish! From Limerick we flew to Berlin over London across Belgium and part of France down to Frankfurt, because we were compelled to enter the capitol of Germany through the narrow 10-mile air corridor, and we were compelled to leave the same way. The Russians had decreed it.

Our primary mission, of course, was to study our occupation forces, to find out the number, their needs, and their requirements, and the morale of our troops and their discipline and black-market dealings and the disposal of surplus property and other related matters. But, naturally, we were interested in studying first-hand the political, economic, and social conditions in each one of the countries we visited, because it is upon those conditions that our foreign and also our military policy is determined.

We talked to our representatives, not only in the Army, Navy, and Air Corps, but to our civil authorities as well, and also to the military and civil authorities of each country that we visited. I am happy to report to you that we found discipline exceptionally high and the morale good among our troops wherever we went. We were also pleased to discover that there was closer cooperation and liaison between the State Department and the War, Navy, and Air Departments than ever before in our history. After spending 4 days in Berlin at the Harnach House, named for one of my old professors, the greatest theologian of this century under whom I studied a quarter of a century ago as a student in Berlin, we conferred with General Clay, who, on the whole, has done a splendid job.

MacArthur has done a superb job in the Orient but he has had a single command. It was more simple there but I think the Japs would be with us against Russia and I think the Germans would, too. Strange as it may seem, both Germany and Japan would be on our side. They are enlightened.

We talked not only to the high ranking officers but to the enlisted men as well; to private citizens of the various countries we visited.

From Berlin we went to Frankfort, our European headquarters, where we spent another 4 days. From there we went on to Munich and spent another 4 days, over beautiful Bavaria, and our great air depot at Oberpfaffenhofen.

After going through Germany, I think it was the consensus of opinion among not only the members of our committee but of the members of other committees that visited the Reich, as well as civilians, newspapermen, radio commentators, and others, that the appalling bomb damage done in Germany is absolutely inconceivable to anyone who never has seen it for himself. Not only a few cities in isolated spots, but practically every city in Germany, with the exception of old Heidelberg, an old university city of about 80,000 population and with no military advantage, has been blasted to bits, and 70,000,000 people in an area no larger than the State of Texas are living in a heap of rats, rubble, and ruin, roaming like nomads over the countryside, with no place to lay their heads. That is the festering sore in the very heart of Europe. Regardless of what anyone might think about Germany, Germany is the economic heart of Europe, and there can be no sound, permanent recovery until that nation is back on its feet.

The economy of all the surrounding countries, France, Switzerland, Italy, and the lowlands, is inexorably interwoven and intertwined with the German economy. They depend chiefly upon coal from the Ruhr. You have to have food to get coal. You have to have coal to get steel. You have to have steel to revive industry. Certainly the American and British in their zones realize the great mistake of having the four zones of occupation, of carving up this single economic unit into four parts. We are now willing, of course, to have Germany revive her steel industry to the point of 10.7 million tons output of steel per year; still much less than before the war, but much more than she is producing now.

All those miners in the Ruhr are given a greater amount of food than most any other portion of the population. It is only natural for those miners to share their food with their hungry children at home. Every father would. One of the greatest needs, of course, is to help the Germans help themselves. If they cannot, someone must take care of them, and that someone, of course, is Uncle Sam. It is now costing us more than $500,000,000 each year to keep our American zone in the Reich. We would like to get out. I know the British would like to get out. They want us to pay their cost of occupation. The Germans would like all occupational armies to get out, but they certainly do not want us to leave until the Russians get out.

Germany must not only be able to help herself but have enough to acquire a few dollars' credit to pay reparations, or to buy raw materials abroad for her manufacturing, because Germany is the workhouse; it is the industrial heart of all Europe. When you consider she has lost more than a quarter of her agricultural lands, Silesia, Pomerania, East Prussia to the Poles and the Russians, that she has suffered the worst drought she has ever had in a hundred years, with a shortage of farm machinery and of fertilizers; in addition to the heap of rubble and ruin all over that country, then you can get a fine idea of the serious economic plight in which not only Germany finds herself, but the great threat that she is to the sound or permanent recovery of her neighbors around her. This cancerous sore cannot remain without destroying all around her.

Mr. JOHNSON of California. Mr. Speaker, will the gentleman yield at that point for a question?

Mr. SHORT. I yield.

Mr. JOHNSON of California. Is it not a fact—and I wish the gentleman would comment on it—that all our plans for the economic recovery of Germany are

based upon this premise that no matter what we allow them to do or what they do do, they must not be permitted to develop their war potential?

Mr. SHORT. I was just coming to that. While we want to see economic recovery here in the heart of Europe, we must keep an eagle eye and ever be alert to see that there is not a revival of Germany's war potential.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. SHORT. I yield.

Mr. McDONOUGH. What assurance do we have that in strengthening other countries in Europe we are not developing a war potential that will be a danger to Europe and the rest of the world?

Mr. SHORT. I feel, of course, that whatever aid we give to Europe in the future must certainly be more carefully administered and should be more equitably distributed under close supervision than it ever has been in the past. We furnished 72 percent of the funds for UNRRA, yet everybody knows that many of those supplies were diverted into dangerous channels. The Russians took those supplies and distributed them among their own satellites making them believe the goods came from Russia instead of the United States. There is where we have fallen down pitifully and woefully in our psychological warfare, and that is why it is essential and necessary that we not only feed the stomachs of the hungry people in Europe, but we must feed their minds with ideas and we must have an informational service which realizes that. Man does not live on bread alone.

Mr. ANDREWS of New York. Mr. Speaker, will the gentleman yield?

Mr. SHORT. I yield.

Mr. ANDREWS of New York. May I suggest to the membership that what the gentleman from Missouri is undertaking to do is not easy. It is a subject that he has rehearsed once before the Armed Services Committee. I suggest that we let him finish his statement and refrain from asking questions until he has finished.

Mr. SHORT. I will appreciate it if I may proceed more or less in chronological order because I asked for 15 extra minutes in order to submit myself to questioning. I should be very happy to be interrogated when I have finished my general statement.

From Germany we went to Austria, old Vienna, which was the great watering place, the most beautiful city in all the world, certainly before the first World War, a city upon which the old Emperor Franz Josef spent lavish sums, beautiful Vienna. It was pretty badly bombed during the closing days of the war, 3 or 4 days before the surrender. Much of the city was burned by the Nazis just as they retreated. There again you will find the four zones, American, British, French, and Russian, just as you have in Berlin. Unfortunately a mistake, I think, was made when our armies were held back from going into Berlin a month before its final capitulation because we had promised the Russians that they could enter first. Naturally they got the best sections of both cities and they have shown up until this hour no inclination to get out of either one. Austria, however, serious as her domestic economy was before the last global conflict, because of the great developments in the Seitzendorf oil fields in the northeast part of that country and because of the exploration of certain mineral deposits, Austria today if she were a free and independent country would be self-sustaining, and she would not depend upon outside help from any source whatever.

I think that Austria is one of the most critical spots in the world today and we should by all means lend her assistance because she has shown a firm determination to oppose communism even with the Russians there overshadowing them.

We should build up a stock pile of critical and strategic materials. They can give us many things which we do not now have. Let us do a little Yankee horse-trading. We will do a bit of swapping. We will give them what they need; they will give us what we want. We will live and get along together.

From Vienna we flew over the Alps at 15,000 feet down through the Brenner Pass to Trieste which, perhaps, with the exception of Korea, is about the hottest spot on this earth today. Some time back when our Eighty-eighth Division was moved out of there, under the terms of the treaty, Trieste was set up as a free city or territory and we agreed that 5,000 American troops should remain, 5,000 British, and 5,000 Yugoslavs. Only the Lord knows how many Yugoslavs are back of the border.

When we reached there we found that situation very tense, because only 2 or 3 nights before, 2,000 Yugoslavs or "Jugs" as our boys call them, had been massed on the highway leading into this free territory. They were going in and taking it over by force. Had it not been for the quick, diplomatic but firm action of our American Major General Moore and the British commanding General Airey, we might have touched off that powder keg that would have us actually in war at this moment. Nowhere we visited were there better soldiers, keener, more alert on their toes, highly trained, well disciplined and immaculate than we found in the Mediterranean theater. I do not care what any newspaper columnist might have written or how critical any commentators might have been, those of us who were privileged to visit our troops, not only in Trieste but in Rome, will tell you that we were greatly impressed from the generals down to the lowest buck private by the high discipline, the splendid training and the immaculateness of those troops. Notwithstanding the average age is 19, young kids, they have the lowest venereal rate of any troops we visited, not only in Europe but in Asia as well.

From the free city of Trieste, a great Adriatic port, that furnished the old Austro-Hungarian empire and the Balkans an outlet through the Adriatic to foreign commerce, we flew down around Yugoslavia. Of course, we could not fly over it without running the risk of being shot down as some of our American boys had been. We flew down the Adriatic and skirted the tip end of Yugoslavia on the way to Athens, because one of our motors had conked out. We were delayed a day and our visit to Athens was cut short. We were briefed by General Griswold and our military and State Department representatives as well.

I do not know the answer to the Greek problem. Greece is a barren, unproductive country with 7,000,000 people, about the population of New York City. But they have 16 political parties and 16 newspapers published in Athens, so that nobody knows who is his friend or who is on his side from one day to the next, if not from one hour to the next. It seems to be an almost hopeless situation; the multiple party system of government that they have there, but because of the constant pressure brought by the Soviets through Albania, Yugoslavia and Bulgaria, Greece finds herself, of course, caught in the pincers and since we have gone in we cannot let go because that is our only toe-hold in southeastern Europe along with Turkey whereby we can keep open the artery of commerce through the Suez and protect our vital oil interests as well as other interests in the Near East. Few peoples have ever equaled and none have ever surpassed the civilization of ancient Greece. What a tragedy today!

We flew from Athens to Istanbul, and after spending a day and night in that beautiful and interesting old Moslem city with its gorgeous mosques, we flew the entire length of Turkey, entering the Near East over Aleppo and Antioch, down the Tigres and Euphrates Valley, where we have withdrawn most of our representatives and the British have also withdrawn all their troops and represenatives except a token force, because of the hostility of the Iraq Government over the stand taken by both Britain and the United States in the United Nations on the Palestine question. We flew down the Tigres and Euphrates Valley over to Bagdad and from there up to Teheran and Old Persia. We were very cordially received and courteously treated in Iran. We had the pleasure of meeting with the members of the Iranian Parliament and were pleased highly to discover that that small and rather weak nation in comparison with some of its mighty neighbors showed a firm and resolute determination not to be dominated by any outside power. Russia at the very moment reported 30 of her divisions or more than 400,000 troops massing on the Iranian border at Azerbaijan, the northwest Province of that country, bringing constant pressure upon that small and weak people, in order to get oil concessions. We were more than pleased 2 or 3 days after we left Teheran to read where the Iranian Parliament had refused this concession. What a bold stroke that was, because they put this question to us. "If we refuse to grant Russia this oil concession, and if Russia attacks us, what will the United States do?" Well, I had to answer that we were not a policy-making but a fact-finding committee; that I could not speak for the Congress or the State Department or for the administration in power, but that

we were most sympathetic with her problems and her needs; that we had mutual ties; that many of her own people were citizens of our own country and that we hoped to promote this feeling of good will and friendship that has always existed between us. So, there we found a real friend, due largely, I think, to the splendid work that our young American Ambassador, George Allen, is doing there, and because of the splendid military mission that we have there, who have dealt so openly and frankly and aboveboard with the Iranian people.

From Tehran we flew over old Persia, down over Basra and Abadan to Bahrein on the Persian Gulf, on the east coast of Saudi Arabia. There we discovered that America, private enterprise, private American capital 15 years ago, long before the war broke out, was willing to run the risk to go down and make explorations for oil. If you flew over Saudi Arabia, a bleak and barren desert waste, you would not give a dime for the country, but there is an ocean of oil under it. First a California company made the exploration, which was joined 3 years later by a Texas company, the Cal-Tex, to form the American-Arabian Oil Co., which today is furnishing 72 percent of all the oil for our United States Navy and without which it would be very difficult to operate our Navy. They have two or three wells down in that area that produce as much oil as 100 ordinary wells in the California, Oklahoma, Texas, or Illinois fields. They do not need pumps. You put a hole down into the earth and she blows. They have got 40,000- and 50,000-barrel wells. We are building a pipe line, 30 inches in diameter, 1,050 miles long, across Saudi Arabia, through Trans-Jordan and Lebanon to the Mediterranean. They saved us once. They could save us again.

I want to pause long enough to remind you gentlemen that America is a nation on wheels; that during this last global conflict we furnished 70 percent of all the oil to our allies. We have largely depleted many of our reserves and the best geological estimate we have is that we have a known reserve of about 22,000,000,000 barrels left in this country which at the present rate of consumption will last us about 15 years.

Of course, we Americans are ingenious, and we will produce much synthetic oil as we have rubber. Let no foreign nation underestimate our capacity. Our domestic consumption of oil has doubled since the outbreak of the last war. We are consuming more than 2,000,000,000 barrels annually at the present time. We dare not lose control of that rich oil field which we went in and developed, or of the giant refinery on the island of Bahrein in the Persian Gulf, owned by a Canadian company but operated wholly by an American company. We understand each other.

We discovered the friendliest relations existing between King ibn-Saud and members of the Saudi-Arabian Government and our own American business representatives of the Arabian-American Oil Co. Twenty percent of the total income goes to the King in royalties. One-third of the total income from that rich oil field goes to the United States Government in the form of taxes. So I think that we should by all means hold onto, protect, and defend those rich reserves in the Near East. We need that oil in peace, and certainly it is our lifeblood in time of war. We will not let it go.

From Saudi Arabia we flew back from Bahrein to Basra and over to Cairo, landing there at the height of the cholera. Egyptian students a short time before had been rioting and demonstrating against the American policy. Of course the Arab League, composed of Egypt, Saudi Arabia, Iraq, Iran, Greece, Turkey, Syria, the Levant States, and Lebanon, have been very bitter against certain decisions made by the United Nations. But when we landed at Cairo, notwithstanding that anti-British and anti-American feeling, three or four of our C-54 planes had flown in huge cargos of medicines and vaccines, and the attitude of the Egyptians had changed almost overnight. They were friendly enough that members of the Egyptian Parliament, some of whom I had the pleasure of meeting in Cairo at the Interparliamentary Union last April, gave a very nice luncheon for us at Shepheard's Hotel. Of course, their great headache is the settlement of the Sudanese question. That is a conflict between Egypt and Great Britain. It is a matter, of course, which will eventually, and certainly, if it is to be settled successfully, have to be settled or determined by the United Nations. We want Egypt as our friend.

We flew from Cairo to Rome. I wish to verify or corroborate what the gentleman from Connecticut has said about Italy and the Italian people. Much to our surprise, or at least to my surprise, we discovered that with the possible exception of Belgium, Italy has staged a greater comeback than any other country in western Europe. Of course, Scandinavia is back. Sweden was neutral. Production in Norway is even above the prewar level. Denmark is very little behind. Holland has made great strides. Belgium is normal, and Brussels is perhaps the best city in all Europe in which to shop today. You can buy nearly everything you want and at a fairly reasonable price. But Belgium has a rich Congo in Africa to fall back upon, because during the war she profited a great deal by the raw materials that were sold from that rich colonial province in Africa. Rome is not far behind. The Belgians have gone to work.

In Rome we discovered that the Italian people showed a resolution and a determination to get back on their feet. They have gone to work in Italy, and I think that the De Gasperi government, on the whole, is fundamentally honest and also a capable and efficient government. It has the backing of the Vatican. We visited the Italian Parliament the very night that the United States announced we would not take the ships of the Italian Navy, which were awarded to us under the Italian Peace Treaty. Of course that was a great boon and a blessing and we were cordially received and courteously treated by the Italians. Not only Count Sforza, De Gasperi, and members of the Parliament, but on the following day we called on the Chiefs of Staff of the Army, Navy, and Air Corps. All three men had seen combat service in both world wars, and they impressed us as being very dynamic, strong, and winning personalities, men who are confident and capable and who want to try to forget the past and to bring about a new and better order in Italy. As long as the Italian Government is in the hands of De Gasperi and those chiefs of staff, I do not have too much fear of communism in spite of the fact that it has made great inroads in Italy and has as its leader of that movement Togliatti, one of the most astute and successful and resourceful politicians in all Europe. I hope he will join us.

Mr. BELL. Mr. Speaker, will the gentleman yield for a question?

Mr. SHORT. I yield.

Mr. BELL. I have listened very attentively to the gentleman and have been interested in his description of what he found in the various countries of the world. May I ask the gentleman this question? Does the recovery in these countries have any relationship to the question of whether or not those countries are pursuing private enterprise or have gone over to socialism and stateism in their governmental structure?

Mr. SHORT. Of course, from our own American standards, we would say that state socialism is never as productive as private enterprise. Personally I have no quarrel with any country as to what kind of government it has as long as the people are free to choose that government. If Russia wants communism, let her have it. When I was over there in 1931 through European Russia, where 70 percent of their population lived, if I had thought so much of their system I would have stayed there. Sometimes I think we ought to make up a jackpot to send a few Members of the Congress of the United States over there and make it a one-way ticket. Perhaps I should be a Communist because I have nothing and am willing to share it with everybody.

If Russia wants communism, let her have it, but I do not like to see her force her communism upon weaker satellite nations at the point of a gun. I have no quarrel with Great Britain. If they want to nationalize their banks, their coal industry, their transportation and communication systems, if Great Britain wants state socialism, she is welcome to it, but I do not think she should call upon the already overburdened American taxpayers to finance her noble experiment in that particular kind of government.

Mr. BELL. I am not sure that I made myself clear with respect to the question that I wanted to ask. What I had in mind was whether you found a greater degree of prosperity or rather recovery, because, of course, there was no prosperity where you found socialism; or did you find it where you found private enterprise. Of course you did not find prosperity anywhere, but I mean comparatively speaking, where is recovery the most rapid?

Mr. SHORT. Wherever freemen are, because freemen have always outworked, outproduced, and outfought slaves, whether it be in America, Europe, Asia, or anywhere else. I think the committee was impressed by that.

Before we left Rome, being pleased to find the Italian people had gone to work, and that their present government is striving hard to stabilize itself and to bring about stabilization of its currency, we visited His Holiness the Pope at his summer retreat, one of the most impressive audiences we have ever had. I wish to say, as a Methodist and a Mason, the Catholic Church has been one of the most stabilizing influences in this postwar world. I do not know where Europe would be without it.

We went from Italy up to Geneva, more for a day or two of rest than anything else, to the little country of Switzerland, with her dense population, whose chief crop is tourists and, next, watches; a most beautiful spot, with a population that is highly educated and cultured; where they have three official languages, French, German, and Italian, but all very loyal to the Swiss Government. Switzerland, having maintained her neutrality in both world wars, naturally prospered to some extent during the war, but like Italy and Sweden and others who had remained neutral, now finds herself squeezed in this European economy, and finding it necessary to import fuel and raw materials, just as Italy, her recovery, we were frankly told by the Swiss authorities, as well as our own representatives, depended largely upon recovery in Germany, to reestablish that international trade between those various countries surrounding the Reich.

Next to Turkey, I would say Switzerland is the most anti-Communist country in all Europe. The Turks are tough and they will fight. Of course, they are Moslems. They will have nothing to do with communism. They detest it and despise it. Of course, she lives in constant fear of this huge Russian bear that overshadows her, and she, like Iran, wonders what the United States and other nations will do if she is attacked by this overpowering giant to the north of her.

From Switzerland we went to Paris, gay, beautiful Paris—once gay, but now very sad. France was licked before this last war ever started. Oh, she had an army. She boasted of a large army. She had universal military training. She had the impregnable Maginot line. She felt secure, but she was rotten to the core. Corrupt politicians, internal dissension, and strife; and you find that unhealthy condition in France today. Unfortunately, I do not think the French have gone to work as hard as many of her neighbors.. Too many are sitting on their hands with their mouths open, talking and arguing politics instead of going to work. You know, human nature is pretty much the same the world over. We like to think we are a little different from other people, but we are not. The more I travel and the more I study men and institutions the more I find out that when you get down beneath the skin of a man, regardless of his race, color, or creed, he is governed very largely by the same aspirations, passions, likes and dislikes. There are people in France who never have worked very much and who never will as long as somebody will take care of them. They will never be satisfied, because the more you give them the more they want. I am not saying that I have no sympathy with France, because we can all appreciate the fear under which she lived. Having been overrun, plundered, pillaged, and looted twice in our generation, you can imagine the fear. She suffered the humiliation of occupation. Millions of her best men were carried off to slave-labor camps, and many of them died in concentration camps. Her factories were looted; her banks were robbed. Her people were outraged and mistreated. So I have a great deal of sympathy with France, considering everything through which she has passed.

After all, she is one of the great powers of western Europe; she does believe in our western culture and western ways of life. She has made magnificent contributions. There are historical ties, the help she gave us in winning our independence, and the help we gave her in both World Wars. Because of the effort they put forth in the underground, which made it easier for our Army to penetrate their country and to cross the Rhine, I think we should be very sympathetic and as helpful as we can to France. But we should give France and every other country to whom we give aid, to understand that any further aid coming from the United States is really going to our friends and not our enemies, to those who believe in the American way of life, who love liberty and freedom; and it is going to the people who are really making a serious, earnest, honest effort to help themselves. It is not going to be any blank check grant. I have always thought that a careless and indiscriminate philanthropy is an ignoble thing because it is conducive only to the perpetuation of poverty and of ignorance. It takes brains to make money, it requires more brains to spend it and dispense it properly.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. SHORT. I yield.

Mr. MILLER of Nebraska. I wonder if the gentleman feels that we will be able to know that aid given to the present governments of Europe will get to the people who really need it?

Mr. SHORT. It is going to be a matter of proper administration, making sure that the relief is distributed properly. But you have got to take the best you can get. I think it should be under the careful supervision of Americans, and we should reserve the right to turn the spigot off the moment these supplies are diverted into wrong channels or whenever it fails to reach the people for whom it is intended. Beggars cannot be choosers.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. SHORT. I yield.

Mr. RANKIN. The gentleman mentioned the name of the Communist leader in Italy a little while ago. I have forgotten it.

Mr. SHORT. Togliatti.

Mr. RANKIN. The gentleman said he was a very powerful politician. I wonder if it was the gentleman's observation that he was not only powerful but highly financed.

Mr. SHORT. Yes, because he was educated, as Tito, in Moscow.

Mr. RANKIN. And everywhere that you find Communist tentacles in Europe, do you not find them highly financed from some source?

Mr. SHORT. They have plenty of money, there is no question about that.

Mr. RANKIN. The reason I asked that was because some men seem to be under the delusion that communism grows from poverty. The Communists use poverty, of course, as a tool, but every Communist tentacle that we have ever run into was highly financed from some source.

Mr. SHORT. I think it is not a question of "either or," but of "both and." It is highly financed, and some of the smartest, slickest, smoothest, most astute, and earnest politicians in this world are those trained in Moscow. They have one of the finest intelligence systems; and I agree with the gentleman from Mississippi that it is the only international organization in the world today that acts as a unit and that can strike at one moment. Communism is not only a political dogma, it is a religious creed. You cannot argue with a Communist, he is a fanatic, he is a zealot.

Mr. RANKIN. He is an atheist.

Mr. SHORT. Communism is rooted in atheism and a crass, sordid materialism. Their mind never gets above their belt.

Mr. RANKIN. I may say to the gentleman from Missouri that when he says they have some of the smartest people on earth, he might add that they also have some of the smartest professors in American colleges to be found on earth, and a great many of them.

Mr. SHORT. Now, if I might be allowed to continue for a moment without interruption.

Mr. RANKIN. I beg the gentleman's pardon for taking up his time. I will try to get him an extension.

Mr. SHORT. Communism is an insidious thing. It thrives on chaos and misery and discontent.

Mr. RANKIN. Which it creates.

Mr. SHORT. It is the psychology, the infiltration, the boring from within to stir up trouble—why, the method of Stalin is no different from that of Adolf Schickelgruber. Communism and nazism are not two different things, they are the head and tail of the same skunk; they are two sides of the same coin. Communism and nazism are totalitarian states. The state is everything, the individual is nothing. Both of them are governments by force, by murder, and by terror. The people do not want it. They must accept it or death. What would you do?

It is government by the secret police. The OGPU is no different from the Gestapo. It is government by the firing squad, government by liquidation of all who dare oppose the will of the dictator; it is government by the concentration camp and by slave labor. That is the kind of government it is. Whether communism can exist side by side in this free world with capitalism, of course, remains to be seen. I hope we can resolve these differences.

Mr. RANKIN. Mr. Speaker, will the gentleman yield further?

Mr. SHORT. I yield to the gentleman from Mississippi.

Mr. RANKIN. Communism and fascism are both symptoms of the same disease. One of them is the fever and the other one is the chill of a dying civilization.

Mr. SHORT. I can agree wholeheartedly with that. It is very well put.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from California.

Mr. McDONOUGH. In reference to the policy and the administration of this aid that we are considering for western Europe, how far does the gentleman think we should go insofar as the internal affairs of those governments that will receive the aid is concerned and what threat shall we hold if the specifications are not lived up to? How are we going to stop it?

Mr. SHORT. I do not think that we should try to force our own form of government, much as we believe in it, upon any other country or make it an absolute or fundamental requirement that they accept our social or political philosophy before we help a starving or hungry people. I do not think we should do that, because I am not convinced that democracy is the best form of government for every nation on this earth today. Democracy cannot be imposed from without. It has to be achieved from within. People must prepare themselves for it over a long, hard period of time. Why, the Anglo-Saxon people who formed our Government fought for over a thousand years for our democratic, representative form of government, from Marstenmoor and Runnymede, down through the English Bill of Rights, our own Declaration of Independence and Constitution, together with our own Bill of Rights. You cannot win self-government overnight. It is not what the Germans call "gabe" but "ausgabe." It is not a gift. It is a task. So we should not try to force our form of government upon any people. We should try to teach other people about it and show them the good results of it. We should remind our totalitarian friends, particularly the Communists, that this benighted nation of capitalism, with our great industrial output and productive capacity, was the one thing that won this last global conflict. Where, in the name of common sense, would our Russian friends have been at Stalingrad had it not been for the $11,000,000,000 lend-lease that American workmen, the men on the farms, in the factories, and in the mines sent to her? Where would Britain be without the $29,000,000,000 of lend-lease extended her?

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield further?

Mr. SHORT. I yield to the gentleman from California.

Mr. McDONOUGH. I agree that we should not impose or attempt to impose our form of government on these people; but if in the specifications and program that we outline in the aid we are rendering these people, should we not recommend certain corrections in the fallacies of their governments that have caused this disturbance in their own country in order to correct that situation?

Mr. SHORT. Yes, I think we should. In fact, I tried to impress upon the people I met in the different countries, particularly members of the Iranian Parliament in Tehran, the members of the Italian Parliament in Rome, and the members of the Parliament in England that austerity would never take the place of production. Increased production not only in Britain but in America and every other country is the only key to recovery. I also tried to point out that our own resources were not inexhaustible and that there was a definite limit to the aid that we could continue to give nations of the Old World. I paused long enough, after two or three of them intimated this was our war and we were very slow and tardy in getting into it, after they had borne the brunt of the struggle, to remind them that America has never been indifferent to human suffering in peace or in war.

We have always given help to the poor and distressed people of this earth, whether it was due to an earthquake in Chile or to a typhoon in Japan. Why, only a few years before the war we shipped shipload after shipload of food, medicine, and clothing to those stricken people. Our American Red Cross has taken relief and succor to the needy and the hungry. The Rockefeller Institute has spent millions of dollars building universities, asylums, orphanages, and hospitals all over the world.

Our Christian missionaries, our Christian churches of every denomination, have spent millions of dollars in taking the light to the heathens who are less fortunate than ourselves. I reminded our British cousins and friends that we entered both world wars without pride of power, without lust of ambition, or without the desire for imperial dominion. We came out of both wars without a square acre of territory or without a dollar of indemnity. It cost us plenty to help win the First World War. This last war cost us over a million casualties. More than 300,000 young Americans gave their last full measure of devotion, and 750,000 of their comrades came home with arms and legs shot off and eyes knocked out, many of them to remain neurotics for the rest of their days in psychopathic wards. We spent $350,000,000,000 in this last conflict to win it, and we have a tremendous debt of $260,000,000,000 on our backs, and our people are suffering from high taxes. Oh, we have plenty of headaches in America. We have our own burdens to carry. I can stand on the back porch of my little home down in the Ozarks and throw a rock and hit half a dozen families who need help and relief. I always contend that charity begins at home. "He that provideth not for his own is worse than an infidel."

Well, we started on this last trip in good spirits and good faith. I gave an interview in which I said that I thought the American Congress was acting wisely in sending Members of both Houses on different committees to visit the various countries, but when we return it will also be required of us that we go back to our respective districts and States and investigate and explore and find out what our needs are at home and what our resources are and what our capacity is in order to help others less fortunate. I think that is very important. We have done not only these charitable things in time of peace and played the part of the good Samaritan, but we also have done them in both world wars. In the first war we fed not only Belgium but our other allies. We fed the conquered nations of Germany and Austria, and we are spending $500,000,000 a year now to occupy our zone in Germany. We cannot forever go on and continue to pour out our treasure to every nation on the face of the earth unless we want to bleed ourselves white. Of course, Russia does not want economic recovery. She wants to continue chaos. She wants to perpetuate this misery. That is the fertile soil in which the seeds of communism can take root and grow. She wants America to pour out her wealth and to bleed herself weak, and then when we do that where in the name of God is the nation that is going to give us a blood transfusion? There is none.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. SHORT. I yield.

Mr. RANKIN. I want to ask the gentleman one question. The gentleman called attention to the fact that this country has a debt of $260,000,000,000. How does our indebtedness per capita compare with the indebtedness of the people of the various countries of Europe? Are they as deeply in debt in proportion as we are?

Mr. SHORT. They practically have no debts. They have all been wiped out.

Mr. RANKIN. Then why should they not float bonds against their own countries to help carry on this program instead of asking us to carry the entire burden?

Mr. SHORT. I do not know. Who in the world would buy their bonds?

Mr. RANKIN. If the bonds are not worth anything, of course——

Mr. SHORT. They are just heaps of ruin and rubble. I would not want to buy any myself. Nor would you.

Mr. RANKIN. If that is the case then, if you put that up to the average American he is not going to be willing to bind his children and his grandchildren and great-grandchildren to try to save countries that are not worth saving.

Mr. SHORT. I agree with the gentleman that charity begins at home, but having escaped the ravages of war, certainly we have not suffered anything in comparison to what some other peoples have, I still want to find some way—the easiest way—out of this dilemma. God knows it is not easy.

Since western civilization is hanging in the balance, I am going to do my best to tide these poor and hungry millions of innocent women and children through this coming winter. Many will perish regardless of our decision. I think we should not go beyond that, but let us cross the other bridges when we come to them. We cannot bind other Congresses, and I think it would be supreme folly for us to vote funds over a long period of years, because we have been gambling with nature. What in the name of common sense are we going to do if we should

have a serious drought in this country next year, and it is about time for one. It moves in cycles.

Mr. RANKIN. Nobody objects to helping feed the hungry women and children, I do not believe anybody in America does, but if we are going into a long-range program to take care of countries that are less in debt per capita than we are, it seems to me that we should expect them to bear their part of the burden.

Mr. SHORT. No doubt about that. Furthermore, I might say to the gentleman we should help these people, and the important reason for wanting to help them through this winter is to stabilize their governments and stabilize their currencies so that they have a minimum degree of suffering, not merely from a humanitarian or philanthropic point of view, noble as that is, but I want to do it in mere self-defense. If my neighbor's house is on fire a few doors from me and a wind is blowing my way, I do not care whether I like that neighbor or dislike him. He may be friend, he might be foe, but I am going to do my best to put that fire out before my own house is consumed.

Mr. RANKIN. I agree with the gentleman thoroughly on that proposition, and in connection with that I would keep the atomic bomb and keep an ample supply of them on hand, build the strongest air force on earth, and let the world know that we are prepared to take care of ourselves.

Mr. SHORT. I agree with the gentleman. I was coming to that as I proceeded.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from New Jersey.

Mr. CANFIELD. I think the gentleman speaking in the well today would be interested to hear that among those listening to him is a young American trooper from our United States forces in Trieste, the hottest of all the hot spots in Europe. The gentleman in the well and I and other members of our committee were supposed to rendezvous with him and Trust troops on September 23 last, but he and two of his buddies could not be with us because they had been captured by the Yugoslavs in the stony hills of Trieste for stepping over a newly created boundary line. They were taken to Goriano and put in a lousy jail, where they were briefed on Stalin and Tito and questioned concerning the disposition of our troops in the Free State of Trieste. Young Pvt. Earl C. Hendricks, of Arlington, Va., is in this House today. I cannot help but feel that he would agree with almost everything the gentleman from Missouri has said in the well.

Mr. SHORT. We are very happy to have him with us today. I know that occurrence did take place when we were there.

I do not want to delay you unduly, but in closing I wish to say this. When the Nazi hordes were running rough-shod over Europe, plundering and looting different countries, and mercilessly murdering millions of people, Mr. Churchill and Mr. Roosevelt told us and told all the world that among other things two of the chief reasons we were engaged in that titanic global conflict were, first, to respect the territorial integrity of the different countries, the little nations, and second, to allow those people in the little countries at the close of the conflict to choose for themselves in free, open, and honest elections, without outside interference, without any foreign pressure, the kind of government they wanted. Those were the two reasons we fought this last war, and we have failed to achieve either objective.

In fact, before the capitulation of Germany one of our allies had seized a huge hunk of Finland, all of East Prussia, all the east half of Poland, and Estonia, Latvia, Lithuania, Bessarabia, and Ruthenia, and now she is down in the east central part of Europe, with the east half of the Reich and all the Balkan States with the exception of poor little Greece, she aims a pistol at Turkey, that is under constant pressure, and she aims an arrow at the heart of Iran, massing troops on the Azerbaijan border. We knocked off Adolf, and we rolled up Uncle Joe, but we still are confronted with a totalitarian state whose chief mission in this world is to destroy the bourgeoisie in all countries and set up the absolute rule of the proletariat and world-wide communism at any and all costs. The end justifies the means. They will stoop to trickery and deception. They will employ any artifice or device or method whereby to achieve their goal or reach their objective. Not only does Russia control more of Europe today than any other nation has ever before controlled, but she has expanded similarly in the Orient. Long before we dropped the atomic bombs on Hiroshima and Nagasaki, the Japanese were thoroughly licked. Her cities were pulverized. A year ago I was with our Subcommittee on Aviation. We flew 30,000 miles in 40 days, all the way from Alaska to Australia, and we spent a week in Japan. I know that Tokyo, Yokohama, Nagoya, and Nagasaki, Hiroshima, and practically every city with the exception of Kyoto was blown to bits. Japan had sued for peace before we dropped the atomic bomb, but we knew nothing about it until the Potsdam Conference, when the Russians frankly admitted that they had been approached by Japan to intercede for peace. That was before the atomic bomb had ever been dropped. Then at the eleventh hour of that struggle in the Pacific, after furnishing three-fourths of all the Allied soldiers in north Africa, Sicily, and Italy, and on the western fronts in Europe, we won the Pacific war almost single-handed. The Australians helped us a little, but they have a population of only 7,000,000 on that continent, which is almost as big as the United States.

At the eleventh hour of the Pacific war, 3 or 4 days before Japan's unconditional surrender, Russia came into the conflict after we had dropped the atomic bomb. Why? Was it to pick off the south half of Sakhalin, or the Kurile Islands, and the north half, the industrial half, of Korea, and to control Outer Mongolia, and to rape, plunder, and loot Manchuria, and to furnish her Communist friends in north China with American-made weapons that we had furnished to Russia under lend-lease?

No; the time for Russian appeasement has long since passed. It should have been stopped long ago. It is futile and useless for us to talk about the mistakes that were made at Tehran and Yalta and at Potsdam. That is water under the bridge and over the dam. They were tragic mistakes. We now find ourselves in a serious situation. We must extricate ourselves the best we can. What are we going to do about it? We can do one of three things. We can pull out completely. I have even thought of what would happen if we did that. Just let all of Europe go under. Are there enough lovers of liberty and followers of Mazzini and Cavour and Garibaldi in Italy? Are there enough Frenchmen who still respond to the martial strains of the Marseillaise? Are there enough lovers of liberty in Great Britain and in the Scandinavian countries and in western Europe who really do not want communism to start an uprising? What can they do? What can they do with a bayonet in their back, a pistol to their heads? They are in the same position as the Nazis were under Hitler. We can pull out and just leave a vacuum there, but the minute we pull out, you can bet your bottom dollar that Russia will move in, and none of us want that.

The second thing we can do is to go to war. I do not know of anybody who actually wants to fight. It is easy to vote for the other fellow to go out and fight, but I do not know of a single soldier among our own troops or a sailor in our Navy who would welcome another war. I do not know of any nation that can stand another war. Much as I detest communism, I believe that most of the Russian people do not want to fight another war. They are war weary.

They have displayed many admirable qualities. They are genial; they have a sense of humor; they are hard working. All they have known is hardship. They have lived under the heel of tyranny and oppression for centuries. Russian economy is bad. Her standard of living is low. There is widespread opposition to communism in Russia itself, but it is scattered and ineffective. You have only a dozen men in the Kremlin. You have 4,000,000 out of a hundred and ninety million, but they rule with an iron hand in the same manner that Hitler did. We can pull out of Europe and let Russia take over. We can go to war, for which we are really not prepared, though God help Russia if she should ever invite trouble with us. We are not as weak as some people might think.

Certainly she respects our strength, and that is the only reason she has not taken all of Europe today. She knows we have got the atomic bomb. She knows something else. She knows our great industrial capacity output in this country. Much as they cuss capitalism, she knows it was our capitalism and our industrial power that helped her win this war. Russia is not going to pick a fight with anybody in the near future, simply because her domestic economy would not support a long-drawn-out war. What

the Nazis did not blast to bits at Stalingrad the Russians themselves destroyed by the scorched-earth policy. Then they drove the Nazis back a second time, clear to Berlin. Conditions in Russia are deplorable. So if we do not want to move out and let them move into the vacuum without a battle, if we do not want to engage in another war, which would end in the total destruction of civilization itself, because no one will be the winner in the next war and nobody will live to tell the tale, because the next one is going to be just as different as the last war was from the one in the first quarter of the century.

So what is the third alternative? It is to remain patient, to persevere in your fight for peace, to try to build up a United Nations organization which, in my opinion, is the only hope for the future of mankind. Until the United Nations becomes strong and we have a police force adequate to carry out its decisions, our own country must remain invincible in the air, on land, and on sea. The Lord help us if we ever drop our guard.

I know that the Russian people understand only the language of force. They respect strength. They have contempt for weakness. Bread alone is not going to stave of communism. It is going to be armed power and might back of that. It is going to be the moral conscience of mankind that is being slowly, painfully, but surely created in the United Nations. It is an infant. It is going to have to crawl before it can walk. I think we have made genuine progress in the United Nations. I think we will continue to win the good will and friendship of all peoples everywhere. The thing we have to do is try to understand our Russian friends, particularly their background, their persecution through the centuries. Most of all we need to get over to them the message of America, our intentions. Educate them as well as feed them. It is a long, slow, painful process. It is a process of education.

The SPEAKER pro tempore (Mr. D'EWART). The time of the gentleman from Missouri has expired.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for five additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. SHORT. I have talked longer than I should. However, we have tried every weapon on earth except the weapon of love; of human brotherhood. We cannot put all our faith in horses that run upon the rocks. "Not by power nor by might, but by my spirit," said Yahweh, Lord God of Hosts.

We do have to cooperate and build up a public opinion or a moral conscience of mankind which along with our military might and power will help guarantee the peace of the world. This global conflict has left us economically and politically supreme among the sovereign nations. With that power goes a responsibility we cannot ignore.

The world in which you and I live today is a small one. Modern science, invention, research, and technological developments, new methods of rapid transportation and communication have reduced our modern world to a miniature province. Space has been annihilated, time has been conquered, ever since Lindbergh pushed Paris up into our front yard and Dr. Eckener brought Tokyo, Bombay, Moscow, and Berlin not within months, weeks, but within days now, and even hours, of Washington. We are going to have to learn to live and get on with other peoples whether we want to or not. Coming back on this last trip, I had breakfast in Bermuda. I had lunch here in Washington, spent 5 hours from 11:30 a. m. to 4:30 p. m., and then had dinner out in the Ozarks in southwest Missouri, near the Kansas-Oklahoma line that evening.

A year ago, coming back from Australia, stopping at Fiji and Canton, I had the honor and pleasure of addressing the chamber of commerce in Honolulu at its noon luncheon. I had lunch in Honolulu at noon. The next evening I was having dinner with Mrs. Short here in Washington, stopping over in San Francisco to refuel—and we were traveling in an old oxcart, a lumber wagon, an old C-54. You can fly nonstop now from Honolulu to Washington in 14½ hours. Why, only a few weeks ago, on Army Day, one of our American flyers flew from Chicago to Washington in 80 minutes, another one flew from LaGuardia Field in New York down here in 22 minutes; one flew from Miami on the same day to Washington in 2 hours. It is actually closer from Washington, D. C., to Berlin and Moscow, Rome and Paris today than it was from Washington to New York or Norfolk during the Civil War.

What are we going to do about it? We are going to have to live and get on with one another. We cannot do it in a spirit of hate and of revenge. I do not think the world's difficulties are going to be solved by a bill of Congress, by a decree or fiat by the President, or by a decision of the Supreme Court. Back of any one of those three or all three of them you have got to have a public opinion that is enlightened and that is moral.

Recompense to no man evil for evil. Provide things honest in the sight of all men.

If it be possible, as much as lieth in you, live peaceably with all men.

Dearly beloved, avenge not yourselves, but rather give place unto wrath: for it is written, "Vengeance is mine; I will repay," saith the Lord.

Therefore if thine enemy hunger, feed him; if he thirst, give him drink: for in so doing thou shalt heap coals of fire on his head.

Be not overcome of evil, but overcome evil with good.

* * * * *

He hath shown thee, Oh man, what is good. And what does the Lord require of thee but to do justly, and to love mercy, and to walk humbly with thy God?

SPECIAL ORDER

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Ohio [Mr. BENDER] is recognized for 75 minutes.

Mr. HUGH D. SCOTT, JR. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Pennsylvania.

Mr. HUGH D. SCOTT, JR. Mr. Speaker, I would like the RECORD to show on behalf of one Member of the House that I listened with a great deal of interest and a great deal of profit and a great deal of pleasure to the speech of the very distinguished gentleman from Missouri.

PEACE: THE HOPE OF THE WORLD

Mr. BENDER. Mr. Speaker, in the welter of today's confusion, I want to raise my voice for peace.

In so doing, I realize that I am following one of the great orators of the House of Representatives. He is a graduate of Heidelberg, of Oxford, of Harvard, and of Yale. I have great respect for this gentleman, I have great respect for his ability. It was not my privilege to go to college. I had to work. But I believe that I do understand, as he does, pretty much how the American people feel about this whole international situation.

I understand that our people know that war does not solve anything, that it creates greater problems, more trouble, more hardship, depressions. I think our people in America in this Thanksgiving season and in the coming Christmas season are thinking about peace. They are thinking about the Prince of Peace. They are thinking about the thing that we sang about in our church last Sunday. Here is a hymn I sang in my church last Sunday:

O living Christ, chief Corner Stone of God's great temple Thou:
As here with joy this stone we lay, vouchsafe Thy presence now.
These walls for Thine own sake, O Lord, be pleased to bless, we pray;
In grateful service would we now their strong foundation lay.
May benedictions here attend the teaching of Thy word,
And Christ, with love's persuasive power, here make His message heard.
To God the Father, God the Son, and Spirit we adore;
All praise and honor, glory, power, be now and ever more—Amen.

They will never be accomplished through war. It will never be accomplished through sowing seeds of a conflict or through having the military run the show, because the military is interested in war.

If I believed that war were either necessary or inevitable, I would support military preparedness to the hilt. If I believed there was no danger of war, I would not be concerned with the increasing public hysteria or the whispers of a new world war. But what I see is that while war is neither necessary nor inevitable, we are drifting dangerously in that direction.

The United Nations, the instrument designed to secure a durable peace, is being torn asunder in a conflict between the United States and the second most powerful nation in the world. In a time when all nations are desperately in need of restoring civilian production and organizing their economies on a stable peacetime basis the world is increasingly burdened by enormous expenditures for arms. The countries of the world now have a total military budget of more than

$25.000,000,000 a year. For the period 1948 to 1951, covered by the Marshall plan, if present military budgets are continued, the nations of the world will spend over $100,000,000,000 for armaments. The United States alone would spend more than forty billion for arms.

In a world sincerely devoted to peace this is a burden which represents the difference between recovery and chaos. In the midst of all the plans we hear about today, there is one plan which looms larger than all the rest—the one-hundred-billion-dollar plan for a new world war.

THE NATURE OF MODERN WAR

I am afraid that many of us in America may have illusions about the nature of modern war. We have heard so much about airplanes which girdle the globe, about single atom bombs which destroy whole cities, about pilotless missiles which, like homing pigeons, search out distant targets, that we have begun to think of war as something remote from our homeland.

Supremely fortunate that World War II was fought thousands of miles from our homes and cities, we fail as a nation to realize how a new war might be brought inside our shores.

Two years ago we put together the first atom bomb. Our military leaders then assured us that we would have a 15-year monopoly before other powers would develop this new weapon. But some of the scientists who worked on it said other great powers might construct a bomb in only 2 to 5 years. Recently our military leaders have assured us that because of superior technical resources our bombs would be bigger and better than others. Can our military leaders assure us that other nations do not already have atom bombs? Have defenses been developed against even such primitive atom bombs as those of Nagasaki and Hiroshima?

While we have a lead in atomic armaments, it is known that other nations have resources as great as ours for the production of bacteriological armaments. Is there anyone who can give us assurances that if we were to use our atom bombs germ warfare could not be launched against us and human and plant diseases spread over our continent in a matter of hours?

Unless our military leaders can give us such assurances, then their talk of inevitable war is equivalent to talk of the inevitable destruction of our land and the death and crippling of our citizens.

I just heard the distinguished statesman, the gentleman from Missouri [Mr. SHORT], make a very eloquent plea for peace in closing his remarks, and as a minister of the gospel it is appropriate and fitting that he should close his remarks in that manner.

THE INCONCLUSIVENESS OF MODERN WAR

Even if we won a new world war—and if by some miracle our homeland was still unscathed—what would we have won? Would we not then be faced with problems at least as difficult as those which we now find so troublous? Would not the relief and reconstruction burden be many times what it is today? Would not the task of organizing a peace be infinitely more difficult? How can anyone with common sense then tolerate the alternative of war? How can anyone knowingly and willfully engage in a single act which promotes an armaments race?

How can men of Christian conscience concentrate their moneys and energies on armament expenditures? Do not the teachings of Jesus counsel us to devote our energies to peace—and to try to put an end to the present dangerous drift toward war?

Our common sense, our democratic heritage, and our Christian teachings all join to demand of us that we buckle down to the serious job of building the peace.

PEACE WILL NOT BE IMPOSED BY FORCE

If we are to get on with the job of building the peace, we need to realize that peace will not be imposed by any one nation but must come as the result of the negotiation of differences. It is for this reason that I say with all reverence that I pray that the London negotiations on a German peace treaty will not be broken off. There are those who tell us that negotiations with some nations is unavailing and that the only language they understand is force. I am afraid that this is the spirit of the Truman doctrine. Making the peace can be seriously undertaken only if we renounce this misplaced faith in force. We cannot make the peace when all our thinking, all our talking, bristles with military phraseology.

Today, as never before in the history of our country, the military mind is dominating the foreign policy of the United States. Military men have been brought into the State Department and other civilian agencies. We all acknowledge the great contribution of these men to our defense and victory in war. But war is their business and we dare not entrust our national policy, whether foreign or domestic, to them. Surely this great Nation of ours has produced civilians capable of exercising leadership. Surely we do not need to invite the military, which is and should be the servant of the state, to become the dominant element in our democratic society. At this time more than ever before when war has become so fearsome a thing, civilians must not abdicate their responsibilities to their country by calling in the generals to run its affairs.

TOLERANCE AMONG NATIONS

We will be much less than realistic if we do not recognize that a durable peace will require the living together of countries of different faiths, political systems, and economic organization. We cannot expect the world to be remade in our own image. More than half the population of the world lives under primitive conditions remote from our way of life. We must use our great influence in the world to bring out the common desires for peace rather than to emphasize the inherent conflicts which make it difficult to achieve.

WE MUST LEAD BY EXAMPLE

We enjoy great political and economic benefits which have made our country rich and strong. The best in our way of life can be brought to other nations only by example. We cannot and we dare not intervene into other nations to force acceptance of our systems. We cannot be missionaries by the sword for our own economic and political institutions. Our faith in our own institutions must be shown through keeping our economy strong and healthy and engaging in truly friendly commercial relations with the rest of the world.

I come from a missionary family. I know that American wealth and American institutions have provided the money to send our missionaries throughout the world to preach the gospel of peace. People talk about one being an isolationist when you stand up to speak for peace. There is no isolationism in me. Ever since I have been an infant, I have been singing "from Greenland's icy mountains to India's coral strands." I know what that means. I believe in the world being one great family. I believe in that, but I also believe that in order to achieve these goals, the United States of America must remain strong. When we weaken our own country, we endanger the entire world.

In the last 2 years, we have heard a great deal about the obstructions to peace created by other nations. There can be no doubt that some nations have been truculent and stubborn in their conduct in international affairs. But we cannot justify our own failures simply by pointing to the sins of our neighbors in the world.

The fact is unchallenged that the military element of this country has had an unprecedented influence in national policy. The fact is that conflict is their business. The fact is that differences with other nations have been continually emphasized. The fact is that the Greek-Turkish military program with its spirit of force and its bypassing of the United Nations did not contribute to the peace. We cannot escape our own responsibilities by pointing the fingers of blame at others.

RELATIONS WITH RUSSIA

We have been repeatedly told that the reason we cannot secure the peace is the aggressive behavior of the second most powerful nation in the world. This aggressive behavior we are told has been manifest in eastern Europe where nation after nation has been drawn or forced into a single economic and political orbit. Of course, we all know that eastern Europe is being brutally transformed into socialistic states. But is that the whole truth? Is it not a fact that the Roosevelt-Truman Administration by agreement gave Russia a free hand in eastern Europe?

What did they expect Russia to do? Did they expect Russia to make Christians out of the satellite countries? They knew what to expect. They knew that those countries would become Communist. Were you at Yalta? Were you at Potsdam? Were you at Tehran? Did the American people know what was going on? Did you know what happened? What is the Marshall plan? There are 140,000,000 people in America and everyone has a different point of view about the Marshall plan. There are 435 Members on this floor. Not one of you knows what the Marshall plan is, any more

than I do. If you do, get up here and tell me.

Now, I heard the distinguished gentleman from Connecticut [Mr. LODGE] make an hour's speech here. I thought he was going to recommend action. He was in Italy and France, and elsewhere. I was not in Europe. I have listened to the speeches made on this floor. Not one of those gentlemen who went to Europe has come up with the answer. Maybe some of you newspaper gentlemen or radio commentators, who know the answers, will tell us what the Marshall plan is. What does it embrace? I would like to know. I have been here since the 19th of this month. I thought the world was on fire and we needed action. I thought Mr. Truman would come in here with a program.

You know, when Mr. Roosevelt and Mr. Truman turned over Poland, Czechoslovakia, Yugoslavia, and the Balkan States, and turned over part of Germany to Stalin, did they expect that any attention would be given the American viewpoint after they had agreed that Russia was to be the sole occupying power and the primary administrating power?

Oh, they say they are putting the Republicans in the hole. Mr. Truman made a very clever speech. They have been in power for 16 years in this country, with an overwhelming Democratic Congress in control for 2 years while Hoover was President. For 14 years Mr. Roosevelt was running the show. Now they are blaming the Republicans for all the troubles of mankind. We have a majority of 40 or 50 in the House and in the other body they have a majority of 2 or 3, with 8 or 10 of those fellows being 10 percent Republicans, and then they raise Ned with BOB TAFT that he is not able to do thus and so.

Incidentally, I am from Ohio, and I am proud of BOB TAFT. I think BOB TAFT is one of the most capable, honest, and decent citizens in America. I think he has courage. I do not always agree with him and he does not always agree with me, but I know that BOB TAFT is honest and he has guts.

Sure, the fellows on the Democratic side, whenever one of our fellows is a convert to their philosophy, ask for a call of the House and for extensions of time. They always have 30 or 40 Democrats here to applaud him and cheer him. What do they have to offer? Confusion; deficit financing; headaches wholesale; a false doctrine of security. By the time they get through with their programs "you don't know from nothing." You do not know whether you are afoot or horseback. The same thing is true of this whole international program.

Can any member of the Roosevelt-Truman administration truthfully say he was surprised that Russia set about socializing eastern Europe? Imagine those fellows. They gave it to them lock, stock, and barrel. They said, "Here is Poland. Take it. Here is Czechoslovakia. Take it." What do they expect? What did they expect Russia to do after that? Did they expect Stalin to ask Mr. Truman's advice on how to reorganize these states? Did the Roosevelt-Truman administration expect that any attention would be given the American viewpoint after they had agreed that Russia was to be the sole occupying power and the primary administering power? Can any member of the Roosevelt-Truman administration truthfully say he was surprised that Russia set about socializing eastern Europe? Did the Roosevelt-Truman administration expect Russia to institute democratic political systems which do not exist in Russia itself? Yet now they sound a wild alarm about the socialization of eastern Europe and use a "stop communism" slogan to persuade us to regiment our own economy with wartime controls. They talk about socialization of eastern Europe as an irreconcilable difference between us and Russia, as a conflict which may lead to war. They want to bring all these controls back, all these black markets.

Controls! Do you want controls? You will have the same thing here they have in England. Do you want socialization here? Do you want a strong country here, a free country, a free economy, or do you want socialization? Brother, you here from Tennessee, what do you think about it?

Mr. GORE. I think the distinguished gentleman from Ohio is making a very splendid speech.

Mr. BENDER. I thank the gentleman very much. That is the first compliment I have ever had from the gentleman from Tennessee, and I thank him.

Mr. GORE. Will the distinguished gentleman yield?

Mr. BENDER. Of course, I will yield. I want to take a drink of water.

Mr. GORE. I am sure if the distinguished gentleman will recall, it has been my pleasure upon many occasions to pay him the highest compliment.

Mr. BENDER. I thank the gentleman. We did occupy the same platform on a radio program. The gentleman and I are good friends, but he still sticks to his New Deal point of view, and I never could get that point of view.

Mr. MURRAY of Wisconsin rose.

Mr. BENDER. I wondered when the gentleman would rise. Brother MURRAY, I am glad you are getting up.

Mr. MURRAY of Wisconsin. I do not remember asking the distinguished gentleman to yield before. I wonder if the gentleman from Ohio has taken the time to read the testimony of a representative of the United States Department of Agriculture given before the Senate-House Economic Committee yesterday, in which the party of Thomas Jefferson, if you please, is asking the Congress to enact legislation which set up an agricultural dictatorship within the confines of the United States. Someone wants to shuffle that off onto the American farmer instead of going over to the other side where they have not asked the farmers over there to submit to one-tenth as much as the farmers of this country have already submitted to.

Mr. BENDER. The gentleman is absolutely right. Regarding Thomas Jefferson, may I say that one phrase attributed to him which I recall best is that "That government is best which governs least."

Some of these folks who hold banquets in his memory have forgotten all about what he said, like some of our Republican people have forgotten all about Abraham Lincoln. I am mindful of that, too.

Mr. MURRAY of Wisconsin. The gentleman I hope will read that testimony. That gentleman representing the United States has asked for powers and control over one segment of our society, the farm people of this country, away beyond any of the war powers given to President Roosevelt during the war. I hope that every Member of Congress will read this. Later I shall ask unanimous consent to put it in the RECORD so that everyone here instead of spending so much time talking about what the dictators of the world are doing will once in a while open an eye to see what members of our own Government are trying to do to one segment of our society, the rural people of America. They want to put the straitjacket on the American farm but it sounds and looks like a brainchild of our friends of another land.

Mr. BENDER. I will say "Amen" to every word the gentleman said.

DANGER OF COMMUNISM

The danger of communism in parts of the world other than eastern Europe has been pictured as another major bloc to the peace. But this danger is one which it is easy to exaggerate. Mr. Ernest Weir, an outstanding American industrialist, pointed out, upon his recent return from a trip to Europe, that it is in fact being very much exaggerated.

Let me quote Mr. Weir:

I came back fully convinced that in France and England there is not the slightest danger of communism. I am also convinced there is no danger of ultimate communism in the United States. In my opinion, communism, as exemplified by Russia, can only be applied in a country such as Russia, where people are of low standard as a result of centuries of mistreatment. In England, France, and the United States, people are very individualistic, and they will never stand for any government which destroys their individual freedom and keeps the iron heel of control on their necks. In my opinion, the bugaboo put out by our administration, namely, that unless we finance countries they will go communistic, is without the slightest justification. People who will stand for communism will go in that direction irrespective of what we may do to the contrary. I think Greece is an outstanding example of a waste of our money without in any way bringing into that country peace and stability.

I am more convinced than ever that this country must keep itself strong and active, with high production, improving standards of living for all the people, and a normal prosperity that will be a great example to the balance of the world as to the values of our type of government. Nobody can visit European countries with problems resulting directly from their form of government and low production without coming back to the United States with a deep appreciation of its fundamental values and of the great things it has done to improve the standards of living of all of the people.

Later in his report, Mr. Weir concludes:

The net result of all this is that interested as the United States is and must be in the conditions of foreign countries, the ultimate solution must be in their own hands and not in ours, and the quicker we realize this as a country the better off we will all be, both here and abroad. We have put great sums of money into China over the past 10 years

and yet the recent report of General Wedemeyer shows that China is still being operated on the same old basis with bad government, graft, starvation, and a growing strength of communism.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Wisconsin.

Mr. KEEFE. I am a little interested in the report by Mr. Weir, who quotes from the report of General Wedemeyer. Evidently Mr. Weir has sources of information that have been denied to Members of Congress. I happen to know General Wedemeyer, and he is a man for whom I have the very highest esteem. He is a good American. He understands China and its problems. He was sent there, following the inability of General Marshall to do anything toward organizing a peace in China, to make a report, a fair survey, and so far as I have been able to ascertain, that report has been put into the secret archives of the State Department, and this is the first information that I have had that anybody has had access to that statement except, perhaps, the higher-ups in the State Department. I think it is a fair subject of inquiry, especially in view of the fact that I hold to the belief that one of the great faults that we can point to as responsible for our entrance into the last war and that perhaps may be one of the things upon which we will predicate our entrance into the next war—and I hope it will never come—is the fact that we still persist in this idea of secret diplomacy, and we expect the American people to follow the leadership of those in charge of that diplomacy when they are unwilling to trust the American people with the truth and the facts. Now, I would like to know—and I expect to make a demand on the floor more pertinently and directly—what has become of General Wedemeyer's report on China that was asked for and paid for by the people of America?

Why is it that the Members of Congress do not know what that report is and have no access to it? The answer is always the same as was given to me by the distinguished gentleman from Connecticut. Oh, diplomatic reasons do not permit the disclosure to the American people because if we would disclose it to the Congress or the American people, foreign governments would find out about it. It is about as simple, in my opinion, as the answer General Marshall gave during the Pearl Harbor investigation as to why he did not take the scrambler telephone and call up General Short. He said he did not do it because he first would have had to get somebody out of bed at an early hour, and then when that answer did not go across very good he said it was because of secret reasons. At that very hour the Japanese Fleet was carrying its planes to Pearl Harbor to make that devastating attack.

I should like to have the gentleman discuss in his speech, if he will, the answer to the problem that faces the people of America. It is easy to speculate in terms of eloquent generalities and point out all of these situations that exist, but what the American people want to have is somebody who will arise out of this confusion and point to a program that we can put our fingers on. The gentleman will find, as I have, when he asks the direct question, "What is this program and how is it going to work?" that they say, "We do not dare go into the details because that would be playing into the hands of the other country."

I dare say there are not 10 men on the floor of this House that can stand up here and give to the American people or the Members of this Congress the actual mechanics as to how this aid program is going to be carried out, how it is actually going to work in the event the money is provided, and how it has actually worked in the case of the administering of aid to Greece, to Austria, to Italy, to China, and to France under the programs that are already in effect. I should like at some time in this discussion to have somebody tell the American people what the program is, how it is proposed that it shall work, what the result is, the end that we seek to accomplish, and what the prospects are for accomplishing that end in view of what is transpiring from day to day. I hope the gentleman will advert to some of those questions in the talk he is giving.

Mr. BENDER. I expect to if I have the time to give the gentleman some of my answers. I am glad the gentleman emphasized that which I was emphasizing, that there is no program, that there is no concrete proposal. All they are interested in is putting the Republicans in the hole. It is obvious. You talk to them privately and they smile up their sleeve and say, "Well, you fellows have got this. It is your baby now." It is not our baby at all. It is the American people's baby, and it is theirs because of the bungling of the present administration and its predecessor.

Incidentally, that great military man, Mr. Marshall, was the last man to leave China, and what did he do? He threw up his hands and said, "I am going to get out of here." Did he have an answer? They talk about communism. He said to the Communists in China, "Go ahead, boys, help yourselves."

Mr. CLEVENGER. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Ohio.

Mr. CLEVENGER. It is with considerable regret that I must make this suggestion, but in my ears rings the good-by of a general officer in that bear trap that is baited with 5,100 of the finest officers and men of the United States Army. I am speaking of that corridor 100 miles behind the Red line in Vienna. The same man went to Yalta and Tehran that was on guard with the scrambled telephone the morning of December 7. At Trieste are 5,000 more, and there are about the same down the Berlin corridor. My memory goes back to "Remember the *Maine*," "Remember the *Lusitania*," "Remember Pearl Harbor," and "Remember Bataan." These gentlemen did not protest it on purpose, when they affected thousands of miles of territory that American valor won, and then placed these men back in there, baiting the next trap to give America the blood bath that is necessary to make her fight. I cannot think of Thanksgiving and Christmas without thinking of the good-by that those men said to me when I left the city of Vienna on September 7 last.

THE TRUMAN DOCTRINE

Mr. BENDER. Ever since the end of the war I have determined my position on all foreign economic proposals in the light of three principles:

First. Is the particular proposal or project a humanitarian one that will aid the people of our country and/or the world?

Second. Is it a project designed to promote peace or will it tend to create greater tension and lead us on the road to war?

Third. Is the particular proposal or project economically efficient and will it be administered in an efficient and business-like manner?

Last March when President Truman enunciated his doctrine in relation to Greece and Turkey, I vigorously opposed it because I felt that while it pretended to be humanitarian and to promote the peace, it was actually militaristic and war-like, at variance with all historic peaceful traditions of the United States. I pointed out that it would not settle anything in Greece but on the contrary would aggravate the unhappy condition of the Greek people. I predicted that the large amount of funds sent to Greece and Turkey would be wasted, and that we would be starting what is now becoming known as operation rathole—the pouring of American dollars down an endless drain.

All reliable reports since have verified the correctness of that position. It is clear that conditions in Greece have become aggravated, that the money Congress appropriated has been squandered, and that soon the administration will ask for huge additional funds. Not only have we broken with our American tradition by sending a military commission into Greece during a peacetime period, but it has now been announced by the Truman administration that the commission will be tripled in size.

Only this week end, an American radio commentator reporting on his recent visit to Greece stated that the guerillas now occupied more territory than they did last summer when the Americans first came. He reported that Communist influence is spreading in Greece. On the other hand, we are informed that the $300,00 ,000 already appropriated is practically expended and that the United States must withdraw or appropriate more funds.

Many Americans have wondered how a small band of 10,000 rebels could hold off a Greek Army of more than 100,000—an army on which the British had spent a half billion dollars and which was costing the American taxpayers another quarter billion dollars. I asked competent observers and was told a fact which I rarely see in print—that the Greek Army of the present royalist government does not want to fight their brother Greeks. It appears that the Greek Army consists of men who would otherwise be unemployed. They are willing to get Army pay—financed incidentally by the United States—but they are unwilling to shoot fellow Greeks in behalf

of the corrupt Royalists who are supported by United States funds.

Let me recall at this time the constructive proposals which I, together wtih a number of others who were vigorously opposed to the Truman doctrine, made last March.

First of all, we urged that the United States engage in no military intervention, but on the contrary take the initiative before the United Nations to secure agreement that no country intervene in either Greece or Turkey. Secondly, we urged that instead of the sum of $400,000,000 to finance the so-called Truman doctrine in Greece and Turkey, about one-fourth of that amount be appropriated for genuine humanitarian relief. We proposed that this sum be administered by the United Nations and that nations in addition to the United States be asked to contribute. The wisdom of these proposals is daily becoming more abundantly clear. They could have been effectively carried out. They are the kind of proposals which with our support could have obtained unanimous agreement of the United Nations. They are the kind of proposals which would have strengthened the United Nations Organization. They are the kind of proposals which would have lessened civil conflict in Greece and appreciably mitigated the starvation of the Greek people.

Before leaving the subject of Greece and Turkey, I would like to mention to my colleagues some facts on the origins of this program which were brought to my attention this summer. At that time, I wrote to the chairman of the House Appropriations Committee, the gentleman from New York, Mr. JOHN TABER, calling them to his attention. To bring out these facts I should like to read the text of this letter written on September 2:

SEPTEMBER 2, 1947.

Hon. JOHN TABER,
Chairman, Committee on Appropriations, House of Representatives, Washington, D. C.

DEAR JOHN: I have been informed that last March at the time Mr. Truman proclaimed his $400,000,000 doctrine with respect to Greece and Turkey, no request had come from either Greece or Turkey for assistance; rather, this proposal was formulated by the Truman administration itself which extended an offer of United States money to Greece and Turkey. I am further informed that the Greek royalist government accepted this proposal and agreed to supervision by Americans of the expenditure of $300,000,000 in Greece. The Turkish government, on the other hand, signified willingness to accept the proffered "loan" only if there were no strings attached to it; in other words, no supervision of its expenditures. The accuracy of this report would seem to be borne out by the fact that actually no supervision has been undertaken with respect to the Turkish expenditures under the Truman doctrine. This report could, I believe, be checked by a congressional committee.

It would seem to me entirely fitting that the House Appropriations Committee, which had the serious responsibility of making a recommendation to Congress with respect to the $400,000,000 involved in the first presentation of the Truman doctrine, should inquire into the facts surrounding the origin of the so-called Greek-Turkish loan. Your committee could, in fact, determine whether the people of the United States and the Congress are confronted with a willful and provocative policy of misrepresentation in foreign affairs, a policy which is leading to extravagant and perilous military and international expenditures

It is my belief that in the interests of peace and economical government, the Congress at some point in the near future will be obliged to curb the Truman administration's reckless policy of foreign expenditures. It is my belief that the Congress, in the interests of peace and the economic stability of the United States, will have to repudiate Mr. Truman's general policy of militarism and vast military expenditures and limit international economic commitments to genuine commercial credits for American goods, credits of a kind which are designed to promote world production and which therefore we can expect will ultimately be repaid. Your committee would be a major factor in such a congressional decision, since repudiation of the Truman doctrine must necessarily take the form of rejecting Mr. Truman's budget request for financing this project. I would accordingly urge you, in view of the information which I have received, and which I have communicated to you, to call your committee into session for a full-scale investigation of the origin and background of the Truman doctrine, and of related administration projects which are requiring large military expenditures or foreign grants and credits for which no repayment can be expected.

Please let me know if I can be of any assistance to you in this matter.

Sincerely yours,

GEORGE H. BENDER.

Copy to JOSEPH W. MARTIN, JR., Speaker of the House of Representatives.

The debate which is now taking place throughout our country is certainly the most important in current postwar history. It has brought into the open a set of issues which we must face as the world's most powerful Nation But like all major problems, the fundamental conflicts have been so obscured by reports, statistics, appeals to emotion, and denunciations that our people have become confused.

Mr. GORE. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield.

Mr. GORE. Does the gentleman himself confess clarity of vision, or does he admit some confusion of thought?

Mr. BENDER. I have been talking for an hour outlining my position. I do not claim to know all the answers. I was not a graduate of Harvard or Yale or Oxford or Heidelberg. If the gentleman who has graduated from all these colleges cannot give you the answers, what do you expect of me?

Mr. GORE. After listening to the gentleman's address, I was under the impression the gentleman was a graduate of all those institutions.

Mr. BENDER. I am addressing my observations on our foreign policy to five specific phases of the question to clarify the issues and to challenge the administration on its inconsistencies.

First, let there be no misstatement of our position. Virtually all of us, irrespective of political viewpoints, agree that the humanitarian aspects of the aid program must be handled quickly and efficiently. The needs of western Europe for food, fuel, and clothing required for immediate necessities must be met. I believe that we should turn the responsibility for handling the actual administration of such a relief program over to the Society of Quakers or a special agency established for this specific purpose.

Second, and basic to the whole question of the Marshall plan is a determination of its primary purpose. Certainly, Americans are entitled to question the stated purpose of the plan in the light of the facts. On its face, the Marshall program proposes in extend American aid as a means of checking Russian penetration into western Europe. But it must be obvious that this is utterly inconsistent with our announced policy in Asia. It is equally obvious that if we are really sincere in our determination to stop Russian advances in Europe, we should not be permitting the large-scale manufacture and shipment of heavy goods to the Soviet Union. When our President can simultaneously belabor Russia in his published statements and urge American businessmen who want to stop doing business with Moscow to keep on, something is definitely peculiar. Something is not being told to us. Somebody is kidding someone. Certainly our experience in the recent war must demonstrate beyond the slightest doubt that machinery and tools intended for peacetime purposes, factories set up for the production of farm implements, can be turned overnight from plowshares into swords and from pruning hooks into spears. This inconsistency between battling Russian expansionism and simultaneously encouraging and abetting it is precisely what we did to our sorrow with Japan in the years before Pearl Harbor.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield.

Mr. KEEFE. Does the gentleman believe that we have alleviated the threat of war potential by transferring dismantled plants and factories from Germany over to Russia?

Mr. BENDER. The gentleman's question answers itself.

Mr. KEEFE. We have just built up another new and perhaps more sinister war potential.

Mr. BENDER. If we would labor as hard for peace as we labor for war we would get somewhere. If we took the hymn books from which we sing in our churches—Catholic, Protestant, and Jewish—and really believed what we sang we would get somewhere.

But no. Mr. Truman is more interested in the next election.

I ask the administration to explain its reasoning before it asks Congress to vote huge appropriations for a purpose which it is not honestly endeavoring to accomplish.

The third of my observations on this great controversy is this: What safeguards are we establishing for the protection of our investment in Europe? No one ever offers the vast sums we are proposing without first examining the situation closely. Can anybody argue that we are behaving as misers if we ask our potential beneficiaries to disclose their own resources first? When a man applies for public assistance, you have the right—and the duty—to ascertain his own means before you spend the public funds entrusted to you. There is good reason to believe that Europeans have huge amounts of money invested right

here in our own country. These people have an obligation to the countries in which they live, which have enabled them to accumulate those riches, to come to the aid of their homes. What would we think of a relief applicant who asked for help because he did not want to touch his last $10,000 of savings? There are literally billions of dollars in foreign-owned assets held by English, French, Italian, Swedish, and Swiss corporations and individual investors throughout the world. As a prerequisite for our help, I believe that we have a right to ask the governments we propose to assist, to impose taxes on those who can afford to help those governments. As our program appears at this moment, the remaining rich of Europe stand to grow richer and the poor stand to remain lean indeed. The 16 countries of western Europe have not hesitated to set down their requirements for the future. They should be called on to set down an inventory of their assets no less.

Fourth and perhaps more important than some White House advisers like to admit is the consideration of the administrative techniques involved. Just how vital this matter is can be seen by a glance at our lack of success in Greece. There, despite the fact that we have been on the scene for 6 months, we have not yet overcome the administrative problems involved. Our Ambassador to Greece and our administrative director are reportedly at odds. Guerilla warfare in the hills of Thrace has been increasing. Communist agitation throughout the entire peninsula is intensifying. Large quantities of goods shipped to Athens have been described as rotting on the docks.

Nothing in our experience can give us any real confidence in the ability of our State Department to administer a large-scale program extending through the vast reaches of the European continent. There is real significance to the desire of many Americans to establish an independent corporation to finance and administer the entire program. Such a corporation could sell bonds and assume the responsibility with better prospects of an accurate accounting and complete responsiveness to public opinion than would be possible under State Department jurisdiction.

Even within the Federal Government itself, there is divergence of opinion as to the advisability of handling the Marshall plan with a single individual as the top man or some other administrative head.

Under these circumstances, there is an administrative obstacle at the very outset which must not be minimized. Unless it is overcome more effectively than we have overcome far simpler difficulties, the Marshall plan may become a headache worse than anything we have ever known.

The administration says that all of these problems are details which can be worked out. I say that they are fundamental to the success of any plan; that they must be worked out before the program starts, not afterward.

But perhaps even more pertinent to the whole discussion is my fifth point. During the years preceding the war, we became well acquainted with the slogan "Too little and too late." I ask the question today, "How much and how long?"

We have had so many sets of figures; we have had so much cutting down and adding up, that the $6,000,000,000 per year for 4 years, most frequently mentioned, looks like the merest guesswork. The 16 nations which met at Paris to figure their needs at our suggestion apparently can raise or lower their requirements to suit themselves. They will take as much as we will give, and they will get along with as little as we can spare.

The second question, "How long?", is equally important to our entire future. We must know the answer if we are to plan intelligently for our own needs. At the moment a 4-year period is being discussed most frequently. Just why it must take 4 years before the total of $24,000,000,000 allocated during this period can become effective is not clear.

In fact, just about everything connected with the whole program is unclear, except the one prime fact that we are going to pay. I believe that it is not asking too much to insist that we get a prospectus before we buy.

We recognize that help must be offered to Europe. Let us not delude ourselves into a belief that we are spending our money to create effective barriers to communism. We must go into this with our eyes no less open than our pocketbooks. Before we start let us have some clear, specific, and consistent answers to the doubts which trouble us in this troubled generation.

THE COLD WAR

The Greek-Turkish program called for by President Truman may be considered as the official declaration of the cold war against Russia. It was part of a doctrine which proposed the organization of anti-Soviet states over the entire perimeter of the Russian zone. The theory called for military and financial support to every country on this perimeter that would ask for a hand-out in the name of stopping communism.

The impracticability of such a doctrine has been demonstrated by a number of students of foreign affairs, perhaps most ably by Mr. Walter Lippmann.

Let me quote Mr. Lippmann:

> The policy of containment * * * demands the employment of American economic, political and, in the last analysis, American military power at sectors in the interior of Europe and Asia. This requires, as I have pointed out, ground forces—that is to say, reserves of infantry, which we do not possess.
>
> The United States cannot by its own military power contain the expensive pressure of the Russians at every point where they show signs of encroaching. The United States cannot have ready unalterable counterforce consisting of American troops. Therefore, the counterforces which Mr. X requires have to be composed of Chinese, Afghans, Iranians, Turks, Kurds, Arabs, Greeks, Italians, Austrians, of anti-Soviet Poles, Czechoslovaks, Bulgars, Yugoslavs, Albanians, Hungarians, Finns, and Germans.
>
> The policy can be implemented only by recruiting, subsidizing, and supporting the heterogeneous array of satellites, clients, dependents, and puppets. The instrument of the policy of containment is therefore a coalition of disorganized, disunited, feeble, or disorderly nations, tribes, and factions around the perimeter of the Soviet Union.
>
> To organize a coalition among powerful modern states is, even in time of war and under dire necessity, an enormously difficult thing to do well. To organize a coalition of disunited, feeble, and immature states, and to hold it together for a prolonged diplomatic siege, which might last for 10 or 15 years, is, I submit, impossibly difficult.
>
> It would require, however much the real name for it were disavowed, continual and complicated intervention by the United States in the affairs of all the members of the coalition which we were proposing to organize, to protect, to lead, and to use. Our diplomatic agents abroad would have to have an almost unerring capacity to judge correctly and quickly which men and which parties were reliable containers. Here at home Congress and the people would have to stand ready to back their judgments as to who should be nominated, who should be subsidized, who should be whitewashed, who should be seen through rose-colored spectacles, who should be made our clients and our allies.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Wisconsin.

Mr. KEEFE. The article from which the gentleman has quoted is one of a series of articles written by Walter Lippmann which I have been privileged to read, in which Mr. Lippmann analyzes an article which appeared in Foreign Affairs Magazine under the nom de plume of Mr. X, which purported to state the foreign policy of the United States Government. Mr. Lippmann finally identified Mr. X as one of the high-ranking officials of our State Department.

In this article in Foreign Affairs Magazine the policy of encirclement and containment as a policy of the United States Government, which purports to implement the military strategy of the United States, is discussed at length. Mr. Lippmann in a series of 9 or 10 or 11 articles has taken that article apart section by section and sentence by sentence in an effort to show that the present policy is doomed to failure as a policy of containment and must necessarily be implemented by military strength.

I have studied his reply and studied the article itself, but it is difficult to know what the alternative answer is from Mr. Lippmann's own argument and debate. The problem that was posed to me this summer when I had the time to read this series was, what is the alternative to the program which has become the policy of your country and mine, and what must my attitude as a Member of Congress be in the matter of foreign policy, which fundamentally under our Constitution it is the province of the executive to form?

I can say to the gentleman that as between Mr. Stalin and my own country, although I may disagree, I think there is only one course that I can follow. I may disagree with the policy, I may think it is doomed to failure, but it is the policy of my country. I should like to have the gentleman address himself to that phase of the situation growing out of the quotation which he has given from Mr. Walter Lippmann.

Mr. BENDER. I should like to ask the gentleman from Wisconsin to answer his question: What is the policy?

Mr. KEEFE. The policy is very clearly one which is designed through a policy of encirclement to encourage those nations that are subject to the oppression of Russia to rise up ultimately, with our help, and throw off that yoke of oppression, and in the meantime to contain this communistic aggression as much as possible in the hope that what we may do may ultimately stop this sweep of communistic propaganda and communistic aggression now sweeping across the entire world. That is our policy. What we are doing in Greece and what we are doing in Turkey, stripped of all the emotionalism about taking care of the starving children and taking care of people suffering from the impacts of typhus, tuberculosis, and all that sort of thing, stripping that backdrop out of the picture and leaving the picture as it is, what we are doing there and what we propose to do is an implementation of the military strategy of the United States Government. On that basis you may look at it from an entirely different point of view and not from the point of view where it is presented as a situation where Uncle Sam is going abroad and out of the generous spirit of his heart attempting merely to relieve suffering. When you put it on that basis, you can then discuss the question of what this is and what this program may ultimately do as affecting the security of the United States.

The SPEAKER pro tempore (Mr. ROCKWELL). The time of the gentleman from Ohio has expired.

Mr. BATES of Massachusetts. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio may proceed for 10 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. KEEFE. Would the gentleman address himself to that point as a matter of argument?

Mr. BENDER. I would like to address myself to that point to this extent. Last week Mr. Truman had a press conference, and at that press conference he justified the shipment of locomotives, freight cars, machinery, tools, and the sale of surplus war materials to Russia and her satellite nations. What kind of business is this, anyhow? It looks like someone in the administration is talking out of both sides of his mouth.

Frankly, I believe in peace. I believe this whole thing can be handled if it is handled through negotiation and by means of an approach other than the one we are using. I certainly do not want war any more than the gentleman from Wisconsin wants war. If this is a war program, let us tell our people the facts frankly. Let us not feed it to them by degrees.

Mr. KEEFE. I have raised this question and asked the gentleman this question for the purpose of inspiring and provoking some thought on this subject. I might say to the gentleman that within the next 10 days I expect to ask for time to address the House on that specific subject. I have devoted some time to an analysis of that situation. I would like to have the gentleman in his own thinking, and may I say that I am not giving expression to any confirmed opinion of my own, I have great respect for the gentleman's view, because we came to Congress at the same time, and shared similar views on many, many occasions in connection with these international matters, but the situation calls for some pretty clear thinking, and I do not know who I am going to turn to in the desperate hour if it ever comes, except the men who are charged with the defense of this country.

Mr. BENDER. May I ask the gentleman if he believes that war ever settles anything?

Mr. KEEFE. Why, of course, it does not. I said that before we got into the last war. What have we got? Nothing but desolation, disease, and death, and chaos. That is all. Not a single one of the promises that were so glibly made here in the well of this House in 1940 and 1941 when you and I were battling the situation has been kept, or has come to pass. The record is clear. But we are only adverting to the past in order to guide us in our actions in the future. That is water over the dam. We are now face to face with the realities of a foreign policy that has been made. What are we going to do about it? How are you going to approach it? I do not want a war, and I will fight to the bitter end to prevent it, but I do not want communism sweeping this Nation and the world with all of its brutality and ruthlessness, as it is doing over there today. I have a little more confidence in the military men than the gentleman from Ohio has, because they are the men to whom I must turn in the event of war.

Mr. BENDER. I have confidence in those men, and all of us have given of our own to that military machine that did such a remarkable job in the First and Second World Wars. I am not talking about that, but I do not want the military men dominating the thinking of the American Nation, and I do not think the gentleman wants that. I do not believe he thinks that is a healthy condition for this country or for the world.

Now, I just have a few minutes remaining. In closing I want to read an editorial from one of my own papers, the Akron Beacon Journal:

ARE WE PLANNING FOR PEACE OR FOR WAR, MR. SECRETARY?

Having listened on successive days to President Truman, Secretary of State George C. Marshall, and Clare Boothe Luce, we originally intended to call this editorial: "Truman, Marshall, and Clare Boothe Luce." Perhaps we may still call it that.

Such an impressive round-up of superior intellects should have thrown the additional light on the Marshall plan which the American people are seeking.

The President disappointed us when he made only general references to the European-economy program while asking for reinstitution of the controls previously described by him as the methods of a police state.

The Secretary of State told us nothing we did not already know, but our State Department expert, Wallace R. Deuel, says the strategy of General Marshall's Chicago speech was to steal a march on the Soviets by stating our position on Germany in advance of the forthcoming London conference so Mr. Molotov could not misrepresent our views at the meeting of foreign ministers.

Mrs. Luce, in an off-the-record talk before the Chicago Commercial Club, played lightly over the keyboard of our foreign policy in her best drawing-room manner, yet her sprightly phrases and witticisms had all been forgotten before the last guest left the ballroom.

Earlier, in an interview with the Chicago Daily News, the glamorous gentlewoman from Connecticut had posed three questions regarding the Marshall plan which are uppermost in the minds of the American public today:

1. Is it a plan for peace or a plan for war?
2. Can we stop communism with dollars?
3. Is it the administration's objective to stop communism or to feed hungry people?

Readers of this column may recall that similar questions have been asked here ever since the Marshall plan was first proposed.

Describing these times as the "contortionist era intellectually," Mrs. Luce freely admitted her own confusion. Shouldn't we all be as candid?

When Congress gets around to considering the long-range implications of the Marshall plan, it should demand that all of the facts be brought to light. There is no need to delay on stopgap assistance required to fill empty bellies and keep little children warm and comfortable.

Due to the administration's failure to take Congress and the American people into its confidence, the country has only a hazy idea of what is actually being proposed.

In a general way, we know that United States industry and agriculture are to be called upon to supply the things and goods needed in western Europe to get their own economies on a going basis.

The first year of the plan will cost nearly seven billions with the total contributions over 4 years reaching twenty-one billions.

The bulk of the money will be appropriated by the United States Congress with loans from the Export-Import Bank, World Bank, and private sources making up the balance.

Where will these dollars go?

A chart in the current issue of World Report shows that Great Britain will get 34 percent; France, 22 percent; and Germany, 14 percent.

The remaining 30 percent is to be distributed to 13 other countries: Italy, Austria, Belgium, Denmark, Ireland, Greece, Iceland, Luxemburg, Netherlands, Norway, Sweden, Switzerland, and Turkey.

Will the money be repaid? Based on past performance, there is little reason to believe that it will.

We know, too, that an attempt will be made to induce nations participating in the Marshall plan to stabilize their currencies, balance budgets, stop international inflation, and establish definite production targets for coal and other basic goods.

Some of these highly desirable objectives have not as yet been wholly achieved in America, yet we prescribe them freely for Europe. That is part of our modern intellectual contortionism to which Mrs. Luce made reference.

Will the plan work?

No one can give that answer with absolute certainty. Our own conviction is that the odds are against its success.

Our reasons are these:

1. The United States has already "loaned" Great Britain three and three-quarter billions which was exhausted in little more than a year without materially improving her economy. With this record, how will additional American dollars solve her problems?

2. France and Italy are so torn by internal dissension that the sound economic practices which we preach abroad are unlikely to be adopted.

3. The mere loaning of money to Europe will in itself retard rather than encourage

the moral regeneration without which no permanent recovery is possible

4. The inflationary effects of the Marshall loans will be so sharply felt in the United States that our own people may demand the program be curtailed before it is fully implemented.

5. Even optimistic advocates of the Marshall Plan admit that under the most favorable circumstances, the Europeans will not be as well off in 1951 as they were in 1938. At this point, Europe will again be seeking aid and the American taxpayers may try a sit-down strike. They haven't entirely forgotten the one and one-half billions we tossed away in China.

Other doubts arise about money for Ireland, a land where choice cuts of roast beef, thick steaks, and country fresh eggs have always been available at easy prices.

There are doubts, too, about loans to the "neutral" nations in World War II which traded with both sides and lined their pockets while "sitting out" the conflict.

Skepticism arises from developments in Greece where we invested $300,000,000 to "contain" Russia under the now forgotten Truman doctrine. Thus far, American dollars have not even been able to suppress the guerrillas in the north. So we are sending more dollars and, at this time, limited military aid.

We resent the fact that wealthy interests in France and other parts of Europe have never been called upon to give up their gold although citizens of the United States willingly exchanged theirs for treasury certificates in the early days of the Roosevelt administration.

Yet Mr. Bevin offers the "political" suggestion that we redistribute the gold that is buried at Fort Knox.

It is the duty of Congress to turn the spotlight upon every phase of the Marshall plan so that the facts of life can be made apparent to all.

At present public opinion is understandably confused and perplexed. The secretive policies of the Truman administration have made it so. It is the old story of "papa knows best" and to hell with Joe Doakes.

The Marshall plan is being sold to the American people as a three-way cure-all for the world's ills.

Its "helping hand" components appeal to our humanitarian instincts.

The "stop Russia" ingredients are easily swallowed by a peace-loving people.

The promised restoration of a sound European economy is a nice tonic for our material greed.

Can it truly be all of these things, rolled into a $20,000,000,000 pill? Or as Mrs. Luce so shrewdly inquires: Is it a plan for peace or a plan for war? Plainly, it cannot be both.

The American people have a right to know.

JOHN S. KNIGHT.

SPECIAL ORDER GRANTED

Mr. BENDER. Mr. Speaker, so that I may be able to finish this speech, I ask unanimous consent to address the House for 75 minutes on next Monday after the legislative business of the day and any special orders heretofore entered for that day.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from New York [Mr. TABER] is recognized for 30 minutes.

APPEASEMENT PROGRAMS

Mr. TABER. Mr. Speaker, appeasement of Russia has been and still is the policy of the administration and the State Department since Yalta and Potsdam. We have spent billions of dollars trying to combat communism in the British loan, the German and Austrian occupation loan, the French loan, the Italian grants and loans, the support of the Chinese authorities, and yet what has that availed us. The State Department has brought about the appeasement of Russia by the expenditure of hundreds of millions of dollars since September 2, 1945, to send articles to Russia through lend-lease, through UNRRA, through the sales by private organizations where export control could have prevented it, and by shipment of our own relief activities. It makes us wonder whether or not the State Department really means to protect the interests of the United States or whether the State Department itself is on both sides of all these questions. What does it avail us to make shipments to Greece and Turkey to stop communism and at the same time ship things to Russia and satellite countries to promote communism?

In my opinion, there is no question but what the attitude that Russia has taken in the United Nations is directly attributable to the appeasement that has been going on. I believe if we would cut all lend-lease shipments to Russia and her satellites, all exportation of things to Russia through UNRRA, and refuse to permit the exportation of things to Russia which could be used to make trouble for the United States that Russia would have ceased long since the policy of upsetting United Nations' meetings and that she would have agreed to a world peace which would have been of great benefit to all mankind. But what do we find? There has been a constant and deliberate violation of the law, especially the lend-lease law.

The original Lend-Lease Act provided in section 3 (b) that—

> That nothing in this paragraph shall be construed to authorize the President to assume or incur any obligations on the part of the United States with respect to postwar policy involving international relations except in accordance with established constitutional procedure.

In Public Law 31, approved April 16, 1945, there was a proviso inserted in section 3 (c) which provided that "nothing in section 3 (c) of that act should authorize the President to enter into or carry out any contract or agreement with a foreign government with regard to postwar relief, postwar rehabilitation, or postwar reconstruction."

In spite of that provision, from January 1 to September 30, 1947, $113,000,000 worth of foods, textiles, fibers, minerals, petroleum products, metals and manufactures, including railway cars, wheels, tires and axles, machinery and vehicles, including electrical machinery, electric locomotives, railway mining and industrial, 33 steam locomotives, 69 Diesel locomotives, 136 internal-combustion engines, excavating cranes, and so forth, have been sent to Russia.

The lend-lease shipments to Russia beginning May 30, 1945, after the end of the German war down to October 31, total $226,000,000. Among these exports, those that were for postwar relief, postwar rehabilitation, or postwar reconstruction were in direct and deliberate violation of the law which I have just cited. The lend-lease shipments to Russia from January 1, 1947, to September 30, 1947, ran to $16,200,000. The UNRRA shipments during that period were $31,900,000. In addition, shipments to the satellite countries the last 3 months under UNRRA ran to $20,577,000.

We are, through our own State Department, providing with our own funds the things with which Russia can destroy us. The President of the United States announced the other day that he could see no objection to the further shipment of heavy machinery to Russia. It is time for the United States of America and its State Department to wake up and realize that if we are going to succeed in the foreign policy that we must move in one direction and that appeasement of those who are opposing us openly in the world is stopped.

It is not too much to review some of our operations. The UNRRA goods that we shipped into Russia and Russian satellites, that were paid for by the United States, were half of the total UNRRA shipments. The information that we developed in committee hearings was that the relief food, clothing, and machinery that we sent over there was used and is being used for the purpose of promoting communism; that the people are obliged to join the Communist Party before they receive relief; and that there is no such thing as proper credit to the United States for sending these things to these people. The language of the bill which has now come down here from the State Department would permit these rackets to continue and would make of the bill which has been sent here by the Department an absolute travesty.

Without regard to anything else, it is time for the State Department and the administration to clean up and have a definite positive policy and program and to cut out all of the appeasement programs. Certainly, any legislation designed to effectuate the President's recommendations must have the kind of amendments required to protect the United States and prevent the State Department and the administration from further pursuing an appeasement policy.

Not only has the State Department violated the law, which we passed in 1945, designed to prevent postwar rehabilitation and postwar reconstruction from lend-lease funds, but they have violated the provision which was inserted in the Third Deficiency Act of July 23, 1946, prohibiting any of the funds being used for the shipment of any commodity abroad after December 31, 1946.

These appeasement programs which have created all of these difficulties for us abroad have resulted from a violation of the acts of Congress by the Department.

Is it not about time that these people were put in their place and that the departments of the Government began to proceed in accordance with the law?

In an article by Walter Lippmann this morning, we are advised that the Communists believe that if we continue the operations that we are now attempting for from 3 to 5 years, it will break down

not only the United States economy, but all the free economy in the rest of the world.

Are we going longer to follow the policy of appeasement and play into their hands?

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Wisconsin.

Mr. KEEFE. The gentleman has referred to certain shipments abroad and certain expenditures. Does the gentleman include in those items the $40,000,000 loan which was made to Poland for the purchase of locomotives and railroad equipment?

Mr. TABER. I have no detailed figures that would cover everything yet. I do not include that. I have only included the things I have the detail on. I expect more detail and break-down, which I will make available to the membership of the House next week.

Mr. KEEFE. In support of the gentleman's position as to our attempting to effect a policy of containment of Russia and to stop communism by refusing to give relief aid to the so-called suffering and undernourished people of Poland and Hungary, which was the action of the Congress of the United States, we still find that at this very hour locomotives, freight cars and $40,000,000 worth of other railroad equipment is going to Poland and has been acquired as a result of a loan approved by the Export-Import Bank, and the same is true of a lot of this other stuff. It just does not add up and strengthens the position that the gentleman has made.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New Jersey.

Mr. CANFIELD. I think that the President has made a great mistake in permitting these shipments to the Soviets. President Truman, I think, is making today a greater mistake in not arranging a face to face meeting with Mr. Stalin and do a job in the interest of world peace, to see if something cannot be done to prevent this ever-increasing trend toward war. It is a shocking situation. I have just come back from Europe. I saw the horrifying picture over there and I understand quite thoroughly its portents. It is surprising to me that the President, with his powers, has not exercised them more ardently in the interest of world peace. He has a great opportunity, perhaps to become the greatest President of all times. He can do a job for all mankind, most certainly for the citizens of our beloved America.

Mr. TABER. No one can do anything with Stalin, I am afraid, so long as Mr. Stalin is getting what he wants out of us. As long as he finds that the appeasement policy continues, he will continue to hold the position that he has taken and that is just exactly what any human being would expect. Unless Mr. Truman would first quit the policy of appeasement it would not do a bit of good to have a conference with Mr. Stalin.

Mr. CANFIELD. May I say to the gentleman from New York, who knows something about Mr. Stalin and the Russian mind, that the Russian mind recognizes only intervention on the highest level, and we have not had that intervention to date in the interest of world peace.

Mr. TABER. That is true, but we have not had any foundation laid.

Mr. CANFIELD. Now is the time for a conference to be held on the highest levels.

Mr. TABER. There is no use having a conference until you lay the foundation for it by stopping this appeasement program.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Texas.

Mr. RAYBURN. Would the gentleman state that he is in favor of cutting off all trade with Russia?

Mr. TABER. That is what I would do at this time, at least cut off the shipment of these heavy machinery items, the shipment of which is certainly a very serious burden on our economy. We should not ship anything of that character that might be a serious drain on us to any outfit that is performing the way these people are. We certainly should not do it under lend-lease and UNRRA, where we are putting up the money and paying for it.

Mr. RAYBURN. The gentleman has not quite understood my question. I asked the gentleman if he is in favor of cutting off all trade with Russia, at least of certain kinds.

Mr. TABER. I do not know whether I would do that, but I certainly would cut off everything of a character critical to our own economy at this time.

Mr. RAYBURN. Of course, everybody would agree to that.

Mr. TABER. I would hope so.

Mr. GORE. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Tennessee.

Mr. GORE. Would the gentleman prohibit the shipment to Russia of a railroad car that was not usable in this country, that some private citizen owned, and which he must either sell or scrap?

Mr. TABER. That is not the situation at all. That situation has not arisen. The situation has arisen that we have sent those things over there as lend-lease in violation of the law, deliberately, and we have not only done that but we have done everything else we could to make ourselves ridiculous in connection with it.

Mr. GORE. Would the gentleman likewise prohibit the exchange of something of which we have a surplus for things like manganese and chromite, which we are stock piling for national defense?

Mr. TABER. I would not object to the shipment of those things unless they were items of a nature critical to our own protection.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Wisconsin.

Mr. KEEFE. It might be well to inquire as to just how much chromite and manganese Russia is shipping to this country in exchange for the lease-lend pipe-line goods they have received. The question of the gentleman from Tennessee might have some potency if we had some facts upon which to justify the statement that we are receiving those items from the other end.

Mr. TABER. Russia has never paid for any lend-lease guns yet. They have paid a little interest on some notes way back, but they have never paid the principal.

Mr. PHILLIPS of California. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from California.

Mr. PHILLIPS of California. The amount we are receiving from Russia is so infinitesimal that the gentleman from Tennessee can hardly have any facts to suggest that we are getting something in return for our shipments. I should like to say through the gentleman from New York to the gentleman from Texas that we have sent 235 protests to Russia since the end of the shooting war for violations of agreements with the United States. May I ask the gentleman from Texas how long he thinks that should keep up, while we continue to ship heavy machinery which has both industrial and war use. We are not talking about either the exchanges talked about by the gentleman from Tennessee or the ordinary trade talked about by the gentleman from Texas.

Mr. RAYBURN. The gentleman from Texas did not hear all the remarks of the gentleman from California, therefore is not wise enough to answer the gentleman's question. I simply asked the gentleman from New York if he is in favor of cutting off all trade and exchange of goods with Russia. That is as far as I went. I did not make any speech. I do not see that I should yield to anybody, but I will say this, that I think in all probability Russia has some materials that we would like to have. I say that when we are doing a business with the rest of the world in exports of goods and services amounting to $20,000,000,000 a year, which is the estimate at the present time, then $113,000,000, as the gentleman from New York has just said, is a bagatelle compared to the trade with the rest of the world. I do not think the gentleman from California would think that is a great percentage.

Mr. PHILLIPS of California. That is a rather odd argument, that the amount of money controls the importance and the type of material that we are shipping to a nation which at the moment is breaking and violating all these agreements, and the gentleman from Texas makes the argument that that should control.

Mr. RAYBURN. The gentleman from Texas is not making any argument at all. The gentleman from Texas asked a question, and that is all.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. CANFIELD. What our country wants from Russia and what we need from Russia more than anything else is a little good will and a little understanding and we are certainly not getting that today.

Mr. RAYBURN. How are you going to get it?

Mr. CANFIELD. If the President of the United States, the Commander in Chief of the Army and Navy, would——

Mr. RAYBURN. Would do what?

Mr. CANFIELD. If the President of the United States, the Commander in Chief of the Army and Navy, were to go to see our troops in Vienna today, he would, on landing from the air, have to traverse a route which at every 200 yards would have a sign saying "This is Russian territory. Pass beyond this road at your peril." What kind of good will is that? Russia is on the march.

Mr. RAYBURN. I do not think there is any kind of good will, but I do not understand what the gentleman from New Jersey is talking about.

Mr. CANFIELD. I want a commodity that apparently we cannot get from Russia, and that is a little understanding and a little good will. That is what we need.

Mr. RAYBURN. How do you propose to get it?

Mr. CANFIELD. We are not getting it by what we are doing today. We are not getting it by appeasing Russia.

Mr. RAYBURN. I know that, but how would the gentleman get it?

Mr. CANFIELD. I believe that the President could have done a job instead of indicating at his press conference last Friday that we are going to continue these shipments of machinery to Russia. He could have said, "No, we are not going to send any more of that machinery to Russia until Russia acts a little more friendly."

Mr. RAYBURN. Would you have the President say that he was not going to allow anything else to be shipped out of the United States to Russia—anything at all?

Mr. CANFIELD. May I say to the distinguished gentleman from Texas, it has come to such a pass that even that might be a wholesome and salutary thing.

Mr. RAYBURN. It might come to pass, but I do not believe the gentleman wants to say that we should commit an act which is tantamount to a declaration of war either.

Mr. CANFIELD. I do not think it would be that. I do not want to see thousands and thousands of our youth in a blood bath in a war a year or 2 years from now.

ARE WE TO HAVE AN AGRICULTURAL DICTATOR?

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes, revise and extend my remarks, and also revise and extend the remarks I made earlier this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Speaker, I dislike to speak at this late hour in Washington, yet out in Wisconsin a good many of my constituents are still going to do a half a day's work. So I will think about them, and I will not think so much about Washington. This summer at Geneva we saw a moving picture shown at the food conference. The moving picture was produced by the British Government. It was introduced and presented by Sir John Orr, the official head of FAO. The United States of America is paying for 25 percent of the cost of the FAO, and other countries are trying to figure out a scheme so that they can get the United States to pay more of the annual costs of the FAO. In fact there is an effort to get the United States to contribute as much in percentage as the United States contributes to the U. N. or some 44 or more percent.

The British Government picture was one of the silliest pictures I have ever seen. In the first place it was not factual. In the second place, it did not present the food picture in its proper light. It castigated countries like the United States, Australia, and Canada, who furnished the food to win this war. They showed pictures of starving children and pointed the finger of suspicion at the farmers of the United States and these other countries which furnished food, as if they would rather feed their livestock than feed children. Millions, yes billions, of pounds of food are produced each year on and from land that cannot raise grains.

Now the time has arrived when I thought the thing was squelched but lo and behold yesterday the same thesis, so to speak, is presented here before the Joint Economic Committee of the Senate and House. If this is all the FAO has to offer, they had better fold up. The institution had better get some leadership that knows something about food, nutrition, and food production. If this is all they have to offer, the Congress should cut down its appropriation to this agency before it becomes a part of any more silly, senseless proposals. Do you think the Congress should appropriate money to destroy the greatest part of the American agriculture, namely, the livestock industry of our country?

I wish every Member of Congress could see that picture. I am not going to take any more of your time tonight, but in due time, with every effort of which I am capable, I assure you I will try to give the American farmers and the American people a picture of exactly what is taking place. Do you want to sit here and let the livestock industry of this country be ruined? Do we want a lot of people who live in some other country telling the American people and the American farmers what kind of program they shall have in this country? Why, it is bad enough to listen to a lot of these people who are so far away from the farms that they do not know what they are talking about trying to ruin American farmers without going to work and letting some foreign country map out a silly agricultural program for our country.

So I ask, Mr. Speaker, that at this point I may be allowed to insert the testimony given yesterday by Mr. Carl C. Farrington before the Senate-House Economic Committee on Reports.

Mr. SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. MURRAY]?

There was no objection.

The matter referred to is as follows, and I ask you to decide for yourself if this does not smack of an agricultural dictatorship:

STATEMENT ON ALLOCATION CONTROLS BY CARL C. FARRINGTON, ASSISTANT ADMINISTRATOR, PRODUCTION AND MARKETING ADMINISTRATION, UNITED STATES DEPARTMENT OF AGRICULTURE, BEFORE THE JOINT COMMITTEE ON THE ECONOMIC REPORT, AT THE HEARING BEGINNING AT 2 P. M. NOVEMBER 21, 1947

This statement covers items 5 and 7 of the President's recommendations for immediate legislative action insofar as those recommendations apply to agriculture. Item 5 recommends action to conserve grain through the most efficient marketing of livestock and poultry, and item 7 recommends authorization for allocation and inventory control of scarce commodities which basically affect the cost of living or industrial production.

We believe that everything possible to make additional quantities of food available for export should be accomplished on a voluntary basis. As the President has pointed out in his message, voluntary means of doing the job that needs to be done should be stressed both before and after mandatory measures are made available for use as needed.

The Department has already begun an extensive program of education and assistance to producers in conserving grain and using it in the most efficient manner, as the Secretary testified in connection with item 6. This work needs to be continued and intensified.

However, the reduced supplies of feed available for use this year, the probabilities of lower meat production and possibilities of a much smaller wheat crop in 1948, the continuing high level of consumer demand in this country, and the urgency of maintaining a large flow of food abroad, while at the same time assuring that our own essential needs will be met, make it essential that we be prepared to use allocation powers and inventory controls. In some cases rationing and price control would be necessary to afford the necessary protection to our own economy.

While we understand it is the desire of the committee to defer for the time being hearings with respect to items 9 and 10 of the President's 10-point program, it will be necessary in developing our statement with respect to items 5 and 7 to make some reference to price and distribution, since price-control and rationing, together with the use of allocations, would constitute the principal means, outside of voluntary measures, of accomplishing the objective stated in item 5.

Our grain supplies largely determine our ability to meet the demands for food abroad and for livestock products at home. Of the total quantity of grain and grain products and by-products, utilized in the past year, approximately 75 percent was fed to livestock, about 15 percent was used for domestic food, seed, and all industrial uses, and about 10 percent was exported. But this 10 percent of our grain supplies exported constituted about 80 percent of our total exports, or more than 19,000,000 tons of food. It is apparent that any substantial reduction in grain supplies must be immediately reflected in feeding operations, and any substantial saving in grain, in order to make more available for export, must come largely from a reduction in the feeding of grain.

The total feed grain and other feed concentrate supply for 1947–48 is 139,000,000 tons, compared with 162,000,000 in 1946–47, and a 1937–41 average of 136,000,000 tons. Supplies per grain-consuming animal are about 14 percent smaller than last year.

This reduction in the supply of feed makes it necessary that we market hogs at lighter weights, market beef cattle with less finish, cull our dairy herds and poultry flocks more closely than normal, reduce broiler and turkey production, and use our feed supplies as efficiently as possible.

These necessary measures with respect to livestock-feeding operations will inevitably

result in smaller supplies of livestock products in 1948 than we had in 1947. Meat production in 1948 is expected to total about 21,500,000,000 pounds or 1,500,000,000 pounds less than estimated production in 1947. The supply of meat for domestic consumption per person in 1948 will be about 146 pounds or about 10 pounds less than in the present year. The decrease in meat production next year will be in both beef and pork and will be a reflection of the short corn crop this year as well as the decreasing numbers of cattle on farms and ranges. The decrease will be most pronounced in the spring and summer of 1948 when marketing of hogs and all grain-fed cattle will be sharply reduced.

Although total meat production and supply of meat per capita in 1948 will be smaller than in 1947 the supply of meat available will be much above the prewar 1935–39 average of 125.6 pounds. Despite this fact, the decrease from 1947 along with a high level of consumer incomes will tend to further strengthen prices that are already at or near record levels. No material increase in meat production over the reduced 1948 level is likely until after the summer of 1949.

The hog-corn price ratio has been well below average almost continuously since May. Together with the poor corn crop prospects, the below-average ratio has tended to reduce the size of the 1947 fall pig crop below the indications in the latest pig crop report, issued in June, and possibly almost as low as the 1946 fall crop. These factors also indicate that the 1948 spring pig crop will be smaller than the 53,000,000 saved in the spring of 1947, and may be smaller than the goal of 50,000,000 announced for the spring of 1948. The unfavorable feeding ratio has also reduced hog weights, particularly since August. The average weights of barrow and gilt butcher hogs received at the major Corn Belt markets during October and November have run 10 to 20 pounds lighter than in the same months of 1946, but have averaged slightly above the prewar 1937–41 average.

Prices of meats and livestock have been at record or near-record levels in recent months. For example, the price of hogs in October 1947 was 93 percent above the June 1946 level. Choice and prime beef steers were 89 percent above the June 1946 level. Fresh pork loins were 112 percent above the June 1946 level. Bacon was 168 percent above the June 1946 level. Choice steer carcass beef was 117 percent above the June 1946 level. Further strength in these prices is likely during 1948 as a result of reduced supplies and continued strong demand.

Although livestock-feeding ratios now are unfavorable, particularly for hogs, a further advance in prices of meats and livestock, as supplies become shorter, will have one or both of the following results: (1) An improvement in feeding ratios which would encourage more grain feeding of livestock with grains already in short supply; or (2) further advances in grain prices, which would prevent such a further increase in livestock-feeding ratios.

In 1947 we produced a record wheat crop of more than 1,400,000,000 bushels. This record production of wheat exceeded the 1946 production (which in turn was a record) by almost 250,000,000 bushels. It has been a godsend in view of the sharp reduction in the crops of western Europe and limited export availabilities from Canada, Argentina, and eastern Europe. It has also helped offset the reduction of 800,000,000 bushels in the corn crop in 1947 as compared with 1946. Even the record crop of this year was not enough to supply all needs. Wheat prices have advanced sharply. The current price of wheat at Kansas City is about 40 percent above the price a year ago and about 60 percent above the June 30, 1946, price. It is estimated that the use of wheat for food in this country will total about 510,000,000 bushels this year or about the same as in other recent years. Feed use was estimated early in the year as high as 350,000,000 bushels but as a result of conservation measures and the increase in the price of wheat it now appears that feed use may be as low as 250,000,000 bushels and could be even lower. Seed use should be about 85,000,000 bushels, leaving 646,000,000 bushels for export and carry-over. If crop prospects in the spring look sufficiently favorable to permit the carry-over to be reduced to below 150,000,000 bushels it would be possible to export up to 500,000,000 bushels. If crop prospects are unfavorable it would be dangerous to reduce our carry-over to that level.

We have asked farmers to plant for harvest in 1948 another near-record acreage of wheat. It is well known, however, that weather conditions in the Southern Great Plains area have been very unfavorable this fall and large areas have been extremely dry. Rains during the past week have partially relieved this drought condition but unusually favorable weather conditions will be necessary in order to assure another large crop in this area.

The necessity of reducing our carry-over to relatively low levels in order to meet export needs this year together with the possibility of a much smaller production in 1948 and continuing heavy export needs in 1948–49 create a situation which makes it essential that authority be available not only for controlling the export of wheat but also for limiting inventories and directing use to the most essential channels.

Other commodities which are important sources of food for export include fats and oils, rice, beans, and peas. For these also there is likely to be need for some domestic allocation controls as well as for controls of exports.

The allocation powers which are believed necessary in order to be prepared to deal adequately with the domestic use of food include:

(1) Authority to allocate food by (a) imposing limitations on inventories; (b) restricting and prohibiting the use on the basis of the essentiality of the particular use: (c) placing limitations on the delivery or transportation; (d) requiring producers and distributors to set aside specific amounts or the entire production for acquisition by governmental agencies; (e) providing for priorities in the filling of orders based upon the essentiality of the use for which the order was given, including priorities for exports; and (f) establishing an import licensing system to control the importation of foods to make effective cooperation with friendly nations with respect to world short supply.

(2) Authority to allocate the use of facilities and nonfood materials to carry out the food program by (a) restrictions upon the use of storage facilities, limiting their use to the storage of specific commodities and for specific periods of time; (b) controlling the distribution and importation of fertilizer; (c) controlling the distribution of farm machinery; (d) controlling the use of transportation facilities by rail carriers; and (e) controlling the use of tin and tin plate to aid in the preservation of foods.

It would be preferable that these authorities be granted in general terms similar to those contained in the Second War Powers Act, but if it is considered desirable to specify the particular material or facilities relating to food, the materials which we believe should be specified are grain and grain products, rice and rice products, dry beans and peas, fats and oils (including oil bearing materials, fatty acids, soap and soap powder, but not including petroleum and petroleum products), livestock and poultry and their products, and milk and milk products. In addition, we believe provision should be made, under a public hearing procedure, for the use of these powers with respect to other commodities and facilities whenever it is determined that such action is necessary in order to fulfill the requirements for the defense of the United States, for carrying out the foreign policy of the United States and for purposes necessary to the health, safety, and welfare of the American people.

We believe that the exercise of the allocation authority, as proposed above, could limit or prohibit the use of scarce commodities in less essential uses and prevent hoarding in commercial channels through inventory control limitations, thereby increasing the amount available for essential uses and exports. Through priorities and set-aside programs procurement for export under the program would be aided.

In the event of an emergency situation such as might be brought about by an extremely short wheat crop, for example, the powers should be such as to make it possible for the Government to become the sole buyer of the crop in a manner similar to that which was used during the war with respect to soybeans, peanuts, and wool.

Similarly, the allocation powers with respect to poultry might be used to limit the number of eggs set by commercial hatcherymen during a specified period of time in the event this is necessary in order to keep hatchings at a rate consistent with available feed supplies. In the case of livestock they could be used to limit inventories of livestock products, thereby assuring more equitable distribution.

Our experiences during the war period provide many examples of cases in which allocation authorities were needed to make the most effective use of our total available food supplies. For example, by this means distillers were prohibited from using wheat and were limited in the quantity of grain they could use in the manufacture of both beverage and industrial alcohol, and brewers were prohibited for a while from using wheat and table grades of rice and limited in the total quantity of grain used by them. Mixed feed manufacturers were prohibited from using wheat of milling grades and limited in the quantities of other feed ingredients that they could use. Flour millers were limited with respect to the quantity of wheat they could use in the manufacture of flour for domestic use, and bakers were prohibited from engaging in certain wasteful practices. Inventories were limited generally throughout the grain processing and distribution channels. All of these measures were designed to direct grain into its most essential uses and to the extent that it is necessary to do so could be used again if the allocation powers were reenacted as recommended.

During the war period also inventory controls and use limitations were found necessary with respect to nearly all fats and oils and oil-bearing materials. The use of these powers may again be needed in order to conserve supplies, assure equitable domestic distribution, and make available necessary minimum quantities for export. The Department has been cooperating and will continue its cooperation with industry in the fat salvage campaign, which has provided about 10 percent of our inedible tallow and grease supplies.

Set-aside orders were used frequently during the war period to assure the availability of adequate supplies for the most essential uses and facilitate procurement by Government agencies. In view of the shortages that are in prospect and the large volume of Government procurement that may be necessary for export, these powers should again be available.

In conclusion, I feel that I should stress again that the Department proposes to do all it can through voluntary measures to meet our export program and bring about needed adjustments in the use of grain. We have no wish to go through another period of emergency controls.

But we must face realistically the facts of the current and prospective situation. These facts indicate that the allocation powers dis-

cussed above, though essential as the first step beyond voluntary measures, may not get the full job done. To insure the maximum savings of grain and at the same time combat inflation, authority for rationing and price ceilings should be provided.

EXTENSION OF REMARKS

Mr. LATHAM (at the request of Mr. JENSEN) was granted permission to extend his remarks in the RECORD.

ADJOURNMENT

Mr. JENSEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 16 minutes p. m.), under its previous order, the House adjourned until Friday, November 28, 1947, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1123. A letter from the Acting Secretary of the Navy, transmitting a list of various institutions and organizations, all nonprofit and eligible, which have requested donations from the Navy Department; to the Committee on Armed Services.

1124. A letter from the Admministrator, Veterans' Administration, transmitting a report of the tort claims paid by this Administration during the period of beginning August 2, 1946, and ending on June 30, 1947; to the Committee on the Judiciary.

1125. A letter from the Acting Postmaster General, transmitting a draft of a proposed bill to exempt the Post Office Department from the provisions of the Federal Register Act, as amended, and the Administrative Procedure Act, and for other purposes; to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LECOMPTE: Committee on House Administration. House Resolution 360. Resolution providing for the payment of salaries of pages, Doorkeeper's department, from November 12 to December 31, 1947, inclusive; without amendment (Rept. No. 1139).

Mr LECOMPTE: Committee on House Administration. House Resolution 357. Resolution for the relief of Laura F. Palmer; without amendment (Rept. No. 1140).

Mr. HERTER: Select Committee on Foreign Aid. Preliminary Report No. 8 filed pursuant to House Resolution 296, Eightieth Congress, first session; without amendment (Rept. No. 1141). Referred to the Committee of the Whole House on the State of the Union.

Mr. HERTER: Select Committee on Foreign Aid. Preliminary Report No. 10 filed pursuant to House Resolution 296, Eightieth Congress, first session; without amendment (Rept. No. 1142). Referred to the Committee of the Whole House on the State of the Union.

Mr. HERTER: Select Committee on Foreign Aid. Preliminary Report No. 11 filed pursuant to House Resolution 296, Eightieth Congress, first session; without amendment (Rept. No. 1143). Referred to the Committee of the Whole House on the State of the Union.

Mr. HERTER: Select Committee on Foreign Aid. Preliminary Report No. 9 filed pursuant to House Resolution 296, Eightieth Congress, first session; without amendment (Rept. No. 1144). Referred to the Committee of the Whole House on the State of the Union.

Mr. HERTER: Select Committee on Foreign Aid. Preliminary report No. 1 filed pursuant to House Resolution 296, Eightieth Congress, first session; without amendment (Rept. No. 1145). Referred to the Committee of the Whole House on the State of the Union.

Mr. HERTER: Select Committee on Foreign Aid Preliminary Report No. 2 filed pursuant to House Resolution 296, Eightieth Congress, first session; without amendment (Rept. No. 1146). Referred to the Committee of the Whole House on the State of the Union.

Mr. HERTER: Select Committee on Foreign Aid. Preliminary Report No. 3 filed pursuant to House Resolution 296, Eightieth Congress, first session; without amendment (Rept. No. 1147). Referred to the Committee of the Whole House on the State of the Union.

Mr. HERTER: Select Committee on Foreign Aid. Preliminary Report No. 4 filed pursuant to House Resolution 296, Eightieth Congress, first session; without amendment (Rept No. 1148). Referred to the Committee of the Whole House on the State of the Union.

Mr. HERTER: Select Committee on Foreign Aid. Preliminary Report No. 5 filed pursuant to House Resolution 296, Eightieth Congress, first session; without amendment (Rept. No. 1149). Referred to the Committee of the Whole House on the State of the Union.

Mr. HERTER: Select Committee on Foreign Aid. Preliminary Report No. 6 filed pursuant to House Resolution 296, Eightieth Congress, first session; without amendment (Rept. No. 1150). Referred to the Committee of the Whole House on the State of the Union.

Mr. HERTER: Select Committee on Foreign Aid. Preliminary Report No. 7 filed pursuant to House Resolution 296, Eightieth Congress, first session; without amendment (Rept. No. 1151). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BEALL:

H. R. 4572. A bill to amend section 7 of the District of Columbia Traffic Act, 1925, as amended, to provide for learners' permits, and for other purposes; to the Committee on the District of Columbia.

By Mr. BRADLEY:

H. R. 4573. A bill to amend the Social Security Act so as to permit employment by the United States to be counted as employment for purposes of Federal old-age and survivors' insurance benefits; to the Committee on Ways and Means.

By Mr. DONDERO:

H. R. 4574. A bill to extend the Federal-Aid Road Act, approved July 11, 1916, as amended and supplemented, to Alaska, to transfer certain functions of the Department of the Interior to the Public Roads Administration, and for other purposes; to the Committee on Public Works.

H. R. 4575. A bill to authorize the construction of a road connecting the Kenai Peninsula, Alaska, with the central road system of the Territory; to the Committee on Public Works.

By Mr. KUNKEL:

H. R. 4576. A bill to permit certain financial information to be furnished to France; to the Committee on Foreign Affairs.

By Mr. TWYMAN:

H. R. 4577. A bill to declare certain rights of citizens of the United States, and for the better assurance of the protection of such citizens and other persons within the several States from mob violence and lynching, and for other purposes; to the Committee on the Judiciary.

By Mr. CASE of South Dakota:

H. R. 4578. A bill to save feed grain by permitting income from livestock sold for slaughter in December 1947 to be reported for tax purposes in 1948; to the Committee on Ways and Means.

By Mr. HERTER:

H. R. 4579. A bill to provide means for financing United States programs of foreign aid and to create agencies to carry out such programs; to the Committee on Foreign Affairs.

By Mr. KEARNEY:

H. R. 4580. A bill to provide pensions for disabled unemployable veterans who served in a war, campaign, expedition, or insurrection beyond the continental limits of the United States; to the Committee on Veterans' Affairs.

By Mr. McDONOUGH.

H. R. 4581. A bill to define communism and to make the practice of communism a treasonable act in the United States; to the Committee on Un-American Activities.

By Mr. SIMPSON of Illinois:

H R. 4582. A bill to direct the Chief of the Weather Bureau to conduct experiments with respect to methods of controlling rainfall; to the Committee on Interstate and Foreign Commerce.

By Mr. HALE:

H. R. 4583 A bill to amend section 112 (f) of the Internal Revenue Code, relating to nonrecognition of gain in case of involuntary conversion of property; to the Committee on Ways and Means.

By Mr. SCHWABE of Missouri:

H. R. 4584. A bill to provide that the Soldiers' and Sailors' Civil Relief Act of 1940 shall not apply to divorce proceedings; to the Committee on Armed Services.

By Mr. WEICHEL:

H. R. 4585. A bill to control the export to foreign countries of building materials, food, farm machinery, grain, meats, metals, motor vehicles, or steel from the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. MARCANTONIO:

H. J. Res. 265. Joint resolution to give emergency aid through the United Nations to the peoples of Europe and to strengthen peace; to the Committee on Foreign Affairs.

By Mr. EDWIN ARTHUR HALL:

H. Con. Res. 119. Concurrent resolution calling upon Congress to wage a war against the high cost of living; to the Committee on Rules.

By Mrs. ST. GEORGE:

H. Res. 379. Resolution to prohibit the sale of certain goods to Russia; to the Committee on Rules.

MEMORIAL

Under clause 3 of rule XXII, a memorial was presented and referred as follows:

By the SPEAKER: Memorial of the General Assembly of American Samoa, memorializing the President and the Congress of the United States regarding approval of continuation of the United States Navy in American Samoa under a naval civil administration; to the Committee on Public Lands.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRADLEY:

H. R. 4586. A bill for the relief of Mabel Colliver; to the Committee on the Judiciary.

H. R. 4587. A bill for the relief of Mrs. Harry A. Light (formerly Mrs. Elsie Purvey); to the Committee on the Judiciary.

By Mr. BUCKLEY:

H. R. 4588. A bill for the relief of Mrs. Elizabeth Mary C Mangle; to the Committee on the Judiciary.

By Mr. CLEMENTS:

H R 4589. A bill for the relief of J. E. Caton; to the Committee on the Judiciary.

By Mr. CURTIS:

H. R. 4590. A bill for the relief of Mrs. Loraine Thomsen; to the Committee on the Judiciary.

By Mr FOOTE:

H. R. 4591. A bill for the relief of Giuseppe Pompeo; to the Committee on the Judiciary.

By Mr. HÉBERT:

H. R. 4592. A bill for the relief of Rudolph Mejia and his wife, Elvida Naquin Mejia; to the Committee on the Judiciary.

By Mrs. ST. GEORGE:

H. R. 4593. A bill for the relief of Abraham Spevak; to the Committee on the Judiciary.

By Mr. SOMERS:

H. R. 4594. A bill for the relief of Elias Emmanuel Hadjilias; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

809. By Mr. BRADLEY: Petition signed by approximately 1,400 residents of the Eighteenth Congressional District of California, recommending the repeal of excise taxes on cosmetics, leather goods, and jewelry; to the Committee on Ways and Means.

810. By Mr. ROHRBOUGH: Petition signed by Mrs. I. E. Coyner and 66 other signers, of Clarksburg, W. Va., urging legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

811. By the SPEAKER: Petition of Delta Council, State of Mississippi, petitioning consideration of their resolution with reference to supporting work of the Un-American Activities Committee and Federal Bureau of Investigation; to the Committee on Un-American Activities.

812. Also, petition from the city of Stuart, Fla., petitioning consideration of a resolution with reference to appropriations sufficient to give proper water control to an area adjacent to the Kissimmee River and Lake Okeechobee, including the southern end of the mainland of Florida; to the Committee on Appropriations.

SENATE

WEDNESDAY, NOVEMBER 26, 1947

(Legislative day of Monday, November 24, 1947)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Peter Marshall, D. D., offered the following prayer:

Our Father in Heaven, if ever we had cause to offer unto Thee our fervent thanks, surely it is now, on the eve of our Thanksgiving Day, when we, the people of this Nation, are comfortable, well-fed, well-clad, and blessed with good things beyond our deserving. May gratitude, the rarest of all virtues, be the spirit of our observance.

Let not feasting, football, and festivity end in forgetfulness of God.

May the desperate need of the rest of the world, and our own glorious heritage, remind us of the God who led our fathers every step of the way by which they advanced to the character of an independent nation.

May the faith and conviction of George Washington be renewed in us as we remember his words: "* * * there is no truth more thoroughly established than that there exists in the economy and course of nature an indissoluble union between virtue and happiness; between duty and advantage; between the genuine maxims of an honest and magnanimous policy and the solid rewards of public prosperity and felicity; since we ought to be no less persuaded that the propitious smiles of Heaven can never be expected on a nation that disregards the eternal rules of order and right which Heaven itself has ordained * * *."

For if we do not have the grace to thank Thee for all that we have and enjoy, how can we have the effrontery to seek Thy further blessings?

God, give us grateful hearts.

For Jesus' sake. Amen.

THE JOURNAL

On request of Mr. WHITE, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, November 25, 1947, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed a bill (H. R. 4469) to amend the act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof, in which it requested the concurrence of the Senate.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

JOHN CAMERON HENRY

A letter from the Acting Comptroller General of the United States, transmitting, pursuant to law, his report and recommendation concerning the claim of John Cameron Henry against the United States (with an accompanying report); to the Committee on the Judiciary.

REPORT ON PERSONNEL CEILINGS

A letter from the Director of the Bureau of the Budget, transmitting, pursuant to law, his report of personnel ceilings for the quarter ended September 30, 1947 (with an accompanying report); to the Committee on Civil Service.

PETITIONS

Petitions were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A letter from the Secretary of the Navy, transmitting a resolution adopted by the General Assembly of American Samoa relating to the form of government for American Samoa (with accompanying papers), to the Committee on Armed Services.

The petition of Ohio Bell, of Cook County, Ill., praying for the enactment of legislation making permanent his discharge from the Army with certain disabilities (with accompanying papers); to the Committee on Armed Services.

By Mr McMAHON:

A resolution adopted by the Court of the Common Council of Hartford, Conn., approving the report of the President's Committee on Civil Rights; to the Committee on the Judiciary.

FOOD AND CLOTHING FOR PEOPLE IN EUROPE—PETITION

Mr. REED. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a petition sent me by 13 boys of the intermediate department of the First Presbyterian Church of Arkansas City, Kans.

It seems to me that the boys have something in their suggestion that the Government often condemns and destroys clothing, and so forth, that would be useful in the European relief program.

There being no objection, the petition was received, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

ARKANSAS CITY, KANS.,
November 15, 1947.

Senator CLYDE M. REED,
Washington, D. C.

DEAR SIR: In our Sunday-school class last Sunday we discussed the necessity of providing food and clothing for the people of Europe.

One of our group lives at the Chilocco Indian school. He pointed out that Government agents oftentimes condemn and destroy good blankets, towels, sheets, clothing, and other articles which would be useful to the European people.

The Friendship Train which is now going through the United States would welcome the thousands of articles wasted by our Government schools and military installations.

In behalf of the people of the United States, we ask that our Government board the Friendship Train with the condemned articles.

Respectfully submitted by the boys of the intermediate department of the First Presbyterian Church.

UNIVERSAL MILITARY TRAINING

Mr. LANGER. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a letter from A. F. Arnason, of the State Board of Higher Education of North Dakota, Bismarck, N. Dak., together with the names appearing on the letterhead and a resolution adopted by the State Board of Higher Education of North Dakota, dealing with the matter of universal military training.

There being no objection, the letter, together with the names appearing on the letterhead and the resolution, were referred to the Committee on Armed

Services and ordered to be printed in the RECORD, as follows:

(Members: R. A. Trubey, president, Fargo; Roy Johnson, vice president, Casselton; Fred J. Traynor, Devils Lake; L. O. Fredrickson, Pekin; A. S. Marshall, Forbes; Merle Kidder, Towner; Howard I. Henry, Westhope; A. F. Arnason, commissioner; E. W. Olson, auditor)

NORTH DAKOTA STATE BOARD OF HIGHER EDUCATION AND STATE BOARD FOR VOCATIONAL EDUCATION,
STATE CAPITOL, BISMARCK,
November 21, 1947.

The Honorable WILLIAM LANGER,
United States Senate,
Washington, D. C.

DEAR SENATOR LANGER: For your information, I am enclosing a copy of a resolution relative to universal military training passed at the North Dakota Conference of Higher Education, held in Minot, November 17 and 18, 1947.

Sincerely yours,

A. F. ARNASON,
Commissioner.

NOVEMBER 18, 1947.

Resolved, That the North Dakota Conference on Higher Education, including student delegates from all the institutions of higher education, faculty representatives from all such institutions, the presidents of these institutions, and the State board of higher education, go on record as favoring a strong program of national defense.

We believe this requires a strong air force, Army, Navy, and Marine Corps capable of going into action in strength anywhere in the world on a minute's notice when the defense of our Nation and people demands it.

We oppose universal military training as peacetime conscription on the grounds that it has been thoroughly discredited in two world wars. Having recently defeated those nations depending on universal military training, we favor, rather, strengthening the National Guard in the air and on the ground, the continuation of ROTC and NROTC and the Enlisted Reserve programs of training. Further, we favor an adequate expenditure of funds for purposes of research and the development of weapons, provided such research is kept under civil control.

We feel that such a program of national defense is in keeping with our concept of democracy as a self-imposed discipline which, after all, is the fundamental objective of our existence as a nation among the world of nations.

Passed and approved unanimously at the final session of the conference at Minot, N. Dak., 11 a. m., November 18, 1947.

RESOLUTIONS OF NATIONAL COOPERATIVE MILK PRODUCERS FEDERATION

Mr. CAPPER. Mr. President, I have received from Charles W. Holman, secretary of the National Cooperative Milk Producers Federation, copies of resolutions adopted by the thirty-first annual meeting of that organization in St. Louis on November 5. These resolutions define the policies of the National Cooperative Milk Producers Federation for the ensuing year and touch upon many problems which are now, or will be, before the Congress. I feel that these resolutions will be of interest to a large number of producers throughout the United States, and I ask unanimous consent to have them printed in the body of the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

A DAIRY POLICY FOR 1948

1. A PRICE POLICY FOR 1948

Present conditions indicate a continued high level of requirements for dairy products here and abroad in 1948. The intense world demand for grain, coupled with short crops here and abroad, has caused feed prices to advance sharply. Dairy production faces handicaps which are more severe than at nearly any time in the last 30 years. The butterfat feed-price ratio is less favorable than in any previous year except for the drought years of 1934 and 1936. As a result of low dairy-product prices there has been a substantial rediversion of skim milk from direct use as hog and poultry feed. Dairy prices must be raised to levels affording an adequate incentive for maintaining dairy production and securing more complete utilization of dairy products for direct human consumption.

It is expected that during the coming year there will be substantial purchases of dairy products for shipment abroad. We urge the Secretary of Agriculture promptly to announce a schedule of prices at which purchases for foreign shipments will be made during 1948. These prices should provide adequate incentive to maintain production at the necessary levels To insure adequate production it is absolutely necessary that the producer know in advance what these prices are going to be. Unless this policy is followed there is grave danger of widespread diversion from milk production to other more attractive and less hazardous farm enterprises

We authorize the president of the federation to appoint a special committee to advise with the Secretary of Agriculture in developing an adequate purchase program.

2. PERMANENT AGRICULTURAL PRICE PROGRAM

The long-range welfare of agriculture and the Nation as a whole requires a sound program for the stabilization of agricultural prices. There is a need for means of avoiding the erratic short-time fluctuations of prices arising out of temporary and seasonal surpluses, as well as for means of coping with surpluses which persist over longer periods of time. These objectives must be accomplished without Government interference with production, and without a constant drain upon the Public Treasury.

The National Cooperative Milk Producers Federation takes this occasion to renew its endorsement of the permanent self-supporting agricultural price program based on the principles of the surplus holding pool financed by an equalization fee on the first sales of protected commodities. We believe that all the major farm commodities should be afforded the protection of such a program by legislative enactment at the earliest possible date, but that in any event the program should be established for dairy products.

A modernized parity formula is needed to guide governmental policy toward the operations of such an industry-participating holding pool. It is also needed to guide the Secretary of Agriculture in determining prices for current purchasing programs. Complete modernization of the parity legislation should provide for parity prices based on average prices received for individual farm products during the last 10 years. The index of prices paid, which now determines the general level of parity prices, should be replaced by an index of prices which would reflect net farm income per hour of labor equal to the hourly returns of industrial workers.

3. FOREIGN AID

We support a program of adequate assistance for the rehabilitation of war-ravaged countries, within the ability of this country to provide such aid. Such a program should be adequately supervised to insure effective use of funds and resources made available thereunder. It should operate strictly as a supplement to, and not as a substitute for, definite programs of self-aid on the part of the countries receiving such assistance, to encourage their immediate recovery.

We recognize that an adequate rehabilitation program may result in disturbances to our domestic economy. Various control measures have been suggested to minimize these dislocations. We believe that the one effective solution to shortages and inflation is all-out production, industrial and agricultural. Control measures treat the symptoms and not the causes, and are to be avoided wherever possible.

We authorize the board of directors to act on behalf of the federation with respect to any aid in control measures which may be proposed in connection with foreign-aid programs

4. REGULATING OUR INTERNATIONAL TRADE

The National Cooperative Milk Producers Federation has always regarded our international trade relations as being of utmost importance to agriculture. This is because dairy farmers depend almost entirely upon domestic markets. In terms of whole-milk equivalent our imports and exports of dairy products have been about equally balanced, although both represent a very small percentage of the total dairy production of the United States. Because the principal outlet for our dairy products is the domestic market, preservation of that market is a foremost necessity.

Shortly after the First World War imports of storable dairy products and vegetable oils bore severely upon the dairy industry. This caused a break-down of dairy prices and threatened disaster to dairy farmers. Relief was sought and obtained by a series of congressional tariff enactments ranging from the Emergency Tariff Act of 1921 to the last permanent Tariff Act of 1930.

A foreshadowing of what was to come occurred in 1934 when Congress enacted the Trade Agreement Act by which it delegated its tariff-making powers to the President of the United States. This law provided no congressional rule to guide and direct the President with respect to his tariff powers. It limited him only to changes in duties by 50 percent of any existing tariff rate. It permitted also the binding of any article on the free list, and the freezing of any article on the protected list.

Since 1934, under this act a number of trade agreements have adversely affected dairy farmers. The present policy of the administration, furthermore, has been against legislation which would compel imported products, derived from plant and animal life and intended for human consumption, to meet the same sanitary standards that are imposed upon similar products from our own farms.

We are now on the verge of another step through which the State Department is driving us into new international entanglements. It may take many years of unpleasant consequences to extricate ourselves.

The International Trade Organization

The International Trade Organization is in the making. Its basis is a series of some 70 bilateral trade agreements which were executed this year at Geneva, Switzerland. These were followed by the signing of a general master trade agreement, signed for 23 nations. Thus there has been laid the foundation for the erection of a superworld state which will take away from the American people important sovereign rights. It will put us into a position whereby with

certain other nations joining the International Trade Organization we will combine to oppress nations which do not join. From nations within the International Trade Organization we ourselves will be subjected to oppressive tactics if the actions of our Government should not be acceptable.

The Federation recognizes the importance of the world trade situation and the desirability of cooperating with other nations in matters of world trade However, we do not believe that the proposed International Trade Organization is the proper solution of the problem. For the following reasons we are opposed to the United States joining the International Trade Organization.

1. The charter would vest in an untried and untested international organization broad powers over international trade, which could be used to affect materially the general welfare of the American farmers. There is no assurance that such an organization will operate effectively and fairly.

2. The charter contemplates the substantial reduction or elimination of tariffs and other import regulations making no adequate provision for the fundamental differences that exist between nations in standards of production and living and in the availability and cost of labor.

3. Although necessary sanitary regulations would be permitted under the charter, the Organization would have the power to decide whether such regulations were in fact necessary. Sanitary regulations which operated to interfere with the trade benefits of other member nations would be subject to review by an international organization—even though such sanitary regulations did not violate the specific provisions of the charter.

4. The charter would seriously impair present and future farm programs designed to assure to American farmers a fair return for their products and to relieve American agriculture from burdensome surpluses.

5. The charter would set up a system of antitrust and fair-trade-practice regulations on a world-wide basis without adequately defining and limiting the scope of such regulations.

6. A tariff committee which would be set up by the charter would have powers out of proportion to the powers of the whole conference. This committee would act for the organization in proceedings under article 17 of the charter. The committee could require member nations to enter into and carry out negotiations directed to the reduction of tariffs, and could impose sanctions against any nation which it concluded had failed to do so within a reasonable time. This committee would not be elected but would consist of all members of the organization that had signed the new general trade agreement. The committee would not be subject to supervision by the organization and no appeal has been provided from its decisions.

7. The provisions of the charter relating to private investment capital do not provide adequate protection for such capital. Under the proposed charter, investments made by American citizens in foreign countries could be taken over not only for the benefit of the foreign country but also for the benefit of the citizens of that nation. Although payment of just compensation for the property would be required, such payment would be made in the currency of the foreign nation and no adequate provisions are made for withdrawing such payment from the foreign country.

8. The discrimination contemplated by the charter against nonmembers of the organization contemplated may tend to engender further unfriendly feeling toward the United States.

9. The International Trade Organization by providing for tariff regulations through an international organization rather than through Congress would remove the American people still farther from representation in such matters.

It is apparent that the administrators of the trade agreements and the sires of the International Trade Organization are driving this country nearer and nearer to a condition of free trade. It is also apparent that once the International Trade Organization is set up it will be most difficult for any one nation to withdraw from it. To do so would be to risk oppressive sanctions by all of the other nations that are members of the organization.

The conditions of the trade agreements program and the new relationships envisaged in the ITO will foster the dumping into this country of products from abroad and it will encourage [illegible] imports from lands which have cheaper production costs.

For dairy farmers neither livable domestic prices nor foreign markets can be maintained unless there remains a reasonable protection against competitive products such as have been described.

We urge the Congress to save the domestic markets for domestic producers.

If trade agreements are to be continued as a national policy they should be bilateral in character and [illegible] by the United States Senate. Rights of citizens to appeal to the courts should be restored and no agricultural products should be imported unless they carry duties that will [illegible] in costs of production at home and abroad or at not less than the domestic wholesale selling prices.

5. FEDERATION LABOR POLICY

Taft-Hartley Act

We reaffirm our belief in the long-standing basic Federation policy that there are three major interests involved in labor disputes; the public, the employee, and the employer. The rights of all must be protected and promoted.

We believe in balancing the rights and responsibilities of all parties to a labor agreement Financial and moral responsibility should bind employees and employers alike.

We oppose the use of coercion by force or violence or the secondary boycott.

The right of the individual to work or not to work as he may choose should be protected.

The efforts of industrial labor unions to organize farmers should not be tolerated.

The year 1947 has seen a great step forward toward industrial justice and peace in the enactment by the Congress of the Taft-Hartley Act amending the National Labor Relations Act. Those who supported this act are commended for the statesmanlike action.

We believe that this act goes far toward reestablishing individual liberties among labor and equal rights for employers. This act should be given every chance to prove itself by being accorded full cooperation by employees, employers, and the public. The act as it stands should be given the test of time. It should not be amended at this time. If, however, amendments are made, they should strengthen, not weaken the act.

Immediate action is urged to strengthen the act should it prove ineffective in the following:

Securing an effective right of injunction against secondary boycotts.

Interfering with farm-to-market deliveries.

Defining the individual's right to work as clearly as his right to strike.

Prohibiting so-called featherbedding and other make-work practices.

Putting an end to mass picketing and violence.

Strengthening the antitrust laws

In the general field of labor legislation the Federation favors specific action strengthening the antitrust laws to prohibit labor unions from organizing farmers. It must be made illegal for labor union officers, representatives, members of the unions themselves to make any contract or to combine with any persons to fix prices, allocate customers, or restrict production or distribution of any agricultural products.

Wage-hour legislation

If agriculture in the United States were to go on a 40-hour week there would definitely be starvation throughout the world. We are now faced with shortages of all commodities and recommend that all industry and labor forget the 40-hour week and produce goods and render services to alleviate distress.

We are not opposed to minimum wages as now in effect, but feel that if any change is made it should be accompanied by an equivalent change in the parity prices for farm products

We believe that any amendments to the Fair Labor Standards Act should recognize the exemptions now effective covering plants and employees engaged in the [illegible] of agricultural commodities. We also favor the inclusion of buttermilk and casein under the list of products covered by the first processing provisions of the act.

We reiterate our opposition to any legislation that may permit governmental administrative agencies to establish wages under the act through job classification at levels higher than the minimums which may be established by the law itself.

Walsh-Healey Act

We believe that the provisions of the Walsh-Healey Act should be correlated with the provisions of the Fair Labor Standards Act, and in particular with those provisions of the Fair Labor Standards Act relating to minimum wages, maximum hours, and exemptions.

6. BANKS FOR COOPERATAVES

We believe that the banks for cooperatives, operating under the supervision of the Farm Credit Administration, have been of great assistance to all of the farmers of this Nation.

The assistance of the Government to the banks for cooperatives is as fully justified in the public interest as is governmental aid, direct and indirect, to commercial banks and individuals through Federal Housing, insured and other guaranteed loans, free deposits, issuance of currency, and appropriations for loans and for the capitalization of Government corporations—such as the Reconstruction Finance Corporation and the Federal Deposit Insurance Corporation.

The Congress has heretofore on many occasions encouraged and assisted farmers' cooperative associations through legislation. Therefore, we urge the people of this Nation, the President, and the Congress of the United States not to permit the financial structures of the banks for cooperatives in their ability to serve agriculture to be impaired.

We further go on record as:

1. Favoring amendments to the present law to speed up the rate of ownership of the banks for cooperatives by farmer cooperatives through a program of capital retains, patronage refunds, and/or special stock purchases by the cooperatives.

2. Against any changes in the present law which will impose charges on the banks for cooperatives for their use as capital of the funds salvaged from the old Federal Farm Board, whether those charges are in the nature of interest, dividends, or taxes.

3. Favoring continuation of the present procedure whereby the banks for cooperatives and the Governor of the Farm Credit Administration are permitted by law to determine when and to what extent the capital funds available to the banks shall be returned to the Agricultural Marketing Act revolving fund.

4. Favoring continuation of the present law under which funds not needed temporarily by the banks for cooperatives for capital are carried in the Agricultural Marketing Act revolving fund, available for reinvestment in the banks when the needs of agriculture so require.

5. Condemning the attempts—such as were made in the last Congress—to make far-reaching amendments to the laws affecting the banks for cooperatives and other farm credit agencies by attaching special provisions or riders to appropriation bills which have not been considered in the Agricultural Committees of the Congress and upon which the interested persons had not been given any opportunity to be heard.

7. PARTY ATTITUDE

We note with approval the release of the Democratic National Committee under date of Monday, November 3, 1947, in which they definitely pledge their support to the continued development of farmer cooperatives. We quote from the statement:

"Millions of farm families have improved their economic position through cooperation in marketing and in the purchase of supplies.

"The Democratic Party will continue to seek actively in Congress and elsewhere to aid farm cooperatives and to halt the efforts to discredit and destroy these organizations."

We now respectfully request the Republican National Committee to issue an equally frank statement setting forth its position with respect to farmer-owned and farmer-controlled cooperatives.

8. ANTITRUST LAWS

We are opposed to legislation which would prevent the normal development of farmer cooperative associations by restricting them in the acquisition of the assets of other corporations or businesses.

9. NATIONAL HEALTH POLICIES

We believe the Nation is only as strong as the health of its people. We recognize the need for Federal aid to improve national health standards through health education, proper diet information, greater effort in research, and expansion of medical, hospital, and dental facilities. Under the general welfare provisions of the Federal Constitution, the vital importance of national health should be recognized as at least equal to other activities that have long held rank in the executive branch of our Federal Government.

Basic to an over-all Federal health policy is the determination of need based on a careful survey of existing medical, hospital, and dental personnel and facilities. Such surveys should also include personnel, laboratory, hospital, and facility needs in connection with the training of a greater number of men and women in the medical, dental, and general health fields.

Federal health programs and aids should be related to definite needs. Maximum efficiency and best results will come from Federal programs geared to conditions in the various States. State and local autonomy must be preserved.

Compulsory or an over-all extension of health services without local and individual responsibility will destroy the basic objectives sought in a national health program. Medical and health services to the indigent should be provided and low-income groups should be aided in proportion to specific needs.

We believe voluntary prepaid health plans should be encouraged. We recognize the importance of expanding health education among, and providing periodic health examination of all children. This is particularly important in rural areas. Federal aid to expand the personnel, functions, and facilities of county nurses and public health workers should be provided.

We recommend consolidation of various Federal health agencies, such as the Public Health Service, the Children's Bureau, the Division of Health Studies and the Bureau of Research Statistics. Such consolidation into a national health unit would not only reduce unnecessary duplication and expense but it would also increase efficiency. If such a national health unit were given status in the executive branch of the Government along with major Federal agencies it would serve to focus public interest and attention on the basic essentialness of health to national welfare.

10. FARMERS COOPERATIVE INCOME-TAX EXEMPTION

We again urge that nothing be done to impair the right to income tax exemption of bona fide farmer-owned and farmer-controlled cooperative associations. To this end we oppose any change in section 101 (12) of the Internal Revenue Code in the regulations promulgated under that section or in the interpretations of those regulations that have been made by the Treasury Department.

11. RURAL HEALTH PROGRAMS

We believe that the general health and welfare of the rural people can be served by constructive programs of education and service such as that now being conducted by the American Medical Association through its Committee on Rural Medical Service. This program is proceeding along sound lines with the federation and other national farm groups taking part in offering counsel and advice to extend the advantages of an ever-improving health program to all rural people of the Nation.

12. TRANSPORTATION COSTS

All farmers are doubly burdened by rising freight rates, being affected by increased costs of the production supplies they buy and by lowered returns from the products they sell. We therefore protest against increases in freight rates, and particularly against increases in transportation costs arising from policies which lower productivity per man and result in less efficient use of equipment. We support the services provided by the Department of Agriculture in analyzing rate increase proposals and in opposing unwarranted increases. We endorse the activities of all agricultural groups on behalf of lower freight rates, and offer our cooperation in the continuance of such efforts.

13. TRANSPORTATION TAX

We believe that the 3 percent special wartime tax on transportation which bears heavily on perishable food and particularly on the movement of milk from farm to processor can no longer be justified. We urge our member cooperatives and staff to press vigorously for its early repeal.

14. FEDERAL TAXATION AND BUDGET

We urge the balancing of the Federal fiscal budget. We feel that a balanced budget can be better attained by a huge reduction in Federal expenditures and by the elimination of waste. More efficiency and better utilization of manpower by the Federal Government would make possible the saving of vast sums of taxpayers' money. We believe provision should be made to meet the necessary and essential Government services, including national defense and reduction of the national debt.

15. COMMODITY CREDIT CORPORATION

We do not see how the various agricultural programs of the Government can operate without some such instrument as the Commodity Credit Corporation. In view of the fact that Congress has required that all Government corporations that are to be continued secure a Federal charter by June 30, 1948, we urge our staff and member cooperatives to lend immediate support to a bill to provide a Federal charter for the Commodity Credit Corporation.

16. NATIONAL SECURITY

We favor an adequate, highly mobile, well trained and excellently equipped practices before any Federal administrative agency in connection with the affairs of the cooperative.

17. CONTAGIOUS BOVINE DISEASES

Joint Federal-State programs to reduce Bang's disease and bovine tuberculosis have gone far to control these diseases, to safeguard the public health, and to protect the dairy industry. We favor adequate appropriations for both Bang's disease and bovine tuberculosis control. These programs do not include prevention and cure of mastitis which has caused serious losses to dairy farmers. We favor the allocation of adequate funds under the Hope-Flannagan Act for research in respect to mastitis and to develop practical methods to control it. We support the position of the Bureau of Animal Industry in protecting dairy herds from communicable diseases prevalent in other lands.

18. COMMUNITY PROPERTY LAWS

The existence of community property laws in many States and their recognition by the Federal Government results in serious inequities in Federal income-tax payments. We urge that immediate legislation be passed to correct this inequity.

19. ADMINISTRATIVE PRACTITIONERS ACT

We are opposed to legislation which would tend to restrict or limit the right of any officer or agent of a farmer cooperative association to appear or practice before any Federal administrative agency in connection with the affairs of the cooperative.

20. COLUMBIA RIVER BASIN PROJECT

The Columbia, one of the great waterways of the world, lies in what is known as the Columbia River Basin. A great deal of work remains to be done to fully develop the power and irrigation in this area.

We favor the completion of this project for power and irrigation purposes as soon as possible.

21. ST. LAWRENCE SEAWAY

The inadequacy and ever-increasing cost of our overland transportation system and widespread shortages of electric power again focus attention on the St. Lawrence Seaway. We favor the completion of this project for navigation and power purposes as soon as labor and materials can be spared for the work.

22. NATIONAL DAIRY MONTH

The federation will support June Dairy Month in 1948

23. CONTINUANCE OF BASIC POLICIES

The federation reiterates its long-standing policies (1) for retention of Federal legislation controlling the sale of oleomargarine; (2) asking that funds of the Dairy Products Marketing Association be protected for future use for the benefit of the industry; (3) supporting of the advertising and merchandising program of the American Dairy Association and the educational program of the American Dairy Association and the educational program of the National Dairy Council; and (4) supporting the Marketing Research Agreement Act of 1937, the Agricultural Marketing Research Act, and the food allotment program.

We continued to favor (5) a sound program for national security; (6) continued support of the school-lunch program; (7) a continuation of the federation policy on food enrichment; and (8) an adequate youth program to educate young people on the farms in the benefits of the farm-cooperative movement.

24. POLICY INTERPRETATION AND ADJUSTMENT

We endorse and confirm all official actions taken by the board of directors, the executive committee, and the officers of the federation during the past year and authorize the board of directors of the federation, or its executive committees, to make such interpretation and adjustment of these resolutions between now and the next annual convention as changing conditions may require. We further authorize the board or the executive committee to issue such interim policy statements as it

deems necessary to serve the interest of the federation membership.

25. MEMORIAL RESOLUTIONS

It is with profound sorrow that we record the loss of John D. Miller, general council of the Dairymen's League Cooperative Association, nationally known as the dean of cooperative marketing leaders, on November 26, 1946, 9 days before he would have been 90 years old.

Judge Miller, who served for four terms as president of the federation and who was an honorary director for life, carried the banner in many battles for the development of the cooperative movement, first in the legislative halls at Albany and later in the hearing chambers of the United States Congress. His efforts were rewarded by the passage of the Capper-Volstead Act, the magna carta of farmer cooperatives, in the drafting of which Judge Miller played a large part and which stands as a monument to his courageous efforts through the years to make the cooperative movement what it is today.

L. P. Minnogie was claimed by death on January 9, 1947, while returning from the annual meeting of the Oregon State Dairymen's Association. He was president of the board of the Dairy Cooperative Association of Portland, Oreg., and a member of the board of directors of the federation in 1944 and 1945. In the loss of Louis Minnogie agriculture and cooperative circles have lost a tried and valuable servant and a true friend.

John J. McDonald, at the time of his sudden demise May 9, 1947, was general manager of the McDonald Cooperative Dairy Co. of Flint, Mich., and had been a director of the federation since December 1945. His active participation and hard work at federation meetings will be sorely missed by us all.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CAPEHART:

S. 1812. A bill to establish a Department of Transportation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

(Mr. LANGER (for himself, Mr. THYE, Mr. BUTLER, Mr. MCMAHON, and Mr. O'CONOR) introduced Senate bill 1813, to reduce postage rates on parcels containing food, clothing, or medicines mailed to certain foreign countries, which was referred to the Committee on Civil Service, and appears under a separate heading.)

By Mr. PEPPER:

S. 1814. A bill to amend the National Housing Act, as amended; and

S. 1815. A bill for the relief of the Orlando Fuel Oil Co., Inc.; to the Committee on Banking and Currency.

S. 1816. A bill to extend annuity benefits under the Foreign Service Act of 1946 to widows of certain Foreign Service officers who died prior to the effective date of such act; to the Committee on Foreign Relations.

REDUCTION OF POSTAGE RATES ON CERTAIN PARCELS

Mr. LANGER. Mr. President, on behalf of myself, the Senator from Minnesota [Mr. THYE], the Senator from Nebraska [Mr. BUTLER], the Senator from Connecticut [Mr. MCMAHON], and the Senator from Maryland [Mr. O'CONOR], I ask unanimous consent to introduce for appropriate reference a bill to reduce postage rates on parcels containing food, clothing, or medicines mailed to certain foreign countries. I also ask unanimous consent that when the Senator from Rhode Island [Mr. GREEN] returns to the Senate he may add his name as a cosponsor of the bill, if he so chooses.

The PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred; and, without objection, the request of the Senator from North Dakota that the Senator from Rhode Island be permitted to add his name as a cosponsor of the bill will be granted.

The bill (S. 1813) to reduce postage rates on parcels containing food, clothing, or medicines mailed to certain foreign countries, introduced by Mr. LANGER (for himself, Mr. THYE, Mr. BUTLER, Mr. MCMAHON, and Mr. O'CONOR), was received, read twice by its title, and referred to the Committee on Civil Service.

INTERIM EUROPEAN AID PROGRAM—AMENDMENT

Mr. FERGUSON and Mr. TAYLOR each submitted an amendment intended to be proposed by them, respectively, to the bill (S. 1774) to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis, which were ordered to lie on the table and to be printed.

HOUSE BILL REFERRED

The bill (H. R. 4469) to amend the act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof, was read twice by its title, and referred to the Committee on Expenditures in the Executive Departments.

NOTICE OF HEARING ON NOMINATION OF SYLVESTER J. RYAN TO BE UNITED STATES DISTRICT JUDGE, SOUTHERN DISTRICT OF NEW YORK

Mr. WILEY. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Thursday, December 4, 1947, at 10 a. m., in the Senate Judiciary Committee room, room 424, Senate Office Building, upon the nomination of Sylvester J. Ryan, of New York, to be United States district judge for the southern district of New York. He is now serving under a recess appointment. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Kentucky [Mr. COOPER], chairman; the Senator from Oklahoma [Mr. MOORE]; and the Senator from Arkansas [Mr. FULBRIGHT].

NOTICE OF HEARING ON NOMINATION OF ROY W. HARPER TO BE UNITED STATES DISTRICT JUDGE, EASTERN AND WESTERN DISTRICTS OF MISSOURI

Mr. WILEY. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Thursday, December 4, 1947, at 10:30 a. m., in the Senate Judiciary Committee room, room 424, Senate Office Building, upon the nomination of Roy W. Harper, of Missouri, to be United States district judge for the eastern and western districts of Missouri. He is now serving under a recess appointment. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Missouri [Mr. DONNELL], chairman; the Senator from Oklahoma [Mr. MOORE]; and the Senator from Mississippi [Mr. EASTLAND].

NOTICE OF HEARING ON NOMINATION OF JOHN E. PARKS TO BE THIRD JUDGE, FIRST CIRCUIT, CIRCUIT COURTS, TERRITORY OF HAWAII

Mr. WILEY. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Thursday, December 4, 1947, at 11:30 a. m., in the Senate Judiciary Committee room, room 424, Senate Office Building, upon the nomination of John E. Parks, of Hawaii, to be third judge of the first circuit, circuit courts, Territory of Hawaii. He is now serving under a recess appointment. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Missouri [Mr. DONNELL], chairman; the Senator from Oklahoma [Mr. MOORE]; and the Senator from West Virginia [Mr. KILGORE].

NOTICE OF HEARING ON NOMINATION OF HARRY E. PRATT TO BE UNITED STATES DISTRICT JUDGE, DIVISION NO. 4, DISTRICT OF ALASKA

Mr. WILEY. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Thursday, December 4, 1947, at 11 a. m., in the Senate Judiciary Committee room, room 424, Senate Office Building, upon the nomination of Harry E. Pratt, of Alaska, to be United States district judge, division No. 4, District of Alaska. Judge Pratt is now serving in this office under an appointment which expired October 2, 1947. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Missouri [Mr. DONNELL], chairman; the Senator from Oklahoma [Mr. MOORE]; and the Senator from Washington [Mr. MAGNUSON].

NOTICE OF HEARING ON NOMINATION OF JESSE M. DONALDSON TO BE POSTMASTER GENERAL

Mr. LANGER. Mr. President, as chairman of the Committee on Civil Service I give notice that a hearing on the nomination of Jesse M. Donaldson to be Postmaster General will be held on the coming Tuesday, December 2, at 10 o'clock in the morning in room 135, Senate Office Building, the office of the Committee on Civil Service.

NATIONAL SCIENCE FOUNDATION—ADDRESS BY SENATOR THOMAS OF UTAH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an address on the National Science Foundation delivered by him before the meeting of the

Special Libraries Association in Washington, D. C., on November 25, 1947, which appears in the Appendix.]

THE RELATION OF COLLEGES TO GOVERNMENT—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address by him on a round-table discussion at Ripon College, Ripon, Wis., October 31, 1947, which appears in the Appendix.]

THE FUTURE OF THE AMERICAN STANDARD OF LIVING—ADDRESS BY SENATOR FLANDERS

[Mr. BALDWIN asked and obtained leave to have printed in the RECORD an address entitled "The Future of Our Standard of Living," delivered by Senator FLANDERS before the New England Council annual meeting, which appears in the Appendix.]

THE FUTURE OF PUERTO RICO—ARTICLE BY SENATOR CHAVEZ

[Mr. CHAVEZ asked and obtained leave to have printed in the RECORD an article entitled "Puerto Rico's Future in the Eyes of a United States Senator," written by him and published in the September-October 1947 issue of El Estado, which appears in the Appendix.]

PENNSYLVANIA'S HERITAGE OF FREEDOM—HISTORIC DOCUMENTS IN STATE MUSEUMS

[Mr. MARTIN asked and obtained leave to have printed in the RECORD a statement by Charles M. Steese, describing the original documents pertaining to the founding and development of Pennsylvania, deposited in the State Museum at Harrisburg, Pa., which appears in the Appendix.]

THE POLITICAL SITUATION—ADDRESS BY GOVERNOR WALLGREN

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD an address dealing with the present political situation, delivered by Hon. Mon C. Wallgren, Governor of Washington, before the midwestern Democratic meeting at Kansas City, Kans., November 20, 1947, which appears in the Appendix.]

FEDERAL TRADE COMMISSION POLICIES AND ACTIVITIES—ADDRESS BY GARLAND S. FERGUSON

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD an address on the subject Federal Trade Commission Policies and Activities as They Relate to Small Business, delivered by Hon. Garland S. Ferguson, Chairman of the Federal Trade Commission, before a meeting of the Small Business Advisory Committee, Washington, D. C., October 13, 1947, which appears in the Appendix.]

ZEAL FOR DEMOCRACY—ARTICLE BY JOHN W. STUDEBAKER, UNITED STATES COMMISSIONER OF EDUCATION

[Mr. ELLENDER asked and obtained leave to have printed in the RECORD an article entitled "Zeal for Democracy," by John W. Studebaker, United States Commissioner of Education, which appears in the Appendix.]

POLITICAL RECOGNITION OF THE NEGRO

[Mr. LANGER asked and obtained leave to have printed in the RECORD an article from the Republican for the month of October 1947, relating to the attitude of the Republican Party toward the Negro, which appears in the Appendix.]

FREE MAIL PLAN—ARTICLE FROM THE ARMY TIMES

[Mr McMAHON asked and obtained leave to have printed in the RECORD an article entitled "Congress Gets Our Free-Mail Plan," from the Army Times, which appears in the Appendix.]

FOREIGN AID AND DOMESTIC ANTI-INFLATION PROGRAM—ARTICLE FROM THE VETERANS' EDITION OF THE ARMY TIMES

[Mr. McMAHON asked and obtained leave to have printed in the RECORD an article relating to the President's foreign aid and domestic anti-inflation program, from the veterans' edition of the Army Times, which appears in the Appendix.]

REMOVAL OF ARMY OFFICERS—LETTER TO THE ARMY AND NAVY JOURNAL

[Mr. MORSE asked and obtained leave to have printed in the RECORD an article regarding removal of Army officers, from the Army and Navy Journal of October 18, 1947, which appears in the Appendix.]

THE FREEDOM TRAIN—ADDRESS BY MAURICE H. THATCHER

[Mr. COOPER asked and obtained leave to have printed in the RECORD an address on the Freedom Train by Maurice H. Thatcher, in Washington, on November 21, 1947, which appears in the Appendix.]

THE FOREIGN-AID PROGRAM—EDITORIAL FROM THE LOUISVILLE COURIER-JOURNAL

[Mr. COOPER asked and obtained leave to have printed in the RECORD an editorial, from the Louisville Courier-Journal, dealing with the foreign-aid program, which appears in the Appendix.]

CAN AMERICA DO THE JOB?—ADDRESS BY HON. C. GIRARD DAVIDSON

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD an address on the subject Can America Do the Job? delivered by Hon. C. Girard Davidson, before the Young Democratic National Convention in Cleveland, Ohio, November 15, 1947, which appears in the Appendix.]

INTERIM EUROPEAN AID PROGRAM

The Senate resumed the consideration of the bill (S. 1774) to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis.

Mr. WHERRY. Mr. President, during the debate on the foreign aid bill many statements have been made relative to the availability of supplies. I do not care to detain the Members of the Senate at any great length discussing what the availability may be, but I think it is of interest to call attention briefly to testimony which has been adduced within the past few minutes from men who have come to Washington from the midwestern section of the United States where wheat is grown. They are in close contact with growing conditions. What I am saying is not stated in any way as an argument against our doing our full share of what should be done and what can be done in extending aid. I merely wish to bring to the attention of the Members of the Senate the gravity of the situation in connection with the wheat supply, as the information is brought to us by those who are growing the wheat.

One witness, Mr. Kublin, of Kansas, made the statement that while our carryover and production this year total 1,490,000,000 bushels, the domestic consumption amounted to 850,000,000 bushels, which left approximately 640,000,000 bushels to export, and that if we continue to export at the rate intended it would reduce the visible supply for carry-over this year to less than 100,000,000 bushels. That figure is compared with the prewar average of carry-overs in wheat of 440,000,000 bushels. The witness stated, as did others who followed, that it would be dangerous for the United States of America to reduce the minimum carry-over to less than 250,000,000 bushels.

Mr. President, I merely give this information for the consideration of Senators, because when the money authorized by the bill is appropriated it will be used in part to buy wheat, and unless the situation changes, we will not, under the most optimistic reports, have a yield that can possibly total in excess of 1,000,000,000 bushels for the coming year. We are approaching a time of dire need, both at home and abroad, and I wanted to bring this matter to the attention of Senators.

I ask that at this point in the RECORD the testimony of a man by the name of J. L. Welsh, from Omaha, Nebr., be printed as a part of my remarks. It will bring this matter sharply to the attention of the Senate.

The PRESIDING OFFICER (Mr. IVES in the chair). Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF J. L. WELSH BEFORE THE SENATE COMMITTEE ON APPROPRIATIONS ON NOVEMBER 26, 1947

Chairman BRIDGES and members of the Senate Committee on Appropriations, my name is J. L. Welsh. I reside in Omaha, Nebr., and I am here, at the request of your chairman, representing the Omaha Grain Exchange. It is a pleasure for me to come before your committee, and I shall be glad to give you any information I can in regard to the grain situation or any problem that confronts your committee.

I am president and principal owner of the Butler-Welsh Grain Co., of Omaha. We operate some two and a half million bushels of terminal elevator grain storage at Omaha and Nebraska City, Nebr. I have spent 40 years in the grain business.

First, I think it would be well for me to give you the yields of our different varieties of grain in the State of Nebraska during the past year. In 1947 we produced a new record crop of wheat within our State of 95,000,000 bushels. This was 5,000,000 bushels over the production in 1946 and almost double the average production for the 10 years previous.

Our corn production for the year 1947 was 160,000,000 bushels which was 70,000,000 less than the previous year's production.

Our oats crop was 62,000,000 bushels, 10,000,000 bushels less than in 1946.

In barley we had 10,000,000 bushels, almost identical with the yield in 1946.

In rye we had 2,000,000 bushels or 1,000,000 bushels less than in 1946 The production of all grain within our State in 1947 was 77,000,000 bushels less than in 1946

In Nebraska in all positions on October 1, 1947, we had 65,000,000 bushels of wheat on hand, 45,000,000 bushels of which were on the farm, and 20,000,000 bushels "off the farm" in terminal elevators, mills, and country storage. During the last quarter ending October 1, we had a disappearance of wheat in Nebraska of 53,000,000 bushels, which was 11,000,000 bushels more than disappeared during the same period in the previous year.

On October 1, 1947, stocks of old corn in Nebraska from the 1946 crop totaled 25,000,000 bushels, 90 percent of which was on the

farm, and adding this year's production of 160,000,000 bushels gives us a total on October 1 of 185,000,000 bushels of corn in all positions.

On October 1, 1947, we had on hand 53,000,000 bushels of oats, which was 6,000,000 bushels less than in 1946 and 95 percent of these were held on the farm.

The rye and barley stocks were small enough to be no considerable factor.

We find curselves on October 1, 1947, with the total of 313,000,000 bushels of all grains in all positions within the State of Nebraska, which is 39,000,000 bushels less than the totals on hand a year previously.

As of today we have a storage capacity for approximately 27,000,000 bushels of grain in the Omaha market and we now have grain of all kinds in store amounting to 11,000,000 bushels. In other words, we have 16,000,000 bushels of empty space in the Omaha market for the storage of grain.

As you know, we plant our wheat in the fall and harvest it the following July and August Moisture conditions in the fall are an important factor in arriving at the probable production for the coming crop year. In western Nebraska on our high tableland we have excellent conditions with sufficient moisture to give us a fine start for the year 1947. The eastern half of the State did not get sufficient moisture for a good fall growth, but we are in fair condition until we reach the southern tier of counties where we run into a serious drought condition. I believe the State of Nebraska would be glad to settle for a 25 percent reduction from last year's wheat yield.

South of the Nebraska line we have a very serious crop condition resulting from lack of fall moisture. The western half of Kansas, southeastern Colorado, New Mexico, Oklahoma, and the Panhandle of Texas, where the large part of our winter wheat crop is produced, is going into the winter with the poorest moisture supply in 27 years. I find only 2 years where we had a moisture condition comparable with the one prevailing at the present time, and that was in the years 1916 and 1917. In each of these years we ended up with a total production in our Nation of only 635,000,000 bushels of all wheat which would be some 200,000,000 bushels under present domestic requirements. There is a significant difference between the degree of saturation found in the soil this year compared with that of the previous years. Actually there is far less moisture available this year than there was a year ago in the top 2 feet of soil. This will cause the wheat to get a late start in the spring and increase the liability of damage from black rust before harvest.

I shall try not to confuse you with a lot of statistics, but it is my understanding the average disappearance of wheat in our Nation for food, feed, seed, and waste during the past 5 years has been slightly over 6 bushels per capita. I can see no reason why we should not at least have normal consumption under present conditions. If we have 140,000,000 people in America the total disappearance for the present year would be six times that figure, or about 850,000,000 bushels.

On July 1, 1946, we carried over into the new-crop stocks of wheat totaling 100,000,000 bushels. Our abundant production for 1947 yielded 1,400,000,000 bushels to add to this carry-over, or a total of 1,500,000,000 bushels of wheat on hand at the beginning of this crop year. Deducting from this the 850,000,000 bushels required for normal consumption and waste would leave us a total of 650,000,000 bushels for export and carry-over into the coming year, on July 1, 1948. From this you will see if we exported the proposed 570,000,000 bushels it would again on July 1, 1948, bring our carry-over down to less than 100,000,000 bushels.

For the past 5 years our average carry-over of wheat, preceding 1946, was 440,000,000 bushels per year It seems as though it would be dangerous in the face of present growing conditions in the winter-wheat crop in our Southwest to deplete stocks below 250,000,000 bushels. Under these conditions it would be unsafe to export more than 400,000,000 total bushels from the present available supplies.

I now have a personal proposal that I think might have considerable bearing on the available supplies of wheat, not only for domestic consumption, but for export, the balance of this year and the year 1948. It is a proposal to release the impounded wheat that is being held by the producer as a result of income-tax problems which he faces. It is presumed to encourage the sale of wheat by amending the Internal Revenue Code.

This proposal was submitted in the Senate yesterday by Senator BUTLER of Nebraska, and he is presenting a bill that proposes to permit the farm producer to market his grain at any time he wishes through normal channels and to account for it on an income-tax basis that will free him of his income-tax problems.

During the recent war the grower of wheat and rye was as willing as the manufacturer of industrial products or any other producer to market his product, to use the world markets as an outlet for a share of his production and to deliver his wheat at the ceiling prices that were set for disposal.

Since the war the producer of both wheat and rye have been penalized by being denied the privilege of selling in the world's markets. This privilege is denied by the exporter not being granted permits to export these products in the world's markets.

A large proportion of our surplus wheat is produced on our western plains of Nebraska, Kansas, Oklahoma, Texas, Colorado, Wyoming, Montana, North Dakota, Minnesota, Idaho, Washington, and Oregon.

Most of these producers, along with the businessmen who own farms and share in the production of wheat on their holdings, now find themselves involved in an income-tax problem placing them in high brackets where they cannot sell stock on hand without sacrificing the greater part of the proceeds of their holdings.

Wheat is reported to have sold in the world market during 1946 as high as $5 per bushel f. o. b. boats in Argentina—in American dollars. During the present year sales have been reported as high as $6 per bushel. During this period top values in our interior domestic markets for wheat reached $3 per bushel, which is about $3.50 seaboard.

So the producer of wheat has been penalized since the end of the war by the refusal to grant export permits and his inability to take advantage of the much higher world market for his products, some $2 to $2.50 per bushel.

In order to free this impounded wheat and to stop the advancing prices that is resulting through competition for the small supply coming on the market, it is proposed that the surtax on income from sale of wheat and rye be limited to a maximum of 25 percent, plus the 3 percent normal tax. This would make a total of 28 percent tax on all income from wheat and rye accounted for by the producer.

It would release impounded stocks on farms and provide an abundant supply of wheat for the relief of the starving, and release sufficient supplies of wheat to materially reduce the competition now prevailing for the small stocks that are being marketed. The increased marketing that would result should provide plenty of wheat for both export and home consumption and stop the bidding for small available supplies that is resulting in our consumer at home having to pay each month new high prices with the resulting inflationary pressure.

This tax would apply to the taxable years of 1947 and 1948 and could be extended beyond that period if the producer of these grains was still being penalized at the end of the taxable year 1948 by refusal of export permits that would still keep him from getting the advantage of higher world's prices.

Probably 75 percent of the wheat stocks on farms today are being held as a result of income-tax problems such as outlined.

The farmer is not holding wheat out of any desire to be vicious or unfair to the starving people of the world, but he has a financial problem, and like any real businessman wants to dispose of his wheat as advantageously as possible. With the present tax load many can get but 55 cents per bushel by the sale of $3 wheat In some of our heavy producing areas upward of 50 percent of last year's crop is being held and carried forward to future tax years.

On October 1, 1947, USDA report stocks of grain on farms is 630,000,000 bushels. If 50 percent of this stock could be released by the proposal above, you can see that it would supply sufficient wheat to relieve our present competitive markets. The producer would be helped by the lower tax rate and the consumer helped by the lower prices that might result from the added supplies being marketed.

As a precedent for such relief, we refer you to section 127 of the Revenue Act which grants the privilege of accounting on a 25-percent capital gains basis to the timber growers, also to the depletion of stocks relief of 27½ percent granted to producers of oil.

Surely we have sufficient reason to believe the wheat grower who has been so severely penalized in the sale of his product, particularly since this would also release the impounded wheat that is so badly needed, both for export and for domestic use.

Thanks for the opportunity of appearing before your committee and again I want to tell you that I shall be only too happy to do anything that I possibly can in giving you any available information I possess.

Mr. WHERRY. Mr. President, we have heard discussion of the visible supply based upon what the moisture may be and what other conditions may prevail, which is one thing. I particularly asked Mr. Welsh what effect there might be on the crop this year if crop allocations are imposed upon the wheat producers and the producers of other grain, as was outlined and submitted to the Joint Committee on the Economic Report on November 21 by one Carl C. Farrington, who is the Assistant Administrator of the Production and Marketing Administration, United States Department of Agriculture.

As a premise for the questions I read to this witness some of these allocations. Once again I say that I do not care to detain the Senate as it is considering the question of foreign aid, but I do desire to bring forcibly to the attention of Senators what is contained in the suggested legislation, and what this administration is asking for under these allocations and controls.

Upon that basis I asked the witness, "If we go back to the controls suggested, what effect will it have upon the wheat farmers in producing?" The testimony was that it certainly would decrease the production acreage of the wheat farmers in the Middle West.

So when there is talk about allocating and about rationing and about doing this and the other thing with a crop, it is my opinion, based upon the testimony of these witnesses, and also from a consideration of what happened in the years

prior to the war, that if allocations go into effect as is now proposed, we cannot expect to have the yield of wheat which might be produced under the conditions which would prevail if the farmers were free of controls.

I remind the Members of the Senate that in 1944 and 1945, and in the following years, we had the largest production of wheat ever known. This was accomplished without controls. Last year the wheat farmers of America produced 1,400,000,000 bushels, the largest wheat crop ever known in this country, without the limited acreage and other controls which had theretofore been imposed upon them. So, humbly but with as much force as I can command and with the utmost sincerity—because the idea of controls shocks me to the very fibers of my soul—I suggest that if we are to commit ourselves to a program of relief abroad, it be made plain that we are not voting for a program that will impose restrictions and controls upon the producers of the United States of America. I think it is a serious matter, because in the very last part of his testimony Mr. Farrington said that not only should allocations be made but—and I quote his words:

> To insure the maximum savings of grain and at the same time combat inflation, authority for rationing and price ceilings should be provided.

That would be taking a fatal step. On the one hand, Mr. Farrington says, "Ration! Ration! Ration! Allocate! Do not feed cattle." If we do not feed cattle, Mr. President, the meat supply will be decreased. The same statement applies to pork, and to chickens. When we begin rationing one thing, whether it is corn or whether it is wheat, or whether it is in connection with an allocation to livestock, it is my opinion we must go the whole way, because they are inseparable; one cannot be rationed without the other.

I merely wanted to call this matter to the attention of Senators, because it seems to me that if in our desire to feed those whom we should like to feed, there is any doubt that it will require the imposition of allocations and price controls, now is the time to think about it. I for one believe that if we are to get the maximum production, it will have to be done as it has been done in the last 2 years. While I want to do my part, and I am open-minded in the matter, I want the Senate to understand my position is that in the authorization bill I am not to be understood as agreeing to any particular amount, until I have been able to study the availabilities of supply, and that if I am voting for it, I am voting for it with the idea that it does not impose restrictions or limitations or price controls upon the economy of the producers and the people of the United States of America.

In conclusion, I should like to introduce the entire statement of Mr. Farrington, because I think it is informative. I think it is notice by the administration of what is expected, and I think all Senators should consider it in connection with allocations.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT ON ALLOCATION CONTROLS BY CARL C. FARRINGTON, ASSISTANT ADMINISTRATOR, PRODUCTION AND MARKETING ADMINISTRATION, UNITED STATES DEPARTMENT OF AGRICULTURE, BEFORE THE JOINT COMMITTEE ON THE ECONOMIC REPORT, NOVEMBER 21, 1947

This statement covers items 5 and 7 of the President's recommendations for immediate legislative action insofar as those recommendations apply to agriculture. Item 5 recommends action to conserve grain through the most efficient marketing of livestock and poultry, and item 7 recommends authorization for allocation and inventory control of scarce commodities which basically affect the cost of living or industrial production.

We believe that everything possible to make additional quantities of food available for export should be accomplished on a voluntary basis. As the President has pointed out in his message, voluntary means of doing the job that needs to be done should be stressed both before and after mandatory measures are made available for use as needed.

The Department has already begun an extensive program of education and assistance to producers in conserving grain and using it in the most efficient manner, as the Secretary testified in connection with item 6. This work needs to be continued and intensified.

However, the reduced supplies of feed available for use this year, the probabilities of lower meat production and possibilities of a much smaller wheat crop in 1948, the continuing high level of consumer demand in this country, and the urgency of maintaining a large flow of food abroad, while at the same time assuring that our own essential needs will be met, make it essential that we be prepared to use allocation powers and inventory controls. In some cases rationing and price control would be necessary to afford the necessary protection to our own economy.

While we understand it is the desire of the committee to defer for the time being hearings with respect to items 9 and 10 of the President's 10-point program, it will be necessary in developing our statement with respect to items 5 and 7 to make some reference to price and distribution, since price control and rationing, together with the use of allocations, would constitute the principal means, outside of voluntary measures, of accomplishing the objective stated in item 5.

Our grain supplies largely determine our ability to meet the demands for food abroad and for livestock products at home. Of the total quantity of grain and grain products and byproducts, utilized in the past year, approximately 75 percent was fed to livestock, about 15 percent was used for domestic food, seed, and all industrial uses and about 10 percent was exported. But this 10 percent of our grain supplies exported constituted about 80 percent of our total exports of more than 19,000,000 tons of food. It is apparent that any substantial reduction in grain supplies must be immediately reflected in feeding operations, and any substantial saving in grain, in order to make more available for export, must come largely from a reduction in the feeding of grain.

The total feed grain and other feed concentrate supply for 1947–48 is 139,000,000 tons compared with 162,000,000 in 1946–47 and a 1937–41 average of 136,000,000 tons. Supplies per grain-consuming animal are about 14 percent smaller than last year.

This reduction in the supply of feed makes it necessary that we market hogs at lighter weights, market beef cattle with less finish, cull our dairy herds and poultry flocks more closely than normal, reduce broiler and turkey production, and use our feed supplies as efficiently as possible.

These necessary measures with respect to livestock feeding operations will inevitably result in smaller supplies of livestock products in 1948 than we had in 1947. Meat production in 1948 is expected to total about 21.5 billion pounds or 1.5 billion pounds less than estimated production in 1947. The supply of meat for domestic consumption per person in 1948 will be about 146 pounds or about 10 pounds less than in the present year The decrease in meat production next year will be in both beef and pork and will be a reflection of the short corn crop this year as well as the decreasing numbers of cattle on farms and ranges. The decrease will be most pronounced in the spring and summer of 1948 when marketing of hogs and all grain fed cattle will be sharply reduced.

Although total meat production and supply of meat per capita in 1948 will be smaller than in 1947, the supply of meat available will be much above the prewar 1935–39 average of 125.6 pounds. Despite this fact, the decrease from 1947 along with a high level of consumer incomes will tend to further strengthen prices that are already at or near record levels. No material increase in meat production over the reduced 1948 level is likely until after the summer of 1949.

The hog-corn price ratio has been well below average almost continuously since May. Together with the poor corn-crop prospects, the below average ratio has tended to reduce the size of the 1947 fall-pig crop below the indications in the latest pig-crop report, issued in June, and possibly almost as low as the 1946 fall crop. These factors also indicate that the 1948 spring-pig crop will be smaller than the 53 million saved in the spring of 1947, and may be smaller than the goal of 50 million announced for the spring of 1948. The unfavorable feeding ratio has also reduced hog weights, particularly since August. The average weights of barrow and gilt butcher hogs received at the major Corn Belt markets during October and November have run 10 to 20 pounds lighter than in the same months of 1946, but have averaged slightly above the prewar 1937–41 average.

Prices of meats and livestock have been at record or near-record levels in recent months. For example, the price of hogs in October 1947 was 93 percent above the June 1946 level. Choice and Prime beef steers were 89 percent above the June 1946 level. Fresh pork loins were 112 percent above the June 1946 level. Bacon was 168 percent above the June 1946 level. Choice steer carcass beef was 117 percent above the June 1946 level. Further strength in these prices is likely during 1948 as a result of reduced supplies and continued strong demand.

Although livestock feeding ratios now are unfavorable, particularly for hogs, a further advance in prices of meats and livestock, as supplies become shorter, will have one or both of the following results: (1) An improvement in feeding ratios which would encourage more grain feeding of livestock with grains already in short supply, or (2) further advances in grain prices, which would prevent such a further increase in livestock feeding ratios.

In 1947 we produced a record wheat crop of more than 1,400,000 bushels. This record production of wheat exceeded the 1946 production (which in turn was a record) by almost 250 million bushels. It has been a godsend in view of the sharp reduction in the crops of western Europe and limited export availabilities from Canada, Argentina, and eastern Europe.

It has also helped offset the reduction of 800,000,000 bushels in the corn crop in 1947 as compared with 1946. Even the record crop of this year was not enough to supply all needs. Wheat prices have advanced sharply. The current price of wheat at Kansas City is about 40 percent above the price a year ago and about 60 percent above the June 30, 1946,

price. It is estimated that the use of wheat for food in this country will total about 510,000,000 bushels this year or about the same as in other recent years. Feed use was estimated early in the year as high as 350,000,000 bushels but as a result of conservation measures and the increase in the price of wheat it now appears that feed use may be as low as 250,000,000 bushels and could be even lower. Seed use should be about 85,000,000 bushels, leaving 646,000,000 bushels for export and carry-over. If crop prospects in the spring look sufficiently favorable to permit the carry-over to be reduced to below 150,000,000 bushels it would be possible to export up to 500,000,000 bushels. If crop prospects are unfavorable it would be dangerous to reduce our carry-over to that level.

We have asked farmers to plant for harvest in 1948 another near-record acreage of wheat. It is well known, however, that weather conditions in the southern Great Plains area have been very unfavorable this fall and large areas have been extremely dry. Rains during the past week have partially relieved this drouth condition but unusually favorable weather conditions will be necessary in order to assure another large crop in this area.

The necessity of reducing our carry-over to relatively low levels in order to meet export needs this year together with the possibility of a much smaller production in 1948 and continuing heavy export needs in 1948–49 create a situation which makes it essential that authority be available not only for controlling the export of wheat but also for limiting inventories and directing use to the most essential channels.

Other commodities which are important sources of food for export include fats and oils, rice, beans, and peas. For these also there is likely to be need for some domestic allocation controls as well as for controls of exports.

The allocation powers which are believed necessary in order to be prepared to deal adequately with the domestic use of food include:

1. Authority to allocate food by—

(a) imposing limitations on inventories;

(b) restricting and prohibiting the use on the basis of the essentiality of the particular use;

(c) placing limitations on the delivery or transportation;

(d) requiring producers and distributors to set aside specific amounts or the entire production for acquisition by governmental agencies;

(e) providing for priorities in the filling of orders based upon the essentiality of the use for which the order was given, including priorities for export; and

(f) establishing an import licensing system to control the importation of foods to make effective cooperation with friendly nations with respect to world short supply.

2. Authority to allocate the use of facilities and nonfood materials to carry out the food program by—

(a) restrictions upon the use of storage facilities, limiting their use to the storage of specific commodities and for specific periods of time;

(b) controlling the distribution and importation of fertilizer;

(c) controlling the distribution of farm machinery;

(d) controlling the use of transportation facilities by rail carriers; and

(e) controlling the use of tin and tin plate to aid in the preservation of foods.

It would be preferable that these authorities be granted in general terms similar to those contained in the Second War Powers Act, but if it is considered desirable to specify the particular material or facilities relating to food, the materials which we believe should be specified are grain and grain products, rice and rice products, dry beans and peas, fats and oils (including oil-bearing materials, fatty acids, soap and soap powder, but not including petroleum and petroleum products), livestock and poultry and their products, and milk and milk products. In addition, we believe provision should be made, under a public hearing procedure, for the use of these powers with respect to other commodities and facilities whenever it is determined that such action is necessary in order to fulfill the requirements for the defense of the United States, for carrying out the foreign policy of the United States, and for purposes necessary to the health, safety, and welfare of the American people.

We believe that the exercise of the allocation authority, as proposed above, could limit or prohibit the use of scarce commodities in less essential uses and prevent hoarding in commercial channels through inventory-control limitations, thereby increasing the amount available for essential uses and exports. Through priorities and set-aside programs procurement for export under the program would be aided.

In the event of an emergency situation such as might be brought about by an extremely short wheat crop, for example, the powers should be such as to make it possible for the Government to become the sole buyer of the crop in a manner similar to that which was used during the war with respect to soybeans, peanuts, and wool.

Similarly the allocation powers with respect to poultry might be used to limit the number of eggs set by commercial hatcherymen during a specified period of time in the event this is necessary in order to keep hatchings at a rate consistent with available feed supplies. In the case of livestock they could be used to limit inventories of livestock products, thereby assuring more equitable distribution.

Our experiences during the war period provide many examples of cases in which allocation authorities were needed to make the most effective use of our total available food supplies. For example, by this means distillers were prohibited from using wheat and were limited in the quantity of grain they could use in the manufacture of both beverage and industrial alcohol and brewers were prohibited for awhile from using wheat and table grades of rice and limited in the total quantity of grain used by them. Mixed-feed manufacturers were prohibited from using wheat of milling grades and limited in the quantities of other feed ingredients that they could use. Flour millers were limited with respect to the quantity of wheat they could use in the manufacture of flour for domestic use, and bakers were prohibited from engaging in certain wasteful practices. Inventories were limited generally throughout the grain processing and distribution channels. All of these measures were designed to direct grain into its most essential uses and to the extent that it is necessary to do so could be used again if the allocation powers were reenacted as recommended.

During the war period also, inventory controls and use limitations were found necessary with respect to nearly all fats and oils and oil-bearing materials. The use of these powers may again be needed in order to conserve supplies, assure equitable domestic distribution, and make available necessary minimum quantities for export. The Department has been cooperating and will continue its cooperation with industry in the fat-salvage campaign, which has provided about 10 percent of our inedible tallow and grease supplies.

Set-aside orders were used frequently during the war period to assure the availability of adequate supplies for the most essential uses and facilitate procurement by Government agencies. In view of the shortages that are in prospect and the large volume of Government procurement that may be necessary for export these powers should again be available.

In conclusion, I feel that I should stress again that the Department proposes to do all it can through voluntary measures to meet our export program and bring about needed adjustments in the use of grain. We have no wish to go through another period of emergency controls.

But we must face realistically the facts of the current and prospective situation. These facts indicate that the allocation powers discussed above, though essential as the first step beyond voluntary measures, may not get the full job done. To insure the maximum savings of grain and at the same time combat inflation, authority for rationing and price ceilings should be provided.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. WHERRY. I shall be glad to yield, if I have the floor.

Mr. REVERCOMB. Will the able Senator advise us from what hearings these documents come?

Mr. WHERRY. The statement by Mr. Farrington was from the hearings of the subcommittee of the Joint Committee on the Economic Report, on the afternoon of November 21, 1947. It is only in mimeographed form, and for that reason I desired to have it placed in the RECORD, at this point, so that all Senators might read it.

Mr. REVERCOMB. Mr. President, will the Senator yield further?

Mr. WHERRY. I yield.

Mr. REVERCOMB. May I merely comment that I am glad indeed the Senator has placed this information in the RECORD, not only for the Senate but for the American people. It is indeed time that we look to the supplies of this country as well as to the needs abroad. Let me say further that while there is great appeal to help those who are in need abroad, any help rendered to them must be geared to the requisites of this country.

Mr. WHERRY. I thank the Senator for his observation.

In further reply to the Senator from West Virginia, I should like to add that the statement covering testimony by Mr. J. L. Welsh, of Omaha, was adduced in the Senate Appropriations Committee hearings, which are proceeding at the present time. I have taken it from a mimeographed sheet, and I offered it in order that Senators may understand something about the available supplies, and their relation to the commitments we are about to make.

The PRESIDING OFFICER. Senate bill 1774 is before the Senate and is open to further amendment.

Mr. VANDENBERG. Mr. President, I should like to call up the amendments submitted by the able Senator from Missouri, but I will yield for other matters, if Senators wish to be recognized.

GOVERNMENT DESTRUCTION OF FOOD

Mr. WILLIAMS. Mr. President, on November 19, Secretary of Agriculture Clinton P. Anderson, in denying reports that the Government was holding huge supplies of food purchased under the mandatory support program, stated that stocks of white potatoes held by the Commodity Credit Corporation were only 2,454,000 bushels or less than two-thirds of 1 percent of the 1947 crop.

But what Mr. Anderson failed to tell the American people was that the reason

for these low inventories of potatoes was due to the program of the Department under which they had been destroying these potatoes during the preceding months. This program of destroying edible foods has been and is continuing to be carried out even today, notwithstanding the severe shortages of food products throughout the world.

For instance, during the period intervening since last March, at which time Congress authorized its first appropriation for the relief of the people of Europe, the Production and Marketing Division of the Department of Agriculture have purchased and destroyed or rendered unfit for human consumption over 17,000 carloads of white potatoes—basis 33,000 pounds per car. Not only has the Department of Agriculture lost all the money originally paid as purchase price for these potatoes but also they have actually paid out additional cash to get rid of them.

On October 1 of this year, the President organized the Citizens Food Committee and launched a program to conserve food for Europe. Further to emphasize the seriousness of the food situation, a plan was developed under which a Friendship Train left the Pacific coast, making a tour of the country soliciting and gathering contributions of the American people for the hungry people of Europe.

During this same period, since October 1, while the administration was appealing to the American people to conserve food and was urging Congress to restore rationing and price controls to hold down the cost of living in this country, the Government has actually been destroying food faster than it has been collecting it. Notwithstanding all the propaganda to conserve food, as I said, we find that the Government itself, through the Commodity Credit Corporation, was actually destroying food several times faster than the Friendship Train was collecting it. For instance, during this short period in which the Luckman committee was in operation our Government destroyed or rendered unfit for human consumption over 1,000 carloads of good, edible white potatoes.

The Department of Agriculture has tried to explain this inexcusable extravagance by saying that these potatoes could not be exported. Positive proof that this explanation cannot be substantiated is contained in the records of the Department itself, which disclose that millions of bags of American white potatoes have been exported during the past years. It is estimated that 5 bushels of potatoes will take the place of 1 bushel of wheat for human consumption, that is, that they equal 1 bushel of wheat in calorie content. Therefore, had our Government taken these potatoes and diverted them to the relief program in Europe for human consumption, it would have been the equivalent of saving 3,000,000 bushels of our much needed grain.

Only one conclusion can be drawn from this contradictory program; namely, that the administration is more interested in developing a food emergency, making it possible again to place the American people under a controlled economy, than it is in feeding the hungry of Europe.

THE FREEDOM TRAIN

Mr. McMAHON. Mr. President, will the Senator from Michigan yield to me to comment on the Freedom Train?

Mr. VANDENBERG. I yield.

Mr. McMAHON. Mr. President, the Freedom Train started in Philadelphia September 17, 1947, on the one hundred and seventieth anniversary of the birth of our Nation. The idea was originated and developed by the Attorney General, Tom Clark. He should receive the thanks and commendation of all Americans for it. The idea was taken over by a group of enthusiastic and philanthropic private citizens for all the people. This group of private citizens representing industry, labor, finance, education, and the churches, was organized into the American Heritage Foundation and incorporated here under the laws of the District of Columbia, as an educational, philanthropic, and non-profit-making corporation, to manage and finance the project. Both the idea and the management of it have proved an enormous success.

The Freedom Train is made up of seven cars painted a predominant white with red and blue striping. It will visit 300 cities in 48 States, and will journey 33,000 miles. It will continue until September 1948.

The Freedom Train was conceived to reawaken the Nation to the ideals and principles on which this country was founded, and to offset the apparent letdown after the end of World War II.

At every place the train has stopped it has been visited by multitudes. It will arrive in Washington tomorrow, Thanksgiving Day, and remain over Friday.

It is to be visited by the President and his Cabinet on Friday.

The true spirit of America has certainly been attested by the crowds that have come to see the train wherever it has visited.

It seems to me no exaggeration to say that we can discover the heartbeat of America in the documents on the Freedom Train.

The roots of American freedom, as we know, go back beyond the discovery of America.

One of the exhibits is a thirteenth century manuscript of the Magna Carta.

Then as one walks along, he will see a 1622 text of the Mayflower Compact.

It begins: "In the name of God Amen." It goes on to say:

> We whose names are underwritten have undertaken for the glory of God and the advancement of the Christian faith, and honor of our kind and country, a voyage to plant the first colony in the northern parts of Virginia.

It is the language of rugged men who love and fear God.

Then as the decades roll on, we see the tremendous stirrings of freedom rising like the sun over America.

Great names come into the light of history.

Thomas Jefferson makes his great statement on the rights of the Colonists in 1774. Later we see his manuscript copy of the Declaration of Independence, attested and signed by Benjamin Franklin and Silas Deane.

We begin to come upon the documents penned by Thomas Paine. We come across the name of Paul Revere. We see the original orders of the Continental Congress increasing the powers of Gen. George Washington.

And we see a letter of Washington to Gouverneur Morris that should touch our hearts today. Washington complains of the armchair strategists, as he called them, who even in those days were good at criticism but short on ideas.

The Freedom Train gives us an interesting phase of American history when we see the upbuilding of religious freedom in our country.

There is the original manuscript letter written by President Washington to the Hebrew congregation in Newport, R. I. Here the Father of his Country expresses his profound belief that "happily the Government of the United States gives to bigotry no sanction, to persecution no assistance."

There is the Roger Williams' statement on religious freedom, which goes back to 1644. And in the same general bracket we have again Jefferson's bill for religious freedom dated 1784. This bill modified somewhat by the Virginia Legislature established freedom of worship in the Commonwealth of Virginia and set a precedent for the Bill of Rights.

The Bill of Rights itself is perhaps the greatest glamour document of all on the Freedom Train. Here we have from the National Archives the original and official document—the Bill of Rights in all its glory. Here in the first 10 amendments to the Constitution we are guaranteed such precious liberties as freedom of speech, freedom of religion, and freedom of the press. It is inscribed on parchment and is signed by Frederick Augustus Muhlenberg, Speaker of the House of Representatives, and John Adams, Vice President of the United States and President of the Senate. Here is the very keystone of our American heritage.

The story condensed for us with such crowded drama on the Freedom Train goes on and names appear: Alexander Hamilton, James Madison, Francis Scott Key, whose original manuscript of the Star-Spangled Banner is one of the exhibits. The country has its great internal struggle and we see the Emancipation Proclamation, the Lincoln Gettysburg Address. We see a letter later from Gen. Robert E. Lee, accepting the presidency of Washington College.

We emerge from the story of the War Between the States with a feeling of malice toward none, charity for all.

Slowly we see the growth of women's rights. There is the petition of the National Women's Suffrage Association to Congress in 1873. There is the petition of Matilda Hindman in 1874 asking Congress not to disenfranchise Utah women.

Then, finally, in 1919, we have the nineteenth amendment and its adoption on August 26, 1920. The few ladies present in the galleries who may be old enough to vote know the tremendous significance of that amendment. The train has the original amendment in the usual form of a joint resolution to Congress.

As the story chronicles itself in these documents, we see American freedom following the American flag. There is the story of the Philippine Islands which we saw win their independence in our own day under the Truman administration. We see documentary evidences of our attitude of fair play to Cuba. We see slavery and peonage abolished in Guam.

There are echoes from the far corners of the earth of the influence of American ideas of freedom.

The train has what amounts to a whole chapter on the history of the freedom of the press.

Liberty was something this country widened and amplified.

And finally we come to the present phase of American and world history.

There is the declaration by the United Nations and the United Nations Charter documents that tie the world into a single unit.

We have much documentary material of the war—World War II—that made this unity possible.

Again great names of our own time appear: Eisenhower, Leahy, Wainwright, Spruance, Halsey, Nimitz, Stilwell, Mark Clark, MacArthur, Marshall, and, of course, Franklin Delano Roosevelt.

There is a heart-warming touch among all these documents when we see the flags rich in blood and glory, the blood and the glory that kept this Nation alive and makes us today the greatest nation of all time.

There are, to be sure, the German and Japanese surrender documents—unconditional surrender. But there are also the flags of Iwo Jima, the flag of the Supreme Headquarters of the Allied Expeditionary Forces, the flag flown from the U. S. S. *Missouri* when the Japs surrendered.

Mr. President, when you see the Freedom Train, you see the glory of your country and its grandeur.

INTERIM EUROPEAN AID PROGRAM

The Senate resumed the consideration of the bill (S. 1774) to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis.

Mr. VANDENBERG. Mr. President, I am very anxious that if possible we proceed to consider amendments so that we may perfect the bill, even though there is to be further general debate on the bill itself. Before doing so I wish to comment very briefly on the observations made a few moments ago by the distinguished Senator from Nebraska [Mr. WHERRY]. I think it is very important that warnings such as he has indicated should be very bluntly voiced, and I think it is highly essential that the exploration of our domestic economy should be as complete as possible in making any plans of the character that are either here pending or are subsequently contemplated. I certainly have no quarrel with the Senator when he demands that sort of attention from Congress and from the country.

I am sure he did not intend to infer, however, that there is anything in the pending bill which involves the necessity of controls or rationing under the testimony of any witness who has appeared. The fact is quite the contrary. I particularly call attention to the saving clause in section 4 which the committee deliberately wrote into the bill for the purpose of protecting its continuing administration against any of the crises of the character to which the able Senator referred. I am referring to the sentence which provides:

> This act, however, shall not imply any obligation to give assistance to any of the countries mentioned nor shall it imply or guarantee the availability of any specific commodities.

The latter part of that sentence is deliberately written into the bill in contemplation of the fact that substitutions may be necessary in connection with the regime even of this interim measure. So I think the spirit in which we present the interim measure is in no degree in conflict with the remarks submitted by the Senator from Nebraska.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr REVERCOMB. Will the Senator point out where the language appears in the bill?

Mr. VANDENBERG. It begins in line 4 on page 3.

Mr. REVERCOMB. I thank the Senator.

Mr. VANDENBERG. The able Senator from Missouri [Mr. DONNELL] submitted several amendments last night which have been studied in the interim, and we can find ourselves in substantial agreement at several points. I do not want to interfere with the Senator's control of his amendments, but if he has no objection I should like to have him first call up the amendment relating to the deposit in local currencies abroad.

Mr. DONNELL. Mr. President, I am willing to follow that course, if the Senator desired I do so. I had intended to call up amendment lettered "D" first.

Mr. VANDENBERG. Suppose we get rid of those upon which we are in agreement first.

Mr. DONNELL. Very well. I will call up first at this time therefore the amendment which is lettered A.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 4, it is proposed to strike out lines 11 through 23 to and including "(c)" and in lieu thereof to insert the following:

> (b) to make, when any commodity which is not furnished on terms of repayment in dollars is made available under this act, a commensurate deposit in the currency of such country in a special account under such general terms and conditions as may, in said agreement, be agreed to between such country and the Government of the United States, and to hold or use such special account for, and only for, such purposes as may be agreed to between such country and the Government of the United States.

Mr. VANDENBERG. Mr. President, if the Senator from Missouri will permit me I should like to make a brief statement.

Mr. DONNELL. I am glad to yield.

Mr. VANDENBERG. This amendment was discussed at considerable length on yesterday. It originates in its fundamental purpose with the chairman of the committee, and reflects what the chairman believes to have been the intent of the committee. The net result of it is to extend the requirement for the deposit of compensatory local currencies to all commodities which may be received by a beneficiary country instead of merely to commodities that are resold. It also broadens the field in which the beneficiary country and the Government of the United States are permitted to agree upon the disposition of the ultimate trust fund.

When the amendment was submitted yesterday the able Senator from Missouri suggested one or two clarifying changes to make the purpose specific. After consultation with the State Department, which is responsible for the administration of the act—and I felt it was particularly necessary to consult the Department at this point, because this is a rather technical operation—I find that the language proposed by the Senator from Missouri is entirely satisfactory.

In the course of the debate yesterday afternoon the able Senator from Georgia [Mr. GEORGE] raised the point that, except as a saving clause were added, the amendment would preclude payment by beneficiary countries for any of the commodities received. I have discussed the matter this morning with the Senator from Georgia. He, too, is in agreement with the text as now submitted. Therefore, I think we are all in agreement, and I hope the amendment may be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. DONNELL].

The amendment was agreed to.

Mr. VANDENBERG. Mr. President, I now ask the Senator from Missouri to call up his amendment D.

Mr. DONNELL. Mr. President, I now offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Missouri will be stated.

The LEGISLATIVE CLERK. On page 7, lines 6 and 7, it is proposed to strike out "or any other official or officials of the Government."

Mr. DONNELL. Mr. President, in compliance with the suggestion of the senior Senator from Michigan, and in full accord with my intention, I am pleased to offer amendment D at this time. May I inquire of the Senator from Michigan whether or not there is a disposition to agree to it?

Mr. VANDENBERG. There is no objection to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Missouri.

The amendment was agreed to.

Mr. VANDENBERG. Mr. President, may I ask the Senator from Missouri if this leaves only two other amendments?

Mr. DONNELL. That is correct; amendment F and amendment C.

Mr. VANDENBERG. I suggest that the Senator offer amendment B.

Mr. DONNELL. I shall be glad to do so.

Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Missouri will be stated.

The LEGISLATIVE CLERK. On page 7, it is proposed to strike out the last sentence and in lieu thereof to insert the following:

The provisions of subsection h of section 6 of this act shall not apply to distribution of supplies in Austria: *Provided*, That the President shall have determined, upon recommendation of the United States High Commissioner for Austria, that supplies furnished to Austria hereunder will be distributed under control systems embodied in agreements between the High Commissioner and the other occupying authorities or the Austrian Government which assure compliance with the objectives of the occupation and with the purposes of this act

Mr. VANDENBERG. Mr. President, this particular section of the bill is obviously highly technical in its application, inasmuch as we are dealing with the mixed condition which exists in Austria and not in the other beneficiary countries, the different condition being that while there is a unitary government over the entire area, there are also four zones of occupation, and it is necessary to integrate the operation of this act into the cold, hard, indisputable fact that we must deal through four zones of occupation.

The able Senator from Missouri was fearful that the language as drawn did not adequately subordinate the Austrian formula to the objectives of the act. Inasmuch as this is a highly technical question in which the Department would have to be consulted to be sure that the formula was practical, I submitted the amended text, as suggested by the able Senator from Missouri, to the Department; and I am very glad to say to the Senator that there is no objection, and I should be very happy to have this amendment agreed to.

Mr. BARKLEY. Mr. President, before that is done, I should like to ask a question. Does this amendment properly take into consideration the fact that Austria is treated by the Government of the United States, and is supposed to be treated by the four occupying powers, on a different basis from that which applies to any other country which was engaged in the war against the allied nations? At the very outset all four of the governments agreed to treat Austria not as an enemy country, but as an occupied country, upon the same basis that Belgium, Denmark, and Holland were treated, because the integration of Austria into Germany was rather a forceful act on the part of the German Government. For that reason all these governments have taken the position—and it seems to me properly so—that Austria ought not to be in the same category as Germany or Japan, but that instead it should be treated as an occupied country. Does this amendment in any way impinge upon that conception of our relationship to the Austrian situation?

Mr. VANDENBERG. On the contrary, the amendment is written for the purpose of acknowledging and underscoring the precise status which the Senator describes.

Mr. BARKLEY. There is an Austrian Government in operation.

Mr. VANDENBERG. Yes.

Mr. BARKLEY. Of course, it is more or less handicapped by the occupation, and by the fact that there is no treaty delineating the rights of Austria. We hope that such a treaty may be brought about at an early date.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. DONNELL].

The amendment was agreed to.

Mr. VANDENBERG. Mr. President, that leaves one amendment, which I should be glad to have the Senator offer at this time. Unfortunately it is an amendment with respect to which I cannot agree with him.

Mr. DONNELL. Mr. President, I greatly appreciate the courtesy with which the Senator from Michigan has patiently gone over with me these various subjects, and I am pleased to note that the views submitted in the amendments have received the treatment which they have thus far received today.

In order that I may be entirely clear in my own mind, in view of the rapidity with which we have acted today, let me inquire whether amendments A, B, and D have been agreed to?

The PRESIDING OFFICER. The Senator is correct.

Mr. DONNELL. That leaves only amendment C of those submitted by me, remaining to be acted upon.

The PRESIDING OFFICER. The Senator is correct.

Mr. DONNELL. Mr. President, I now offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Missouri will be stated.

The LEGISLATIVE CLERK. It is proposed to amend the first sentence of section 4 (a) so as to read as follows:

There is hereby authorized to be appropriated not to exceed $597,000,000, out of any money in the Treasury not otherwise appropriated, to carry out the provisions and accomplish the purposes of this act: *Provided, however*, That of said sum there may be applied toward assistance to the people of Austria not to exceed $42,000,000, toward assistance to the people of France not to exceed $328,000,000, and toward assistance to the people of Italy not to exceed $227,000,000, except that if the President shall determine that, because of changed conditions or for other reason deemed by him to be good and sufficient, the amount so to be applied respectively toward assistance to the people of any one or more of said countries should exceed the amount so respectively above specified he is hereby authorized to increase the amount so to be applied, provided that the aggregate of the amounts to be applied toward assistance to the people of said three countries shall not exceed the total amount which shall be appropriated pursuant to the authority granted by this act.

Mr. VANDENBERG. Mr. President, would the Senator from Missouri like to have me state my objections, so that he can tear me limb from limb?

Mr. DONNELL. I assure the Senator that I shall not use that tactic. I am not able to do so. I am sure that the Senator will be very logical in his presentation, even though we disagree. I shall be very happy to have him adopt the course suggested.

Mr. VANDENBERG. Mr. President, the objection which I have, and which I think the entire committee has to this amendment can be very simply stated.

It will be noted that under this proposal a definite dollar figure is assigned to France, to Italy, and to Austria, whereas in the general authorization as reported by the committee in the pending bill, there is an unidentified sum-total ceiling set, and nothing more.

Senators will remember that in the course of this debate we have repeatedly undertaken to establish the fundamental fact that the passage of this bill does not create, directly or indirectly, any sort of obligation on the part of the Government of the United States to any of the proposed beneficiaries. I again refer to the language on page 3, line 4, and I again read it, because I think it is fundamental to the philosophy upon which we are proceeding. The language reads as follows:

This act, however, shall not imply any obligation to give assistance to any of the countries mentioned nor shall it imply or guarantee the availability of any specific commodities.

In other words, Mr. President, the committee recognizes the fact that we are dealing more or less with imponderables in considering this situation; we are dealing with unforeseen contingencies. To the best of our ability, in the break-down of the total figure, allocations have been tentatively made to the three countries indicated; but nowhere in this proposed legislation is there anything which can be construed, directly or indirectly, as a contractual commitment of any sort to anyone on the part of the Government of the United States.

It seems to us that if we undertake in this authorization language to break down the over-all total ceiling figure into ceilings for the individual countries, no matter how much we undertake, by collateral language, to dissociate ourselves from such an intention, we have created by that action an identification of the given amount of money which is to be available for the indicated beneficiary country. We do not think that is wise; we do not think it is in keeping either with the spirit of the legislation or the necessities which we confront and which were underscored again this morning by the remarks of the Senator from Nebraska [Mr. WHERRY]—the necessities we confront to keep this bill constantly geared to our own available commodities, which may sharply change the situation and which may make it impossible at points for us to reach the indicated ceilings which the able Senator from Missouri would write into the language of the authorization.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. CORDON. I should like to make the observation that not only does the amendment do the thing which the Senator has just pointed out, and that is to raise a hope in the minds of the people

in the recipient countries that Congress is dedicating these several amounts to their relief, but the amendment also, by its own terms, denies that very thing by providing that the President, for any reason found by him to be good and sufficient, may increase the amount to any of the countries, or, of course, decrease it. The legal effect would be to leave the President with exactly the authority which he has under the bill. All he has to do is to satisfy himself that the amount should be changed. The amendment would gain nothing, so far as the legal effect is concerned, and it would have the vice of raising what might be a false hope in the recipient countries.

Mr. VANDENBERG. I thank the able Senator for his observation. I was coming to the point which he has now raised and which I think is totally valid. It seems to me that my able friend from Missouri, in seeking to remove the straitjacket which his initial language undertakes to create, has nullified it and left us precisely where we were in the first place, so far as the actual net effect of the amendment is concerned, except as indicated by the Senator from Oregon [Mr. CORDON], but he has nailed the target which inevitably has within it some semblance or factor of an obligation and a pledge, or at least constitutes a highly contingent hope which, if we fail to reach the figures, would probably result in a highly disgruntled feeling that we had violated the obligation which the Congress undertook.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, one of the things thoroughly discussed in the committee was the desire to provide, as the bill does, that the enactment of this legislation does not create a legal obligation on the part of the Government of the United States, either by language or by any figures put into the bill. Even the over-all figure of $597,000,000 does not create the implication of any obligation on the part of the Government of the United States to produce a definite sum for any country. To eliminate that and to set up a figure, even an advisory one, would inevitably create the impression that that is the precise amount a certain country is to get, and possibly more if the President found he could reduce the amount to some other country and give the difference to a particular country. It would create, it seems to me, the possibility of some rivalry among the recipient countries as to whether any particular commodity, intended for one country, should be reduced in amount so as to increase the amount for another country. We have tried to avoid that in the language of the bill, and I think we have done it. I thoroughly agree with the Senator from Michigan as to the unwisdom of adopting this amendment.

Mr. VANDENBERG. I thank the Senator for his observation.

Mr. President, I think I have said all I wished to say, except to submit a plea to my friend from Missouri. He can see that those of us who have been primarily responsible for this bill are very anxious to keep out of anything like a straitjacket. He can see, regardless of his own good intention, which no one denies, and his own contrary interpretation upon the effect of his amendment, that there is a very substantial feeling that his amendment would do things which he does not anticipate nor desire to have done. I appeal to him on that basis, plus the fact that he now has a 750 percent batting average in connection with three out of his four amendments, that he subside in connection with this amendment and call it a day.

Mr. DONNELL. Mr. President, coming as I do from a State which has had such great success in the field of baseball, particularly with the Cardinals, which have again come to particular notice of the public by reason of the acceptance by Mr. Hannegan of an office in connection with that organization, the suggestion of the Senator from Michigan comes with peculiar force. I should prefer, however, to present the views which I have in support of this amendment. I do not think that the amendment would have the effect which the distinguished Senators who have spoken in opposition to it have indicated. I approach this subject with considerable trepidation, realizing as I do that the chairman of the Foreign Relations Committee is opposed to my view, that the distinguished Senator from Kentucky, the minority leader, is likewise opposed to it, and the distinguished Senator from Oregon [Mr. CORDON] is opposed to the amendment. They are all my good friends.

But, regardless of what others may think, I feel that this amendment is sound and practical, and whether or not it be agreed to, I feel that inasmuch as it is my amendment I, in good conscience, should present my views, and, with all due deference to my friends who have spoken, I should like to present them.

In the first place, I think the statement that the amendment provides a definite dollar figure for these respective countries is not correct. I am sure that the gentlemen who have spoken, particularly the Senator from Michigan [Mr. VANDENBERG], who made in substance that statement, as I understood it, a few moments ago, will upon inspection observe that all that is done therein is to specify, just as the bill now does in that respect, a ceiling, but does so in respect to each specific country, rather than lumping it into a large sum of $597,000,000 applicable indiscriminately, without limitation, to the three countries.

The sentence to which my amendment relates, as it now exists in the bill, reads as follows:

> There is hereby authorized to be appropriated not to exceed $597,000,000, out of any money in the Treasury not otherwise appropriated, to carry out the provisions and accomplish the purposes of this act.

It is true, as the Senator from Michigan has said, that this sentence does nothing more than set forth a ceiling, an amount not in excess of which the appropriation is authorized. Let me call to the attention of the Senator the the language of my amendment, which after using precisely the language which I have quoted from the bill as it now stands, says this:

> *Provided, however,* That of said sum—

I pause to say that the words "of said sum" relate to the $597,000,000—

> there may be applied—

I pause again to emphasize the fact that the word is "may" and not "shall"; it is permissive, not mandatory—

> that of said sum there may be applied toward assistance to the people of Austria not to exceed $42,000,000—

Obviously, Mr. President, that portion of my amendment is a mere ceiling, and is not, to quote the Senator from Michigan as well as I can do from memory, a definite dollar figure.

Then the amendment proceeds, relating to the amount to be applied—

> t ward assistance to the people of France not to exceed $328,000,000 and toward assistance to the people of Italy not to exceed $227,000,000.

So, Mr. President, let me point out that up to this point the amendment contains nothing in contradiction of the terms of the bill itself or the theory of the bill itself, for obviously the bill itself, which refers in its second section to the commodities urgently needed by the people of Austria, France, and Italy, contemplates that the sum of $597,000,000, or not to exceed it, I should say, shall be made available for the peoples of those three countries.

Mr. President, reference was made to the fact that this amendment, which I have submitted, may raise some hopes in the minds of the people of these various countries, perhaps some feeling that the bill amounts to a definite obligation to pay such sums or to provide such commodities. But let me say that the very section of the bill which I propose to amend distinctly negatives any such conclusion. It reads so clearly that he who runs may understand. It says this—and it would follow immediately after my amendment:

> This act, however, shall not imply any obligation to give assistance to any of the countries mentioned nor shall it imply or guarantee the availability of any specific commodities.

Mr. President, the portion of the amendment which I have thus far read would add to the provision authorizing a ceiling of $597,000,000, which follows a section or two after the section which refers to Austria, France, and Italy. The only effect of the amendment to the portion to which I have referred thus far is to break down the $597,000,000 and to state the maximum therein contained which can be used for any one of these three countries.

I am unable to follow any of the Senators who have spoken in the view that any person who can read the English language can come to the conclusion that the language which I have used in the amendment in any sense involves or implies or even suggests an obligation on the part of the United States with respect to any of these several countries. If perchance any reader of those lines of my amendment should come to that conclusion, obviously he would immedi-

ately be confronted by the next sentence there, which already is in the bill, and which reads, as I have indicated:

This act, however, shall not imply any obligation to give assistance to any of the countries mentioned nor shall it imply or guarantee the availability of any specific commodities.

Mr. President, I wish to pay attention in a moment to what is said in the succeeding portion of the amendment, the portion which was particularly referred to by the senior Senator from Oregon. But before I do so, let me say that the Senator from Michigan referred to what would happen if there were a break-down that is to say if the amount of $597,000,000 were broken down in this appropriation authorization so as to state the maximum amounts which would be applicable to or in any condition could be appropriated for these various countries. Mr. President, there has already been such a break-down. The break-down has been made both by the distinguished Senator from Michigan, the chairman of the Foreign Relations Committee of the Senate, and by the President of the United States. I call attention to the fact that day before yesterday the Senator from Michigan said this in the course of his address:

After making allowance for all their available resources—

And, Mr. President, he is referring, when he uses the word "their" to these three countries; in fact, the names of all three of them are mentioned, I think. Certainly France and Italy are mentioned in the paragraph immediately preceding, and in the paragraph just before that, reference is made to Austria. The Senator from Michigan said at that time:

After making allowance for all their available resources, it is estimated that these three countries need a total of $597,000,000—

But, Mr. President, the Senator from Michigan does not halt at that point. He says further—

for the period ending March 31, 1948, as follows:

Austria	$42,000,000
France	328,000,000
Italy	227,000,000
Total	597,000,000

Mr. President, I submit that if there is any error or any mistake of judgment in the break-down, the break-down has already been made in the admirable and convincing address delivered by the Senator from Michigan, and I undertake to say that there was no error on his part in making the break-down. I undertake to say that it was proper that it should be made, and that the Senate should not be left in doubt, nor should the people of the United States be left in doubt, as to how much of this great sum, aggregating over half a billion dollars, is going to each country. There may be a difference of opinion as to whether Austria or Italy or France should have a certain amount, and it was proper and appropriate that the Senator from Michigan should, as he did in his address, break down the amount of $597,000,000 into its component elements and respectively specify the amounts for these three countries.

However, not only has the distinguished chairman of the Foreign Relations Committee of the Senate broken down the sum of $597,000,000 in a process which he now thinks would be inadvisable to include in the bill itself, but the President of the United States, likewise, on November 17, preceding by a week the opening of the debate on this subject, broke down this sum. I quote from the President's address:

Austria needs $42,000,000, Italy needs $227,000,000, and France needs $328,000,000 to buy food, fuel, and other essential goods during the next 4½ months. Detailed information has been presented to your committees concerning these needs and the purposes for which funds to be appropriated by the Congress would be spent.

Mr. President, I shall have a little more to say in a few moments with respect to the care, which the Senator from Michigan commented upon, in the screening of the requests of these countries and the determination of the respective amounts which they should receive as maximum sums to be considered by this body of the Congress of the United States.

Mr. President, I come now to the further portion of the amendment which I have presented. It is the one which was referred to particularly by the distinguished senior Senator from Oregon, and his remarks thereon were approved by the distinguished senior Senator from Michigan.

Immediately following the portion I have read, namely, the portion which, after mentioning the $597,000,000, specifies a ceiling, not a definite figure, but a ceiling, with respect to the sum to be applied toward assistance to the people of Austria, toward assistance to the people of France, and toward assistance to the people of Italy, respectively, the amendment proceeds as follows. I shall read it and state the reason for it, and, if I can, I shall undertake to answer the views so clearly presented by these Senators with respect to this portion of the amendment.

The amendment proceeds, after this recital:

Except—

That is to say, the ceilings to Austria, France, and Italy, and so forth, having been specified, there is then an exception, namely—

Except that if the President shall determine that, because of changed conditions or for other reason deemed by him to be good and sufficient, the amount so to be applied respectively toward assistance to the people of any one or more of said countries should exceed the amount so respectively above specified, he is hereby authorized to increase the amount so to be applied, provided that the aggregate of the amounts to be applied toward assistance to the people of said three countries shall not exceed the total amount which shall be appropriated pursuant to the authority granted by this act.

Mr. President, the reason for the insertion of the concluding portion of the amendment, that which begins with the word "except," which I have read, is that it was pointed out to me that if a ceiling were provided with respect to each of these countries separately, there might arise, indeed, that there may have already arisen, circumstances which would make it advisable to go somewhat beyond the ceiling. Indeed, the specific illustration used related, not to a necessary increase, but to a decrease, in regard to the amount allocated to one of these three countries, and related to a certain crop, which, as I understood, had yielded in greater profusion than had been anticipated in that country. It was pointed out that the wisdom of man is not such as to amount to prophetic ability, and that therefore it might be that these countries, or any one or more of them, might need something more than the figures cited.

Mr. President, I think there is a point in that suggestion. I think it is easily possible that instead of Austria needing $42,000,000, it might need $44,000,000. I cite that, not because of any facts I have with relation to Austria, but merely as a hypothetical case. It might well be that France would need $5,000,000 more than is granted, or that Italy would need $5,000,000 more than is granted to Italy.

Bear in mind this point, which struck me as having considerable force. I added to the amendment this concluding part, which gives to the President of the United States the power of elasticity to the extent I have indicated.

It has been suggested that by the language which I have thus read as the concluding portion of the amendment I have wiped out a hope which would be raised by the figures which earlier appeared in the amendment, or, to use the very picturesque language of the eloquent Senator from Michigan, that it would nullify the strait-jacket which I had intended to place upon the body of whatsoever person it is upon whom it is to be placed.

In that regard, let me say, in the first place, that I think the language of my amendment should not raise any hope whatsoever in the mind of any one of these nations as to the amount it will receive, first, because of the fact that there is a provision, as I have indicated, by which the amounts are only ceilings, respectively; second, because of the fact that there is this clause at the conclusion of section 4 (a) that the proposed act, "however, shall not imply any obligation to give assistance to any of the countries mentioned nor shall it imply or guarantee the availability of any specific commodities."

If any such hope has been raised, it has been raised, I would say, by the observations which have thus far been made upon the floor of the Senate by the senior Senator from Michigan, and those made by the President of the United States.

Again, Mr. President, I wish to make it clear that in that observation I am not criticizing either the President or the chairman of the Committee on Foreign Relations, but rather I am praising both of them for their farsightedness in giving to the Senate, to the Congress, and to the people of the United States the information as to how much it is contemplated will probably be required for each of these respective countries.

Mr. President, what is the underlying reason for this amendment? I think that every Member of the Senate when asked to vote for an authorization of an appropriation of over half a billion dollars is entitled to know how much he is voting for as a maximum for each of the three countries.

It may be stated that this matter can all be cured by the Committee on Appropriations, and I shall come to that in a very few moments. When I cast my vote I should like to know, if I could—I am not saying I will not vote for the bill if my amendment is not adopted—I should like to know, if I could, that when I have voted for the $597,000,000, I have voted for a sum which, so far as human knowledge and prophetic vision can determine, is to be broken down in the respective amounts to which the Senator from Michigan has referred in his address, and to which the President of the United States likewise referred.

Mr. President, it should be remembered also that, while this matter will be reviewed, of course, by the Committee on Appropriations, it would be entirely possible for the Committee on Appropriations in its wisdom—and I know it will use the best wisdom and judgment of which it is capable, and I have the highest admiration for it—I realize it is entirely possible that the Committee on Appropriations might come in with a recommendation of $100,000,000 more for one of these countries and $100,000,000 less for another. I, as a Senator who had voted for a blanket authorization of an appropriation of $597,000,000, would be in a somewhat embarrassing and awkward position if I rose and said, "When I voted for it I expected that these countries would receive as a maximum the figures designated by the chairman of the Committee on Foreign Relations and by the President of the United States."

Mr. President, when in the pending bill I vote for an authorization of $597,000,000, I am voting for a proposition under which it is possible, so far as the terms of the bill are concerned, that any amount within $597,000,000 can be voted to the relief of the people of any one or more of these countries.

Regardless of the fact that we would have another chance upon the matter on the floor, bearing in mind the embarrassing position in which one is placed after having voted for unlimited authority, then coming in and taking the position that, after all, that was not what he wanted or what he favored, and bearing in mind that the President of the United States and the distinguished chairman of the Committee on Foreign Relations have given us their best estimate as to the amounts which should be granted to each country, I undertake to say that the course of wisdom, of precedent, of legislative policy, is to specify in the bill, just as I have done, the maximum for each of the countries, with the elasticity I have provided with respect to conditions which the President might find, in his judgment, make it advisable that some of the countries should receive an appropriation somewhat larger than the maximum contemplated in the figures.

All the arguments I have made may be immediately confronted by the proposition that we cannot tell anything about it, that we cannot tell what Austria needs, what France needs, what Italy needs. If that were true, I undertake to say we would be making a mistake in passing a bill providing an authorization of $597,000,000 as an over-all maximum figure. But I am pleased to say that the testimony upon this proposition is so clear that we cannot doubt that there has been a careful screening, an accurate estimate, one under which we are justified in not leaving in the bill blanket authority, but should specify for each country the maximum to which I have referred, with the elasticity which I have included.

Mr. President, I quote now from a statement of the distinguished Senator from Michigan as found on page 10703 of the RECORD of Monday:

> I have already referred to the amazing documentation which is available on every point involved. I now refer to the scrupulous screening which has been given the cost estimates. We have not simply invited these three hard-pressed countries to ask us what they want and to come and get whatever they please—as seems to be the suspicion in some quarters. On the contrary, their requests have been carefully studied by every available device. The final figures are not theirs. The final figures are ours. They are cut to the bone. They represent a minimum basis of rock-bottom subsistence and survival in the kind of a world we want to save for our own sakes. France asked for $459,000,000. She was cut $131,000,000. Italy asked for $575,000,000. She was cut $348,000,000. Austria asked for $85,000,000. She was cut $43,000,000. Such ultimate figures are not the work of star gazers. They are the work of realists. They will still be subject to further review when the actual appropriation is submitted.

Mr. President, I quote also very briefly from the hearings before the Committee on Foreign Relations, on November 11, 1947, at page 57. The chairman, the distinguished Senator from Michigan, was presiding. The witness on the stand at that time was Undersecretary of State Robert A. Lovett. I quote:

> The CHAIRMAN. I think that is very important because there is a somewhat general impression that all you have done is to virtually accept petitions and pass them along to us. It is my understanding quite to the contrary, that you have screened to the last degree of care that you can exercise. I would be glad to have you demonstrate that point.
>
> Secretary LOVETT. Very well, sir. I can assure you very positively, Mr. Chairman, that I know of no situation in which there has been more honest effort to develop an accurate statement of the situation than in this particular one which is presented. The figures currently included in this presentation show a very wide discrepancy from those indicating the requests of the recipient countries.
>
> We are doing our best to meet their needs, but we are trying to do it in a realistic manner and within the reasonable limits which we feel should be imposed on this program.

Mr. President, this is not a statement made a year ago or 6 months ago. The hearings were held on November 10, 11, 12, 13, and 14. Mr. Lovett testified within a very few days prior to the rendition by the President of his notable address on the 17th of this month.

I respectfully submit that when the Congress of the United States legislates upon a proposed authorization of an appropriation, the Members of the Senate should not have before them merely a blanket figure; certainly, when the figures, as is the case in this instance, have been so closely ascertained, so well estimated, so clearly demonstrated to be reasonable and proper and not the figures of star-gazers. With the bill in its present form, carrying the amount of $597,000,000, I am not at all saying I shall vote against it, if in the wisdom of the Senate it shall reject my amendment. If we pass it, however, and it goes to the House of Representatives, what basis will the House of Representatives have for knowing, unless it studies the debates and the speech of the President of the United States, as to how the $597,000,000 is determined, which figure as a maximum ceiling is contained in the bill which we shall have passed?

I think that, in fairness to Members of the Senate, in fairness to the people of the United States, in fairness to the other body of the Congress, we are entitled to have, when it can be had so completely and so nearly and so accurately, and when safeguards against the possibility of making any mistake are so clearly provided in my amendment, I submit that the only proper course is for us to specify in the bill, as I have in this amendment, the maximum beyond which the appropriations for Austria shall not go, the maximum beyond which the appropriations for France shall not go, the maximum beyond which the appropriations for Italy shall not go; provided that if the President finds, for the good and sufficient reasons mentioned in the amendment, that more is needed, he in his wisdom may give authorization for such additional amount.

Mr. President, I greatly appreciate the courtesy of the Senate in listening to me upon this amendment. I feel it is an important amendment. I think it is important not only from the standpoint of this particular legislation but from the standpoint of precedent.

I realize, as does every other Member of the Senate, that when action is taken by the Senate upon any particular bill, the action so taken may rise up 20 years—yes, a century from now—as a precedent justifying other action. That has been eloquently tesified to in numerous cases. I remember, upon the floor of the Senate, within the last 3 years, an instance in which a previous action was submitted, as I recall, as a precedent, when, at the very time the action was taken, it was distinctly stated on the floor of the Senate that it was not to be considered as a precedent. So, Mr. President, with the full knowledge that we have at this time, with the testimony of Mr. Lovett, with the explanation of the Senator from Michigan, with the explanation of the President of the United States with reference to the three countries mentioned in the bill, with the maximum ceiling applicable to the three combined, I see no reason why we cannot break it down into the maximum for each of the countries, with the elasticity to which I have referred in my amendment.

I shall not trespass longer upon the time of the Senate, unless some question shall be addressed to me. I thank

the Presiding Officer and other Members of the Senate for their courtesy in listening to this presentation.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Missouri.

Mr. VANDENBERG. Mr. President, I do not wish to prolong the debate. I am very anxious to have a vote. I simply wish to make a further brief observation in response to the eloquent remarks of my able friend. I reiterate all that I have previously said about the scrupulous care that has been taken in making the estimates and in figuring the tentative amounts. I have never seen greater care taken, and I have never seen more authentic figures resulting. The figures are specifically identified in the committee report. As indicated by the Senator from Missouri, they are specifically identified in the address by the chairman of the Foreign Relations Committee and in the presentation by the President of the United States. There is nothing blind about the prospectus. We simply suggest to the Senate that it can rely upon that break-down in the report and in the presentation of the bill, that being a standard and traditional reliance, and that under all the circumstances, since we are seeking to avoid anything like a strait-jacket, it would be inadvisable, in the opening commitment of this legislation, to undertake classifications. I hope the amendment will be defeated.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. DONNELL].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. VANDENBERG. Mr. President, I think those are all the amendments that are on the clerk's desk. Am I correct?

The PRESIDING OFFICER. That is all there are.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. VANDENBERG. Does the Senator wish to address the Senate?

Mr. MALONE. I do.

Mr. VANDENBERG. I yield.

Mr. MALONE. Mr President, I wish to offer an amendment on behalf of myself, the Senator from Ohio [Mr. BRICKER], the Senator from Missouri [Mr. KEM], the Senator from Delaware [Mr. WILLIAMS], the Senator from Iowa [Mr. WILSON], the Senator from Montana [Mr. ECTON], the Senator from Idaho [Mr. DWORSHAK], and the Senator from Indiana [Mr. JENNER].

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 2, lines 7 and 8, it is proposed to strike out "or by making funds available to the government of a recipient country."

The PRESIDING OFFICER. Does the Senator desire that all the amendments be read en bloc?

Mr. MALONE. I desire to explain the amendments. Whether or not they are read is immaterial.

The PRESIDING OFFICER. The Chair thinks it is advisable that the clerk read the amendments.

The LEGISLATIVE CLERK. On page 2, lines 7 and 8, it is proposed to strike out "or by making funds available to the government of a recipient country,"; on page 3, line 2, to strike out "$597,000,000" and insert in lieu thereof "$400,000,000"; on page 3, line 25, to strike out "or funds"; on page 4, beginning with line 11, to strike out through and including line 3, on page 5, and insert in lieu thereof the following: "(b) to make available to its people without cost the commodities made available under this act"; on page 5, beginning with line 12, to strike out through and including line 15; on page 5, line 16, to strike out "(f)" and insert in lieu thereof "(e)"; on page 5, line 23, to strike out "(g)" and insert in lieu thereof "(f)"; on page 5, line 24, to strike out ", while the need therefor continues,"; on page 6, line 1, after the word "or" to insert a comma and the words, "while the need therefor continues,"; and on page 6, line 4, to strike out "(h)" and insert in lieu thereof "(g)."

Mr. WHITE. Mr. President, a number of amendments were just read at the desk. I wonder whether the Senator from Nevada is agreeable to having the amendments considered en bloc, or does he want separate consideration for each amendment?

Mr. MALONE. I should like to make an explanation of the amendments, Mr. President.

Mr. WATKINS. Mr. President, will the Senator yield to me?

Mr. MALONE. I yield.

Mr. WATKINS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hickenlooper	O'Mahoney
Baldwin	Hill	Overton
Ball	Hoey	Pepper
Barkley	Holland	Reed
Bricker	Ives	Revercomb
Bridges	Jenner	Robertson, Va.
Brooks	Johnson, Colo.	Russell
Buck	Johnston, S. C.	Saltonstall
Bushfield	Kem	Smith
Butler	Kilgore	Sparkman
Byrd	Knowland	Stennis
Cain	Langer	Stewart
Capehart	Lodge	Taft
Capper	Lucas	Taylor
Chavez	McClellan	Thomas, Okla.
Connally	McFarland	Thomas, Utah
Cooper	McGrath	Thye
Cordon	McKellar	Tobey
Donnell	McMahon	Tydings
Dworshak	Magnuson	Umstead
Ecton	Malone	Vandenberg
Ellender	Martin	Watkins
Ferguson	Maybank	Wherry
Flanders	Millikin	White
Fulbright	Moore	Wiley
George	Morse	Williams
Gurney	Murray	Wilson
Hatch	Myers	Young
Hawkes	O'Conor	
Hayden	O'Daniel	

Mr. WHERRY. I announce that the Senator from Maine [Mr. BREWSTER] is absent on official business, attending the Geneva Conference.

The Senator from Wyoming [Mr. ROBERTSON] is absent because of illness in his family.

The Senator from Wisconsin [Mr. MCCARTHY] is absent because of official committee business.

Mr. LUCAS. I announce that the Senator from California [Mr. DOWNEY] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from Mississippi [Mr. EASTLAND] is absent because of illness in his family.

The Senator from Rhode Island [Mr. GREEN] is detained on public business.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business.

The PRESIDING OFFICER. Eighty-eight Senators having answered to their names, a quorum is present.

Mr. MALONE. Mr. President, Senate bill 1774, now before the Senate, provides, in the main, as did other relief measures such as the UNRRA Act, that goods and other materials shall be given to recipient governments, and that those governments may sell the goods and receive money for them, the money presumably going into a revolving fund, but actually utilized for the benefit of the governments or groups currently in power, with such goods going direct into the market only available to such people who have the funds to purchase them.

We have all observed revolving funds among foreign governments. For example, Tito, of Yugoslavia, financed an army through his revolving fund by selling goods furnished by UNRRA; and we now know where Tito stands. The Senators joining me in presenting this amendment think we should close at least the obvious loopholes in the bill which now allow governments to continue to abuse the privileges gained through relief from the United States. When the recipient governments are allowed to sell the goods, they immediately go on the market and are available only to people having the money to purchase such goods. They are not given to the hungry people who need them which should be the objective of any such legislation. In Greece I picked up an armful of canned fruit, meats, and vegetables, made in California, Illinois, Pennsylvania, and other sections of this country. Those goods were on the open market. In the Athens market, for example, the merchants are selling the goods over an area 8 or 10 blocks long. The prices are not exorbitant in terms of our wages but they are exorbitant in terms of the wages paid in those countries. Wages in Greece ran between 8,000 and 10,000 or 12,000 drachmas a day. Eighty-five hundred drachmas is equivalent to approximately 80 cents. Those who are supporting families on that amount of money are not buying canned goods. In Greece if one has plenty of money he can live well; the goods are there. If he has no money he has nothing to eat, since nothing is given away—it is sold.

This is not the time or place to criticize any prior legislation or methods of distribution, but it is the time and place to profit by past errors and mistakes.

Our amendment provides, first, that the recipient governments may not sell the goods; also that they may not sell and export goods of the same character from their own country while the shortage or need exists. Also under our amendment we would not furnish money or credit, but would furnish the goods

themselves. We would purchase the goods, either in our own country or in other countries when they are available, and place them in the hands of the recipient governments so that they could be distributed free of charge to the people, in order that hungry people might actually receive food.

That would be done, of course, under the supervision of the existing machinery. There is a Mr. Allen over there now undertaking such supervisory work. The senior Senator from Michigan [Mr. VANDENBERG] seems to believe that he is very efficient. I do not have the necessary information about him. He has only a skeleton organization, but that is all he would need if none of the goods were permitted to be sold. If they were encountered in the market place we would know that the black market was in operation, and for that reason the supervision would be very much simplified.

In former years the railroads of this country gave away second-hand ties. Then they began to miss new ties, so they discontinued selling or giving away any kind of ties, and as a result of the new policy when a tie was found in someone's backyard, it was evidence that it had been stolen. We must use a little common sense and psychology, and chink up some of the holes in the distribution of relief goods in the same manner.

I should like to explain the proposed changes embodied in the amendment: On page 2, lines 7 and 8, we propose to strike out "or by making funds available to the government of a recipient country." That would simply prohibit making any funds available as such to any country. We would purchase the goods wherever they might be available. Under the terms of this amendment, instead of furnishing funds, we would simply make the goods available.

The next amendment is on page 3, in section 4. In line 2, on page 3, we propose to strike out "$597,000,000" and insert in lieu thereof "$400,000,000." Many of our people, including, apparently, Members of the House of Representatives, believe that $597,000,000 does not represent the emergency need.

My associates in offering the amendment are the Senator from Ohio [Mr. BRICKER], the Senator from Missouri [Mr. KEM], the Senator from Delaware [Mr. WILLIAMS], the Senator from Iowa [Mr. WILSON], the Senator from Montana [Mr. ECTON], the Senator from Idaho [Mr. DWORSHAK], and the Senator from Indiana [Mr. JENNER]. Our conclusion is that inasmuch as we are to return here on the 2d or 3d of January, the appropriation of a lesser amount might be an additional check on the use of the funds. The amount proposed to be appropriated is supposed to last until March. We shall return here on the 2d or 3d of January. If it then appears that the $400,000,000 is being properly utilized, and that it is insufficient, in a very few minutes we can increase the appropriation. If it is not being properly used, or if $400,000,000 proves to be enough, it will not be necessary to increase the amount.

On page 3, line 25, we proposed to strike out the words "or funds." The language would then read:

Before any commodities are made available to any recipient country under the authority of section 3 of this act, an agreement shall be entered into—

And so forth. By including the words "or funds" we indicate that we might furnish the money direct, to be expended by the recipient countries, which under our amendment is to be avoided.

On page 4, beginning with line 11, we propose to strike out through and including line 3 on page 5. I wish to read the paragraph which we propose to strike out, because it is really the heart of the bill which we wish to change. Subsection (b), which we propose to strike out, reads as follows:

(b) to the extent that supplies procured with funds authorized under this act are not furnished on terms of repayment in dollars, they shall be furnished only upon condition that the government of the receiving country agree that when it sells such supplies for local currency (a) the amounts of such local currency will be deposited by it in a special account; (b) such account will be used within such country, as a revolving fund, until June 30, 1948, only for such purposes as may be agreed to between such country and the Government of the United States, for relief and work relief purposes, including local currency expenses of the United States incident to the furnishing of assistance; and (c) any unencumbered balance remaining in such account on June 30, 1948, will be disposed of within such country for such purposes as may be agreed between such country and the Government of the United States subject to approval by act or joint resolution of the Congress

Many of us believe that we are not in the business of setting up a WPA in any of the countries of Europe for work-relief purposes. We believe the United States should give the goods outright and let the countries know that the contribution is in fact an outright contribution to hungry people and not in support of any government or group of persons.

I have just concluded a trip through those countries, as have many other Members of the Senate and of the House, and I think that we are agreed that there is a shortage of food and that they need an additional increment of food, together with some fuel, in order to get through the winter comfortably.

Those who have joined me in offering this amendment believe that we should give direct aid to those countries as a gesture of pure relief, just as was done in connection with the Galveston flood and the San Francisco earthquake, eliminating unworkable conditions and conditions which would permit them to go into the business of running a WPA with our backing; in other words putting this Nation in the light of supporting specific governments and certain groups of men instead of confining it to actual relief of the hungry and cold people.

It is my personal opinion, speaking only for myself, that the Socialist-inclined governments of those countries are as responsible for the hungry and cold people as any emergency. But this is no time to debate that subject. I think the time to debate it is when the so-called Marshall plan comes before the Senate. We shall have plenty to say about that subject at the proper time.

I was in the Ruhr and went into the coal mines and steel mills there. In one coal mine and more than a mile back from the shaft 2,000 feet deep, I crawled on my belly more than an eighth of a mile to inspect the face of a new 3 foot vein where they were setting up a coal cutter. They were using pneumatic picks to break it down and a shaker conveyer down the 5 percent dip of the vein to the regular web conveyer where it was conveyed to the loading chutes and there put into 3½-ton cars in strings of as many as 30 cars to be run to the shaft. The methods were very efficient. I said, "Why do you not get more coal cutters?" The answer was, "Our firm intention was to get more coal cutters, but there is only one factory in Germany manufacturing them, and that factory is on the reparations list and will be removed to Russia or France."

That is just an example. I shall not go further into it at this time, but shall confine my remarks entirely to direct food and fuel relief.

In this proposed amendment we propose to tie it down so that the needy people are given the commodities. We do not intend to permit them to build up a fund with which to operate a WPA or any kind of a trick government, and we do not intend that the relief goods be utilized to hold existing governments in power and to do as Tito did in Yugoslavia, sell such goods to finance an army or other government operation. Let the people be free to vote for any government they want in their elections. As a matter of fact, it is current knowledge in those countries that some of the election results were influenced by some of the leaders coming to the United States before such elections and then returning to their respective countries and representing to them that if they were elected they could get the necessary money from the Congress of the United States. It is generally believed that many were elected by reason of that fact. It was somewhat similar to the situation when we had the WPA and the PWA. When some rival candidates were up for election and one could prove that he could get more projects from Congress for his State than could his opponent, he got the votes. We think we ought to stay out of such situations and not be used or allow funds voted for relief to be used, to elect persons to office in the recipient countries or to hold certain governments in power.

Beginning on line 12, page 5, it is proposed to strike out to and including line 15. That is subparagraph (e) of section 6, which reads as follows:

(e) to make available to its people at reasonable prices, consistent with economic conditions in the recipient country, such commodities as it may sell under the terms of this act.

We simply strike that subparagraph out in accordance with the language adopted in the beginning, simply delet-

ing any reference to the recipient countries selling any commodities furnished for the relief of hungry people.

On page 5, line 16, strike out subparagraph (f) and insert in lieu thereof "(e)."

On page 5, line 24, strike out "while the need therefor continues."

On page 6, line 1, after the word "or", insert a comma and the following: "while the need therefor continues."

In these last two amendments we simply prohibit any exporting of any commodities furnished the recipient countries by us and also prohibit the export of any goods produced by them of a like nature while the need for such commodities continues, under penalty of stopping the relief.

Mr. President, I believe that the Senators who have joined with me in offering and supporting this amendment believe that, regardless of the cause of the hunger and cold, which is not the subject of discussion here, the goods should reach the hungry and cold people free of charge in the same manner as we furnish such goods to the recipient countries. The senior Senator from Michigan says that we are not committing ourselves with respect to the main plan in voting for this bill. I agree with that statement, and wish to emphasize it at this time.

We believe that the thing to do is to stop all loopholes which would permit those governments to sell the goods delivered to them, which is in effect putting them direct into the black market, the white market, or the free market, whatever it may be termed. Such a course simply means that the man with money can eat and the man without money cannot eat. The purpose of this bill is to feed those who cannot otherwise afford to eat, and the substance of the amendment simply to furnish an additional guaranty that the objectives of the legislation will be reached.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. MALONE. I have not concluded.

Mr. LODGE. I wanted to ask a question with reference to the funds.

Mr. MALONE. I shall be glad to have the Senator ask the question.

Mr. LODGE. I have listened to the address of the able Senator from Nevada with great interest, and I congratulate him on the energy and enterprise which he has shown in visiting the different countries to which he has referred.

I was in Athens a little while after the Senator was there, and I saw American canned food being sold in the streets. I believe it had reached there as a result of UNRRA several years previously. But it proves that any system is bad, whether it be sending food or sending funds, if it is not well thought out and well organized and well controlled. There is not anything wrong in itself in sending funds. The thing that is bad is the lack of control.

I asked a question of Secretary Lovett on this very point, and because it is pertinent to this amendment I should like to read it, with the Senator's permission. It is very short. It reads as follows:

Senator LODGE. Will any of the dollars which will be appropriated under this interim-aid plan go into the hands directly, of any foreign officials, or is all of the purchasing to be done here and deliveries made in goods?

Secretary LOVETT. The answer to your question is, It will be done both ways, but there will be funds delivered to the foreign recipients to be expended through the normal channels of trade only after they have obtained their allocation from the Department of Commerce, or from the Department of Agriculture. Having done this and paid for the goods, they are expected to come to us for reimbursement with the necessary documents showing that the transactions were within the terms or conditions laid down. In such cases they would actually buy the merchandise through private channels. We feel it is worth while to keep those channels open.

Then we reimburse them, provided the amounts and commodities were within the provisions of the agreements.

Senator LODGE. You think the dollars are pretty well safeguarded so far as improper use is concerned?

Secretary LOVETT. You see, sir, we do not pay until they have already purchased the commodities, so that the vouchers and supporting documents, are available. We are satisfied on that point.

I present that quotation because I think it is pertinent to the matter of conditions.

Mr. MALONE. I thank the distinguished Senator from Massachusetts. But that is exactly what we are trying to prevent. We are trying to prevent giving money to countries which then will use it to purchase and distribute the goods, just as England did during the war, without credit to this Nation. Experience shows that when purchases are made in this manner no one knows where the goods come from.

Then under the pending bill we further complicate the matter by having a revolving fund, and then regardless of past experience we seem to hope that if some of the funds are left over we would have a voice in the disposition of them. Under such a complicated set of conditions the hungry man would not know who is giving him the food.

Therefore it is our considered opinion that we should safeguard this arrangement by chinking up some of the cracks we have found through experience; and we believe that in this manner some of the most flagrant abuses can be stopped.

I had intended to add to the amendment a provision that the Red Cross or some similar organization should be made the distributing agency for the food. I was, however, persuaded by some of my colleagues who joined with me not to offer such an amendment, because they were not sure that it would be entirely practicable to build up the Red Cross again.

We can at least give the food to the recipient countries, and make every effort to guarantee its delivery to the hungry people in the same manner that the recipient governments receive it. As a matter of fact, England now has an index of recovery of 113 percent as compared to 1938, France has a 95 percent recovery, and Italy is fast recovering. But this is not the place to discuss that subject.

So if we are going to give the money, either $597,000,000 or $400,000,000, let us make the gesture, just as I have said, as in the case of the San Francisco earthquake or the Galveston flood. Then we can say, "The food is yours. Now get it to the people who need it."

Mr. KEM. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. KEM. I understood the Senator to say that the military operations of Tito in Yugoslavia were financed by a revolving fund similar to the one set up in this bill. Is that correct?

Mr. MALONE. I do not think it was a revolving fund. He was allowed to take the food and sell it, and the supposition was that he used the money to pay his troops, since he had no money otherwise. The hungry people largely did not get the food.

Mr. KEM. I have also heard it said by persons who have recently returned from Europe, after visiting there during the past summer, that there was evidence that operations on both sides of the line in Greece were being financed with American money; that is to say, that the insurrectos had American supplies and were operating with American money, and that the government of Greece was also being supplied by us. Is that correct?

Mr. MALONE. I had no chance to investigate that condition personally. There is a rumor to the effect that American supplies find their way into the hands of the guerillas. That also is another subject. I think I debated it at the time that the loan to the Greek Government came up in the Senate last spring. Today there is a government in Greece that was left there by the British. The Greeks have a king and a queen, although they are not Greeks; they were imported. They also have a premier, whose name is Themistocles Sophoulis. I visited with him 3 hours in his home. He is 87 years old. He is the Clemenceau of Greece; I believe him to be just that. He is honest; he is earnest; but he is not in control of the government of Greece, and as a result is very unhappy. Many of the so-called insurrectos, according to the premier, are loyal Greek people who do not like being ruled by the present government and who say that the government does not represent the real Greek people.

If we continue to provide the commodities to be sold, and the money continues to go into the hands of the government, it will be just like the WPA; it will simply tend to keep the government in the hands of whoever is allowed to get the money through the sale of the relief goods furnished by the United States and I am not in favor of doing business that way.

Mr. LODGE. Mr. President, I am sure the Senator will agree with me that this bill does not apply to Greece in any way, shape, or manner.

Mr. MALONE. Yes. I was using Greece as an example, and I think it is a very good one.

Mr. VANDENBERG. Mr. President, the Senator from Maine suggested that the amendments might be handled en bloc. I should think that would be quite impossible, and I imagine the Senator from Nevada would wish to have the amendments submitted one by one, would he not?

Mr. MALONE. I have no objection to submitting the amendments en bloc, just as they were introduced, because they all, with the exception of the amount of the appropriation, point to the same objective.

Mr. VANDENBERG. That will be quite agreeable to me.

Mr. MALONE. The reasons for the amendment are clear. There are two things we wish to do: First, prevent the goods from being turned into money by the recipient countries and used for the support of the governments and persons currently in power, and second, we wish to prevent the goods from going immediately into the black markets, white markets, or free markets, or whatever they may be called with the result that hungry people who are working for the current wage rates cannot purchase them, and certainly the unemployed cannot secure them. We provide for a reduction of the $597,000,000 appropriations to $400,000,000. We believe the $400,000,000 to be sufficient. In any case we will return on January 2, and at that time if the plan is working satisfactorily, as we hope it will be and more funds are needed, it will be simply a matter of form to provide such additional funds. But if at that time the program is not working satisfactorily or if the $400,000,000 proves to be a sufficient sum, no further appropriations need be made.

All the amendments except the reduced appropriation point to the same objective, and I believe it is proper that they be considered together.

The PRESIDING OFFICER. Does the Chair correctly understand that the Senator from Nevada wishes to have these amendments considered en bloc?

Mr. MALONE. I agree that they be considered en bloc, for the reasons I have just given.

Mr. VANDENBERG. Mr. President, I have no objection to having these amendments considered en bloc. I simply wished to discover what the Senator from Nevada wished.

Mr. MALONE. The Senator from Michigan has had no trouble discovering it.

Mr. VANDENBERG. Then I suggest that that arrangement be made.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. VANDENBERG. Now, Mr. President, let us see what we are to vote upon en bloc. I think I can say without reservation that the adoption of these amendments, which are being considered en bloc, would completely destroy not only the entire theory upon which this bill is written but the entire basis upon which the post-UNRRA relief organization has been set up and the entire basis upon which it is contemplated to operate in respect to this undertaking. I shall be specific about it. I do not wish to detain the Senate very long, however, in connection with this matter, because it seems to me that it is obvious that a vote in favor of these amendments en bloc would be a vote against anything remotely adequate, remotely safe in its protections or remotely consistent with our American purpose; and I shall try to make that plain.

The first amendment would undertake to strike out the language "making funds available to the government of a recipient country."

I could quite share the feeling of my able friend, the able Senator from Nevada, if that language were to apply to the general distribution which is contemplated under the bill. That language is necessary for one specific purpose and one purpose only, and it is in connection with the procurement of supplies which have to be procured by the beneficiary government.

For instance, when offshore purchases are made under the terms of the relief bill the process is very clear. It was outlined in great detail in our hearings. The process is as follows: The Government of the United States passes upon the original requisition of, let us say, the Italian Government. It authorizes the Italian Government to enter the market and undertake to procure the goods. When the Italian Government has procured its offers in response to the specifications they are submitted for approval to the American authorities. When the transaction is completed all the papers are delivered to the American authorities to be checked in every aspect required by the bill, which is a very complete check, and only when the final credit has been approved in all these respects is there any transfer of credit. It is in effect a transfer of credit and not a transfer of funds.

Dealing with this point, at the request of the Senator from Minnesota I had a memorandum prepared categorically setting forth this routine, and I can merely say to the Senate that if this routine cannot be followed, particularly with respect to the purchase of offshore goods, the practical workings of this entire program are pretty well nullified.

It is very easy to offer an amendment in complete good faith—I assure the Senator from Nevada that I am not questioning his good faith for an instant—it is a perfectly simple matter to offer what seems to be on its face a useful amendment, yet one which, when it fails to gear into the extensive machinery that has been provided for this undertaking, becomes a very serious matter which might not have been in the contemplation of the author of the amendment at all. So I am saying at this point, in connection with the first of the amendments which have to be voted on en bloc, that I think it would throw a monkey wrench into the entire procurement system, which is deemed not only to be essential, but to be wise and safe in connection with the administration of the bill.

I desire to add one or two things at this point, because the Senator from Nevada has constantly said, "We do not want to furnish this money to these countries to do as they please with it." No one is getting anything to do as he pleases with, under the bill. Most of the difficult situations to which the able Senator from Nevada has referred in the course of his interesting remarks are mistakes and errors and even outrages which occurred under UNRRA, things which caused us to withdraw from UNRRA, and to insist that processes of that nature should no longer be followed.

The things to which he points are the things which have been substantially corrected in subsequent relief administrations, and if the Senator is not willing to testify that the post-UNRRA relief administration in Europe is an infinite improvement on the UNRRA administration, if he is not willing to testify that it has largely caught up with the mistakes and errors, if he is not willing to testify that we have learned by experience and are profiting by experience, I can only say his testimony disagrees with that of every other of his colleagues whom I have heard testify, who went abroad during the past summer to view the situation at first hand.

Mr. MALONE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Nevada?

Mr. VANDENBERG. I yield.

Mr. MALONE. I believe, as does the Senator, that many corrections have been made. I believe that we now have in Europe a man who, if he had authority to move, as he apparently does not, would do a good job. I refer to Dwight Griswold.

Mr. VANDENBERG. Governor Griswold is not involved in the consideration of the pending bill or the pending amendment.

Mr. MALONE. I merely wished to tell the Senator that I thought that if he were allowed to act, he could accomplish results.

In regard to "messing up" the bill, which has been so carefully prepared, the amendment, it appears to me, goes right to the root of the whole matter, that is, that the European countries will be allowed to buy goods wherever they see fit, and when they have done so and the invoices are received here, under the bill they will be paid, and as in the case of past relief measures, including UNRRA, get the credit for furnishing the goods to their people instead of the United States, which furnishes the money in sweat dollars collected from 49,000,000 taxpayers.

My colleagues who are sponsoring the amendment and I believe, generally, that the United States should get credit for this relief and that it should go direct to the people who are involved, who are hungry and cold. This is a complicated bill, a point on which I agree with the Senator from Michigan, and we believe it could be simplified with great benefit not only to the people who are to be fed, that is, the individuals, not the particular governments, in whom I still insist we are not interested, but also to our great benefit, making this gesture to the people of Europe so that they know who is giving

them the food, and that we do not expect a return of any kind.

Mr. VANDENBERG. Mr. President, the Senator has submitted a series of 8 or 10 amendments, and at his own intiative he asks that they be voted on en bloc. The only thing I can do is to take each amendment as I come to it, and I suggest that we confine our debate, all of us being as brief as possible, to the particular amendment under discussion, so that we can make orderly headway in the consideration of the amendments.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. MALONE. The Senator from Michigan said this one amendment he was discussing would affect the entire bill, and I agree that it does affect the entire bill, and in the opinion of the sponsors of the amendment, it simplifies the legislation and clarifies the objective.

Mr. VANDENBERG. I understand that is the viewpoint of the sponsors of the amendment.

Mr. PEPPER. Mr. President, will the Senator from Michigan yield?

Mr. VANDENBERG. I yield to the Senator from Florida.

Mr. PEPPER. The able chairman of our Committee on Foreign Relations has made several references to the administration of the UNRRA program. I know the Senator would also be fair enough to say, since he has spoken of the recent relief program being an improvement in efficiency and in methods over UNRRA, that UNRRA had the disadvantage of being the first program, that it was set up rapidly, covered a large area, had to operate in a short period of time, and that it too, no doubt, would have improved its own administrative technique had it had opportunity to gain the experience which was subsequently acquired.

I say that, Mr. President, because I feel very strongly that, on the whole, UNRRA did a good job, that while there may have been defects in its program, the principle of the administration of aid through the international organization was the right principle. I think we have erred in departing from that policy. I would rather lose a little money and retain more good will than the contrary.

While UNRRA will stand before history upon the record it actually made, and it certainly does not need my feeble voice in its defense, I merely rose to ask the able chairman if he did not believe UNRRA did a great deal of good, and that it, too, would have profited by experience if its life had not been ended.

Mr. VANDENBERG. I am glad the Senator interrupted me in this fashion, because I think that otherwise the RECORD might have conveyed a wrong impression.

Everything I have said about UNRRA is true, in my opinion. I think that inherently UNRRA could not operate effectively because it was under a multilateral international administration, which made a successful type of administration highly difficult. I think there are many pretty bad spots in the UNRRA record as a result. But I would not for an instant deny that there was a splendid devotion to an ideal in its management. I would not deny for an instant that, in spite of all its handicaps and errors, it served an utterly indispensible purpose at the time it was in operation.

Mr. RUSSELL. Mr. President, I desire to propound a parliamentary inquiry. As I understand the amendment that is pending, it deals with several sections of the bill.

The PRESIDING OFFICER. The Senator is correct.

Mr. RUSSELL. Is it not possible for any Senator to request a division of the question?

The PRESIDING OFFICER. The Chair would point out that the Senator offering the amendments requested that they all be considered en bloc, and by unanimous consent the Senate agreed to do so. The request was put and there was no objection. So the Senate is bound to consider the amendments accordingly.

Mr. RUSSELL. I was not in the Chamber at the time, having been called from the floor temporarily, but I regret very much that that condition obtains. I for one would like to vote for that portion of the amendment which undertakes to reduce the authorization from $597,000,000 to $400,000,000, but I am not prepared to vote for the rest of the amendments.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from Nevada.

Mr. MALONE. I would say to the distinguished Senator from Georgia that I have no objection whatever, and I do not believe that the Senators who joined with me in offering the amendments have any objections to voting on them separately. We also have no objection to voting on them collectively. If it is possible to change the rule, the Senators have our permission to proceed in that way.

Mr. RUSSELL. Mr. President, I ask unanimous consent that that portion of the amendment which relates to the total authorization of appropriations be voted upon separately.

The PRESIDING OFFICER. The Senate can always undo what it has done. The request has been made that that particular portion of the amendment be voted on separately. That merely applies to the total amount of the appropriation, the Chair understands.

Mr. RUSSELL. That is correct.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Michigan yield, while the Senator from Kentucky raises a point of order?

Mr. BARKLEY. No; I am not raising a point of order. I am merely reserving the right to object, because it can only be done by unanimous consent.

The PRESIDING OFFICER. That is the Chair's understanding.

Mr. BARKLEY. Inasmuch as a separate amendment can be offered, if the group of amendments en bloc is voted down, affecting the total amount, it seems to me that nothing much is to be accomplished by setting aside the rule which was adopted a while ago.

Mr. RUSSELL. It seems to me we might save time in arriving at a vote on the bill. That is the only purpose I had in mind.

Mr. BARKLEY. I do not know whether that result would be accomplished.

The PRESIDING OFFICER. Is there objection to the request made by the Senator from Georgia?

Mr. DONNELL. Mr. President, will the Chair please state the request?

The PRESIDING OFFICER. The request is that that section which is being amended, which contains the appropriation, be voted on separately. Is there objection? The Chair hears none, and it is so ordered.

Mr. VANDENBERG. I understand, Mr. President, that we are first voting en bloc on all the remaining amendments, and not upon the proposal to reduce the sum?

The PRESIDING OFFICER. The Senator from Michigan is correct.

Mr. VANDENBERG. Therefore I continue to address myself to the motion that is pending, and under those circumstances I skip for the time being a discussion of the amount. The third amendment deals with the question of sums, which I have already discussed, and simply is supplemental to the previous amendment on the same subject.

We now come to the amendment, which I take it from the observations of my able friend from Nevada really goes to the heart and core of his objection, namely, to require that everything under the terms of the bill shall be given away free gratis for nothing. Well, that involves a highly laudable and human point of view, which I would be the last to criticize, but it seems to me it confesses a total failure to understand the nature and character of this operation, because, for instance, when we are relieving hunger and cold and distress in Italy, let us say, during the ensuing three winter months, we are not simply relieving the distress of the indigent; we are relieving the distress of the entire population, because the food and fuel deficit is a total deficit in the economy of the whole country. The only reason we have to furnish the food and fuel is because there are not dollars available to balance the deficit by direct purchases abroad. Therefore, there is no way that it is possible to separate the indigent in the recipient country as the ones who are to be the beneficiaries of our attention. We are serving all the people of Italy, and it is just as important that the middle class in Italy should not starve or freeze as it is that the indigent should not starve and freeze. Yet when we come to the contemplation that we are furnishing food and fuel to the middle class and the upper class as well as the indigent, it seems to me perfectly fantastic to say that we should make a free, unlimited, gratis gift of food and fuel to this total population. I submit that under the correct concept of the bill, it becomes indefensible to talk about requiring that this shall operate on the basis of a total gift.

That is not the only thing involved. We all know that if there is any hope for the economies of Europe, it is on the basis of internal recuperation in the direction of reorganized domestic economy; and that means an attention to sound finances and sound budgets. If all

the aid is put upon a charity basis, all burden is eliminated from the local budgets to provide against responsibilities that are inherent in the obligation of any government on earth. A situation is produced in which the gift, the charity, becomes a budgetary windfall to the beneficiary country. and that is one of the precise things which we are seeking to guard against by requiring this deposit of local currency.

I submit, Mr. President, that from whatever standpoint we contemplate the matter, and with the greatest respect for the high motive which I know inspired my friend from Nevada and his associates in making this proposal, I think it is not only completely at variance with the theory of the legislation, but I think it completely collides with basic economic common sense.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. MALONE. It seems to me that if we are furnishing fuel and food, we are only furnishing it because the country needs the fuel and food. We do not go particularly into the reasons why they need it.

Mr. VANDENBERG. The Senator is wrong about that, in my opinion.

Mr. MALONE. If the Senator will allow me to finish——

Mr. VANDENBERG. I beg the Senator's pardon.

Mr. MALONE. If an effort were made to trace this fuel to see where it would be used, I presume we would find that it would be used in the furnaces to create electric power, in furnaces to heat cities, and in individual stoves to provide heat for citizens who are cold and hungry. We get no return from the city, only the recipient government itself gets a return, not the United States; if there could be some return to the United States in their own money, that would be helpful, but there is no return to us whatever. So why would it not be practical to allow the fuel to be used in furnaces producing electric power and furnishing other necessities to the cities, and then to have a reduction in rates to the poor people needing the food and fuel so badly?

Mr. VANDENBERG. Mr. President, I think I have covered all the questions submitted to me by my able friend. When he gets around to the central heating plants that are going to get the fuel, it seems to me he presents an exhibit which simply fortifies the point I have made, that where there is economic capacity to pay for fuel, that capacity should be tapped. I know of no reason why the American people should be asked to make up deficits that are needlessly created in this fashion. So I can only end where I began, that I think the amendment ignores the entire concept upon which this undertaking is set up.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. MALONE. It seems to me that the Senator has at last gotten to the real heart of the problem, which is that in the winter time it certainly is cold in France, and that some people will not be able to pay electric bills and fuel bills and the various bills that will come to them as the result of expenditures necessary to heat a city or a hotel. That is why I believe there could be a reduction in rates as a result of our gift of fuel. So it all comes back to one thing, as we should find if we had the time and the patience to follow through in respect to all the fuel and the food we furnish. Either the indigent, hungry, and cold people should be allowed benefits by way of reduction by the French Government in the rates charged those people for the heat, and so forth, which is created by the fuel we furnished the French Government, or the whole thing falls flat. No money comes into the United States Government in return. The money goes to the French Government, if it seeks to get what it can from some of its indigent citizens, instead of lowering its rates.

If the recipient governments are allowed to sell the food and fuel given them by this Government, the money in their currency should be paid to the United States. Then we could subsequently use such currency of the respective government to purchase such manufactured goods as may be produced by them, needed in this country.

Mr. VANDENBERG. Mr. President, I simply want to add a word and then I shall move on. I think the Senator again misconceives the theory and concept of the legislation. The reason food and fuel have to be furnished is not because the people are too poor by and large to pay for it. It is not because the municipality does not have the resources with which to pay for the fuel to run the lighting plant. It is because they do not have the international exchange with which to make the imports that are indispensable to do the particular thing that may be involved. So that it is not a situation where we can apply a needs test. It is a situation where we apply the test of availability in respect to the payment for indispensable imports, which is, it seems to me, a concept that is a thousand miles removed from a plea on a charity basis.

Mr. BARKLEY. Mr. President, will the Senator yield to me at that point?

Mr. VANDENBERG. I yield.

Mr. BARKLEY. With respect to the theory of the Senator from Nevada, in the case of a central heating plant in any city in Italy or France where coal furnished by us had gone into the furnaces that produced heat, the ultimate conclusion of that theory would lead the United States into the necessity of paying the individual heating bills of citizens of a community that were afforded heat, by reason of the fact that coal was being furnished by us to the community or city. Certainly we are not seeking in the proposed legislation to go anything like that distance.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. CHAVEZ. I believe it would be well if the Senator from Michigan would clarify the purpose of section 2 of the bill. Of course, it does not refer only to economic retrogression or to the economic situation, but it does definitely say:

> It is the purpose of this act to provide immediate assistance in the form of food, fuel, and other commodities urgently needed by the peoples of Austria, France, and Italy, hereinafter referred to as the recipient countries—

To what?—

> to alleviate conditions of intolerable hunger and cold.

So of necessity, if that is the purpose of the bill, we can say that it does not refer only to the economic situation in the country. I think if the Senator from Michigan would clear that feature up possibly we would not be confused.

Mr. VANDENBERG. I would think there was no possible confusion about it. The point is that this intolerable hunger and cold is not due 85 percent of the time to a lack of domestic resources to pay for food and fuel. It is due to a lack of sufficient food and fuel and a lack of sufficient kind of money with which they can be imported. The net of it, however, arrives at exactly the language indicated in the bill, "intolerable hunger and cold," not only for the indigent but for everybody.

Mr. CHAVEZ. That is correct. But what is going to be done if the indigent cannot buy the food?

Mr. VANDENBERG. The indigent will be served precisely as the indigent in the Senator's home town would be served. The indigent are not required to pay for the food. But those who can pay for it are required to pay for it.

Mr. CHAVEZ. I admire the Senator's confidence in that respect.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. WHERRY. A moment ago there was some confusion in the Chamber and I did not hear all of the statement made by the distinguished minority leader. I should like to ask either the distinguished Senator from Michigan or the minority leader a question. If the charity proposed by the Senator from Nevada in the way of a reduction of light bills were to be extended, would that cost the American taxpayer anything?

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. BARKLEY. I merely observe that if the theory of the Senator from Nevada were carried out to its ultimate conclusion, and I understood him to indicate that he wished we would deal with these people on an individual basis and not deal on the level with the government, then in cases where indigent people were unable to pay their heating bills for heat which came through a central heating system we would be required, if we were to follow up that line of thought, to reimburse individually those who had enjoyed the benefit of the coal which went into a heating plant, if they could not themselves pay for it.

Mr. WHERRY. Mr. President, will the Senator yield for a further inquiry?

Mr. VANDENBERG. I yield.

Mr. WHERRY. After the certifications have been made and the American dollars furnished, the French Government buys grain from us which is processed and sold to the people and the French currency paid by them for the flour is turned over by the millers to the Government, and the Government deposits it in the revolving fund. Is that correct?

Mr VANDENBERG. Substantially.

Mr. WHERRY. Substantially?

Mr. VANDENBERG. I mean there are various other steps involved. But I say that substantially the Senator is correct.

Mr. WHERRY. At that point let me ask, what is the difference whether France gives that food away through its regular distribution channels as supplemental food to the French people or whether France charges for it. Is there any difference?

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. BARKLEY. That is a matter which pertains to the internal policies of the French Government.

Mr. WHERRY. The food in question is supplemental food. It is not going to be set aside, and the statement made that, "this man is going to get it," or "that woman is going to get it." This is supplemental food, or supplemental coal or steel. Once France gets into possession of it, I ask again, what is the difference, so far as distribution is concerned, whether it is paid for by the individual or whether it is not?

Mr. BARKLEY. That is still, as I say, a question of the internal policy of the French Government. I do not know what the Senator means exactly by "supplemental food." Let us take bread, for instance. The French have reduced their rationing of bread to 200 grams a day, as compared to 600 grams a day prior to the war. The same thing has happened in Italy. So long as they retain that rationing, that maximum of 200 grams, I suppose the food they would be able to buy under this bill would still be limited to that sort of a rationing system in France. If they did not have enough food to make up the 200 grams, the difference would be furnished through this legislation, and to that extent it would be supplemental to what they themselves had.

Mr. WHERRY. That is correct.

Mr. BARKLEY. If the entire 200 grams of bread a day were furnished from these funds, it would not be supplemental food but total food.

Mr. WHERRY. I understand the Senator. That is exactly my viewpoint.

Mr. BARKLEY. The bill provides that we shall deal on a governmental level. All the safeguards, all the certifications, and all the facts must be brought to the attention of our Government prior to the actual commitment of the French or Italian Government.

Mr. WHERRY. I understand that.

If the Senator from Michigan will further yield, I should like to make one observation in reply to the minority leader, with whom I agree.

Mr. VANDENBERG. I yield.

Mr. WHERRY. I agree that the question of what becomes of the money will be resolved in the agreement which is made between our country and France as to what is to be done with the currency in the revolving fund. In that fund might be the allocation suggested by the distinguished Senator from Illinois [Mr. LUCAS], who suggested that part of the currency might be used for publicity purposes, possibly for the Voice of America program. Whatever is contained in such an agreement, it must be executed as between the governments so far as concerns the use of the funds. I agree to that.

The other day I asked the question as to what was to be done with the money. The distinguished Senator from Michigan may remember that I raised the point that it was my feeling that the money would be used to help sustain the governments. In other words, we would be subsidizing the governments. I referred to the personnel on the police force in Paris, 34,000 policemen. I quoted a figure which had been furnished me as to the personnel in the French Government. We ought to look into that question.

Coming back to the original question, I am seeking light. I did not hear the amendments read. I am trying to find out what the sponsors of the amendments have in mind. It seems to me that it makes no difference, so far as the American taxpayer is concerned, what France does with the food after it is paid for, if it is paid for, or after it is received as a gift. As the distinguished Senator from Kentucky [Mr. BARKLEY] has suggested, the food will be placed in the normal channels, whether it is paid for or not. It will be furnished as supplemental rations to the one who eats the bread; and the other materials will be furnished in like manner. They will be furnished to the one who gets the heat, the cotton, or the petroleum. I hope I am correct. It seems to me that it makes no difference, so far as we are concerned. The money is not an important thing. When I was in France the lowliest person could get all the money he wanted. It was a question of getting food. The ration system is in operation there. It will continue in operation.

I am not sure what the distinguished Senator from Nevada [Mr. MALONE] has in mind, but it seems to me that if the food is sent over as charity, or as a loan, the distribution method is there. The food will be distributed in the same way, regardless of whether or not it is paid for by money which goes into the revolving fund. However, there is this difference: The provision that the people shall pay for it will result in placing in the revolving fund the currency with which those governments can maintain themselves. I think that is true.

Mr. BARKLEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Kentucky?

Mr. VANDENBERG. Mr. President, I was taking leave of absence temporarily. [Laughter.]

Mr. BARKLEY. I do not want to take the Senator's time.

Mr. WHERRY. Mr. President, I am sorry if I have encroached upon the time of the distinguished Senator.

Mr. VANDENBERG. Not at all.

Mr. WHERRY. The Senator has been most patient. Possibly some of these questions are so far afield that they should not even be answered.

Mr. VANDENBERG. Mr. President, I should like to comment on the last sentence of the Senator, because I do not think he meant it.

Mr. WHERRY. If I did not mean it, I should like to have the distinguished Senator from Michigan tell the Senate what he feels the State Department has in mind as to what will be done with the money which goes into the revolving fund.

Mr. VANDENBERG. I have answered that question several times, but I shall be glad to do so again.

First, let me say that I disagree with the implication of the Senator when he says that the proceeds from the sales are to be used in some fashion by the domestic government.

Mr. WHERRY. I referred to the proceeds in the revolving fund.

Mr. VANDENBERG. Yes. The implication was that some sort of governmental subsidy was involved. I disagree. I disagree at least to the extent that I shall have lost all confidence in my own Government if it ever consents to any such arrangement. It must consent to anything that is done with the revolving fund.

Now let me come to the rest of the question. What is to be done with the revolving fund? That depends upon the contract which is written.

Mr. WHERRY. I agree.

Mr. VANDENBERG. Under the present relief law, Public Law 84, which is already in operation, the revolving fund can be used for relief and work relief as a supplement to the original relief. In other words, we get two or three times the relief utility of our money as a result of turning it into a revolving fund under our constant veto in respect to its use.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. WHERRY. There would be no relief from that money unless additional rations were made available, would there?

Mr. VANDENBERG. It might take the form of work relief.

Mr. WHERRY. But the worker on work relief would be entitled to rations. It is not a question of money. It is a question of food.

Mr. VANDENBERG. Certainly it is a question of food. But it is also a question of the resources with which to obtain food which is in deficit.

Mr. President, there are many other things which I do not think I need to take the time of the Senate to repeat, for which the revolving fund could be used. So far as I am concerned, I am ready to vote on the pending amendments.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. MALONE. What the Senator says is true if the people have the money, which I doubt. I have just returned from France. For the past month I have been in France and other countries. Most of the people are receiving very low wages in their own currency. The Senator stated that 85 percent of the people had money. I should say that 15 percent of the people have money, and not 85 percent. That is a matter of academic disagreement, unless there is some way of checking quickly. I hope the Senator can do so.

Mr. VANDENBERG. We should also have to agree on a definition of what we mean by having the money.

Mr. MALONE. The Senator stated that the people had the money and could pay. If they have the money, why not turn over the money received for the food, in francs, or the money used by the respective recipient government to the American Government in the manner I have already suggested so that we can buy the commodities which we need, and which are made by such recipient government, instead of going through the complicated routine provided for in the proposed legislation, which is to be agreed upon by three or four governments? If 85 percent of the people have the money, as the distinguished Senator from Michigan suggests, it is a very simple matter to transfer it to the Treasury of the United States in their own currency after such sales have been made by the recipient governments.

Mr. VANDENBERG. Let us get back to the 85 percent. I did not say that they had the money.

Mr. MALONE. The Senator stated that he thought that 85 percent of the people of those governments had the money.

Mr. VANDENBERG. Let us be reasonable. If I said that 85 percent had the money, I meant that 85 percent were not on relief, and therefore were in a position to purchase their own supplies with local currency.

Mr. MALONE. Does the Senator have any figures on that question?

Mr. VANDENBERG. No; but I should be glad to have the Senator change the percentage if I am in error.

Mr. MALONE. I think it would be more nearly correct to say that 15 percent have the money and that 85 percent of the people of the recipient countries would not have the funds with which to purchase the food and fuel needed.

Mr. VANDENBERG. Does the Senator mean that 85 percent of the people of France are on the poor-house list?

Mr. MALONE. No; they are not. However, they cannot buy canned goods such as I bought in Greece, and which can be bought in the black market in France as well. The ordinary people cannot buy such goods because of the low wages received when they work—and many of them are not working.

Another factor is the rate of exchange. The present official rate in France, for example, is 117 francs to the dollar. When I checked out of the Crillon Hotel in Paris last week I was charged $25 for a one-night stay including a dinner, because of the rate of exchange. One could go around the corner and get 400 francs to the dollar, which would have reduced my bill to approximately $8, which would have been reasonable, but by using the official rate of exchange of 117 francs to a dollar the rate was practically trebled. That is one of the reasons why the people are in such terrible circumstances. People working for low wages do not have sufficient money to buy the goods. Therefore they cannot pay. Also by holding rigidly to the false value of 117 francs to a dollar, exports are discouraged, since no one can afford to buy their goods—therefore it is only natural that they run out of dollar balance.

I should say that that statement applies to 80 or 85 percent of them. The Senator is correct in reverse.

Mr. VANDENBERG. Mr. President, let us have a vote on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Nevada [Mr. MALONE] for himself and other Senators. By unanimous consent the amendments are being considered en bloc, with one exception.

Mr. PEPPER. Mr. President, I should like to ask the Senator from Michigan a question.

Is it on page 4 of the bill that the provisions are to be found with respect to the revolving fund which has been under discussion?

Mr. VANDENBERG. Yes. The language has been amended.

Mr. PEPPER. I have not seen the amendment. It may be that the language has already been satisfactorily amended. Subparagraph (b) on page 4 seems to leave open the question as to whether the Government receiving the supplies shall sell them or give them away, upon a proper finding. Is that the intention of the language?

Mr. VANDENBERG. Yes. It all depends upon the agreement which is made between our Government and the recipient government with respect to the operation of the fund.

Mr. PEPPER. I am referring to the language beginning in line 11, reading as follows:

> (b) to the extent that supplies procured with funds authorized under this act are not furnished on terms of repayment in dollars, they shall be furnished only upon condition that the government of the receiving country agree that when it sells such supplies for local currency.

Does that mean in case it sells them? Does it by implication allow the recipient government to give supplies to the indigent if the government should see fit to do so?

Mr. VANDENBERG. First, let me say that that language has been changed and it now applies to all commodities except those which may be the subject of direct repayment to our Government.

Mr. PEPPER. Very well. That is taken care of in the text.

Has the language beginning in line 16 been altered? I am referring to the words:

> (a) the amounts of such local currency will be deposited by it in a special account; (b) such account will be used within such country, as a revolving fund, until June 30, 1948, only for such purposes as may be agreed to between such country and the Government of the United States, for relief and work relief purposes.

Mr. VANDENBERG. That is out. The entire section which the Senator has read is condensed into a single sentence which I shall read, as follows:

> (b) to make, when any commodity which is not furnished on terms of repayment in dollars is made available under this act, a commensurate deposit in the currency of such country in a special account under such general terms and conditions as may, in said agreement, be agreed to between such country and the Government of the United States, and to hold or use such special account for, and only for, such purposes as may be agreed to between such country and the Government of the United States.

That is followed by subparagraph (c) which gives the Congress a veto upon the distribution of the ultimate unencumbered balance.

Mr. PEPPER. I am glad to hear that. That is a great improvement over the language in the original bill.

Mr. VANDENBERG. I think so.

Mr. PEPPER. The existence of our foreign services in the countries which are the recipients of these dollars involves a considerable sum of money which we have to pay regularly. If we can let them have dollars and they can pay them back in supplies and in other contributions they may be enabled to make, it would cost us no more.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. MAGNUSON. The Senator will recall that on Monday I suggested that I might offer an amendment to the bill, in view of the insertion of section 5.

Mr. VANDENBERG. Yes. But will not the Senator permit us to wind up this amendment?

The PRESIDING OFFICER. There is a unanimous agreement to vote en bloc on the amendments offered by the Senator from Nevada and other Senators, with the exception of the amendment regarding the appropriation of $597,000,000.

The question is on agreeing to the amendments, with the exception of the one indicated.

The amendments offered by Mr. MALONE for himself and other Senators were rejected.

Mr. VANDENBERG. Mr. President, this leaves one amendment in the list of amendments offered by the able Senator from Nevada and his associates, the purpose of which is to strike out the figures "$597,000,000" and to insert in lieu thereof the figures "$400,000,000."

It was suggested in connection with the presentation of this bill that it is said to represent the viewpoint of the House committee. I am not clear about that. The only information I have is, as Will Rogers said, from the newspapers. It is my understanding that if there was any such action it was by a majority of one with a number of the committee members absent. But be that as it may, I know of no probity that that particular statement has in our consideration of the matter. If the House wishes to make

a reduction we shall certainly confront it in conference and it will receive any attention it proves to deserve at that time.

So far as our original consideration is concerned, Mr. President, I simply want to say this about the figure. I can fully understand the anxiety of many of my colleagues to hold the figure to the utter minimum. I would want to join in any possible effort to hold it to a minimum which does not go below the essentials of doing the job. I know of no advantage in throwing a 15-foot rope to a man who is drowning 20 feet from shore. I would rather keep my 15 feet of rope.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. VANDENBERG. Will the Senator permit me to conclude a very brief statement?

Mr. RUSSELL. Certainly.

Mr. VANDENBERG. The evidence before our committee indicated to us—and I think this is a unanimous verdict on the part of my colleagues on the committee—that the figures had been screened to a degree and in a fashion, this time, which is infinitely more—shall I say scrupulous?—than heretofore in connection with some previous bills. At any rate, it was done on a basis which it seemed to us challenged at least a right to our prima facie belief in the validity of the job that had been done.

I want to indicate how that job was done.

In the first instance, estimates were made in the countries involved, by their own authorities, as to what they thought their deficit balance necessity would be——

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from Texas.

Mr. CONNALLY. I suggest that the Appropriations Committee can consider these matters, if it be found later on that the amount is too large. But the figures will not be found to be too large. There is danger that they may be found to be too small, in spite of the careful estimating. But it would still remain within the control of the Congress as to whether the full amount should be appropriated.

Mr. VANDENBERG. I was coming to the point which the Senator indicates.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. VANDENBERG. I should like to complete my statement as to how these figures were arrived at, if the Senator will permit.

I have said that original estimates were submitted upon the responsibility of the local authorities overseas. A preliminary check on the figures was first made by American economists and technicians in our missions abroad. A series of committees was then established made up of specialists from various United States agencies in Washington. These committees screened the needs in terms of commodities and the financial condition of the requesting country in respect to its dollar balances and resources. A second similar check was then made by economic and technical personnel in our foreign missions. This included inquiries to see whether the needs could be met elsewhere than in the United States.

The balance sheets then began to indicate the necessary expenditures and known resources. Efforts were made to see whether the most urgent needs in deficit could be met in other ways and by other funds. This search was fruitless, except for small sums in the case of France.

Now, listen:

These screenings reduced the original Italian requests for raw materials from $250,000,000 to $150,000,000. This checking further eliminated $150,000,000 for pipe-line deficiencies, $50,000,000 for working balances of funds, and $30,000,000 in payments to other countries on clearing balances, as not essential for this "hold the line" program.

So the original Italian request of $575,000,000 thus, through this process, came down to $227,000,000. Without reiterating the details of the process, let me say that the original French request of $459,000,000 came down by $131,000,000, as a result of this process. The original request from Austria for January 1 to March 31, 1948, was $85,000,000. That was reduced to $58,000,000, of which $16,000,000 is relief previously provided through the United States foreign-relief program.

What I am trying to say to my colleagues is that in justifying an original over-all appropriation ceiling, we felt that the evidence submitted to us not only completely justified the figure as provided in the bill, but would not justify any figure less than the figure in the bill, except in the light of subsequent contingencies which might change the situation to be served.

We had furthermore in mind the fact that after the authorization is approved, the appropriation itself must go to the Appropriations Committee, where in turn, it is to be carefully screened, and where there is available information of even later date than that which was available to our committee. So far as the Senator from Michigan is concerned, he would hope that the Senate Appropriations Committee would put a very hot microscope on the figures, because so far as this Senator is concerned, he wants this thing to be on a bedrock basis, provided it is adequate to meet a minimum challenge to keep people fed and free, people whom it is to our distinct necessity and advantage to keep free, this winter.

Now I yield to the Senator from Georgia.

Mr. RUSSELL. Mr. President, before I ask a question, I wish to observe that I have heard this argument about the Appropriations Committee used both ways. When an authorization is presented, it is always said, of course, that it all depends upon what the Appropriations Committee recommends. In numerous instances I have also heard Senators rise on the floor of the Senate and say that the authorization was a certain amount, and then belabor the Appropriations Committee because it had not voted the full amount of the authorization.

Mr. VANDENBERG. The Senator from Georgia is quite correct about that.

Mr. RUSSELL. So we realize that that situation may be handled in either of those ways.

I was very much interested in the report to which the Senator from Michigan adverted in his very able address in opening the debate on this measure. I refer to the report in regard to how these various requests were screened. I should like to ask the Senator from Michigan whether the committee, in arriving at these tentative amounts for these various countries, received any evidence as to the large amount of gold that is in the hands of various French nationals. In France you hear the figure estimated at anywhere from $2,000,000,000 to $5,000,000,000. I hold in my hand a report from the Bank of International Settlement, the annual report for the period ending March 31, 1947, which I may say was quoted approvingly in the bulletin of the Federal Reserve banks for October 1947, and which estimates the private gold holdings in France at 3 000 tons of gold of the value of $3,400,000,000, all in the hands of French nationals.

It seems to me that that is a very significant matter to be considered in arriving at whether we have in fact seen that all the means of these various nations are exhausted before the United States Government is called upon to contribute to the welfare of their citizens.

I concede that we have a very direct stake in preserving the freedom of France; but it would seem to me that French nationals who own gold, as estimated by this report appearing in the Federal Reserve Bulletin, amounting to $3,400,000,000, would certainly have as much interest in preserving the freedom of France as does an American citizen who is a taxpayer of the United States. I should like to know what consideration the committee gave to these reports on these rather extensive gold holdings in the hands of French nationals.

Mr. VANDENBERG. Mr. President, the Senator from Wisconsin [Mr. WILEY] persistently brought to the attention of the committee and its official witnesses the precise subject to which the able Senator from Georgia adverts. We were advised that insofar as our Government can have any contractual control over a current situation, it can deal, of course, only with the gold that is under the control of the French Government. That gold was in the neighborhood of $700,000,000, I think, on June 30; and my recollection is that it is down to approximately $325,000,000 now, which of course is close to the point of red flag hazard in respect to the currency of a country.

As respects gold that may be hoarded, we had available to us no information of an official nature, because apparently none seems to be available. But there is no doubt in the mind of the Senator from Michigan that there is a substantial hoarding of gold—and probably of American currency, too, as a result of expenditures made by our troops abroad There seemed to be no way by which we could reach that subject in connection with this particular bill; but we have urged the exhaustion of every possible effort to inquire into that phase of the matter, so that that information may be

available, insofar as it can be made available, in connection with the long-range bill, when it comes before us. That is the only answer I can make to the Senator.

Mr. RUSSELL. Mr. President, I should like to read into the RECORD an extract from the report of the Bank of International Settlement, from page 94 of that report, and I state that it was quoted verbatim in the Federal Reserve Bulletin for October, 1947. It deals with supplies of gold in the world. I shall read only one short paragraph:

> Much of the gold from Switzerland and from other sales found its way to France, where considerable amounts had been purchased by the public in recent years. It is estimated that at the beginning of 1947 private gold holdings in France reached the high figure of 3,000 tons, equivalent to about United States dollars $3,400,000,000, or nearly five times as much as the gold reserves of the Bank of France.

Mr. President, I would help all these nations, but I think we shall fail, and fail utterly, unless we confine our help to those who are willing to help themselves; and $3,400,000,000 of gold in the hands of the nationals of France, who have a stake in the Government of that country, means, I think, that we could afford to reduce somewhat the amount of this requested appropriation, insofar as it applies, at least, to French needs.

Mr. President, the French people are very intelligent. They have been dealing with conflicting philosophies of government at much closer range than we have, over a long period of years; and they have had a great deal of experience in operating governments. There can be no doubt in the mind of any Member of this body or in the mind of any Frenchman that if communism were to prevail in France, the state would find ways and means to nationalize this gold. We know that when the French people have been appealed to, in times past, when their national integrity was involved, they responded, despite their propensity for hoarding. In 1870 they raised a tremendous sum of money, I think a billion dollars, to the amazement of the civilized world, to get the Prussian armies off their soil, and I am sure they would be willing to contribute at least 7 or 8 percent of the gold they have hoarded in order to make up this modest reduction in appropriation sought by the amendment. For that reason, and that reason alone, I shall support the amendment offered by the Senator from Nevada.

Mr. KEM. Mr. President, will the Senator from Michigan yield to me to ask a question of the Senator from Georgia?

The PRESIDING OFFICER (Mr. LODGE in the chair). Does the Senator from Michigan yield to the Senator from Missouri?

Mr. VANDENBERG. I yield.

Mr. KEM. I have been very much interested in the figures the Senator from Georgia has cited as to hoarding of gold by French nationals. I have been interested to know whether he has any figures as to the investments of French nationals in American companies, stocks and bonds of enterprises.

Mr. RUSSELL. I have just read a report from the Treasury Department in which they estimate the investments amount to something like half a billion dollars, but I do not think that is nearly so significant as the hoardings of gold by French nationals in France.

Mr. KEM. Does the Senator agree that some method should be devised, if possible, so as to tap the holdings of French nationals in this country?

Mr. RUSSELL. It is my opinion that the resources of every one of these nations, insofar as they are available, without stopping all recovery within the country, should be devoted to the purposes intended in the proposed legislation, before the American taxpayer is called upon to foot the bill.

Mr. KEM. Mr. President, will the Senator from Michigan permit me to ask him a question?

Mr. VANDENBERG. I yield.

Mr. KEM. I should like to ask the Senator whether any steps have been taken by his committee to tap the gold holdings of the French nationals or the investments of French nationals in this country?

Mr. VANDENBERG. I have made a request for a complete investigation of the matter, so far as it can be done and a report made in time for consideration in connection with the long-range program.

Mr. KEM. Has the Senator any information as to the extent of the holdings?

Mr. VANDENBERG. No, I have not, except what I have read in the papers, the same information to which the Senator refers.

Mr. KEM. Does the Senator agree that some method should be devised to tap these holdings before further largesse goes out to these countries?

Mr. VANDENBERG. I think every effort should be made in that direction. But at the moment we are asked arbitrarily to make a shotgun reduction in the figure provided in the bill, and it does not seem to me that is supported by reason and logic, under the circumstances.

Mr. BARKLEY. Mr. President, will the Senator from Michigan yield?

Mr. VANDENBERG. I yield the floor.

Mr. BARKLEY. In regard to the suggested amount of gold that is being hoarded by French nationals, from time to time over a long period of years various estimates, which, so far as any official accuracy could go, are mere guesses, have been promulgated as to the amount of gold held by the nationals of different countries, how much is in secretion in their socks or stockings, or under their beds, or in some secret hiding place. It is a matter of pure guesswork. There are no official figures, and it would be impossible to obtain such figures unless the French Government, for instance, in this case, should institute a completely totalitarian search of every home and every possible place of secretion of gold in order to obtain the exact figures, or figures as nearly exact as could be obtained.

If any government in France or any other country that was teetering on the tightrope were to indulge in any such activity at this time it would bring about a chaotic situation which would defeat the very purpose or purposes of the pending bill, if it were inaugurated in connection with it.

One of the reasons why there is hoarding, if there is any, is lack of confidence in the currency of the country, and one of the reasons for lack of confidence in the currency of the country is the lack of confidence in the stability in the government of the country, no matter what government it is. That would be true in this country if we had chaotic governmental conditions and people did not have faith in our dollar.

Fortunately, not only the people of our country have faith in the dollar, but the people of all nations have faith in our dollar, and the dollar is now the universally recognized standard or value all over the world. Even Russia, which pretends to despise our capitalistic system, has required payment in dollars for some wheat she has shipped some of her neighbors, so that even in Russia the dollar is recognized as the world standard of value.

The thing which will restore the confidence of the French people or the Italian people or the Greek people, or any other people in Europe, in their own currency, will be the stabilization of their own government, and stabilization of government is just as intimately connected with stabilization of economic conditions as day and night are hooked together. We cannot separate politics and economics in the consideration of all these questions, whether internal or international. The economic condition of people determines frequently their politics, the political complexion of their government, and, on the contrary, the political conditions of the country, the type of government the people have, and also may determine the economic conditions of the people. So that the two things go along together.

We need not deny our interest in political stability in these countries. Political stability cannot be brought about unless there is a very marked degree of increase in the economic stability of the country.

As much as I sympathize with the Senator from Georgia in the effort to bring out of hiding all the money that is available in these countries, gold or American dollars, I believe that the institution of any effort on the part of the governments in those countries to send an army of occupation into every home and every place in the country where money might be hoarded would bring about a situation which would defeat the whole purpose of the proposed legislation.

Mr. MALONE. Mr. President, will the Senator from Michigan yield?

Mr. VANDENBERG. I had yielded the floor. If I still theoretically am in possession of the floor, I yield to the Senator from Nevada.

Mr. MALONE. In connection with the remarks of the distinguished Senator from Kentucky, I should like to ask him if he thinks we had a totalitarian form of government when we impounded gold in this country, and made it illegal for anyone to possess gold. It had to be turned over to the Government.

Mr. BARKLEY. No; I do not think so. We did not institute any search and seizure program, going into every home and every office and every man's sock and pocket, every bedtick in the United

States. It would have been useless to attempt to search out gold being held illegally.

Mr. MALONE. We merely made it against the law.

Mr. BARKLEY. We trusted our citizens, and I think that, by and large, they obeyed the law.

Mr. MALONE. Could France do the same thing now, in the judgment of the Senator, or does the Senator think these trick governments would go that far?

Mr. BARKLEY. The situation in France is entirely different from what it was in this country when we devalued our currency, when gold was kept as a background for our currency.

Mr. MALONE. I understood the Senator to say that we did away with that background.

Mr. BARKLEY. No; we still have a great deal of gold stored away as a background for our currency.

Mr. MALONE. It is a long way back.

Mr. BARKLEY. Yes. It is in a safe place, however, because it is in Kentucky. [Laughter.]

Mr. MALONE. Could not the French Government do the same?

Mr. BARKLEY. I suppose theoretically it could, but I think that practically it could not, under the present conditions.

Mr. MALONE. They could not do it under their socialistic government.

Mr. WHERRY. Mr. President, I should like to ask a question of the distinguished Senator from Kentucky. I know he has observed conditions in France, and I should like to ask him what the situation in France is now, from his own personal knowledge, regardless of any testimony, as to the Government being able to collect wheat or fruit from French farmers. Is the situation improved over what it was let us say a year ago or 2 years ago? Is there still a good deal of difficulty in getting food from the farmers?

Mr. BARKLEY. There has been great difficulty. Of course, the drought which took place this year intensified the difficulty, because all over Europe this year—and it was particularly true of France and Italy—there has been the greatest drought since the French Revolution. Everyone concedes that. That cut down the production of wheat to about one-third the normal production prior to the war. It cut down the production of wheat in Italy until there was a 3,000,000-ton deficiency in the Italian supply of wheat. In the early part of September they had only 3 months' supply of wheat in France, based upon their own production, and that meant that they had to obtain 9 months' supply from elsewhere in the world in order to carry out the 200-gram rationing that is in effect in France and Italy.

There is undoubtedly a black market in France. It has been a very serious thing with which to cope. We had it in this country, even have it now, because I have been informed that certain great corporations which desired a certain amount of pipe for a pipe line were required to pay a $2,000,000 premium in order to get it, which is only another form of black market.

Due to the black market, farmers could obtain more money for their crops than by selling them and accepting French currency, in which there has been a lack of confidence, because the official rate is now 120 francs to the dollar, and one can go out on the street and get 400 francs to the dollar.

That is not only true in France; in Finland it is true. The group with which I was associated went into a store in Helsinki to buy a few little articles to bring back to our families. I think the official rate was 150 Finn marks to the dollar, and we were paying for articles at that rate. Somebody came along and said, "If you will go out on the streets and wave an American dollar, you can get 500 Finn marks for that American dollar." Of course, we did not indulge in any such practice as that, but the black market is not limited to France or to any other country.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WHERRY. I should like to ask the Senator, based on his personal observation or upon information which he gathered abroad, what provision the Government makes to collect wheat? Can the Senator tell us that briefly?

Mr. BARKLEY. I cannot state the details of it. The Government does not seize the wheat and buy it as a government, in order that it may distribute it. It has until now depended upon the voluntary good faith of the French peasant or French farmer. We in America do not like to use the term "peasant," because it indicates some sort of discrimination, but in Europe the word "peasant" applies to the small farmers all over the country. They are subject to the same emotions and the same sentiments and the same practices as farmers in any other part of the world would be expected to have. But with the Government of France, it has been particularly necessary to deal with them on a voluntary basis, because, as the Senator knows, a terrific drive is now on in France to overthrow the present Government and to overthrow any government that does not recognize the insidious propaganda and the insidious ideology which we ourselves are more or less confronting in this country and in the world. If it had not been for the drought in France, and in all Europe, I am confident there would have been, under the voluntary system, an adequate distribution of wheat and other grain to the cities where men work and have to buy their bread. That is particularly important in countries like France and Italy, because they are bread-eating countries. In Italy, for instance, 65 percent of the calories that go into the consumption of human food is made up of bread. When the bread ration is reduced, the staff of life of the ordinary Italian has been reduced to almost the same degree as in the case of the ordinary Frenchman.

Replying to the Senator's question, the French Government has been unable or unwilling—and I think wisely unwilling—to undertake any forcible seizure of the grain grown upon the farms of France, in order that it might bring about a distribution which might under our standard be regarded as adequate and fair.

Mr. WHERRY. Mr. President, I want to thank the distinguished Senator for his observation. It confirms the information I have received. I have been told even very recently by those who have returned, that about the only way they can get the wheat is, of course, on a voluntary basis, but there are currency difficulties involved. Payment is made in gold or in an exchange of commodities, or something of that kind.

Mr. BARKLEY. If the Senator will permit me, I ought to say that taking all the wheat there was in France on the farms, if it were voluntarily taken and dumped in the cities for the benefit of the people who live in the cities and work in them, there was not enough wheat in France early in September for more than a 3 months' supply of bread for the French people.

Mr. MALONE. Mr. President, will the Senator yield at this point?

Mr. WHERRY. I yield.

Mr. MALONE. I should like to ask the distinguished Senator from Kentucky if he heard that there had been a considerable reduction in the acreage planted to wheat by the farmers of France, the assumption being that they put it into better-paying crops. In other words, there is not the acreage planted to wheat in France at this time that there had been previous to this year.

Mr. BARKLEY. I did not receive the information that there had been any reduction in the acreage of wheat.

Mr. MALONE. There has been a considerable reduction.

Mr. BARKLEY. I received reports, which I was not able to confirm, that a good many farmers were not increasing their acreage for grain, because they could obtain a larger return by the sale of cattle which they had permitted to graze on the farms which otherwise would have produced grain.

Mr. MALONE. So they decreased the acreage of wheat?

Mr. BARKLEY. That would illustrate the saying by Mr. Artemus Ward, that I have quoted here a time or two, that "One man has as much human nature in him as another; in fact, more." That applies as much to the French farmers as to anyone else.

Mr. WHERRY. Mr. President, the point I want to make is the one I raised the other day, with respect to the investigation which I think should be made by those who will go from America to take charge of the investigations. The point should be driven home, because certainly if the proposals of Mr. Farrington prevail, that the authority shall be given now, to be applied if necessary, to buy up the entire crop in this country, certainly the administrators of the relief organization should take cognizance of the fact that it is essential in connection with the contribution that the farmers, not only of France but of any other country that produces, should do their fair share in producing grain and permitting it to be used to feed the people of their respective countries.

I do not know how it can be written into an appropriation bill. I must accept the explanation of the distinguished Senator from Michigan that, under the bill, we can do this or that, but, on the other hand, it seems to me that if controls are to be used here, if it becomes necessary, we should see to it that farmers who produce grain, in the recipient countries, in some way bring their production into the whole outlay, so that they may do their share in feeding their own people.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. WHERRY. I yield the floor.

Mr. MALONE. I merely wanted to make the observation that apparently it seems to the distinguished Senator from Kentucky that it takes a totalitarian form of government to count the gold and to buy the wheat.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nevada, to reduce the figure of $597,000,000 to $400,000,000.

Mr. LANGER. I ask for the yeas and nays.

Mr. WHERRY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	O'Conor
Baldwin	Hickenlooper	O'Mahoney
Ball	Hill	Overton
Barkley	Hoey	Pepper
Bricker	Holland	Reed
Bridges	Ives	Revercomb
Brooks	Jenner	Robertson, Va.
Buck	Johnson, Colo.	Russell
Bushfield	Johnston, S. C.	Saltonstall
Butler	Kem	Smith
Byrd	Kilgore	Sparkman
Cain	Knowland	Stennis
Capehart	Langer	Stewart
Capper	Lodge	Taft
Chavez	Lucas	Taylor
Connally	McClellan	Thomas, Okla.
Cooper	McFarland	Thomas, Utah
Cordon	McGrath	Thye
Donnell	McKellar	Tobey
Dworshak	McMahon	Tydings
Ecton	Magnuson	Umstead
Ellender	Malone	Vandenberg
Ferguson	Martin	Watkins
Flanders	Maybank	Wherry
Fulbright	Millikin	White
George	Moore	Wiley
Gurney	Morse	Williams
Hatch	Murray	Wilson
Hawkes	Myers	Young

The PRESIDING OFFICER. Eighty-seven Senators having answered to their names, a quorum is present.

The question is on the amendment offered by the Senator from Nevada [Mr. MALONE] on behalf of himself and other Senators, on page 3, line 2, to strike out "$597,000,000," and insert in lieu thereof "$400,000,000." On this question the yeas and nays have been requested. Is there a sufficient second?

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. REED. I have a general pair with the Senator from New York [Mr. WAGNER]. I am informed that, if present and voting, he would vote as I intend to vote. Therefore, I am at liberty to vote. I vote "nay."

Mr. WHERRY. I announce that the Senator from Maine [Mr. BREWSTER] is absent on official business attending the Geneva Conference.

The Senator from Wisconsin [Mr. MCCARTHY] is absent because of official committee business.

The Senator from Wyoming [Mr. ROBERTSON] is absent because of illness in his family.

The Senator from New Hampshire [Mr. BRIDGES] is detained on official committee business.

Mr. LUCAS. I announce that the Senator from California [Mr. DOWNEY] is necessarily absent.

The Senator from Mississippi [Mr. EASTLAND] is absent because of illness in his family.

The Senator from Rhode Island [Mr. GREEN] is detained on public business.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business.

If present and voting, each of the Senators whose absence I have announced would vote "nay."

I announce further that the Senator from Texas [Mr. O'DANIEL], who is absent on official business at one of the Government departments, would vote "yea" on this amendment, if present.

The Senator from New York [Mr. WAGNER], who is necessarily absent, has a general pair with the Senator from Kansas [Mr. REED]. If present and voting, the Senator from New York would vote "nay."

The result was announced—yeas 30, nays 56, as follows:

YEAS—30

Ball	Hawkes	Maybank
Bricker	Jenner	Millikin
Brooks	Johnson, Colo.	Moore
Buck	Johnston, S. C.	Revercomb
Bushfield	Kem	Russell
Butler	Langer	Taft
Byrd	McClellan	Taylor
Chavez	McFarland	Wherry
Dworshak	McKellar	Williams
Ecton	Malone	Wilson

NAYS—56

Aiken	Hill	Reed
Baldwin	Hoey	Robertson, Va.
Barkley	Holland	Saltonstall
Cain	Ives	Smith
Capehart	Kilgore	Sparkman
Capper	Knowland	Stennis
Connally	Lodge	Stewart
Cooper	Lucas	Thomas, Okla.
Cordon	McGrath	Thomas, Utah
Donnell	McMahon	Thye
Ellender	Magnuson	Tobey
Ferguson	Martin	Tydings
Flanders	Morse	Umstead
Fulbright	Murray	Vandenberg
George	Myers	Watkins
Gurney	O'Conor	White
Hatch	O'Mahoney	Wiley
Hayden	Overton	Young
Hickenlooper	Pepper	

NOT VOTING—10

Brewster	Green	Robertson, Wyo.
Bridges	McCarran	Wagner
Downey	McCarthy	
Eastland	O'Daniel	

So the amendment offered by Mr. MALONE for himself and other Senators was rejected.

Mr. CHAVEZ. Mr. President, I offer the following amendment: On page 2, line 12, after the word "funds," insert "or commodities, including manufacturing plants, industrial machinery, highway equipment, and transportation facilities and equipment."

Mr. DONNELL. Mr. President, owing to confusion in the Chamber it was impossible for some of us to hear the amendment read. May it be stated by the clerk?

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 12, after the word "funds" it is proposed to insert "or commodities, including manufacturing plants, industrial machinery, highway equipment, and transportation facilities and equipment."

Mr. CHAVEZ. Mr. President, before I proceed to make a statement with reference to the amendment which I have offered, I wish to state to the Senate that I share with the Senator from Michigan [Mr. VANDENBERG], who has handled this bill in a most wonderful manner, the hope that we may be able to complete consideration of the bill this evening. Tomorrow is Thanksgiving. Of course, we all want the recipient nations to be thankful at least for the liberality of the American Congress in helping other nations with the tax money of the American people, with the hope that when they are giving thanks they will show a little appreciation.

Mr. President, I think the Senator from Michigan deserves a great deal of credit because of the fact that he has handled this legislation in a patriotic way. He has not let politics interfere with the execution of his duties as chairman of the committee which should handle this class of legislation.

It is my hope to show the Senate that I am actuated by a patriotic purpose, and by the idea of trying to cooperate and carry out the noble purposes of the legislation in a way in which American interests will also be considered. This afternoon I should like not only to give the recipient nations cause to be thankful tomorrow, but I should like to give the American taxpayer something to be thankful for in the action of the United States Senate.

On November 17, 1947, the President of the United States delivered to a joint session of Congress a message in person. Since then individual Members of Congress have had an opportunity to analyze and digest the message, which we all recognized was of extreme importance not only to the people of the United States but to people throughout the world. The first part of the message dealt with the dire necessity of aiding France, Italy, and Austria in the immediate future. This afternoon we are discussing that particular feature of the message. We are considering the bill reported by the Committee on Foreign Relations, which bill has been so ably handled by the Senator from Michigan in an impartial and nonpolitical way, for which I compliment him.

The President also discussed what was contemplated in the future to carry out the Marshall plan. Without analyzing the merits of that plan, I believe that the country can recognize that it is necessary in the interest of our own country and in the interest of the world for the United States to contribute aid to western Europe, and possibly elsewhere in the world.

As I have stated, we have heard, read, analyzed, and digested the President's statement, including his 10 proposals properly to administer aid to western Europe. While the 10 proposals are not important in connection with the legislation which we are now considering, nevertheless the debate has brought out the fact that Senators and the American people are concerned with the future and with the contemplated plan.

From a reading of 10 proposals, it is gathered, I believe, by the people of the country that it is the intent of the plan, as offered by the administration, to aid Europe, and perhaps the rest of the world, with as little unfavorable effect as possible on our domestic economy and welfare. Of course, we are charitable. Of course, we want to get along with the world. Of course, we want the economic situation throughout the world to be good, because if it is not good there will be chaos.

The only reason I am discussing the 10 proposals at this time is not that they have any particular significance so far as what we are about to vote upon is concerned, but that we should be thinking about them. It is all very well for some of us to say, "We must think of international matters." That is true. We should. However, the average American now is not thinking about international matters. The average housewife is thinking about the price of groceries. When we are thinking about international matters we should give some consideration to the feelings of the American people.

The wording of the 10 proposals of the President implies that Congress should pass legislation to provide many controls of our domestic economy, notwithstanding the fact that the 10 proposals do not suggest any definite method of bringing about such controls, thereby leaving it to the Congress to draft the necessary legislation. Anyone who has read the message or listened to it knows that while noble purposes were outlined and laudable suggestions were made there was no indication of a definite program. So it is up to the Congress to pass the necessary legislation.

Admitting, for the sake of discussion, that the results contemplated by the President's proposals should be brought about, the question in my mind is, How are the results to be brought about and what should the Congress do about it? It is my feeling that if the Congress were to make a thorough study of the world economic situation, the conclusion would be reached that the results sought by the proposals could well be accomplished by natural means within our power instead of by legislative methods.

I am offering for the consideration of this body a plan, basically a plan developed in international barter, that can be successfully carried out and which will accomplish the purposes for which the administration and the country strive. It is offered in the best of faith. It is entirely nonpolitical. It is with the idea of carrying out the program of aid to Europe and at the same time paying some attention to the needs and welfare of the American people.

I am offering for the consideration of this body a plan basically developed along international lines. While that may not appeal to some persons who probably think there is only one way to do it, and who think they know it all, it can be successfully carried out, and it will accomplish the purpose for which the administration has requested legislation.

For instance, let us study for the moment the 10 points for action as outlined in the President's message, and apply my contemplated plan to the accomplishment of each of those 10 points.

I know that the 10 points have nothing to do with this matter, but we are thinking about them every day of the week, and the American people are thinking about them.

The first point is the restoration of consumer credit controls and restraint on the creation of inflationary bank credit.

Of course, we do not want inflation to get out of bounds. No one wants that. But it appears to me that by allowing American industry, which certainly needs to produce more and to expand if we are to keep labor employed, to contract in Latin-American countries for commodities necessary to the operation of the aid program for western Europe, we can accomplish the objective.

What is the Senator from Nebraska [Mr. WHERRY] worried about? Why does the Senator from Michigan [Mr. VANDENBERG] agree with the Senator from Nebraska that the Senator from Nebraska should be concerned? It is because of our own resources. The difficulty has been that we wanted to make relief payments with American dollars and American commodities. It can be done without America itself suffering. If we barter with Latin-America for products which we say should go to Europe it would relieve the scarcity of those commodities in the United States, and by so doing we would increase the value of the dollar.

The difficulty, as I see it now, is that we want to give them dollars no matter where the commodities are bought. They do not need dollars, and we should not use dollars, because it can be done in a sound way, at the same time protecting American labor, American industry, American dollars, and American institutions.

Mr. STEWART. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. STEWART. Is it the Senator's idea that we should exchange with the country which is to furnish foodstuffs? Is it the Senator's thought that we should exchange on an even basis for commodities which that country might itself process and——

Mr. CHAVEZ. This is my proposition, and it is very simple. Supposing we are short of grain. Why is there such activity on the grain exchange in Chicago that we are trying to impose controls upon it? For the simple reason that it knows that up to now, in order to carry out this program, we have had to use American commodities produced in this country. It is my idea to let American industry, American business, sell to Argentina, for example. She has wheat, oats, barley, cheese, butter, meats, and practically everything else. She does not need dollars. We could permit an American enterprise to trade with Argentina and get paid in products needed for France or Austria, letting the American company take title and paying the American enterprise in American dollars, thereby keeping American dollars within the United States.

Mr. STEWART. If the Senator will further yield, would it not require some price fixing before such a thing could be done? There would have to be a stabilization of dollars and an international value placed on all goods that are exchanged.

Mr. CHAVEZ. I think this Government could deal directly not only with Argentina but with all countries throughout Latin America which can furnish articles we want to send to Europe.

Mr. STEWART. Suppose Latin America should charge twice as much for wheat as our price might be?

Mr. CHAVEZ. I do not think Argentina would do that.

Mr. STEWART. I am merely citing that as an example.

Mr. CHAVEZ. I do not think she would do that. Argentina is charging a high price for wheat now, for two or three reasons. In the first place, she is doing what the exchange in Chicago is doing—getting as much as the market will bear. But through an understanding of the kind I suggest the United States would deal directly with Argentina. We could say, "You have wheat. We have promised to send wheat to France, Austria, and other countries. We have machinery. Let us come to an agreement and we will trade at world prices in American dollars."

That could be done, and we would not have to worry about the grain exchange in Chicago.

The reason that the exchanges in Chicago charge as they do for wheat or cotton is that they are figuring that Uncle Sam needs these commodities and that Uncle Sam is going to pay, and, naturally, they are holding back.

Let me proceed, Mr. President: By trading in commodities in that way, we automatically increase the value of the dollar, and thereby increase the cash purchasing power of the people of the United States, which will automatically reduce the amount of consumer credit necessary. Likewise, we are at the same time increasing the pay check of the average worker, through additional work; and in this way we shall also increase the cash purchasing power of the workers, thereby doing away with his necessity for credits. Let me tell you, Mr. President, that it is very nice to read in the newspapers that we have 52,000,000 persons employed, but the newspapers do not tell us that perhaps those employees are working, on the average, only 24 or 30 hours a week, and that the pay they take home at the end of the week is much less than what it formerly was. It is true that many of our citizens are employed and are on the pay rolls, but they are not working the hours that they

should work or could work if we simply use a little common sense and are sincere about our so-called good will, good-neighbor policy.

The second point made is for regulation of speculative trading in the commodity exchanges. We are referring to the exchanges at Chicago, Kansas City, and perhaps Omaha and Atlanta, and to speculative trading in either cotton or other commodities. Let us ask ourselves this question, in all sincerity: Why is it necessary to control the exchanges? Mr. President, it is necessary because in making our plans for aid to Europe and the rest of the world we have proceeded on the assumption that it is necessary, at all costs, to use our own commodities. Human nature being what it is, those in control of the exchanges know that if the Government of the United States is to continue to send those commodities throughout the world from our own domestic resources, naturally there will be speculative trading. It is my idea, and the idea of many who have made a deep study not only of our aid to the world but also of our own interests and domestic welfare, that by using Latin-American commodities to aid Europe and the world, we shall reduce the demand for domestic commodities for foreign fields, thereby increasing the volume of domestic commodities for domestic consumption. This will immediately reduce the speculative factor in trading on commodity exchanges, which, as stated before, is so dependent on the United States' aid to Europe from domestic stocks. Authentic reports by Federal agencies and the producers of domestic commodities—and concern was manifested by the Senator from Nebraska and also by the Senator from Michigan—indicate that even now we are short of those commodities and that we shall be shorter still in 1948. All of that can be relieved by the suggested plan, which will be further outlined.

EXTENSION AND STRENGTHENING OF EXPORT CONTROLS

By the application of the plan I have in mind, wherein the Federal agency supervising the aid program enters into the four-cornered negotiation for the supplying of needed equipment for Latin America, in return for commodities to be supplied to western Europe, the suggested control can be maintained to insure that the items exported are proper and necessary to carrying out our air program, and do not in any way jeopardize our domestic situation. We know what is needed in Europe. Many persons in Europe are hungry and need food—cereals, such as corn and wheat, flour, and similar commodities.

Under the suggested plan there will be four different groups that will be directly interested: First, the United States Government, which has determined on a definite program for aid to western Europe; second, Latin America, which is in a position to furnish some of the commodities that our policy says should go to Europe; third, American business enterprise and labor, that are willing to cooperate to the utmost in bringing to a successful conclusion the contemplated policy of the United States; and fourth, the recipient nations in western Europe and the rest of the world who so badly need the commodities which we and Latin America are willing to have them obtain.

The fourth proposal was as follows:

EXTENSION OF AUTHORITY TO ALLOCATE TRANSPORTATION FACILITIES AND EQUIPMENT

In reading the proposals, I have come to the following conclusion: If the President is referring to the reinstatement of priority control domestically for the use of the present and existing rolling stock for transportation purposes in this country, I believe that by securing from Latin America all commodities necessary for the aid program, we automatically eliminate the necessity for the use of domestic rolling stock for transportation purposes, so far as aid to Europe is concerned. If the President was also referring to the exportation of transportation facilities in conjunction with the carrying out of the aid program to western Europe, it is my belief, from investigation, contact, and observation, that there are sufficient facilities in this country to produce the necessary transportation equipment for export to western Europe, without impairing the production necessary for the rehabilitation of our own domestic transportation system, because, through the operation of the proposed plan, additional raw materials will be available to our basic mills in this country, thus enabling them to increase their production of basic materials for the construction of transportation facilities. The key under our proposed plan is additional work on the part of the workingman, and I feel that he is anxious to perform. During the late war our mills and manufacturing plants operated around the clock, on a three-shift basis. We know that at the present time the majority of our mills and manufacturing plants are not using more than two shifts, at best, and the major portion of them are using only one shift—8 hours a day. The necessary labor capacity is available, providing the raw materials can be supplied. In many instances American employees are doing not even 6 days of work a week or even 5 whole days a week. A visit to Pittsburgh, Gary, Chicago, or Philadelphia will verify that statement.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. LANGER. I suggest that Senators go to the west coast and observe conditions there.

Mr. CHAVEZ. That is correct.

Mr. LANGER. Above all places, those who are interested should go to the west coast and see what the situation there is.

Mr. CHAVEZ. Yes.

The point I am trying to make is that I think this program to help the world is noble, and we should think all the more about it now that Thanksgiving is at hand. It is a beautiful thought and a spiritual consolation to anyone who is animated by feelings of brotherly love. This matter is not political. What I propose is not for the benefit alone of either party. I admit that I am extremely partisan when it comes to the question of electing a Democrat; but let me say to Senators that if they keep on thinking only about Europe and the rest of the world, and forget Joe Doakes, they may have to contemplate a change in the complexion of the Senate of the United States.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. WHERRY. I wish to call attention to the testimony adduced today before the Appropriations Committee by those who come from the soil and by those who are selling food, such as wheat, on the markets of the Middle West, and by those who produce it. The statement was made, in unequivocal terms, that the reason for the upward spiral of food prices there is the exportation of food from this country across the ocean.

I should like to say to some of those who are in favor of voting for all the proposed benefits and relief and who are attempting to harmonize their position with the present domestic situation, and take the view that the extension of such relief will not have any effect on the cost of living in the United States, that if they will read the testimony given today before the Appropriations Committee, they will find that such exports and proposed exports constitute the chief factor that is contributing to the rising prices of foodstuffs in the United States.

Mr. CHAVEZ. Mr. President, I do not wish to have the Senator from Nebraska misinterpret my idea. I wish to have the program of aid to the rest of the world carried out, but I think it can be done without jeopardizing the domestic economy of the United States if we actually mean what we say and wish to go along with our neighbors.

As I have said, we know that at the present time the majority of our mills and manufacturing plants are not operating more than two shifts a day, at best, and the major portion of them are operating only one shift. The necessary labor capacity is available, provided the raw materials can be supplied.

The American people are interested in this question. I know they are charitable. I saw a woman's magazine the other day; I do not recall whether it was McCalls magazine or not, in which the question was asked, "What are the American people thinking about?" What is the lady who cleans her house and sends her children to school in the morning, and the one who has to worry about the pay of her husband, thinking about? Not a word about Europe, not a word about China, not a word about Russia. They are thinking of groceries, the price of groceries, the cost of living, and it is about time we give some attention to those questions.

Mr. President, that might be isolationism, but I prefer to think, without any politics in my mind, that I can fulfill my oath of office if I pay some attention not only to the people who elected me, but to all the people of the United States. I am charitable, and I am against Communists.

It is a known fact that in the centers of heavy industry, notwithstanding our having more workers on pay rolls than ever before in our history, the actual take-home pay of the average worker is much less at the present time than

at any period during the last 6 years, and it is also known that this fact is a result of shorter hours worked by each worker than he worked in the last 6 years.

Mr. LANGER. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield.

Mr. LANGER. That is a fact among our 2,000,000 Government employees. Is it not true that the Senator, as ranking member of the Committee on Civil Service, found that when the last pay increase of $400 took place, as a matter of fact, after the overtime pay was taken away by executive order, and the income tax was increased, the average take-home pay of those 2,000,000 was less than before the pay increase?

Mr. CHAVEZ. I think that can be said for anyone who is employed; and it can be said as to little business, also.

At the same time, the worker's reduced income does not purchase the commodities he could have bought with the same amount of money some years ago.

AUTHORIZATION OF MEASURES TO PERSUADE GROWERS TO MARKET LIVESTOCK AND POULTRY AT WEIGHTS APPROVED BY THE GOVERNMENT

Personally, I do not see any reason for this proposal. It appears to me that if we are to carry that proposal into effect we will need more personnel than we ever had in OPA to look after the chicken yards and the livestock places of the country. But let us say that we make an honest attempt to carry out the proposal. The necessity for this point will be automatically eliminated if we supply the largest part of the necessary commodities for aid to western Europe from countries outside the United States, because having been relieved from the demand, it will make little difference, or rather, it will be to our advantage to market livestock and poultry at the best weight the grower can produce.

EXPANSION OF GOVERNMENT-FOSTERED AGRICULTURAL CONSERVATION PRACTICES AT HOME, AND MEASURES TO INDUCE INCREASED FOOD PRODUCTION ABROAD

The country as a whole would be in agreement with this point, and I believe that the application of our plan to trade agricultural equipment for surplus foodstuffs in Latin America would go far to promoting the second part of this point. By the barter suggested we would save in dollars, which is actually what is needed in order to carry out a program of conservation, but, if with our dollars saved we would have to buy produce elsewhere and other commodities, then that many dollars spent for that purpose cannot be applied for conservation in the United States.

ALLOCATION AND INVENTORY CONTROL OF SCARCE BASIC COMMODITIES

Why do we have a scarcity of basic commodities? For the simple reason that in all our plans heretofore made for aid to western Europe we have depended upon using nothing but our own domestic commodities.

So long as the Latin-American countries are willing to cooperate with us, so long as they have the flour, the wheat, the cheese, the butter, and everything else which we say should be sent to Europe, why can we not enlist their help in carrying out our program? I want Senators to believe that I am for the program.

Under the suggested plan there would be comparatively little demand on our domestic production of these basic commodities, thereby relieving the scarce condition, and I believe that when the demand for export of these basic commodities is removed from our domestic market the condition of scarcity will be entirely eliminated.

EXTENSION AND STRENGTHENING OF RENT CONTROL

This is a touchy subject. Everyone knows that rents are too high, and that something should be done about it. Now the question is asked, What are the reasons why rents are too high? The main reason is that we are short of housing, and naturally those who rent are demanding the last pound of flesh. It is not a happy situation. But I wonder how much help rent controls will be in the long run if we extend and strengthen them. Would it not be better that point No. 1 be done away with completely if we are to in any way be successful by adopting point No. 8—rent control?

Point 1 is the point which deals with credits. Rents are high, and they need attention. But why are they high? They are high because the Senator from Ohio [Mr. TAFT] and the Senator from Louisiana [Mr. ELLENDER] have not been able to get their housing bill enacted. They are high because people are short of houses. How do people build homes? They get contractors to erect homes for them. But the contractors have to be paid. How in the name of goodness can we expect a serviceman to build a home, or the average worker to build a home, if he has not credit? Where is the $5,000 or $10,000 in cash to come from? We are trying to encourage the building of homes, and I think the building of homes is one of the greatest things possible for democracy. When we have a home owner, we have a good citizen. When a man has something to shelter his family in the evening, he will be a good citizen, and that will counteract communistic tendencies.

It is a known fact that we are short of housing by millions of homes. It is also a known fact that most people would like to own their homes. Who would not? I ask any Senator. What ex-serviceman or citizen in his own State would not like to own his own home? Well, how are they going to build, unless they have credit? Very few have five, ten, fifteen, or twenty thousand dollars in cash with which to build homes, and until we do build homes and have home owners we are always going to have the problem of high rents. I would respectfully suggest that by the application of the plan I have in mind, the cost of commodities will be reduced and the take-home pay increased through additional work. Also by the same plan we will be able to import into this country from Latin America or western Europe scarce building materials when necessary, thereby allowing us to have more home owners, which will make rent control unnecessary except in a very limited and temporary way. This, as stated, is a very touchy proposition, and in my opinion deserves the most serious consideration by the Congress.

Why do I say that? Lumber is scarce. Mexico is the first country to the south of us. There is only an artificial boundary line. It is possible to go from Washington to Mexico City within a few hours. In that country there are thousands and thousands of acres of fine timberland. The lumber supply in this country is short. Why could not Mexico, under the plan I am suggesting, turn over some of her lumber to the United States, thereby relieving the shortage of lumber in this country for domestic purposes? Is there anything wrong about that?

AUTHORIZATION OF CONSUMER RATIONING ON BASIC PRODUCTS IN SHORT SUPPLY

By the application of our proposed plan we not only eliminate the drain on our own stock piles for relief to Europe but we can also arrange to replenish and increase our own stock piles by the importation of some of these basic products of which we are short. It is the drain that creates short supplies—not domestic consumption, but the drain on commodities that go elsewhere throughout the world.

AUTHORIZATION OF PRICE CEILINGS AND WAGE CEILINGS

In the first place, by actual trial over the past 7 years, it has been proved that any attempt to control price ceilings and wage ceilings by legislation, or in an unnatural way, has only resulted in black markets and dissatisfied labor. I do not want to place a ceiling on wages until something is done in the way of prices.

I believe that through the application of the proposed plan of using available relief commodities and supplies from Latin America prices and wages will naturally become stabilized.

Mr. President, I have just finished an analysis of the contemplated aid to western Europe and have discussed the 10 proposals made by the President which he deems necessary in order to carry out the aid to western Europe.

In discussing the proposals, in several instances, I have been telling this body that there was a certain plan of action which, in my opinion, would carry out the noble purposes of the aid to western Europe and at the same time adequately protect our domestic interest, our domestic economy, our industry and our labor. The plan I am going to suggest is in keeping with our policy of being good neighbors with Latin America and will forever prove to the world that when we say we are "Good neighbors" we mean it. The plan will do more to cement actual friendship, bring about better understanding and carry out the idea of cooperation among the different countries of the world than any political discussion that we might have either in this city, Rio de Janeiro, or Havana. It is well known that there are nations of the world that will try to make trouble for us in Latin America and every time we make a false step it gives those countries an opportunity to slander us, to misinterpret our intentions and desires, and actually carry out their purposes.

The plan to which I refer—and I hope the Senator from Michigan will read about it tomorrow morning—and which I propose, was not originally thought of by me, but it was called to my attention by persons in whom I have confidence and who I know have made a complete and detailed investigation of its possibilities.

It is known that practically all the Latin-American countries are at the present time engaged in large programs of industrialization; that they need and require our industrial and agricultural machinery and equipment. Therefore, it is proposed that the Latin governments, still having confidence in my Government:

First. Let the United States Government, through whatever agency is set up to administer the plan for aid to western Europe, allow American private engineering and industrial concerns in the United States to contract to furnish industrial and agricultural machinery and equipment and plants to Latin America, and to western European countries, in exchange for surplus commodities and basic raw materials.

Second. Let the United States Government take title to these commodities and raw materials by reimbursing private industry in dollars in this country as private industry is paid by the purchaser at ascertained world prices in dollars.

What would that do? We would trade something, for instance, to Argentina. We might sell a piece of goods or a piece of machinery. Argentina in turn would deliver to the American firm wheat, flour, and so forth. In turn, the United States would take that flour and ship it to Europe; and in turn, the United States would pay the American industrialist in this country in American dollars. The commodities we wanted would be obtained. Not a single dollar would be spent outside the country. The money would be kept here. Thereby, the worker would have a little greater purchasing power.

The United States Government would allow private industry to exchange commodities for commodities which we need to send to Europe and which are short in this country. The Government would take the commodities and reimburse, let us say, the one who sent the piece of machinery.

Third. Then, let the United States Government ship the commodities and raw materials so obtained direct from the supplying country to the country in western Europe to which they have been allotted and at the same time ship any required amount of basic raw materials needed in the United States to replenish our scarce items to the United States for sale and distribution to American industry for production and consumption, or to the United States Government.

In other words, western Europe has certain raw materials and basic, strategic, essential material of which we are short. The United States Government will get that and ship it here. What will be done with it? It will probably be turned over to an industry, to be used in manufacturing the thing that a veteran needs in order to build a home. In other words, "live and let live."

By the application of this plan, we shall be able immediately to secure the necessary foodstuffs for the relief of western Europe, without to any appreciable extent damaging our own domestic supplies. That is the point. The debates on the pending bill have indicated that Senators are worried about our domestic supplies. If we can get those supplies elsewhere without having to spend our dollars, what is wrong with that?

By the application of this plan we will be able to secure immediately the necessary foodstuffs for the relief of western Europe without to any appreciable extent damaging our own domestic supply, thereby relieving the strain on our own markets and automatically bringing about reduction in prices. We will be taking critical raw materials in exchange, increase our stock piles of critical raw materials, and thereby be able to create immediately a sound business boom in this country and automatically increase employment, thereby eliminating any fear of depression. We will be able to keep our dollars in this country while helping other countries to produce their necessities and also to produce surpluses of manufactured goods, to develop favorable trade credits, and become economically sound, which, according to the statement of the Senator from Michigan, in charge of the bill, represents the philosophy behind the bill—to help Italy and other countries.

It would be the only thing that would carry out the proposals of point No. 6, which provides for the "Expansion of Government-fostered agricultural conservation practices at home, and measures to induce increased food production abroad."

By the increased work given to industry in this country through the application of this plan the profits of industry would be considerably increased. Furthermore, the take-home pay of labor would be considerably increased. Moreover, the full-time employment of our workers would be considerably increased, and as a result of this situation the United States Government, through its system of income tax would be able to recover approximately 25 percent of the amount expended on aid to western Europe. That is something to think about, Mr. President.

I am informed that the Argentine Government, through its accredited representative in Washington—and the information came reliably through a third party—has notified our Department of State that they will be willing to supply the required commodities if purchased under this plan at world prices in American dollars, without our losing a single American dollar.

Mr. President, the Argentine produces a considerable amount of grain. We are short of grain. It is true we have sufficient grain for domestic consumption, but not enough to supply the needs of the world. We hear considerable discussion in the press and on the radio and on the public platform respecting communism and our opposition to it. Argentine is a country opposed to communism.

Let me say in passing that 2 years ago more than 800,000 tons of wheat were burned for the purpose of operating public utilities and for other purposes. Public utilities in Buenos Aires and in the large cities of Argentina burned Godgiven corn and wheat at a time when people in Europe were starving. Most of the cereals, barley, rice, wheat, and corn are produced in the interior. Transportation facilities in Argentina are not of the best. It is nothing but the exercise of common sense to urge that something be done to relieve the pressure, of which the Senator from Nebraska [Mr. WHERRY] speaks, and with which we are all concerned, on grains and other foodstuffs which are forcing prices up. Let any Senator go to his home city and he will find that all the people are talking about the high cost of living. The reason for the high cost of living is that we are trying to feed the world with food produced in our own country. It is not the farmer who is the beneficiary of this increased price of foodstuffs. It is the man who deals on the exchange, or the one who is not obliged immediately to sell, but who is holding on to his grain, waiting for Uncle Sam to buy at the highest price possible.

Mr. President, I was very proud of the statements made by the Senator from Michigan [Mr. VANDENBERG] and the Senator from Texas [Mr. CONNALLY] on the question of communism. I glory in what they said, and I join with them in the stand they take with respect to communism. But when viewing the overall picture of our program I at times wonder whether our sincerity of purpose might not be open to question. Argentina for years and years has opposed anything that savors of communism. The program presented by the Senator from Michigan and the Senator from Texas is in part an effort to fight communism. If so, then why do we not try to cooperate with countries who have actually been fighting communism in years past? Why do we not join with them in that fight, irrespective of what the form of their government may be?

I call attention to another country which has fought communism, the country of Spain. If we mean what we say with respect to communism, why can we not cooperate with her in that fight?

Mr. VANDENBERG. Mr. President, will the Senator yield to me for a moment?

The PRESIDING OFFICER (Mr. IVES in the chair). Does the Senator from New Mexico yield to the Senator from Michigan?

Mr. CHAVEZ. Yes.

Mr. VANDENBERG. I have asked the Senator to yield because Senators are anxious to know what the plan for the remainder of the debate is. As indicated heretofore, we had hoped to reach a final vote on the bill this evening. It is now half past four. Apparently there are two or three other addresses which Senators wish to make, and certainly are entitled to make. There are four or five amendments which must still be considered. So, after consultation with my friends on the minority side, I am going to say that it will be impossible for us to finish the bill this afternoon. I would think that perhaps around 5 o'clock we will have to recess until Friday.

Mr. THYE. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

Mr. THYE. In line with the remarks made by the senior Senator from Michigan, I wish to say that quite a number of Senators had been informed that no legislation would be considered on Friday, and specific arrangements have been made by some Senators to be absent from the city on Friday. If that plan is now changed, some of us will find it difficult—and I speak particularly for myself—to return to the city on Friday. I should like to be present to cast my vote on the passage of the measure.

Mr. CHAVEZ. Mr. President, I do not know whether the Senator from Michigan listened to the early part of my statement. I stated that I shared with the Senator from Michigan the hope that the pending legislation would be passed this afternoon so that the three recipient countries in Europe would have something to be thankful for on tomorrow, Thursday, Thanksgiving Day. I added that I hoped they would be appreciative of the aid we expected to give them before Thanksgiving Day. I also said that it was my purpose to try to contribute something, though perhaps in a small way, to the debate, to the end that when the legislation was passed the American taxpayer, the American citizen, would also have something for which to be thankful.

Mr. President, I hope the committee handling the legislation for relief to western Europe will give an opportunity to take part in carrying out the plan to American businessmen, who are interested in it, and who feel confident that if given such opportunity they can prove conclusively the soundness of the plan, and not only carry out the noble purposes of our international policy but also take care of American interests domestically.

Mr. President, at this point of my remarks, I ask unanimous consent to insert in the RECORD a list of commodities that can be obtained from countries in Latin America under the proposed plan for aid to western Europe.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

COMMODITIES WHICH CAN BE FURNISHED FROM LATIN AMERICA UNDER MY PROPOSED PLAN, EITHER TO AID EUROPE UNDER THE ADMINISTRATION'S PLAN, OR TO REPLENISH OUR STOCK IN THE UNITED STATES

ARGENTINA

Production of grain, 1945–1946—production in metric tons:

Wheat	3,907,000
Linseed	964,100
Maize	3,574,000
Oats	797,000
Barley	836,000
Rye	293,000

Argentina also produces large quantities of potatoes, rice, peanuts, vegetable oils; large quantities of fresh fruits, of citrus fruits, pomaceous and stone variety. It also produces in large quantities cattle, sheep, hogs, poultry. It has a large dairy industry—milk, cream, cheese, butter.

BOLIVIA

If we confine program's interest to Bolivia's minerals only—tin, copper, lead, bismuth, antimony and wolfram, zinc, petroleum.

BRAZIL

Has coffee, rubber, cotton, sugar, Yerba mate or Brazilian tea, timber, vegetable oils, fruits, cereals and grains, meats, and many other items which Brazil can contribute under our sound plan.

CHILE

Chile produces wheat, barley, oats, fruits in abundance. But suppose we say that her contribution under our sound plan is confined to her mineral wealth—her nitrates, her copper, her iron, her molybdenum, and sulfur. Chile also has lead, aluminum, manganese, bismuth, cobalt, potassic salts, mercury, mica, zinc, and many other minerals of which we depleted the United States during the war.

COLOMBIA

Coffee, bananas, rubber, cacao, drugs, fibers, and petroleum.

COSTA RICA

Has coffee, bananas, cacao, and possibilities for the development in a large scale of other resources. The country has not been touched industrially.

CUBA

Tobacco, that England needs so badly, fruits and vegetables, honey, timber, copper, manganese, iron.

DUTCH GUIANA

Timber is abundant, including mora wood, possum, cedar, greenheart and hardheart (which are cabinet woods). It also has bauxite or aluminum ores.

ECUADOR

While having great possibilities of producing large quantities of foodstuffs, it will take time. However, she can contribute minerals, including crude oils, silver, copper, lead, and zinc.

GUATEMALA

Has coffee and bananas in large quantities. Can also supply coconuts and rubber.

HONDURAS

Has bananas, coconuts, coffee, hardwoods, silver, and exports some copra.

MEXICO

Rich in resources that have not been tapped and only await industrialization. Produces a lot of livestock—millions of sheep, millions of goats, millions of poultry, millions of cattle and hogs. Has tremendous areas of timber. It has fibers, such as henequen; it also has ixtle hemp. Has mineral oil, vanadium, tin, copper, iron.

NICARAGUA

Coffee, bananas, sugar, cacao, mahogany wood.

PANAMA

Bananas, coconuts, cacao, high-grade coffee, manganese ores, hardwoods.

PARAGUAY

Has vegetable oils; essential oils, such as the petitgrain, distilled from the leaves of bitter orange, used as a basis for perfumes and flavors. That should go good with the French. Citrus fruits, timber—unlimited quantities, thousands of miles of forest remain untouched. Many rare and valuable woods are still largely unknown in foreign markets. Cattle and meat packing. Rich iron ores in many parts of the country.

PERU

Cotton, sugar, rice, in the increase, fruits, cocoa, coffee, olives, quinine bark, castor oil, flax, forest products, petroleum, copper, silver, lead, zinc, vanadium, bismuth, coal.

EL SALVADOR

Coffee—at low cost of production. It has 140,000,000 coffee trees. Henequen, balsam.

According to late estimates, there are some 646,000 head of cattle—only 75,000 consumed annually.

URUGUAY

The last agricultural census shows the following figures:

Cattle	8,226,890
Sheep	17,931,327
Hogs	346,329

In 1945 alone, Uruguay's exports of meats, mainly to Great Britain, were as follows (in kilograms):

Frozen beef	29,917,999
Frozen lambs and wethers	7,240,359
Frozen pork	744,420
Frozen turkeys	355,789
C. C. beef	50,759,437

Besides extracts of meats, ox tongue, salted beef, jerked beef, tallow and grease. Also produces skins and hides; wheat, corn, barley, oats.

VENEZUELA

Coffee, cacao, sugar, oil, asphalt, coal, and many other items.

Mr. CHAVEZ. Mr. President, my amendment is extremely simple. Section 2 of the bill sets forth the purposes of the legislation. Section 3 authorizes the President to do certain things. Among other things, in line 12 of subsection (a) he is authorized to procure or provide funds. That means dollars. My amendment would carry out the same program. It would allow him to procure and provide funds, but also would authorize him to provide other commodities, including manufacturing plants, industrial machinery, highway equipment, and transportation facilities and equipment, which means a question of bargaining, pure and simple.

Whether I have made an impression or not I do not know. I know how tolerant the American people can be, how they can "take it on the chin." It may be that they can stand the expenditure of American dollars. Perhaps they will be willing to pay 90 cents a pound for butter, 85 cents a pound for steak, and other prices in proportion for other necessities, in order to carry out this noble plan. However, in order to relieve our acute shortages, I think consideration should be given to my proposed plan. I submit it to the Senate in all sincerity.

Mr. BUTLER. Mr. President, I do not intend to speak at length on the subject under consideration, the so-called European interim aid bill, S. 1774. I realize that the distinguished chairman of the Committee on Foreign Affairs is anxious to have the Senate reach a decision on this measure just as soon as possible, and I do not want to delay the vote. I simply want to place on record my own stand on this question, together with my reasons for taking this position. I intend to vote for the bill.

In doing so, however, I want to make it clear that I consider this measure to be a purely temporary emergency bill designed to deal with emergency conditions of hardship and near starvation in the three countries concerned—France, Italy, and Austria. I consider it purely a relief proposition. It is intended to supply food, coal, medicine, and a few other commodities of that type to people who would suffer severely if the bill were not passed. Charitable giving to those in need is an American tradition and this

bill is in support of that tradition. Whatever the causes of the terrible conditions in those countries, whether the shortages of vital necessities are due to the accidents of weather or the weaknesses and unsound policies of their governments, I believe we should answer their cries for help in their present extremity and give them some measure of assistance, for the time being, at least.

It is worth emphasizing that this interim aid bill has no direct relationship to the program of ceiling prices, rationing, and other controls advocated by the President, according to the testimony we have heard from high administration officials. Secretary of Agriculture Anderson has testified that the effect of this relief bill on our economy will be relatively slight. I quote from the testimony of Secretary Anderson on this point:

> I would say that they (Members of Congress) are not voting themselves into controls except as it relates to allocations and set-asides. It seems to me that this interim aid program is not, on the food front, so greatly in excess of what we had normally planned to ship, and would ship, to these countries. The most it would do would be to require us to use some allocation powers, and maybe some set-aside powers, in those fields where grain became somewhat scarce next spring as a possible result of the publication of an unfavorable crop report.

Evidently the President's extraordinary proposals to restore a system of regimentation of our economy do not relate to this type of temporary program. Rather, in his opinion, such controls are desirable only if the Marshall plan is adopted by the Congress. In my judgment, the President's program of restoring wartime controls during peacetime would be extremely ill-advised, and I believe his recommendation of such controls will militate very seriously against adoption of the Marshall plan in any form. However, that subject is not yet before us for consideration.

It has also been made very clear in the Senate debate and elsewhere that support of this interim program involves no commitment whatever to support subsequently the Marshall plan or other proposals for relief and reconstruction, which we are told will be presented to us over the next few months. This particular bill is being enacted to provide emergency relief for an emergency situation. We are asked, in effect, to accept this emergency bill more or less on faith in the hope that a better, sounder approach can be worked out over the long period.

Frankly, I have my doubts that any such superior program will be devised, if the trend of thinking of the present framers of our foreign policy is continued. We have been told the same story many times by administration officials. At least, that is the history of such proposals as UNRRA, post-UNRRA relief, the Bretton Woods plans for the International Bank and Fund, and the British loan. In each case we were given to believe that the measure under consideration would be the final cure for the particular problem with which we were dealing. In each case our hopes were destroyed. I have very little faith in the [illegible] proposals which are being presented [illegible].

Nor do I believe we should commit ourselves to unlimited charity for unlimited periods of time. Our own resources are not unlimited. We have been exceedingly fortunate with our wheat crops to date. Production of wheat during 1947 has been almost double what we used to consider a normal wheat crop. Judging by weather reports from the western plains during the past 2 months, our good luck has about run out. American wheat production in 1948 is almost certain to slump badly, perhaps very badly. This may be the last year in which we can seriously consider shipping four or five hundred million bushels of wheat overseas. In any case, I believe it is almost time for some other section of the world—Europe or Europe's colonies or perhaps other nations—to take on a larger part of the burden of finding greatly increased quantities of food.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question with regard to wheat?

Mr. BUTLER. I yield.

Mr. SALTONSTALL. For the past 2 days the Appropriations Committee has been listening to testimony as to the probable size of next year's wheat crop. In the opinion of the Senator from Nebraska, in whose State much wheat is grown, would it not be wise for the Appropriations Committee, in considering the appropriations, to place a definite limitation on the amount of wheat that can be sent abroad, so as to make sure of the proper carry-over of wheat for next year's crop?

Mr. BUTLER. I thank the Senator from Massachusetts for the suggestion and for the indication of what the Appropriations Committee intends to do. I hope it will do so. All day today it has been listening to testimony from men who know more about the crop possibilities than any other group of individuals who could possibly have appeared before the committee.

One other point about this bill deserves some comment. By the terms of this proposal, we are handling relief needs, as we have in the past, through governmental channels. I am lending my support to such a proposal only with the greatest regret, and only because there is no feasible alternative. Private charity on an individual basis or through charitable organizations would, in my judgment, be infinitely preferable. I am informed that such private charity from this country to foreign countries is already running at a rate of better than half a billion dollars a year. The Friendship Train is one striking example of that type of charity, but it is not the only example or even the most important part of the food and clothing our people are voluntarily sending the needy. I wish that such individual charity could be officially encouraged and expanded.

Along that line, I have recently introduced a bill in cooperation with the Senator from Minnesota [Mr. THYE] and the Senator from North Dakota [Mr. LANGER], providing for free postage on any packages of food or clothing which may be sent to countries needing relief by private individuals or organizations. I have hopes that if such a bill be enacted, private shipments will be tremendously increased. Relief through private gifts is a much sounder way of meeting this need.

In other words, I am supporting the pending bill to a certain extent against my better judgment because there is no other program in sight to meet this need. I have great hopes, however, that soon it will be possible to put an end to this type of Government charity and return to the type of private charity which has contributed in making this a great nation.

The PRESIDING OFFICER (Mr. IVES in the chair). The question is on the amendment offered by the Senator from New Mexico [Mr. CHAVEZ].

Mr. VANDENBERG. Mr. President, I should like to make one further announcement regarding procedure. We are in an exceedingly unfortunate position because of the situation of many Members of the Senate. Due to the fact that the Thanksgiving holiday intervenes, many Senators are anxious to be home for Thanksgiving, which is ar understandable and justifiable aspiration which I wish I could share. Many other Senators are anxious to conclude their week end without a return to Washington. In every instance I must say that they would be quite willing to subordinate these personal accommodations to the necessities of the occasion if there were any serious point involved, but I am persuaded that since this legislation must go to conference with the House before it can be completed, and since there is no possibility of conclusive action by the House this week, not a moment of time shall have been lost if we plan for a completion of the debate on Friday and on a final vote by Monday noon.

I am advised that it would be quite futile for me to ask for a formal unanimous-consent agreement to that effect. I have no interest in futilities. Therefore, I resist the inclination to make the suggestion. So far as my purpose is concerned, I think I can best accommodate my colleagues without any hazard to the legislation which I feel like prophesying will pass with a minimum of final opposition on the roll call, and I think I am justified in suggesting that we meet on Friday and complete the bill for amendment. I hope at that time we can go over until Monday noon and vote upon final passage of the bill. I hope we may have the full membership of the Senate present for that purpose.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from New Mexico.

Mr. CHAVEZ. As to the pending amendment, several Senators have suggested that they would like to look it over and be ready to vote on it on Friday. Would that be satisfactory to the Senator from Michigan?

Mr. VANDENBERG. The Senator from Michigan would like very much to vote on the Senator's amendment at this time. The Senator from New Mexico has spoken for an hour in explanation of the amendment. I am afraid that if we let it go over until Friday it might become necessary to state the proposition all over again. Does not the Sena-

tor think we might vote on his amendment now?

Mr. CHAVEZ. I do not want the Senator from Michigan, even by implication, to castigate me for the time consumed in explanation of my amendment. I have been extremely patient in listening to other Senators.

Mr. VANDENBERG. I am sure the Senator did not misunderstand me.

Mr. CHAVEZ. I am sure I did. There were other Senators who said they would like to look over the amendment. Some Senators did me the honor to say they would like to study it. I thought it was a very fair and reasonable request to make, that the amendment be voted upon on Friday. If the Senator from Michigan has other plans, of course——

The PRESIDING OFFICER. Does the Senator withdraw his amendment?

Mr. CHAVEZ. No; I do not.

Mr. BARKLEY. If we vote on the Senator's amendment without further debate, would that be agreeable?

Mr. CHAVEZ. Yes.

Mr. VANDENBERG. The Senator from New Mexico is quite willing to have a vote upon his amendment on Friday without a consent agreement?

Mr. CHAVEZ. Yes.

Mr. VANDENBERG. Therefore, I suggest that the Senator temporarily withdraw his amendment, because the Senator from California [Mr. KNOWLAND] has an amendment to present which he cannot present on Friday, but which is entirely agreeable and can be debated now before we recess.

Mr. CHAVEZ. If I may have an understanding with the Senator from Michigan that if I withdraw my amendment now there will be unanimous consent that I can present my amendment on Friday and have it voted on without further debate, I shall agree.

Mr. VANDENBERG. I can only give the Senator my personal assurances that we will try to proceed in that way.

Mr. CHAVEZ. May I withdraw my amendment and let it lie on the table and be printed?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The clerk will read the amendment offered by the Senator from California.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to add a new section as follows:

SEC. 14. Notwithstanding any other provision of law, any commodity heretofore or hereafter acquired by the Commodity Credit Corporation under any price-support program may be disposed of by the Corporation, for use in carrying out this or any other act providing for assistance and relief to foreign countries, at such price as may be determined by the Corporation, which price may be the equivalent of the domestic market price of a quantity of wheat having a caloric value equal to that of the quantity of the commodity so disposed of.

Mr. LANGER. Mr. President, does the amendment use the word "may"?

The PRESIDING OFFICER. The Chair understands it uses the word "may."

Mr. KNOWLAND. Mr. President, this is an amendment which was prepared by the Secretary of Agriculture, Mr. Clinton Anderson, following his testimony before the Senate Committee on Appropriations. I hold in my hand a letter from the Secretary of Agriculture, addressed to the chairman of the Senate Appropriations Committee, the Senator from New Hampshire [Mr. BRIDGES], in which he outlines the necessity for this legislation if the commodities held by the Commodity Credit Corporation are to be disposed of for the relief program.

It was estimated from the testimony given by the Secretary of Agriculture before the Committee on Appropriations yesterday that by the use of substitute foods approximately 100,000,000 bushels of wheat could be saved, and it was the feeling of the committee which heard the testimony that the committee should endorse this amendment unanimously. It was the opinion of the committee that anything which could be done to relieve the pressure on wheat would have a beneficial effect upon the whole increasing price spiral, because the price of wheat and grains has an effect, as it spirals upward, on livestock and poultry and other commodities.

Therefore this amendment will, in the opinion of the Secretary of Agriculture, help to relieve that pressure, and will enable the use of substitute foods.

Mr. President, I ask for the adoption of the amendment.

Mr. ROBERTSON of Virginia. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. ROBERTSON of Virginia. I wish to express my approval of the amendment and to state that it presents the type of program that I have been advancing ever since it was stated that we had to have an emergency relief program. I think the amendment presents a very sound proposition.

Mr. KNOWLAND. I thank the Senator.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. SALTONSTALL. I wish to say that as one who comes from a deficit area, where wheat and corn are needed for poultry and cattle, I believe the amendment is a good one, and I hope it will be adopted. I may add that I trust the Appropriations Committee will include a limitation as to the amount which can be spent for sending wheat abroad, so that there will remain in this country a safe carry-over for the year 1948.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. PEPPER. For my colleague and myself, I wish to commend the Senator from California for the presentation of this amendment. Certainly it is a very desirable one, and it establishes a very helpful policy. As the Senator from California knows, we in the citrus industry have been suffering. In many instances the producers have not realized the cost of production, and yet citrus fruits constitute some of the most necessary items of food in a healthful diet. I am very happy to have the amendment offered, and I trust that it will be approved.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. MORSE. I wish to make a very brief statement in support of the amendment offered by the Senator from California. I think this is as appropriate a time as any to report on a conference which a group of eight Republican Senators had this fall with administration officials in regard to the food conservation program. We conferred with the Secretary of Agriculture and with Mr. Luckman, who then was in charge of the food-conservation program. I see now present in the Chamber several Senators who were present at that conference. In the course of the conference we pointed out to the Secretary of Agriculture and Mr. Luckman that what we termed the administration's one-commodity export program was working tremendous hardships on various segments of American agriculture.

At that particular time the poultry industry was being unfairly penalized by the Luckman program. We pointed out that on the very day when Mr. Luckman announced his so-called poultryless-Thursday schedule—apparently in the absence of any calendar at the White House—some officials of the United States Department of Agriculture were busily engaged in trying to work out a program for a Nation-wide appeal to the people of the United States to eat more poultry, because of the tremendous surpluses of poultry which then were bulging the cold-storage plants in the United States. As of that date, approximately 225,000,000 pounds of poultry were in cold storage, and we were informed that in 90 days from then we would have an additional 6,000,000 pounds of turkeys alone, plus 100,000,000 pounds of other poultry. Those of us who conferred with Mr. Luckman took the position that we should not adopt a so-called one-commodity export program of shipping grain alone for relieving hunger in Europe, but that we should do something to see to it that other types of food in surplus supply were sent to Europe.

We were told that we would have to convince the State Department of the desirability of our program, because the State Department had been adamant in its opposition to such program. It was pointed out to us what we did not deny, namely, that, pound for pound, there were more calories in a pound of wheat than in a pound of most other food. Further, our attention was called to the fact that transportation costs insofar as grain is concerned are less in the case of wheat than in the case of other food supplies. Also we were told that the foreign governments who seek relief aid from us prefer grain to other forms of American foodstuffs, such as our surplus supply of dried fruit and great quantities of canned goods and dehydrated vegetables that apparently cannot be consumed in this country, if we were correctly informed, as well as great surpluses of poultry, powdered eggs, and other food products.

We pointed out to Mr. Anderson and Mr. Luckman that when they talked to us in terms of cost, they should talk to us not only in terms of the actual transportation costs of foodstuffs to Europe, but also in terms of the costs of the administration's food program to our entire agricultural economy and the effects on it as a result of the one-commodity grain export program. I think we made very clear to Mr. Anderson and Mr. Luckman that we did not intend to stand by and see the tremendous damage being done to various segments of our agricultural program by Mr. Luckman's ill-advised and ill-thought-out food conservation program, which Mr. Luckman by personal decree foisted upon the people and the economy of this Nation.

I wish to say, with that conference as a background, I am very happy to support the amendment offered by the Senator from California, because I think it is time, in the interest of a bipartisan foreign policy, for us to make very clear to the State Department that when it adopts a policy such as its one-commodity export program, it is the job of this Congress to see to it that unnecessary damage is not done by the State Department to our economy as a whole. I am convinced that the State Department's export program combined with Mr. Luckman's program, did great damage, and unnecessarily so, to various segments of our agricultural economy as well as to the best interest of American consumers.

In regard to another point that was made at the conference, namely, that these foreign governments do not want anything but grain, that they do not want to pay for anything but grain, I wish to repeat what I said to the Secretary of Agriculture and Mr. Luckman on that day: I am not going to be fooled about the matter of who is paying for what is being sent to Europe. The American taxpayers are paying for it. I am going along with this program for two primary reasons, as advanced the other day by the Senator from Michigan, namely, that it is in our national self-interest to support it and also humanitarianism dictates it. Further, international justice requires it. I am going along with it because I think it is perfectly clear that if we are going to stem the tidal wave of communism, both in Europe and Asia, we must think both in terms of national self-interest and in terms of humanitarianism.

But I am not going to say to the American people that we are doing anything else in the long run than making gifts of these supplies, because that is what it will amount to. You can use revolving funds and you can use all the ink you want to use in a plausible paper case showing this to be a business transaction, but I think we should make very clear to the American people that this is a relief program pure and simple. I also think it important that our State Department make clear to the people of Europe the source of these supplies and the fact that they are relief supplies coming out of the hearts of 140,000,000 generous American people.

At the same time, I think we must think in terms of our domestic economy, too, Mr. President. I think the amendment offered by the Senator from California takes into consideration something that the State Department has been long overdue in taking into consideration, namely, that the State Department should not enter into what amount to tacit commitments and understandings in regard to exports to Europe, to the great detriment of our domestic economy without first taking up the problems with congressional leaders. We have in this country tremendous tonnages—in fact, thousands upon thousands of tons—of surplus food supplies, which I think should be shipped to Europe to be used as part of this relief program in place of so much grain.

I have one other point to make, Mr. President—and I wish to thank the Senator from California for yielding for so long. My other point is a point which I made last Monday: I think the American people have an interest in a bipartisan foreign policy in fact, as well as in name. A bipartisan foreign policy in fact means that the State Department, in dealing with such matters as the export program which I have discussed here this afternoon should give clearer demonstration to this Senate that it really believes in a bipartisan foreign policy. It should take us into its negotiations before it decides upon a program that has serious effects upon our national economy. It means that the Republicans and the Democrats who are members of the Foreign Relations Committee should be brought into much closer consultation on the facts available to the State Department before it evolves and develops a proposed foreign policy on any issue.

Mr. VANDENBERG. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Michigan?

Mr. KNOWLAND. I yield.

Mr. VANDENBERG. I am forced to leave the floor in connection with an official engagement. I merely wish to make it plain, in connection with the amendment submitted by the Senator from California, that we have carefully cleared it through the authorities of the State Department who are in touch with the techniques involved in this aspect of the problem, and there is no objection on their part, and so far as the chairman of the committee is concerned, he will welcome the adoption of the amendment.

Let me merely say to the majority leader that after the adoption of the amendment I hope the Senate will take a recess until Friday at 12 o'clock.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California [Mr. KNOWLAND].

Mr. WILLIAMS. Mr. President, I merely wish to voice my approval of the amendment offered by the Senator from California. It will go a long way toward correcting the situation I pointed out this morning, under which one government agency is destroying food while another is competing for scarce commodities.

Mr. KNOWLAND. I agree with the Senator, because while to one particular agency there may be and will be an increase in the cost over what the caloric cost of wheat might be, in my opinion the holding down of the inflationary spiral in grain will in the long run save to the American economy as a whole far more than the increased cost to the particular agency involved.

Mr. BRIDGES. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. BRIDGES. The amendment proposed by the Senator from California has my wholehearted approval as chairman of the Committee on Appropriations. I think it is a sound procedure, and one of the most intelligent steps we can take in amending the bill.

Mr. FERGUSON. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. FERGUSON. As a member of the Committee on Appropriations, where this matter came up a few days ago, I may say I approved it then, and I wish to add my approval on the floor of the Senate, because I look upon it as one of the steps which can help stem the inflationary tendency. I am not satisfied that the administration is doing all it can to stop inflation, and I think that by this step Congress is taking an advanced step in stopping inflation, particularly in the matter of wheat and other grains. I know it will have a great bearing.

Mr. BRIDGES. Mr. President, I should also have said what I thought had been stated before, but in case it has not been, when the matter was brought before the Committee on Appropriations it had the unanimous approval of those present.

Mr. KNOWLAND. Mr. President, I stated in my remarks that it had the unanimous approval and support of the Committee on Appropriations. All the Members have expressed great interest in and support of the amendment. I also wish to say that the senior Senator from Arizona [Mr. HAYDEN] took a very active part in the prepartion of the amendment, and in working out some of the problems.

Mr. BUTLER. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. BUTLER. I have read the letter the Senator from California has received from the Secretary of Agriculture in support of the proposed amendment, and I suggest that it be inserted in the RECORD.

Mr. KNOWLAND. I intend to do that. I ask unanimous consent to have inserted in the RECORD the letter from Mr. Anderson, the Secretary of Agriculture, dealing with the amendment.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington.

HON. STYLES BRIDGES
Chairman, Senate Appropriations Committee, United States Senate.

DEAR SENATOR BRIDGES: This letter is submitted in response to questions raised by your committee at the hearings held on November 24, 1947, as to the Commodity Credit Corporation's authority to acquire commodities for possible disposition to other Government agencies, in advance of appropriations to such other Government agencies for making the purchases, also as to the existing restrictions on Commodity Credit Corporation with respect to the prices at which it may sell commodities acquired by it.

The Corporation's authority to carry out its operations is contained in its charter, which is set forth in full in the CONGRESSIONAL RECORD, volume 79, page 1532, and volume 91, page 1967. This charter has been ratified by congressional enactments continuing the Corporation as an agency of the United States. Section 7 of the act of January 31, 1935, as amended (15 U. S. C. sec. 713) The charter powers of the Corporation, which include authority to engage in buying and selling operations with respect to agricultural commodities, and products thereof, are used in carrying out budget programs which are submitted to, and approved by, the Congress annually in accordance with the Government Corporation Control Act (Public Law 248, 79th Congress).

The Corporation is authorized to utilize all of its resources to carry out its budget program.[1] These resources consist of $100,000,000 capitalization and an authorized borrowing power of $4,750,000,000.[2]

One of the programs provided for in the budget[3] approved for the current fiscal year[1] is a supply program under which the purchases in question are made. Under the supply program, as described in the budget, the Corporation procures foods, agricultural commodities, and products thereof, for the purpose of supplying the requirements of United States Government agencies, foreign governments, American Red Cross, and similar relief organizations, and for the purpose of facilitating distribution, and meeting anticipated requirements during periods of short supply. The supply program, as authorized by the budget, enables the Corporation to acquire supplies during periods of peak production in order to have such supplies on hand to meet anticipated requirements. It also makes possible the centralized procurement of commodities in short supply and thus eliminates the inflationary effect of competitive buying by various foreign governments and Government agencies.

The Corporation's supply program is conducted, as explained in the budget, in accordance with procedures and policies which so far as possible protect the Corporation from loss. In this connection, the Corporation is required by section 4 of the act of July 16, 1943 (15 U. S C., secs. 713a-9), to be fully reimbursed for costs incurred by it in supplying to other Government agencies commodities which it has acquired for that purpose.

In addition to the supply program, the budget approved by the Congress for the current fiscal year includes a price-support program under which commodities are acquired for the purpose of supporting prices, and a foreign-purchase program under which purchases are made abroad of commodities needed to meet emergent requirements—e. g., sugar and fats and oils.

With reference to the second question, a number of statutes have been enacted relating to the prices at which Commodity Credit Corporation can sell commodities. These statutes deal with two general situations The first of these concerns the sale by Commodity Credit Corporation of commodities acquired by it to fill the needs of other agencies of the Government. These commodities are acquired by the Corporation under the supply and foreign-purchase programs referred to above. As we have already indicated, Commodity Credit Corporation is required by section 4 of the act of July 16, 1943 (57 Stat. 566), to obtain full reimbursement for its costs in supplying to other Government agencies commodities which it has acquired for such purpose. While this statute does not specifically cover procurement for foreign governments, Commodity Credit Corporation, in line with the policy which it indicated it intended to follow in the hearings in the Senate on Public Law 130, Eightieth Congress, continuing Commodity Credit Corporation as an agency of the United States, has required full reimbursement for commodities acquired by it for the purpose of supplying the needs of foreign governments. Accordingly, when Commodity Credit Corporation purchases commodities for the purpose of supplying the needs of other Government agencies or of foreign governments, either on requisition or in advance of orders by such Government agencies or foreign governments, it sells the commodity at a price which will fully reimburse it for its costs.

A different situation faces Commodity Credit Corporation in the sale of commodities which are not acquired by it for the purpose of meeting the needs of other Government agencies These are, primarily, commodities acquired in the administration of its price-support program The act of July 16, 1943, supra, does not apply to the sales of these commodities, since these commodities were acquired not to supply the needs of those agencies but to provide price support for farmers, and the statute in question clearly did not contemplate requiring other governmental agencies to pay prices considerably in excess of the price at which the commodities could be obtained on the open market.

Section 2 of the act of April 12, 1945 (59 Stat. 50), prohibits Commodity Credit Corporation from making sales of farm commodities owned or controlled by it at prices lower than the parity or comparable price therefor, except (1) sales for new or by-product uses; (2) sales of peanuts for the extraction of oil; (3) sales for export; (4) sales for feed or seed; (5) sales of commodities which have substantially deteriorated in quality, or nonbasic perishable commodities, where there is danger of loss or waste through spoilage; or (6) sales for the purpose of establishing claims against persons who have committed fraud, misrepresentation, or other wrongful acts with respect to the commodity. This statute is effective until January 1, 1949.

In making sales of commodities for export, Commodity Credit Corporation would not be required to charge a price for these commodities equal to the parity or comparable price because the sale would fall within the third exception noted above. It would, however, be subject to section 21 (c) of the Surplus Property Act of 1944 (58 Stat 775), which authorizes the Commodity Credit Corporation to "dispose of or cause to be disposed of for cash or its equivalent in goods or for adequately secured credit, for export only, and at competitive world prices, any farm commodity or product thereof without regard to restrictions with respect to the disposal of commodities imposed upon it by any laws. * * *" Accordingly, while Commodity Credit Corporation, in making sales for export, is not required to sell the commodities acquired under its price-support program at prices equal to parity or the comparable price, or at prices which will fully reimburse it for its costs, yet it may not make sales of these commodities below the competitive world price therefor.

In addition to the statutory restrictions discussed above, there also obtains the general rule that dispositions of corporate property should be made at the best obtainable price, taking into account, of course, the Corporation's agricultural and other responsibilities as an agency of the United States.

If, as has been suggested by certain Members of Congress, it is desired that Commodity Credit Corporation make sales of surplus agricultural commodities at prices equivalent to the price of wheat of equal caloric value, irrespective of the competitive world price of such commodities, additional legislation would be required

There is enclosed a draft of language which would permit Commodity Credit Corporation to make sales of commodities acquired under price support programs at prices which may be fixed as low as the equivalent of the domestic price of a quantity of wheat having caloric value equal to that of the commodity being sold. This draft has been prepared in the form of a new section to S. 1774, the interim aid bill. The State Department has indicated that it has no objection to this draft The adoption of this amendment would mean that the Commodity Credit Corporation would suffer a substantial loss. The Committee may wish to consider the advisability of reimbursing the Corporation for this loss out of the interim aid funds.

Sincerely yours,

CLINTON P ANDERSON,
Secretary.

Mr. HAYDEN. Mr. President, in the Committee on Appropriations it appeared that the amendment had three virtues. It does require the use of less wheat, and wheat is a scarce commodity. Second, it has been the experience of the Commodity Credit Corporation that in purchasing agricultural commodities at support prices, when it was known that those commodities were going into consumption, it did not have to buy as many, and in that way Government money was saved. The third point is that a number of these commodities were sold in Europe in good times at good prices, and they cannot afford to buy them now, and there is an advantage in sending some of these commodities over there as a token of good will, or as an advertisement looking toward the time when they can be bought.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California [Mr. KNOWLAND].

The amendment was agreed to.

Mr. WHERRY. Mr. President, I suggest to the distinguished majority leader that an announcement should be made again in the RECORD that it was the hope of the distinguished Senator from Michigan that when the Senate reconvenes on Friday the debate on all amendments to the bill would be concluded, and that it was also his hope that the Senate might reach a final vote on Monday. It is not a unanimous-consent agreement; it is merely a plan of procedure, as I understand, which the distinguished majority leader will follow when the Senate reconvenes Friday.

Mr. WHITE. The Senator from Nebraska has stated correctly the views expressed by the Senator from Michigan.

Mr. BARKLEY. If the Senator will permit, I suggest that that announcement will bring about a minimum attendance in the Senate on Friday.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. IVES in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

[1] Title III of the Department of Agriculture Appropriation Act, 1948.

[2] See the act of March 8, 1938, as amended (15 U. S. C., 1940 ed., Supp. V. 713a-4).

[3] See budget estimates for the United States Department of Agriculture for the fiscal year ending June 30, 1948.

RECESS TO FRIDAY

Mr. WHITE. I move that the Senate stand in recess until 12 o'clock noon on Friday next.

The motion was agreed to; and (at 5 o'clock and 10 minutes p. m.) the Senate took a recess until Friday, November 28, 1947, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate November 26 (legislative day of November 24), 1947:

POST OFFICE DEPARTMENT

Jesse M. Donaldson, of Illinois, to be Postmaster General.

DEPARTMENT OF THE NAVY

Admiral Louis E. Denfeld to be Chief of Naval Operations in the Department of the Navy, with the rank of admiral, for a term of 2 years.

BUREAU OF MINES

James Boyd, of Colorado, to be Director of the Bureau of Mines, to which office he was appointed during the last recess of the Senate.

IN THE NAVY

The following-named (civilian college graduates) to be ensigns in the Supply Corps of the Navy:

Joseph R. Bow	John L. Perschy
Donald L. B. Combs	George R. Pippin
Edward L. Jennings, Jr.	Robert G. Pistner
	Jackson LeR. Schultz
Everett E. Karraker	Wayne S. Upton
Howard "K" Parker	

The following-named (civilian college graduates) to be ensigns in the Civil Engineer Corps of the Navy

Robertson W. Buck
Lawrence M. White

SENATE

FRIDAY, NOVEMBER 28, 1947

(Legislative day of Monday, November 24, 1947)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Peter Marshall, D. D., offered the following prayer:

O Lord, lift from our hearts all the discouragement, the cynicism, and the distrust of one another that destroy our faith in the little people who make up this Republic and eat at the very foundations of our democracy.

Give to our leaders faith in our way of life, so that, instead of indicting other philosophies, we shall inspire our own. Give them faith in the people, in their deep desire to do whatever is for the good of all, in their willingness to make personal sacrifices for a good cause.

May we have courageous leadership, based on faith and not on fear—leadership that goes out in front and is not forever running to catch up with a bandwagon.

Lord, increase our faith, through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. WHITE, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, November 26, 1947, was dispensed with, and the Journal was approved.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

PETITIONS

The PRESIDENT pro tempore laid before the Senate the following petitions, which were referred as indicated:

A resolution adopted by the Town Council of the town of Cross City, Dixie County, Fla., favoring the enactment of legislation to provide sufficient funds to give proper water control of the Everglades from the Kissimmee Swamp to the southern end of the mainland of Florida, for the purpose of protecting and preserving the natural assets of the Everglades; to the Committee on Appropriations.

Petitions of sundry citizens of the State of Massachusetts, praying for the enactment of legislation to restore price controls; to the Committee on Banking and Currency.

A resolution adopted at the thirty-first annual session of the Ohio Fraternal Congress, Millersburg, Ohio, relating to communism; to the Committee on Foreign Relations.

THE POSTMASTER GENERAL

Mr. McKELLAR. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Donaldson's Selection To Succeed Hannegan Smashes Precedents," by David Lawrence. I wish to say that I endorse fully what is said in the article favorable to Mr. Donaldson. He has been in the Post Office Department a long time. For many years I served as chairman of the Committee on Post Offices and Post Roads, and in my opinion Mr. Donaldson has been one of the most competent officers we have ever had in the Post Office Department. Not only do I take great pleasure in endorsing and approving his appointment as Postmaster General, but I think his appointment is one of the best made to that Department in many years.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DONALDSON'S SELECTION TO SUCCEED HANNEGAN SMASHES PRECEDENTS—POST OFFICE CAREER MAN REMOVES TINT OF POLITICS FROM MONOPOLY BUSINESS

(By David Lawrence)

President Truman broke a precedent of long standing when he appointed a former letter carrier to be Postmaster General. He really broke a more important precedent—he appointed a man who knows something about the biggest business the Government operates.

For years the Post Office Department has been the football of party politics. Republican and Democratic administrations have brazenly used the Cabinet portfolio as a political reward. Then, to add insult to injury, they have both permitted the Postmaster General to manage the political party affairs—all at the public expense.

Every now and then one of these Postmasters General would take a deep interest in postal affairs. This was the exception. Every now and then there would be one who took his duties seriously, but throughout history most of them have felt that their chief job was to grease the party machinery with postal appointments and to make speeches advancing the party fortunes on the political front.

CAREER MAN GOT NO CREDIT

During all these political misadventures, career men did all the work in the Post Office Department and got little, if any, of the credit. It certainly testifies to the capacity and administrative talent of various executives in the Post Office Department who have spent their lives just doing a good job that, despite the political angle and despite occasional criticisms of the postal service, it is, nevertheless, the most efficient and the least expensive to the public of any in the world.

Jesse Donaldson has been First Assistant Postmaster General. As such he has been running the Post Office Department while Postmaster General Hannegan has been away managing the affairs of the Democratic National Committee. Now it is fitting that Mr. Donaldson should be given the full responsibility If, as reported, Mr Hannegan recommended the appointment, it was a shrewd piece of political judgment to pick a nonpolitical figure.

The mere fact that a career man in the Government service—Mr. Donaldson has spent more than 40 years in the Government—can be promoted to the highest position in his Department will instill a similar hope among other Government employees.

For years many students of government have advocated that career men should be able to rise to Cabinet portfolios or that they should at least be allowed to serve as deputies and act in the capacity of Under Secretaries.

UNITED STATES EXERCISES MONOPOLY

The Post Office Department, of course, should always be nonpolitical. It is a tremendous business. The responsibility for delivering the mails is all the greater because the Government exercises a monopoly. Many people do not know, for instance, that the business of private delivery of letters for compensation as a service is prohibited by statute.

So, since the Post Office Department alone can deliver the mails, it is important that the task be performed efficiently and with as little expense as practicable to the public. The delivery of heavy packages by parcel post has been a big addition to the responsibilities of the Post Office Department in recent years, though the Government in this case does not attempt to exercise a monopoly but does permit express companies to carry and deliver packages in competition.

The Post Office Department has operated at a deficit for a number of years. This is because a large amount of mail is carried free for the Government itself and for Congress. If full rates were paid for this mail, the Post Office Department budget would be balanced. Likewise, the Post Office charges lower rates for education mailings and publications which disseminate information desired by the public—a step deemed wise in interest of keeping low-income groups as well as other citizens in the American democracy informed.

Mr. Donaldson lives in the District of Columbia and doesn't have a vote. Therefore, nobody can call him a partisan for he has never been active in party politics. It is refreshing to find the Post Office Department operated by a career man for the first time in the last half century or more.

THE COAL SITUATION

Mr. McKELLAR. Mr. President, I ask unanimous consent to have printed in the RECORD several telegrams which have come to me from Tennessee. In them reference is made to the request by the Under Secretary of the Interior that Congress grant the Department power to ration, allocate, and fix prices. Let me read the first telegram:

KNOXVILLE, TENN., *November 26, 1947.*

Hon. KENNETH MCKELLAR,
United States Senate, Washington, D. C.:

Understand Secretary Interior asking Congress for power to ration, allocate, and fix prices. There is no shortage of coal and considerable coal standing on tracks at mines unsold today and price is dropping. Government interference is unnecessary and

dangerous. Hope you will do all possible against granting authority asked. The coal industry can produce all coal the Nation needs if given a free hand.

W. T. MOORE.

Mr. President, the other telegram comes from Memphis, Tenn., and reads as follows:

MEMPHIS, TENN., *November 26, 1947.*
Hon. KENNETH MCKELLAR,
United States Senate, Washington, D. C.:
We believe Senate committee acted properly in refusing to include allocation, rationing and price fixing in approving Senate bill 1774. It is now reported Department of Interior asking for these powers over coal. Think it important to do all possible to prevent this, as restoration of such powers would speedily return coal to scarce commodity resulting in severe shortages, serious emergencies and eventually higher prices.

P. B. C. SMITH,
President, Southern Coal Co., Inc.

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

Mr. WHITE, from the Committee on Interstate and Foreign Commerce, reported favorably the nomination of Halert C. Shepheard, to be a commodore in the United States Coast Guard Reserve, for temporary service, and the nominations of several officers to be lieutenant commanders in the United States Coast Guard

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMAS of Oklahoma:

S. 1817. A bill to repeal the prohibition against the filling of a vacancy in the office of district judge in the western district of Oklahoma; to the Committee on the Judiciary.

By Mr. REED:

S. 1818. A bill to extend certain powers of the President to allocate the use of railroad transportation equipment and facilities through January 31, 1949, under title III of the Second War Powers Act; to the Committee on Interstate and Foreign Commerce.

By Mr. MAGNUSON:

S. 1819. A bill making the first Tuesday after the first Monday in November, in every even-numbered year, a legal holiday; to the Committee on the Judiciary.

DEVICE FOR AUTOMATIC RECORDING OF ROLL CALLS AND VOTES OF THE SENATE

Mr. WILEY. Mr. President, I ask unanimous consent to submit for appropriate reference a resolution that would authorize a study of the desirability and the feasibility of installing a mechanical and electrical service for automatically recording roll calls and votes of the Senate.

There being no objection, the resolution (S. Res. 171) was received and referred to the Committee on Rules and Administration, as follows:

Resolved, That the Senate Committee on Rules and Administration, or any duly authorized subcommittee thereof, is authorized and directed to make a study (1) of the desirability and feasibility of installing a mechanical or electrical device for automatically recording roll calls and votes of the Senate, and (2) if the installation of such a device is recommended by the committee, of any changes in the Rules of the Senate which might thereby be necessitated.

SEC. 2. The committee shall report to the Senate, at the earliest practicable date, the results of such study together with such recommendations as it deems desirable.

AUTHORIZATION FOR COMMITTEE ON LABOR AND PUBLIC WELFARE TO MAKE ADDITIONAL EXPENDITURES

Mr. TAFT submitted the following resolution (S. Res. 172), which was referred to the Committee on Labor and Public Welfare:

Resolved, That the Committee on Labor and Public Welfare is hereby authorized to expend from the contingent fund of the Senate, during the Eightieth Congress, $8,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

MEETING OF JOINT COMMITTEE ON ATOMIC ENERGY

Mr. HICKENLOOPER. Mr. President, I ask unanimous consent that the Joint Committee on Atomic Energy be permitted to sit this afternoon during the session of the Senate.

The PRESIDENT pro tempore. Without objection, consent is granted.

NOTICE OF HEARING ON NOMINATION OF WATSON B. MILLER

Mr. REVERCOMB. Mr. President, I desire to give notice, in behalf of a subcommittee of the Committee on the Judiciary consisting of the Senator from Nevada [Mr. MCCARRAN], the Senator from Kentucky [Mr. COOPER], and myself, that beginning on December 8, 1947, at 10 o'clock in the morning, a hearing will be held on the nomination of Watson B. Miller, of Maryland, to be Commissioner of Immigration and Naturalization, Department of Justice, the hearing to be held in the committee room of the Committee on the Judiciary in the Senate Office Building.

THANKSGIVING—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address on the subject The Challenge of Thanksgiving, delivered by him to the people of Wisconsin through radio transcription, November 27, 1947, which appears in the Appendix.]

THE TAX BURDENS AND THE PROFESSIONS—ADDRESS BY SENATOR KEM

[Mr. KEM asked and obtained leave to have printed in the RECORD an address on the subject The Tax Burden and the Professions, delivered by him before the Lawyers' Association of Kansas City, at Kansas City, Mo., November 12, 1947, which appears in the Appendix.]

FAITH, NOT FEAR, MUST MOVE US—ARTICLE FROM NEW YORK TIMES MAGAZINE

[Mr. KILGORE asked and obtained leave to have printed in the RECORD an article entitled "Faith, Not Fear, Must Move Us," written by Brook Atkinson and published in the New York Times magazine of November 23, 1947, which appears in the Appendix.]

ISSUES BEFORE THE AMERICAN PEOPLE—ADDRESS BY THE SECRETARY OF LABOR

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an address on the issues before the American people, by the Secretary of Labor, at the National Convention of Industrial Organizations, Boston, Mass., October 14, 1947, which appears in the Appendix.]

THE EISENHOWER FOUNDATION—ADDRESS BY CHARLES M. HARGER

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an address regarding the Eisenhower Foundation, by Charles M. Harger, president of the Kansas Eisenhower Foundation, to the Kansas State Historical Society, October 12, 1947, which appears in the Appendix.]

INTERIM EUROPEAN AID PROGRAM

The Senate resumed the consideration of the bill (S. 1774) to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis.

Mr. FERGUSON addressed the Chair.

Mr. VANDENBERG. Mr. President, when the Senate took a recess Wednesday it was the expectation that the amendment submitted by the Senator from New Mexico [Mr. CHAVEZ] would be voted on immediately when the Senate assembled today. I do not wish to ask for a vote in the absence of the Senator from New Mexico. I make the suggestion that the Senator be notified that the Senate is ready to act upon his amendment, and I suggest that in the meantime it be laid aside temporarily so that the junior Senator from Michigan may submit an amendment concerning which there is no controversy, and which can be immediately agreed to, I think.

Mr. BARKLEY. The Senator from New Mexico on Wednesday withdrew his amendment temporarily.

Mr. VANDENBERG. I suggest, then, that the junior Senator from Michigan submit his amendment, which, I understand, originates in the Committee on Appropriations.

Mr. FERGUSON. Mr. President, the bill now before us provides in section 6:

Before any commodities or funds are made available to any recipient country under the authority of section 3 of this act, an agreement shall be entered into, pursuant to the limitations and provisions of section 4 of this act, between such country and the United States containing, in such detail as practicable, an undertaking by such country—

It then makes certain provision, under subparagraph (h) on page 6 of the bill, and this is the provision as it is now contained in the bill—

to permit representatives of the Government of the United States to observe and report on the distribution among the people of such country with respect to the commodities transferred or otherwise made available pursuant to this act.

It is the purpose of the proposed amendment, which has been considered by the Committee on Appropriations, that subparagraph (h) be amended to read as follows:

To permit representatives of the Government of the United States (including members of the Foreign Relations Committee of the Senate, the Foreign Affairs Committee of the House, the Senate Appropriations Committee, and the House Appropriations Committee, or their authorized representatives) to observe and report on the distribution among the people of such country with

respect to the commodities transferred or otherwise made available pursuant to this act and to observe and report on the use and expenditure of funds made available pursuant to this act.

The purpose of the amendment is to provide that Congress itself may observe. In the past there has been criticism as to the method of carrying out appropriations of similar purport, and it was the opinion that if Congress itself could look into an activity while it was proceeding, it would be much better than at the end of the expenditure, as has been the case in the past. That is a brief explanation of what is desired to be accomplished by the amendment.

Mr. VANDENBERG. Am I to understand the Senator is offering the amendment to subparagraph (h) at the moment?

Mr. FERGUSON. Yes; subparagraph (h) of section 6.

Mr. VANDENBERG. As I understand the matter, the amendment merely extends the intended power of inquiry and observation to include specific authorities from the Congress of the United States.

Mr. FERGUSON. The Senator is correct.

Mr. BARKLEY. Mr. President, will the Senator from Michigan yield?

Mr. VANDENBERG. I yield.

Mr. BARKLEY. I do not care to object to the amendment. I merely wish to observe that I hope it will not be carried out in any such manner as to make more difficult the administration of funds in the countries to which it is intended they shall be sent.

Mr. FERGUSON. If my colleague will yield, I am sure it will not in any way interfere, but would result in much better administration. It is expected that in the future we will pass on a much larger program than the one we are now considering, and therefore I think Congress would be better satisfied, and the people would be better satisfied, if we were permitted to and did make some observation of conditions.

Mr. BARKLEY. My own experience has demonstrated to me that it is very valuable to Congress for Members of the two Houses to make observations about matters on which Congress has to act, and upon which the Members of Congress must pass. I have frequently stated that I thought our country would be served, especially in view of the world-wide obligations we are compelled to assume, if every Member of Congress could make his own investigation on the ground, without the necessity of getting information at second-hand as to conditions which we must face.

I think the observations and investigations that were made during the summer recess by various committees which went abroad will be worth infinitely more than it cost the Treasury of the United States, by way of information and advice and knowledge obtained on the subjects investigated.

Mr. FERGUSON. Having been in foreign countries with the able Senator from Kentucky, and having with him observed conditions, I agree wholeheartedly with his statement. I think there is a feeling that if it is possible to see and hear personally, a different view can be obtained from that which is received merely by reading. In the matter now before the Senate, there is a feeling that there must be that experience, if we are to act properly in extending aid.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I am glad to yield.

Mr. LANGER. Would the investigation called for in the proposed amendment include an investigation of the price paid by the Commodity Credit Corporation for the wheat that is included in the amendment offered by the Senator from California [Mr. KNOWLAND]?

Mr. FERGUSON. It would. I think we already have the power to make such an investigation, but this would allow observation and an inquiry into that question.

Mr. LANGER. Does the Senator's amendment provide for a report to the Congress?

Mr. FERGUSON. No, it does not; but committees as a rule always report to the Congress, because the investigations or observations are made by committees.

Mr. VANDENBERG. Mr. President, I have no objection to the amendment.

Mr. WHERRY. Mr. President, will the Senator yield, that I may ask a question of the junior Senator from Michigan?

Mr. VANDENBERG. I yield.

Mr. WHERRY. Does this authority extend only to the transfer of commodities mentioned in the Knowland amendment?

Mr. FERGUSON. No. The amendment covers the entire authorization.

Mr. WHERRY. Does the amendment include authority for the committee or committees specifically to investigate expenditures of cash found in the revolving fund of a given country, which fund, I understand, will be disbursed under an agreement between that country and this country?

Mr. VANDENBERG. It clearly and specifically does, in the last phrase, "to observe and report on the use and expenditure of funds made available pursuant to this act."

Mr. WHERRY. I merely want it to be clear.

Mr. FERGUSON. I agree with that interpretation. It is the intent that full power be given to make a complete investigation .

Mr. WHERRY. It is correct, then, that the Committees on Appropriations and Foreign Relations have the authority? Does the senior Senator from Michigan feel we have that authority?

Mr. VANDENBERG. I think there is the general authority, but the amendment certainly does not diminish whatever authority exisis.

Mr. FERGUSON. The amendment places the provision in the agreement.

Mr. VANDENBERG. That is correct.

Mr. FERGUSON. That is where it should be placed, because we are dealing with foreign nations.

Mr. WHERRY. That is correct. So there is no doubt about it. That clarifies the matter. If there is the general authority, this writes it into the measure.

Mr. FERGUSON. That is the purpose of the amendment.

Mr. VANDENBERG. I suggest the amendment be adopted.

The PRESIDING OFFICER. The Chair suggests first that the amendment offered by the junior Senator from Michigan be read, since the amendment is not officially before the Senate.

Mr. FERGUSON. Mr. President, I ask that the proposed amendment be read.

The LEGISLATIVE CLERK. On page 6, it is proposed to strike out beginning in line 4 down through and including line 8, and insert in lieu thereof the following:

(h) to permit representatives of the Government of the United States (including members of the Foreign Relations Committee of the Senate, the Foreign Affairs Committee of the House, the Senate Appropriations Committee, and the House Appropriations Committee, or their authorized representatives) to observe and report on the distribution among the people of such country with respect to the commodities transferred or otherwise made available pursuant to this act and to observe and report on the use and expenditure of funds made available pursuant to this act.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the junior Senator from Michigan.

The amendment was agreed to.

Mr. VANDENBERG. Mr. President, I suggest now to the able Senator from New Mexico that he call up his amendment, which I think we had agreed to vote upon promptly today.

Mr. CHAVEZ. That is correct. Mr. President, I submit for the consideration of the Senate the amendment of which I spoke on Wednesday. It is not my purpose to take any further time on it now. I want to keep faith with the Senator from Michigan. After it has been read, I should like to take just 1 minute.

The PRESIDING OFFICER. The amendment will be received and will be read by the clerk.

The LEGISLATIVE CLERK. On page 2, line 12, it is proposed after the word "funds" to insert the words "or commodities including manufacturing plants, industrial machinery, highway equipment, and transportation facilities and equipment."

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, I promised the Senator from Michigan on Wednesday that the amendment would not be debated, but I should like to take 1 minute to state what I feel the amendment would do, if anything. It provides that after the word "funds" there should be inserted "or other commodities including manufacturing plants, industrial machinery, highway equipment, and transportation facilities and equipment." In other words, besides using American dollars, this amendment would provide that we could use part of the equipment in this country and obtain commodities elsewhere, thereby avoiding the use of American dollars.

Mr. VANDENBERG. Mr. President, I am sure we were all impressed by the able address made by the Senator from New Mexico in connection with this prob-

lem. It is an exceedingly broad subject which he opens, far broader than would be indicated by the comparatively few words of the amendment. I suggest to my able friend from New Mexico that he consider whether it would not be advisable for him to withdraw his amendment to the bill and raise the question in connection with the long-range bill when it is reached. I make the suggestion for the reason, first, that the Senator is injecting into what is purely a relief bill certain considerations regarding industrial equipment, and so forth; in the second place, I am sure he would realize that even the arrangement he contemplates could not be perfected within the 90-day life of the temporary bill. Rather than prejudice his excellent idea by asking the Senate to reject his amendment, I would suggest to him that it would be advisable for him not to press it until the long-range bill is considered.

Mr. CHAVEZ. Mr. President, I am deeply impressed with the suggestion made by the Senator from Michigan. My reason for bringing up the amendment was that, in my humble opinion, it is a matter which should be considered. No one appreciates more than I do that it should go to the long-range plan, but I want Senators to be thinking about these things. I wish to cooperate with the Senator from Michigan. I want him to get the pending bill passed; nevertheless, I desire to suggest—and I say this with all the sincerity of purpose within my power; I know that we are all conscientiously trying to do what is right—I shall bring up the matter when the long-range bill comes before the Senate for consideration. At the moment, I withdraw the amendment.

Mr. VANDENBERG. I thank the Senator from New Mexico.

The PRESIDING OFFICER. The Chair understands that the amendment submitted by the Senator from New Mexico has been withdrawn.

Mr. VANDENBERG. Mr. President, the Senator from Missouri [Mr. DONNELL] has a clarifying amendment in connection with the amendment adopted previously by the Senate under his authorship. I should like to yield to him for the purpose of proceeding to that.

Mr. DONNELL. I thank the Senator from Michigan for yielding.

Mr. President, I have observed that certain changes should be made in subsection (b) of section 6 of the bill in order to make proper connection of an amendment, referred to in the CONGRESSIONAL RECORD of November 26, 1947, as the amendment which is lettered A, which was on November 25, 1947, offered by me and on November 26, 1947, agreed to by the Senate, with that portion of the contents of said section 6 which immediately follows said amendment. I think the desired result would be produced by the substitution of a comma for the period at the conclusion of the amendment, and the insertion, immediately preceding the word "any" in line 23 of page 4 of the bill as it was reported to the Senate on November 21, 1947, of the words "and under agreement by the Government of the receiving country that," and such rearrangement as causes that part of the subsection which follows the insertion to read "any unencumbered balance remaining in such account on June 30, 1948, will be disposed of within such country for such purposes as may, subject to approval by act or joint resolution of the Congress, be agreed between such country and the Government of the United States."

I accordingly move that subsection (b) of section 6, as amended, be so amended as to read:

(b) to make, when any commodity which is not furnished on terms of repayment in dollars is made available under this act, a commensurate deposit in the currency of such country in a special account under such general terms and conditions as may, in said agreement, be agreed to between such country and the Government of the United States, and to hold or use such special account for, and only for, such purposes as may be agreed to between such country and the Government of the United States, and under agreement by the Government of the receiving country that any unencumbered balance remaining in such account on June 30, 1948, will be disposed of within such country for such purposes as may, subject to approval by act or joint resolution of the Congress, be agreed between such country and the Government of the United States.

The PRESIDING OFFICER. The amendment will be received and read by the clerk.

Mr. VANDENBERG. Mr. President, I suggest that the Senator from Missouri has just read the amendment in detail, and with the explanation I shall now make, I do not believe it would be necessary to have the amendment re-read.

It is my understanding—and I have talked with the Senator about it this morning—that all he seeks to do by his amendment is to correct what is in effect a lapse in the continuity of language, to begin with, and secondly, to be sure that the arrangement respecting the handling of ultimate unencumbered balances in the local currency funds shall without fail be under the ultimate control of Congress.

Mr. DONNELL. That is correct; and that the provision in the subsection relative to approval by act or joint resolution of the Congress refers only to the disposal of such unencumbered balances.

Mr. VANDENBERG. I am sure that is the intention of the language. I have no objection.

The PRESIDING OFFICER. Without objection, the reading by the Senator from Missouri of his amendment will be considered to be an official presentation of it.

The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. DONNELL].

The amendment was agreed to.

Mr. VANDENBERG. Mr. President, I hope the able Senator from Idaho [Mr. TAYLOR] will now call up his amendment.

Mr. TAYLOR. Mr. President, I have a brief amendment which is self-explanatory. My amendment is on page 2, line 17, before the semicolon to insert a colon and the words, *"Provided, however,* That no funds appropriated under this act shall be used for the purchase of arms, armaments or munitions of war."

I had intended to speak briefly on the subject, but the senior Senator from Michigan assures me that he has no objection to the amendment, and that is a much better boost for the amendment than anything I could possibly say, so I am going to keep still.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 17, before the semicolon it is proposed to insert a colon and the following: *"Provided, however,* That no funds appropriated under this act shall be used for the purchase of arms, armaments or munitions of war."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Idaho.

Mr. VANDENBERG. Mr. President, there is nothing remotely contemplated in the text of the bill with relation to the expenditure of funds for the purchase of arms, armaments or munitions of war, and I am very glad to accept the amendment. In that connection I want to thank the able Senator from Idaho for his courtesy in trading a speech for my approval of the amendment.

Mr. TAYLOR. If the Senator from Michigan will yield, I will say that I shall do the same in connection with almost any subject.

Mr. LANGER. Mr. President, will the Senator from Michigan yield?

Mr. VANDENBERG. I yield.

Mr. LANGER. Suppose in the funds provided "to alleviate conditions of intolerable hunger and cold," and so forth, there is a balance remaining unused. What becomes of that balance?

Mr. VANDENBERG. That balance is handled on agreement between the beneficiary country and the Government of the United States, subject to the approval of the Congress of the United States.

Mr. LANGER. So the amendment offered by the distinguished Senator from Idaho would govern even in that case?

Mr. VANDENBERG. Yes.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. JOHNSON of Colorado. Perhaps in my absence from the Chamber the Senator has discussed this point, but I should like to ask the senior Senator from Michigan about the balance that remains in the relief appropriation that was voted by the Congress earlier this year. As I recall, $350,000,000 was voted for European relief. I noticed an article in a newspaper the other day which indicated that only $100,000,000 of that total of $350,000,000 had thus far been expended. Does the Senator know anything about the balance that is left in that fund?

Mr. VANDENBERG. I have no information on the subject except as I have read in the newspaper the story indicated by the Senator from Colorado. My general understanding, however, is that all the funds have been substantially obligated, even though they have not been expended.

Mr. JOHNSON of Colorado. The importance of that matter, as I see it, lies in the fact that amount of money is a checking account against our dwindling supply of grain and other food, perhaps, and if draft on that checking account has not been completed and if, in addition to that checking account, there is

going to be approximately $600,000,000 more, I was wondering whether or not the dwindling supplies of food in this country would support that much of a checking account against us.

Mr. VANDENBERG. I may say to the Senator that I think his inquiry would be highly appropriate to be pursued by the Appropriations Committee in its consideration of the actual amounts to be appropriated.

Mr. President, may we have the amendment offered by the Senator from Idaho acted upon?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Idaho [Mr. TAYLOR].

The amendment was agreed to.

Mr. VANDENBERG. May I ask the Senator from Missouri [Mr. KEM] if he has some amendments which he wishes to offer at this time?

Mr. KEM. I do have amendments which I should like to offer. I should like to offer them, however, with the understanding that they will not be disposed of today. I should like to have them voted upon when more Senators are in the Chamber than are present at this time.

Mr. VANDENBERG. Mr. President, I want to be very reasonable about this procedure, and I think I have been reasonable in not pressing to a conclusion on Tuesday afternoon, when we faced a situation where we might well have ended the consideration of the bill. Then we reached a situation on Wednesday where by remaining in session one or two extra hours we could have concluded the bill on that day. In order to accommodate Senators I agreed to go over until Friday to determine the vote on amendments, and then in further accommodation I agreed to go over until Monday for a final vote on the bill. I submit to my able friend that it is not fair to ask that any vote on amendments should be postponed until Monday, in view of the program we agreed to when we recessed on Wednesday. I think the Senator can get a fair cross-section of the Senate's judgment today.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. WHERRY. I am in total agreement with the desire on the part of the senior Senator from Michigan to expedite action. But in view of the fact that I have received a number of telephone calls from Senators who have asked with respect to amendments that might be offered today, I should like to ask the Senator from Michigan if it is not a fact that no unanimous-consent agreement was entered into that a vote be had at any time certain on Monday, so that any Senator who wanted to offer an amendment, even though the Members of the Senate are doing their level best to have quick action taken on the bill, can offer such amendment to the bill on Monday.

Mr. VANDENBERG. It would all depend upon whether we were to reach the third reading of the bill today, which I hope we shall do, so that this phase of the matter may be closed. I think there must be a termination someday.

I cannot help but feel that we have been completely liberal in connection with the time table on the bill. I have not the remotest sympathy with the comment which I read in the newspapers yesterday, suggesting that the bill is being pressured through the Senate in some cavalier fashion.

This question has been under consideration by Senators since the 10th of November. Since the 17th of November Senators have had no other direct charge upon their time and attention except this legislation. We have explored almost every phase of it in numerous amendments previously adopted. Eager as I am upon all occasions to cooperate with my able friend from Missouri, I do not feel that it is fair to ask for further delay.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. WHERRY. I am not quarreling with the observations of the distinguished Senator from Michigan or the reply which he has made to the comment with respect to methods of undue pressure in bringing these amendments to a vote. I think the Senator was not referring to me. I made no such comments in the newspapers.

Mr. VANDENBERG. The Senator is quite correct.

Mr. WHERRY. I do want to be in a position to tell Members of the Senate what the understanding is relative to procedure. I have already given certain information to Senators who have telephoned to inquire about it. I understood that the Senate was to cooperate in the program by returning here today for the consideration of certain amendments, so as to get them out of the way. No agreement was made; but the admonition of the distinguished Senator from Michigan was that the Senate proceed until Monday, with the understanding that there would be no final vote on the passage of the bill until Monday.

If that was the understanding, I ask the distinguished Senator whether a Senator who is absent today would not have the right to offer an amendment on Monday, before the final vote is taken, particularly in the absence of a unanimous-consent agreement.

Mr. VANDENBERG. There is no unanimous-consent agreement. We are agreed on that point. There is what might be called a gentlemen's agreement, upon the basis of which we arranged two recesses of the Senate at a time when we were practically finished with the job.

What was the basis upon which that was done? I read from the CONGRESSIONAL RECORD for Wednesday, page 10916:

> I think I am justified in suggesting that we meet on Friday and complete the bill for amendment. I hope at that time we can go over until Monday noon and vote upon final passage of the bill.

I respectfully suggest to the Senator that while I agree that this is not binding, insofar as the purpose of the Senator from Michigan was concerned, it certainly was his idea that the Senate should reach the third reading of the bill this afternoon and then postpone the final vote until Monday. I do not think it is fair to leave the bill in such a situation that on Monday we can start all over again, and open the entire subject to any sort of amendment which any Senator may have in mind at that time.

Mr. WHERRY. Once again, for the sake of clarifying the RECORD, and not in any way opposing the desires of the able Senator, at the conclusion of the Senate session on Wednesday, in view of the fact that there was some misapprehension as to whether or not there was a unanimous-consent agreement, or even a gentlemen's agreement about the procedure, I made the following statement:

> Mr. President, I suggest to the distinguished majority leader that an announcement should be made again in the RECORD that it was the hope of the distinguished Senator from Michigan that when the Senate reconvenes on Friday the debate on all amendments to the bill would be concluded, and that it was also his hope that the Senate might reach a final vote on Monday. It is not a unanimous-consent agreement: it is merely a plan of procedure, as I understand, which the distinguished majority leader will follow when the Senate reconvenes Friday.

In view of that statement I have made several announcements. That is not the statement of the majority leader. That is the statement which I suggested should be made in view of the fact that there was some confusion as to whether or not there had been an agreement under which all amendments would be completed today and the bill would reach the stage of the third reading, so that all that would be left would be a vote on Monday. I have advised Senators that while such a hope was expressed, there was no unanimous-consent agreement to vote at any time. On that basis I am not sure whether or not Senators could offer amendments on Monday. I have received several telephone calls on the subject, and I have replied that there was no unanimous-consent agreement; that the statement of the Senator from Michigan was to the effect that no final vote would be had on the bill until Monday. Is that correct?

Mr. VANDENBERG. The Senator is entirely correct; and I have said nothing to the contrary that I know of.

Mr. WHERRY. However, it seems to me that until agreement has been reached with respect to final passage, the bill should be open to amendment. That is my interpretation of the procedure.

Mr. VANDENBERG. Let me merely add that the procedure is completely in the control of the Senate.

Mr. WHERRY. That is correct.

Mr. VANDENBERG. The only thing I have done is to indicate a program on the basis of which I agreed to a 5-day postponement of the vote on the bill. In the judgment of the Senator from Michigan the bill should have been voted upon the day before Thanksgiving.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from Kentucky.

Mr. BARKLEY. There is no question that there was no binding agreement entered into with respect to voting on anything at any time. However, the Senator from Michigan and other Senators

were anxious to accommodate Senators who wished to be absent over Thanksgiving, and did not desire to return today, their wish being to be present when a final vote was taken on the bill. In order to accommodate all and sundry, there was a gentlemen's agreement that there would be no vote on the bill until Monday.

I agree with what the Senator has said concerning the statement which he read yesterday in the newspapers with respect to the bill being pressured through the Senate. I think every member of the committee will confirm the statement that the Committee on Foreign Relations heard everyone who wanted to be heard on this legislation, or who asked to be heard. After the hearings were concluded with the announcement of the Senator from Michigan, the chairman, that no one else had asked to be heard, the committee spent several hours in deliberating upon the bill, and amended it in important particulars.

So there has been no administration pressure or other pressure that I have heard anything about, to try to railroad the bill through the Senate or through the Congress. I think it is very inopportune for any responsible person to give out the impression that we are operating with a sharp stick behind us, or that we are being prodded by the administration to get the legislation through. We all realize the importance of it. It is important to us, and it is important to the nations involved to know what is going to happen, and when. But there has been no pressure, and no "steam roller" methods have been used either in the committee or in the Senate.

Mr. WHERRY. Mr. President, will the Senator from Michigan yield?

Mr. VANDENBERG. I yield.

Mr. WHERRY. I appreciate the remarks of the minority leader. I hope the inference will not be drawn that I am in any way opposing proceeding with the utmost speed in concluding consideration of the amendments and reaching a vote on the bill. I believe my colleagues in the Senate will agree that I have done my level best at all times to expedite the consideration of legislation with a quorum present. Personally I am of the impression that while the understanding was that the Senate would proceed to consider amendments and complete those that might come up for debate today, so that we could reach a vote on Monday, until a unanimous-consent agreement is entered into the bill is open to amendment until the final vote is taken, unless the Senate wishes to take further action today.

Mr. VANDENBERG. The bill is undoubtedly open to amendment until the third reading, whenever that takes place.

Mr. WHERRY. Yes.

Mr. VANDENBERG. However, in view of the announcement made on Wednesday by the Senator from Michigan, it seems to me that every Senator was placed on notice that if he had amendments to offer he should be present and offer them today so that we might dispose of them.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. WHERRY. There was no unanimous-consent agreement that the third reading would be had today. All I wish to do is to protect the advice and information which I have given to Senators who have called me, to the effect that there is no unanimous-consent agreement. It was the hope of Senators who returned here today that the debate would be concluded, that amendments would be voted on, and that an early vote on final passage of the bill would be had on Monday. But there was no unanimous-consent agreement; and in view of that fact it seems to me that the bill should not proceed to a third reading unless there is a unanimous-consent agreement to vote at a specified time on Monday.

Mr. KEM. Mr. President, will the Senator from Michigan yield?

Mr. VANDENBERG. I yield to the Senator from Missouri.

Mr. KEM. I agree that the Senator from Michigan has been eminently fair throughout the debate on this bill, and certainly I do not want to do anything that might be construed by him or any other Member of the Senate as being unfair or improper.

Mr. VANDENBERG. I am sure that is true.

Mr. KEM. I have certain amendments which I have submitted to the Senator from Michigan. He has been good enough to say that, in his judgment, there is merit in at least some of them. I have submitted them also to a number of other Senators who have expressed a desire to vote for them. Some of those Senators are not present today.

I know, Mr. President, it has frequently been said, not on the floor of the Senate but elsewhere, that this bill involves only $597,000,000. I realize that is a small sum compared with the $20,000,000,000 the American people have contributed for relief since VE-day. But I think, considered in the light of what that amount of money—$597,000,000—would do in raising salaries of American teachers and other underpaid public servants in this country, and in building hospitals, schoolhouses, and other needed public improvements in the United States such as farm-to-market roads, it is a very considerable sum of money. I do not think this bill ought to be disposed of without an opportunity for the offering of amendments, full and free discussion of them, and then the application to them of the considered judgment of the Senate, with the full membership in attendance.

I am perfectly willing to present my amendments today. I am ready to say whatever I have to say about them, which will not be at any great length, but I should like to have it understood that the amendments will not be called up for final disposition until next Monday when the Senate convenes. From the standpoint of fairness, I cannot see anything unfair about that.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, I should like to ask the Senator from Michigan whether, until an authorization bill has passed the Senate and the House, has been approved by a conference committee, if necessary, and signed by the President, any appropriation bill to carry out the purposes of the Congress can even be introduced. Can it be introduced before the authorization is approved?

Mr. VANDENBERG. I cannot answer the Senator technically. I would think it probably could not be. Of course, it would be available for consideration.

Mr. AIKEN. It could not be acted upon?

Mr. VANDENBERG. It could not.

Mr. AIKEN. In view of that fact, and of the rumors we hear that there may be prolonged discussion over the appropriation bill itself when it is introduced, it seems entirely possible that action on emergency aid to Europe can be delayed until after Christmas, until the next session of the Eightieth Congress. Would the Senator from Michigan venture an opinion as to the effect upon the nations of Europe should any aid from America be delayed until the middle or the last of next January?

Mr. VANDENBERG. The Senator from Michigan may be prejudiced in his point of view, but in his opinion we have a desperate self-interest in the maintenance in western Europe of a situation in which peoples have a free choice in respect to their government. I do not believe they can maintain themselves in a posture of free choice if want and famine stalk their lands. It is as clear to me as day that that will be the net result if we cannot pass this bill in time for implementation prior to New Year's.

Mr. AIKEN. Then it is the Senator's opinion that delay until after New Year's is dangerous to the United States?

Mr. VANDENBERG. That is the Senator's unqualified opinion.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from New Mexico.

Mr. HATCH. Mr. President, I want to express the thought that every Senator should have the opportunity and the privilege of offering amendments, and having them debated and voted upon. I think every Senator has that right. But I am thinking of the duty and obligation of Senators to be present on the floor of the Senate and offer their amendments and have them debated at the proper time. I think it is unfair to the Senate and to the country for any Senator to ask that this measure be delayed to suit his personal convenience because he wants, perhaps, to take a holiday and return next Monday.

Mr. President, I think it cheapens the dignity of the Senate of the United States, when we are confronted with a measure of this kind, which is so important that a special session of the Congress was called and the Congress was asked to proceed with the greatest expedition, which has been done, to quit this afternoon contrary to orderly procedure and await the convenience of those Senators who happen not to be present today.

Mr. President, I have frequently expressed concern about unanimous-consent agreements to put off a vote for 2 or 3 days until some Senators can be present. I still think it is a wrong procedure.

When the Senate takes up a bill it ought to proceed with it and with the amendments thereto, and when no more amendments are offered, then the third reading of the bill should be had and final vote taken.

Under the statements made here on Wednesday I realize that no final vote should be taken until Monday, but certainly I trust and hope that the Senator from Michigan will not agree to any procedure to postpone further consideration of the bill until Monday. When all amendments have been offered and discussion of them is finished, if the time is ripe for the third reading of the bill, for orderly procedure and for the dignity of the Senate I think the third reading should proceed.

Mr. VANDENBERG. Mr. President, I simply wish to say one more word, and then I shall have finished with this aspect of the situation. I do not see that the Senator from Michigan is in a position to control the procedure in the absence of a unanimous-consent agreement. Therefore I think that whatever the ultimate position of the able Senator from Missouri is will be the position which controls the procedure with respect to it.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. BARKLEY. I wonder whether it might not be possible to enter into an agreement to vote on the bill, and all amendments that may not be disposed of today at not later than 2 o'clock on Monday.

I understood from the Senator from Missouri that what he had in mind was to make it possible for certain Senators to return to the Senate before the Senate votes on his amendments. I did not understand that he contemplated that there would be any lengthy discussion on Monday, but merely that the Senators now absent would have an opportunity to return and vote. If that be true, it seems that we should be able to enter into an agreement to vote on the amendments at a very early hour on Monday.

Mr. VANDENBERG. Mr. President, let me respond to the Senator's suggestion. Here, again, we confront the element of fair play; and the Senator from Michigan is not going to be indicted for any lack of fair play at any point in this procedure. He was advised on Wednesday that the Senator from Oregon desired to object to any unanimous-consent agreement request which might be made in connection with the consideration of the bill. Let me ask the Senator from Nebraska [Mr. WHERRY] whether I am correct in that understanding.

Mr. WHERRY. The Senator is correct.

Mr. VANDENBERG. Therefore, we would have to call a quorum, certainly, in fairness to the Senator from Oregon, before submitting such a request; and my judgment would be that it would be a futility, anyway. However, if the Senator wishes to proceed in that fashion, I should be willing to do so.

Mr. BARKLEY. Mr. President, perhaps the Senator from Michigan is correct as to the futility of such a procedure, but I have known the Senator from Oregon to listen to reason on frequent occasions, and possibly he would be willing to do so in this connection.

Mr. MALONE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Nevada?

Mr. VANDENBERG. I yield.

Mr. MALONE. With all due respect to the distinguished Senator from New Mexico [Mr. HATCH], I know there was a general feeling on Wednesday that all the avenues for amendments would not be closed until Monday. There may have been some misunderstanding. However, I understand that the House of Representatives will not complete action on this bill until after several days next week. I see no good purpose which would be served by rushing the bill through the Senate. This is a very important piece of legislation. Although for the last 10 or 15 years money has become very cheap around the Senate and the House of Representatives, I still feel that a half a billion dollars is a great deal of money; and, for one, I think it would be a mistake for the Senate of the United States to close all avenues for amendments before Monday, when the Senators now absent will have returned, especially in view of the fact that those Senators understood, in at least a tentative way, that the avenues for amendments would not be closed until then.

Mr. KEM. Mr. President——

Mr. VANDENBERG. Mr. President, if the Senator from Missouri will permit me to say a word first, in reply to the statement of the Senator from Nevada, let me say that of course we all understand the attitude of the Senator from Nevada. So far as concerns his observation to the effect that half a billion dollars still is quite a lot of money, let me say that if the implication is that those who promote the bill do not also rate half a billion dollars as a lot of money, I humbly wish to resist any such implication with all the emphasis at my command. I wish to add that something else, however, besides half a billion dollars is involved in this situation; there is involved a condition of famine and cold in the western area of Europe which can precipitate a disintegration of free government in that area, to the everlasting disadvantage and menace and hazard of the people of the United States. That is also involved.

Mr. KEM. Mr. President——

Mr. MALONE. Mr. President, will the Senator yield to me?

Mr. VANDENBERG. I yield to the Senator from Missouri.

Mr. KEM. I am perfectly willing to present my amendment at this time, and to make such statement about it as I have to make, with the understanding that the senior Senator from Michigan will not call it up for disposition today. I am sure that under the circumstances that course will be agreeable to the Senator.

The PRESIDING OFFICER. It is the understanding of the Chair that the senior Senator from Michigan would have no control over a situation of that character, but that the wish of the Senator from Missouri could be consummated only as a result of the Senate entering into a unanimous-consent agreement.

Mr. KEM. Mr. President, evidently I have failed to make myself clear. I said I would be glad to proceed, with the understanding that the Senator from Michigan would not call up my amendment today.

Mr. VANDENBERG. Mr. President, the Senator from Michigan feels that he has made about all the agreements he should make in connection with the bill. I have to confess that I regret some of those I have made, although the situation is entirely out of our procedural control in the absence of a unanimous-consent agreement. I can only suggest to the Senator from Missouri that he proceed with the presentation of his amendment. The situation is pretty much in his own hands, because there is nothing that the Senator from Michigan can do either to force a vote or to stop one.

Mr. KEM. Does the Senator from Michigan refer to a vote on the amendment?

Mr. VANDENBERG. Yes.

Mr. KEM. Then I shall be glad to proceed.

Mr. WHITE. Mr. President, will the Senator from Michigan yield?

Mr. VANDENBERG. I yield.

Mr. WHITE. I wish to say that in my judgment the position taken by the Senator from Michigan is absolutely sound. The fair intendment of what was said on Wednesday is that there was an understanding that all amendments should be disposed of today, and that the vote on the question of the final passage of the bill should come on Monday next.

I do not assert that there was a unanimous-consent agreement, but there was a statement of understanding; and when that statement of understanding was challenged by no Member of the Senate, I insist that the membership of the Senate acquiesced in the understanding, and that the Senator from Michigan had a right to assume that it was a consummated understanding; and I think every other Senator also was put on notice that if he did not object or voice some opposition or challenge in some way that understanding when it was declared here on the floor of the Senate, then he would be estopped from now asking that amendments go over until Monday, or possibly some later day.

I reiterate that I think the position of the Senator from Michigan is absolutely sound; and I think that in good faith on the part of all Senators now present, who were present when the understanding was suggested to the Senate, they should acquiesce therein.

Mr. KEM. Mr. President, will the Senator yield to me, to permit me to ask a question of the Senator from Maine?

Mr. VANDENBERG. I yield.

Mr. KEM. Perhaps there was some understanding that I did not know of. Will the Senator from Maine be kind enough to direct my attention to the particular statement that was made, as appearing in the CONGRESSIONAL RECORD?

Mr. WHITE. The statement to which I have made particular reference is to be found in the statement of the Senator from Michigan [Mr. VANDENBERG], appearing on page 10916 of the RECORD. At that point the Senator from Michigan said:

I think I can best accommodate my colleagues—

And, Mr. President, that is the spirit that motivated it—

without any hazard to the legislation which I feel like prophesying will pass with a minimum of final opposition on the roll call, and I think I am justified in suggesting that we meet on Friday and complete the bill for amendment

That was a clear expression of the hope and of the intent of the Senator from Michigan, insofar as he could control the situation, to dispose of all amendments today.

I repeat that there was full opportunity to challenge the understanding, and there was the obligation to challenge it, if it was disagreed to by any Member of the Senate.

Mr. KEM. Mr. President, let me say that in my judgment there is a distinct difference between an understanding and a suggestion. The Senator from Michigan refers to a suggestion. The Senator from Maine refers to an understanding. I respectfully suggest that there is a vast difference between the two.

Mr. VANDENBERG. Of course, I agree that there is a substantial difference between an understanding and a suggestion. The Senator from Maine was stating that in the absence of objection, he assumed that there was acquiescence in the suggestion.

But so far as the Senator from Michigan is concerned, he says to the Senator from Missouri that there is no agreement, except as Members of the Senate wish to recognize it as such.

Mr. KEM. I appreciate that.

Mr. VANDENBERG. So far as the Senator from Michigan is concerned, he is perfectly willing to yield the floor now to the Senator from Missouri, to permit him to proceed in any fashion in which he desires to proceed. The Senator from Missouri knows that the Senator from Michigan feels that it will be most unfortunate if we do not take the bill into its third reading this afternoon, so that the subject will be closed down to the point of final vote at Monday noon. The Senator from Missouri also knows that the Senator from Michigan has said to him that the Senator from Missouri is in control of his own situation. I suggest that the Senator from Missouri take the floor in his own right and present his amendments.

Mr. KEM obtained the floor.

Mr. WHERRY. Mr. President, will the Senator yield? I wish to make a last observation regarding this so-called understanding.

Mr. KEM. I yield.

Mr. WHERRY. The reason why we are proceeding today as we are is because it was impossible to obtain a unanimous-consent agreement. Certainly a suggestion is not an agreement. I realize that the procedure is that these amendments have to be brought up today, and that the third reading of the bill can be forced. I humbly suggest that if that is done, the only thing then left will be to debate the bill. The suggested procedure is the next thing to a unanimous-consent agreement. It means that all amendments are thereafter foreclosed.

I should like to state to the Members of the Senate that in the official capacity which I have as the whip of the majority, I have already informed certain Senators that there was not a unanimous-consent agreement, but that the procedure which was to be followed today was a hopeful procedure—and I am 100 percent in agreement with it—namely, to proceed as efficiently as possible and to try to get the bill brought up to the point of final passage.

I certainly wish my position made plain, in connection with the information I have given and the statements I have made to Senators who are absent today, namely, that there was not a unanimous-consent agreement; and, Mr. President, I point out that if the bill now is brought up for third reading and is brought to the point of being ready for final passage, that will accomplish what could not be accomplished by a unanimous-consent agreement itself.

Mr. KEM. Mr. President, I send to the desk several amendments which I offer and ask to have read. I do so with the expression of the hope that the amendments will not be disposed of until next Monday.

The PRESIDING OFFICER. The amendments will be received, and will be read by the clerk.

The LEGISLATIVE CLERK. On page 5, line 8, before the semicolon, it is proposed to insert a comma and the following:

and to supply each consumer or user of each commodity made available under the provisions of this act with information printed in the official language of such country, stating:

"This product or commodity is a gift to the Government of _____ by the people of the United States in an effort to prevent suffering by the people of _____ because of hunger, starvation, and cold. Payments made by the people of _____ for this product or commodity will be used for relief and work-relief purposes for the people of _____ until June 30, 1948, including certain expenses in the furnishing of this assistance. No repayment will be made by the Government of _____ to the Government or the people of the United States" (the name of such country to be inserted in the blank spaces).

On page 5, line 11, strike out the period and insert in lieu thereof a comma and the following:

and to furnish on March 31, 1948, and each 3 months thereafter, information showing:

(1) an itemized list of commodities made available with funds provided under this act;

(2) the total number of persons who have received commodities or benefits made available under this act;

(3) the total amount of money received by such country from the sale of commodities made available under this act and the average price charged per unit for each commodity;

(4) a detailed statement of the disposition of all money and other things of value received from the sale or transfer of any commodities made available during this act; and

(5) such other information concerning the distribution and use of commodities made available under this act as may be requested by the President.

On page 6, beginning with line 4, strike out to and including line 8, and insert in lieu thereof the following:

(h) to permit representatives of the Government of the United States and of the press and radio of the United States, upon their request, to enter such country without delay and freely and fully observe and report regarding the distribution and utilization of the commodities and funds transferred or otherwise made available under this act, including the special account provided for in subsection (b) of this section.

On page 8, line 11, after the period, insert the following:

All information received pursuant to undertakings provided for by section 6 (d) of this act shall, as soon as may be practicable after the receipt thereof, be reported to the Congress.

The PRESIDING OFFICER (Mr. YOUNG in the chair). The question is on agreeing to the first amendment offered by the Senator from Missouri.

Mr. KEM. Mr. President, I believe there is no question but that the majority of the American people favor sending stop-gap relief to France, Italy, and Austria, to alleviate such distress as may be brought about by the lack of food, fuel, and medical supplies. I am just as confident that the American people want to be assured of two things; first, that the help we are sending reaches the people who need it, and, second, that the recipients of our assistance shall know from whence the aid comes, and shall know that it is a free-will gift by the American people, made without expectation of payment either in goods or money. The amendments that I have offered are designed to accomplish those purposes.

I should like to have the Senator from Michigan attend to what I have to say. I am very anxious that he understand my position in this matter. It is the result of a good deal of thought and careful study. All Senators realize that there may be at any time a change of administration in any of the recipient countries; an existing government may fall, and a new one may take its place. If there should be a change in the government of France, Austria, or Italy, or if the governments remain the same, in any case we want the people of those countries to know, as said by the Psalmist, "whence cometh their help." The primary purpose of the amendments is to insure that the people of the countries receiving our assistance, and not merely their government officials, are informed fully that the help extended to them in the form of food, fuel, and medical supplies, is the free gift of the people of the United States.

Briefly, the amendments are an attempt to plug the "rat hole" through which much of the billions of dollars worth of commodities we have already sent to the needy in Europe has found its way into the black market. The result has been to discredit our efforts, since the people of those countries have

at present no means of knowing that the United States has no control over the distribution of its gifts once they have been turned over to the governments of the respective European states.

It is proposed, therefore, to convey to the ultimate recipient of our relief goods the information that the United States does not participate in any way in the distribution and receives no part of the money paid for the commodities by the people of the countries being aided, and, furthermore, it is proposed that through every step in the operation there be pitiless publicity.

In order to accomplish that, the amendment provides that information, printed in the language of the country, be made available in connection with every gift. The language would set out that the commodity or product being presented to the national of one of the foreign countries is given him by the people of the United States in order to relieve hunger, starvation, and cold. That language would further say that payments for the products made by the people of the recipient country, will be used for relief and work-relief purposes for the people of that country until June 30, 1948, including expenses of furnishing the assistance, and the language will then conclude with this phrase:

No repayment will be made by the Government of —— to the Government or the people of the United States.

I cannot see why it is not entirely practical, entirely sound and wise, that that information, printed in the language of the recipient, be brought to his attention at the time the gift is made.

The remainder of the amendment has to do with the matter of pitiless publicity. The bill as reported by the committee contains, on page 5, line 11, a provision that the beneficiary country agree—

(c) to give full and continuous publicity within such country, so as to inform the ultimate consumers, as to the purpose, source, character, and amounts of commodities made available by the United States under this act.

The amendment would add to that language an additional provision:

and to furnish on March 31, 1948, and each 3 months thereafter, information showing:

(1) an itemized list of commodities made available with funds provided under this act;

(2) the total number of persons who have received commodities or benefits made available under this act;

(3) the total amount of money received by such country from the sale of commodities made available under this act and the average price charged per unit for each commodity;

(4) a detailed statement of the disposition of all money and other things of value received from the sale or transfer of any commodities made available under this act; and

(5) such other information concerning the distribution and use of commodities made available under this act as may be requested by the President;

Mr. President, that provision merely states in more detail the excellent provision already contained in the bill. If any Senator favors the present provision, I do not very well see why he can have any objection to additional provisions along the same line to clinch it. Of course, what we all want to do is to avoid dependence on European black marketeers or political office holders to distribute free American food, without the people knowing exactly what they are doing.

On page 6, line 4, the bill, as reported by the committee, contains the provision that the foreign countries in question will agree—

to permit representatives of the Government of the United States to observe and report on the distribution among the people of such country with respect to the commodities transferred or otherwise made available pursuant to this act.

The PRESIDING OFFICER. The Chair at this point would like to call to the attention of the Senator from Missouri the fact that the substitute he is offering for lines 4 to 8 on page 6, being subsection (h) of section 6, is not in order, for the reason that the Senate earlier today agreed to a substitute for the language in the bill proposed by the Senator from Michigan [Mr. FERGUSON], and to that extent the amendment now proposed by the Senator from Missouri would be out of order.

Mr. KEM. Does the Chair refer to the part I am just about to discuss?

The PRESIDING OFFICER. Yes.

Mr. KEM. The Chair does not have reference, does he, to the matter I have already referred to, but simply to the part I am about to take up now?

The PRESIDING OFFICER. Yes.

Mr. KEM. When the junior Senator from Michigan submitted his amendment I noticed that it contained somewhat the same idea that is contained in the language I propose. However, I should like to invite the attention of Senators to the fact that, as I understood the amendment of the Senator from Michigan, it did not contain any express condition as to radio and press representatives.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. KEM. I yield.

Mr. VANDENBERG. The Senator knows that at this particular point I agree with him in respect to his amendment.

Mr. KEM. Yes.

Mr. VANDENBERG. And there will be no difficulty in the parliamentary procedure. We can reconsider the action on the previous amendment for the purpose of adding the Senator's language.

Mr. KEM. I ask unanimous consent to proceed with the presentation of the amendment with that idea.

Mr. VANDENBERG. The Senator is in charge of his own time. He can do anything he desires.

Mr. KEM. I do not want to be out of order.

Mr. VANDENBERG. The Senator is not out of order.

Mr. KEM. The bill, in subsection (h) of section 6, contains this language:

To permit representatives of the Government of the United States to observe and report on the distribution among the people of such country with respect to the commodities transferred or otherwise made available pursuant to this act.

My amendment contains this language:

(h) To permit representatives of the Government of the United States and of the press and radio of the United States, upon their request, to enter such country without delay and freely and fully observe and report regarding the distribution and utilization of the commodities and funds transferred or otherwise made available under this act, including the special account provided for in subsection (b) of this section.

I think the purpose of that language is obvious, and I shall not detain the Senate by making any explanation of it.

The final amendment I have offered is on page 8, line 11, after the period, to insert the following:

All information received pursuant to undertakings provided for by section 6 (d) of this act shall, as soon as may be practicable after the receipt thereof, be reported to the Congress.

Mr. TAFT. Mr. President, I desire to speak briefly on the bill itself rather than on the amendments of the Senator from Missouri [Mr. KEM]. In the first place, I intend to support the bill in its present form as to amount—although I voted to reduce the amount—leaving the exact amount to be determined by the Appropriations Committee and the various executive authorities in charge of the dispensation of the money.

I support the bill because I have full sympathy with its two principal purposes, the first of which is to relieve human suffering and famine in France, Italy, and Austria. I think no one can fail to sympathize strongly with that ultimate purpose. I am in sympathy also with the second purpose, namely, to discourage the spread of communism in these countries. Certainly that is a purpose in which everyone concurs. The question whether this is perhaps the best method of doing so is open to debate, but certainly the bill can have some effect in that direction.

But, Mr. President, it is certainly an extraordinary position in which we find ourselves today. Two and one-half years after the end of the war in Europe, two and one-half years during which these countries have had an opportunity to return to a peacetime basis, the United States is still called upon to provide in the neighborhood of $5,000,000,000 a year for the relief and advantage of Europe. So far as my investigation reveals, we actually dispensed toward relief in Europe approximately $3,000,000,000 in the last half of the year 1945. We paid out about $5,354,000,000 in the year 1946, and in the first three-quarters of this year we have paid out nearly $5,000,000,000. So there is a steady increase in the amount, rather than a decrease. There has certainly been no past war after which it has taken so long to recover. It is significant that the actual destruction of plants in Italy and in France has not been very extensive. Most of those plants were in fair condition at the end of the war. Nevertheless, they have been wholly unable to return to a normal production, or to any reasonably sufficient economic condition.

So far as I can judge from the estimates I have made, we had, when we adjourned in July, made available for the fiscal year 1947–48 the sum of $5,617,000,000, including the Greek-Turkish loan, all except that being attributable to western Europe. We are now asked

to appropriate some one billion dollars in addition to that for use in the current fiscal year, and there is some talk about one and one-half billion dollars for use in the last quarter of this fiscal year. Those, Mr. President, are tremendous sums, and it is almost inconceivable to me that the American people can hope to continue any such rate of aid to Europe so many years after the war.

What has caused the present situation? In the first place, it seems to me to be due almost entirely to the policies pursued by the United States of America and by the present administration, the policies adopted at Tehran and Yalta in yileding to the Russian demands for the methods in which the war should be conducted, and in yielding to the Russian demands that they be permitted to occupy that part of Germany containing Berlin and that part of Austria containing Vienna, which enabled them to establish themselves as a tremendous power in eastern Europe, able to interfere with and prevent the cure of the economic conditions of western Europe. Toward the end of the war and for some time afterward we apparently did everything that Russia wished, under the impression that if we were kind enough to them they would turn around and act in an angelic manner toward us and in an angelic manner toward Europe. That certainly was a complete miscalculation, which is responsible largely for the tremendous present power which Russia is abusing.

In the second place, this condition is due to the agreement made by the United States at Potsdam and the Morgenthau plan, which was practically adopted at Potsdam and has been carried out in Europe even since that time. That plan was deliberately designed to reduce Germany to a status in which her people had a completely agricultural economy, in which they were to be permitted to produce only just enough to live on a very low standard of living. As it turned out, in trying to reach that goal we have held them down so that they could not even achieve a low standard of living. So we have to provide this year nearly $1,000,000,000 to bring Germans up to the very lowest standard at which any people can hope to survive. Certainly that plan is more responsible than anything else for the present economic condition of Europe, because Germany could produce many of the things which these other countries need, and it could at the same time provide a market for many of the products which others could manufacture. So long as that sore spot remains in the center of western Europe, it seems to me almost impossible to hope for a return to a normal economy by the other countries of western Europe.

We have said repeatedly that we have abandoned the Morgenthau plan, but no one knows whether we have really done so. Nearly a year and a half ago, former Secretary Byrnes, at the earnest solicitation, I think, and with the full approval of the distinguished senior Senator from Michigan, announced that we were abandoning the plan, but the administration did not abandon it. Even today we are going through with that particular part of the plan which requires the dismantling of factories in Germany, which will still further reduce the productive ability of Germany. So I think we can say that we ourselves are to a large extent responsible, through our policy, for the condition which now exists, and which calls for this relief.

In the third place, the condition which we strive to meet is due to a large extent to the actual conduct of affairs in the European countries themselves. It is due to the fact that they have adopted the principles of socialism. They have not conducted their governments in a manner which would tend to increase their productivity, and therefore raise their standard of living. In particular, they have fostered the idea of short hours and low productivity. They have nearly all pursued a policy of unbalanced budgets. They have nearly all attempted to maintain a false value for their currency, I may say with the assistance of the United States through the Bretton Woods International Fund Agreement, which practically requires that there be a fixed rate of exchange. But there can be no question that those policies have interfered with the successful economic recovery of those countries. There can be no question that if they try to maintain an artificial value for their currencies, as in France, they make it more difficult and less attractive for Frenchmen to try to produce things which can be exported, and they make it more attractive for them to try to import things into France. So this condition is not a condition which could not have been prevented. It is a condition which has actually been produced largely by our own policies and by the policies pursued by the countries of western Europe.

I have always felt that the lavish distribution of American dollars is not the cure for the present situation. We have pursued that policy since the beginning of the war. I have listed the amounts which we have already spent, aside from the additional funds we have put up for the International Fund and the International Bank. When it was proposed on this floor that we put $6,000,000,000 into those two banks, I opposed it, not because I did not think there should be some assistance at the time, but because I thought the sum was grossly excessive. I thought the means proposed, particularly in the International Fund, were not at all suited to bringing about the realization of the purposes of that fund. As a matter of fact, we might just as well kiss goodbye the $2,750,000,000 we put in. So far as I can see it has done no good whatever up to this time. It is now being gradually distributed over a period of 3 years, I believe, to all the countries of the world, whether they need it or not. The dollars going into those countries in return for their own currency, which is gradually accumulating in the vaults of the International Fund, come back here to compete with our citizens in the purchase of our goods, and to drive up the prices which our own people must pay.

I believe that with a smaller sum at a later time we might conceivably have succeeded in doing some good toward the stabilization of currencies; but even today that time has not come. The Harriman committee finds that we would be indeed foolish if we put up $3,000,000,000 more for the proposed stabilization of currencies under present conditions. They say that when conditions return to normal, a much smaller sum may be of some value in that connection.

At the time we were asked to put up $6,000,000,000 for Bretton Woods we were told that that would solve the whole problem of the world, the whole problem of international trade and international recovery, and that a further loan to Britain would be wholly unnecessary. Mr. White, the Assistant Secretary of the Treasury, appeared before the Committee on Banking and Currency and told us that the proposal that a British loan be given instead of the Bretton Woods proposal was wholly fallacious, and that if the Bretton Woods proposal were adopted Britain would not need money.

It was only 6 months before that particular promise was entirely eliminated and disposed of, and we were asked for $3,750,000,000 for the British. I opposed that loan at that time, again because I felt that some help should be given to the British, but that $3,750,000,000 was a grossly excessive amount. As a matter of fact, during the period when the British drew down about $3,350,000,000, they imported from us only about one and a half billion dollars' worth of goods. That was all they required to come to this country and buy all the materials they wished. But we insisted upon giving them $3,750,000,000, which now has disappeared. The operation has been condemned by many British economists themselves as distinctly hurtful to Great Britain, rather than helpful. When the money finally disappeared we found that the British were in just as bad a condition as they were at the time the loan was granted. We are out the amount of that loan, and apparently no good has come of it.

I believe that a reasonable dispensation of money, under a principle of which I shall generally speak, was desirable at that time. I introduced a substitute bill to give the British $1,250,000,000 to enable them to proceed for 1 or 2 years, as the case might be, to buy everything they needed in the United States, without paying out any dollars of their own.

In addition to the British loan, we appropriated $2,750,000,000 for UNRRA; and certainly when that expired there were no tears shed. The general impression is that a very large proportion of that money was wasted. A large proportion of it went to the assistance of Russia and her allies, to build up the opposition which we now find on their part to the wishes of the United States in western Europe.

I supported the Export-Import Bank loan, because I thought that was the agency which would dispense the money carefully for specific purposes, and with effective use of the money which it might lend.

Mr. President, I believe that we should help Europe, but I feel that the approach which is made in this particular bill—and, so far as I know, in the general long-time bill—is the wrong approach. It does not make so much difference in

connection with this bill. But I believe that we should simply undertake to say to those countries, "Operate your own economy. If you find that there are certain things with which we can help, and of which we have a surplus, if you will come to us and ask for them, we will give you credit to purchase those particular goods."

I believe that the plan must be carried out on a practical basis. There are certain things such as food, machinery, and various other commodities which those countries can obtain only from us, and which are essential to their survival and recovery. I believe that we should give them those things on credit; but I object to what is called the balance-of-payments approach. In effect, what the State Department has been doing has been to say to those countries, "Figure out everything you want to import, and what you can export. We will criticize your figures to some extent, and perhaps scale them down a little, but we will advance you the difference." That is the so-called balance-of-payments theory. It will be found if one examines the particular plan under consideration here in connection with the French and Italian loans.

For example, in connection with the French loan, the total French requirements are $816,000,000. We find that the resources available are $488,000,000. It is rather interesting to note that many of those resources are in the form of other forms of money coming from the United States. They are not resources of their own. The only real French resources being used in computing the $816,000,000 are, first, $60,000,000 exports. But they are proposing to import $816,000,000. There is $60,000,000 from exports, $50,000,000 from stabilization fund balances—which I think is a gold item—and estimated liquidation of French dollar securities, $80,000,000. That makes $190,000,000. Then there is an item for restitution of German gold, $104,000,000. So we have a total of $294,000,000. One hundred and ninety-four million dollars of the $488,000,000 comes from drawings on the International Monetary Fund, which comes from here. The International Bank funds also come from here. Other items are: United States Army payments and Export-Import Bank credit available for purchase of supplies.

In the case of Italy, the so-called Italian resources are also in large part simply other money coming from the United States, from a different direction from this particular fund.

The point I wish to make is that while this new loan may be directed merely to wheat, fuel, and fertilizer, as a matter of fact, what the French have done is to include everything they want to buy. We let them take their own resources—or our resources from other funds—and use them to pay for the less essential items. Then we come along with this loan and put up the money for essential things. The picture looks better.

I do not mean to say that there is any concealment in the method, because it is all set out on page 28 of the hearings.

Among the things the French wish to buy are a fair number of things which seem rather a long way from our interests. We are giving them the money to pay Brazil the $10,000,000 which France owes Brazil. We are giving them about $30,000,000 with which to pay Belgium money which France owes that country. That item was scaled down from $80,000,000. Finally, $30,000,000 was decided upon. They must put up $10,000,000 for the International Monetary Fund in order to be able to draw down money from it. So we put up the $10,000,000 in gold which they are supposed to put up for the International Monetary Fund.

Those are only a few of the items.

Incidentally, there is $145,000,000 for imports into French north Africa. We are putting up $145,000,000 to pay for imports which are not going to France at all, but to the north African territories of France.

So, what we have done, and what the general plan is, is simply to balance up these things. We have said, "Tell us how much you can pay, and we will put up the difference."

I think that is a fundamentally wrong approach, because it places us in the position of guaranteeing the economies of these countries, and a certain standard of living. If we are to decide what the balance is, there are some very disputable items involved. At how high a standard of living are they to live? We are purporting to say that we will guarantee a certain standard of living. It may be 250 or 200 grams of bread a day. I do not think we should be involved in that question.

In the second place, on the other side of the balance sheet showing what their resources are, exports must be calculated. That question depends on the way in which a particular government or country manages its own economy. It should not depend on us. I do not think we should approach it from the point of view of any over-all guaranty to any country as to its standard of living under conditions which happen to exist at the present time, which perhaps they could themselves cure if they were not able to look to us or to some other source for assistance. If we do that for western Europe, why not China, for India, for the Philippines? There was much greater destruction in the Philippines than in some of these other countries.

It seems to me, Mr. President, that the whole idea that we are to make good the deficit in the export-import balance of every country in the world is completely fallacious and one which will wreck the United States if we go through with it. We now have complaint from the Philippines. They also would like to have a little higher standard of living than that which they can maintain if they are left to their own resources. Every country would like to increase its standard of living. The effect of the British loan was to enable Britain to proceed on a somewhat higher standard of living than it could otherwise maintain. Now the money is gone and they are no better off than if they had not had a considerable part of that money.

So, all we can do in each case is to say to these countries, "How much wheat do you need? We have so much wheat. How much do you need?" We should make a deal with them on a certain number of bushels and help to finance that number and certain other things. Let them work out their own balance and their own standard of living after they know what we can afford to give them.

The bill provides that 25 percent of the money may be used to pay other countries for the things they ship to France. It has been suggested that oil go from Venezuela instead of from us. That is a good idea; it is fine; but the result of this import-balance approach is that we pay Venezuela for the oil it ships to France. I think we should at least ascertain from Venezuela how much they can advance, how much they can put up to finance the French. Certainly, they ought to participate. I do not say we might not be willing to help Venezuela, or to help Canada finance wheat shipments to Great Britain. But certainly it seems to me we should not work at it from the French end. We should not say to them, "You can go out and buy this oil and wheat wherever you want to and we will pay for it." We ought to say, "We have so much oil. You go and look for the rest of the oil you require." If they want to go to Venezuela, let them do so. If Venezuela asks us if we can help finance it, we should discuss the matter with Venezuela. This over-all approach by which we guarantee to the French, as to the British, that we will give them the money and let them do whatever they please with it is completely fallacious. It is one which is more expensive for us and is not good for the countries involved.

I believe we must go on with assistance to Europe, but I think it should be carefully scrutinized. We should determine the things which we are willing to ship and confine them to the things which we think would help those countries to go to work, rather than endeavor to solve the financial difficulties of every government.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from Florida.

Mr. PEPPER. In reading the reports which have been prepared by the committee and by the State Department, I find frequent references to the fact that inflation in the United States has been a contributing cause of the dilemma of these countries which we are requested to help. That has been especially pointed out in the case of France and Italy. As for myself, I have been disturbed to hear the remonstrance and the growing protest coming from many people in my State. Many of them are working people who are feeling the pinch of the present high cost of living. I am wondering if we can do something effective about controlling prices in this country, and if we shall not have, by next year, for example, when the so-called Marshall plan comes up for consideration, such a pinch against our own people from these high prices that they will be indisposed mentally to help Europe and that it will be more difficult from a financial and economic point of view for us to help Europe. I am wondering if the able Senator from

Ohio, who has such a large influence in this matter, can hold out any hope as to whether the majority party has in prospect any legislation or any proposals which are likely to stabilize our economy, to eliminate the threat, first, to the attitude of our people to help, and, secondly, to the ability of the country to help foreign countries in their distress.

Mr. TAFT. Mr. President, I do not think the question is really directed at this particular subject, and I prefer to confine myself to the particular subject. I shall have plenty to say on the subject of inflation control at some other time. As far as the rising prices in this country are concerned, it means that we will furnish more money for those foreign countries than we would otherwise do. In fact, the State Department is asking for $200,000,000 for relief in unoccupied areas. Therefore, it seems to me that inflation in this country has practically no effect on that aspect of the situation which we are discussing.

Mr. PEPPER. Mr. President, will the Senator permit me to make this observation?

Mr. TAFT. I will not yield on that question

Mr. PEPPER. Mr. President, I wanted to say that I am not denying the ability of the country or its disposition to appropriate funds that might be necessary, but when the increasing cost of living is lowering the living levels of the working people of this country they are less disposed to give their substance to people elsewhere. So it does very vitally affect the willingness of the people of this country to support an aid program.

Mr. TAFT. Mr. President, I think we should realize the cost today of the lavish distribution of dollars. I think we should assist these countries to the extent of the amount which is really effective in bringing about the result which we are trying to achieve. But we should realize what the cost is. In the first place, we are paying today approximately five or six billions of dollars in taxes. A very heavily burdened people is paying that amount in taxes in order to give materials and supplies to western Europe. I think the tax burden today is a threat to our own economy. I think taxes can become so high that our economy can bog down the moment the inflationary trend changes. The moment prices begin to go down it will be such a heavy burden as to bog down all production in the United States. It is a serious handicap, and it is something which should be emphasized when we consider that we are asked to add a tremendous tax burden to our own people in order that we may assist Europe.

In the second place, as the Senator from Florida says, it means higher prices for America, because it is distinctly inflationary. Mr. Harriman admitted day before yesterday that we are exporting $11,000,000,000 more in goods than we are importing. The dollars that we scattered around the world under lend-lease and under the Bretton Woods agreement, and all the rest of it, are coming back to pay for the purchase of goods which are already in short supply in this country. Undoubtedly that is contributing to the tremendous price rise which has occurred and which is growing so great in this country.

In the third place, of course, it threatens a return to a completely regimented state and the elimination of the freedom which in my opinion is responsible and necessary for the full production which makes any aid to Europe possible.

Finally, this distribution, if too lavish, will actually encourage the foreign nations in the continuation of their bad economic practices. The sooner it is brought home to them that 90 percent of their recovery depends on their own efforts, that, after all, American dollars cannot save the world or cannot save any particular country, that American dollars can help to the extent of perhaps only 10 percent of what can be done, and that the people of those countries must realize that we are not going to make good their own deficiencies, the better it will be for them. Without such a realization, there is not that pressure to straighten out their own currencies and their economic situation, which is so necessary.

So I think these effects can be limited, but only if we scrutinize carefully the various requests which are made, and if we confine our assistance to the things we can afford to give, and which can be of direct beneficial effect in the recovery of these various countries. I do not think we can undertake to adopt this balance-of-payments theory and undertake to underwrite the deficiencies of every country in the world. It seems to me that the approach of the State Department has always been that particular balance-of-payments idea. As a matter of fact, I do not know that, we come out so differently in this bill. It may well be that this amount is correct. On Wednesday I voted, with some doubt, to reduce the amount, simply to show the direction in which I thought it should go. But I do not think we have the facts, because that is not the way the problem has been approached. It has been approached from the balance-of-payments theory.

The figures of the temporary plan call for approximately $600,000 000. I doubt whether all that will be used by the 31st of March, anyway. If it is excessive, I think we can take that into consideration in connection with consideration of the long-range plan. I do not think the exact amount of this particular aid is in any way important, as compared to the tremendous effect at this time of assisting these countries, in view of the present situation existing with Russia.

Furthermore, these countries have had a particular emergency this year, to which we can attribute this deficit, perhaps, rather than the various policies of the countries themselves, because they have had a tremendous shortage in their crops—a shortage which we hope will not occur again.

So, Mr. President, for many reasons I believe that this bill is important at the present time.

I regret in this bill the lack of provision of some new method of dispensing aid. I realize that we have a broad and efficient organization under Mr. Allen; but the over-all decisions as to what is to be shipped are made, in the last analysis, by the State Department, and in my experience the State Department seems more concerned with pleasing the people abroad and less concerned with the effect of these exports on our economy.

I think we should proceed—not under this bill, however—as soon as possible to set up a board or organization, and we should let that organization take over this particular emergency-aid program, as well, as soon as it is able to do so. I do not think we should hold up the passage of this bill in order to attempt to accomplish that purpose at this time; but I see no reason why we should not do that before we complete action on the long-range plan. We have a plan recommended by the Harriman committee; we have a plan recommended by the Herter committee; we have a plan recommended by some other committees; and in the administration there seems to be great confusion as to what the plan should be. I believe very strongly that there should be a board with full authority to determine what shall be given to these various countries, with full authority to determine what shall be exported from this country; and I believe it should be a board which will look just as much toward the preservation of our economy, just as much toward maintaining productivity and activity in the United States, as it is concerned with maintaining them in Europe. In the last analysis the only way those countries will go on getting any aid, the only way there is going to be any progress against Russia, will be by maintaining the economy of the United States in a strong productive position which is not subject to the drains which are threatened if we go all out in a lavish distribution of American dollars throughout the world.

Mr. LANGER. Mr. President, I desire to speak on the bill itself, and not on the amendments. Let me state that it is often easy and sometimes very popular to vote to give away the taxpayers' money. A compilation recently prepared by one of America's largest newspapers shows that since I have been a Member of the Senate our Government has given away over $35,000,000,000 to England, over $11,000,000,000 directly to Russia, and over $1,000,000,000 more to Russia's satellites. Today by this bill we are asked to vote to give away $597,000,000 more.

I voted to give away practically all that has thus far been given away, but I have always voted to help those who suffer from lack of food and clothing. I violently disagree with those who say it has been a tradition of the United States to give away money. That statement has been made several times on this floor, but I challenge it because that is not the record of the United States of America. The truth is that the United States has always helped with food and clothing those who are overtaken by disaster, and only occasionally has sent small sums of money to those nations in want that we desired to help.

Mr. President, today I would vote to spend here at home the money which it it proposed to be authorized under this

bill, and I would vote to send food and clothing to those in any country whatsoever who needed it. But after the experiences with UNRRA, with lend-lease, and, indeed, with the disposal of our own $106 000,000,000 worth of war assets, I am convinced that most of this money will either be wasted or will go to governments who ultimately will not only be ungrateful for having received it, but in many instances may use it against our own Government.

Mr. President, during the past summer I visited various parts of the United States and here in our own country I saw unparalleled want and misery, hunger and starvation, when, with the Under Secretary of the Interior, Oscar Chapman, I went to Arizona and New Mexico and investigated conditions among the Navajo Indians. Mr. Chapman frankly said that out of 20,000 school children among the Navajo Indians, there were school facilities for only 6,000; that 14,000 were not attending school. He stated that a great many of the children born to these Indians could not at the age of 21 speak the English language, as investigation disclosed. Mr. Chapman stated that the tubercular rate was five times as high as the average rate in the United States as a whole.

Mr. President, Mr. Chapman, the Under Secretary of the Interior, has been with the Department of the Interior for many years, and when he says that there is want and suffering and hunger, and thereby confirms what was said by a young Harvard graduate, Robert Bennett, who is himself an Indian, and confirms also what Mrs. Kirk, of Gallup, N. Mex., the head of a very important committee of the Women's Clubs of the United States, said, and what many citizens of Santa Fe told me, I am willing to take their word for it.

Mr. President, what are we asked to do here today, at a time when there is unparalleled suffering right here in the United States? I shall take up the point not only of the Indians, but of those receiving old-age pensions, school teachers, and annuitants. At a time when we are asked to help Italians who fought against us and killed our own boys, what is the record in New Mexico?

Consider the record of the Navajo Indian. Mr. President. His hunger is most distressing. The want, the suffering, in Arizona and New Mexico, is most distressing to those 25,000 Indian veterans who defended American lives and homes. They gave America a square deal. That is proved by 71 air medals, 51 silver stars, 47 bronze stars, 34 distinguished flying crosses, two Congressional Medals of Honor, and long casualty lists of dead, wounded, and missing. The States are responsible in many cases for our not getting a square deal for the Indians in this country. In New Mexico and Arizona alone there are 6,500 Indian veterans who want a square deal—their right to the ballot, Mr. President, a right they do not have today—and an opportunity to take their places as citizens contributing to the national economy.

Mr. President, the Indian veteran has equal rights under the GI bill as administered by the Veterans' Administration, but let us consider just for a moment the plight of the Navajo veterans—although the Hopi, Pueblo, Sioux, and other Indian veterans, including some in my own State, find themselves in the same situation. The Indian veteran returns home to find deplorable conditions among his people. Because of a lack of resources, there is no opportunity to establish his home. He cannot get a GI loan for a home, because the United States holds title to his land, and therefore the bank will not give him a loan. He cannot go into the sheep or cattle business, because he cannot get a permit from the Government to run more livestock on an already depleted range. There is no farm land or capital available to him. Industries are reluctant to make loans to him for small business enterprises. If anyone doubts that statement, let him consult the distinguished chairman of the Small Business Committee of this body.

On the other hand, the Indian finds no solution to his problem by leaving the reservation. In the first place, he was ill prepared to enter military service. The selective-service records of 4,000 Arizona Navajos, for the period between 1943 and 1945, show that only 12 percent of them could speak English. They were born in this country, and yet only 12 percent of them could speak the English language. Seventy-five percent of the entire group accepted for military service within that period could neither read nor write.

The Indian therefore is not prepared to compete with others off the reservation for jobs which require any degree of education or technical skill. Because of his illiteracy, he is under a distinct disadvantage in utilizing the educational benefits provided by the GI bill. For example, it is almost impossible for him to meet the entrance requirements of secondary or technical schools. Under those conditions he is a frustrated and maladjusted member of society, aimlessly sweating it out until he is 65 years of age. Then what does the law provide that he shall receive from the Federal Government? The relatives of the men who were awarded medals receive the great sum of $5 a month from the Government, nothing from the State, to sustain them in their old age. That is conditional, even, on Congress appropriating the money with which to pay the $5. So, Mr. President, can we say that a group of American citizens in which the tuberculosis rate is five times that of the entire United States, is getting a square deal? Are Indian mothers, who went down into the shadow of death to bear the very sons who have gone out and made this marvelous record I have cited, getting a square deal, when infant mortality among the Indians is five times greater than in the rest of the country? Are the people who have been dispossessed of nearly 90,000,000 acres of land within the last 50 years getting a square deal? Do Senators know that Indian tribes in many States are now expressly prohibited by an act of Congress from purchasing additional land? Even with their own money, they can not buy it; it is prohibited. Is it known that in some States Indians are denied fundamental American rights to vote and to participate in social security benefits? These rights are denied by the State sometimes, and not by the Federal Government.

As to education, I may call attention again to the fact that among the Navajos only 6,000 of a total of 20,000 children of school age are in school. Sixty-six percent of the Navajos have had no schooling whatever, a figure which compares most unfavorably with the figure of less than 4 percent for the country as a whole.

Not one single dollar is available for housing among the most miserably housed segment of our national population—not one dollar is available, and yet today we find that the Government has already given away $66,000,000,000. Do Senators realize how much a billion dollars is—just one billion? Why, Mr. President, when I was the Governor of my State, the entire assessed valuation of North Dakota, including every acre of land, every city lot, every building, every horse, every cow, every sheep, all the money in the State—everything in the whole State was assessed at less than $1,000,000,000. It was assessed at $941,000,000. We have given away 66 times the then value of the whole State of North Dakota.

What else has the Government done besides neglecting the Indian, Mr. President? How has this Government treated its own employees? There are employees upon the Federal roll, believe it or not, who are receiving as little as $90 a month for full-time service. I prefer to help the woman endeavoring to educate a child, or children, who tells me that Government wages are so low that she and her children are actually on the verge of starvation, rather than help some girl in France or Australia or Italy who may also be hungry. I prefer to help Government employees who have come to me so desperately poor because of low wages that they have talked of suicide, rather than help those who may also be contemplating suicide in a foreign country.

Mr. President, I suggest today that we still have with us the underprivileged whom the late President Roosevelt said he was going to help. Hundreds of thousands of our aged people, desperately poor, do not have enough to keep body and soul together.

Do Senators realize that in some instances, before an aged person can obtain help, he must turn over every single dollar he has? If he has a little home that his grandfather built 75 years ago, he must turn that over to some welfare board before he can obtain help from his own Government. Indeed, I know of an instance in which even the wedding band was taken from a woman's finger, before help would be given her, here in the United States.

In the last year and a half the cost of living has doubled, and yet how much have old-age pensions been raised? When we raised our own salaries from $10,000 to $15,000. I voted against it. Upon that occasion I brought to the attention of the Senate the miserable situation in which aged people found themselves.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. MORSE. I rise only to make a correction in the Senator's statement, for the sake of accuracy. The Senator will recall that the salaries of Senators were increased from $10,000 to $12,500. Then, on top of that, the Senate voted a $2,500 tax-exempt expense allowance for each Senator.

Mr. LANGER. That, in my opinion, was even worse, I think the Senator will agree.

Mr. MORSE. I completely agree with the Senator.

Mr. LANGER. What did we do at that time, Mr. President? We appointed a committee to investigate the amounts the aged people were receiving. That was a year and a half ago. They have not had time to investigate a matter relating to our own people. We do not know today whether, in order to take proper care of them, it will cost $1,000,000,000, $5,000,000,000, or $20,000,000,000, but Senators are here saying, "Oh, those people in foreign countries must be helped."

Mr. President, I have no objection to helping the people in foreign countries, but I believe that charity begins at home. I believe it is the first duty of the Senate to take care of American citizens, such as the Indian veterans who fought for the United States of America. As I have said, when we raised our own salaries, we finally got an increase of $5 a month for the aged.

I say, Mr. President, that the committee which was appointed a year ago to make investigation with respect to providing a decent amount to afford a livelihood for our own aged people have been so busy investigating the aged people in foreign countries that our own aged in the United States have been shamefully and disgracefully neglected.

Mr. President, it will be remembered that when the Townsend bill was offered over 1,000,000 American citizens signed petitions favoring the bill. At the time the bill was offered one Senator who was on the committee considering the bill stated on the Senate floor that the Townsend plan would cost $2,000,000,000 a month, and would bankrupt the country. At that time all the United States Government owed was $35,000,000,000. But that same Senator has voted for practically every dollar of the $66,000,000,000 which we have sent abroad.

Mr. President, we have hundreds of thousands of annuitants, widows of retired Federal employees, widows of war veterans, and we have hundreds of thousands of retired Federal employees themselves, who cannot get along on the pitiful amount they receive from the Government, because a man or a women cannot live on $50 a month—and that is all some of the annuitants are receiving—and pay for rent, fuel, clothing, and food. But we have sent $66,000,000,000 to peoples in other countries. Whether we have taken proper care to see that sufficient food and clothing is provided for children in orphan asylums, persons in insane asylums, and in tuberculosis homes, in houses of correction for boys and girls, I will leave to the consciences of the Senators upon this floor.

I call to the attention of the Senator, Mr. President, that when the distinguished Senator from Florida [Mr. PEPPER] some months ago endeavored to have the tax bill amended so that 100,000 school teachers who are forced to go to summer school will be allowed to deduct from their gross income the sum of $200 which it costs them, and thus save $6 or $7 a month, those same school teachers, who are woefully underpaid, were denied that reduction by an overwhelming vote upon the Senate floor. So those teachers who have charge of the training of our young folks struggle along in thousands of cases existing far below what ought to be the standard of living according to our own Department of Labor.

So I repeat, Mr. President, that, so far as I am concerned, charity begins here in the United States. I have received but two letters asking for my support for the pending measure. The overwhelming sentiment of the people, and that includes letters I have received from both Protestant and Catholic clergymen, is that we should first help the people of the United States, that we should first make a thorough survey as to what it is going to cost us to take care of our own citizens, and then if we have anything left, if we find that we can help them, in the meantime sending them food and clothing if they are actually in need, as I know they are, that then may be the time to send them some money.

I know the Presiding Officer, the junior Senator from my State, very well. I know him to be a farmer. What is proposed to be done here would be similar to the case of the Presiding Officer, if he had 10,000 bushels of wheat on his farm in La Moure County in North Dakota and thousands and thousands of farmers were coming to him saying, "We need aid." Knowing the generosity of my colleague I know that he would give them some. But in the last analysis he would figure out and see that at least he had enough to take care of his own planting for the succeeding year.

Mr. President, I repeat that although a committee was appointed a year and a half ago to investigate the situation to which I have referred, up to the present time we have received no report from that committee. A year and a half after that committee was appointed we know no more than we did at that time as to how much money it is going to require properly to take care of the aged people of the United States of America. Nor do we know how much it will require properly to take care of our annuitants or our retired Federal employees.

Mr. President, I agree with the Senator from Ohio [Mr. TAFT] when he said he had a great deal of sympathy for the people of western Europe. I have a considerable amount of sympathy for them also. I agree with everything the Senator said about Germany. We have heard upon the Senate floor time and again that Germany is the crucial spot in Europe; that if Germany goes communistic all of Europe is going communistic. I agree with what the distinguished senior Senator from Ohio said that Germany has not been treated in a statesmanlike manner.

So, Mr. President, very regretfully I shall not vote for the bill. I could not in good conscience vote for it until we first find out here in the United States whether we can take care of our own people, the sick, the blind, all the people I have enumerated, before we send another one-half billion dollars, and that is only the beginning, to Austria, to Italy, and to France.

Mr. MAGNUSON. Mr. President, I wish to ask the distinguished Senator from Michigan a question. On Monday last I indicated that I might submit an amendment to the bill. Section 5 of the bill gives protection in that the purchase of the supplies covered by the bill shall, at least to the extent of 75 percent, be made from American producers. I thought at that time it might be well to add a provision which would also protect the American merchant marine. The American merchant marine must participate in this program to the fullest practical extent, otherwise we will be in the position in which we found ourselves after World War I. The American flag was practically driven from the seas for lack of business after World War I. There is some fear expressed, by the labor groups, by seamen, by shippers, and by those who own ship lines, that there might be a possibility that even in this interim program much of the supplies will not move in American bottoms.

I think it is very important that use be made of American bottoms. Either we must allow the American merchant marine to participate in this program and in the long-range program so that it may be kept alive, or hereafter, if we are to keep the American merchant marine on the seas, we will have to appropriate a grant-in-aid for it. I was assured on Monday by the distinguished Senator from Michigan that he is very familiar with this matter, and I entirely agree with him that probably this is not the place to offer my amendment, because the program is a temporary, interim program, but that it will be given adequate consideration if and when the Senate discusses in committee and on the floor the so-called long-range Marshall program. Therefore I am going to withdraw my amendment.

Since my conversation with the Senator from Michigan it was called to my attention that there is another part of the merchant marine which is vitally affected in this matter, namely, the freight forwarders. There has grown up in this country a very substantial business called "freight forwarders." They were somewhat afraid that representatives of European countries, such as the Amtorg, would come to this country and purchase their goods right on the spot and that would practically put the freight forwarders out of business. The very distinguished former chairman of the House Merchant Marine Committee, Representative BLAND, of Virginia, has written the Senator from Michigan a letter to that effect, and the Senator from Michigan has answered the letter very adequately. I hope that I can secure the assurance of the Senator from Michigan that in the long-range program, when we consider the merchant marine, we will also include the so-called freight forwarders in whatever plans are made for the relief of Europe and the rest of the world.

Mr. VANDENBERG. Mr. President, first I want to thank the Senator for his very fair-minded approach to the problem of amending the bill as he originally proposed. The Senator is familiar with the statement I have already made in the RECORD, both as respects the merchant marine and the freight forwarders. I have discussed it in substantial correspondence with Representative BLAND. I think he, too, is satisfied with the record as it stands, so that even so far as the short-range plan is concerned, I am sure that everything the Senator says will be done, insofar as it is practicable. I can assure him that in connection with the long-range plan the matters to which he adverts will be fully explored.

Mr. MAGNUSON. I hope the Senator will agree to place in the RECORD at this point Chairman BLAND's letter to him and the very adequate reply made by the Senator from Michigan.

Mr. VANDENBERG. Does the Senator from Washington have a copy of Representative BLAND's letter?

Mr. MAGNUSON No; I do not.

Mr. VANDENBERG. I shall be very glad to have his letter and my reply printed in the RECORD.

Mr. MAGNUSON. I appreciate that. In view of the Senate's intention in this matter and the feelings of the distinguished chairman and other Members of the Senate, I am sure that Mr. Allen, the Director of Foreign Relief of the State Department, will do everything possible to see that American bottoms move the material to be exported. Of all segments of American industry which need to participate in this program of generosity for the rest of the world, the American merchant marine and the freight forwarders need such participation the most.

Mr. President, I ask unanimous consent to place in the RECORD a letter of the distinguished former chairman of the House Committee on Merchant Marine and Fisheries, together with the reply of the distinguished Senator from Michigan to his inquiry, and Mr. BLAND's answer.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NOVEMBER 21, 1947.

Hon. ARTHUR H. VANDENBERG,
United States Senate,
Washington, D. C.

DEAR SENATOR VANDENBERG: This morning I noted that section 3 (B) of the foreign aid bill, approved yesterday by the Senate Foreign Relations Committee, provides that the President, acting through the executive agencies, may transport and store, or provide funds for the transportation and storage of commodities supplied under this bill. Section 3 (C) of the proposed legislation further provides for the transfer of these commodities to any recipient countries.

My interest in these sections is because they indicate that the supplies furnished under this bill might possibly be handled and transported by Government rather than private facilities. While I can understand that certain types of military cargoes may best be handled and transported by Government agencies I feel that it is imperative to the maintenance of a healthy postwar American merchant marine and its related service industries that transportation of these cargoes generally be handled by private enterprises rather than by Government facilities. I am particularly interested in insuring that these relief cargoes will be forwarded through ordinary forwarding channels rather than by the Army or other domestic or foreign government agencies.

During the war it was found that lend-lease cargoes could be more cheaply and expeditiously handled by private freight forwarders than by the Government. To insure the use of these private freight forwarding facilities, both during the war and in the postwar period, the Congress passed legislation, usually referred to as the Bland Freight Forwarding Act (section 217 of the Merchant Marine Act of 1936, as amended), which provided that lend-lease and other cargoes should be handled by private forwarders and that all Government agencies should make use of their services for the shipment of water-borne exports Experience during the war with lend-lease cargoes clearly demonstrated the wisdom of this procedure, as these shipments were handled far more quickly and at a lesser cost by private freight forwarders than they had been when directly handled by Government agencies.

While the wording of section 3 (B) of the foreign-aid bill would permit continuation of the use of private freight forwarders as specified by the Freight Forwarding Act, it also impliedly would permit the use of Government facilities for forwarding relief shipments I feel sure that you and the members of your committee did not consider or intend the authorization of this practice. For not only has past experience demonstrated that if this were done under the authority provided by section 3 (B) it would be more expensive to the American taxpayer, but it would also put out of business the private freight forwarders who Congress has previously determined are necessary as an adjunct to a successful postwar foreign commerce and American merchant marine.

In order that there may be no ambiguity arising from this provision, may I ask either that there be included in the bill when it reaches the floor a provision for the use of private facilities for the handling of these cargoes, or if you feel that such a provision would burden the legislation, a statement on the floor and in the committee report to the effect that it is intended that private facilities be used to handle the shipment of these relief cargoes. In my opinion, either of these procedures is extremely desirable. They would, I know from past experience, reduce to a minimum the cost which the Government would incur for the transportation of relief supplies and insure the most efficient handling and shipments. They would also be in accord with the congressional policy previously specified in the Freight Forwarding Act.

May I add that the above comments regarding the interim-relief bill are also applicable to the long-range program for the shipment of supplies for the recovery of Europe.

I would appreciate your assistance in this matter. Would you let me know what action along these lines you deem to be most feasible?

Yours very sincerely.

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
November 21, 1947.

Hon. S. O. BLAND,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN BLAND: This will reply to your letter of November 20. I appreciate the spirit in which you have written. Certainly I completely agree with your basic point of view. Relief supplies to Europe should use private-enterprise facilities to the last practicable degree. I make this statement without reservation. I doubt, however, whether the relief law should textually assert this requirement. We are dealing with an emergency situation which may, in some emergent moment, require the use of any transportation facilities (including Government facilities) which may be available The purpose of the Senate committee in writing this transportation clause into the bill was solely to make sure that the appropriation covers transportation. The fact remains that I completely agree with your viewpoint regarding the actual practice which should be followed to the last practicable degree, and I shall be glad to say so. Furthermore, you are welcome to use this letter if you wish

With warm personal regards and best wishes.

Cordially and faithfully,

J. H. VANDENBERG.

NOVEMBER 24, 1947.

Hon. ARTHUR H. VANDENBERG,
United States Senate,
Washington, D. C.

MY DEAR SENATOR VANDENBERG: Thank you for your letter of November 21, 1947, replying so promptly to my request of the previous day. I am delighted that you agree with my view that private shipping and forwarding facilities should be used to handle foreign relief shipments and that these private enterprises should be used to the last practicable degree I am particularly pleased with your statement that you are willing to say so, as I think it important to do this in order to insure that the legislative intent on this point is clear.

I agree with you that it is not practicable to put this "private enterprise" position in the text of the bill. It seems to me, however, that the same result can be achieved by a statement by you from the floor during the discussion on the bill. May I suggest, therefore either or both of the following means of making clear the legislative intent to use private-enterprise facilities in the shipping and forwarding of foreign relief supplies. First would be for you to place our exchange of letters in the RECORD during the debates. Second would be for you to make a brief statement along the following lines:

"Authority is given in this bill for the executive agency involved to transport and store, or to pay for the transportation and storage, of supplies furnished under this legislation While this authority is broad, it is not intended that Government vessels or Government forwarding services be used except where special circumstances make this necessary. It is contemplated that private vessels and shipping services will be used wherever possible. The provisions of section 217 of the Merchant Marine Act of 1936 are applicable to the shipments of supplies under this bill."

Again my heartiest thanks to you for your thoughts and help on this matter. Please let me know if I can be of assistance on this side of the Congress.

Yours very sincerely.

Mr. VANDENBERG. Mr. President, I think the debate on the pending bill is exhausted. The only amendments still undisposed of, of which the Senate has any notice, are those submitted by the Senator from Missouri [Mr. KEM]. Two of the amendments submitted by the Senator from Missouri are unobjectionable. One the chairman of the committee will have to resist because he thinks it is impracticable.

Mr. President, I am now reluctantly about to move a recess until Monday, in order to be perfectly sure that I have kept faith with every other Member of the Senate. I am not entitled to too much credit for generosity in this aspect, because I recognize the fact that in the absence of a unanimous-consent agreement any Senator could produce the

same net result, anyway. However, I express the hope that we may facilitate the consideration Monday at noon of the amendments submitted by the Senator from Missouri. I also express the hope that there may be no further amendments submitted, but I suspect it is a vain expectation.

Mr. HATCH. Mr. President, I rise again to express, as I did a while ago, my regret at the situation which has developed here today, a situation in which Senators may voluntarily absent themselves from the Senate and not only delay, but actually stop the progress of business in the United States Senate. It is now 28 minutes past 2, according to the clock. We have been in session approximately two and a half hours today.

I am not critical of the chairman of the Committee on Foreign Relations, the Senator from Michigan [Mr. VANDENBERG], or the majority leader, the Senator from Maine [Mr. WHITE]. I realize that they are just as reluctant as I am to see this course of procedure adopted this afternoon. They wanted very much to have the Senate continue with the important business it has been considering, and dispose of amendments in the manner suggested when we recessed on Wednesday. I realize the difficulties which confront them. I do not criticize them. On the other hand, I commend them for the way the legislation has been handled.

But, Mr. President, in my judgment it is unfair to the Senate and unfair to the people of the country for Senators voluntarily to absent themselves and delay the transaction of Senate business in order that they may take a holiday. The business of Senators is in the Senate when the Senate is in session.

RECESS TO MONDAY

Mr. VANDENBERG. I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 2 o'clock and 29 minutes p. m.) the Senate took a recess until Monday, December 1, 1947, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

FRIDAY, NOVEMBER 28, 1947

The House met at 12 o'clock noon.

The Reverend B. B. Comer Lile, rector of Christ Church, Alexandria, Va., offered the following prayer:

O God our Heavenly Father, without whom nothing is strong, nothing is holy, who art the source of all wisdom, whose statutes are good and gracious, and whose law is eternal truth, bless, we beseech Thee, the Members of the House of Representatives of the United States of America. Grant that in all their work they may be inspired and guided by an overarching loyalty to Thee and to Thy will. We thank Thee for all Thy many blessings bestowed upon us since the beginning of our lives but especially for the heritage which is ours in this country. Bless our land with honorable industry, sound learning, and pure manners. Save us from violence, discord, and confusion; from pride and arrogancy, and from every evil way. Defend our liberties, and fashion into one united people the multitudes brought hither out of many kindreds and tongues. Endue with the spirit of wisdom the Members of this House and all those to whom in thy Name we entrust the authority of government, that there may be justice and peace at home, and that, through obedience to Thy law, we may show forth Thy praise among the nations of the earth. In the time of prosperity, fill our hearts with thankfulness, and in the day of trouble, suffer not our trust in Thee to fail; all which we ask through Jesus Christ our Lord. Amen.

The Journal of the proceedings of Tuesday, November 25, 1947, was read and approved.

NOTIFICATION OF ELECTION OF MEMBER

The SPEAKER laid before the House the following communication from the Clerk of the House:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, D. C., November 28, 1947.

The Honorable the SPEAKER,
House of Representatives.

SIR: From the Secretary of the Commonwealth of Massachusetts, I have received the certificate of election of the Honorable DONALD W NICHOLSON as a Representative-elect to the Eightieth Congress from the Ninth Congressional District of that Commonwealth, to fill the vacancy caused by the death of the Honorable Charles L. Gifford.

Very truly yours,
JOHN ANDREWS,
Clerk of the House of Representatives.

SWEARING IN OF MEMBER

Mr. DONALD W. NICHOLSON appeared at the bar of the House and took the oath of office.

STANISLAW MIKOLAJCZYK

Mr. SADLAK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SADLAK. Mr. Speaker, just before noon on Wednesday, aboard a large Pan American Airways clipper at La-Guardia Field, just in from London, in an unofficial capacity, I had the great privilege of extending a most cordial welcome to freedom in America to Poland's greatest present-day hero and patriot, Stanislaw Mikolajczyk, former Premier in the Polish Government in exile and the president of the Peasant Party. He was accompanied by three faithful aides, who, like himself, luckily escaped with great risk to their lives from a country they love so very much. Mr. Mikolajczyk brought with him hope and a wealth of experience gained during his untiring work in face of tremendous obstacles, and I know when the opportunity comes we can benefit enormously from the facts to which he can certify about communism in action. And may I say that, of course, nothing unites individuals, peoples, nations, like a common hatred for something—that something in the instant case is our mutual hatred for communism. With a warm welcome to our visitors, may I wish them every success in their endeavors during their stay in this land of freedom.

ADMINISTRATION CONTROL OF FARMERS AND FARM PRODUCTS

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, in a radio address on October 14, 1946, the President shocked the Nation, especially the farm community, by stating that his administration had seriously considered seizing the livestock on farms and ranges to cure the catastrophic meat shortage it caused with OPA and other totalitarian controls.

Now the New Dealers want to seize not only the farmers' livestock, but the authority for which they are now asking, together with that which they already possess under the AAA and other socialistic legislation, would empower them to seize just about everything the farmers produce, and, in effect, their farms to boot.

They are asking for the power to control the price of everything the farmer buys, what and how much of anything he can buy.

The additional authority they are now asking, together with that which they already possess, would empower the New Dealers to dictate to the farmers the kind and amount of things they could produce, the price at which they would have to sell their products, and even the use to which they could put their grains and other crops.

In a word, the New Dealers seek to liquidate the farmers of this Nation just as the Communists liquidated the farmers of Russia.

They say this is absolutely necessary to put through the multi-billion-dollar lend-lease program called the Marshall plan.

EXTENSION OF REMARKS

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the RECORD and include certain extraneous matter.

Mr. TWYMAN asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. MILLER of Nebraska (at the request of Mr. BUFFETT) was given permission to extend his remarks in the RECORD and include an address by the Speaker of the House of Representatives, the Honorable JOE MARTIN.

HIGH COST OF LIVING

Mr. BRADLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BRADLEY. Mr. Speaker, the cost of living is high in California—higher than in many other parts of the Nation, for we are taxed heavily to aid in the support of thousands of families who have come to us from other States of the Union.

Our veterans who are taking on-the-job training must pay these high taxes along with the rest of us. Yet their income is severely limited by a law passed by the Seventy-ninth Congress and, as a consequence, many of these veterans and their families are in real distress today.

While I appreciate that this special session will not consider any legislation other than that connected with world relief and the high cost of living in general, I sincerely hope that this Eightieth Congress, in which so many of us veterans are serving, will soon see fit to extend some part of the generosity we expect to show in regard to western Europe and China to our own on-the-job veterans and their families.

Such an act would be a true American gesture of generosity, justice, and good will.

ADJOURNMENT OVER

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Tuesday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PROGRAM FOR NEXT WEEK

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I take this time to announce the program for next week. As everyone knows, the Committee on Foreign Affairs of the House of Representatives has been working diligently and with expedition in the consideration of the so-called foreign interim-aid bill. It is my understanding that the bill will be voted on the first of next week in the other body.

We have been keeping the way clear for consideration of the bill on the floor of the House at such time as it is reported. It now seems probable that the bill will be reported by the committee the first of next week. Of course, after it is reported by the Committee on Foreign Affairs it will be necessary for that committee to go to the Rules Committee to obtain a rule providing for consideration of the bill on the floor.

Having all of these things in mind, it is probable that debate on the bill may be commenced the middle or the latter part of next week. I have no way of knowing the time for debate that will be asked by the Committee on Foreign Affairs or the time that might be fixed for debate by the Rules Committee. If, of course, considerable time is granted for general debate, the reading of the bill might go over until the first of the following week. It is our purpose, however, as it has been in the past, to provide for expeditious but careful consideration of this very great problem.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Under the normal procedure, of course, the chairman of the committee and the ranking minority member would have charge of the time. Now, there are a very considerable number of us who want to be heard. Unfortunately, both the chairman and the ranking minority member are of the same mind. So, perhaps, we should go before the Committee on Rules, and we would like to be advised when it is going to be taken up with them.

Mr. HALLECK. Of course, whether the gentleman wants to go before the Committee on Rules or not is his decision to make. I do not know that the chairman and the ranking minority member are of one mind. In our proceedings at this Congress we have followed the usual rule with respect to the division of time, and as far as I know there is no indication of any departure from usual procedure at this time. The gentleman could hardly expect me here today to enter into a discussion of that sort of a matter.

Mr. KNUTSON. My purpose was to ask the gentleman when they expect to go before the Committee on Rules or if he has any information on that.

Mr. HALLECK. No; I do not know. As I said, I anticipate that the bill will be reported the first of the week, and when it is reported then, of course, the legislative committee properly will go before the Committee on Rules for a rule to make the bill in order for consideration.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. In response to my friend from Minnesota, I call to his attention that that is a most unusual procedure. I have found, and I am sure he has in his experience here, assuming the chairman and the ranking minority member are of the same mind, that they will be very scrupulous in seeing that those who oppose any legislation, or those in opposition in whole or in part will be given opportunity under the rule to obtain time.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield further?

Mr. HALLECK. I will yield for one further remark, and then I am not going to yield further.

Mr. KNUTSON. The gentleman from Minnesota concedes that it would be an unusual procedure, but we are also going to vote upon a most unusual proposition.

Mr. HALLECK. That is true. I think it is fair to assume, however, that those in control of the time will be fair in its division.

The SPEAKER. The time of the gentleman from Indiana has expired.

EXTENSION OF REMARKS

Mr. ROBERTSON asked and was given permission to extend his remarks in the RECORD.

EUROPEAN RELIEF

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. ROBERTSON. Mr. Speaker, I appear before the House today to read a section of a letter that came to me from a friend of mine in Vienna, Austria. I should like to say to the Members before I read this section that this gentleman has had a quarter of a century experience in public relief, in both State, National, and international capacities. I now quote this section of his letter:

> I agree with most of the congressional committeemen who have been in Europe that United States aid for the western countries is essential, but I believe that it should be administered by a nonpartisan board or agency that will handle the job on a business basis. At least some governments are pretty poor and inefficient. We sometimes consider some of our public officials in the United States anything but honest and efficient, but they can't hold a candle to many in Europe. I believe it is going to be necessary to very carefully screen the requests for goods and supplies which are supplied by the United States. I have seen or heard of some things that are being listed. Persons and institutions are jockeying for position to get the most from Santa Claus to benefit themselves personally or the agencies they represent. There are a lot of things that European countries need and must have, but there are a lot of things they will ask for that they can get along without, or could have it if they would get to work. There is too much loafing, and too many political strikes in many countries. I don't believe in Americans working hard and denying themselves through heavy taxes to make up for losses here due to strikes. Enough of this but I will be glad when I can talk to you about it.

EXTENSION OF REMARKS

Mr. ENGEL of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an excerpt from a radio broadcast of last evening over WOL by an able and distinguished commentator, Albert L. Warner.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ROHRBOUGH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial from the West Union Record. This is a Democratic paper. The editor, Mr. Walter Stuart, being a Jeffersonian Democrat, sometimes speaks like a Republican.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. COLE of Missouri asked and was given permission to extend his remarks in the RECORD and include an editorial by Mr. James C. Tibbetts, editor of the Platte County Gazette of Parkville, Mo.

Mr. GWYNNE of Iowa asked and was given permission to extend his remarks in the RECORD and include an editorial from Labor.

Mr. KNUTSON asked and was given permission to extend his remarks in the RECORD and include an address delivered before the American Institute of Accountants on November 6 by Dr. Roswell Magill, former Under Secretary of the Treasury.

Mr. ROBSION asked and was given permission to extend his remarks in the RECORD and include a telegram from Charles A. Owen, president of the Coal Exporters Association of the United States.

Mr. HÉBERT asked and was given permission to extend his remarks in the

RECORD and include a column by Mr. John Lester of the New Orleans Item.

Mr. BOGGS of Louisiana asked and was given permission to extend his remarks in the RECORD in two instances, and in one to include a resolution adopted by the New Orleans Homestead Savings and Loan League.

Mr. BRYSON asked and was given permission to extend his remarks in the RECORD in two instances, and to include two speeches he delivered during the recess of the Congress.

Mr. BARTLETT asked and was given permission to extend his remarks in the RECORD and include an address by Hon. William E. Warne, Assistant Secretary of the Interior.

SPECIAL ORDERS GRANTED

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent that on Wednesday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 60 minutes on the foreign-relief situation in Europe.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JARMAN. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

COMMUNISM IN HOLLYWOOD

Mr. McDOWELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. McDOWELL. Mr. Speaker, there has been a great scream go up in the Communist Daily Worker and from a few thin voices in Hollywood that the 10 Communists who were cited for contempt by this House are going to lose their hundred-thousand-dollar-a-year positions in the film industry. I do not know whether this is true or not as the Committee on Un-American Activities has nothing to do with who is hired or fired in Hollywood, but I would like to point out to the film industry that the only person I know who actually lost his job because of communism in Hollywood was a gentleman named Jack Moffit who was fired and barred from selling the products of his mind to the film makers, not because he was a Communist or a Communist fellow-traveler, but because he openly and vigorous opposed communism, pointing out that these 10 men were Communists and their grip was so strong on the people who produced the films that America sees every day that a year and one week ago Jack Moffit was taken out of business as a manuscript writer in Hollywood because he was exposing communism.

With the Communists here, as all over the world, it depends on whose ox gets gored. I challenge the film producers of California to investigate this statement.

EXTENSION OF REMARKS

Mr. LARCADE asked and was given permission to extend his remarks in the RECORD in four instances and to include newspaper articles.

PERMISSION TO ADDRESS THE HOUSE

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and also that my remarks be printed in the Appendix of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

[Mr. LARCADE addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. LUDLOW asked and was given permission to extend his remarks in the RECORD and include a letter written to the new Postmaster General.

Mr. POAGE asked and was given permission to extend his remarks in the RECORD.

Mr. McCORMACK asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address recently made by Charles A. Burmeister.

Mr. McDONOUGH asked and was given permission to extend his remarks in the RECORD and include a speech made by Federal Judge J. F. T. O'Connor, of the southern district, and in another instance to include a short poem.

Mr. KEATING asked and was given permission to extend his remarks in two instances in the RECORD; in one to include an editorial from the Washington Post and in the other to include an address delivered by our distinguished colleague, Hon. EDWARD J. DEVITT, before the Jewish War Veterans of St. Paul, Minn.

STOPGAP RELIEF

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, some of those who now tell us that we must immediately give something over a half billion dollars to various nations in Europe, otherwise we are sunk, are the same individuals who insisted over the years that the British Navy was our sole protection, the force which enabled us to exist as a nation. Is it improper to ask where is the British Navy?

Always these gentlemen seem to have little confidence in America, her form of government, the courage and endurance of her citizens.

They told us that if we joined in forming the United Nations organization we would bring peace to the world, security to ourselves. That organization has settled nothing. It has afforded an opportunity for debate, for quarreling. It has given an opportunity to other nations everywhere to use Uncle Sam as a Santa Claus, to deplete our national resources, lower the living standard of our own people, and, if persisted in, may render us so weak we may not be able to defend ourselves against aggression.

We have been told that we should not throw a 15-foot rope to a man who is drowning 20 feet away. Quite true. But why throw a rope of any length to a man who will not seize it, help to pull himself to safety?

Our young men have fought two wars, both based upon the premise that our national existence, our future security, depended upon some other nation. We have poured millions—yes, billions—of dollars into other lands, and the net result has been a failure to bring any one of the "four freedoms" to other people, to bring peace to the world.

We have brought inflation to our own country, a high degree of regimentation, a condition favorable to the creation of a dictatorship.

A trip back beyond the horse and buggy days to the principles upon which our Government was founded and which have made us what we are is imperative.

PERMISSION TO ADDRESS THE HOUSE

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[Mr. CRAWFORD addressed the House. His remarks appear in the Appendix.]

SURPLUS MACHINERY IN THE PHILIPPINES

Mr. BELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. BELL]?

There was no objection.

Mr. BELL. Mr. Speaker, I was very much interested in the remarks of the gentleman from Michigan [Mr. CRAWFORD] who just spoke in connection with the Philippines. A year ago last July I was in the Philippines. On the way over there we stopped at Guam, and on the way back we stopped in Hawaii. At every place I stopped I saw acre upon acre of machinery of all kinds, in such vast quantities that it was almost impossible for my mind to conceive that there could be so much material out there rotting and rusting in the tropical sun.

The other day some gentlemen came into my office representing some people who are very anxious to acquire some steam shovels. They told me that among the assets which we turned over to the Philippine Government were vast quantities of steam shovels and other dirt-moving equipment. It was called to my attention that we are having great difficulty in getting those things here. I looked into the matter and I find that the Congress had put a paragraph in the bill providing for the disposal of war assets, which practically prohibits the bringing of that sort of material into the United States. Apparently this was put in on behalf of a few manufacturers of that type of equipment who did not want any competition.

The result is that at a time when we need a great deal of steel and there is a very apparent shortage of steel, yet they

are using large quantities of steel for the manufacture of new equipment of that character, prohibiting the bringing of that equipment which is there into the United States and depriving the Philippine Government of the right to sell the equipment to the only market that is now available. Their economy will not absorb all that equipment. If it were permitted to bring that equipment into this country, it would do a number of things. In the first place, there would be more contractors to bid upon dirt-moving jobs. The United States is going to do a lot of dirt moving in the way of roads and contracts of similar character. The contractors by reason of the fact they cannot get the equipment are not going to compete in their bidding.

It is going to cost the Government a lot more to carry out these projects. It is going to take steel that is badly needed, and it is going to deprive the Philippine Government of this badly needed money, but which will probably be appropriated by this Congress from some other funds that are available; and the equipment will lie there in the Orient and rust until it is gone.

The SPEAKER. The time of the gentleman from Missouri has expired.

AGRICULTURAL PRODUCTION GOALS

Mr. ABERNETHY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include an editorial from the Commercial Appeal, of Memphis, Tenn.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ABERNETHY. Mr. Speaker, the American farmer has been assigned the task of producing food to feed the world. Production goals recently announced by the United States Department of Agriture call for 9,000,000 acres more of cultivated and noncultivated crops than the 347,000,000 acres used to produce this year's near-record total of farm commodities. The farmer's land has been bled white and overworked in meeting production goals in the years of the war and up to now. Despite need to give his overworked land a rest, the 1948 goal will be reached, provided there is made available sufficient farm implements, tractors, and fertilizer. Every effort should be made by industry and the Government to make these available.

In connection with what the gentleman from Missouri has just said, I think an earnest effort should be made to bring some of that equipment back to this country.

In this regard I submit for the RECORD a timely editorial which appeared in a recent issue of the Commercial Appeal, an outstanding daily newspaper published in Memphis, Tenn. The editorial is as follows:

GIVE THEM THE TOOLS

American farmers were asked to go all out and do the hitherto impossible during the war period. They set out and broke production records right and left. They did it without adequate manpower, without satisfactorily easy access to machinery and repair parts, and without anything like as much fertilizers as they really needed.

It goes without much need for saying that the herculean efforts of the war years put an extraordinary strain on both the farmers and the farms. In many sections, certainly, the fertility of the soil was drawn on more than was replaced. In some areas soil that by rights should have been left in pasture and unplowed was put to the vitally necessary job of producing grain.

In any event, the experience of the war years would have been such as to call for an intensified program of soil conservation and refreshment, to say nothing of the need of the farmers for similar rest and relief. Plans were laid to protect the farmer against the danger of overproduction and to give him a chance to restore fertility to the soil when and as required.

There has been little or not let-up in the demand for food crops. People with war incomes in hand learned to eat more food and better, and there was the normal increase in population besides. The countries in Europe and Asia, allied and enemy, have not proved able to feed themselves, and so the United States has continued to send floods of food abroad. Now those best informed indicate that if the Marshall plan is adopted there will be an above-normal demand for American food for at least four more years.

Farmers keep on telling us that it is almost impossible to get the tractors, other machines, and the fertilizers they need. They think, however accurately, that their shortages stem from shipments overseas. However all that may be, it seems to us that the state of affairs demands that Congress arrange to equip the American farmer properly as a first condition of the inauguration of the foreign aid program.

Then by all means there ought to be provision for an intensive soil conservation and refreshment plan to be started at the earliest possible moment and prosecuted with all vigor. If millions of the world's people are to eat properly for some little time to come, it will be because the farmers of the United States have produced. If the farmers are to be faced with that job, it is rudimentary common sense to give them the necessary tools.

DISGRACE OF GERMAN WAR CRIME TRIALS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, as a representative of the American people I desire to say that what is taking place in Nuremberg, Germany, is a disgrace to the United States.

Every other country now has washed its hands and withdrawn from this saturnalia of persecution.

But a racial minority, 2½ years after the war closed, are in Nuremberg not only hanging German soldiers but trying German businessmen, in the name of the United States.

The Associated Press this morning said that 14 German military leaders, 3 field marshals, 1 admiral, and 10 generals were indicted today by the United States on charges of crimes against peace and humanity.

Is this done to stir eternal enmity between us and the German people? Will it commend the ingredients of our poisoned chalice to our own lips some day?

Suppose you people who won the War Between the States had, 2½ or 3 years after the war closed, hung Jefferson Davis, Robert E. Lee, Nathan Bedford Forrest, Gen. John B. Gordon, Wade Hampton, and all the other great leaders of the Confederacy, how do you think we would have felt over it—even at this late date?

Suppose that Lee had won the Battle of Gettysburg and brought that unfortunate conflict to a close in our favor and we had proceeded to hunt down Abraham Lincoln and Andrew Johnson, U. S. Grant, General Meade, and all the great leaders on the northern side and then gone into the business world and destroyed the people who fought on your side, or supported your cause, how would you have felt over it?

Remember, that both sides in that war charged each other with every crime that could be committed. On April 23, 1862, Schuyler Colfax, later Speaker of the House and Vice President of the United States, charged on this floor that Confederate soldiers dug up the lifeless remains of Federal soldiers and converted their skulls into drinking cups.

Of course, nothing of that kind ever happened; but it shows the extent to which men will go in making charges against their adversaries in times of war. Mr. Speaker, I say it is time to stop those disgraceful proceedings at Nuremberg, Germany, and try to lead the world back to the path of peace.

The SPEAKER. The time of the gentleman from Mississippi has expired.

OUR HANDLING OF THE GERMAN PROBLEMS

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, it is not pleasing for me to say it, but it is the truth and the people are entitled to know it. Considering the harm that it has done us and the good that it has done Russia our denazification program might as well have been dictated by Stalin himself.

Mr. HUBER. Mr. Speaker, I ask unanimous consen' to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HUBER. Mr. Speaker, in that unfortunate conflict between the States, if the South or the North had been guilty of enslaving millions of people, clubbing little children and throwing them dead and alive into the incinerators of hate; if either side had been guilty of all these crimes against humanity that caused these unfortunate people of Europe inhuman suffering and enslavement, I say whoever was responsible should have been brought to trial.

The gentleman from Mississippi [Mr. RANKIN] says that it is inconceivable that the North should have executed a penalty against Jefferson Davis or Robert E. Lee after the winning of the Civil War. Or, if the South had won that conflict, Abraham Lincoln and Grant would have been executed by their victors.

Of course not; the men of the Blue and the Gray fought for a principle, and

while they were willing to engage their adversaries in mortal combat to their last drop of blood, their code of honor would never have permitted them to wage a war of extermination against those who opposed them, including the women and children.

Yes, Mr. Speaker, over 300,000 gold stars on the honor rolls in every village and hamlet of the United States designate those gallant American boys who made the supreme sacrifice.

Shall there be objection made by the Congress of the United States to a proposal to turn loose those murderers responsible?

Yes, Mr. Speaker, I now make that objection in the name of those whose voices have been stilled forever.

The SPEAKER. Under previous order of the House, the gentleman from Nebraska [Mr. BUFFETT] is recognized for 30 minutes.

INFLATION WILL CONTINUE UNTIL THE AMERICAN CITIZEN CAN AGAIN SECURE GOLD COIN

Mr. BUFFETT. Mr. Speaker, Congress has been in special session for 2 weeks. During that time we have had a number of reports about conditions in Europe and Asia. At the risk of interrupting this travelogue series, I am going to discuss briefly the most talked about problem on the main streets of America—the rising cost of living.

I must concede that the problem of inflation in America has not the emotional appeal of current foreign events.

It is hard to dramatize the losses suffered by the thrifty and frugal people of America, who have seen their dollar savings more than cut in two in purchasing power.

INFLATION IS INVOLVED PROBLEM

But one does not have to be an expert nor a prophet to foresee the eventual disaster if this money deterioration continues. Yet I must confess that I speak on this problem with some reluctance.

For over 14 years the endeavor to clearly comprehend and understand the intricacies of inflation and money deterioration has held first place in my life. Yet, after those years of study, I still often find myself temporarily following one of the countless blind alleys that so easily confuse the student of this problem.

Copernicus, the great scientist, once pictured the difficulty that confronts us on inflation.

In 1526 King Sigismund of Poland called in Copernicus to discover what was the matter with Poland and what might be done about it.

The king did not pretend to be an economist. But he sensed that there might be some connection between the economic distress of his people and his dilution of the money by frequent coin-clipping.

Copernicus made a study and opened his report with these observations:

Among the innumerable calamities which ordinarily cause the downfall of the kingdoms, principalities, and republics, there are four, which according to my opinion are the most dangerous ones:

1. Discord.
2. Great mortality.
3. Sterility of the soil.
4. Deterioration of money.

Copernicus continued:

The evidence of the first three is so great that nobody dares ignore them. But as regards the fourth—

Concerning the deterioration of money—

very few * * * take any interest in it. This is because it ruins the state not at once, but by small degrees, by an action which is in a certain sense hidden.

Copernicus was certainly right. The deterioration of money is a hidden and long-drawn-out process.

PEOPLE ARE AROUSED ABOUT PRICES

But while the processes of currency deterioration may be involved and difficult to understand, the consequences are not.

The rising prices that portray money deterioration are painfully apparent today to the American people. A spiraling cost of living is no longer a theoretical danger discussed only by Republicans and economists. Not any more. It is a fact.

Already it has almost certainly become a decisive factor in American political affairs. Developments in this field will influence and probably determine the outcome of 1948 elections.

And so it was not surprising that the rising cost of living, called the "march of inflation" by the President, is one of the two reasons why he called a special session.

EXPORTS CURRENTLY FUEL INFLATION FIRES

No one but the most zealous New Deal partisan will now quarrel with the fact that gigantic foreign exports are the immediate cause of most spiraling prices. Exceptional rises have taken place mostly in products and materials directly affected by this export boom.

And so it requires no special ability to foresee that if this outpouring continues the momentum of rising prices will continue. Especially is this true if public resistance to handouts and high prices takes the form of lowered productivity. That possibility is something to think about.

But today I want to get at the root of this problem, the underlying basic cause of the dilution in the purchasing power of the American dollar. What is causing the continuous decline in the purchasing power of the American dollar, and how can it be cured? This is the real problem. On its sound solution rests the future of America, with all that America means to the rest of the world.

MONEY DETERIORATION STARTED IN 1933

Mr. Speaker, the seeds for the present harvest of inflation were planted in 1933. At that time we changed from a sound currency redeemable in gold on demand to a money system domestically tied to the printing press and internationally to gold.

This mongrel or mixed-breed money system is not too different from the paper-money system used in Russia and other totalitarian states. Here, as in Russia, the plain citizen cannot own gold. That basic freedom is verboten in both lands.

I am not expert enough to expound the technicalities of the abandonment of the gold-coin standard. And the technical aspects do not concern us at this moment. The important fact is that we departed from sound money redeemable on demand in gold, and today have a managed system of printing-press currency.

When this revolution in our money system took place, the immediate surface effects on our currency were not disturbing. Public faith in our money system rested on a long heritage of sound money redeemable in gold.

We had been on a gold coin standard from 1837 until 1933, except for a lapse caused by the Civil War. This century-long record of stability, coupled with the seeming security which Treasury-owned gold stocks created, served to keep the vast majority of people complacent.

While the real anchor for a sound currency, gold coins of a fixed weight and fineness freely available upon demand was gone, the loss seemed of little importance.

EVILS OF PRINTING-PRESS MONEY NOT QUICKLY DISCOVERED

There was no significant immediate effect on the domestic purchasing power of the dollar. The vigorous alarms sounded by those who knew the perils of paper money were dismissed as unimportant. Besides these alarms were easily drowned out by administration ballyhoo sugarcoating the change.

And so the orgy of reckless public spending using printing press money that got under way promptly met with no effective resistance. Deficit spending running into the billions brought a general feeling of prosperity not unlike that of the greenhorn who drifted into a brokerage office and deposited $1,000 to speculate. With unusual luck he soon had a $500 paper profit, whereupon he exclaimed, "How long has this been going on? Why did not somebody tell me about this easy money sooner?"

Our fiat money was similarly intoxicating in its early stages, as demonstrated by the 1936 elections.

This reckless spending spree continued unabated until the outbreak of the war.

A 1939 TREASURY SALES LETTER

Early in 1939 a form letter from the Secretary of the Treasury came to our house. Sensing that the day would come when the contents of that letter might prove interesting, I filed it away in my inflation file started in 1933.

What has happened on the inflation front since 1939 can perhaps best be illustrated by reading to you from that letter, which I now hold in my hand.

It is headed "The Secretary of the Treasury." It is dated March 22, 1939. It is signed by Henry Morgenthau.

It starts out like this:

DEAR MRS. BUFFETT: I appreciate the cordial interest shown and the response given to my previous letters concerning United States savings bonds. The amount sold has already passed the $2,000,000,000 mark in maturity value, and the sale of these securities is increasing.

Then on page 2, it says:

This makes them ideally suitable for many objectives for which individuals and families lay aside money, such things as the education of children, the purchase of a home, the creation of a retirement fund, and so on.

Included with this letter was an attractive booklet setting out various alleged benefits that would accrue to the purchaser of the bonds. On the cover is this

claim, "A practical way to establish financial independence."

These were the promises and allurements offered the prospective purchaser of savings bonds in 1939. Over one billion one hundred million of maturity value of savings bonds were sold that year to purchasers relying on the soundness of the dollar.

What has happened to their investment in the 8½ years since the date of Mr. Morgenthau's letter?

I have a chart here that gives the prices and total cost of a market basket of food in 1939:

Measured by 1947 food prices, the $1,000 bond of March 1939 has shrunk to $387 in November 1947

	Prices in March 1939	Prices in November 1947
2 dozen eggs	$0.35	$1.18
[illegible]	.85	2.75
[illegible]	.47	1.12
1 pound butter	.26	.85
[illegible]	.39	1.02
[illegible]	.22	.45
[illegible]	.14	.30
[illegible]	.19	.45
[illegible]	.15	.22
[illegible]	.28	.38
[illegible] and beans (1 pound each)	.13	.23
[illegible] corn (No. 1 [illegible])	.20	.36
[illegible]	.45	1.29
[illegible]	.05	.13
[illegible]	.17	.29
[illegible]	.30	.86
1 box Rinso (large package)	.19	.36
1 pound peanut butter	.17	.35
Total	4.96	12.68

In terms of this typical market basket, it will take in 1947 over $2,500 to buy the groceries that $1,000 would purchase in 1939.

These foods are as typical a list as I could select. They show the cost of this market basket in Washington was $4.96 on March 23, 1939. That was about the same day that Mr. Morgenthau's sales letter reached our house.

Last week according to ads in the Washington papers this same market basket of food would have cost $12.68. That is an increase of over 150 percent.

This means that measured by 1939 prices a 1939 $1,000 savings bond today has a buying power of only $387. This investment, in terms of the amount of food it will buy, has shrunk 60 percent.

That indicates that the 1939 investor in savings bonds or in insurance, or in any investment calling for fixed repayment in dollars, has lost, in food-buying power, over one-half of his original purchasing power.

LARGE-SCALE DEBASEMENT HAS TAKEN PLACE

Mr. Speaker, this debasement of our money and bonds, proves that we have gone far down the road of currency depreciation in America.

This march toward currency destruction can never be cured by the ideas and plans proposed by the President in his message to Congress. The best of his suggestions are helpful palliatives, while others are simply economic narcotics which might delay an inflationary smash-up but deepen its evil consequences.

Surely our task is not to try to deaden the pain of the inflationary infection afflicting us, but to find and cure the cause or causes.

Mr. Speaker, may not the basic cause of our currency deterioration stem out of this fact, that since 1933 the people have no effective brake on Government spending? The issuance of fiat money and bonds payable in printing-press money are subject to no effective control by the people. The taxpaying citizens are no longer able to prevent Government spending from continuing to the point of currency destruction.

The power of the purse, although technically lodged in the House of Representatives, basically remained in the hands of the people so long as our currency was redeemable in gold coin.

POLITICAL PARTIES WILL NOT STOP INFLATIONARY SPENDING

The events since VJ-day have demonstrated that neither political party will stop this spending under a fiat-money system. Let me illustrate. Suppose a major party exhibited the integrity to stand firm for economy and against further inflation? It is extremely doubtful if it could maintain its own ranks even temporarily let alone long enough to effectively prevent further deterioration of our currency.

Realistically this is the political situation that confronts us so long as our currency is not anchored to free coinage and circulation of gold.

With printing-press money easily available, the temptation to stay on the slide of currency deterioration inflation is almost irresistible. Take a period of high governmental revenues like the present. The political advantage of prolonging the boom prevents the "ins" from curtailing expenditures and restraining the rise, except for campaign oratory and indecisive remedies.

Similarly in times of falling governmental revenues the temptation to meet deficits by printing-press money is even more powerful, not only for the executive departments but for the legislative branch as well.

RESTORE GOLD STANDARD

And so, Mr. Speaker, bills are being prepared, designed to restore the right of private ownership of gold and to provide for the minting and free circulation of gold coins. I expect to introduce these bills together with the appropriate corollary legislation needed to achieve this constructive goal. It is expected that similar bills will be introduced in the Senate.

I am convinced that the restoration of the free circulation of gold is the only sound cure for our inflation sickness. It is the only action that will constructively and permanently halt the deterioration of our currency.

REGIMENTATION WILL NOT STOP MONEY DEPRECIATION

For his part, the President wants the power to regiment the people in peacetime. He believes he can stabilize our currency by political regulation of natural economic forces

I respectfully suggest that, if the President would study carefully the history of previous attempts of this kind, his views would change. He would no longer believe that governmental regimentation could stop money deterioration, no matter how well intentioned and skillful the regulating authorities might be. The natural laws of economics, like all natural laws, are not changed by human desire or caprice.

Many people still nurse the hope that increased production will cure this situation. They forget that production always creates its own purchasing power. If we produce in 1948 one hundred and fifty billions of goods, there will be one hundred and fifty billions of new money created to buy those goods.

Also, there is good reason to believe that without the prompt stabilization of our currency, sporadic lags in productivity by some segments of our people will become general. Our industrious people, who have been working hard and saving dollars for the future, are certainly human. They will not continue to do so if they become convinced that the deterioration of such savings will continue indefinitely.

Somewhere along the line these thrifty and frugal people will decide that depriving themselves of immediate enjoyment by saving dollars is unwise. Then, like the populations of many European lands, these workers will no longer put their trust in an irredeemable paper currency.

If Congress does not soon effectively deal with the problem, this peril may not be too far away. A mass abandonment of dollar saving habits would be a major calamity, especially as a mass flight from the dollar would almost surely follow.

THE PEOPLE SHOULD HAVE THE POWER TO PREVENT MONEY DETERIORATION

Mr. Speaker, I do not speak on this subject with the assurance of a complete understanding of all the intricacies of this problem. But I believe I am correct on the fundamentals, which can be summed up as follows:

Inflation will not end until the people again possess the final power of restraint over Government spending.

They only possess that restraining power when they can exchange paper currency for gold.

Until that basic control is again in the hands of the American people where it belongs, we have not put in operation the only final cure to inflation and a deteriorating currency.

In the meantime, except for intervals, prices are headed higher and higher.

Until we restore to our people the American heritage of an honest dollar redeemable in gold, instead of the totalitarian device of printing-press currency, our economic, political, and social structure will continue to deteriorate.

PRINTING-PRESS MONEY A FAVORITE COMMUNIST TACTIC

Nicolai Lenin, the first President of Communist Russia, is reported to have declared that the surest way to overturn the existing social order is to debauch the currency. Mr. Roosevelt adopted this economic technique of communism in 1933. We have been using, with clever variations, that totalitarian printing-press money system ever since.

Unless we repudiate it, that Lenin-favored device in itself will ultimately bring communism to America. Printing-press money is a device that robs and cheats the working and trusting people while the shrewd and well-informed enrich themselves.

Paper money is an enemy much more to be feared than Soviet military power, real or fancied.

Since printing press money has been a decisive device in the political success of the New Deal, it is obvious that any real fight to restore an honest American dollar redeemable in gold must come from the Republican Party.

And conversely, if we of the Republican Party do not make this fight for the people, the people will have no reason to restore us to power. In this drive for an honest gold dollar, all patriots have a common interest. But without vigorous leadership little progress is possible.

Mr. Speaker, until we restore an honest American dollar redeemable in gold, prices are headed higher and higher. Survey, if you will, the shattered and worthless paper currencies of Europe. There you will see the chaos that awaits us in the absence of a restoration of an honest dollar, redeemable in gold on demand.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. BUFFETT. I yield.

Mr. RANKIN. The inflation to which the gentleman refers is taking place through the Federal Reserve System. I pointed out the other day that in 1939 we had a little more than $7,000,000,000 in circulation. The last report of the Treasury Department shows that we have $28,484,000,000 in circulation now, and that it increased more than $400,000,000 between the 31st of July and the 30th of September in this year. The Federal Reserve Act simply turned over the power to issue money to private bankers, you might say, and until Congress has the courage and the statesmanship to take back the power granted by the Constitution to "coin money and regulate the value thereof" and put a stop to this inflation, we are going on this mad joy ride toward economic ruin.

Mr. BUFFETT. The power to coin money and regulate the value thereof was placed in the hands of the Congress by the Constitution, as the gentleman declares. Certainly under the present situation the Congress has pretty well given up its responsibility, and the money system of this country is in a perilous condition as a result.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. BUFFETT. I yield.

Mr. RANKIN. The Federal Reserve System not only has the power, as it stands today, to inflate the currency, but it also has the power to deflate it. In the early twenties, when W. P. G. Harding was head of the Federal Reserve Board, he raised the rediscount rate and called loans and forced the country into an economic panic. I remember distinctly Mr. Kincaid, of Nebraska, complaining to me that corn was selling in 1921 in Nebraska at 16 cents a bushel, and that they were burning corn in their stoves because it was cheaper than coal.

As long as we leave the power to inflate or deflate the currency in the hands of private bankers, this country is in danger, not only of run-away inflation, but also of run-away deflation, which might bring about a worse panic than that which we had in the early twenties.

Mr. BUFFETT. I thank the gentleman for his comments.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. BUFFETT. I yield.

Mr. AUGUST H. ANDRESEN. The incident back in the twenties to which the gentleman referred occurred during the Wilson administration, when the then President came before the Congress and said that the cost of living was going too high, and Mr. Harding, who was governor of the Reserve Bank in Boston, was the one who started to deflate the American farmer and the American public.

Mr. RANKIN. Mr. Speaker, will the gentleman yield? I would like to keep the record straight.

Mr. BUFFETT. I decline to yield further at the moment. I prefer that the gentleman discuss the 1920 economic situation on his own time.

Eventually, when the people find that our currency is deteriorating, they will lose their enthusiasm for saving dollars. Many shrewd people have been for years putting their savings into land, jewels, works of art, and real wealth of all kinds. Some day that alarm about the value of our currency will spread to the rank and file. No person is knowingly going to invest in securities that are steadily deteriorating in real value.

Mr. AUGUST H. ANDRESEN. Will the gentleman yield again?

Mr. BUFFETT. I yield.

Mr. AUGUST H. ANDRESEN. The thing the gentleman has pointed out is happening today in France. The farmers are hoarding gold. They claim there are $3,000,000,000 of gold buried in France. They have refused to bring their grain into the channels of trade. They feed the grain to the livestock and then sell the meat in the black market.

Mr. BUFFETT. The gentleman makes an excellent point. In many European countries the currency has ceased to have any voluntary exchange value. I recently talked to a businessman from Germany, who told me that a ton of wheat has an official price of 200 marks, which was the same as the black-market price of a pound of butter. What farmer is going to turn in a ton of wheat in the regular market when by transferring some of that wheat, say 50 pounds, into a pound of butter he can get the same reward?

Mr. AUGUST H. ANDRESEN. In Italy the official price of a quintal of wheat was 4,000 lira. The farmer could take that wheat into certain places in Italy and get twelve to twenty thousand lira, in selling the wheat in the black market.

Mr. BUFFETT. Speaking of Italy, I notice by the papers that they have marked down the exchange value of the Italian lira by something like 40 percent within the last 24 hours.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. BUFFETT. I yield.

Mr. CRAWFORD. I think the gentleman has correctly stated that the capitalistic system does finance itself as it moves along between the channels of production and sales and consumption; but there is another element in there that we should always keep in mind and that is that while the capitalistic system finances itself through the payment of wages and salaries, those who produce, who are the recipients of wages and salaries, take, for instance a portion of their current earnings and invest back in the capital system for more machinery, buildings, and machine tools. It brings about a situation where more workers can come in and produce still more goods for the consuming public.

Now, upon what basis do those recipients invest their current earnings—I mean a substantial portion of them—back in the enterprise system? Only when they have faith.

Mr. BUFFETT. Certainly.

Mr. CRAWFORD. When they have faith with respect to schemes of taxation, with respect to allowing a profit on a commercial transaction participated in for the private citizen under a form of government which represents the private-enterprise capitalistic system. But the Government follows a course which may be dangerous, as the gentleman has pointed out when it tends to destroy the buying power of those savings. It puts the recipient of wages and salaries in a position where he madly rushes into the market to convert his earnings into goods before the buying power of those earnings substantially depreciates. So, as we have more and more deficit financing to supply goods to Europe or elsewhere, the result of which is to destroy the current buying power of the savings and earnings of our people, we take away the confidence of the people. That, as the gentleman pointed out, is correct.

Mr. BUFFETT. I thank the gentleman for his contribution.

Mr. STEVENSON. Mr. Speaker, will the gentleman yield?

Mr. BUFFETT. I yield.

Mr. STEVENSON. Along the lines raised by the gentleman from Minnesota and the gentleman from Michigan I call attention to what the chairman of the Foreign Relations Committee of the other body said on day before yesterday when the aid-for-Europe bill was being considered. He made the statement:

> The only reason we have to furnish the food and fuel is because there are not dollars available to balance the deficit by direct purchases abroad.
>
> If there is any hope for the economics of Europe, it is on the basis of internal recuperation in the direction of reorganized domestic economy.
>
> The reason food and fuel have to be furnished is not because the people are too poor by and large to pay for it. It is because they do not have the international exchange with which to make the imports that are indispensable to do the particular thing that may be involved.
>
> It is a situation where we apply the test of availability in respect to the payment for indispensable imports which is, it seems to me, a concept that is a thousand miles removed from a plea on a charity basis.

In other words, when our bonds and securities sink to the low of the securities of these foreign countries, I wonder if we will have friends among those foreign countries that will send us fuel, food, and everything else to bolster up our economy over here?

Mr. BUFFETT. I think I can answer the gentleman in this way: If we allow currency depreciation to continue and

to become worse and worse, there will be no nation on earth that could or would provide us with a Marshall plan to prop up the economy of this Nation.

Mr. CRAWFORD. The gentleman from Wisconsin has pointed out those countries did not have the goods. The point is that the citizens of those countries under a bad leadership did not put their savings in capital goods—that is, buildings, machinery, and machine tools—so that they could produce goods for export to pay us for the goods we send to them. The only remedy for this thing is for the people over there to get to work producing goods. But will they put their savings in when they have no confidence in their local governments? I do not think so.

Mr. BUFFETT. Absolutely not.

Mr. CRAWFORD. To the extent we supply them with foodstuffs, machinery, and otherwise, we better make dead sure that we put the money in the tax box to pay for the goods instead of indulging in further debit financing in this country.

Mr. BUFFETT. The people over there formerly put their money into currency and bonds, but they cannot eat the currency and they cannot eat the bonds and those pieces of paper have little exchange value. The things Europeans are interested in now are meat, potatoes, flour, and the other essentials of life. Their currency in terms of those essentials is largely valueless today, and it is up to us to see that the same currency deterioration does not continue any longer in this country.

To effectively stop it, we must give back to the citizen the right to transfer the fruits of his labor into gold as a repository of value.

Without the assurance of sustained value, the saving of money will slow down to a trickle. Yet new savings going into capital goods, as the gentleman from Michigan has pointed out, is an absolute necessity in a capitalistic and free enterprise society.

COMBAT INFLATION BY INCREASED PRODUCTION

Mr. SCHWABE of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SCHWABE of Missouri. Mr. Speaker, in 1938 when the Wage and Hour Act was placed on the statute books we were near the bottom of the economic cycle and our objective was to raise prices and spread work. Now the situation is the reverse.

The whole of the President's program to reinstate economic controls is distasteful and therefore unacceptable. High prices are but bad blackmarkets and empty shelves would be an even worse set of ills.

A second method being suggested to attack high prices is to get at the fundamental cause, to reverse our long-time policy of Government spending more than it takes in, but just as inflation has been a creeping thing and came upon us gradually, this remedy will take time and it involves the paying off of our public debt over a period of years.

What we can do right now to have some immediate effect on prices would be to work harder and longer hours, thus attempting to lick inflation by more production. I suggest, therefore, in order to combat inflation that we set aside at least for the period of aid to foreign countries the 40-hour week, the time-and-a-half for overtime, as well as the minimum wage provisions. Let us cure our economic ills by longer and harder work.

EXTENSION OF REMARKS

Mr. McDOWELL asked and was given permission to extend his remarks in the RECORD.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Missouri [Mr. BAKEWELL] is recognized for 20 minutes.

EUROPEAN AID

Mr. BAKEWELL. Mr. Speaker, it is my sincere conviction that we have commenced what may well prove to be one of the most important peacetime sessions in our history. Important not for us alone, but for the world as a whole. Important not only for the present welfare of mankind, but for the course of man's destiny in the future. Important, too, because of the effect which it will have on the desires of men of good will throughout the world to live in peace and happiness, with dignity and mutual respect, among their fellow men of all nations and races.

To begin with, unless we are blind to realities, we must start on the assumption that we are not living in one world, as envisioned by Wendell Willkie and others. Unfortunately, we are now living in two worlds. This is because a country which we considered an ally in World War II was not an ally but merely a cobelligerent fighting a common enemy.

Before proceeding to a discussion of European economic rehabilitation and the expenditures contemplated under it, I think that it would be a healthy exercise to do a little totting up of sums which we have already spent in foreign countries. It is estimated that since the beginning of the war this country has given or loaned to foreign governments a total in excess of $58,000,000,000, including lend-lease, relief expenditures, and UNRRA.

Since the fighting stopped in World War II, we have spent between nineteen and twenty billion in foreign relief, according to Senator BYRD, of the Senate Committee on Reduction of Federal Expenditures. Of this sum, four and one-half billion dollars was authorized for the current fiscal year. Included in this item was some $60,000,000 earmarked for Russia and her satellites.

The question now is:

Should our national tax burden be increased by the tremendous sums which it is contemplated are to be spent in foreign relief and rehabilitation within the next 4 years? Are we willing to take a calculated risk and to endure discomforts in our own self-interest and in behalf of the welfare of other peoples who also believe in free and representative government? Let's look at the facts to see if we can evolve an answer:

Foreign loans, gifts, and relief are not something new to us. We had experience with them in World War I and continuously since then. Have we, however, been able to buy friends by these methods? I am afraid that the answer must be in the negative.

Many thought that we were buying the good-will of Soviet Russia during the recent war. That bill was in excess of $11,000,000,000. We gave Russia's satellite countries an additional one and one-fourth billion dollars. Did that do the trick? Have we bought the good will of Mr. Vishinsky, of Pravda, of the Red Army, of the Kremlin, of Stalin, or any of his henchmen, followers, or admirers? Once again the answer must be a melancholy, "No."

Shall we, then, turn our backs on the rest of the world, withdraw into a cocoon of isolation, and allow western Europe to go down a road of certain disintegration, misery, and rancor to ultimate chaos?

Or shall we try to rehabilitate their economy and rekindle the spirit of freedom?

Is there no solution between the two extreme views—foolhardy generosity leading to internal impoverishment or complete isolation—with the possibility of war as the concomitant handmaiden of both? I think there is. It is an approach based on altruism, good will, and Christian charity, leavened with a realistic awareness of our own interests and limitations, as well as those of the rest of the world, together with an ever-present awareness of the possibility of atomic war and the resulting chaotic disintegration of civilization as a whole.

First of all, I think that all expenditures made under the so-called Marshall plan should be separated into expenditures made for food and clothing—expendable items which will be used for human comfort and to stave off starvation—and the expenditures which are made for the purpose of rehabilitating the internal economy of western Europe by restoring their industrial and agricultural capacity. Realism compels the conclusion that expenditures in the former category should be made in the nature of gifts. There is but the slightest likelihood that they could ever be repaid if made as loans, but such contributions would partake of the nature and be received in the spirit of humanitarianism if made as gifts. However, the expenditures for economic rehabilitation should definitely be made as loans and on as sound a credit basis as possible. We cannot get such collateral security as a private banker would like, but it is my sincere and considered belief that we would be justified in seeking certain guaranties and concessions in the mutual interest of the participating countries and of ourselves.

America's greatness is due to the harmony, unity, and cooperation with which many people of different ancestry thrive. All of us are descendants of French, English, German, Polish, and various other nationalities, who found the harbor of liberty on our shores. And we are united in a United States of America.

The plan for a United States of Europe has been almost universally approved by statesmen and economists throughout the world. Despite this wide acclaim, no nation has thus far been willing to surrender that degree of internal sovereign-

ty which is required if any such union is to have a chance to succeed. I think that the present emergency offers an opportunity to do something toward giving impetus to the goal of a Federal Union in western Europe.

I think the so-called Marshall plan should be a forerunner to a United States of Europe. Unless there is political amenity and economic cooperation among the European nations, there can be no chance of lasting peace and prosperity. By this I do not mean that we should impose our political or sociological policies upon the European nations.

I am aware that in making such a suggestion, the accusation will be made that we are attempting to interfere in the internal government of other nations.

I am not thinking of inaugurating a united states of Europe overnight. That would be fantastic day dreaming. And yet, now seems the most propitious time to do something along this line. It would appear that economic and political unity and collaboration among the several European nations holds the best and only hope of lasting peace and prosperity. It would seem advisable to take some steps in this direction concurrently with the proposed Marshall plan.

I am fully cognizant of and in full accord with the report of the Harriman committee, which says that no "strings" in the form of political mandates to Europe should be attached. Certainly, we should not interfere with the intra-political policy of any country. On the other hand. I think we should exert a guiding influence insofar as intereconomic and cooperative policies are concerned.

The various interested nations are looking to the United States to rescue them and to lead the way. If they have come to us for help, would they not be amenable to suggestions and recommendations patterned after our successful unity which would then, too, solidify their efforts and objectives?

Anyone who reads the report submitted by the 16 nations comprising the Committee of European Economic Cooperation setting out their estimated requirements, which was submitted in response to the suggestion of Secretary Marshall in his Harvard speech, cannot fail to be impressed by one fact which is repeated over and over in the text, namely, the interdependence of the participating countries on the productive capacities and internal economy of one another. It is stated in the report—page 25:

> But the programs as a whole are interdependent. Every element in them depends upon the others—mining machinery upon steel, steel upon coal, coal upon food—and in turn depends upon the availability of supplies from overseas in the right quantities and at the right times; upon the maintenance of internal financial stability and upon continuing and effective mutual help between the participating countries.

This same thought is expressed in other language repeatedly.

As a basis of being eligible for economic rehabilitation loans, I suggest that the following recommendations be made to the participating countries:

1. Establish a common sound currency and pledge all of their existing dollar reserves in support thereof.

2. Provide for the free movement of nationals of all participation countries across and within the borders of each other.

3. Establish a common agency to operate rail facilities and river transport in the participating countries of Continental Europe so as to utilize available rail equipment for the maximum advantage of all.

4. Establish an agency to commence studies and formulate plans for eventual elimination of customs barriers. This plan should be completed in the first year and put into effect during the second year.

All international financiers and economists agree that no recovery can be effected until a sound currency exists, that is, a currency which can be redeemed and freely converted in world exchanges into dollars or other "hard" money. Why should we, or any other country, want to sell our products to a nation if the specie in which we are paid is worthless? And how can the countries exchange goods with one another unless payment can be made in a currency which all trust?

Unless there be one currency, what is to prevent one participating country seeking to take advantage of another by issuing fiat currency or resorting to devalued or blocked money? The only answer seems to be a common sound currency backed by an ability to produce goods and all dollar credits available which can be exchanged in the marts of world trade.

Labor to mine the wealth of Europe, to run the mills, to man the factories and to operate the trains and ships is essential to recovery. At present some countries, such as Italy, have an excess of population which is needed in other countries, such as France and England. At present, emigration and immigration are equally difficult. One means of overcoming this difficulty would be to allow free travel between nations on an international passport to be issued by the western European nations jointly.

One of the chief reasons for the European economic paralysis today is lack of means of transportation to bring coal and other products from the producing sections to the consuming localities. Be cause a freight car which crosses an international border may never come back, or else one in poorer condition may be returned in its stead, nations at present refuse to allow a freight car beyond its borders. The result is unloading and reloading at every international border. The same condition prevails with barges and other forms of river transportation. They are simply borrowed indefinitely by the country to whose ports they are going. This situation could be overcome by a common authority with power to operate and assign all equipment on a basis of equality and need.

The combatant nations which have made the greatest degree of recovery in western Europe have been Belgium and Holland. Shortly after the war they saw the folly of tariff barriers and, with Luxemburg, entered into a customs union which has become known as Benelux. So successful was it in applying reciprocal tariff reductions in its first year, that soon all tariffs are to be eliminated between these countries.

It is absurd and contradictory to have the flow of needed products between the western European nations impeded by tariff barriers. Of course, all import duties cannot be eliminated overnight, as it is a most complex problem. Certainly, however, a workable plan could be formulated within a year which would scale down all import duties immediately, and eventually would lead to their abolition. The experience of Benelux should furnish a convincing argument in this regard. Eventually a reciprocal trade treaty could be concluded by the United States with this customs union of western Europe.

Longer-range objectives which could be recommended for continued participation in the plan beyond the first 2 years are the integration or at least cooperation of the army, navy, air forces, and merchant marine of the participating nations. Preliminary steps and the necessary basic studies toward this objective should be undertaken immediately after the plan has been initiated. Such a step is recommended by economy and stability of any union which might be set up. Control of these forces would be left in the various countries jointly, and would be similar to the proposed UN security force.

I have heard it proposed that we enter into 16 different agreements with the 16 different nations. If the terms and conditions of these 16 agreements vary in any considerable degree, it would seem that discord and dissension would be inevitable.

The plan can be best administered, in my opinion, by a Government corporation set up for that purpose and working in close cooperation with our State Department and the Joint Chiefs of Staff. The participating nations could set up a similar corporation or board on a representative basis with authority to make binding decisions for all participating governments.

In my opinion, it would not be necessary to go beyond the measures herein suggested in order to achieve the purposes of the economic rehabilitation plan, but continuous and vigilant inspection would be necessary to make certain that conditions were being complied with and that each of the participating governments was exerting its maximum efforts in behalf of its own and the common European recovery. This should be done jointly by the representatives of the United States agency and the participating European countries.

If the present meeting of foreign ministers in London is a failure and no agreement is reached concerning peace treaties with Germany and Austria, then western Germany should be included as one of the participating powers. The economic and industrial welfare of western Europe is too closely identified with Germany to justify omitting that nation from any plan of European rehabilitation.

We cannot expect repayment in full of the sums which we expend in this plan, but by the application of liberal credit policies we may well retrieve a substantial part of our investment when western Europe gets on her feet and once again achieves a favorable balance on the export-import ledger. Achievement of the objectives which I have mentioned would be part payment because they would be

a step toward strengthening and solidifying the nations of the Western World which believe in free government.

It seems reasonable to hope that these steps, once taken, would lead inevitably to a United States of Europe—a goal which most everyone, including Winston Churchill and men prominent in the political life of all the countries concerned, has championed.

After the achievement of a European Union, we could feel free to enter into a security agreement similar to the one recently signed in Brazil by the Pan-American countries, whereby an aggressor against any of the participating nations would be considered an aggressor against all and would be subject to sanctions by all after a vote of the nations involved.

Unfortunately, this does not add up to one world, but neither do the actions of Soviet Russia and her satellites. That cannot be said to be our fault, as Secretary Marshall's original invitation was extended to all of the countries of Europe, but was spurned by the countries behind the Iron Curtain. Reality compels us to admit the existence of two worlds today. Ours is incomparably the better of those two worlds. I want to make certain that it is also the stronger.

Any nation in Europe which in the future desires to do so should be allowed to enter such a Union as is here proposed after first proving its qualifications, just as other States joined the Original Thirteen.

Sad to relate, force and brutality, intolerance, hate, and aggression are once again on the march in Europe. That constitutes a threat to us and to freemen everywhere. We are now engaged in an effort to halt these forces of evil, both from a humanitarian standpoint and in our own self-interest. I think that both purposes will better be served if our efforts in behalf of the economic rehabilitation of Europe are along the lines which have been suggested herein than they will be if we merely underwrite the effort and hope for the best. Dollars alone will not save Europe, but positive action on a well-charted course, coupled with credits, good will, and willing cooperation, may, and can, do so. Admittedly, we are assuming calculated risks in order to achieve our objectives. I want to see those risks reduced to the lowest possible measure.

Mr. Speaker, once again America finds herself on the threshold of history and in the valley of decision. Now we are called on to strike a bold blow for those principles which we cherish or else, through default and half-hearted measures, let slip from us our tried friends and allies of other days, who will sink, through exhaustion, to that pit of poverty and confusion, suspicion and conflict, which is today communism, from the bourne of which no traveler has returned.

The SPEAKER pro tempore (Mr. HALE). Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 20 minutes.

THE PAROLE OF FOUR CAPONE GANGSTERS

Mr. HOFFMAN. Mr. Speaker, because of the widespread public interest; of the many inquiries and of the calling of a Federal grand jury in the city of Chicago on November 21, 1947, all growing out of the investigation conducted by a subcommittee of the Committee on Expenditures in the Executive Departments, into the parole last August of four notorious Capone gangsters from the city of Chicago after they had served a little more than 3 years of a 10-year sentence for conspiracy to interfere with interstate commerce by coercion, threats and violence, this preliminary statement is most respectfully submitted.

The conviction in 1943 of Paul Ricca, Louis Campagna, Philip D'Andrea, and Charles Gioe grew out of the celebrated Bioff-Brown shake-down conspiracy to extort from the motion picture industry more than a million dollars.

Each was sentenced to a term of 10 years, beginning in April of 1944. A parole was granted to each on August 13, 1947, just 37 days after they first became eligible for parole on July 7, 1947. So far as the committee discovered, there seems to have been no delay because of red tape or bureaucratic failure to act promptly.

A subcommittee of the Committee on Expenditures in the Executive Departments initiated its inquiry into these paroles by hearings at the Federal Building, Chicago, on September 25 and 26, 1947.

Those hearings produced 508 pages of stenographic transcript exploring several peculiar and complex circumstances surrounding the four paroles. Additional hearings were held in our committee rooms at Washington on October 7, 1947, at which time some of the records of the Bureau of Prisons, and some of the records of the United States Board of Parole, as related to these particular cases, were examined in detail.

Since the Washington hearing, two members of the subcommittee, Mr. BUSBEY and Mr. DORN, have visited the Federal penitentiaries at Atlanta, Ga., and Leavenworth, Kans., to obtain further information from the prison records which may shed light on the granting of these paroles. This additional evidence will be placed before the committee when next it meets and all information obtained by the committee has been made available to the Federal Grand Jury in Chicago.

The records before the committee indicate that these parolees all had criminal records prior to their conviction in December 1943. One of these records runs back to 1916, a period of more than 30 years; another to 1919; a third to 1935.

The paroles were granted, in each case, over the objection of the trial judge.

The reasons and causes for the prompt action in the parole board have been a central point of our committee's inquiry. So far as the committee was able to learn, the records of the Department of Justice show that never before were convicts eligible for parole released so promptly after their earliest eligible date.

Another peculiar circumstance in these cases had to do with the transfer of two of these convicts from Atlanta Penitentiary to Leavenworth Penitentiary prior to their parole.

The warden at Atlanta recommended against this transfer to Leavenworth. In a letter under date of July 21, 1945, Warden Joseph W. Sanford, of Atlanta, communicated to the Bureau of Prisons at Washington his strong recommendation against the transfer to Leavenworth. In that letter, the warden said, in part:

> From information received, it is quite evident that money is being paid to obtain transfer of these men to Leavenworth, and I do not believe they should be transferred at this time for this reason.

The official record of Parolee Campagna carries this notation:

> Campagna was one of the leaders of a gang in Chicago, commonly known as the Syndicate, and which succeeded to the power of Al Capone.

His criminal record runs back to April 1919, when he was sentenced to the Illinois State Prison for bank robbery.

The hearings also disclose that Federal tax claims aggregating $486,877 levied against Campagna, were compromised and settled on the payment of around $89,000 during his term in the penitentiary. But the parolee told the committee he had no knowledge of this settlement, where the funds came from, or who conducted the negotiations with the Bureau of Internal Revenue.

The record of Parolee D'Andrea carries a notation regarding his connections with the Capone mob, with the further observation that his criminal record reached back to 1916. As one incident in this previous record, the Department of Justice notes that D'Andrea was sentenced to 6 months in jail in Chicago in 1931 for having carried a gun into the Federal court room in which Al Capone was on trial, despite the warning of the trial judge that no one should appear at the trial under arms.

The record of Parolee Ricca discloses that he formerly was known as Paul De Lucia. The Department of Justice records carry this notation: De Lucia was one of the leaders of a gang in Chicago, commonly known as the Syndicate which succeeded to the power of Al Capone.

The same record applies to Parolee Gioe.

The hearings disclose that the promptness of the paroles in these four cases was the direct result of careful preparation managed and directed by friends and associates in Chicago who were eager to see the men reestablished in that community.

From the records of all the United States district courts combined, the committee learns that between July 1 and December 31, 1941, and between July 1, 1942, and June 30, 1944, there were 233 persons sentenced to terms of 10 years or more. Of all these 233 prisoners, 104 became eligible for parole prior to September 1, 1947. But, of these 104 eligibles, only 20 were actually paroled, including the four Chicago gangsters. Three of the 20 were paroled, as the records show, in anticipation of their being deported from the United States. Thus, of all the sentences for 10 years or more in this period, only 17 out of 104 eligibles were paroled to remain in the United States. Of these 17, 4 were the inheritors of the Capone power in Chicago.

One witness before the committee at Chicago was Paul Dillon, a lawyer from St. Louis, Mo., who had mysteriously interested himself in these paroles.

Earlier, on May 21, 1945, Mr. Dillon called at the Bureau of Prisons to urge

the transfer of two of these convicts from Atlanta to Leavenworth. During this call, Mr. Dillon identified himself as a former campaign manager for President Truman in St. Louis. Questioned as to this identification, Mr. Dillon responded:

I had charge of the campaign in the city of St. Louis. (Hearings, p. 471.)

The campaign referred to was President Truman's first campaign for election to the United States Senate in 1934.

Mr. Dillon testified—page 469—that he had called on the parole board in Washington on August 6, 1947, 1 week before the four paroles were signed. On that visit he talked with two members of the parole board, namely T. Weber Wilson, the chairman, and Fred S. Rogers, a member.

Mr. Dillon denied he had been retained as an attorney in these parole cases. His friendly intervention had been solicited, he testified, by an old friend, one Edward Brady, a member of the Missouri Legislature. Mr. Dillon testified he visited frequently at the White House, but denied he ever had discussed any parole matters with President Truman. On this point the record reads:

Chairman HOFFMAN. Did you ever consult with the President about the parole, in reference to any of these men?

Mr. DILLON. I never consulted with the President on anything of that kind in my life.

After he had been approached by his friend Brady, Mr. Dillon received a telephone call from Mrs. Campagna, in Chicago, asking if she might run down to St. Louis to talk over some business matters. The testimony continues—page 485:

She came down and asked me if I would do what I could to get them paroled, and I said, "Now, Mrs. Campagna, I will not represent them as a lawyer in that matter at all, but when I am in Washington and it is convenient I will drop into the parole board and speak to them."

Mr. Dillon dropped in on August 6. August 13, 7 days later, the paroles were granted.

Mr. Dillon testified that he made many trips to Washington during 1945, 1946, and 1947—perhaps 15 or 20 in all—but that on only two occasions, May 21, 1945, and August 6, 1947, did he appear before any bureau or branch of the Department of Justice in behalf of these prisoners.

He was asked if on these appearances he spoke for all four prisoners, or only in behalf of Campagna, whose wife had solicited his friendly intervention. The testimony on this point is as follows—page 494:

Mr. SNYDER. No one had spoken to you of these defendants other than Mrs. Campagna, the wife of one?

Mr. DILLON. This is all that ever spoke to me.

Mr. SNYDER. Did you ask the Parole Board to parole all four of them?

Mr. DILLON. I did.

Mr. SNYDER. Had you ever made any contact with Mr. Stern or his client, D'Andrea?

Mr. DILLON. I did not.

Mr. SNYDER. They didn't know that you were intervening in their behalf?

Mr. DILLON. What they knew, I don't know.

Mr. SNYDER. Did you ever interview any of the other defendants or their attorneys?

Mr. DILLON. No; I never saw any of the defendants. I never talked to them in my life.

Mr. Dillon added, as a part of his testimony, that he had not made any investigation as to the merits of the parole case. He asserted his belief that the parole system should function at all times without the intervention of interested citizens.

At one point Mr. Dillon testified he had received no remuneration for this intervention in these parole cases. Later he testified:

Mrs. Campagna told me I would be paid a reasonable fee. I am in a predicament. I don't know who to send the bill to.

From this point the testimony runs:

Chairman HOFFMAN. Send it to Mr. Bernstein.

Eugene Bernstein, Chicago attorney, representing Louis Campagna.

Mr. DILLON. All right.

Mr. BERNSTEIN. You will be paid.

Mr. HOFFMAN. You hear that? He says it will be paid.

Mr. DILLON. All right.

The hearings also adduced the fact that Chairman Wilson resigned from the Parole Board shortly after these paroles were duly executed. Mr. Dillon testified he did not know the reasons behind this resignation, other than hearsay concerning Mr. Wilson's poor health. "I have no idea," he said. "I have not seen Wilson from that day to this or talked with him." The witness also testified that he formerly had called on Mr. Wilson once or twice a year at the Parole Board and occasionally had met him socially during his numerous business trips to Washington.

At another point, Mr. Dillon emphasized that he did not visit the White House on his trip to Washington in August, 1947, when he last appeared before the Parole Board in behalf of the Capone lieutenants.

Asked how long before that time he had last visited the White House, Mr. Dillon responded, "Oh, I have visited the President, I would say three or four times a year."

Mr. Speaker, it is evident that, because of the publicity given by the Chicago Tribune and the House subcommitee to the granting of these paroles, at least one phase of the matter is now before the grand jury in Chicago.

The testimony before the subcommittee discloses that one attorney in the case received a fee of $7,000 for his part in these paroles. But there is nothing to indicate the fee paid to Attorney Dillon, of St. Louis, who represented himself to officers of the Prison Bureau and the Parole Board as a friend and one-time regional campaign manager of the President. Nor has the committee yet learned the total of the sums paid to obtain these paroles.

It is unnecessary to tell this House that our committee will do everything in its power to complete its investigation as quickly as possible while avoiding any and every action which might prejudice or embarrass the grand jury proceedings in Chicago.

I make this interim statement at this time merely because so many have inquired as to the present status of the committee's inquiry. Any delay to our final report which may be occasioned by our reluctance to hold further hearings while the grand jury is in session will, I am sure, be understood sympathetically by the House.

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Alabama [Mr. JARMAN] is recognized for 20 minutes.

EUROPEAN AID PROGRAM

Mr. JARMAN. Mr. Speaker, back in September the President of the United States requested the chairmen of the Foreign Relations Committee of the other body and the Foreign Affairs Committee of the House to call those committees into what might be termed special session on November 10 for the consideration of an emergency. In October the President called the Congress to meet 1 week later, on November 17, for only two purposes, he having called the committees to meet for only one purpose, consideration of urgent interim aid to Europe.

Secretary Marshall appeared before a joint session of those committees in the caucus room across the Capitol, and then appeared before the Foreign Relations Committee for questioning the following day, on November 11, and before the House Committee on Foreign Affairs on November 12. His testimony was able, explicit, and to the point.

I wish to read a question I propounded to him and his reply:

You have thoroughly indicated your opinion that time is of the essence of this matter, with which I heartily agree. You referred to the desirability of keeping up the momentum and the fact that unless we act quickly the long-range program might be useless. In addition to that, is it not a probability that if we delay our action on this matter too long we will not accomplish with the amount of money indicated what we might otherwise accomplish or, stated another way, that it will cost more than the amount now estimated?

Secretary Marshall replied:

That is probably correct, sir.

Our committee proceeded with the hearings and 3 days later, I believe, I made a statement to the committee at the suggestion of our able chairman, from which I wish to read the concluding remark:

I was impressed, when Chairman MUNDT was speaking, and yesterday when Chairman HERTER was speaking, that we do have so much more personal, first-hand information about this proposed legislation than any legislation I have ever had anything to do with and I imagine perhaps any legislation that has ever been before the Congress.

So that I am wondering if it does not behoove us to be sure that we do not go into the matter too laboriously, into all of the details and spend too much time and thereby lose, as General Marshall said, too much of that momentum which is now in progress, thank God, in Europe against the spread of communism. I wonder if it does not behoove us to readily subdue any temptation relative to pride of authorship, publicity, or political benefit in the interest of our country. I do particularly hope we will not repeat the fiasco which occurred when the last relief bill was on the floor.

The President, as you know, called the committee and the Foreign Relations Committee of the Senate to meet last Monday for no other purpose than the consideration of this legislation. Shortly thereafter he called a special session of the Congress to meet next Monday for no other purpose, as I understand it, although I may be incorrect in this, until this is out of the way.

I realize the price-inflation situation is in his call, and I think we should take what-

ever action we can on it. However, I have gained the impression—I do not think that he said so—that this legislation has priority over that legislation, if for no other reason than the fact that the other committees are not considering that question at this time.

Therefore, I cannot refrain, in conclusion, from urging that we members of this committee, particularly in view of our knowledge of the facts in connection with this legislation, facts so much greater than we have ever had before, not permit that knowledge to cause us to go too laboriously into the finite details of this matter and thereby bring about what might prove to be a great loss, a set-back of this momentum to which Secretary Marshall referred as being in progress in Europe today. I can think of no meritorious reason why we cannot meet General Marshall's suggested deadline of November 30, particularly in view of the excellent reasons he gave for it.

Mr. Speaker, I repeat that statement now. I have been unable to find any meritorious reason why that legislation could not have been completed by General Marshall's deadline of day after tomorrow.

We proceeded with the hearings in great detail and finally closed them, I thought, and commenced to discuss the bill in executive session. We spent hour after hour, day after day, with tweedledee and tweedledum discussing whether a semicolon or a colon or a period or a comma should be at this place or that place. The suggested bill is only five pages long. We conducted this tweedledee and tweedledum laboriously, I do not know, for 2 weeks, I think, and then every time anybody would appear who wanted to testify, although we had closed the hearings, we would open the hearings again and hear him. We did that two or three times. Many members of the committee who had no desire to display their knowledge of grammar and who entertained no pride of authorship, became more or less disgusted, and while great argument was going on between two or three here and two or three there, with one, two, or three insisting that we should go into all of the details of this tweedledee and tweedledum and continue indefinitely, and the others insisting that we should attempt to perform our duty and get the bill out, I made the gentlemen a proposition somewhat like this: I said, "I so thoroughly agree with you all that for my part I am perfectly willing to come here at 9 o'clock in the morning and work until 1 and return at 2 and work until 6, and then you can all be satisfied; you can continue your amendments and we can also get through." Of course, no such proposition as that, naturally, met with any consideration.

Mr. BOGGS of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I gladly yield to the gentleman from Louisiana.

Mr. BOGGS of Louisiana. As a member of the committee does the gentleman feel that the committee has been fair to the other Members of the House? We have been here since November 17 holding sessions, discussing no business and being unable to get any definite idea of what business is coming up, when it will be disposed of, and when we will be able to go back home. Is that a fair way to treat the Members of this House?

Mr. JARMAN. I not only think that my committee has been unfair to the membership of this House but I think it has been unfair to the President of the United States, to the Secretary of State of the United States who led our Armies to a successful conclusion of the war, to our country and to the world. Now, it was known a week ago today that it was impossible to get the bill to the floor until next Monday which, mind you, is the day after the tentative deadline set by Secretary Marshall, but I entertained no idea that there would be absolutely no effort to do so Monday. However, I just became so thoroughly worn out and tired and disgusted on Tuesday that I proceeded to my office to attend to some important matters, and while I was gone, lo and behold, the committee adjourned from Tuesday until next Monday, the day after the dead line set by Secretary Marshall. They did that while riots are occurring in Italy, while strikes are happening in France, while governments change in France, and while the future security of this country and this world literally hangs in the balance. I say to you, my colleagues, that it is my considered opinion after mature thought—and a man would not make a statement such as I am making except after mature thought—that there was no reasonable, statesmanlike, patriotic reason for such unconscionable abdication of duty as resulted from that adjournment from last Tuesday until next Monday, when I assume we will continue this laborious, boring, unnecessary tweedledee and tweedledum.

What could we have done? We could have done as other committees have done. We could have met Wednesday and we could have met today, and we could have had the bill ready Monday. We could have done as another body did. They were debating that bill Wednesday and I understand they are debating it again today. Oh, it is true that Thanksgiving intervened, and also a football game, but Thanksgiving occurs all over this country and many people attend football games. I do not believe it is customary for the people of the United States to lay down their tools on Tuesday and abandon their work just because Thanksgiving is coming on Thursday and a football game on Saturday. Certainly it is not customary for American citizens who are faced with such a duty as that committee was faced with to quit on Tuesday until Monday because Thanksgiving and a football game were coming. And that happened, Mr. Speaker, only 15 days after the members of that committee had returned from a vacation and only 8 days after the other Members of the House had returned from a vacation. I will admit that for many, especially the members of that committee, it was not much of a vacation, because many of us were diligently trying to ascertain the situation in Europe looking toward this very legislation which was certainly no vacation. But it was a change, and we had been away from Washington, and we had just been back 15 days and 8 days respectively, and that committee quit on Tuesday until Monday, the day after the tentative deadline set by our illustrious Secretary of State, for the passage of a bill which is most important to our country.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from Tennessee.

Mr. EVINS. The gentleman has spoken of the tentative date that was set by the Secretary of State. Was not that time set having in mind the conference now in progress in London?

Mr. JARMAN. Exactly. In my opinion, it is very, very unfortunate that without any real reason the deadline has not been met, even the passage of the legislation may occur next week, which the circumstances cause me to naturally seriously doubt.

Mr. BOGGS of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from Louisiana.

Mr. BOGGS of Louisiana. How does the gentleman account for this strange technique on the part of the committee?

Mr. JARMAN. I want to give you an idea in a minute. I am not sure that I know, but before I proceed I do want to say this, maybe in partial answer to the gentleman's question. Under a Democratic administration 2 or 3 years ago, that committee met not only on the Wednesday before Thanksgiving and not only on Friday after Thanksgiving, but on Thanksgiving Day, to hear the testimony of General Eisenhower. I do not know whether or not that answers the gentleman's question.

Mr. BOGGS of Louisiana. No; it does not.

Mr. JARMAN. I do not know whether or not this will answer it. The majority leader, at about the time he requested the adjournment of the House from today until next Tuesday, 2 days after the deadline, made the statement that the Committee on Foreign Affairs has been diligently working on this legislation. Do you call what I have described "diligently working on this legislation"? I do not know whether or not that answers the gentleman's question.

Mr. BOGGS of Louisiana. No.

Mr. JARMAN. Maybe I will come to it yet.

I have heard a member of the committee compare the conduct of another body with ours on this matter with glowing pride. I say to you again that I can take no pride and I do not see how any member of that committee or of this House can take any pride in what I regard as a sorry and sordid spectacle.

Mr. BOGGS of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I yield.

Mr. BOGGS of Louisiana. I am just wondering if there is any similarity in the conduct of your committee and my committee. My Committee on Banking and Currency is supposed to be considering the so-called anti-inflation program. We have had several meetings, but we have no legislation before the committee. For several days, we have had members of the Cabinet and other prominent Government officials giving us dissertations on economics which would be quite interesting and very appropriate in a college classroom, but so far as having any relationship to legislation, I can see none. Have you had a similar situation in your committee?

Mr. JARMAN. Exactly, and I think the reason is the same. I will just hint at it in a minute, because I do not want to plainly state what I think it is.

Mr. MACKINNON. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I yield.

Mr. MACKINNON. Do you mean there has been no legislation introduced in the Congress in conformity with the President's proposals and what is contained in his message to the special session of Congress?

Mr. JARMAN. I cannot speak for the gentleman's committee, but there has been no legislation introduced in this House to carry out the President's proposal so far as the Committee on Foreign Affairs is concerned.

Mr. BOGGS of Louisiana. To my knowledge, that is true insofar as the other part of the program is concerned.

Mr. JARMAN. Which also is most unusual.

Mr. McDOWELL. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I gladly yield to the gentleman.

Mr. McDOWELL. Of course, the gentleman will remember that the Committee on Foreign Affairs did not convene the Congress. The Congress was convened by the President of the United States.

Mr. JARMAN. Exactly, and the President of the United States convened the Committee on Foreign Affairs, or at least asked its chairman to convene the committee. The President of the United States is the President of the gentlemen on both sides of the aisle and of the whole country.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. Gladly.

Mr. COX. In the solution of this very grave and troublesome problem which we have in our lap and which means so much to the security of the Republic and to the safety of the world, there is no room for partisan politics.

Mr. JARMAN. Not a bit in the world, sir. I thoroughly agree with you.

Mr. COX. This is an American problem; it is a world problem. Those of us who are giving it our attention in the endeavor to work out a right solution should take particular care to avoid giving it anything of a political complexion. I have not heard the gentleman's full statement, but I think I know how he feels. He regards a quick solution as being most urgent, and still I can see that there are others who, too, have givn particular attention to the problem, and who may properly feel that the danger will not be accentuated as a result of taking time in its consideration. However, I do agree with the gentleman that we ought to come to some solution as quickly as possible.

The SPEAKER pro tempore (Mr. JENSEN). The time of the gentleman from Alabama has expired.

Mr. JARMAN. Mr. Speaker, I ask unanimous consent that I may proceed for five additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. JARMAN. I thoroughly agree with the gentleman from Georgia that a matter such as this should not be considered in a partisan way, and I am not making any accusations, except I cannot refrain from saying that as far as I have been able to observe, and I think I have been present at these hearings the whole time because I have not been absent for more than 2 hours all told during this entire tweedledee and tweedledum, I believe, I have observed no Democrat indulging in dilatory tactics.

As to this comparison between the action of the two bodies, instead of feeling proud of our action over here and criticizing the other body, I heartily congratulate the leadership in the other body for what I regard as the excellent way in which the matter has been handled. They have performed an important duty well. I understand they will pass that bill today, 2 days before the dead line tentatively set by Secretary Marshall. I repeat, I congratulate them.

Now, as to Secretary Marshall, I believe 90 percent or more of the people of this country, whether Democrat or Republican, have a very high regard for him. I do not believe that 90 percent of the people of this country believe that Secretary Marshall would come before committees and just frivolously state that the bill ought to be passed by a certain time. I believe that applies to Republicans as well as Democrats. I do not believe that the people of this country will appreciate, no matter who is responsible for it, the great delay, the tweedledee and tweedledum, and the unnecessary delay with which his request has been met.

To illustrate: I was seated at a table a few days ago with a gentleman who does not believe at all in this bill. Many people do not, and they have a perfect right not to believe in it. He said, "Let Europe starve." He said he feared no danger of communism in this country. I said, "All right. That is fine. But now, you think that some bill is going to be passed, do you not?" He said, "Yes." I said, "Assuming it is going to pass, and you are against all of it, but you love your country; assuming that some bill is going to pass, which do you prefer: A continuation of this tweedledee and tweedledum, and unnecessary delay, or that General Marshall's request be granted, and that whatever is passed be passed in time to serve its purpose, if you are wrong in your opinion that it is no good?"

He said, "By all means; although I am against it, I think it should be expedited."

Now, the gentleman from Louisiana left before I got down to his question.

In conclusion, Mr. Speaker, I do not know what, if any, connection there was between what I think is this unconscionable adjournment from Tuesday until Monday and an item I saw in the press the next day that Speaker MARTIN had called the Republican steering committee to meet on Monday, and a Republican conference to meet on Tuesday. I do not know what connection there is between this adjournment until Monday and the majority leader's statement today that the Foreign Affairs Committee had been working diligently. I do not know what, if anything is the connection between these events and the adjournment of the House until Tuesday. I do not charge that the Republican leadership is deliberately attempting to delay consideration of this matter, but I do say that I heard a ranking Republican member of my committee express that opinion. I do know, and you know, that the last bill the Foreign Affairs Committee had on this floor, if the majority leadership was not attempting to delay and sabotage it, I do not know how they would act if they were attempting such. I refer to the so-called Mundt bill, to continue the cultural relations and information program. I do not believe 5 percent of the Members of this House who visited in Europe this summer disagree with my statement that one of the greatest mistakes the House ever made was to dillydally along with that Mundt bill last spring until it was too late for the other body to pass it.

The SPEAKER pro tempore. (Mr. JENSEN). The time of the gentleman from Alabama [Mr. JARMAN] has expired.

Mr. McDOWELL. Mr. Speaker, I ask unanimous consent that the gentleman be granted another 5 minutes.

Mr. JARMAN. I am through, Mr. Speaker, but I would like to have sufficient time to yield to the gentleman.

Mr. McDOWELL. One minute, then.

Mr. JARMAN. Make it more than 1 minute, if you were in Europe and wish to disagree.

Mr. McDOWELL. No; but I was here and voted on the Mundt bill and I voted for the Mundt bill. I am a Republican and a good one and keep in constant touch with the leadership of the Republican Party. I was here. I voted for the bill. I saw no evidence, and surely I would be able to detect it had there been evidence, that the leadership was attempting to slow down that bill. It was a matter of a number of Republicans and a number of Democrats opposing the bill and they kept it going for four days, if the gentleman recalls, despite all that we who were for the bill could do.

Mr. JARMAN. I remember with appreciation the gentleman's support of the bill; but is his recollection not faulty in not remembering that day after day we would be on that bill and at 5 or 6 o'clock we would adjourn and it would not be taken up until 3 or 4 days afterward, and then only at 3 or 4 o'clock in the afternoon?

Mr. McDOWELL. That is right. It most certainly was obvious that a filibuster of some sort was going on here, conducted by Republicans and Democrats too. I do not see how the leadership of the Republican Party could be blamed for that. As I recall the leadership did not consider it a partisan bill at all.

Mr. JARMAN. I think that is probably true, that the leadership had taken no position on it; but the leadership is responsible for conducting the business of this House. In the opinion of many, including some of the gentleman's Republican colleagues, some Republican members of my committee shared it—we may be wrong, but the impression we gained was that the leadership was not

the least bit interested. I will not say they were trying to sabotage it, but we gained the impression, the very definite impression, that they were not the least bit interested in hurrying it up at all.

Mr. McDOWELL. Perhaps the gentleman is right.

Mr. JARMAN. I may be wrong, but that is my impression.

Mr. McDOWELL. Perhaps the gentleman is right, but the leadership did not convey it to at least one Member of the majority.

The SPEAKER pro tempore. The time of the gentleman from Alabama has again expired.

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent that the time of the gentleman from Alabama may be extended two additional minutes. I should like to ask him a question.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. JARMAN. I gladly yield.

Mr. MURRAY of Wisconsin. I think the gentleman from Alabama realizes the profound admiration I have for him.

Mr. JARMAN. I do with keen appreciation, and I heartily reciprocate it, I assure the gentleman.

Mr. MURRAY of Wisconsin. I do not want to get into the partisanship involved because I believe there are other Republicans more able than I who will take care of that angle, but the question I wish to ask the gentleman is: Does the gentleman subscribe fully to the 10 proposals the President gave us on November 17?

Mr. JARMAN. As I recall, only one of those proposals, not over two, are before my committee. As the majority leader said, I have been diligently trying and hoping we may get through this tweedledee-and-tweedledum stage. The other proposals are before the Committee on Banking and Currency. I heard the President relate them here, of course. As the gentleman knows, I am strongly in favor of this program of relief to Europe. I believe it is necessary. I believe also it is necessary to do something to curb inflation. The President has sent down 8 or 10 suggestions. Whether they are correct I do not know, but generally speaking, I do agree with the President that something should, in fact must, be done.

Mr. MURRAY of Wisconsin. The next question I wish to ask the gentleman is whether he has seen a copy of the Herter report as yet.

Mr. JARMAN. Yes; I must confess I have not read it completely, but I have read extracts from it.

Mr. MURRAY of Wisconsin. When was it available?

Mr. JARMAN. It has been available to our committee in different sections for some time. This gentleman by my side tells me that it became available to him this morning.

Mr. MURRAY of Wisconsin. It was available just this morning.

Mr. JARMAN. Yes; so I am informed.

Mr. MURRAY of Wisconsin. The Congress sent a nonpartisan, or rather a bipartisan group, to Europe to study conditions. The committee that was charged with the responsibility had not reported until this morning as to what their recommendations are.

Mr. JARMAN. It may not have been reported to the gentleman and other Members of the House, but Chairman HERTER reported exhaustively to the Foreign Affairs Committee on Thursday, which would be about 4 days after we commenced our hearings on November 13; and I assumed he reported to the other body. I am complaining about inaction of the Foreign Affairs Committee, not the House.

Mr. MURRAY of Wisconsin. I thank the gentleman.

Mr. JARMAN. Mr. Speaker, under the permission previously granted me, I set forth an editorial from the Washington Star on this subject which, I believe, is quite appropriate:

AID VERSUS TYRANNY

Senator VANDENBERG has stated the case simply and with unanswerable logic in his appeal for speedy approval of emergency interim aid to keep the people of Italy, France, and Austria alive and free this winter. Otherwise, they will be prey to the lurking tyranny of Communist forces doing their best to bring the whole of Europe under the Kremlin's sway.

The aid proposal, as Mr. VANDENBERG says, is not equivalent to a declaration of economic war between western and eastern Europe. But the Russians are reacting to it as if it were. The unity they shared with us in the struggle against the Axis has fallen apart, and what they are bent upon now is a course calculated to wreck the hopes of countries like France and Italy and spread Soviet dominance throughout the Continent.

Mr. VANDENBERG has summed up the situation in a few words: "A new type of Communist aggression is on the march," and we owe it to ourselves to do "everything within our peaceful power to sustain democratic freedoms" against it. For the things that are happening abroad have an important bearing on our own well-being and security. The proposed $597,000,000 emergency aid is something to be undertaken not merely because it accords with our traditional humanitarianism, not merely because it is an "unescapable necessity" if western Europe is to preserve and order its own liberty, but also because it is vital to "the unavoidable American self-interest in a free, solvent, and peaceful world."

This argument is so clear and compelling that Congress, on the strength of it, ought certainly to adopt the stop-gap measure at the earliest possible moment, with a minimum of debate. In doing so, as Mr. VANDENBERG declares, it will not be committing itself automatically to the long-range European recovery program, though both projects are related in objectives. There is time for a relatively leisurely consideration of the European recovery program, but there is no time to be lost in making the interim aid available. That aid is urgently needed now—not 6 months from now.

Having in mind such developments as the Communist-led riots and strikes in France and Italy, Mr. VANDENBERG has not exaggerated in declaring that "it would be a defiance of all logic and a desertion of all statesmanship to deny that these events do not have a direct impact upon the status of our own United States." Congress must act accordingly—affirmatively and without delay. To realize that, we have only to envision how profoundly and adversely our own free way of life would be affected if "the lurking tyranny" came one day to dominate the whole of Europe.

EXTENSION OF REMARKS

Mr. MacKINNON asked and was given permission to extend two editorials in the Appendix of the RECORD.

Mr. ANGELL asked and was given permission to extend his remarks in the Appendix of the RECORD and include certain editorials.

ADJOURNMENT

Mr. GEARHART. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 5 minutes p. m.) the House, pursuant to its previous order, adjourned until Tuesday, December 2, 1947, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1126. A letter from the Acting Comptroller General of the United States, transmitting a report concerning the claim of John Cameron Henry against the United States; to the Committee on the Judiciary.

1127. A letter from the Director, Executive Office of the President, Bureau of the Budget, transmitting a report of personnel ceilings for the quarter ending September 30, 1947; to the Committee on Post Office and Civil Service.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. STEFAN:

H. R. 4595. A bill to establish a Department of Transportation, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. CASE of South Dakota:

H. R. 4596. A bill to provide for law and order on Indian reservations in South Dakota by repealing section 329 of the Criminal Code relating to crimes committed on such reservations and section 27 of the Judicial Code relating to jurisdiction of these crimes, and for other purposes; to the Committee on Public Lands.

By Mr. YOUNGBLOOD:

H. R. 4597. A bill to amend section 25 (b) (1) of the Internal Revenue Code; to the Committee on Ways and Means.

H. R. 4598. A bill to reduce postage rates on parcels containing food, clothing, or medicines mailed to certain foreign countries; to the Committee on Post Office and Civil Service.

By Mr. SCHWABE of Missouri:

H. R. 4599. A bill to repeal the Fair Labor Standards Act of 1938, as amended; to the Committee on Education and Labor.

By Mr. MARCANTONIO:

H. J. Res. 266. Joint resolution to authorize the issuance of a special series of commemorative stamps in honor of Fiorello H. LaGuardia; to the Committee on Post Office and Civil Service.

By Mr. SNYDER:

H. J. Res. 267. Joint resolution to authorize the President to proclaim the establishment of a program for the relief and rehabilitation of foreign countries through individual contributions of funds by the people of the United States; to the Committee on the Judiciary.

By Mrs. ROGERS of Massachusetts:

H. Res. 380. Resolution requesting the Secretary of Commerce to furnish the House of Representatives full information concerning the amount of coal and oil being sent from the United States to Canada and other countries and the amount sent each month during the past year; to the Commitee on Interstate and Foreign Commerce.

H. Res. 381 Resolution requesting the United States Maritime Commission to furnish the House of Representatives full information relative to all idle tankers under their control and why said tankers have not been put into operation; to the Committee on Merchant Marine and Fisheries.

H. Res. 382. Resolution requesting the Director of the Office of Defense Transportation to furnish the House of Representatives full information concerning the shortage of coal cars used in transportation of coal to New England and whether coal cars being released from the Great Lakes terminals can be assigned to New England; to the Committee on Interstate and Foreign Commerce.

H. Res. 383. Resolution requesting the Secretary of the Navy to furnish the House of Representatives full information relative to tankers under their control used in the transportation of oil, whether full use is being made of the tankers, and how soon additional tankers being received from the United States Maritime Commission will be put into operation; to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. D'EWART:

H. R. 4600. A bill to authorize the Secretary of the Interior to sell certain lands in the State of Montana to Alfred Robert Appelgren; to the Committee on Public Lands.

By Mr. MacKINNON:

H. R. 4601. A bill for the relief of Robert A. Atlas; to the Committee on the Judiciary.

H. R. 4602. A bill for the relief of Forest L. Weatherly; to the Committee on the Judiciary.

By Mr. THOMAS of Texas:

H. R. 4603. A bill for the relief of Arthur George Wortham; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

813. By Mr. ROHRBOUGH: Petition signed by Rev. W. A. Hopson and 53 members of the Memorial Methodist Church, of Weston, W. Va., urging legislation prohibiting the advertising of liquor over the radio; to the Committee on Interstate and Foreign Commerce.

814. By the SPEAKER: Petition of the Townsend Club members of Greater Miami, petitioning consideration of their resolution with reference to completion of signing of Discharge Petition No. 7, relative to the Townsend plan; to the Committee on Ways and Means.

815. Also, petition of the Lake Worth Townsend Club No. 1, petitioning consideration of their resolution with reference to completion of signing of Discharge Petition No. 7, relative to the Townsend plan; to the Committee on Ways and Means.

816. Also, petition of the South Miami Townsend Club No. 1, petitioning consideration of their resolution with reference to completion of signing of Discharge Petition No. 7, relative to the Townsend plan; to the Committee on Ways and Means.

817. Also, petition of W. D. Johnson, Miami, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

818. Also, petition of Mrs. E. S. Sarns, Clearwater, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

819. Also, petition of the Associated Townsend Clubs of Pinellas County, Fla., petitioning consideration of their resolution with reference to completion of signing of Discharge Petition No. 7, relative to the Townsend plan; to the Committee on Ways and Means.

820. Also, petition of the St. Petersburg Townsend Club No. 1, petitioning consideration of their resolution with reference to completion of signing of Discharge Petition No. 7, relative to the Townsend plan; to the Committee on Ways and Means.

821. By Mr. MARTIN of Massachusetts: Petition of Sally A. Luten and sundry students of Wellesley College, Massachusetts, urging aid for Europe; to the Committee on Foreign Affairs.

SENATE

MONDAY, DECEMBER 1, 1947

(Legislative day of Monday, November 24, 1947)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Peter Marshall, D. D., offered the following prayer:

As we come together in prayer, O God, we know that there is nothing in our hearts, in our minds, or in our past that we can hide from Thee, for our lives are all of one piece in Thy sight—not partitioned as we like to think.

Therefore deliver us from the error of seeking and expecting Thy guidance in our public lives while we close the door to Thee in our private living.

Help us to be good men, that we may become good leaders. For this day, before we reach any decisions, make us willing to ask, "What would Jesus do?"

Then give us courage and the grace so to act.

We ask it in His lovely name. Amen.

THE JOURNAL

On request of Mr. WHITE, and by unanimous consent, the reading of the Journal of the proceedings of Friday, November 28, 1947, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

REPORT OF GOVERNOR OF PANAMA CANAL—CAPACITY AND SECURITY OF PANAMA CANAL

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Armed Services:

To the Congress of the United States:

In compliance with the provisions of Public Law 280, Seventy-ninth Congress, approved December 28, 1945, I transmit herewith a report by the Governor of the Panama Canal on means of increasing the capacity and security of the Panama Canal.

HARRY S. TRUMAN.

THE WHITE HOUSE, *December 1, 1947.*

REPORT OF TORT CLAIMS PAID BY WAR DEPARTMENT

The PRESIDENT pro tempore laid before the Senate a letter from the Secretary of Commerce, transmitting, pursuant to law, a report of claims paid by the War Department under the provisions of the Federal Tort Claims Act during the fiscal year 1947, which, with the accompanying report, was referred to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

The petition of V. Cilbect, Jr., of New York, N. Y., praying for the enactment of the joint resolution (S. J. Res. 142) providing for the calling of a congress to draft and recommend a program for conserving the Nation's forest and soil resources; to the Committee on Agriculture and Forestry.

A resolution adopted by the Washington State Council of the Reserve Officers of the Naval Services, Olympia, Wash., favoring the enactment of legislation providing for universal military training; to the Committee on Armed Services.

A resolution adopted by the Supreme Council of the Knights of Columbus at Boston, Mass., favoring the enactment of legislation providing public housing for veterans; to the Committee on Banking and Currency.

A resolution adopted by the Supreme Council of the Knights of Columbus at Boston, Mass., favoring the enactment of the so-called Sparkman-Hill bill, to exempt admissions to certain charitable entertainments from the Federal admissions tax; to the Committee on Finance.

A petition of sundry citizens of the States of New York and New Jersey, praying for the enactment of legislation to restore price controls; to the Committee on Banking and Currency.

A resolution adopted by the Passaic section of the National Council of Jewish Women, of Passaic, N. J., supporting the report of the President's Civil Rights Committee; to the Committee on the Judiciary.

A paper in the nature of a petition from the National Committee of the People's Party, Washington, D. C., submitting ideas and recommendations relating to a world government, etc; to the Committee on Foreign Relations.

By Mr. CAPPER:

A memorial signed by 100 citizens of Haviland, Kans., remonstrating against the enactment of peacetime compulsory military training; to the Committee on Armed Services.

LETTER FROM PHILLIPSBURG (KANS.) BUSINESS AND PROFESSIONAL WOMEN'S CLUB ON FOREIGN RELIEF

Mr. REED. Mr. President, I ask unanimous consent to present and have printed in the RECORD, as a part of my remarks, a letter received from the Phillipsburg Business and Professional Women's Club, Phillipsburg, Kans., in which the club expresses the opinion of its members on the foreign-relief question.

There being no objection, the letter was received and ordered to be printed in the RECORD, as follows:

PHILLIPSBURG, KANS.,
November 27, 1947.

To Senator CLYDE M. REED,
Senate Building,
Washington, D. C.

From: The Phillipsburg Business and Professional Women's Club, Phillipsburg, Kans.

Subject: Foreign relief, accumulation and disbursement.

As a civic organization interested in the problems facing our country today, we wish to express our opinions toward the foreign-relief question:

1. We approve of accumulation of commodities through church and civic organizations, the Friendship Trains, and

Government purchase from the markets and not direct from the producer.

We favor the shipment of textiles, grain, potatoes, and dehydrated commodities and adequate farm equipment necessary for the production of their own foodstuffs so that the dole system can be eliminated.

2. We do not favor sending huge quantities of supplies to countries predominated by Russian military order. We think it best that the Russians use from their huge surplus of grain stored within their own country to feed [illegible] of the countries predominated by them.

However, we do feel that Russian-predominated countries should be allowed to purchase grain with cash or commodities.

3. We are not in favor of the United States setting up agencies in foreign countries for relief-disbursement purposes. We feel that distribution should be made through church and local organizations of the needy countries and in some cases, when permissible and necessary, handled through the American military Government.

4. We feel that the United States, in justice to themselves and their people, should keep a surplus of 250,000,000 bushels of wheat and other commodities in accordance from the 1947 crop within the limits of the United States.

Respectfully yours,

MARGUERITE ADCOCK,
Chairman, the Business and Professional Women's Club Legislative Steering Committee.

REPORTS OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES

Mr. BYRD. Mr. President, it has been the practice of the Joint Committee on Reduction of Nonessential Federal Expenditures over a period of 4 years to publish monthly reports on employment in the Federal Government, for the information of Members of Congress and the general public.

Since their inception these reports have been published in the CONGRESSIONAL RECORD, when Congress was in session. Although Congress was not in session during August, September, and October compilation of the reports was continued in accordance with practice.

The reports compiled since the adjournment of Congress cover Federal personnel changes during the months of July, August, and September 1947. These reports have been summarized, along with comparative figures from the June report—the last published in the RECORD.

In order that the record may be unbroken and complete, this summary is submitted at this time with the request that it be published as a part of my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

FEDERAL PERSONNEL IN THE EXECUTIVE BRANCH, JULY, AUGUST, AND SEPTEMBER, 1947, AND COMPARISON WITH JUNE 1947

The following report is compiled from signed, official personnel reports by the various agencies and departments of the Federal Government. Table I of the report shows personnel employed inside continental United States, by agency. Table II shows personnel employed ouside continental United States, by agency. Table III shows total personnel employed inside and outside continental United States, by agency. Table IV gives by agency the industrial workers employed by the Federal Government. For purposes of comparison, figures for the month of June are shown.

According to monthly personnel reports submitted during the first quarter of fiscal year 1948 to the Joint Committee on Reduction of Nonessential Federal Expenditures, the total Federal personnel decreased 102,138 net from the June total of 2,112,919 to the September total of 2,010,781. (See table III.)

Exclusive of Army and Navy Departments, there was a net decrease of 77,535 from the June total of 1,251,274 to the September total of 1,173,739.

The Department of the Army decreased its employment 7,986 net from its June total of 503,213 to its September total of 495,227.

The Navy Department decreased its total employment by 16,617 net from the June total of 358,432 to the September total of 341,815.

INSIDE CONTINENTAL UNITED STATES

Federal personnel within the United States decreased 83,596 net from the June total of 1,856,092 to the September figure of 1,772,496. (See table I.)

Excluding Army and Navy Departments, personnel inside the United States decreased 76,545 net from the June total of 1,196,488 to the September total 1,119,943.

The Price Decontrol Board was liquidated as of June 30, 1947. The Federal Mediation and Conciliation Service, formerly the Conciliation Service of the Department of Labor, was established August 22, 1947, pursuant to Public Law 101 (80th Cong.), the Taft-Hartley labor law.

The Department of the Army personnel within the United States increased 2,554 net from the June figure of 353,216 to the September figure of 355,770. This net increase within the continental United States resulted from expansion in Army Air Forces, technical services, and civil functions.

Navy Department personnel within the United States decreased 9,605 net from the June figure of 306,388 to the September figure of 296,783.

OUTSIDE CONTINENTAL UNITED STATES

Outside continental United States, Federal personnel decreased 13,542 net from the June total of 256,827 to the September total of 238,285. (See table II.)

A net reduction of 990 employees abroad was reported by agencies and departments other than the Army and Navy Departments between June and September.

The Department of the Army decreased its overseas employment 10,540 net from the June figure of 149,997 to the September figure of 139,457.

The Navy Department reported a net reduction of 7,012 overseas employees during the period June through September.

A large portion of the overseas reduction was effected in industrial employment. (See table IV.)

INDUSTRIAL EMPLOYMENT

Total industrial employment during the quarter decreased 16,157 net from the June total of 576,597 to the September total 560,440. (See table IV.)

The departments and agencies exclusive of the Army and Navy Departments decreased 794 net in the 3 months.

The Navy Department decreased its industrial employment 11,244 net.

The Department of the Army reported a net decrease in industrial employment of 4,119. Inside the United States the Army Department increased its net industrial employment 5,643, while outside the United States industrial employment decreased 9,762.

The term "industrial employees" as used by the committee refers to unskilled, semiskilled, skilled, and supervisory employees paid by the Federal Government who are working on construction projects such as airfields and roads, and in shipyards and arsenals. It does not include maintenance and custodial employees.

TABLE I.—*Federal personnel inside continental United States employed by executive agencies for the period July to September 1947 and comparison with June 1947*

Department or agency	June	July	August	September	Net increase over June	Net decrease under June
Executive departments (except Army and Navy Departments):						
Agriculture	89,111	83,636	79,541	74,597		14,514
Commerce	35,409	34,127	33,889	33,924		1,485
Interior	48,142	46,749	44,806	42,638		5,504
Justice	24,249	24,396	24,384	24,455	206	
Labor	5,002	4,719	4,303	4,315		687
Post Office	470,280	472,943	456,175	455,743		14,537
State	7,844	7,490	7,455	7,223		621
Treasury	93,879	86,082	85,330	85,940		7,939
Emergency war agencies:						
Office of Defense Transportation	91	92	91	44		47
Office of Scientific Research and Development	74	71	68	61		13
Office of Selective Service Records	1,084	837	594	616		468
Postwar agencies:						
Council of Economic Advisers	44	50	50	57	13	
Office of Government Reports	135	17	19	20		115
Office of Housing Expediter	8,594	7,059	6,698	5,636		2,958
Philippine Alien Property Administration	2	2	2	2		
Price Decontrol Board	5					5
U. S. Atomic Energy Commission	4,214	4,103	3,966	4,168		46
War Assets Administration	41,421	40,519	37,691	34,039		7,382
Independent agencies:						
American Battle Monuments Commission	3	3	3	3		
Bureau of the Budget	564	565	581	586	22	
Civil Aeronautics Board	536	539	541	540	4	
Civil Service Commission	3,483	3,429	3,389	3,424		59
Export-Import Bank of Washington	116	113	111	112		4
Federal Communications Commission	1,292	1,295	1,293	1,277		15
Federal Deposit Insurance Corporation	1,156	1,148	1,145	1,153		3
Federal Mediation and Conciliation Service [1]				362	362	

[1] Federal Mediation and Conciliation Service, formerly the Conciliation Service of the Department of Labor, established Aug. 22, 1947, pursuant to Public Law 101 (80th Cong.), the Taft-Hartley labor law.

TABLE I.—*Federal personnel inside continental United States employed by executive agencies for the period July to September 1947 and comparison with June 1947*—Continued

Department or agency	June	July	August	September	Net increase over June	Net decrease under June
Independent agencies—Continued						
[illegible] Commission	763	769	767	761		2
[illegible] Agency	31,339	31,564	31,370	31,242		97
[illegible] Commission	591	590	586	562		29
[illegible] Agency	24,631	23,194	23,109	23,022		1,609
General Accounting Office	10,629	10,483	10,281	10,125		504
Government Printing Office	7,786	7,736	7,621	7,569		217
[illegible] Finance Agency	14,657	13,999	13,233	12,718		1,939
[illegible] Commission	2,281	2,271	2,281	2,281		
[illegible]	10,313	7,775	6,608	6,500		3,813
National Advisory Commission for Aeronautics	5,920	5,919	5,842	5,934	14	
National Archives	384	376	348	329		55
National Capital Housing Authority	277	279	279	275		2
National Capital Park and Planning Commission	19	18	18	19		
National Gallery of Art	312	309	308	317	5	
National Labor Relations Board	816	819	824	832	16	
National Mediation Board	110	101	98	98		12
Panama Canal	658	653	641	646		12
Railroad Retirement Board	2,645	2,791	2,831	2,799	154	
Reconstruction Finance Corporation	7,592	7,502	7,321	7,070		522
Securities and Exchange Commission	1,159	1,102	1,172	1,175	16	
Smithsonian Institution	519	519	519	507		12
Tariff Commission	230	232	229	229		1
Tax Court of the United States	123	125	124	124	1	
Tennessee Valley Authority	14,258	14,716	14,920	14,873	615	
Veterans' Administration	222,046	216,231	212,349	209,001		13,045
Total, excluding Army and Navy Departments	1,196,488	1,170,119	1,136,004	1,119,943	1,428	77,973
Net decrease, excluding Army and Navy Departments					76,545	
Navy Department	306,388	303,505	300,903	296,783		9,605
Department of the Army	353,216	349,529	352,790	355,770	2,554	
Total, including Army and Navy Departments	1,856,092	1,823,553	1,789,697	1,772,496	3,982	87,578
Net decrease including Army and Navy Departments					83,596	

TABLE II.—*Federal personnel outside continental United States employed by executive agencies during the period July to September 1947 and comparison with June 1947*

Department or agency	June	July	August	September	Net increase over June	Net decrease under June
Executive departments (except Army and Navy Departments):						
Agriculture	1,388	1,367	1,453	1,644	256	
Commerce	3,094	3,077	3,069	3,036		58
Interior	4,889	4,994	5,072	4,987	98	
Justice	382	402	401	392	10	
Labor	80	73	77	78		2
Post Office	1,507	1,516	1,444	1,432		75
State	13,595	13,865	13,619	13,721	126	
Treasury	653	505	502	499		154
Emergency war agencies: Office of Selective Service Records	32	27	21	21		11
Federal agencies:						
[illegible] Expediter	39	25	28	24		15
Philippine Alien Property Administration	108	120	132	143	35	
U. S. Atomic Energy Commission	1	2	3	3	2	
War Assets Administration	520	528	510	489		31
Independent agencies:						
American Battle Monuments Commission	94	94	95	100	6	
[illegible]	14	14	14	15	1	
[illegible]	5	5	5	5		
[illegible]	1	2	2	2	1	
[illegible]	37	37	37	37		
[illegible]	3	3	3	3		
[illegible]	1,199	1,243	1,259	1,243	44	
Federal Works Agency	291	285	302	297	6	
[illegible]	47	43	39	42		5
[illegible]	251	209	166	149		102
[illegible]	2	2	2	2		
[illegible]	24,767	24,334	24,031	23,788		979
[illegible]	126	120	118	113		13
[illegible]	8	8	7	6		2
[illegible]	1,703	1,641	1,646	1,576		127
Total, excluding Army and Navy Departments	54,786	54,541	54,057	53,796	585	1,574
Net decrease [illegible] Army and Navy Departments					990	
Navy Department	52,044	49,589	48,245	45,032		7,012
Department of the Army	149,997	147,150	139,512	139,457		10,540
Total, including Army and Navy Departments	256,827	251,280	241,814	238,285	585	19,126
Net decrease, including Army and Navy Departments					18,542	

TABLE III.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies for the period July to September 1947 and comparison with June 1947*

Department or agency	June	July	August	September	Net increase over June	Net decrease under June
Executive departments (except Army and Navy Departments):						
Agriculture	90,499	85,003	80,994	76,241		14,258
Commerce	38,503	37,204	36,958	36,960		1,543
Interior	52,981	51,743	49,878	47,575		5,406
Justice	24,631	24,708	24,785	24,847	216	
Labor	5,082	4,792	4,380	4,393		689
Post Office	471,787	474,459	457,619	457,175		14,612
State	21,439	21,355	21,074	20,944		495
Treasury	94,532	86,587	85,832	86,439		8,093

TABLE III.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies for the period July to September 1947 and comparison with June 1947*—Continued

Department or agency	June	July	August	September	Net increase over June	Net decrease under June
Emergency war agencies:						
Office of Defense Transportation	91	92	91	44		47
Office of Scientific Research and Development	74	71	68	61		13
Office of [illegible] Records	1,116	864	615	637		479
Postwar agencies						
[illegible]	44	50	50	57	13	
[illegible]	135	17	19	20		115
[illegible]	8,633	7,084	6,726	5,660		2,973
[illegible]	110	122	134	145	35	
[illegible]	5					5
[illegible]	4,215	4,105	3,069	4,171		44
[illegible]	41,941	41,047	38,201	34,528		7,413
Independent agencies:						
[illegible]	97	97	98	103	6	
[illegible]	564	565	581	586	22	
[illegible]	550	553	555	555	5	
Civil Service Commission	3,488	3,434	3,304	3,429		59
Export-Import Bank of Washington	117	115	113	114		3
Federal Communications Commission	1,329	1,332	1,330	1,314		15
[illegible] Corporation	1,159	1,151	1,148	1,156		3
[illegible] Service[1]				362	362	
Federal Power Commission	763	769	767	761		2
Federal Security Agency	32,538	32,807	32,629	32,484		54
Federal [illegible]	591	590	586	562		29
Federal Works Agency	24,622	23,478	23,411	23,319		1,303
General Accounting Office	10,629	10,483	10,281	10,125		504
Government Printing Office	7,786	7,736	7,621	7,569		217
[illegible]	14,704	14,042	13,272	12,790		1,914
Interstate Commerce Commission	2,281	2,271	2,281	2,281		
Maritime Commission	10,564	7,984	6,774	6,649		3,915
National Advisory Committee for Aeronautics	5,920	5,919	5,842	5,934	14	
National Archives	384	376	348	329		55
National Capital Housing Authority	277	279	279	275		2
National [illegible]	19	18	18	19		
National Gallery of Art	312	309	308	317	5	
National Labor Relations Board	818	821	826	834	16	
National Mediation Board	110	101	98	98		12
Panama Canal	25,425	24,987	24,671	24,434		991
Railroad Retirement Board	2,645	2,794	2,831	2,799	154	
Reconstruction Finance Corporation	7,718	7,622	7,439	7,183		535
Securities and Exchange Commission	1,159	1,162	1,172	1,175	16	
Smithsonian Institution	527	527	526	513		14
Tariff Commission	230	232	229	229		1
Tax Court of the United States	123	125	124	124	1	
Tennessee Valley Authority	14,258	14,716	14,920	14,873	615	
Veterans' Administration	223,749	217,872	214,195	210,577		13,172
Total, excluding Army and Navy Departments	1,251,274	1,224,660	1,190,060	1,173,739	1,480	77,015
Net decrease, excluding Army and Navy Departments					77,535	
Navy Department	[illegible]	[illegible]	[illegible]	[illegible]		16,017
Department of the Army—						
Inside [illegible]	353,216	349,929	352,720	355,770	2,554	
Outside continental United States	149,997	147,150	139,512	139,457		10,540
Total, including Army and Navy Departments	2,112,919	2,074,833	2,031,510	2,010,781	4,034	106,172
Net decrease, including Army and Navy Departments					102,138	

[1] Federal Mediation and Conciliation Service, formerly the Conciliation Service of the Department of Labor, established Aug. 22, 1947, pursuant to Public Law 101 (80th Cong.), the Taft-Hartley labor law.

TABLE IV.—*Industrial employees of the Federal Government inside and outside continental United States employed by the executive agencies during the period July to September 1947 and comparison with June 1947*

Departments or agencies	June	July	August	September	Net increase over June	Net decrease under June
Executive departments (except Army and Navy Departments):						
Commerce	1,509	1,266	1,316	1,282		227
Interior	7,596	7,871	7,026	6,470		1,126
State	328	103	299	293		35
Treasury	3,861	4,016	3,948	3,932	71	
Postwar agencies: U. S. Atomic Energy Commission	487	379	308	292		195
Independent agencies:						
Housing and Home Finance Agency	9	6	5	5		4
Panama Canal	2,193	2,161	2,152	2,134		59
Tennessee Valley Authority	7,211	7,691	7,986	7,992	781	
Total, excluding Army and Navy Departments	23,194	23,493	23,040	22,400	852	1,646
Net decrease, excluding Army and Navy Departments					794	
Navy Department	249,891	246,378	243,691	238,647		11,244
Department of the Army:						
Inside continental United States	184,098	184,290	187,692	189,741	5,643	
Outside continental United States	119,414	117,443	109,992	109,652		9,762
Total, including Army and Navy Departments	576,597	571,604	564,415	560,440	6,495	22,652
Net decrease, including Army and Navy Departments					16,157	

Mr. BYRD. Mr. President, I also wish to submit an additional report from the Joint Committee on Reduction of Nonessential Federal Expenditures, on the subject of Federal personnel, September–October 1947, and request its publication in the body of the RECORD as a part of my remarks.

The report shows that civilian personnel employed in the executive agencies of the Government during October totaled 2,013,407. This represents a net increase of 2,626 over the September total which was 2,010,781.

Civilian employment inside the United States in October totaled 1,778,371. This represents an increase of 5,875 over the September figure which was 1,772,496.

Civilian employment by the executive agencies, outside continental United States, totaled 235,036 in October. This represents a decrease of 3,249 in comparison with the September employment abroad which totaled 238,285.

Industrial employment inside and outside the United States during October totaled 561,871. This represents an increase of 1,431 over the September industrial employment which totaled 560,440.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

FEDERAL PERSONNEL IN THE EXECUTIVE BRANCH, OCTOBER 1947, AND COMPARISON WITH SEPTEMBER 1947

(The following report is compiled from signed [illegible] reports by the various agencies and departments of the Federal Government. Table I of the report shows personnel employed inside continental United States, by agency. Table II shows personnel employed outside continental United States, by agency. Table III shows total personnel employed inside and outside continental United States, by agency. Table IV gives by agency the industrial workers employed by the Federal Government. For purposes of comparison, figures for the previous month are shown in adjoining columns.)

According to monthly personnel reports submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures, the total Federal personnel for October increased 2,626 from the September total of 2,010,781 to the October total of 2,013,407. (See table III.)

The National Military Establishment, created by reorganization pursuant to Public Law 253 (80th Cong.), includes the Office of the Secretary of Defense, the Departments of the Army, Navy, and Air Forces. The National Security Resources Board was established pursuant to the same public law, and is listed as an independent postwar agency.

Exclusive of National Military Establishment there was a decrease of 1,635 from the September total of 1,173,739 to the October total of 1,172,104.

Total employment for the National Defense Establishment is 840,870, an increase of 3,828 from the total in September of 837,042.

The Department of the Army increased its employment 4,343 from its September total of 386,063 to its October total of 390,406.

The Navy Department decreased its total employment 1,656 from its September total of 341,815 to its October total of 340,159.

The Air Forces increased employment 1,141 from the September figure of 109,164 to the October figure of 110,305.

INSIDE CONTINENTAL UNITED STATES

Federal personnel within the United States increased 5,675 from the September total of 1,772,496 to the October total of 1,778,371. (See table I.)

Excluding the National Military Establishment, personnel inside the United States decreased 1,266 from the September total of 1,119,943 to the October total of 1,118,677.

Total employment for the National Military Establishment is 659,694, an increase of 7,141 from the September figure of 652,553.

Department of the Army personnel within the United States increased 6,272 from the September figure of 246,606 to the figure of 252,878 in October.

Navy Department personnel within the United States continued to decrease, dropping 705 from the September figure of 296,783 to the October figure of 296,078.

Air Force Department increased 1,141 from its total of 109,164 in September to the October total of 110,305.

OUTSIDE CONTINENTAL UNITED STATES

Outside the continental United States, Federal personnel decreased 3,249 from the September figure of 238,285 to the October figure of 235,036. (See table II.)

A reduction of 369 was reported by the departments and agencies other than the National Military Establishment.

Total overseas employment for the National Military Establishment is 181,609, a decrease of 2,880 from the September total of 184,489.

The Department of the Army reported a decrease of 1,929 from the September figure of 139,457 to the October figure of 137,528.

The Department of the Navy reported a reduction of 951 overseas employees.

The overseas personnel of the Air Force Department is reported by the Department of the Army, since this personnel is still under the jurisdiction of the theater commanders.

INDUSTRIAL EMPLOYMENT

Total industrial employment during the month of October increased 1,431 from the September total of 560,440 to the October total of 561,871. (See table IV.)

The departments and agencies, exclusive of the National Military Establishment, decreased 658.

The National Military Establishment increased a total of 2,089 from the September figure of 538,040 to the October total of 540,129.

The Navy Department decreased its industrial employment 1,383.

The Department of the Army increased its industrial employment a total of 3,472. Inside continental United States industrial employment increased 5,472, while overseas industrial employment decreased 2,000.

The term "industrial employees" as used by the committee refers to unskilled, semiskilled, skilled, and supervisory employees paid by the Federal Government who are working on construction projects such as airfields and roads, and in shipyards and arsenals. It does not include maintenance and custodial employees.

TABLE I.—*Federal personnel inside continental United States employed by executive agencies during October 1947, and comparison with September 1947*

Department or agency	September	October	Increase (+) or decrease (−)
EXECUTIVE DEPARTMENTS (EXCEPT NATIONAL DEFENSE ESTABLISHMENT)			
Agriculture	74,597	73,144	−1,453
Commerce	33,924	34,150	+226
Interior	42,638	42,298	−340
Justice	24,455	24,687	+232
Labor	4,315	4,404	+89
Post Office	455,743	460,422	+4,679
State	7,223	7,181	−42
Treasury	85,940	85,537	−403
EMERGENCY WAR AGENCIES			
Office of Defense Transportation	44	40	−4
Office of Scientific Research and Development	61	58	−3
Office of Temporary Controls	616	641	+25
POSTWAR AGENCIES			
Council of Economic Advisers	57	59	+2
National Security Resources Board	(1)	44	+44
Office of Contract Settlement	20	20	
Office of Housing Expediter	5,636	5,319	−317
Philippine Alien Property Administration	2	2	
U. S. Atomic Energy Commission	4,168	4,375	+207
War Assets Administration	34,039	33,213	−826
INDEPENDENT AGENCIES			
American Battle Monuments Commission	3	3	
Bureau of the Budget	586	606	+20
Civil Aeronautics Board	540	556	+16

Footnotes at end of table.

TABLE I.—*Federal personnel inside continental United States employed by executive agencies during October 1947, and comparison with September 1947*—Continued

Department or agency	September	October	Increase (+) or decrease (−)
INDEPENDENT AGENCIES—continued			
Civil Service Commission	3,424	3,608	+184
Export-Import Bank of Washington	112	111	−1
Federal Communications Commission	1,277	1,265	−12
[illegible]	1,153	1,161	+8
[illegible] Conciliation Service	362	360	−2
Federal Power Commission	761	774	+13
Federal Security Agency	31,242	31,067	−175
Federal Trade Commission	562	558	−4
Federal Works Agency	23,022	22,205	−817
[illegible]	10,125	9,969	−156
[illegible] Office	7,569	7,539	−30
Housing and Home Finance Agency	12,718	12,471	−247
Interstate Commerce Commission	2,281	2,264	−17
Maritime Commission	6,500	6,690	+190
National Advisory Committee for Aeronautics	5,934	6,023	+89
National Archives	329	328	−1
National Capital Housing Authority	275	278	+3
National Capital Park and Planning Commission	19	19	
National Gallery of Art	317	317	
National Labor Relations Board	832	847	+15
National Mediation Board	98	103	+5
[illegible]	646	646	
[illegible]	2,799	2,841	+42
[illegible] Corporation	7,070	6,707	−363
[illegible] Commission	1,175	1,179	+4
Smithsonian Institution	507	516	+9
Tariff Commission	229	225	−4
Tax Court of the United States	124	125	+1
Tennessee Valley Authority	14,873	14,649	−224
Veterans' Administration	209,001	207,073	−1,928
Total, excluding National Military Establishment	1,119,943	1,118,677	−7,369 / +6,103
Net decrease, excluding National Military Establishment			−1,266
NATIONAL MILITARY ESTABLISHMENT [2]			
Office of Secretary of Defense	(3)	433	+433
Department of the Army	246,606	252,878	+6,272
Department of the Navy	296,783	296,078	−705
Department of the Air Forces [4]	109,164	110,305	+1,141
Total, including National Military Establishment	1,772,496	1,778,371	+13,949 / −8,074
Net increase in [illegible] Military Establishment			+5,875

[1] Established pursuant to Public Law 253 (80th Cong.); 6 employees were reported for the National Security Resources Board by Department of the Navy in September

[2] Established pursuant to Public Law 253 (80th Cong.). Exclusive of National Security Council and Central Intelligence Agency personnel

[3] 4 employees reported by the Navy Department for the Office of Secretary of Defense for September

[4] Established on departmental level by Public Law 253, (80th Cong.); 109,164 employees reported by Department of Army for September Only Air Force personnel within the United States are reported separately; overseas personnel are reported by Department of the Army.

TABLE II.—*Federal personnel outside continental United States employed by executive agencies during October 1947, and comparison with September 1947*

Department or agency	September	October	Increase (+) or decrease (−)
EXECUTIVE DEPARTMENTS (EXCEPT NATIONAL DEFENSE ESTABLISHMENT)			
Agriculture	1,644	1,741	+97
Commerce	3,636	2,649	−387
Interior	4,027	4,853	−84
Justice	392	407	+15
Labor	78	77	−1
Post Office	1,482	1,587	+105
State	13,721	13,584	−137
Treasury	499	589	+90
EMERGENCY WAR AGENCIES			
Office of Selective Service Records	21	20	−1
POSTWAR AGENCIES			
Office of Temporary Controls	24	28	+4
[illegible]	143	162	+19
Commission	3	3	
War Assets Administration	489	516	+27
INDEPENDENT AGENCIES			
American Battle Monuments Commission	100	96	−4
Civil Aeronautics Board	15	14	−1
Civil Service Commission	5	5	
Export Import Bank of Washington	2	2	
Federal Communications Commission	37	36	−1
Federal Deposit Insurance Corporation	3	3	
Federal Security Agency	1,242	1,301	+59
Federal Works Agency	297	312	+15
Housing and Home Finance Agency	42	43	+1
National Capital Housing Authority	149	148	−1
National Labor Relations Board	2	2	
Panama Canal	23,788	23,606	−182
Reconstruction Finance Corporation	113	113	
Smithsonian Institution	6	6	
Veterans' Administration	1,576	1,574	−2
Total, excluding National Military Establishment	53,790	53,427	−801, +432
Net decrease, excluding National Military Establishment			−369
NATIONAL MILITARY ESTABLISHMENT [1]			
Department of the Army	139,457	137,528	−1,920
Department of the Navy	45,032	44,081	951
Total, including National Military Establishment	238,285	235,036	3,681, +432
Net decrease, including National Military Establishment			−3,249

[1] Established pursuant to Public Law 253 (80th Cong.).

TABLE III.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during October 1947, and comparison with September 1947*

Department or agency	September	October	Increase (+) or decrease (−)
EXECUTIVE DEPARTMENTS (EXCEPT NATIONAL DEFENSE ESTABLISHMENT)			
Agriculture	76,241	74,885	−1,356
Commerce	36,960	36,799	−161
Interior	47,575	47,151	−424
Justice	24,847	25,094	+247
Labor	4,393	4,481	+88
Post Office	457,175	461,959	+4,784
State	20,944	20,765	−179
Treasury	86,439	86,126	−313
EMERGENCY WAR AGENCIES			
Office of Defense Transportation	44	40	−4
Office of Scientific Research and Development	61	58	−3
[illegible]	637	661	+24
POSTWAR AGENCIES			
Council of Economic Advisers	57	59	+2
National Security Resources Board	(1)	44	+44
[illegible]	20	20	
[illegible]	5,660	5,347	−313
Property Administration	145	164	+19
U. S. Atomic Energy Commission	4,171	4,378	+207
War Assets Administration	34,528	33,729	−799
INDEPENDENT AGENCIES			
American Battle Monuments Commission	103	99	−4
Bureau of the Budget	586	606	+20
Civil Aeronautics Board	555	570	+15
Civil Service Commission	3,429	3,613	+184
Export-Import Bank of Washington	114	113	−1
Federal Communications Commission	1,314	1,301	−13
[illegible]	1,156	1,164	+8
Conciliation Service	362	360	−2
Federal Power Commission	761	774	+13
Federal Security Agency	32,484	32,368	−116
Federal Trade Commission	562	558	−4
Federal Works Agency	23,319	22,517	−802
General Accounting Office	10,125	9,969	−156
Government Printing Office	7,569	7,539	−30
Housing and Home Finance Agency	12,760	12,514	−246
Interstate Commerce Commission	2,281	2,264	−17
[illegible]	6,649	6,838	+189
National Advisory Committee for Aeronautics	5,934	6,023	+89
National Archives	329	328	−1
National Capital Housing Authority	275	278	+3
National Capital Parks and Planning Commission	19	19	
National Gallery of Art	317	317	
National Labor Relations Board	834	849	+15
National Mediation Board	98	103	+5
Panama Canal	24,434	24,252	−182
Reconstruction Finance Corporation	2,799	2,841	+42
Reconstruction Finance Corporation	7,183	6,820	−363
Securities and Exchange Commission	1,175	1,179	+4
Smithsonian Institution	513	522	+9
Tariff Commission	229	225	−4
Tax Court of the United States	124	125	+1
Tennessee Valley Authority	14,873	14,649	−224
Veterans' Administration	210,577	208,647	−1,930
Total, excluding National Military Establishment	1,173,739	1,172,104	−7,647, +6,012
Net decrease, excluding National Military Establishment			−1,635
NATIONAL MILITARY ESTABLISHMENT [2]			
Office of Secretary of National Defense	(1)	433	+433
Department of the Army: Inside continental United States	246,606	252,878	+6,272

Footnotes at end of table.

TABLE III.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during October 1947 and comparison with September 1947*—Continued

Department or agency	September	October	Increase (+) or decrease (−)
NATIONAL MILITARY ESTABLISHMENT [2]—con.			
Dept of the Army—Con. [illegible]	139,457	137,528	−1,929
Department of the Navy	341,815	340,159	−1,656
Department of the Air Forces [4]	109,164	110,305	+1,141
Total, including National Military Establishment	2,000,781	2,013,407	+13,858, −11,232
Net increase, including National Military Establishment			+2,626

[1] Established pursuant to Public Law 253 (80th Cong.); [illegible] National Security Resources Board, Department of the Navy for September.

[illegible] Public Law 253 (80th Cong.). [illegible] Council and Central Intelligence Agency. [illegible] Department for the Office of the Secretary of Defense.

[4] Established pursuant to Public Law 253 (80th Cong.). [illegible] Department of the Army for the Air Forces in September. Only Air Force personnel within the United States are reported [illegible] personnel are reported by the Department of the Army.

TABLE IV.—*Industrial employees of the Federal Government inside and outside continental United States employed by executive agencies during October 1947, and comparison with September 1947*

Department or agency	September	October	Increase (+) or decrease (−)
EXECUTIVE DEPARTMENTS (EXCEPT NATIONAL DEFENSE ESTABLISHMENT)			
Commerce	1,282	1,139	−143
Interior	[1] 6,470	6,238	−232
State	293	318	+25
Treasury	3,932	3,835	−97
POSTWAR AGENCIES			
U. S. Atomic Energy Commission	292	301	+9
INDEPENDENT AGENCIES			
Housing and Home Finance Agency	5	5	
Panama Canal	2,134	2,127	−7
Tennessee Valley Authority	7,992	7,779	−213
Total, excluding National Military Establishment	22,400	21,742	+34, −692
Net decrease, excluding National Military Establishment			−658
NATIONAL MILITARY ESTABLISHMENT [2]			
Department of the Army: Inside continental United States	189,741	195,213	+5,472
Outside continental United States	109,652	107,652	−2,000
Department of the Navy	238,647	237,264	−1,383
Total, including National Military Establishment	560,440	561,871	+5,506, −4,075
Net increase, including National Military Establishment			+1,431

[1] Revised figure.
[2] Established pursuant to Public Law 253 (80th Cong.)

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HICKENLOOPER (for himself and Mr. WILSON):

S. 1820. A bill to confer jurisdiction on the State of Iowa over offenses committed by or against Indians on the Sac and Fox Indian Reservation; to the Committee on the Judiciary.

By Mr. O'MAHONEY (for himself and Mr. ROBERTSON of Wyoming):

S. 1821. A bill authorizing the conveyance of certain lands in Park County, Wyo., to the State of Wyoming; to the Committee on Public Lands.

By Mr. LANGER:

S. 1822. A bill to authorize the Secretary of Agriculture to cancel certain indebtedness in the case of deceased farmers where collection would cause undue hardship to the distributees of such deceased farmer's estate; to the Committee on Agriculture and Forestry.

S. 1823. A bill for the relief of Wilhelm Joseph Zumsteg; to the Committee on the Judiciary.

By Mr. PEPPER:

S. 1824. A bill to amend the Department of Justice Appropriation Act, 1948, by removing a limitation contained therein upon overtime compensation of employees of the Immigration and Naturalization Service; to the Committee on Appropriations.

S. 1825. A bill to provide for judicial review of determinations by the Administrator of Veterans' Affairs as to certain claims for pensions and compensation for disability or death; to the Committee on the Judiciary.

S. 1826. A bill to eliminate the requirement of the so-called pauper's oath by applicants for certain benefits provided by laws administered by the Administrator of Veterans' Affairs, and for other purposes; to the Committee on Labor and Public Welfare.

(Mr. O'MAHONEY introduced Senate Joint Resolution 160, authorizing the compilation and publication of The Freedom Book, which was referred to the Committee on Rules and Administration, and appears under a separate heading.)

COMPILATION AND PUBLICATION OF THE FREEDOM BOOK

Mr. O'MAHONEY. Mr. President, I ask unanimous consent to introduce for appropriate reference a joint resolution. The purpose of this resolution is to make available to the people of the United States, the Members of the Senate and of the House, a compilation and publication entitled "The Freedom Book." There has never been, throughout the history of the country, so complete a compilation of the documents concerned with the history of our Government, and if anyone should doubt—and I doubt that anyone would—the loyalty of the masses of the people of America to the principles of human freedom upon which this Government was founded, that doubt certainly would be dispelled by the attendance which has greeted the Freedom Train throughout the 48 States.

The American Heritage Foundation, which sponsored the train, and the Attorney General of the United States, who also contributed greatly to its journey, are to be congratulated on the work they did.

This joint resolution would make those documents available in a single volume for complete and thorough distribution throughout the United States.

There being no objection, the joint resolution (S. J. Res. 160), authorizing the compilation and publication of The Freedom Book, introduced by Mr. O'MAHONEY, was received, read twice by its title, and referred to the Committee on Rules and Administration.

AMENDMENT OF NATIONAL HOUSING ACT—AMENDMENT

Mr. TOBEY submitted an amendment intended to be proposed by him to the bill (S. 1770) to amend the National Housing Act, as amended; which was ordered to lie on the table and to be printed.

ABRAHAM LINCOLN—COMMENT BY HENRY J. ALLEN

Mr. CAPPER. Mr. President, I send to the desk an article entitled "If Abe Lincoln Lived Today," from the bulletin published by the Friends of the Public Schools. The article contains a comment of Hon. Henry J. Allen, former Governor of Kansas and Senator from Kansas, concerning Abraham Lincoln.

I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IF ABE LINCOLN LIVED TODAY

Former Governor of Kansas Henry J. Allen recently had the following comment to make about Abraham Lincoln, according to the New Mexico Freemason:

"Had Abraham Lincoln been living today: The Rotary Club would supply him with a set of books. The Lions Club with a good reading lamp. The Cosmopolitan Club with writing equipment. The Kiwanis Club with a wooden floor for the cabin. He would have the protection of the child labor law and Government old-age insurance. A kindly philanthropist would send him to college with a scholarship. Incidentally, a case worker would see that his father received a monthly check from the county. The OPA would reduce his rent by 50 percent. He would receive a subsidy for rail splitting; another one for raising some crop he was going to raise anyway, and still another subsidy for not raising a crop he had no intention of raising. Result: There would have been no Abraham Lincoln."

RADIO REPORT TO THE PEOPLE BY SENATOR O'DANIEL

[Mr. O'DANIEL asked and obtained leave to have printed in the RECORD an address by him in the form of a "Report to the people," broadcast on September 4, 1947, which appears in the Appendix.]

APPOINTMENTS TO THE BENCH—EDITORIAL FROM THE AMERICAN BAR ASSOCIATION JOURNAL

[Mr. WILEY asked and obtained leave to have printed in the RECORD an editorial relating to the selection of judges, from the American Bar Association Journal, which appears in the Appendix.]

THE CRISIS IN AMERICA'S AVIATION INDUSTRY—ARTICLE BY ANSEL E. TALBERT

[Mr. MAYBANK asked and obtained leave to have printed in the RECORD an article relating to the crisis in America's aviation industry, by Ansel E. Talbert, from the New York Herald Tribune of November 30, 1947; which appears in the Appendix.]

CALL OF THE ROLL

Mr. WHITE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	O'Daniel
Baldwin	Hickenlooper	O'Mahoney
Ball	Hill	Overton
Barkley	Hoey	Pepper
Brewster	Holland	Reed
Bricker	Ives	Revercomb
Brooks	Jenner	Robertson, Va.
Buck	Johnson, Colo.	Robertson, Wyo.
Bushfield	Johnston, S. C.	Russell
Butler	Kem	Saltonstall
Byrd	Kilgore	Smith
Cain	Langer	Sparkman
Capehart	Lodge	Stennis
Capper	Lucas	Stewart
Chavez	McCarthy	Taft
Connally	McClellan	Taylor
Cooper	McFarland	Thomas, Okla.
Cordon	McGrath	Thomas, Utah
Donnell	McKellar	Thye
Downey	McMahon	Tobey
Ecton	Magnuson	Tydings
Ellender	Malone	Umstead
Ferguson	Martin	Vandenberg
Flanders	Maybank	Watkins
Fulbright	Millikin	Wherry
George	Moore	White
Green	Morse	Wiley
Gurney	Murray	Williams
Hatch	Myers	Wilson
Hawkes	O'Conor	Young

Mr. WHERRY. I announce that the Senator from New Hampshire [Mr. BRIDGES] is unavoidably detained.

The Senator from Idaho [Mr. DWORSHAK] is absent because of a death in his family.

The Senator from California [Mr. KNOWLAND] is necessarily absent.

Mr. LUCAS. I announce that the Senator from Mississippi [Mr. EASTLAND] is absent because of illness in his family.

The Senator from Nevada [Mr. MCCARRAN] is absent on official business.

The Senator from New York [Mr. WAGNER] is necessarily absent.

The PRESIDING OFFICER (Mr. CAIN in the chair). Ninety Senators having answered to their names, a quorum is present.

INTERIM EUROPEAN AID PROGRAM

The Senate resumed the consideration of the bill (S. 1774) to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis.

Mr. VANDENBERG. Mr. President, I want to proceed immediately, if possible, finally to perfect the bill for amendments. I should like to hesitate just long enough to make the following brief preliminary statement:

I express the earnest and prayerful hope that the Senate may now speedily conclude its consideration of this authorization bill.

What we do here involves something more than funds and commodities to keep the peoples and the freedoms of

western Europe alive this winter. It fundamentally involves the maintenance of morale against the forces of disintegration which seek to wreck these objectives.

This morale confronts particularly bitter challenge at the current moment.

Therefore, since I dare to believe that the Senate intends to pass the bill by overwhelming roll-call majority—for better or for worse—I respectfully suggest that, for the sake of western Europe's morale, which is under particularly critical pressure at the moment, we can serve our own objectives best—we can get the most freedom for our money—by acting now with vigor and dispatch.

If we are not going to this particular fire, let us say so and have done with it.

If we are going to this particular fire, let us go before it becomes a conflagration.

In that spirit, Mr. President, having sought, I am sure all Senators will agree, to provide the widest possible latitude for both debate and amendment, I am again urging that we undertake to conclude the measure this afternoon, if possible.

The only amendments on Senators' desks at the moment are those submitted by the able Senator from Missouri [Mr. KEM]. He has four amendments pending. After a careful canvass of them, I think I can say that three of them are without objection. I suggest that we call up those upon which we can agree first, and get them out of the way. Therefore, I will ask the Senator to call up his amendment lettered C.

Mr. KEM. I move immediate consideration of amendment C.

Mr. VANDENBERG. I suggest the clerk report the amendment.

The PRESIDING OFFICER. The clerk will read the amendment.

The LEGISLATIVE CLERK. On page 8, line 11, after the period, it is proposed to insert the following:

All information received pursuant to undertakings provided for by section 6 (d) of this act shall, as soon as may be practicable after the receipt thereof, be reported to the Congress.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Missouri.

Mr. VANDENBERG. I think there is no objection to the amendment.

The amendment was agreed to.

Mr. VANDENBERG. I now ask the Senator to call up his amendment lettered B.

Mr. KEM. I ask immediate consideration, Mr. President, of the amendment lettered B.

The PRESIDING OFFICER. The clerk will read the amendment.

The LEGISLATIVE CLERK. On page 5, line 11, it is proposed to strike out the period and insert in lieu thereof a comma and the following:

And to furnish on March 31, 1948, and each 3 months thereafter, information showing—

(1) an itemized list of commodities made available with funds provided under this act;

(2) the total number of persons who have received commodities or benefits made available under this act;

(3) the total amount of money received by such country from the sale of commodities made available under this act and the average price charged per unit for each commodity;

(4) a detailed statement of the disposition of all money and other things of value received from the sale or transfer of any commodities made available under this act; and

(5) such other information concerning the distribution and use of commodities made available under this act as may be requested by the President.

Mr. VANDENBERG. Mr. President, if the Senator from Missouri will permit me, it seems to me that this is simply spelling out the essential information to which Congress is entitled, and which I should have anticipated Congress would have received anyway; but I have no objection to spelling it out.

Mr. BARKLEY. Mr. President, may I inquire——

Mr. VANDENBERG. If I may continue just a moment, I would merely ask the Senator one question about his amendment, on page 1, in line 3. When he is asking for reports on March 31, 1948, and each 3 months thereafter, inasmuch as the entire legislation will expire on March 31, 1948, what does the Senator have in mind in respect to subsequent reports? Would it not be preferable to eliminate the words "and each 3 months thereafter"?

Mr. KEM. I think perhaps that point is well taken.

Mr. VANDENBERG. I suggest the amendment be changed in that aspect.

Mr. BARKLEY. Mr. President, in that connection, it is obvious that the total number of commodities and the description of the commodities cannot be known on the 31st of March. Those facts would have to be gathered after the last day of the operation of the act, so that it seems to me the information should be furnished on March 31, 1948, "or as soon thereafter as practicable," because the information is presumed to carry to the end of the operation of the law itself.

Mr. VANDENBERG. I think the Senator's point is well taken. With the approval of the Senator from Missouri, I suggest that we substitute for the words "and each 3 months thereafter" the words "or as soon thereafter as practicable."

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment, as modified, was agreed to.

Mr. VANDENBERG. I now ask the Senator from Missouri to call up his amendment lettered D, and, before the clerk reads it, I want to make a statement about it. I have discussed the matter with the Senator, and I think he agrees to the course I am about to suggest. Since his amendment was presented, subsection (h) has already been amended by the amendment submitted by the junior Senator from Michigan. Therefore, the amendment in the particular form submitted does not fit into the language as it now stands. In the first place, since the amended section has already been adopted, I ask unanimous consent for reconsideration of the vote by which the amendment was agreed to.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote will be reconsidered.

Mr. VANDENBERG. I wrote out the amendment, in agreement with the Senator, and I am reading it only because I fear he could not read my writing. What the Senator is undertaking to do is to add the representatives of the press and radio of the United States to those representatives of the United States who shall be given full and free opportunity to make essential observation in connection with the enterprise. He has agreed that this is done by amending the amended section, by adding after the language in parentheses, which describes the various agencies of the Government that are to be admitted, the following language:

And representatives of the press and radio of the United States, upon their request, to enter and freely and fully observe—

That accomplishes the Senator's purpose and preserves the previous Senate amendment.

Mr. KEM. "Observe and report."

Mr. VANDENBERG. Those words are already in the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the amendment submitted by the Senator from Missouri [Mr. KEM].

The amendment to the amendment was agreed to.

The amendment as amended was agreed to, as follows:

(h) to permit representatives of the Government of the United States (including members of the Foreign Relations Committee of the Senate, the Foreign Affairs Committee of the House, the Senate Appropriations Committee, and the House Appropriations Committee, or their authorized representatives) and representatives of the press and radio of the United States, upon their request, to enter and freely and fully observe and report regarding the distribution and utilization of the commodities and funds transferred or otherwise made available under this act, including the special account provided for in subsection (b) of this section.

Mr. HICKENLOOPER. Mr. President, will the Senator from Michigan yield to me so I may ask the Senator from Missouri a question?

Mr. VANDENBERG. I yield.

Mr. HICKENLOOPER. I merely raise this question in connection with the amendment just acted on. Does the amendment contemplate that any representatives of any press organization or radio station in the United States, regardless of its size or regardless of the extent of its representation, will be granted authority to go and observe, upon request of that alleged representative? I am in theory in agreement with what the Senator from Missouri is trying to do, but I could envision a great many abuses on the part of a considerable number of individuals who are alleged representatives of some press group or some organization that is of no particular size, and which has practically no interest in the matter.

Mr. VANDENBERG. Will the Senator from Missouri permit me to answer that question?

Mr. KEM. Yes.

Mr. VANDENBERG. I suggest to the Senator from Iowa that all these subsections are subordinate to the original language in section 6. I refer to the requirements that are to be written into the bilateral agreements. In each instance all these lettered subsections are subordinate to the requirement that these agreements shall be made in such detail as practicable.

Mr. HICKENLOOPER. Well, if the Senator will yield further, I merely suggest that I do not want to cut off adequate and full examination by the press and radio, but I could envision, if the provision were a mandatory one, that perhaps, under certain circumstances, a vast horde of people, who might do nothing but confuse the administration of the act, would ask to be permitted to observe.

Mr. VANDENBERG. I think there is ample latitude provided in the language of the section.

Mr. KEM. Mr. President, I should like to say, in that connection, that so far as I am concerned it seems to me that any representative of press or radio who had sufficient interest in the enterprise to go abroad and make an effort to observe the expenditure of these funds should be permitted to do so. I do not think there ought to be any picking and choosing as to what representatives can go and what representatives can observe. It seems to me that the case is one which calls for pitiless publicity.

Mr. HICKENLOOPER. I merely raised the point based upon experience, Mr. President, if the Senator from Michigan will further permit me. I know there was a substantial number of individuals alleged to be representatives of the press who a year ago this past summer went to the South Pacific to witness the atom bomb test, and it later developed that the connection of many of them with the press was very doubtful indeed, and the legitimacy of their representation could have been questioned. They were mostly there in their individual capacities. I do not mean most of the individuals who were present, but most of the few who came in this category represented themselves as being representatives of the press, and that later became somewhat questionable.

Mr. KEM. I take it that when the Senator says "representatives of the press and radio" he means bona fide representatives of the press and radio.

Mr. VANDENBERG. Yes. Now, Mr. President, I suggest that the Senator from Missouri call up his fourth and last amendment, and that it may be stated.

Mr. KEM. Mr. President, I call up my amendment letered A.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 5, line 8, before the semicolon, it is proposed to insert a comma and the following:

And to supply each consumer or user of each commodity made available under the provisions of this act with information printed in the official language of such country stating:

"This product or commodity is a gift to the Government of ——— by the people of the United States in an effort to prevent suffering by the people of ——— because of hunger, starvation, and cold. Payments made by the people of ——— for this product or commodity will be used for relief and work relief purposes for the people of ——— until June 30, 1948, including certain expenses in the furnishing of this assistance. No repayment will be made by the Government of ——— to the Government or the people of the United States." (The name of such country to be inserted in the blank spaces.)

Mr. VANDENBERG. Mr. President, if the Senator from Missouri will listen to me for just a few moments, I am persuaded that I can prove to him the inadvisability of his amendment, and I think he will be the first to concede the point in the presence of the facts I am about to present.

I completely share the feeling of the able Senator from Missouri that his objective is indispensable. I recognize with him that under UNRRA the distribution of American supplies often became a reproach and an outrage due to the failure to identify the source of the American generosity. That is one of the reasons why we abandoned UNRRA and went into the new post-UNRRA relief program which is now in operation. I have said several times in this debate that the post-UNRRA administration has caught up with most of the mistakes that were made by UNRRA; that we have substantially overtaken those errors and capitalized upon that experience. This is particularly true in the area of action to which the Senator's amendment is addressed. I want to prove that to the Senator, because my point against his amendment is not addressed to its objective; it is that it would be most unfortunate to try to write one formula which becomes a strait-jacket in respect to the method of notification to the beneficiaries of this aid.

I want to show the Senator and the Senate what is being done by way of current publicity, and I think the entire Senate will be very happy to contemplate the results, because it seems to me that a tremendously effective and conclusive job is being done in connection with it. I have available a very high pile of exhibits on this subject. I am content to offer the Senator from Missouri and my colleagues a few typical examples to show what is being done.

In Trieste, for instance, this placard which I exhibit appears at every ration station, and this language at the top, in Italian, says:

Mission of help from United States for Trieste.

This placard appears at every small distribution point. But that is not all. Every ration card has on it precisely the same statement regarding the source of aid from the United States. That is precisely the thing the able Senator from Missouri wants done.

Mr. KEM. Would the Senator be kind enough to read or translate the language appearing on the card?

Mr. VANDENBERG. I do not think it would aid either the Senator from Missouri or the Senator from Michigan if I were to try to read the language or try to translate it.

Mr. KEM. Does the Senator have the translation?

Mr. VANDENBERG. I will tell the Senator what I am told it says. The language on the card is substantially the same language as on the placard. The language on the placard is "Mission of help from United States for Trieste." The language on the ration card is "Assistance from the United States of America."

Mr. KEM. The point I had in mind, if the Senator will bear with me, is that I am interested to know whether it says that it is a free-will gift from the American people for which they do not expect to be paid.

Mr. VANDENBERG. Let me proceed. It does not say that in detail, but it makes the presentation I have indicated. I am told that arrangements have now been completed so that the new ration books being distributed at the present time carry an imprint indicating clearly that all basic supplies distributed under the ration plan are furnished by the United States. In addition, retail outlets are to display signs attesting to the same fact. The trucks carrying United States relief supplies from point to point are marked with small signs indicating that the supplies are a part of United States shipments. The Senator will agree with me that this is great progress in the direction in which he seeks to proceed.

Let me give another exhibit. We heard the other day, and we have heard many times, about the Russian wheat ship, the one lone Russian wheat ship which arrived in Marseilles and was greeted with great publicity, and that despite the fact that American shipments had been received without any identification whatever. That was the old UNRRA procedure. I want to show how the system operates now.

Mr. REVERCOMB. Mr. President, will the Senator yield at that point?

Mr. VANDENBERG. I yield.

Mr. REVERCOMB. The Russian wheat ship, to which the able Senator refers, did not carry a gift of wheat from Russia to France, did it?

Mr. VANDENBERG. No, indeed.

Mr. REVERCOMB. It was a sale.

Mr. VANDENBERG. Yes.

Mr. REVERCOMB. Under a plan for the purchase of Russian wheat, and under an arrangement with the French Government.

Mr. VANDENBERG. That is true.

Mr. REVERCOMB. It was quite a different arrangement from that proposed in connection with the pending bill.

Mr. VANDENBERG. Yes. We went over the subject in the Senator's absence, and the facts are as indicated.

Mr. REVERCOMB. The Senator understands that my absence was necessary, as explained at the time.

Mr. VANDENBERG. I am sure that the Senator's absence would always be necessary.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. YOUNG. Does the Senator have information as to how the program is being carried on in Greece?

Mr. VANDENBERG. I will come to that subject in a moment, if the Senator will bear with me while I proceed with a few of these exhibits.

Mr. YOUNG. My information is that a very poor job was being done of explaining to the people of Greece that the food and other materials were coming as a gift. However, I understand that a better job was being done in other places.

Mr. VANDENBERG. Referring to another exhibit about which we have heard so much, I totally agree with the Senator from West Virginia that it was sheer camouflage in respect to the story it presumed to tell, because it was not relief at all. It was a barter job. But the point was made that whenever anything came from Russia, it was greatly underscored, and that when anything came from America the source was ignored. I am saying again that this unfortunate practice has been overtaken.

I have before me a picture of the ceremony when the first relief coal reached Italy. Instead of the sordid thing that heretofore has occurred, without any identification whatever of American generosity, in this instance the ship was greeted by the American ambassador, Hon. James Clement Dunn, and by Count Sforza, the foreign minister of Italy. I have here a picture which shows the American Ambassador presenting the first piece of coal from the ship to the Italian Foreign Minister. The entire ceremony was in the newsreels throughout Italy, and was on the Italian radio. That represents the difference between what goes on now and what went on before.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. TYDINGS. I should like to tell the Senator what he probably already knows, that same procedure was carried out in several Italian port towns. The same procedure was followed in order to publicize America's gift to the Italian people.

While I am on my feet I should like to say that I believe that Mr. Dunn, our Ambassador in Italy, has done the best job of any of our foreign representatives in publicizing to the recipient people the methods and the generosity of the American people toward those stricken countries.

Mr. VANDENBERG. I thank the Senator. I think his compliment to Ambassador Dunn is justified.

In respect to radio broadcasts in Italy, the arrival of all relief ships, and particularly the distribution of streptomycin and the project for supplementary feeding of children in schools and kindergartens, have been covered in detail by radio throughout the operation. The newsreels, as the Senator from Maryland indicates, have covered the arrival of all relief ships. The intention is to cover the arrival of the one hundredth relief ship with a proper ceremony. But meanwhile all the arrivals of relief ships are being noted on the Italian radio, in the Italian newsreels, and in the Italian press.

So far as labeling is concerned, necessary arrangements have been made, for example, so that the cases of evaporated milk earmarked for free distribution shall be marked with this label:

> This is a gift from the American people to the Italian people.

This is similar to the label used on cases of soap which were also being distributed free.

This is an interesting point which bears upon the Senator's point of view: Arrangements have been made for publicity to appear on monthly gas bills. The National Association of Gas Industrialists has complied with the request that a notice be introduced in all gas receipts. Therefore, as of October 1947, on all receipts there is printed or stamped the following:

> The gas which you are using is produced from coal donated by the United States to Italy. The coal is sold and the proceeds are expended for Italian aid.

With the afore-mentioned association are affiliated three-quarters of the Italian gas concerns, issuing about 1,400,000 receipts a month to an equal number of consumers.

I could go on indefinitely with these exhibits, but I respectfully submit that I have said enough to indicate the sharp revolution in methods of publicity which has occurred as the result of the reorganization of the relief program.

This is a very interesting exhibit: A Gallup poll was taken in the American zone of Vienna. The question was, "What percent of the food being used by the Austrians do you think is furnished by the Americans?" The correct answer was between 45 and 50 percent on the basis of calories, but the answers showed that 1,245 out of 1,362 persons sampled in the typical Gallup cross-section method thought we were furnishing more of the goods than we actually were, which would indicate that there is no breakdown at that point in our publicity.

Mr. President, the Senator from North Dakota [Mr. YOUNG] spoke of Greece. I have no direct testimony in connection with Greece, because Greece is not involved in the bill. I was dealing at the moment with the subject in hand. However, I have before me an album of pictures showing the ceremonies of blessing of the first food shipments to arrive in Greece under the United States foreign relief program for 1947. The pictures show that these ceremonies occurred at every port whenever the relief supplies arrived. Whether or not the program in Greece has gone to any such extent, in respect to publicity, as it has in Italy, Austria, and Trieste, I am not able to say, but I shall be glad to show this exhibit to the Senator for whatever it is worth.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. YOUNG. While in Greece the Appropriations Committee, of which I am a member, had a long discussion with our officials. The subordinates of Governor Griswold contended that it was not possible to label goods in the manner in which other countries were doing it. They were labeling them as gifts. After a long discussion and a hot argument with Governor Griswold's staff, they agreed to follow this program. As to why they did not do it before I do not know. I do not think there was any excuse for not doing so. I believe that it is highly important to label everything as a gift from the United States. The Communists say, "The United States is furnishing the goods, but they are charging too high prices." I think it is highly important to get the truth down to the consumers, the poor people who do not have access to a great deal of news.

Mr. VANDENBERG. I do not believe that any Member of the Senate disagrees with the able Senator from North Dakota. I reassert that the objective of the bill, under the language already in it, is to approach that ideal in every practical degree. The exhibits which I have been submitting are simply for the purpose of sustaining my belief that we are making tremendous practical progress in this direction.

I want very briefly to state why I think it would be unfortunate to proceed in the fashion indicated by the amendment submitted by the Senator from Missouri, and I am hopeful that he will agree with me that those who are administering this program have demonstrated their right to our confidence in undertaking to achieve the results which he would seek.

The amendment submitted by the Senator from Missouri would require definite and specific language to be used in respect to all the notifications. I respectfully submit that it is not advisable to undertake to write one formula to be covered in respect to all these gifts. I will make that point further plain by pointing to the latter part of the Senator's amendment in which he would have the standard notices read as follows:

> Payments made by the people of _____ for this product or commodity will be used for relief and work-relief purposes for the people of _____ until June 30, 1948—

In the first place, the date is wrong, because the proposed act will expire March 31, 1948—

> including certain expenses in the furnishing of this assistance.

Under the plan which is now contemplated, the trust funds which are accumulated as the result of the deposit of local currencies we hope are going to be used in a number of fashions which the Senator has not identified. It is the hope that the funds can be used for local publicity purposes in local radio and news avenues, which would achieve in emphasized fashion the precise result which the Senator wants accomplished; and yet, under the language of the notice as he would have it written, we would be precluded from exploring that area or moving in that direction.

Furthermore, Mr. President, I do not think it is practical, in a complex publicity problem of this nature, for Congress to try to say in one formula what the language should be in respect to notification of our generosity, or of the fact that the United States is the source of the supplies.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from Texas.

Mr. CONNALLY. Does not the Senator from Michigan and, I hope, the Senator from Missouri, realize that it would be better psychology for us not to undertake to make that personal contact? Let it be accomplished either through agreements we make with the recipients, or through the French, or whatever other agency is distributing relief. It would have a much better effect coming from those sources than it would coming from us, because otherwise it would appear we were impressing it upon them from our standpoint.

Mr. VANDENBERG. I think the Senator from Texas is wholly correct. I think it is possible to overdo this business of forcing upon the beneficiaries of our grace a too personal and direct acknowledgement of the fact. I think we may rob the gift of much of its ultimate advantage.

Furthermore, I make this point to my friend from Missouri, that if it is desired to be more specific in connection with the general requirement of the law for a publicity program, the place to do it is in the bilateral agreement between the beneficiary government and the Government of the United States, in the face of what seems to me to be a very practical difficulty in doing precisely what the Senate proposes. In view of the demonstration I have given the Senate that the administrative forces of the Relief Act are making tremendous progress in the direction of achieving the result which the able Senator from Missouri seeks, I wonder if he would not be content to accept a batting average of 750 percent out of 1,000 this afternoon, and leave the development of this idea to the bilateral agreements that shall be written.

Mr. REVERCOMB. Mr. President, will the Senator yield for a moment?

Mr. VANDENBERG. I yield.

Mr. REVERCOMB. Before the able Senator persuades the Senator from Missouri, I should like to put a question. The Senator has said with some force that there should not be merely a statement prescribed in the bill. Let me ask the able Senator if there is any provision that requires placing a printed statement upon any package of relief goods sent to other countries, that is, requires it to be stated in some language.

Mr. VANDENBERG. I will read section 8 of the bill to the Senator:

SEC. 8. All commodities made available pursuant to this act or the containers of such commodities shall, to the extent practicable, be marked, stamped, branded, or labeled in a conspicuous place as legibly, indelibly, and permanently as the nature of such commodities or containers will permit, in such manner as to indicate to the people of the country of destination that such commodities have been furnished or made available by the United States.

Mr. REVERCOMB. Let me say to the able Senator that I recall a very recent meeting in London where that very question was raised, that of the billions of dollars that have been sent into Europe for relief there was a sad lack of understanding on the part of the people who received the relief that it came from this country. Thereupon someone said that the Congress had been at great fault in cutting appropriations to broadcast messages abroad. I feel that we do not want to take a step here which will lead us into such a situation that someone may say that we must appropriate more money for foreign broadcasts. We should do all we can to convey to the recipients of these gifts the knowledge that they are the gifts of this country in order to help to feed them. I think any measure we can take to impress that upon them, even though we have to specify it in the bill, is in keeping with what is wanted by the Senator from Michigan, as well as many other Senators. So anything we can add to the bill that will definitely carry through the idea of conveying the facts to the people who receive the goods would be a good addition to the bill.

Mr. VANDENBERG. I welcome the Senator's statement. I agree entirely with his objective. I simply reiterate—and with this I am through—that I think to attempt to write one standard publicity formula into the bill, particularly in the language indicated, which certainly is inadequate to the situation, would not be to encourage the result sought by the able Senator from West Virginia, but would be distinctly to curtail it, because, under the language of the amendment as proposed, the local trust funds could not be used for publicity purposes. An effort will be made to work something out with respect to local newspapers and the local radio in that aspect of the matter.

Mr. REVERCOMB. Mr. President, will the Senator yield further?

Mr. VANDENBERG. I yield.

Mr. REVERCOMB. How does the amendment of the Senator from Missouri exclude in any way the use of other means to convey the same information to the recipients?

Mr. VANDENBERG. Because it undertakes to say to each recipient that the payment made will be used for relief and certain relief purposes, including certain expenses in the furnishing of the assistance That would mean exclusively the administration of relief.

I am merely indicating the possibility of the Senate of the United States—and I say it with the greatest respect—having wit enough to anticipate all the various circumstances that will be involved in connection with the necessity of obtaining adequate publicity. I do not think we can anticipate the subject sufficiently to say, "This is the way you must do it." I fail to see the necessity of the provision in view of the fact that we have clear evidence of the thoroughly explained and often ingenious progress which is being made in connection with the present administration of relief.

Mr. REVERCOMB. That is the very question which has been raised here, that in the past, whatever may happen now, judging from the exhibits offered by the able Senator from Michigan, we have heard time and time again that it is advisable to make known to the recipients the fact that the gifts have come from this country. That is the reason why I endorse any step that will help convey to them the true fact that the goods are coming from this country.

Mr. CORDON. Mr. President——

Mr. VANDENBERG. I yield to the Senator from Oregon.

Mr. CORDON. Mr. President, I am one of those who believe that we have utterly failed in our attempts to let the people of Europe know that the relief we have been furnishing to them has come to them without charge so far as the people of the United States or the Government of the United States is concerned. They do not know it. In Austria a plan much like that indicated or outlined in the amendment now being considered by the Senate has been followed—and successfully so, according to such information as we were able to gain during the short time we were in that country. The bill without any such amendment does not require, anywhere in it, so far as I have been able to determine, that any information be given to anyone that the commodity or product furnished by the United States is furnished without charge. In the bill two provisions on that subject appear, the one read by the distinguished Senator from Michigan being section 8, on page 6. I shall advert to it first. That section provides that—

SEC. 8. All commodities made available pursuant to this act or the containers of such commodities shall, to the extent practicable, be marked, stamped, branded, or labeled in a conspicuous place as legibly, indelibly, and permanently as the nature of such commodities or containers will permit, in such manner as to indicate to the people of the country of destination that such commodities have been furnished or made available by the United States.

I wish to call particular attention to the closing word of the section, namely, "have been furnished or made available by the United States."

Mr. President, we recall that in the debate on the pending bill the statement was made, and correctly so, that Argentina had furnished wheat to some of the countries of Europe at $5 a bushel. Last year Russia furnished a shipload of wheat—approximately 400 tons of wheat—to France, and it was received with fanfare and with the waving of flags, but France paid for it at the going American price, in American dollars. How, then, will the ordinary, garden variety of person understand that there is any difference, so far as the wheat or the bread that is made from it is concerned, as between wheat which comes from the United States free, as a gift, and wheat which comes from Argentina at $5 a bushel, and wheat that is sent from Russia and is paid for at the American rate?

Mr. President, if the bill can be properly amended so as to accomplish that purpose without the inclusion of specific language such as that suggested by the distinguished Senator from Missouri, I should prefer that that be done. I should like to have the language as general as possible. But if there be added to section 8, which I have just read, words indicating that the commodity furnished or made available by the United States was thus furnished or made available without charge by the

United States, such a provision would be adequate. However, no such provision is presently contained in the bill.

Again, on page 5, in subsection (c) of section 6, there is a requirement of the country receiving such aid—

(c) to give full and continuous publicity within such country, so as to inform the ultimate consumers, as to the purpose, source, character, and amounts of commodities made available by the United States under this act.

Unless we read into the word "purpose" a statement that the commodities are made available without charge, again there will be no requirement that any notice be given that this wheat or petroleum or other commodities are given to that country by the United States as a gift. I think that is the essential information which everyone wants all persons in those countries to have, if it can be given to them.

Therefore, Mr. President, I suggest that we amend section 8 so as to make it require that the stamp put on the commodities shall carry, in addition to the information that the commodities have been furnished or made available by the United States, the further information that they have been made available as a gift or without charge. Either term would be adequate. Something of that sort should be included.

Mr. BARKLEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. YOUNG in the chair). Does the Senator from Michigan yield to the Senator from Kentucky?

Mr. VANDENBERG. I yield.

Mr. BARKLEY. In that connection, Mr. President, it should be stated that in the hearings and during the committee's consideration at least a hope was held out that we might obtain some strategic materials of which we are short, as part compensation for the amount of money we are making available.

We might brush off that hope, and simply say that we are not going to get anything, however small the amount might be, in the way of strategic materials needed by the United States; but still there has been lingering in the minds of most of those of us who worked on this bill in the committee the possibility that we might get something in the way of strategic materials which we need in this country and which we do not produce, in return for this gift or the availability of these funds.

If we include in the bill an amendment in the language of that suggested by the Senator from Missouri or in the language which has been suggested by the Senator from Oregon, we completely liquidate any hope of getting anything either by way of strategic materials or in any other way. Perhaps we shall not get anything, anyhow; but one of the reasons why the committee did not include a provision to the effect that the commodities furnished be labeled as an outright gift, so as to close all possibility of reimbursement in any form, was the hope that in this way there might be some possibility of recovery in part by way of obtaining the strategic materials we need.

Mr. VANDENBERG. Mr. President, what the Senator has been saying underscores the idea that we were leaving broadly to the terms of these bilateral agreements the uses to which these accumulated currency funds could be put, and we were leaving it liquid because we are not as yet able completely to anticipate the possibilities. I am not at all sure that anything can be done in the way of acquiring strategic materials, under the short-range plan.

Mr. BARKLEY. Possibly not.

Mr. VANDENBERG. I think that comes under the long-range plan.

Mr. BARKLEY. That may be, but in our minds it was not completely eliminated as a possibility under the short-range plan.

Mr. VANDENBERG. I say to the Senator from Oregon that I should like to change this language so as to meet his point of view substantially, but in attempting to do so I found myself facing this situation: Suppose we were to say in line 23 that "such commodities have been furnished without charge by the United States."

And suppose we did charge the cost of local administration to the fund containing the local currency. Would the Senator think we were still entitled to say that the commodities were furnished without charge by the United States?

Mr. CORDON. Mr. President, it occurred to me that if the United States does not receive payment for the commodities, they are furnished free of charge, so far as the mechanics of furnishing them are concerned. They have purchased the materials.

Mr. VANDENBERG. If that is so. I do not know whether it is so or not.

Mr. CORDON. That is merely one man's judgment, Mr. President. It may not be so.

Mr. VANDENBERG. I think an argument can be made in behalf of the Senator's point of view. If that point of view is valid I should have no objection, as far as I am personally concerned—and I ask the Senator from Missouri to follow this—to changing the language on page 6, in line 17, so as to read:

All commodities not furnished on terms of repayment in dollars.

Because we have to make one exception at the point where it is entirely possible, for instance, that cotton will be reimbursable, it is necessary to have the saving clause at that point, so it would then read:

All commodities which are not furnished on terms of repayment in dollars, made available pursuant to this act——

And so forth. Then, in line 23:

That such commodities have been furnished without charge or made available by the United States.

Mr. CORDON. Will it not be better, Mr. President, to say, "have been furnished or made available without charge by the United States"?

Mr. BARKLEY rose.

Mr. VANDENBERG. What does the Senator from Kentucky think?

Mr. BARKLEY. I do not think the chance of getting any strategic materials in this short period is great enough to cause us to worry very much about the language of this particular bill, so I should have no objection to that amendment, so far as I am concerned personally.

Mr. VANDENBERG. May I ask the Senator from Missouri if we might not agree on that as a happy settlement of this situation?

Mr. KEM. If I may make a suggestion to the Senator from Michigan, it is that in addition to the language he has used there be added "by the people of the United States, in an effort to prevent suffering by the people of 'blank' because of hunger, starvation, and cold." In other words, it seems to me we should bring home to the recipient of our gift the fact that it is a free-will gift, in a humanitarian sense, that it is made with the purpose of relieving actual want on the part of the people.

Mr. VANDENBERG. Will the Senator repeat his language?

Mr. KEM. The language is in the amendment.

Mr. VANDENBERG. "Made available without charge"——

Mr. KEM. "By the people of the United States, in an effort to prevent suffering by the people of 'blank' because of hunger, starvation, and cold."

Mr. VANDENBERG. We can leave out "by the people of 'blank'." That is a rather difficult legislative procedure.

Mr. KEM. "In order to prevent suffering because of hunger, starvation, and cold."

Mr. VANDENBERG. I would have no objection to that, if we could settle on that basis.

Mr. KEM. I should be glad to accept that language.

Mr. FERGUSON rose.

Mr. VANDENBERG. Did the junior Senator from Michigan want to say something?

Mr. FERGUSON. I merely desired to ask a question. I wanted to know whether or not the bill specifically provided that the President, in the agreements with recipient countries, could at his option either give the relief or make a loan, as he might desire. Is that clear in the bill?

Mr. VANDENBERG. Oh, no; there is no option at all. Every commodity shipped under the bill will be covered by a deposit of local currency. That is the standard procedure covering the entire operation, unless the commodity has been furnished on terms of repayment in dollars.

Mr. FERGUSON. Then how can we say that it is a gift?

Mr. VANDENBERG. Because it is a gift in fact, inasmuch as it is required that the local currency fund shall be used for the benefit of the beneficiary country. The only point at which I reserve a doubt on the subject—and I call this to the attention of the Senator from Oregon—is that we have textually permitted Congress to pass upon what is done with the unencumbered balance of the local currency fund at the end of the enterprise. Would that, in the Senator's judgment, affect the language we are now attempting to perfect?

Mr. CORDON. Mr. President, I cannot express an opinion on that at the moment, because there has been an amendment, which I do not have before me, of the portion of the text adverted to by the Senator from Michigan. The wording of the bill has been amended, and I should have to see the amendment before I could express any opinion.

Mr. VANDENBERG. Let us leave it this way: Let us write this language into the bill, and there will be an opportunity to survey it both in the House and in conference, and we shall at least have this target at which to shoot.

Mr. FULBRIGHT. Mr. President——

Mr. VANDENBERG. I yield to the Senator.

Mr. FULBRIGHT. Will the Senator repeat the last suggestion? I did not quite get it.

Mr. VANDENBERG. I am now moving, Mr. President, that on page 6, line 17, after the word "commodities", there be inserted the following words: "when such commodities are not furnished on terms of repayment in dollars."

I am moving to amend, on line 24, by inserting, after "available", the words "without charge," and, after "United States" by adding the words "in an effort to prevent suffering because of hunger, starvation, and cold."

Mr. KEM. Would the Senator from Michigan not agree also to use the word "gift"? It seems to me that is the very essence of the transaction—without charge, and as a gift. I hesitate to make any further suggestion as to the verbiage.

Mr. VANDENBERG. I hesitate to use the word "gift," because of the danger of misunderstandings due to the application of the system of local currency repayments.

Mr. KEM. If the Senator would permit me to say so, it seems to me that is the very vice of past transactions; there had been a misunderstanding. The recipients have regarded the things they have received as loans, and we have considered them as gifts. It seems to me we ought to get right down to brass tacks and let the commodities go out with the compliments of the donors as free-will gifts, free-will offerings on the part of the people of the United States.

Mr. VANDENBERG. What the Senator wants to do is to change the proposed words "without charge" to the words "as a gift"?

Mr. KEM. I would add, after "without charge," the words "and as a gift."

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. CONNALLY. I hope the Senator from Missouri will not insist on that. I do not think we ought to humiliate the recipients of the gifts more than is necessary When we say "without charge," that implies that it is a gift, so why add the word "gift"? It would simply accentuate our supposed generosity to the people who are in want. I think that would be unfortunate. The bill says "without charge." The Senator would add "and as a gift," thereby making a double statement of the fact. When it is said that it is given "without charge," that certainly ought to satisfy anybody, it seems to me.

Mr. FULBRIGHT and Mr. DONNELL addressed the Chair.

Mr. VANDENBERG. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I feel as the Senator from Texas suggests he does. I suggest further that the addition of the words "to relieve hunger, starvation, and cold" is, at least from my point of view, not altogether accurate. I am frank to say that my motive in supporting the measure is not purely humanitarian, in that I think we have a very distinct self interest. I think it is an enlightened self interest on the part of this country. I cannot believe that we are doing this solely and purely as the result of a humanitarian impulse. I do not think that those words, at least so far as I am concerned, really represent the facts in the case. I shall support the bill partly, certainly, because I think it will create a condition that will give this country an opportunity to save itself in the long run, and to create conditions that will make possible the maintenance of free governments in western Europe. I do not subscribe to the idea that either the pending measure or the proposed long-term program is solely for the relief of misery, as a personal matter, on the part of the people in Europe. I think we in this country have a very great personal interest in preserving free governments in Europe. I think the proposed addition goes entirely too far and that the words "without charge" are factual, up to that point. To go beyond those words would be getting into the realm of motives which we may have in passing the legislation; and I, for one, do not agree that that is a correct statement of our motives.

Mr. VANDENBERG. Mr. President, I cannot satisfy all Senators.

Mr. KEM. I should like to say to the Senator from Michigan——

Mr. DONNELL rose.

Mr. VANDENBERG. I am further intimidated at the moment by the Senator's colleague arising to speak.

Mr. DONNELL. This will not be a matter of intimidation.

Mr. VANDENBERG. I yield to the senior Senator from Missouri.

Mr. DONNELL. Mr. President, this is a very minor matter, but I think it should be covered. The language which has been suggested by the senior Senator from Michigan to be inserted on line 17 reads: "when such commodities are not furnished on terms of repayment in dollars." Due to the fact that the next succeeding words are "made available pursuant to this act," unless the punctuation is rather carefully watched, it might be misunderstood as to what the "made available" refers to, whether it is to the dollars or to the commodities. I therefore suggest that, immediately after the word "commodities," there be inserted a comma, and immediately after the word "dollars" a comma, so as to read: "all commodities, when such commodities are not furnished on terms of repayment in dollars, made available," and so forth.

Mr. VANDENBERG. I agree to the commas. I think I am prepared to have a vote on the amendment as we discussed it and agreed to it with the Senator from Missouri, with the understanding that this subject will have to be open to further inquiry, both in respect to the House consideration and in respect to conference, because I am not clear exactly where we have left ourselves, but I should like to vote on the amendment.

Mr. GEORGE. Mr. President, before the vote is taken, I wish to make a statement. Having raised objection to the emasculation of the section in the bill to which I originally agreed last week, I should like to make my own position perfectly plain. I can be as liberal in giving away the taxpayers' moneys to peoples of foreign states and to people at home as anybody, but I cannot for the life of me see why it is necessary continuously to emphasize and reemphasize the fact that this is an absolute gift. Part of it is for materials which have for 2,000 years been able to liquidate themselves when they have been provided to any people who were willing to work; part of it is for fertilizer; part of it is for cotton—a considerable proportion of it is for cotton. As soon as the cotton is landed in France or in Italy, the mills of France and Italy will pay American dollars, or the equivalent of those dollars, for that raw material, and it will not hurt the French people or the Italian people.

I know very well that very nearly all the money proposed to be appropriated is going into consumer goods, goods that are used up, and for them we will not be repaid. I understand that. Everybody understands that. In the first place, I have no desire to humiliate the French people and the Italian people by overemphasizing that fact.

Secondly, I do not believe it to be a sound public policy to be giving away the money of the taxpayers. That money is the money of the American man and woman who has labored to make the product and to pay the tax which pays for it.

What answer are we going to make, for example only, to the GI's when they find themselves the owners of worthless homes purchased under the GI bill, and alleged to be worth several billion dollars? What answer are we going to make to them when they say, "You gave to Europe and yet you will insist upon a loan to us"?

I have not insisted, with respect to any of the consumer goods, anything that is to be used up by any of the people in Austria or Italy or France, that anybody should say anything to them about repaying us for those consumer goods. But when it comes to a staple article like cotton, which is worth a gold dollar anywhere and everywhere in the world, I cannot see why the Congress of the United States wants to overemphasize its generosity and insist that it is giving away that product.

Mr. VANDENBERG. Mr. President, will the Senator yield to me?

Mr. GEORGE. I yield.

Mr. VANDENBERG. I completely agree with the Senator's point of view, and all I am undertaking to do is to make this language fit what will be the fact. The Senator, I hope, has in mind that I also added an amendment exempting from this section any goods furnished on

terms of repayment in dollars, which is the language the able Senator from Georgia proposed the other day, and which I certainly think should be in the section.

Mr. GEORGE. I thank the Senator.

Mr. President, I am for the bill. I have been for it without paring it down, because I have felt that the Senate Foreign Relations Committee went far enough in its inquiry to ascertain that officials of our Government had already pared down the request of the French and of the Italians and of the Austrians to a point where we could assuredly go along with the program. I am for it. I am for it for a great many reasons. But I wanted the RECORD to show my own position on this particular matter.

While I am on my feet, with the indulgence of the chairman of the Foreign Relations Committee, I want to say that I express the hope that preoccupation with Europe will not give the erroneous impression to our neighbors in the Western Hemisphere, both to the north of us and to the south of us, that we are not likewise interested in their problems. Fortunately no great monetary outlay would be required to aid the people of the Western Hemisphere, either our Canadian neighbors or the Latin-Americans to the south of us. Fortunately also the Export-Import bank has done, on the whole, I think, a very highly constructive job in extending its credits in this hemisphere. But I do hope that we shall make it plain that our present preoccupation at the moment with European concerns does not indicate to our friends in the Western Hemisphere that we are not likewise profoundly interested in their economic recovery and welfare.

Mr. VANDENBERG. Mr. President, I want completely to agree with what the Senator from Georgia has said about pan-America, and as an evidence I should like to say to him that I have suggested to the President with some urgency that he send us immediately the Rio Treaty which, I think, is the finest thing that was ever done to make western hemispherical solidarity dynamic. I have urged that it be sent down so that on some afternoon when the Senate has a few free moments we can take it up and ratify it, because I am sure it is of such tremendous advantage to the American concept of solidarity and western hemispherical life, that it would be greatly useful to complete that chapter before we go to Bogotá in January to take up specifically the next economic task of which the Senator from Georgia speaks.

Mr. GEORGE. I thank the distinguished Senator from Michigan for the statement that he has taken up the matter of the treaty with the Chief Executive.

Mr. HAWKES. Mr. President, will the Senator yield to me?

Mr. VANDENBERG. I yield.

Mr. HAWKES. I think what the distinguished Senator from Georgia has just said is very important, but I should like to add one more thing to what he just said. I do hope that the Latin-American countries to the south of us and Canada to the north of us will not think that our preoccupation with Europe keeps us from thinking about our problems of relationship with them. I should like to have the American people think, and, Mr. President, I believe they are thinking very seriously right now, on the subject of whether Congress is thinking about what is going to happen to the American people when we get through with all the things which are now proposed to be done by us. I merely wish to leave that thought in the minds of Senators now.

I believe I thoroughly understand how hard the distinguished Senator from Michigan has worked, and I have a wholesome respect for the work he has put in on this very important subject, but I want to say to all Senators that in all the letters I have received during the last 3 days dealing with this subject, the writers have expressed concern over the fact that what is now proposed to be done is not known as a gift. Last evening I met some very distinguished people, who said they were dumbfounded that this thing is not known as a gift. One very distinguished gentleman who has rendered great service in the armed forces said to me, "I thought we wanted the people of the world to know what we are doing, and not merely the rulers to know it." That is something to think over.

I am very heartily in favor of the amendment offered by the distinguished Senator from Missouri. I cannot see that it offends anybody to let the world know that we are making a gift, and that we are doing it from the heart, to relieve starvation and misery and suffering in the world.

Mr. LODGE. Mr. President, will the Senator from Michigan yield to me?

Mr. VANDENBERG. I yield.

Mr. LODGE. Does not the Senator from New Jersey think that it will be much more conducive to self-respect and good feeling if people who can afford to pay for what they receive do pay for it?

Mr. HAWKES. Of course I do. But I want the people of the countries to which the products are sent to know that the United States is making this gift. I want them to know there is no charge for it.

Mr. LODGE. Why should we not charge those who can pay?

Mr. HAWKES. Will the Senator permit me to finish?

Mr. LODGE. Yes.

Mr. HAWKES. I want them to know that we are doing what we are doing because we want to help them get on their feet. I do not want their rulers to tell them the story. I want the United States to make the fact known, so there will be no misunderstanding where the United States stands in this dark hour in the history of the world.

Mr. LODGE. Mr. President, will the Senator from Michigan yield further?

Mr. VANDENBERG. I yield.

Mr. LODGE. I quite agree that the people of the countries involved ought to know the fact with respect to where the aid is coming from, but for the life of me I do not see why there should not be a charge on those who can afford to pay.

Mr. HAWKES. I think we are talking about two entirely different things. I am thoroughly in accord with what the Senator from Michigan has said on the subject he is talking about. I am talking about another thing, and the American people know what I am talking about.

Mr. LODGE. Mr. President, it seems to me that when we come to the long-range Marshall plan, so-called, there ought to be just exactly as much mutuality in that plan as we can get, and that the recipient countries ought to put up everything they can possibly put up in exchange for what we do for them. I think it would be a fairer thing for the American people, and it is a much better thing from the standpoint of self-respect and good will abroad.

Mr. HAWKES. I think we are talking about two different things entirely. I think the American people have been dissatisfied with the way we have given away and frittered away some seventeen or eighteen billion dollars.

The distinguished Senator from Michigan answered a Senator the other day by saying that he had hoped that the mistakes of the past had been eliminated, and that the present aid program would be administered with some sanity and intelligence. I hope so, too, but I do not know on what I base my hope.

Mr. LODGE. I understood the able Senator from New Jersey to say that his constituents were objecting because we were giving away the food and other things proposed to be sent to them.

Mr. HAWKES. No, Mr. President; my constituents objected because it was not known as a gift. In my opinion, unless and until the people of the world, instead of merely a few rulers, know what is being done, we are not going to get the great coveted goal of peace. I have been in Europe a great many times over a great many years, and I know that the people in Europe do not know anything except what their governments want them to know. That is what I am talking about. I want them to know that we are interested in helping them get on their feet. Under present conditions of starvation, misery, and suffering, I want them to know that we are their friends. I want them to know that we are not warmongers. I want them to know that we are trying to make a contribution to peace and friendship in the world.

Mr. LODGE. I agree with every word of that statement.

Mr. VANDENBERG. Mr. President, let us not become bogged down in the discussion of the word "gift." The Senator from Massachusetts is entirely correct. These commodities are to be sold for local currency, except where the indigent must be fed by the government; but even at that point the local government must deposit the local currency. It becomes a gift, however, in final net result, because the local currencies are trusteed for the benefit of the beneficiary countries, except in those instances in which administrative expenses and other items are involved.

Mr. HAWKES. Mr. President, will the Senator yield for just a moment?

Mr. VANDENBERG. I yield.

Mr. HAWKES. I do not want the Senator from Michigan to think that I do not know what he has been saying. I talked with him the other day, and I

think I understand the thing perfectly. I am talking about this relief being a gift so far as the United States of America is concerned. We shall not get the things back.

Mr. VANDENBERG. That is substantially true.

Mr. KEM. Mr. President, since there seems to be considerable objection by certain Senators to the use of the word "gift," I shall be glad to withdraw that suggestion and accept the Senator's language. For my part I do not see any reason why we should not call a spade a spade; but if there is an indisposition to do so in some quarters, I shall be glad to withdraw the suggestion.

Mr. VANDENBERG. If the Senator is willing to do so, I think it would improve the amendment. Therefore, with that elimination, may the amendment be submitted for a vote?

The PRESIDING OFFICER Does the Senator from Missouri withdraw his amendment?

Mr. KEM. No.

Mr. VANDENBERG. The Senator withdraws his original amendment in order to vote on the amendment which I have suggested.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. VANDENBERG].

Mr. WHERRY. Mr. President, may the amendment be stated?

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 6, line 17, after the word "commodities", it is proposed to insert "when such commodities are not furnished on terms of repayment in dollars"; in line 24, after the word "available", it is proposed to insert "without charge"; and at the end of line 24, it is proposed to strike out the comma and insert "in an effort to prevent suffering because of hunger, starvation, and cold."

Mr. HOLLAND. Mr. President, I should like to ask the Senator from Michigan a question.

I have been unable to follow closely the amendments to the bill. On page 1, line 10, we find the words "and prevent serious economic retrogression." Those words are in the original text of the bill. Are they still in the bill?

Mr. VANDENBERG. Yes.

Mr. HOLLAND. If that be the case, may I ask the distinguished Senator if it is not true that the insertion of the last part of the proposed amendment, which purports to limit our purpose to the relief of cold, hunger, and starvation, negatives the inclusion of this earlier term and conflicts with it? It seems to me rather clear that it would, and it seems to me that the amendment would not allow for the fact that under the provisions of the bill, according to the report, the bill is clearly designed to furnish such materials as fertilizer and other agricultural equipment—whatever that may mean—pesticides, fibers, and various other things which certainly do not pertain to the immediate relief of cold, hunger, and starvation, but instead relate to the prevention of serious economic retrogression during the 3-month period.

Mr. VANDENBERG. I think the Senator has a point. Would the Senator from Missouri object to adding that phrase? I think it is necessary in order to make the bill harmonious.

Mr. KEM. Will the Senator repeat the phrase?

Mr. VANDENBERG. The Senator from Missouri has used only a portion of the phrase appearing in line 10 on page 1 of the bill. Adding that phrase to the amendment would make the amendment read "in an effort to prevent suffering because of hunger, starvation, and cold, and prevent serious economic retrogression."

Mr. President, may we have a vote on the amendment as so modified?

The PRESIDING OFFICER. The question is on agreeing to the modified amendment offered by the Senator from Michigan.

Mr. VANDENBERG. Mr. President, as I understand, the Senator from Missouri withdraws his other amendment.

Mr. KEM. Yes.

The PRESIDING OFFICER. The amendment, as modified, will be stated.

The LEGISLATIVE CLERK. On page 6, line 17, after the word "commodities", it is proposed to insert "when such commodities are not furnished on terms of repayment in dollars"; in line 24, after the word "available", to insert "without charge"; and at the end of line 24, to strike out the period and insert "in an effort to prevent suffering because of hunger, starvation, and cold, and prevent serious economic retrogression", so as to read:

SEC. 8. All commodities, when such commodities are not furnished on terms of repayment in dollars made available pursuant to this act or the containers of such commodities shall, to the extent practicable, be marked, stamped, branded, or labeled in a conspicuous place as legibly, indelibly, and permanently as the nature of such commodities or containers will permit, in such manner as to indicate to the people of the country of destination that such commodities have been furnished or made available without charge by the United States in an effort to prevent suffering because of hunger, starvation, and cold, and prevent serious economic retrogression.

The PRESIDING OFFICER. Without objection——

Mr. FULBRIGHT. Mr. President, I object.

Mr. CONNALLY. Mr. President, there has been no vote on the amendment. We are objecting.

Mr. VANDENBERG. Let there be a vote.

The PRESIDING OFFICER. The question is on agreeing to the modified amendment offered by the Senator from Michigan [Mr. VANDENBERG].

The amendment as modified was agreed to.

GOVERNMENT-OWNED VESSELS — MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER laid before the Senate a message from the President of the United States, which was read and referred to the Committee on Interstate and Foreign Commerce, as follows:

To the Congress of the United States:

The present authority of the United States Maritime Commission to operate, sell, and charter Government-owned vessels which were built during the war will expire on February 29, 1948.

It is now clearly apparent that this authority must be continued beyond that date in order to prevent a break-down in vital shipping services.

Over 1,200 dry-cargo vessels are now chartered to American citizens by the Commission. The bulk of this fleet is devoted to carrying vital relief cargo, chiefly coal and grain exports. Its continued operation will be essential in furnishing aid to foreign countries during this winter. Other portions of this chartered fleet are devoted to essential coastwise and intercoastal services.

Under its authority to operate vessels, the Maritime Commission, through general agents, is now operating emergency passenger vessels and tankers. It is necessary to continue the authority for the operation of these passenger vessels if we are to meet essential needs for which no other passenger service is available. While the number of tankers operated by the Commission is being steadily reduced as tankers are sold under the Ship Sales Act, those which remain unsold must be kept in operation to assist in averting a serious world-wide shortage of petroleum.

In order to avoid needless disruption of the vital services now being provided with Government-owned ships the present authority of the Maritime Commission should be renewed well in advance of its expiration date. I recommend, therefore, that the Congress give consideration to this matter during its present session.

There are other questions concerning the maritime industry which will require consideration of new legislation in the near future. These questions relate to the shipping requirements of the European recovery program and the long-range requirements of our own merchant marine. Our most immediate need, however, is to assure the maintenance of essential shipping services by continuing in effect the present provisions of law which make possible the use of Government-owned ships.

Accordingly I recommend that these provisions of law be extended until June 30, 1949.

HARRY S. TRUMAN.

THE WHITE HOUSE, *December 1, 1947.*

INTERIM EUROPEAN AID PROGRAM

The Senate resumed the consideration of the bill (S. 1774) to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis.

Mr. BROOKS. Mr. President, we have before us for immediate consideration Senate bill 1774, which is a bill to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis. It is to be cited as the "European Interim Aid Act of 1947." Its purpose is stated to be—

to provide immediate assistance in the form of food, fuel, and other commodities urgently needed by the people of Austria, France, and Italy—to alleviate conditions of

intolerable hunger and cold, and prevent serious economic retrogressions which would jeopardize any general European economic recovery program based on self-help and cooperation.

The bill comes as a measure of relief in another emergency. It is presented as a stop-gap provision and authorizes appropriations not to exceed $597,000,000. It provides that—

This act, however, shall not imply obligation to give assistance to any of the countries mentioned, nor shall it imply or guarantee the availability of any specific commodities.

Thus, it comes in old familiar form, but once it is passed it will be argued that since the figures of five hundred and ninety-seven million is stated, the full amount should be appropriated, and it will also be argued that since certain commodities have been mentioned, we are duty bound to make available, from our own economy or others, the specific commodities.

It will, of course, be the duty of the Appropriations Committee, on which I have the honor to serve, to survey the need and availability of such commodities, and fix the amount of appropriation to be made.

I merely cite these facts as the historic technique by which such programs are prepared, promoted, and pushed to final conclusion.

There is a fundamental charitable characteristic of all Americans that responds to the pathetic appeal to help people who face starvation, freezing cold, and disease. The pages of our history are filled with the constant response to such appeals. We will respond again.

However, this appeal, limited as it is to three countries, is linked to and is a part of a much larger program that includes many other countries, which will amount to billions of dollars, which will not only add greatly to our already heavy national debt, but bring such a tremendous and perhaps tragic depletion of our limited resources and supplies that we may endanger our safety, raise our prices to heights that will create demands for Government controls and regimentation of our entire economy and life, which will give us the same governmental restrictions that create a chronic barrier to production and incentive to work in the countries we aid abroad.

As a matter of fact, the President, in addressing the special session of Congress, asking for this first-step interim aid, spent little time on the request for aid, and the balance of his effort in asking for all-out and complete authority to ration, fix prices, and regulate American life to a far greater degree than was ever asked for before in time of peace.

I think it might be wise to remind this body that since the beginning of World War II, the United States has distributed in the form of foreign gifts and loans of various kinds, over $66,000,000,000—reverse lend-lease amounted to roughly $7,800,000,000—thus leaving the total of over $58,000,000,000, which we gave to foreign countries, of which almost thirteen billion went to Russia and her satellites.

At this point I ask unanimous consent to have the list of countries and the figures printed in my remarks.

The PRESIDING OFFICER (Mr. CAIN in the chair). Is there objection?

There being no objection, the list of countries and figures referred to were ordered to be printed in the RECORD, as follows:

Europe—outside iron curtain:	
Great Britain	$35, 730, 161, 000
Netherlands	867, 035, 624
Belgium	638, 598, 000
France	6, 091, 173, 000
Germany	431, 127, 000
Austria	167, 670, 000
Italy	1, 749, 244, 265
Spain	13, 681 074
Portugal	1, 335, 866
Greece	788, 104, 000
Norway	102, 729, 612
Sweden	4, 111, 000
Denmark	80, 000, 000
Iceland	70, 399, 000
Total	46, 735, 369, 411
Russia and satellites:	
Russia	11, 681, 393, 782
Finland	124, 003, 832
Poland	502, 501, 412
Czechoslovakia	243, 602, 188
Hungary	3, 000, 000
Yugoslavia	374, 036, 000
Albania	40, 502, 284
Total	12, 969, 039, 448
Asia Minor and Iran:	
Turkey	215, 582, 000
Lebanon	90, 000
Iran	30, 260, 429
Iraq	45, 000
Saudi Arabia	44, 531, 000
Yemen	1, 000. 000
Total	291, 508, 429
Asia outside Russia:	
India	50, 000, 000
Japan	294, 971, 000
Korea	66, 641, 000
China	2, 834, 908, 280
Total	3, 246, 420, 280
Africa:	
Liberia	27, 237, 000
Egypt	12, 860, 000
Ethiopia	9, 752, 000
Total	49, 849, 000
Antipodes and Philippines:	
Philippines	1, 427, 230, 000
Australia	37, 394, 000
New Zealand	5, 707, 069
Total	1, 470, 331, 069
North America:	
Canada	174, 697, 166
Mexico	187, 475, 683
Total	362, 172, 849
Central America:	
Guatemala	2, 436, 700
Honduras	1, 791, 500
El Salvador	2, 697, 500
Nicaragua	6, 982, 000
Costa Rica	8, 954, 607
Panama	2, 618, 704
Cuba	69, 761, 473
Haiti	12, 209, 000
Dominican Republic	4, 972, 932
Total	112, 424, 416
South America:	
Colombia	$57, 848, 452
Ecuador	25, 197, 134
Venezuela	10, 306, 078
Peru	21, 953, 000
Brazil	500, 442, 477
Bolivia	28, 621, 228
Paraguay	8, 203, 000
Uruguay	22, 278, 704
Chile	105, 142, 330
Argentina	583, 000
Total	780, 575, 403
Grand total	66, 017, 790, 335
Reverse lend-lease:	
Great Britain	6, 752, 073, 000
France	867, 731, 000
Belgium	122, 942, 000
China	3, 368, 000
Netherlands	2, 363, 000
Russia	2, 213, 000
Total	7, 811, 049, 000
Balance	58, 206, 741, 335

Mr. BROOKS. Mr. President, I wish to remind Members of the Senate that each bill carried the avowed purpose of promoting our national defense, our general welfare our foreign policy. Always we were told that it was to promote peace, gain security for ourselves, and freedom for oppressed people.

It is obvious that despite our unprecedented sacrifice, military effort, and victory, we are less secure today than before, and hundreds of millions of oppressed people are milling about in insecurity, in fear, and in want. We face the future with dangerously depleted natural resources and a greatly impaired financial position.

Daniel Webster said on the floor of the United States Senate on January 26, 1830:

When the mariner has been tossed for many days in thick weather and on an unknown sea, he naturally avails himself of the first pause in the storm, the earliest glance at the sun, to take his latitude and ascertain how far the elements have driven him from his true course. Let us imitate this prudence, and, before we float further on the waves of this debate, refer to the point from which we departed, that we may at least be able to conjecture where we now are.

I believe that is a fair suggestion today. How did we get where we now are? Who piloted the ship of state to this unhappy situation? Why was our military victory so barren of the fruits we were promised? Why is the future so filled with fear and frustration?

The answer is that we followed foolish policies, and we have followed the propaganda of the same administration for 15 years.

Everyone who studied history knows that Great Britain was a great secure power only as long as there was a reasonable balance of power, both military and economic, in the hands of several European states. Her constant fear was the concentration of power in the hands of one European state with expansionist desires. Twice we went to war in Europe at Great Britain's urgent cry for help. Twice we were told it was to our national interest to prevent Germany from dominating and oppressing the Continent.

Everyone knew that Russia has had an age-old desire to expand and that England's policy has constantly been to use other states to help her prevent that expansion. Everyone knew that the philosophy of the Soviets was to oppress people, wipe out human liberties, and eliminate individual rights. When she invaded and raped Finland, subjugated Latvia, Estonia, and Lithuania, when she allied herself with Germany, invaded and divided Poland, she showed conclusively her character, purpose, and intent.

When Germany attacked Russia, both nations constituted two evil forces, both enemies of everything we hold dear, dissipating each other's strength.

Our leaders, with those of Great Britain, embraced Russia as an ally and started to glorify her and pour our wealth and supplies into her hands. Some of us were ridiculed and condemned by the administration propagandists when we insisted that the Soviets were not our true allies, but were merely cobelligerents fighting an invader. Everyone knew that she shared none of our ideals, but had contempt for human freedoms.

The war leaders of both the United States and Great Britain joined Russia in a pledge to utterly destroy and annihilate Germany, Italy, and other Balkan allies, without regard to the fact that when this was accomplished there would be no European country left with physical or material resources adequate to form any substantial resistance to Russia with her vast reserves of territory, manpower, and natural resources, in her long-range expansion program.

In spite of these realities, our own national administration allowed Communists to infiltrate into our Army, into our Federal Government, and even into the Government propaganda agencies, where they did their work so well that even our leaders believed their propaganda. They gave in to her, granting secret concessions that encouraged her expansion, and to this very day they are sending her goods that can be used in war production.

Not only did we help conquer Germany with unbelievable and indescribable destruction, but we imposed a postwar policy of destruction that leaves her in rubble and hopelessness. Today there is no German state; Italy is too weak for war or peace; France is impoverished and unstable; England is in the hands of a Socialist government that destroys incentive on the part of both capital and labor alike. There is not a single strong government in western Europe capable of stabilizing its currency, balancing its budget, and creating incentive for work and production, which is the only possible hope of providing resistance to communism. The constant loaning or giving of money to Socialist governments under the blackmail threat of their going Communist will never succeed. It will only prolong the agony.

In our own country the same administration, with many of the same individuals now serving in different capacities, warn us of the danger of Russia after they helped make her the colossus of Europe. Having armed her with American weapons, motor vehicles, machine tools, transportation and communication facilities, they say that we must now restore our former enemies and allies alike in an effort to restrain and contain this monster of the Continent whom they helped make great.

To do this, they ask for vast sums and supplies out of our limited resources, and at the same time ask for unprecedented powers to regulate, restrict, and restrain the normal enterprise of the American people that will inevitably bring about shortages and black markets worse than existed during the war.

Let me say here and now that there can be no argument about the desirability of America's responding to the call of humanity for food and fuel to stave off starvation, freezing, and deadly disease. There can be no argument about the desirability of having the countries of western Europe stable, strong, and protective; but several things must be made crystal clear.

Although we are still the freest people in the world, we are on the verge of giving up that freedom for controls which the President himself calls police-state methods.

Although we are the most productive people on earth, we are only 7 percent of the world's people; we occupy only 7 percent of the world's area; and we produce in our bumper years less than 12 percent of the world's food supply.

Although we are the richest people on earth, we are carrying the largest debt ever carried by a solvent country in history.

Although we are the most charitable people on earth, from our limited supply we cannot feed all the hungry, we cannot clothe all the naked, we cannot fire all the furnaces and hearthstones of the universe.

Therefore, we must place our limited help in food, fuel, fertilizer and other supplies where they will give strength and incentive to work that will result in production of food, fuel, and fertilizer, and machines that will in turn result in consumer goods that will meet the demands of a world that is sicker today than it has been in the memory of man.

We simply cannot go on financing and subsidizing socialist governments who foster and follow practices that destroy incentive to work and retard possible production.

When we were led into war we found ourselves in another tragic dilemma that the military and State Departments could not meet.

We called the best minds of production to the cause. The best minds of management, labor, and agriculture were called on for the know-how, direction, and leadership, and only in that manner did we get our needed wartime production.

With a sick world writhing in rubble, disillusionment, and despair, hamstrung with restrictive bad practices in agriculture, manufacture, and monetary affairs, a major operation is needed today.

In this tragic hour, resulting partly from our own past folly, neither the State Department nor the military can qualify as a competent surgeon.

Production is the medicine required in a sick world. Any program of spending American dollars will fail unless it is directed by patriotic qualified leaders in American agriculture, industry, and labor, to direct the use of those dollars to produce food, coal, steel, transportation equipment, as the first step up the hospital stairs on the way to recovery.

These men must come from outstanding American enterprise now employed as outstanding leaders of their fields in American private enterprise. They must not come from hangers-on around Government bureaus which live only to issue Government edicts, and on Government funds produced by men of enterprise. They must be skilled in the American philosophy of private productive enterprise, and be inspired by the challenge of serving humanity by teaching and leading men who will work in the ways of greater accomplishment.

We cannot tell other peoples what kind of government they must have, but as representatives of free people we have no right to vote away our own people's freedom, either. We have no right to vote away their finances unless it results in helping people who will work and produce the necessities of life.

Having visited the countries of western Europe for first-hand observation, and having studied carefully the reports of many competent observers, I shall have more to say on production at a later time.

I shall support this interim-aid bill, but in voting for this bill, authorizing the appropriation and use of money for food, fuel, and fertilizer for people in distress, I do so with full realization of the necessity of careful study of the need, the present available supply and its effect on our own economy, and the manner in which it is to be administered to insure the humane purposes of the charitable people of the United States.

Mr. President, the mere suggestion that we are buying time with American dollars and by depleting our resources, is not enough.

The time we have bought with the precious blood and cooperation of America was used to make Russia the colossus of Europe. With that time she has expanded her terrorism and her oppression until more millions stand in fear than ever before.

The important question is, what will we do with the time we propose to purchase?

Dollars will not do the job. We must have a new approach and a new program offered to inspire incentive to work, a new plan to inspire production.

Work and production constitute the only remedy and solution for the Old World facing hunger, cold, and disease. Any future program must be turned over to men who know how to work and produce under the free enterprise of America, and not left to men who want to limit, regulate, and restrain America's freedom. Merely to pile another mistake on the mistakes already made will ultimately mean utter ruin for us as well as for the rest of the world.

Mr. CAPEHART. Mr. President, I rise to discuss the bill from what I consider to be a practical standpoint. We are about to vote approximately $600,000,000 of our food and material to assist Europe. Then we shall take up the so-called Marshall plan, which calls for approximately $20,000,000,000. Both those plans require food and materials. We are already short of materials. The best proof of that is, of course, the fact that we have inflation, and the cause of inflation is a shortage of materials and a shortage of food.

I have been doing a great deal of thinking about this problem. I shall vote for the interim relief bill, but I am wondering when we in Washington and we in the Senate and the Members of the House of Representatives are going to realize that we do not grow corn on the floor of the United States Senate or in the Congress, we do not produce wheat and flour or foodstuffs here, and neither are they produced by the President of the United States.

Mr. TOBEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from New Hampshire?

Mr. CAPEHART. I yield.

Mr. TOBEY. I am interested in what the Senator from Indiana is saying. We do not grow corn on the floor of the Senate, but some corny things happen around here. [Laughter.]

Mr. CAPEHART. Mr. President, I do not object to being asked to yield, and I shall yield to other Senators who ask me to do so. I am serious in referring to the matter of production. I have prepared a concurrent resolution, which I shall ask the clerk to read. After we have voted on the interim relief bill, I shall ask unanimous consent for the consideration of the resolution, so that it may be adopted today.

So, Mr. President, I send the concurrent resolution to the desk. I am not offering it at this time, but I ask that it be read.

The PRESIDING OFFICER. Without objection, the concurrent resolution will be read.

The legislative clerk read as follows:

Whereas the American people are now consuming food at a rate far in excess of that prevailing before World War II; and

Whereas the United States has generously furnished and proposes to continue to furnish within the limits of its ability basic food commodities to the peoples of countries where conditions of hunger prevail; and

Whereas recent crop forecasts and trends in agricultural production indicate the probability that the quantities of certain basic food commodities likely to be produced in the United States in the near future will be below the quantities of such commodities normally produced; and

Whereas any serious reduction in the production of such commodities might result in exhaustion of our supplies and carry-overs of such commodities and might impair the diet of the American people and their ability to assist the hungry in freedom-loving nations; and

Whereas an expression by Congress of the desirability and necessity of increasing the production during 1948 of those agricultural commodities which are in short supply will be effective in inducing persons engaged in agricultural production to devote additional acreage to production during 1948; and

Whereas the executive branch of the Government is possessed of certain powers which may be so exercised as to encourage additional agricultural production: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that, for the purpose of assuring a sufficient supply of food to provide an adequate diet for the American people and to enable them to furnish food to relieve the intolerable conditions of hunger prevailing in certain foreign countries, 20 percent more acreage should be used during 1948 for the production of agricultural commodities which are in short supply than were so used during 1947 and that the President and the various officials, departments, and agencies in the executive branch of the Government exercising functions related to agricultural production should take all necessary action within their powers to assist persons engaged in agricultural production to achieve the objective of producing during 1948 additional quantities of those agricultural commodities which are in short supply.

Mr. CAPEHART. Mr. President, my colleagues have heard the concurrent resolution which I propose to offer and ask unanimous consent to have considered immediately following the vote today on the interim-aid bill. I have had a copy of the concurrent resolution placed on the desk of each Senator, in order that every Senator may have an opportunity to study it.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. CAPEHART. I am delighted to yield.

Mr. WHITE. The Senator from Indiana is simply giving notice that he will ask unanimous consent to offer this resolution; is he?

Mr. CAPEHART. I am giving notice that I shall ask unanimous consent to offer the resolution and have a vote taken on it immediately after we finish voting on the interim-aid bill.

Mr. WHITE. As a matter of caution, I wish to indicate that I shall have to object to any such request.

Mr. CAPEHART. The Senator from Maine has a perfect right to object to it. That leads me to this point: We are going to vote approximately $600,000,000 to furnish food to the starving peoples of Europe, when we have a shortage of food in our own country; and we shall have a greater shortage of food in our own country next year, and we are going to be called upon next year and the year after next and the following year to furnish unlimited amounts of food to foreign countries. Where is the food to be obtained? Who is to raise it? How are we to get it? How is enough food to be produced for our own uses, in order to reduce the price of food at home and insure enough food to feed the people of Europe, if more food is not grown?

I know of only two methods by which to increase the supply of food in America. The first is by planting more acres; the other is by producing more per acre. Those are the only two ways of producing more grain. Why do Senators object to a plan calling for increased production of food? What will be the result a year from now if more food is not produced? How is the price of food to be reduced if production is not increased?

The concurrent resolution I am to offer would have no effect as a law. It is intended only to set forth a declaration of principle on the part of the Senate and the House of Representatives, and to express the desire that the President and our entire Government do everything possible to assist the 15 000,000 American farmers during the year 1948 to produce more food. That is all I am asking. That is all the concurrent resolution seeks to do.

It may be impossible to adopt the resolution at this time, under the rules of the Senate, but if it is possible for the Senate to adopt it and send it to the House of Representatives along with the bill we pass providing interim aid to Europe, and if the House of Representatives will adopt the resolution and send it to the President, I feel certain it will encourage the starving peoples of Europe, and it will also encourage the housewives of America who are called upon from day to day to pay inflated prices for food. I am sure American housewives would appreciate that the Congress and the administration were taking steps to cure inflation, and to make certain of a larger production of food.

In the United States Senate we speak in terms of money. Money cannot be eaten by a hungry person. Of what use to the hungry man is money, unless he is able to buy food with it? The time has arrived when our Government, and we as the representatives of the people, should be giving more thought to the production of food and other goods, instead of consuming time in discussions of rationing and the distribution of commodities that are scarce. Inflation cannot be curbed, except temporarily, through rationing and price control. Price control, even if continued forever, would not produce a single pork chop, a single bushel of corn, a single bushel of wheat. Those things are produced back home, on the farms. I trust that if the proposed concurrent resolution cannot be adopted today, it will be agreed to at a later date.

There are about 4,000 counties in the United States, with 4,000 county agricultural agents. I recommend that the President and the administrative departments organize those 4,000 agricultural county agents. I hope the President will ask those 4,000 agents to organize a voluntary committee in each county, inviting farmers and businessmen to participate, to the end that the committee, headed by the county chairman in each of the 4,000 counties, may take an inventory of the farms in each county, and will consult with the farmers and others who are interested locally as to how more food can be produced in 1948 in each county. It is now December, and now is the time when it should be done.

I do not know whether my able colleagues are aware of the fact or not, but at the moment it looks as though the production of winter wheat next year would be about half what it was in 1947. Think of it! One-half as much production of winter wheat in the country in 1948 as there was in 1947! If that be an accurate estimate, and we are to expect a production of only half as much

winter wheat next year, then why should we not take steps to increase the acreage of spring wheat? If there is to be a shortage of winter wheat, let us take steps to increase the number of acres planted to spring wheat, to corn, and to soybeans.

I believe the Federal Government is the proper instrumentality for doing this, and all I am trying to do, all I want the Senate to do, is to take steps to change our thinking into a philosophy of plenty rather than a philosophy of scarcity, and how can that be done better than by advocating increased production of foodstuffs and assisting the farmers to that end?

I recently issued a release describing a plan of plenty, which I ask unanimous consent to have printed at this point in the RECORD.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

Declaring that President Truman's program is a return to planned scarcities, United States Senator HOMER E. CAPEHART, Republican of Indiana, tonight proposed a "plan of plenty" to defeat the inflation spiral and produce the goods necessary for European relief.

Senator CAPEHART, after charging that the Truman program would "not produce a single additional pork chop," presented a 14-point plan for increasing farm production by tilling 20 percent more acreage and boosting workweek limitations from 40 to 44 hours with additional tax exemption to compensate workers.

The Capehart plan was revealed by the Senator in his opening statement on the American Forum of the Air, a radio program.

In his opening statement, Senator CAPEHART said:

"The program offered by our President yesterday which is a return to wartime controls will not produce a single additional pork chop, a single additional ear of corn, a single additional bushel of wheat, a single additional pair of shoes, or a single additional automobile.

"That which he proposed yesterday is the same old philosophy of scarcity under which this Nation has been living for the past 15 years.

"I wish to propose a program which, if adopted by our Government, will increase the number of pork chops, will increase the number of bushels of wheat, ears of corn, pairs of shoes, and automobiles—a program based on a plan of plenty—a program based on production—one that will permit this Nation to assist the world because it will produce in this Nation not only our own needs, but likewise a surplus to be distributed throughout the world—and it will likewise reduce prices—and it is in the best American tradition."

The following is Senator CAPEHART'S program as outlined by him:

"Increasing food production—

"1. Advocate and provide assistance for the tilling of 20 percent more farm acreage in 1948.

"2. Allocate steel and scarce materials to the farm machinery manufacturers to increase production.

"3. Make available sufficient funds to permit farmers to borrow for the purchasing of more fertilizer and lime.

"4. Make available sufficient funds to permit farmers to borrow for the purchasing of seeds and for the purchasing of breeding stock to increase the meat supply.

"5. Make available sufficient funds to permit farmers to borrow for the purchasing of machinery.

"6. Make available sufficient funds for the cost of distributing free seeds for the planting of peace gardens by urban and suburban residents.

"7. Make available sufficient funds to permit fertilizer manufacturers to borrow for purposes of increasing production.

"8. Allocate scarce raw materials to fertilizer manufacturers.

"INCREASING PRODUCTION OF MINERALS AND MANUFACTURED GOODS

"1. Enact legislation increasing the legal work week from 40 hours to 44 hours for 2 years.

"2. Increase tax exemption provisions to compensate workers for loss of overtime pay for the additional 4 hours.

"3. Appropriate funds to be used for increasing production of minerals in the United States.

"4. Study the possibilities of lowering tariffs on scarce imported minerals.

"5. Immediate requirement that the Federal Government release its enormous stock piles of food and materials that can be used in relieving food shortages or can assist in increasing materials production.

"6. Control raw material inventories."

Mr. CAPEHART. Mr. President, I am aware that the increased production of farm products will be opposed by some on the ground that it may result in a surplus. I would ask, Is starvation in Europe more important than a possible surplus of farm products within 1, 2, 3, or 4 years? Are not present prices of food in the United States more important than the fear of a surplus in farm products at some time within the next few years?

The plan of increased farm production will be opposed also on the ground of soil depletion. I would ask, Is the depletion of a few thousand or a few hundred thousand acres of soil more important than the feeding of the hungry people of Europe? Is it more important than breaking the back of the threatened inflation in this country? I wish that someone on the floor of the Senate or elsewhere were able to convince me that the problem of inflation could be solved, that the Marshall plan could be carried through, that the peoples of the world could be fed, and that the spread of communism in Europe could be stopped, in any manner except by increased production within our own country, both of foodstuffs and commodities of every kind.

I say that the situation today is serious. There are threats of a third war, and we are told—and I think it is true—that we shall have to feed the world for a number of years; yet we do not at the moment have sufficient foodstuffs in our own Nation, except on the basis of inflated prices. What are we thinking about? Is there danger of a third war? If there is, then we should be planting more acres and growing more food; we should be producing more materials in this country. If the world is going to depend upon us for food, then by all that is good and holy let us set about to grow more food. Why argue about inflation unless we are willing to do something about it? The something we can do is producing greater quantities of food. Why do we not resolve that we are going to do whatever is necessary; that we are going to impose whatever controls are necessary, if and only when those specific controls will produce more goods, when they will result in greater production of merchandise? That is the way to solve the threat of inflation. Why should we be fearful of surpluses? Why are we fearful of the next 2 or 3 years, when many a Senator has stood on this floor and told us that the world is on fire, and that we are likely to have a third world war, that the threat of communism must be stopped?

In one breath gentlemen tell us that, and then the next moment we hear that people are opposed to the increased production of foodstuffs in America through the planting of greater acreage, on the ground that the soil may be depleted.

I regret I do not have the ability to sell our Government and Members of the Congress on tackling the problems of inflation and communism on the basis of increased food production. When we send the interim aid bill to the House of Representatives this afternoon, I am of the opinion that if we attach to it a declaration of principles, by the unanimous consent of 96 Senators, stating that we urge our farmers to produce 20 percent more food next year, that we want the President to use every power at his command to assist the farmers to produce more food, the housewives of America would be forever grateful to us. My opinion is that the hungry, starving people of Europe would thank us and say that we were doing something that was practical and constructive.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. LANGER. Do I correctly understand from the Senator's remarks that last year in Indiana 20 percent of all the tillable land lay idle?

Mr. CAPEHART. I am glad the Senator asked the question. I have figures received from the Department of Agriculture to show that there is a possibility of increasing our acreage of tillable land next year by approximately 20 percent. It is impossible to set a definite figure of 20 percent. Perhaps it is 21 percent, perhaps 19 percent or 18 percent or 15 percent. But what we should keep in mind is the idea that we would be saying to the peoples of the world that we are going to do everything we can to grow more food. The idea is that we would be saying to the wage earner of America that we are going to try to break the back of high food prices by growing more food. The principle involved, the idea underlying the proposal is that we are doing something constructive, that we are trying to grow more food, so that we may be able to help people who are in need. Needy people cannot be helped particularly by giving them money unless there exists something for which they can spend that money. That was clearly brought out the other day by the Senator from Michigan in his explanation of what is happening in Europe at the present moment. The farmers of Europe grow a certain amount of food, but that food does not go to the housewives, nor to the people in the cities because there is no way of transporting it to them, therefore so far as that food is concerned the money they have is no good. The food grown in Europe does not do the people of the cities any good unless they have sound money with

which to buy it, and if they have money it does not do them any good unless they have food to buy with the money they have.

I am glad the Senator from North Dakota asked me the question. I wish I could say something which would stir up an old-fashioned fight on the floor of the Senate and on the floor of the House of Representatives on the subject, because I know that every Senator and every Representative would put his mind to the question and do all possible to whip the inflation threat. We can whip inflation by producing more merchandise. If we are going to make kings and queens out of our people, if we are going to raise the standard of living of our people in this country, and the standard of living of people throughout the world, we can only do so by being able to supply them good food, and by being able to produce automobiles and other luxuries of life. Such production cannot be brought about solely by means of money. Money is only a medium through which these things can be produced.

Mr. President, I hope my concurrent resolution will be adopted. I shall consult with the majority leaders to see if it is not possible to have it adopted. Perhaps I have overlooked something in connection with it. Perhaps some technicality exists by reason of which the resolution cannot be adopted. I realize it should be referred to a committee, but I believe that by unanimous consent of the Senate we might consider and agree to the resolution. I believe—and I am sincere in that belief—that such a declaration of principle on the part of the United States Senate would be received by the American people and the people of the world as something that was worth while.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. BUTLER. I agree with the Senator from Indiana thoroughly in his statement that the only answer to a shortage in any commodity is an increase in production, and the only way by which to secure an increase in production and an answer to the problem which faces us today is to make it profitable for the people to produce that particular commodity. I do not want anyone to get the idea that I think farmers generally are underpaid today. I think farmers generally are quite satisfied with the prices they are receiving as compared with the prices of the things they are obliged to buy. However, I should like to remind the Senator from Indiana, and my other colleagues, that in order to encourage production in other lines something else must be done.

Let us consider petroleum. Congress authorized the payment of taxes on profits in the petroleum industry on the basis of the capital gains, which limited the tax to 25 percent. We did that in order to increase the production of petroleum to answer a war need. We passed the same sort of provision to take care of the production of lumber in the Northwest. In order to increase production, lumber men were permitted to pay their profits tax on the basis of capital gains. I introduced a bill in the Senate a few days ago the purpose of which was to tax wheat and rye profits on the same basis, and I suspect that there may be some even in the Senate Chamber today who think that that may smack of class legislation.

I remind such Senators that the precedent has been set, that it is not class legislation; that I have not asked it as a permanent arrangement, but I have asked it as a temporary arrangement during the crop year 1947–48, to do exactly what the Senator from Indiana has requested be done, that is, to increase the production in order to answer our problems.

The wheat farmer and the rye farmer has been denied the opportunity of selling his goods in the world market due to the regulations we have imposed on import licenses. Through that arrangement he has been denied about $1.50 to $2.50 per bushel on the value of his commodity today. I think he has paid a pretty good tax already by way of the lower price he has been receiving, and he is not complaining too much over that. I do think, however, that in order to increase the movement at this time, and get the wheat and the rye to the market temporarily, we should pass the bill I introduced the other day in connection with the pending measure.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. CAPEHART. I am happy to yield.

Mr. YOUNG. I am sure the able Senator from Indiana does not want to leave the implication that the farmers are not doing their part now. I think the record will show that the farm production has been the highest it has ever been in our entire history. The production last year of wheat was approximately double what it was in normal years.

In my opinion most farms' cultivated acreages have been expanded out of all proportion to their economic good, and I believe that by further increasing their acreage they might bring disaster upon themselves unless there should exist some price support or price guaranty as against very low prices that may well result from such expansion in the event the United States would not continue to ship abroad as much in another year as is being shipped abroad now.

May I ask the Senator from Indiana if, along with such a program as he proposes, he would agree to a continuation of price supports on a fair level for another year or two?

Mr. CAPEHART. Mr. President, there is nothing in my concurrent resolution or nothing in anything I have said respecting discontinuing any price support. All I am trying to do, and I am fearful I shall fail, is to encourage our Government, through a declaration of principle on the part of the Congress, to do everything within their power to help the farmers to produce more. The farmer has been producing. He is producing today. But he is not producing enough. What he is producing simply is not enough. There are not enough foodstuffs produced in America today to supply our own demands and to help feed the world. Even what we are producing today, as large as the production is, is still so little that prices are getting to the point where they are inflationary. If prices continue to go up and up and up we will have a situation in this Nation which none of us will like.

Mr. YOUNG. What the farmer is worried about now is the food self-sufficiency program many Americans are trying to carry out in Europe, which is far beyond anything Hitler or Mussolini endeavored to bring about. We are trying to make Europe self-sufficient in respect to food, something which it has never been possible for them to do. If now we were to extend our production beyond what we now have, what will happen to our surpluses as soon as we quit giving our money away to other countries, or as soon as they get into production? It seems to me that what will happen is that thousands of farmers would face bankruptcy.

Mr. CAPEHART. The farmers should have some assurance with respect to prices, in the event what the Senator speaks of should happen. But the Senator's line of thinking represents a defeatist attitude. Are we going to permit people throughout the country to starve? Are we going to permit inflation? Are we to permit prices to continue to go up and up always because we are fearful that if we produce more in order to feed hungry people, we will have a great surplus of food? Or because we are fearful that prices will come down below what our farmers can produce for?

Mr. YOUNG. Mr. President, in the period from 1929 to 1940 this country was cursed with surpluses, and as a result prices went down to a point far below the farmer's cost of production. If we do not acquire permanent markets in Europe, such a thing may happen again. That is what every farmer is worried about.

Mr. AIKEN. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. AIKEN. I should like to call the Senator's attention to the fact that just before we adjourned last July the Senate authorized the appointment of a committee to make a study of the trends and needs of agriculture, and to work out a long-range program for agriculture, and made an appropriation for that purpose. The committee was appointed, and has been working for the last 8 weeks on this very problem. We expect in the course of another 4 or 5 weeks to have a report on the hearings, which were held as far west as Denver and as far south as Memphis and Columbia. We will also have recommendations to make to the Senate looking toward the long-range agricultural policy. These recommendations and the report will cover all phases of agriculture, including all the points that have been touched upon here today, such as the maintenance of soil fertility, the disposal of surpluses, and the income which a farmer might be expected to receive.

Mr. President, I wish to say that when the Senator from Indiana says that the formulating or declaration of a long-range agricultural policy for the production of food is vitally necessary, he is

dead right about that. I hope that when the recommendations are made to the Senate there will not be delay in acting upon them. We are not going to get food production or fiber production in this country until the producer can know what to expect. He is afraid of surpluses; but there ought not to be any surpluses. If people are fed, clothed, and sheltered, there will not be surpluses. But there have been before, and it is vitally necessary that we consider this subject not later than early in the next session of Congress.

Mr. CAPEHART. Mr. President, I am well aware of what the Senator and his committee are doing, and I wish to commend them for it.

Mr. THYE. Mr. President, will the Senator yield for a brief observation and comment in relation to the production question?

Mr. CAPEHART. I yield.

Mr. THYE. Let me say to the Senator from Indiana and to every other Member of the Senate that we must look back over the past 7 years in order to determine what course of action the United States must take in order to assure ourselves that we can have full production in every respect. If we look back, we find that during the past 7 years we have had the highest production at any time in the history of the United States. How did we do it? We did it by the aid of Almighty God, in this respect, that we had excellent weather, with the exception of the corn weather last July. We did not have the necessary machinery on the farm with which to do the job. During the past 4 or 5 years the producer has never been able to buy the machines which should have been purchased. We must overcome that situation and correct it as speedily as possible. An adequate supply of machines can come only through increased production in factories, or a lessened export business so far as farm machinery is concerned.

So far as increasing the acreage by 20 percent is concerned, I should want to know in what respect there would be a diversion of crops before being willing to accede to such a policy. I should want to know whether we were to plow up additional grazing lands in order to accomplish such increased production; and if so, I should want to see the area and know the history of the particular area before I would consent to such a plan, because we might do ourselves more damage than could be repaired by next year's benefits or any future benefits.

I should want to examine the Government's policy, to see whether it would deplete our crops to export beyond a reasonable amount. I should want to examine the conduct of the Department of Agriculture and the Department of State to see whether they had exhausted every effort to obtain crops from some other area.

Only after such an investigation and analysis would I say that we might proceed to plow up more of our grazing land. That is the only place where we could find additional acres. We cannot find them in any tillable area of the United States, except in the extreme western area of the agricultural belt, because only there will be found acreage that has not already been plowed up and planted to crops.

Mr. President, I recognize that the Senator from Indiana is attempting to increase production. But let me say to him that in recent years we have had the biggest production in our history, under handicaps almost unheard of. The farmer has not had the necessary help or machinery; and yet, because of good weather conditions and favorable cropping, he has been able to produce what he has produced. He has done so by the aid of his wife and children, by working night and day, and often on Sunday, to accomplish it. He has almost exhausted himself in the attempt to produce what this Nation and the world needed in food stocks.

Mr. CAPEHART. Mr. President, I certainly shall not quarrel with the able Senator from Minnesota. However, in my opinion, if there is one thing that is worse than depleting a few hundred thousand acres of land and creating a surplus in the market, it is uncontrolled inflation, which would bankrupt the Nation. Unless we are careful, we may be headed in that direction.

Mr. THYE. Mr. President, will the Senator yield for a brief observation?

Mr. CAPEHART. Let me finish my reply.

I disagree with the able Senator from Minnesota when he states that the only place to find a few extra acres to till is out West. All one needs to do is to drive up and down the highways in almost any section of America. He will find thousands upon thousands of acres which are not under cultivation. Under the plan about which I am speaking, they might be put into cultivation.

Under the plan which I am advocating, this problem would be put up to the farmers in their own counties. The county agricultural agent in each county would be given the responsibility of surveying his county, talking with his farmers, and trying to figure out the possibility, in each of the 4,000 counties in the United States, of increasing production. I know that we have had large production. The farmers have done a remarkable job, but it has not been enough.

Mr. THYE. Mr. President, will the Senator yield for one further comment?

Mr. CAPEHART. I am happy to yield.

Mr. THYE. We have been exceedingly lucky as a people during recent years, because of the reasonable amount of rainfall in the so-called arid area of this Nation, where we have been growing great crops of wheat. In the event that we should break up too much grazing land and have just 1 month of dry weather such as we experienced in some sections of the Nation last July, and such as has been experienced in the Panhandle Wheat Belt of Texas during the past fall, and just 24 hours of strong wind which would create a dust condition in that arid area, more crops would be destroyed in a period of 24 hours than would be compensated for by all the additional cropping we could get by plowing up a few acres of grazing land which should not be plowed up.

If we plow up our pasture land and exceed the normal margin of safety in pasturage, we shall destroy our pastures and destroy production in dairy products.

So far as the tillable or cultivated area of the United States is concerned, I believe that if we were to conduct a close survey and receive reports from the county agents, they would advise us that we have already tilled more acreage than is economically safe in the United States. But if we should find that we have not, I would go along with the Senator's program.

Mr. CAPEHART. Mr. President, the Senator misses the point entirely. He is talking about plowing up acreage where the wind might create a dust condition. It was never our intention to do that. It was our idea that there should be a declaration of principle on the part of the Senate that our Government might, through cooperation with the 4,000 county agents in America at the grass-roots level, turn the problem and the responsibility over to each county and each county agent, saying to them, "We need more food in order to feed the starving people of Europe and bring prices down. What can you do?" Our idea is to put the problem up to each county. If there were conditions in a given county such as the able Senator from Minnesota describes, that county would not be able to increase production.

We have another example of taking the defeatist attitude that nothing can be done. My answer to Senators who have spoken against this plan is that the alternative is price control and rationing. We cannot beat this problem, and we cannot control inflation on any other basis than by producing more or going to rationing or price control.

Mr. President, I now ask unanimous consent to submit the concurrent resolution for appropriate reference.

There being no objection, the concurrent resolution (S. Con. Res. 35) submitted by Mr. CAPEHART was received and referred to the Committee on Agriculture and Forestry.

Mr. WHERRY. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Nebraska will be stated.

The LEGISLATIVE CLERK. On page 7, it is proposed to strike out the period at the end of the first sentence in section 10, line 8, insert a colon, and the following: *"Provided, however,* That nothing in this act shall be deemed to authorize the issuance of any proclamations, orders, or regulations in any way controlling production or prices, or allocating deliveries of any commodity within the United States."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nebraska.

Mr. WHERRY. Mr. President, section 10, on page 7, has already been amended, in line 6, after the words "Secretary of State", by striking out "or any other official or officials of the Government."

That was done, I believe, to restrict to some degree the broad provisions of the first paragraph. The language now reads:

And he may delegate to the Secretary of State any of the powers or authority conferred on him under this act.

That modifies to a great extent the broad provisions. I assume that it would be very difficult for one to interpret this section as indicating that the President might at any time promulgate rules and regulations imposing price ceilings in order to effectuate the purposes of the act.

But, Mr. President, I do submit that, inasmuch as the intention is as I have stated, it will not hurt anything to add this language to the section. I feel in my own mind that we can interpret broadly the provisions of section 10, and that if it should become necessary, the President has the authority to do the very thing I am trying to eliminate by the amendment offered.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. WHERRY. I shall be glad to yield to the Senator from Michigan.

Mr. VANDENBERG. The Senator from Nebraska has discussed this amendment with both the distinguished minority leader and myself. The Senator from Kentucky [Mr. BARKLEY] and I agree that there is nothing in the bill which could provide the President with any such power as is proscribed by the amendment. Since that is the situation, my own view is that the amendment is unnecessary. On the other hand, since it does not collide with any provision of the bill, I am perfectly willing to accept it.

Mr. BARKLEY. If the Senator yield before accepting the amendment, I happened to think of one suggestion. I agree with all the Senator from Michigan has said; but the amendment has to do with delivery within the United States. I suppose that what the Senator is trying to do is to cover things delivered for consumption in the United States, because delivery within the United States might even apply to those things delivered to a steamship in a harbor of the United States and intended for foreign destination under the bill. I think if we would modify the language so as to apply it to goods delivered for consumption within the United States the Senator would accomplish his purpose.

Mr. VANDENBERG. I doubt whether there is anything in the bill which would permit anything of the sort—domestic, foreign, national, international, ethereal, earthly, or otherwise.

Mr. WHERRY. If the Senator does not mind, I will leave the language as I have submitted it. I am not attempting in any way to block deliveries of commodities to be shipped overseas. I am attempting to eliminate any allocations of very scarce materials if and when the President feels it necessary to make such allocations. It can be debated in connection with other legislation.

Mr. VANDENBERG. That is the entire point. The Senator is not tying it solely to this bill?

Mr. WHERRY. That is correct. I should like to have it accepted the way it is written.

The PRESIDING OFFICER. The question is on the amendment submitted by the Senator from Nebraska [Mr. WHERRY].

The amendment was agreed to.

Mr. VANDENBERG. Mr. President, do I correctly understand that the Senator from Idaho wishes to offer an amendment?

Mr. TAYLOR. I do, Mr. President.

Mr. VANDENBERG. I thought I had a hard and fast contract with the Senator from Idaho.

Mr. TAYLOR. That was with reference to another amendment. Does the Senator from Michigan mean to apply it to all amendments?

Mr. VANDENBERG. The Senator from Michigan cannot be blamed for being hopeful.

Mr. TAYLOR. I want to live up to any agreement I make.

Mr. VANDENBERG. I do not think the Senator is foreclosed.

Mr. TAYLOR. I should be glad to make the same deal on this amendment I made with respect to the other.

Mr. VANDENBERG. In view of the fact that there is some doubt about the situation, could we agree to be rather prompt and brief in our discussion of this amendment?

Mr. TAYLOR. I shall not be too long with it.

The PRESIDING OFFICER. The clerk will read the amendment offered by the Senator from Idaho.

The LEGISLATIVE CLERK. The amendment is in the nature of a substitute, to strike out all after the enacting clause and insert as follows:

That this act may be cited as the European Interim Aid Act of 1947.

SEC. 2. It is the purpose of this act to provide immediate assistance in the form of food, fuel, and other commodities urgently needed by the peoples of Europe, to alleviate conditions of intolerable hunger and cold and prevent serious economic retrogression which would jeopardize any general European economic recovery program based on self-help and cooperation.

SEC. 3. The President shall allocate to the United Nations the sum of $597,000,000 to carry out the purposes of this act. The United Nations shall use this sum for the purpose of alleviating human suffering through the winter of 1947–48, through the procurement of food, seed, fertilizer, coal, petroleum and petroleum products, other fuel, fibers; pesticides; medical supplies and such other commodities as it finds necessary for the accomplishment of the purposes of this act as set forth in section 2; also through the transportation and storage of such commodities and the payment of accessorial and administrative expenses and expenses for compensation and travel of personnel for carrying out the purposes of this act. No funds appropriated under this act shall be used for the purchase of arms, armaments, or munitions of war.

SEC. 4. There is hereby authorized to be appropriated not to exceed $597,000,000, out of any money in the Treasury not otherwise appropriated, to carry out the provisions and accomplish the purposes of this act. This act, however, shall not imply any obligation to give any assistance, nor shall it imply or guarantee the availability of any specific commodities.

SEC. 5. All commodities made available pursuant to this act or the containers of such commodities shall, to the extent practicable, be marked, stamped, branded, or labeled in a conspicuous place as legibly, indelibly, and permanently as the nature of such commodities or containers will permit, in such manner as to indicate to the people of the country of destination that such commodities have been furnished or made available by the United States.

SEC. 6. The United States delegate to the United Nations shall take appropriate steps to encourage other countries to make available to recipient countries such assistance as they may be able to furnish.

SEC. 7. The President, from time to time, but not less frequently than once every calendar quarter, and until the end of the quarterly period after all operations under the authority of this act have been completed, shall transmit to the Congress a report of operations under this act. Reports provided for under this section shall be transmitted to the Secretary of the Senate or the Clerk of the House of Representatives, if the Senate or the House of Representatives, as the case may be, is not in session.

SEC. 8. If any provision of this act or the application of such provision to any circumstance shall be held invalid, the validity of the remainder of the act and the applicability of such provision to other circumstances shall not be affected thereby.

Amend the title so as to read: "A bill to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to be distributed by the United Nations on an emergency basis for the relief of hunger and without regard to race, color, creed, or political belief."

Mr. TAYLOR. Mr. President, I think that my interest in the United Nations and my earnest desire that the United Nations shall become strong enough to keep peace in the world are well known.

At the time of the Greek-Turkish proposal—it would probably be more appropriate to say the Greek-Turkish fiasco—when Senators were debating the subject on the floor, the Senator from Florida [Mr. PEPPER], I, and a few other Senators urged that Greek-Turkish aid be handled through the United Nations. We were told that that could not be done. That was stated by those who were in favor of the United States taking unilateral action. At that time it was said that the United Nations had no money to handle the proposition. We said, "Well, we will spend the money anyhow. Let us give it to the United Nations and let them spend it. If it works out well it will strengthen the United Nations; if it turns out badly, then we shall not be to blame." But, no; we would not submit it to the United Nations. The matter would be handled unilaterally.

We all know what has happened. The situation in Greece today is worse than it was when we took over. In fact, I have a clipping on my desk, together with several other clippings—I shall not bother to read all of them—which says that the Army is driving to try to get control of the situation in Greece. That is, the Army does not want civilian control; the Army wants to run it.

I have another clipping, and I assume from it that the Army has taken over, because the heading on the clipping reads: "General decline is seen in Greece."

"Old General Decline" is over there in person. The situation in Greece is getting worse momentarily, day by day, year by year. I think it is about time we pulled out and brought the "general"

with us. We shall be asked for more money for Greece and Turkey very soon.

I remember that at the time the Greek-Turkish aid bill was enacted the Senator from Florida and I protested that we were spending too much money for guns; that we should spend more for bread and less for guns. But the legislation was put through. Recently the ratio was changed, so that we are to give them more guns. The ratio was approximately $3 worth of guns to $1 worth of food. Now I suppose it is $3.50 worth of guns and four bits worth of food. That is what is the matter with all of our European aid. We send too many guns and too little food.

Mr. Marriner S. Eccles of the Federal Reserve Board suggested timidly—I suppose it was timidly, because his statement received very little space in the newspapers—that it might be a good idea to send more food to Europe and fewer guns. When suggestions like that are made very little notice is given to them in the newspapers. Any day anyone gets up and says that we should fight the Russians he can get headlines.

The Senator from Wyoming [Mr. O'MAHONEY] said that it was time to urge peace instead of war. I found his statement buried in another newspaper article with no heading on it at all. A gentleman from the other end of the Capitol came back from Europe and said that the Yugoslavs were killing our boys right and left over there, and the newspapers whooped up headlines over that statement. That was a good one. The next day that statement was denied. I saw the denial in the newspaper. I will give them all credit. The denial was right next to Dick Tracy.

So it goes, Mr. President. Those who want peace and plug for peace are absolutely smothered; their voices are unheard; but anybody who wants to talk for war receives all sorts of attention. I should like to be on that side; it would be very pleasant to be one of those folks.

What has happened in Greece? We decided to handle it on our own. Our action in Greece was the most severe blow that has been dealt the United Nations. At the time, the Senator from Florida and I suggested that the United Nations should seal the border and hold a free election; that we were convinced that they would have a democratic government in Greece. But that idea was voted down. Since then we have urged and finally got the United Nations to take over the job of preventing outside interference in Greece; that is, by way of her land borders. We have got someone to hold the door for us while we go in and kick the Greeks around. That is what it amounts to. We are not permitting the United Nations to handle the internal problem in Greece. All we have them doing is to act as a policeman to see that no one else interferes. We want to do all the interfering ourselves.

So, Mr. President, the amendment in the nature of a substitute, which I have submitted, is practically the original bill, with the exception that it routes the aid through the United Nations, and gives it money to spend to feed hungry people, and not to be used politically.

All the aid we have given, these billions of dollars, Mr. President, have made us no friends. On the contrary, all this money, all this giving, this aid, this generosity on the part of the American people, has made enemies in the positive sense, because we have tried to tell everyone in the world what kind of government they should have and what kind of economic system they should have; and people simply do not like that. The world has grown absolutely cynical about our aid. The people of the world feel that we are not interested in feeding hungry people, but that we are trying to gain a selfish advantage by withholding bread from hungry people. So they are out to get all they can possibly get from us.

Mr. President, I have before me an interesting example of that situation. I hold in my hand a little article by Leonard Lyons, appearing in the Washington Post. In it Mr. Lyons has this to say:

LEONARD LYONS

NEW YORK.—Brazil's Dr. Oswaldo Aranha told some United Nations delegates and Col. H. H. Josephs the apocryphal—

The word is a good one—

story of San Marino, the tiniest and oldest state in Europe, whose representative was sent here to get help under the Marshall plan.

The little country of San Marino wanted some help under the Marshall plan, so its representative came to the United States and said to Secretary Marshall, according to this article:

"We have an economic and currency problem," he said, "and we need $100,000" * * * "Have you any Communists in your country?" Secretary Marshall asked. The man said, "No; no Communists"—proving that this story must be apocryphal, because the World Almanac lists 18 Red members in San Marino's Grand Council * * *. "Sorry, we can't give you the credits," Marshall told him. "No Communists, no Marshall plan credits."

On his way home the man conferred with Premier Ramadier of France, related his plight and asked: "So can you lend us some of your many Communists?" * * * "Sorry; no," Ramadier replied. "We need all the Communists we have, because France needs a lot of credits from Mr. Marshall."

Mr. President, that story indicates the way the world looks at us. The Hindus get no food because they have no Communists and are not smart enough to start any of them in business. So the Hindus are in bad shape.

So, Mr. President, the world is absolutely cynical about aid from the United States. The countries of the world are lined up with their cups in their hands, waiting to get all the help from us they can get, and after getting it they will go ahead and have whatever economy and whatever form of government they wish to have.

Therefore, Mr. President, under the circumstances I am offering this amendment, which provides that this aid shall be handled through the United Nations. If we really want to make friends we should simply give, and not attach any strings to the gift. If we give without any strings attached, perhaps we shall get credit for really being generous.

As the situation is today, the other nations of the world simply look upon us as Uncle Shylock, the clever old schemer, who is trying to buy friends all over the world. But, Mr. President, friends cannot be bought; they will not stay bought after they are bought.

So, Mr. President, if we really wish to give our substance, let us do it through the United Nations, and let us let them feed people, as provided by my amendment, without discrimination, without regard to race, creed, color, or belief.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. TAYLOR. I am happy to yield to my good friend, the Senator from North Dakota.

Mr. LANGER. Does the amendment in the nature of a substitute include a provision for aid for any nations besides the three covered by the bill?

Mr. TAYLOR. The countries are not named. Under my amendment, it will be up to the United Nations to decide who is the hungriest and where the need is the greatest, and my amendment will let the United Nations take care of the hungry people.

That is all I have to say on the amendment, Mr. President.

Mr. VANDENBERG. Mr. President, the substitute submitted by the able Senator from Idaho obviously would destroy the entire structure of the proposed program. I think the issue is very clear, and I ask for a vote on it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Idaho.

The amendment was rejected.

Mr. VANDENBERG. Mr. President, I think that completes the action on the amendments. I should like very much to have the bill go to its third reading, after which I shall suggest the absence of a quorum; and thereafter if any Senator wishes to speak on the bill, he will be at liberty to do so.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. VANDENBERG. Now, Mr. President, I shall proceed to suggest the absence of a quorum, if——

Mr. PEPPER. Mr. President——

Mr. VANDENBERG. Does the Senator from Florida wish to speak at this time?

Mr. PEPPER. I am reluctant to wait to speak until a quorum call is had because if I were to do so, Senators might think I had been waiting until the quorum call had been completed, before I began to speak, in an attempt to have a larger audience. So I am perfectly willing to speak at this time.

Mr. President, I wish to have the RECORD show that I was one of those who voted with the Senator from Idaho [Mr. TAYLOR] in support of his amendment. The RECORD will also show in a few moments that I shall also be among those who vote for the passage of this bill.

However, inasmuch as we are now making momentous history, I should like the RECORD to show that I have a few observations which I humbly submit upon this subject and certain aspects of it.

I commend the President of the United States for the weight he has so magnificently thrown behind those in other parts of the world who need aid, and for his stalwart defense of democracy. I warmly commend the distinguished Senator from Michigan [Mr. VANDENBERG] for the magnificent leadership he has given to this bipartisan program which now is before the Senate. He has certainly exhibited all those excellent personal qualities which make his colleagues and his fellow countrymen admire and esteem him in his personal capacity so highly.

However, there are certain aspects of the matter which give me grave concern, Mr. President. One has already been mentioned by the Senator from Idaho, namely, that this is another instance when we have bypassed the United Nations organization, the effect of which cannot be but further to weaken the confidence of the world in that organization as being the hope for the prosperity and peace of mankind.

When we had the Greek-Turkey matter before us for consideration, the able Senator from Michigan, in following a course which I wish he could see fit to pursue in connection with this measure, led the fight for an amendment, by a sort of collateral method, to bring jurisdiction over that program into the United Nations organization. The President was personally allowed to discontinue the Greek-Turkish aid authorized by Congress when he saw fit to do so, and the United Nations organization was given the same power and authority by the Congress itself. It could be said, therefore, Mr. President, that we were not completely ignoring the United Nations organization, not completely bypassing it, even if our conferral of jurisdiction upon it was rather an afterthought and a postlude to the initial consideration of the subject.

But in connection with the measure now before us, we do not find in this bill a single word to the effect that the United Nations organization will have any jurisdiction over any aspect of the subject. So surely those who wish to find in this measure a bypassing of the United Nations organization can find nothing but support for that interpretation of this proposed legislation.

Mr. President, if an arm of the body is not used, it withers and dies away; it loses its strength and power. The same thing applies to institutions: If they are not employed, they lose their vitality and their force. The League of Nations was not used by the powers of the earth; and, like a member of the body or an institution that fell into disuse, it withered, and later it died.

Today, instead of throwing our full strength and power behind the maintenance and support of the United Nations organization, we are going steadily ahead along a bypath which circumvents the United Nations and tends to put world confidence in the alternative, instead of in the United Nations organization itself.

So, Mr. President, I should prefer to waste and lose some money if use of the United Nations had that effect, rather than see the United Nations organization waste and lose its power and prestige before the nations and the peoples of the world.

Therefore, I merely wish to be one of those who voice their protest, and I desire to submit the humble observation that it is a grievous mistake to bypass the UN, and when we look back from the perspective of history upon this decision, I believe we shall find that it would have been better to give the aid we provide through the United Nations organization, rather than otherwise.

As the Senator from Idaho has pointed out, this matter of giving relief and aid to the peoples of the world should be based upon need and not upon any other considerations. I thought I had it here upon my desk, but I find I have omitted to bring with me a copy I have been furnished by the Secretary General of the United Nations organization, showing the proceedings of that body in December 1946, when the representative of the United States, Mr. Adlai Stevenson, assured the nations of the world in that forum that, although in abandoning UNRRA we proposed a relief program that was unilateral in its inception and responsibility, although no doubt we expected to correlate it in some general way with other nations, we pledged ourselves to the principle that relief should not be related to politics, it should not be related to religion, or any other consideration except the plaintive appeal of human suffering and need. A baby, Mr. President, does not have any politics, it has only a tender body to be nourished and sustained, or to be allowed to die and wither away.

Mr. President, if we have departed from that principle in distributing relief, to distribute it instead upon the basis of politics, we will have repudiated a solemn statement which our representative made not longer than a year ago, when that subject was under consideration in the United Nations organization in the great State of New York. In fact, we gave that assurance when we and the United Kingdom destroyed UNRRA. That was the first mistake, I venture to say, we made in the field of international relief. UNRRA stands out as one of the magnificent instances when the nations of the earth have worked together to relieve human suffering without regard to politics, geography, or any other consideration.

Mr. President, Fiorello LaGuardia, a voice that is now stilled, and whom I wish to honor, headed UNRRA in its last days. The last vigorous protest that great soul and courageous heart made before the United Nations in December 1946 was that there must not be the criterion of politics in the administration of succor to meet human need. And if Fiorello LaGuardia were living today, Mr. President, and he saw that the aid under this bill was limited only to Austria and to France and to Italy, knowing as we all know that they were not the only people whose men and women and children were hungry, I believe, as I live, that that great, brave voice would be raised in protest to this Congress and to this country, because he thought that the way to administer relief was the way it was administered by the good Samaritan.

Search the Scriptures and see whether the good Samaritan laid down any criteria of politics, whether he asked what the philosophy was of the man who had fallen among thieves on the road to Jericho, before he gave him aid and assistance. So, Mr. President, I say that this Nation, through its representative, Mr. Adlai Stevenson, when we abandoned UNRRA, which we should have continued, said, when we administered charity and gave relief, that it should not be upon the basis of political considerations thereafter, and if we have forsaken that objective and policy, Mr. President, it runs contrary to the position we solemnly took in the United Nations in December 1946.

Therefore I say, Mr. President, that we err when we circumvent the United Nations organization. Some say, "Well, but look what happened—they gave money to this country and to that and to the other, which were not in accord with our political concepts, that were at odds with us in international conferences."

Mr. President, I would rather spend upon human suffering a few hundred millions, even in a country which is not yet in political accord with us, than to spend billions upon a military establishment against the possibility of having to fight that country. I am willing to make a comparison in the amount of dollars it would take for us to give human relief upon a needs basis to the nations not now in accord with us, with the nearly $11,000,000,000 in the budget for the Military Establishment for this fiscal year. So, I say that in terms of dollars and cents it is not a mistake for a United Nations organization to try to minister to human need wherever it exists, without regard to other considerations.

Now, Mr. President, there is a field in which we may take into account the attitude of the country with whom we make an accord. There may be instances we would not wish to enter into an obligation with a country that did not share our political beliefs. That might be, for example, in the case of mutual defense, of disarmament, and of the discovery and the disclosure of confidential information one to another, in the sharing of common weapons of defense; and the like. But, Mr. President, one cannot make friends by denying succor to those who have acute human needs. Will it be thought that those little children who will grow up in the so-called enemy countries will love America any better because their emaciated bodies attest the fact that their fathers were not in political accord with the dominant philosophy of the United States Government? . Or would it not be better that they grow up remembering that the strength they have perhaps came from an indulgent and a rich America which was willing to condone even their affronts in order that we might try to build a healthier and a sounder world?

Mr. President, I have here before me a pamphlet, World Food Appraisal for 1946-47, that comes from the World Food and Agricultural Organization of the United Nations, issued December 26, 1946, from Washington, U. S. A. On

page 2 of that pamphlet I find the following:

This is table 1, Estimated Calorie Consumption Levels, 1946–47, in Relation to Prewar Levels. On one side I find 1,800–2,100 calories per capita daily consumption for prewar levels. Then I find that parts of India have, as estimated at that time, less than 80 percent of this prewar diet figure; it is the lowest of all the countries here that consumed 1,800 to 2,100 calories daily per capita. India, with 80 percent of her prewar diet; Korea, the Philippines, other parts of India, and Java, with 80 to 95 percent of their prewar diets; Mexico, Colombia, Iraq, Iran, Central America, and Peru, with over 95 percent of their prewar diets—all of them between 1,800 and 2,100 calories per day. They are all lower than the number of calories per day for the people in France and Italy. Then I note also on the same page of this table the countries that consumed in prewar years 2,100 to 2,400 calories of food per capita per day: Parts of China and Malaya, now having only 80 percent of their prewar diets; other parts of China, Algeria, Tunisia, and Portugal with 80 to 95 percent, and countries with over 95 percent of prewar diet are Indochina, Siam, Caribbean area, Egypt, tropical Africa, Burma, South Africa, Syria, and Lebanon, but all of them under the level of 2,100–2,400 calories on an average per day. I notice from the report of the State Department the interim European aid program, Senate Document No. 108, Eightieth Congress. I find on page 24 that the average of the rural diet in Italy today is about 2,200 calories as compared with the prewar average of 2,550 calories per capita. I believe, in the case of France, the number as given in this same document is something like 2,100 calories a day. Their prewar diet was 3,000 calories a day, on an average. So all those countries are less in average calorie consumption per day on the part of their people, than the countries of France and Italy, although I believe Austria now has a lower per-capita caloric diet, 1,600 calories as compared with a level of 2,700 to 3,000 in prewar years.

Again, I read from the report of the World Food Organization. Here is the 2,400–2,700 calorie group: Parts of Manchuria, less than 80 percent; French Morocco, Greece, other parts of Manchuria, and Italy, 80 to 95 percent. Then, also, Chile, Brazil, Palestine, and Turkey, over 95 percent of prewar diet, 2,700 to 3,000; Rumania, Austria, Germany, under 80 percent; Poland, Spain, Hungary, Union of Soviet Socialist Republics, Bulgaria, Yugoslavia, Belgium, Uruguay, Cuba, Finland, the Netherlands, 80 to 95 percent; Czechoslovakia and Paraguay over 95 percent of prewar diet; 3,000 to 3,330, United Kingdom, France, Switzerland, Norway, 80 to 95 percent; Sweden, Canada, Australia, Ireland, Denmark, United States, Argentina, and New Zealand over 95 percent of prewar diet.

So it is rather apparent, Mr. President, that the aid program has not been related to the caloric or nutrition needs of the suffering people of the world. It is also rather clear that this program has not been limited to the countries that are deserving of our help on the basis of need, for surely no one would say that the world is so well off that it does not have need for this kind of aid, from any cause, except in the case of Austria and Italy and France. What impression, what inference, Mr. President, will those who question our motives derive? They will say that, in answer to the direct question, we assured them that providing relief would not drift down to the level of politics, an assurance we gave in 1946, when we abandoned UNRRA; and the United States and Great Britain did abandon it, in spite of the fact that an overwhelming majority of the members of the United Nations pleaded for its continuation. But surely, Mr. President, we would not say that only these three nations, out of all the countries of the world, have today a claim on American charity.

Mr. President, first I regret that we have not carried this matter, as we should, through the United Nations organization, where there would be no veto power, where arrangements could clearly be made that there be an honest supervision of the expenditure and the distribution of the funds and commodities provided, and where the whole world would be able to see that we were doing what we were doing in order to try to help mankind, to try to help nations, who who might be purchasers of our products, to get back on their feet, and that our motives were pure, untainted with any suggestion of selfish economic or political interest.

Mr. President, the next observation I wish to make is that we all know that one of the principal motivations of this aid is not the appeal it makes to our sense of charity and sympathy, but that it is a weapon in an ideological war. I am not saying that we do not honestly think that we are on the defensive in that war, and I am not saying that we are not on the defensive, but whether you use a weapon in a war upon the defensive or upon the offensive does not change the fact that it is a weapon that is being used in a war.

Mr. President, I now want to throw out a word of warning from recent history about that policy. I want to remind Senators to review their own memory of the history of the world since 1917. Let me take just about five political events in that many countries.

In 1917 the Bolsheviki came to power in the Soviet Union. They established what we know and call a Communist order. What did Lenin do when he took over power in the Soviet Union? Did he immediateliy attack his neighbors? Well, history does not say that. It says, on the other hand, that he gave the Baltic States their freedom, their emancipation from membership in the Soviet Union, in what had been old Imperial Russia. History also says Lenin freed the provinces of Kars and Ardahan in Turkey. It says also that he gave up the oil concessions gained by Imperial Russia in the northern part of Iran, under a burst of fraternity and brotherhood. They had something of the revolutionary spirit like that of the French in the days of their revolution, when they proclaimed liberté, egalité, and fraternité, and they included the race of men in French fraternity. They were enjoying the fruits of freedom, and they wanted the peoples of the earth to share them, the way a religious convert wants to go out and tell his fellow men of his religious experience, like Saul after his experience on the road to Damascus.

Mr. President, they were invaded at one time by a total of some 13 different nations who tried to upset the new government that had gained power in what had been Imperial Russia. That effort failed. There gradually came to be a sort of stability in that country. The government that had won authority seemed to be strong enough to retain authority, and they began to make trade pacts with one country and another.

Finally, by 1933, the new President of the United States, Franklin D. Roosevelt, felt that he could with propriety recognize a government that had been in power from 1917 to 1933, and recognized it. That same government has been in power ever since, attesting to the fact that whether good or bad, it seems to have been able to maintain itself in its own land. Leaving out, Mr. President, the efforts which have been made by the Soviet Union to reaquire territory just before and after World War II, I believe history will say that they did not threaten the security of their neighbors up until the beginning of World War II, with the exception, as I said, of Finland, as one of the incidents leading up to World War II.

Mr. President, I mean to say that here in the United States we were not making speeches every day against the Soviet Union prior to 1938. We were not arming ourselves almost with ghastly fear of an attack from them. Nor were the countries of Europe or the Middle East, so far as I recall, or as the history that I have read tells the story. Now that is what I believe we all remember of what happened to the world from a Communist state established in 1917.

Let us now go a little bit further, down to the Mediterranean. Around 1922 another tumultous political event occurred. A man named Mussolini marched on Rome. Why? To crush the Communists. To put down disorder. To restore law and order. To make the trains run on time. In a little while homage was paid to this man from everywhere, this man who had delivered the land from the Communists, Benito Mussolini, Il Duce. Even Mr. Winston Churchill was one of those who commended him, who praised him, and he was not alone. I remember, Mr. President, in 1938 standing in the streets of Rome and watching a parade which Mussolini reviewed. I stood on the opposite side of the street from him, and I remember how—and I suppose it was stimulated by his Fascist henchmen—he got the crowd to chant, "Il Duce! Il Duce! Il Duce!" in something that was almost fanatical in their praise and their worship of him. Many people in foreign lands said in their hearts, "Thank God, a strong man like Mussolini has put down those Communists and got the trains to run on time, and given

Italy again a feeling of strength and security."

Senators will remember that on the side of the Colosseum Mussolini had three white marble maps placed. One map showed what mighty Rome, imperial Rome, once was in extent and reach. A second showed the narrow boundaries to which Italian power had shrunk before Mussolini. A third map showed how Italian territory had increased because Mussolini had attacked pitiful little Haile Selassie and the tragic Ethiopian people, had taken their territory, acquired that kingdom, and had started a career of conquest to restore the majesty of old Rome—to build a new Roman Empire.

I am saying that this Fascist state, which so many people praised for crushing the Communists, was not in power very long before it made a mockery of liberty. It started out by filling its enemies with castor oil, and wound up by cutting their throats, putting them to death.

The first act of conquest begun in that part of the world was in Ethiopia. That started World War II. What did Mussolini do a little later? He joined the Axis with Hitler and moved World War II closer. I do not know what the Communists of Italy would have done. That is only a subject of speculation. But I know what the Fascist, Mussolini, who crushed the Communists, did to the nations and to the peace of the world.

Now, Mr. President, what else did this Fascist Mussolini do? After his attack upon Ethiopia and his axis with Hitler, at an appropriate time, when he thought fair France was prostrate, he stabbed her in the back with what he thought was a fatal blow. I will never forget President Roosevelt's stab-in-the-back speech made at Charlottesville, Va., about the dastardly deed of this dictator, Mussolini, stabbing prostrate France in the back when he thought France was defeated by the Axis, of which he was a principal member.

Now let us move to Germany. In Germany they also had a revolution after World War I. There were some Communists there. There also was great disturbance and agitation. There was acute inflation. I have said it many times on this floor, but I will say it again, that I rode along the roads of Germany with a former German officer and he pointed out a balcony to me and said: "There is a balcony on which my men shot a dozen Communists." He pointed to a bridge and said, "There is the bridge on the opposite side of which my men hanged 10 Communists." He was in charge of a regiment in that area fighting the Communists. And Hitler was looked upon by many people as being a deliverer of Germany from the chaos and the confusion and the domination and the contagion of communism. Mr. President, I do not know what the Communists would have done if they had gained power and remained in power in Germany. But 400,000 dead Americans attest to what Hitler did. And the tears that have coursed down the cheeks of mothers and loved ones who have lamented their loss also bear testimony to what we got when we got Hitler.

In Spain there was a democratic movement that grew up there from the people, it appeared. They protested against a feudal regime that remained in their country, and which suppressed the rights of the people, economically, politically, and otherwise. The people rose up and seemed to win their revolution through peaceful means. I do not know whether it was good or bad, but they seemed to have won it themselves, as we won ours. They established a government, Mr. President. They set up a parliament. They initiated certain reforms. Then there was a counterrevolution, and an army officer named Franco seemed to be selected to head it up. And who helped Franco? Hitler and Mussolini. I will not emphasize the fact, but as I remember it only the Soviet Union came to the aid of the people who had won their own freedom from their own oppressors and set up their own government. It will be a dark chapter of democratic failure that the Soviet Union was not joined by France and England and by us and all the other democratic loving countries of the world to protect the peoples' government in Spain. We let the Spanish people be slain in a war waged by Hitler and Mussolini, not by the kind of infiltration that is now spoken of across the border of Greece. It was no little affair, in which the people of the country obtained supplies or training from across a neighboring border. Hitler and Mussolini sent tanks, airplanes, and legions of regular soldiers to fight the Republicans of Spain and thus intervening in an internal civil war, opening the first chapter of World War II.

We still have Franco. I read from this place a document from the State Department which told the places where Franco succored German submarines. There are American boys, the sons of American mothers, sleeping today in the cold waters of the Atlantic because Franco repaired and fitted out German submarines to sink American ships in the Atlantic Ocean. Yet Franco is still there master of one of the citadels of fascism today.

In Argentina there was another army officer who took a leaf out of the book of Hitler and Mussolini. He has imitated them as perfectly as he could. I refer, of course, to Peron. If we look at his program in Argentina we see that nearly everything he does is an imitation of Hitler or Mussolini. That is fascism.

What has happened? A courageous man named Spruille Braden in our State Department did not like fascism, and he stood up and fought it the way American men fought it upon the far-flung battlefields in World War II. They hated it and they tried to crush it. I honor Spruille Braden. He lost his job trying to fight fascism in Argentina. We decided to make a deal. We say we will not appease Communists but I wonder what history will say about the understandings we have reached with the Fascists?

At any rate, I know that Spruille Braden lost his job, and later we made peace, apparently, with Argentina, and we met with her again, in spite of the fact that we know, as our own solemn publication from the State Department shows, that she gave aid, comfort, and sanctuary to our enemies while we were fighting in World War II.

Thus, Mr. President, if we take the history of the world since 1917, I do not know of a Communist country that has gone out, prior to this war, as an aggressor upon its neighbors, and taken their territory. Perhaps there have been such. If there have been such, let them be named and denounced. But I do know that the people who thought the world was going to be tranquil and peaceful when the Communists were destroyed by the Fascists got a Fascist-made war for their pains—World War II.

Mr. President, why am I saying that? I am saying it because it seems that England, we, and many other countries have an idea that lingers in our minds, that we never can do business with the Communists, that we never can establish any kind of concord or sensible and honorable working arrangement with them, but that if we can get the Fascists in, we shall be able to get along with them somehow or other. The British thought they could get along with Hitler. They always thought they could make a deal with him, up to the last minute. I have heard it said that Hess thought it worth a flight to England to make one more effort to make a bargain with England before Germany attacked Russia.

Mr. President, I say those who believe that the world will be peaceful and safe if we destroy the Communists and replace them with Fascists are defying the known lessons of history. There is General De Gaulle over in France. Does any Senator wish to say that it is a democratic platform that General De Gaulle is proposing to his countrymen? Despite his brilliant war record, he now talks as Hitler did, about the new order, about the new kind of state, about the new France. Whenever we hear one of these fanatics begin to talk in such terms, we can be sure that he is a zealot who is a dictator at heart, and will become one if he gets the opportunity. He is not saying to the French people, "I am going to make this country something of which the French people, thank God, will be proud, because they will be strong, and it will be their country." No; he is going to make it over as God made man, in his own image. That is what he wants to do.

Two or three days ago I saw a statement in the newspaper by one of our high representatives. I do not know whether the newspaper quotation was correct or not. By inadvertence I failed to bring it with me. Perhaps Senators saw it. However, I understood that one of our high representatives said 2 or 3 days ago that if in France it came to a choice between Communists and De Gaulle, we would have to side with De Gaulle.

Mr. TAYLOR. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. TAYLOR. It was not unexpected to the Senator from Idaho to see that little breaking of the ground, so to speak, in preparation for the acceptance of De Gaulle at some time in the future. Just the other day, before that item appeared in the newspapers, I was talking

with a radio commentator, and I told him that I would wager that we would be found to be supporting De Gaulle as of this day. That was about a week ago. He was sure that we would not do a thing like that, so I bet him $10 that we were supporting De Gaulle at that minute. But, of course, we shall have to postpone payment of the wager for 5 years, until the truth can be told. We do not find out these things at the time. But I am confident that the aid we are voting here today will be used to bolster De Gaulle. I will wager that the French people will be given just as little as possible this winter. They will be allowed to starve it out and freeze it out; and in the spring when the flowers are blooming and the warmth is in the air again, De Gaulle will ascend, and aid will be forthcoming in large volume.

Mr. PEPPER. I thank the able Senator from Idaho.

I should like to make one further reference. General Marshall seemed to have made a very fair appraisal of the situation over in China when he came back. In substance, he said, in the words of Shakespeare, "A plague on both your houses." From his knowledge of and intimate relationship with the existing Chinese Government, he did not think that was the kind of government which we could support. Yet, Mr. President, if we do not watch out we shall find ourselves, as some have already proposed, starting another program of assistance and succor to the present government. If we do, I do not see how there is any hope for reconciliation of the conflicting interests and establishment of some kind of truly democratic government, which General Marshall recommended in his report on China.

Mr. President, I do not want us to have to do business with the Communists all over the world, but I want to warn my fellow countrymen against thinking that they have won peace when they use the Fascists to destroy the Communists. I know that history shows that we paid a high price for the Fascists whom we have supported and sustained when, by their evil careers, they obtained power in their several countries.

Mr. President, I merely wish to warn against a democracy like America being found in the company of Fascists or near Fascists in any part of the world. If we are going into other countries to set things in order, then, Mr. President, in God's name and in the name of America's traditions and her dead patriots, let us select some people who really are democratic; and if we must give them arms and support, let us give them and say: "Before God and nations, this is what we stand for." I do not want us to become identified with every reactionary collaborationist, Fascist-minded government in the world upon the false reasoning that we must do it in order to stifle the danger of communism. I doubt if communism in Germany could have done worse for the world than Hitler did. I doubt if communism in Italy would have cursed mankind more than Mussolini.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BALDWIN. I do not wish to appear as an advocate of any political group in Europe. But I am at a loss to understand how De Gaulle can be classified with the collaborationists. Did the Senator mean quite that?

Mr. PEPPER. Not in De Gaulle's case. I think no man would question General De Gaulle's past patriotism or the magnificent struggle he made in World War II. But in the cases of Peron and Franco, I call them Fascists and I call both of them collaborationists. I am glad that the Senator gave me an opportunity to correct what might have been the impression that I included General De Gaulle in the category of collaborationists. I do believe that he is a Fascist, but I do not say that he is yet a collaborationist with the Germans.

Mr. President, I have but one final word. One of the great documents of our time was a document produced by the Committee on Economic Cooperation in Europe. Sixteen nations submitted what we call the Marshall plan. Senators may recall that there were a few very definite assumptions in that report. I mention it because we all know that the proposal before us is intended to be the substantial beginning of that program.

One of those assumptions was that by 1951 eastern and western Europe could economically and politically be put together again. Because of that assumption a demand was made for about $7,000,000,000 less than would otherwise have been requested.

The framers of that report had to admit that, if eastern and western Europe could not be put together again, western Europe would collapse, or it would require at least $4,000,000,000 a year out of the pockets of the taxpayers of the United States of America.

The second assumption was that there would be political stability and economic progress in the Far East, especially in the East Indies and the Indonesian-Malay-Burma area. I think they intended to say that that area must become free of its old oppressors before those people could get their economy going again and ship into the world markets, especially into western Europe, the critical materials which they possessed in that rich part of the world. That, too, Mr. President, was one of the assumptions upon the possibility of the discontinuance of our aid by 1951.

The third assumption is that there will be a resumption of multilateral trade among the nations of the world; that dollars will be circulating in the world's economic bloodstream like corpuscles in the bloodstream in the human body; that those people would be able to pluck those dollars out of the bloodstream with their own commodities. That is the third assumption. That does not exempt eastern Europe. That does not exempt any part of the world. It means world multilateral trade.

The fourth assumption is one which comes very near to us—a stable productive economy in the United States of America.

For myself, Mr. President, I do not think we have been fair to England. I have at times upon this floor been critical of England's foreign policy, but I have previously expressed, as I shall now express, my praise when I thought there was a reversal of that foreign policy. What England has done in withdrawing from Palestine by next August, in giving India her emancipation and in freeing Burma is in line with the course of the future. It is in the spirit of a new day. It is getting away from the narrow and selfish colonial imperialism which time has passed by and which eventually had to go. The labor government has had the courage, in the face of bitter political criticism from that lovable and wonderful old Tory, former Prime Minister Churchill: I say in the face of stalwart opposition, the labor government, which believes in democracy a great deal more than does Winston Churchill, has had the courage to give these people their freedom, which they have the right to enjoy.

I believe a new England is being born, and I, for one, am proud and glad to see it. There will always be an England, because the heart of that great people is fundamentally sound and they can read history and the portents of the times. They borrowed $3,750,000,000 in goods. They did not borrow dollars; they borrowed goods. Yet we let inflation take away one-third of the goods they borrowed from us; and I am afraid we needled them a little bit about being our debtor, along with it. They are a people with a keen pride, Mr. President. They do not like to be reminded that they owe us money. I guess none of us do.

What are they doing today? They have not even an A card gasoline ration for a single subject in the United Kingdom. They have not the basic gasoline ration for a single British citizen who can take his family and ride a hundred yards down the road in an automobile, unless he can justify it on what we would have called a C card during the war. They are tightening their belts and gritting their teeth and saying again they will see it through. They are trying to cooperate under the Marshall plan, but they have made up their mind that if they have to halve their rations they are not going to be needled by constant reminders that they are someone's debtor. I will wager that they will come through, too, in the long run.

I think when a Socialist government was struggling for its life against the reactionary Tories we might have been as generous as we have been in the past and have been a little more considerate of them. But I have the impression that when a Socialist government gets into trouble there are not many tears shed in some parts of our country. As I have read the newspapers, a candidate for President has gone so far as to say he would not like to have this country lend any money or give any aid to a country which has a Socialist government. But all Europe is Socialist. There is hardly another private capitalistic country like ours in the world today. Even Australia and New Zealand are so far beyond us that there is no similarity between their government and our capitalistic system.

And yet this gentleman, I am afraid, putting blinders upon his mind, is obscuring his vision, is counseling us to give no financial assistance to a Socialist government, while others tell us that Europe is inevitably bound that way and that we will have to go along with them or we shall have to destroy that kind of a system.

That leads up to this, and I am through. Senators are overwhelmingly, I suspect—and I shall be one of them—going to support this program. I raised a question with the senior Senator from Ohio [Mr. TAFT] last Friday as to what was going to be done regarding the high cost of living. I thought that was related to this subject, and I explained why I thought so. I have been to my State and to some other States, and hardly a day passed that I did not hear a great many people say, "Why don't you folks do something for us up there in Washington?" The people of our country are being very painfully pinched by the high prices which are prevalent everywhere, which are lowering the living levels of the American people. The nourishment of the American family is going down.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. PEPPER. I yield to the Senator from Maryland.

Mr. TYDINGS. I cannot imagine that any Member of the Senate or of the House, or any citizen of the country who has given the matter any thought, can hold to the idea that embracing either the temporary or the long-term plan of relief will not cause the American people to embrace a great many sacrifices and hardships; and if anyone is voting for this plan with the idea that we can operate it without giving up any more than abstract matters he is doing so with a very false understanding of the economies that enter into it. In my judgment, we cannot provide this aid to Europe without sacrifice on the part of our own people. I shall support it, but I do not want anyone to think that it can be done without sacrifice.

Mr. PEPPER. The Senator from Maryland never spoke the truth more forcefully than in what he has just said. If we think we shall be able to save these people from collapse, to restore markets for American goods without sacrifice and hardship, both in terms of deprivation of commodities and the payment of taxes, we are laboring under a delusion and a snare.

Here is what I am afraid of next spring—and I say it out of my heart. I have been hearing what has been said in the Senate and what the people are saying in my State, and what citizens tell me more and more, day by day, not only from the poor, but from people in the middle-income groups.

People, for example, are having to pay 98 or 99 cents a dozen for eggs and 98 or 99 cents a pound for bacon. I have figures for families with incomes less than $500 a year. In 1942 they had only 2,500 calories per capita. These figures are from the Bureau of Human Nutrition of the United States Department of Agriculture.

In the group earning from $500 to $999.99 they had only 2,600 calories.

The group getting from $1,000 to $1,499.99 had only 2,700 calories per capita.

The group earning from $1,500 to $1,999.99 received 2,700.

Figures were given out the other day indicating that the median of American income per family is $2,300. Half of the families make less than $2,300 a year and half make more than that. What kind of a standard of living is possible today for people making less than $2,300 per family? The majority of the children of America, Mr. President, that have to fight our wars and build our strength in the future are living in families of four, on an average, where the gross income is less than $2,300 a year.

Mr. President, to give a little further detail I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a table of figures showing the caloric units per capita for given family compositions on a decent low diet at present prices, the value of such diet, and the percentage of the family income which would be spent on such diet.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Figures showing the caloric units per capita for given family compositions on a decent low-cost diet at present prices (August 1947), the value of such diet, and the percentage of the family income which would be spent on such diets

Family group	Average caloric units in low-cost diet	Value o low-cost diet
[illegible]	1,982	$550
[illegible]	2,330	435
[illegible] age	2,741	930

Percent of value to average family income:
First group, [illegible]
Second group, 72½ percent of $500.
[illegible] $1,517

Mr. PEPPER. Mr. President, if the condition gets worse by next spring, if we do not have an effective system of, or whatever we call it—I started to say "price control"—I will vote for the best one that can be devised, if it requires price control, wage control, and controls over everything else, and if that is the only effective way the result can be achieved I will vote for every one of them. I will leave it to those who are the leaders to find the best and most effective way to bring down present prices or stabilize them at the present level and bring those that are below and out of relation up to the level where they should be and stop them there; I say if we allow these prices to go until next spring, when we are to vote on the permanent Marshall plan, there will be so much annoyance and dissatisfaction in this country that any Senator who votes billions of dollars for Europe will probably get defeated in the next election. One-third of the Senate and all of the House of Representatives must come before the people in November 1948.

Mr. President, I am for the Marshall plan and I am for this plan. Neither goes far enough; neither includes enough people. The whole program must be on a broader basis. But if we start this program and do not go through with it the people in western Europe will hate us more than the people in eastern Europe, because we would be letting them down when they have considered that we have given them a promise.

Once a boy told me to jump on a fellow who was much larger than I and had been pushing me around. He said, "Jump on him; I will help you whip him." I jumped on him, but this boy was nowhere around when the big fellow got through whipping me.

So I am afraid that if we are not careful, that is what will happen to the nations we now propose to help if we begin and fail to see them through. If they cut loose from eastern Europe, and we fail them, they will have to crawl on their hands and knees to eastern Europe to get food, and then we shall hardly have a friend left among them.

Mr. President, I did not mean to trespass upon the time of the Senate so much. I merely wished to say that I think it would have been better to provide for the administration of this program through the United Nations organization, and that I think that it we are going to dispense charity we should not have our charity tainted with self-interest, and that if we are going to see our way clearly in the future, we must make sure that we shall not be in the company of or supporting the Fascists, and that in the last analysis if we are going into this enterprise we should make sure that we are prepared to see it through, even if the cost to us in the United States is great. How many of those who will vote this afternoon for this bill are prepared to say, "If it defeats me next November, I will see it through; I will vote controls upon the people, if necessary; if necessary, I will vote to retain the present high taxes"?

Mr. President, in summary, when we have solemnly set a course, let us pursue it, though the storms rage; but, Mr. President, when we embark this mighty and glorious American ship of state, laden with its precious cargo, the American people, upon the dangerous seas of this troubled world, then in God's name let us be sure that our whole safety and the safety of all those who depend upon us is not imperiled by a false compass.

Mr. CONNALLY and Mr. REVERCOMB addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. CONNALLY. Mr. President, are those of us on this side of the aisle in the Senate?

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. REVERCOMB. Mr. President, at this time, in the closing hours of this debate, I do not wish to take much time to discuss this subject. But I wish to comment upon some of its features.

I have not been privileged to be present during the entire debate or to hear all the discussion. I have been absent

because of circumstances entirely beyond my control. However, I feel that there is one feature of this bill which I desire to discuss with my colleagues for a short time; namely, that this measure is the second step in an apparent policy, which is new for this country, of donating and giving by legislative action the public moneys for the aid of another country. I speak of the feature of this measure—and I think the people of the United States should fully understand it—which represents a policy of making a gift of money, an outpouring of money, from the Treasury of the United States and from the pockets of the people of the United States. It is in no sense a loan. The recipient governments are not called upon to say to us that they will repay; they are not called upon to issue bonds or indebtednesses of their own; but we are asked to give to them, without any promise whatsoever of return, the moneys of this country. I have long doubted the right, under our obligations to the United States, to vote to give away to other countries and to other governments the wealth and the moneys of the people of the United States.

Let me say that in the past I have voted for the appropriation of funds which went generally everywhere to meet suffering and hunger, and I wish to do so and continue to do so. But when we advance moneys directly to the governments of other countries, I feel that that should be done upon a sound basis. and certainly upon the basis of a loan.

Some months ago I made a statement before this body that we were beginning a course of action, a new policy, when we were called upon to advance money to Greece and Turkey as a gift. Many said, "Oh, no; that is not the beginning of a new policy. We are doing this just to meet the circumstances of this particular case." I say to you, Mr. President, that today is a second step under a policy of gift to governments. The appropriations we have previously made for the aid of the needy have been made in the direction of direct help, not through the governments of other countries; except in some instances, as I recall, UNRRA did sell some of its goods through certain of the governments of Europe, and the abuses there are outstanding and well known today.

But why could not this bill have been framed upon a basis of payment or a promise of repayment? What right have we, as the representatives of the people of the United States, to give their money to the government of another country, however high the ultimate use and purpose of doing so?

It has been stated here today that we should not do anything or should not write into this bill anything that would embarrass or cause humiliation to the recipient people. I recall that earlier today, when there was discussion upon the amendment offered by the able Senator from Missouri, it was said that if it were adopted it might be a matter of humiliation to the recipients. Let me say upon that point that the people of France, Italy, and Austria are proud people. It seems to me that they would much prefer—for it would be a sounder and better and prouder position for them—to have their governments say, "We will issue obligations for this needed money," rather than to have their governments say "We are the recipients of the alms of another country." I point that out with good reason.

For instance, let us consider the Government of France. The national debt of France—and I ask my colleagues to note well these figures—is, I am advised, only $16,000,000,000. The debt of the United States and the people of the United States is $260,000,000,000. The per capita debt of France, if its population be 40,000,000, is $400 per person. The per capita debt of the people of the United States today—the people whom you and I represent—is $2,000 for each man, woman, and child in this country. So we have the anomalous situation of the great debtor nation and the great debtor people giving money and being asked by their own Government to give money to other countries, without any contract or agreement for or any return or recompense. I do not have at hand at this moment the corresponding figures in regard to the situation of the governments of the other proposed recipient countries and their debts or obligations.

So, Mr. President, although I believe there is not a Member of this body who does not subscribe to the idea of helping those who are in need and helping those who may face hunger anywhere—not only in these three countries, but anywhere—and although I believe that no Member of this body would do anything to stop that aid, nevertheless when we advance money to the constituted government of another country, it seems to me it should be advanced upon a sound and businesslike arrangement and basis. How far are we going in the future under this policy of giving away the wealth of the United States without any promise or obligation for its return?

I know the arguments are ably made by the advocates of this bill that this money is an outpouring by the United States to stop the spread of communism which might grow out of the chaos which would come with want and hunger. But do not the governments to whom we are giving this money and do not the peoples who are to receive it have a feeling themselves, today, that they do not want communism? Are they not willing, through their governments, to say at least, as we have said to the American people every time we took money from them, "We want to issue an obligation for this," and to deal as government to government upon a sound basis? I believe that is a fault in this bill. Perhaps it is not such a grave thing in this particular instance, but the danger lies in the marking of the beginning of a future policy by this Government to take the wealth of this land and give it away without promise of return.

Oh, it is said that this gift will be in defense of our own policy as to Europe. Let me ask those who advocate that position and who advocate the pending measure, are not the people who receive the benefit just as much interested in a defense against communism? If they are not, then all the money we can give them will not help them. If they are, certainly they ought to be willing to make some evidence of agreement upon a sound basis of businesslike dealing between man and man, between government and government.

I deplore the idea, Mr. President, not so much for this particular bill—I want to see aid go to western Europe where it is needed—but I deplore the idea that is basic in the so-called interim-aid measure, which is but a prelude to one that we know to be coming, that this country, without exacting one obligation, one promise of return, is to pour out the money of our people to other governments. Let the people of this Nation know, and let it be carried to them so that they may understand it. The money we are giving, the goods that we may send, do not go directly into the hands of the people as they did formerly in times of need, when they were distributed by the Red Cross. That money and those funds and those goods go into the hands of the respective existing governments of the recipient countries, and by those governments the goods are sold to the people. When they are sold, the money the people pay will not come back to the Government of the United States or to the people of the United States. It comes back to and remains the property of the recipient government. Let that be understood.

I am not criticizing the method of distribution; I think it would be better to have these funds and goods go into the hands of the receiving government and there be distributed; but, Mr. President, I think when that is done, the government that receives the money and the goods should stand upon the solid basis of saying, "We, a sovereign country receiving this loan, consider it a loan, and pledge our obligation to repay it." That is a weakness in the bill, Mr. President, however good the purpose of the measure may be.

Mr. MALONE. Mr. President, after several days' debate I should like to keep the record straight in regard to the relief bill. The record of the debate is clear on the amendment I offered last Thursday, November 27, that I am in favor of feeding the people of Europe who are hungry, by reason of an emergency, and who can take care of themselves after they make another crop. We cannot take on a lot of star boarders for 5 or 10 years, therefore we must distinguish between the emergency hungry and those who have been hungry periodically for several generations. It will be understood, Mr. President, that next year's crop will be the third since VJ-day. I wanted, through my amendment, to give this assistance to the countries of Europe—France, Italy, and Austria, and in the same manner, if we offer any additional emergency aid to other countries of Europe, just the same as we gave it to the victims of the Galveston, Tex., flood, or to the victims of the earthquake in San Francisco, Calif. If it is an emergency—and I believe it is—although it is an emergency which I believe has been brought on as much by the manipulations of the currency systems by their trick governments playing around with the economic system as by any other

method, we should make the good-neighbor gesture and give them such aid as we can afford. Regardless of the cause of the food shortage, winter is here, and so is the emergency; so we are willing to give the necessary food and fuel.

If the recipient governments are to charge the hungry people for the food and fuel, however, I would favor requiring such governments to pay the money received into the Treasury of the United States in their own money. In other words, in France, let it be paid in francs, in the kind of money that is used in France, but, instead of the price that they fix on their money, 117 francs to the dollar, let it be paid in the number of francs to the dollar that would be offered on any exchange for the franc, which is nearer 400 francs to the dollar. Let the free exchange be fixed in this manner at the time of the transaction.

In that connection I should like to offer, Mr. President, for the RECORD a very able editorial from the Washington Times-Herald of this morning, outlining the move that has been made by Italy, which I think is a very good one, to fix currently the free dollar exchange of the lira. I was in Italy about 3 weeks ago, and they were then giving about 550 lira to the dollar, while it was about 650 on the street; but they have now fixed a method so that every month the value of the lira will be fixed in accordance with the importers' offer for the dollar on the Italian stock exchanges at the time such evaluation is made.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ITALY FREES LIRA

The lira is the Italian unit of money, as the dollar is the American and the pound the British. Its prewar value was about 5 cents, or 20 to the dollar.

Those good old days ended after Italy got into the war. We wouldn't know what, if anything, the lira was worth when the Germans were running Italy with Mussolini as their Charlie McCarthy.

From the liberation of the country by the Allies until 1946, the lira's value was pegged at 100 to the dollar, or one-fifth of prewar.

The Italian currency has been devalued three times in the last 2 years, finally skidding to a rate of 350 to the dollar.

That rate was official and legal—meaning the Italian Government insisted that this was what the lira was worth in terms of buying power, whereas everybody including the Government knew that such was not the case. Result: Black markets in Italian money and a general financial discombobulation.

Last Thursday Premier Alcide de Gasperi's administration decided that all this was going to stop. It further cut the lira's valuation to 589.47 to the dollar, which was slightly lower than what the money had been selling for on the black market.

Further, the lira is to be revalued every month, and these adjustments are to be based on what importers will offer for the dollar on Italian stock exchanges at the time each revaluation is made.

Thus Italy becomes the first country which has been controlling its currency to cut that currency loose from controls and let it find its true level in terms of what the money actually will buy. What it will buy is determined by such things as the country's productivity and production, the state of its foreign trade, and the confidence that its own people and others have in the country's government.

Those things determine any currency's buying power and its strength on world exchanges. Currency controls are maintained by countries which know darn well their money units are none too strong.

CONTROLLING MONEY AND FREEZING TRADE

The well-known economist and writer, Henry Hazlitt, says that these currency controls are to blame for most of the postwar world's financial miseries, and that the bulk of those miseries would dry up and blow away if all these countries would do as Italy has just done.

Mr. Hazlitt's thesis is worked out in detail in his new book, Will Dollars Save the World? D. Appleton-Century Co., New York and London, 1947, 95 pages, $1 50.

Hazlitt is for the dropping of all price controls in other countries, as well as of money controls—and he is against restoration of price ceilings in the United States.

His reasoning is that such things are artificial and arbitrary interferences with the law of supply and demand; that they make black markets, discourage people from producing in hope of reasonable profits, and generally paralyze both home and foreign trade.

If they were all thrown overboard, he claims, the situation would right itself in a hurry, there would be no more dollar famines in Europe, and virtually the whole Marshall plan would become unnecessary.

That may be somewhat on the overoptimistic side. The fact remains that war-devastated Europe has very little as yet to export, while the United States' production is at record levels. Until Europe gets more of its factories going, it is hard to see how trade in and out of Europe can be balanced.

But in the Hazlitt theory's favor there is this fact: Italy for many months now has been well known to be just one big black market—meaning its people have gaily ignored the multitude of price controls, and have bought and sold their labor and their goods for what they were worth in reality. And Italy, for all the tumult kicked up by its Communists, has been staging a remarkable economic comeback.

We note, too, that General MacArthur, over in Japan, has been able to stabilize Japanese economy to such an extent that Jap chinaware is creeping back into the United States market—good stuff, we're told, and at virtually prewar prices. MacArthur, so far as we've ever heard, is no believer in price controls, restrictions on individual effort, and other great brain gadgets.

It seems just possible that Italy, in taking the plunge into free-moving money, has given a strong boost to its own economy, and may have started something which will eventually lead all of western Europe out of the economic swamps. Here's hoping, anyway.

Mr. MALONE. Mr. President, the money, then, from France in francs, for example, could be used to buy nickel and chromite from New Caledonia, a French possession, which we need very badly. New Caledonia, located in the Pacific area, is only one of the French possessions, and such funds in the French currency could be used to purchase other materials from France and her empire areas. I intend to vote for the bill without these changes since I am for emergency relief, although I think it is wrong in principle.

Now, Mr. President, I want to point out that this is the same administration that so fears communism at this time that we are ready to recommend sixteen or nineteen billion dollars be expended over the next 4 years, to be thrown into the countries of Europe without any hope of return, which recognized Russia as a blood brother in the first place during the first few months of their administration in 1933 without any safeguard whatever. This is the same administration that shipped scrap iron and oil to Japan out through the Golden Gate in San Francisco right up to within a few weeks of Pearl Harbor, and then sent the boys out in the Pacific to catch that same scrap iron with their bare hands, coming back out of Japanese guns. This is the same administration that has furnished more than $250,000,000 worth of material to Russia, made up of power equipment, high-octane gas, manufacturing machinery, tool steel, and other equipment that could be used against us in a war, while at the same time they were recommending an appropriation of $400,000,000 to stop the spread of communism at the Greek border, according to the President's own words. At least the administration is consistent—it is always on every side of important questions.

I want to point out one other thing. What we would like to do and what we can do may be entirely different things. It is time we take into account what our economic system will stand. It is my humble opinion that the economic system that it required all of our people 140 years to build has been wrecked in the last 15 years. It has been wrecked by a succession of acts leading to inflation. It has been wrecked by appropriations made by the Congress, approximating $275,000,000,000 more than has been paid into the Treasury during that period, therefore the system is at this moment just as susceptible to inflation, through additional appropriations above the amount needed to run the Government each year, as a toy balloon is to air. The economic system simply inflates and absorbs any additional substantial appropriation in the same manner as a toy balloon inflates from additional air and there is no additional purchasing power. I merely cite the appropriation made to Great Britain last year, of $3,750,000,000. Within a few months, they came back and said that they had missed their estimates simply because through subsequent inflation it would only purchase about half what they estimated it would buy and they were entirely correct. What do they think is going to happen when we appropriate $6,000,000,000 more? It may not be one-half, this time—it is very likely to be more like one-fourth. In other words, the ability to create purchasing power by appropriations of the Congress of the United States has been dissipated. We are not able to create purchasing power any more, above the amount that it takes currently to run the Government, for the very simple reason, or at least for one good and sufficient reason, that we cannot increase our productive capacity in proportion. I think the Congress is as helpless as a baby to create additional purchasing power. We could appropriate $100,000,000,000 and send it to the countries as easily as we could appropriate six, and probably have about the same purchasing power. Of course, as the President has now recommended, we can put our finger back on the snout of the teakettle without pulling the fire

from under it, knowing full well we are going to be scalded and that it is just a question of time. We can start blowing on the thermometer again and make ourselves feel warm, while our feet are freezing; but in the long run, the economic factors are building up and boiling up underneath, just the same as they always do. When the explosion comes this time, Mr. President, I think we shall be just like the aviator who hit the Empire State Building—they have not yet identified him—and when we wake up we shall be trying to borrow money from the European countries.

It may not be generally known, though it is in the papers every few days, that England at this time is making a trade treaty with Russia. It may not be generally known that France is doing the same thing. It could be that they will be on our side when we are successful, if we are, in getting into a war with Russia; but Mr. Bevin, who is one of the officials of the English Government, and Mr. Wilson, high in the councils of the same Government, say that probably they will remain neutral. If that is true, if they are going to be neutral, or if they are going to be on the other side, it may be a serious question how any money advanced through the Marshall or any other plan will be used.

Mr. President, I covered a considerable part of the United States this summer before going to Europe, and I am going to pay a tribute to the housewives of America. I think they are the best economists in the world. But there is a point beyond which even they cannot go.

In this connection, the Secretary of the Treasury made a very significant statement about 4 or 5 months ago. Very little attention was paid to it, and he received little in the way of headlines. He simply said that the 1947 dollar in relation to the 1939 dollar was worth 50 cents. What he said, Mr. President, in my language was that in 8 years we halved the purchasing power of every income in America; the purchasing power of every insurance policy in America, the purchasing power of every liquid asset in America—in 8 years we cut in half every sayings account in America. That was 4 or 5 months ago. If we continue to appropriate money, perhaps we will halve it again in much less time.

Mr. President, in my humble opinion the President of the United States, when he said that we must come back here in special session, to stop inflation and keep on appropriating money, might just as well have said to me, "As an engineer, I want you to go down to the Potomac River and build a dam on that river and not retard the flow." I would have said, "Mr. President, in deference to you I will go down and look it over, but unless it is very different than our western streams I must turn down the job." The two things are incompatible and neither can be done. We must make up our minds. In other words, if we keep on appropriating money we will keep on increasing inflation, and the inflation will be there just the same even if we have our finger on the snout of the teakettle and start blowing on the thermometer again. It might make us feel better while the entire system is getting ready to blow up. We are going to have some hungry people in America this winter, and cold too. That may be news to many people but I do not think it is. With meat costing a dollar or a dollar and 20 cents a pound and going up every time we in Congress appropriate more money to throw at random throughout the world, about 75 percent of the housewives of America are not buying the good cuts of beefsteak on the stands; they are buying the tag ends, while taking a lingering look at the good cuts of meat, and filling up the pot with potatoes, carrots, and other vegetables, and the kids do not like it and the housewives do not, either. I hope that the people of America begin to make their wants felt in words of one syllable to this Congress right soon.

Mr. President, I should like to know who it is that arrives at these long-range decisions; who it is that says it is for the good of our country that we put out the kind of money proposed in the Marshall plan. I agree with the senior Senator from Michigan that when Senators vote on the pending bill today it does not commit them to the Marshall plan, but I want to read one line from Mr. Lovett's testimony given before the Committee on Foreign Relations. He said:

> Mr. Chairman—
>
> And I am skipping a few lines—
>
> generally speaking this interim appropriation means a preface to the longer-range program (Marshall plan).

It is very clear what they think it is. So it would be well I think for a few people beside the State Department to take a little interest from now on in making decisions as to just how far we are going in the appropriation of the sweat dollars of 49,000,000 taxpayers to help Europe when as a matter of fact we may need the same money more ourselves in a very few months.

In 1917 we were sold a bill of goods that the Kaiser had a one-way ticket through Europe, England, and on to Washington, D. C.; in 1939 we were sold the same bill of goods that Hitler had the same one-way ticket—and now Joe has the ticket. It could be that a few plain Americans should begin to check the routing this time.

Take these Socialist governments of Europe—and that is what they are. In my book there is only one difference between the Socialist and the Communist forms of government and that is the route they take. The end is the same, and that is government ownership. They have adopted the principle of nationalizing industry, and say frankly that they want to continue to do it. I had an hour's conversation with Sir Stafford Cripps of England, and he was very emphatic in saying that they needed the money from the United States under the Marshall plan for England, and in about a half hour in the course of the same conversation he said that they intended to continue the nationalization of industry, and that steel plants were next on the program.

Any person or group of persons who advocate the overthrow of our Government by force, no matter what they call themselves, are traitors to their country, and should be dealt with as such. What are they doing? In my humble opinion they have driven more of their local capital underground by their policies in Europe than they are asking us for under the Marshall plan. In other words, businessmen and private industrialists will take the business risks, but they cannot take the risk of nationalization and socialization of their capital, and they are not taking them. It is my opinion that that is what has tied up the capital of Europe.

Further there is more American private capital to be invested in European countries at this time than there has ever been in the history of this country. But there again, they cannot take the risk of nationalization of their invested capital. They are ready and willing to take the business risks. If these nations really want to try out their schemes they are of no interest to us so long as they can finance them, but when they come to us to borrow money to finance their trick governments and their social schemes, then it becomes of very great interest to us.

I have already submitted for the RECORD a very able editorial from the Times-Herald of this morning, with respect to the fixing of the price exchange of the currencies of Europe. Now that Italy has changed and intends to let the lira hit its own level through a free exchange with the dollar, it is my humble opinion that recovery will be tremendously encouraged in the next few months.

France fixes, and has fixed for some time, the value of their franc. Right at the moment, or at least when I left Paris a few days ago, the official rate was 117 francs to the dollar. One can walk out of the hotel where one gets the official exchange, or to the bank, and stand on the corner looking a little uncertain and immediately one is approached and offered up to 400 francs in exchange for the dollar.

What does that mean? It simply means that at the official rate you are overcharged 3½ times for anything you buy from them. It means that to the extent that they are overvaluing their money they are overcharging anyone who buys their goods outside their country. When they fix the rate of exchange at 117 francs to the dollar and you buy $1 worth of goods, it means that you are paying just about three and one-half to four prices for them. Therefore, it has slowed up their exports, and there is no chance to increase them until they allow a free exchange along the lines that Italy is doing.

Another thing that perhaps is not entirely too clear. As I have previously said, I agree with the Senator from Michigan that a vote on the pending measure does not commit a Senator to vote for the Marshall plan. But the Marshall plan, as Mr. Lovett said before the Foreign Relations Committee, is a part of this preliminary plan. The Marshall plan simply contemplates giving the money from our Government to another government to go into business. In other words, to rehabilitate industry.

I had a couple of hours' talk with Mr. Monnett, of France. He was very careful to explain the Monnett plan, and I followed him right up to the point where the Government was to own the plants rehabilitated with our money. He is a very fine thinker and has one of the best minds in Europe. He said he wanted to put in more electric-capacity generators. He wanted to substitute new machinery for old machinery, and that our money was needed to do it. I said: "Mr. Monnett, do you mean that you want our money to buy the machinery for your Government and replace the obsolete machinery in your factories, and you want to put in power supply owned by the Government, and that all of this is to be clear of debt?" He said: "That is correct." I said: "Mr. Monnett, that may be all right over here, but I know of no generators, I know of no piece of machinery of any magnitude in any of our electric plants in America that is clear of debt. We amortize such investments in the United States over a period of anywhere from 10 to 50 years, just a little less than the life of the machinery, and as the machinery turns out its product it pays for itself, and pays the interest on the money. Just like Hoover Dam, which has been amortized over a 50-year period, which is paid each year, plus 3 percent interest.

So we are putting European governments in business, Mr. President, and there will be 16 such governments which the United States will be putting into business through the Marshall plan in a way that our Government will not itself do.

Mr. President, I want to close by saying that I shall vote for the bill, although as I have made clear I do not like the way it is set up. I should like to see the food and fuel in question go to those countries and put into the hands of a hungry people, free, but nevertheless I will vote for it because there is no time to do anything else, in view of the position of the administration. I agree with my colleague from West Virginia [Mr. REVERCOMB] that the Congress of the United States should not be so free with the taxpayers' money. Mr. President, I am certain we do not have the moral right, and I doubt whether we have the legal right, to continue appropriating large sums of money and giving it away throughout the world without hope of return, simply on the judgment of the State Department—and I might say in passing with plenty of Communists in that set-up.

It must be remembered that every appropriation we make represents the work, blood, and sweat of the 49,000,000 taxpayers of America—and that Congress cannot launch blithely on another 15-year period of random appropriations without hope of repayment—to establish a world WPA—our economic system simply will not stand it.

The PRESIDING OFFICER. The question is on the final passage of the bill.

Mr. VANDENBERG. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. VANDENBERG. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	O'Daniel
Baldwin	Hickenlooper	O'Mahoney
Ball	Hill	Overton
Barkley	Hoey	Pepper
Brewster	Holland	Reed
Bricker	Ives	Revercomb
Brooks	Jenner	Robertson, Va.
Buck	Johnson, Colo.	Robertson, Wyo.
Bushfield	Johnston, S. C.	Russell
Butler	Kem	Saltonstall
Byrd	Kilgore	Smith
Cain	Langer	Sparkman
Capehart	Lodge	Stennis
Capper	Lucas	Stewart
Chavez	McCarthy	Taylor
Connally	McClellan	Thomas, Okla.
Cooper	McFarland	Thomas, Utah
Cordon	McGrath	Thye
Donnell	McKellar	Tobey
Downey	McMahon	Tydings
Ecton	Magnuson	Umstead
Ellender	Malone	Vandenberg
Ferguson	Martin	Watkins
Flanders	Maybank	Wherry
Fulbright	Millikin	White
George	Moore	Wiley
Green	Morse	Williams
Gurney	Murray	Wilson
Hatch	Myers	Young
Hawkes	O'Conor	

The PRESIDING OFFICER. Eighty-nine Senators have answered to their names. A quorum is present.

The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REED (when his name was called). I have a general pair with the senior Senator from New York [Mr. WAGNER]. On this vote I understand that if present he would vote as I am about to vote. I vote "yea."

The roll call was concluded.

Mr. WHERRY. I announce that the Senator from New Hampshire [Mr. BRIDGES] is unavoidably detained.

The Senator from Idaho [Mr. DWORSHAK] is absent because of a death in his family.

The Senator from California [Mr. KNOWLAND] and the Senator from Ohio [Mr. TAFT] are necessarily absent.

If present and voting, the Senator from New Hampshire, the Senator from Idaho, the Senator from California, and the Senator from Ohio would vote "yea."

Mr. LUCAS. I announce that the Senator from Mississippi [Mr. EASTLAND], who is absent because of illness in his family, would vote "yea" if present.

The Senator from Nevada [Mr. MCCARRAN], who is absent on official business, would vote "yea" if present.

The Senator from New York [Mr. WAGNER], who is necessarily absent, and who has a general pair with the Senator from Kansas [Mr. REED], would vote "yea" if present.

The result was announced—yeas 83, nays 6, as follows:

YEAS—83

Aiken	Byrd	Ecton
Baldwin	Cain	Ellender
Ball	Capehart	Ferguson
Barkley	Capper	Flanders
Brewster	Chavez	Fulbright
Bricker	Connally	George
Brooks	Cooper	Green
Buck	Cordon	Gurney
Bushfield	Donnell	Hatch
Butler	Downey	Hawkes
Hayden	Magnuson	Sparkman
Hickenlooper	Malone	Stennis
Hill	Martin	Stewart
Hoey	Maybank	Thomas, Okla.
Holland	Millikin	Thomas, Utah
Ives	Morse	Thye
Jenner	Murray	Tobey
Johnson, Colo.	Myers	Tydings
Johnston, S. C.	O'Conor	Umstead
Kem	O'Mahoney	Vandenberg
Kilgore	Overton	Watkins
Lodge	Pepper	Wherry
Lucas	Reed	White
McCarthy	Revercomb	Wiley
McClellan	Robertson, Va.	Williams
McFarland	Russell	Wilson
McGrath	Saltonstall	Young
McMahon	Smith	

NAYS—6

Langer	Moore	Robertson, Wyo
McKellar	O'Daniel	Taylor

NOT VOTING—7

Bridges	Knowland	Wagner
Dworshak	McCarran	
Eastland	Taft	

So the bill (S. 1774) was passed.

PROCUREMENT OF TEMPORARY OR INTERMITTENT SERVICES OF EXPERTS OR CONSULTANTS

Mr. AIKEN. Mr. President, when the Congress passed legislation setting up the Commission on Organization of the Executive Branch of the Government last summer, the act unfortunately carried no provision whereby the Commission could engage temporary or intermittent services of individuals or other organizations, and it did not relieve any member or employee of the Commission from the provisions of sections 109 to 113 of the Criminal Code, which prohibit any officer or employee of the United States from acting as agent or attorney in prosecuting any claim against the United States, and which prohibit any Member of Congress or Government employee from receiving any compensation for services rendered or to be rendered in connection with any contract, claim, and so forth, in which the United States is a party or is interested before any department or commission.

The Commission has been set up, as everybody knows, with the Honorable Herbert Hoover as Chairman, and the Honorable Dean Acheson as Vice Chairman. They are ready to go to work. They need help. They need a great deal of the kind of help that simply cannot take a civil-service examination and qualify in that way to work for the Commission. Furthermore, some of the members of the Commission itself are members of large firms which may conceivably, in the course of their business, do some business with the United States Government. The Commission is a very important one, but, unfortunately, it cannot function freely until the law is amended. The House recognized this fact, and last week made it a point to bring out a bill amending the act, unanimously approving it. It has now come to the Senate and has been referred to the Committee on Expenditures in the Executive Departments.

Mr. Hoover is ready to engage assistance for the Commission, and would like to do so. In order to permit that to come about and to let the Commission get under way and engage the services of men whom it needs, or other organizations which it needs, it is necessary to have action of this body concurrent

with the action of the House. My purpose in rising is to ask unanimous consent that the matter may be taken up at this time so that the Commission can begin to function.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. WHITE. Am I correct in my understanding that this deals only with the organization of the Commission and with the starting of the Commission?

Mr. AIKEN. That is correct. It authorizes it.

Mr. WHITE. The bill passed the House, and I understand that it has been acted on favorably by the committee of the Senate to which it was referred.

Mr. AIKEN. That is correct. It has been referred to the Committee on Expenditures in the Executive Departments. There has been no hearing. I have talked with most of the members of the committee, if not all of them. The staff was contacting them today so that there would be no delay. The Senator from Arkansas [Mr. McCLELLAN] is a member of the Commission and also a member of the committee. The bill as passed by the House will permit them to "procure, without regard to the civil-service and classification laws, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the act of August 2, 1946—Public Law 600, Seventy-ninth Congress."

Mr. WHITE. I take it that it does not undertake to deal with problems of prices or otherwise for the various committees of the Senate.

Mr. AIKEN. The Senator is correct about that.

I have discussed this matter with the minority leader, the Senator from Kentucky [Mr. BARKLEY], the Senator from Ohio [Mr. TAFT], the Senator from Nebraska [Mr. WHERRY], the Senator from Oregon [Mr. MORSE] and other Senators; and I have found no objection.

Mr. WHITE. I shall offer no objection.

Mr. AIKEN. There is one amendment which I wish to offer, if unanimous consent is given for the present consideration of this measure.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. LANGER. As I remember that bill, it provides for the appropriation of approximately $750,000.

Mr. AIKEN. That is correct.

Mr. LANGER. How many employees is it desired to take out of the Civil Service? How many employees will the Commission hire?

Mr. AIKEN. The idea is to enable the Commission to hire some specialists who would not want to take the civil-service examinations and come under the civil-service laws. The purpose is to enable the hiring of such persons for the purpose of helping the Commission for a few days or a month. Under present conditions, that cannot be done. The Commission would not be able to obtain such employees, if they had to take the civil-service examinations and come under the civil-service system.

They also wish to engage the services of outside organizations, such as a firm of accountants, and it might be that such a firm might have a client who was trying to recover some income-tax payments from the United States Government. Unless we have the law amended in the way which I shall indicate, it will not be possible for the Commission to engage them.

Mr. LANGER. How many employees will be needed?

Mr. AIKEN. I do not know the total number. The number will be kept as small as possible, and yet still enable the Commission to do the work; I assure the Senator that.

Mr. LANGER. I have no objection.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. McCLELLAN. I wish to state that it is not the purpose to circumvent the civil-service laws or the classification laws, but this particular amendment must necessarily be made a part of the law if we are to obtain the services of specialized talent. Under present circumstances, that talent is not available. Of course, some persons in private enterprise are not interested in taking the civil-service examinations and trying to become qualified for long-time Government service.

So, Mr. President, if the Government is to do the job and is to have the best assistance which might be available to it, it is imperative that this amendment to the existing act be made.

Mr. AIKEN. Mr. Flemming, of the Civil Service Commission, is also a member of this Commission. He was appointed by the President.

Mr. LANGER. I wish to call attention to the fact that when the OPA was organized, it went to the offices of various congressional committees and various Senators and took some of their best help because it had no salary limitation on it at all. I wish to point out that I do not think this Commission should make a raid on the office force of any committee.

Mr. AIKEN. I do not think there is any likelihood of that happening in the case of this Commission. If Mr. Hoover had been head of the OPA, I think he would have handled it differently.

I do not know of any reason why objection should be made to the present consideration of this measure, because the Commission wishes to get to work. But it is not now in a position to begin engaging the services of some specialists who simply will not help it at all if they are required to come under the civil-service system; they cannot afford to do that.

Mr. WHITE. Mr. President, I shall not object, if this matter may be brought to an early determination. But if it is going to involve lengthy consideration and real debate, I shall feel constrained to object. I hope the matter can be brought to a prompt conclusion one way or another.

Mr. AIKEN. If there is no objection, I should like to have the bill taken up, without having had formal action taken by the committee.

The PRESIDING OFFICER. Does the Chair correctly understand that the Senator from Vermont desires to have the committee discharged from the further consideration of the bill?

Mr. AIKEN. That is correct. I think that is the formal way of doing what I have in mind.

The PRESIDING OFFICER. Without objection, the Committee on Expenditures in the Executive Departments is discharged from the further consideration of House bill 4469.

Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 4469) to amend the act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof.

Mr. AIKEN. Then, Mr. President, I present the bill, and also an amendment in the nature of a substitute for paragraph (b) of the bill. This proposed substitute was considered by the Commission this morning, and was unanimously approved.

The PRESIDING OFFICER. The amendment will be received, and the bill will be read by title.

The LEGISLATIVE CLERK. A bill (H. R. 4469) to amend the act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof.

The PRESIDING OFFICER. The amendment which has been submitted by the Senator from Vermont will now be stated.

The LEGISLATIVE CLERK. On page 2 it is proposed to strike out lines 7 through 13, inclusive, and in lieu thereof to insert the following:

(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of section 109 or 113 of the Criminal Code (U. S. C., 1940 ed., title 18, secs. 198 and 203), or of section 19 (e) of the Contract Settlement Act of 1944, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Vermont.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. AIKEN. I yield.

Mr. LUCAS. I desire to propound an inquiry to the able Senator from Vermont. As I understood the statement which he made, his committee has not passed upon this measure; and yet now he is offering an amendment to the original measure. I wonder who is responsible for the amendment.

Mr. AIKEN. The amendment was drawn by the legislative counsel and the Commission itself. Paragraph (b)

of the House bill was submitted or introduced, I believe, by Mr. CLARENCE BROWN. The substitute was suggested by Mr. Dean Acheson, and was unanimously approved by Mr. Hoover and the other members of the Commission.

Mr. LUCAS. Mr. President, I shall not object to the amendment or to the bill; but I wish to make a statement at this point, because we should not legislate in this manner. If the committee has not passed upon a bill of such importance, with $700,000 involved, it seems to me that all members of the committee should have an opportunity to examine the bill and discuss its merits. I know how important this measure is, and I shall not object to its present consideration, but certainly our action in connection with this matter cannot be used as a precedent in the future, because the present procedure is what might be called murdering the real legislative precedents.

Mr. O'MAHONEY. Mr. President, when the first explanation was made by the Senator from Vermont, I had no objection, because I understood the bill to be a measure which would excuse from the operation of the civil-service laws certain persons who are to be selected by this commission. But now that the proposed amendment has been read, it becomes clear that if the measure were enacted in the form in which the Senator from Vermont now requests its enactment, it would have the effect of exempting such persons from the application of the criminal law which prohibits an employee of the United States from being interested in the prosecution of any claim against the United States.

It seems to me that the bill as proposed to be amended goes far beyond the boundaries for a unanimous-consent agreement. I feel that the Senator from Vermont will realize that this exemption from the criminal law has been made only occasionally, for a single individual. Mr. Justice Roberts, who later was appointed to the Supreme Court, was exempted from that law when he was made counsel for the committee which carried on the prosecutions following the Teapot Dome scandal. There have been one or two other instances. But the exemption proposed by this bill is a wholesale exemption. No Member of the Senate today can tell how many persons will be exempted from the criminal law under the proposed amendment.

I suggest to the Senator that he allow his bill and his report and his amendment to be printed in the regular order. Certainly, when this new Commission asks the Congress of the United States to amend the criminal law, by which the interests of the United States are protected by a prohibition against the filing of a claim against the United States by an employee of the United States, it must be clear that the request involves a matter of such gravity that the precedent which would be created by the entering of such a unanimous-consent agreement is too grievous, and one not to be indulged in so late in the day. So I hope the Senator will allow the matter to take the regular order.

Mr. AIKEN. Then, Mr. President, inasmuch as I understand that this measure is the unfinished business at the present time, I would suggest that if the Senator from Wyoming is at all alarmed, he consult with Mr. Dean Acheson or Mr. James Rowe, of the Commission, or the Senator from Arkansas [Mr. MCCLELLAN], or Representative MANASCO, or some other member of the Commission.

All I have to say is, if we cannot have some relief from the criminal statutes, there is no earthly use in the Commission thinking it is going to get high-grade men to come to Washington to take civil-service examinations, prohibiting their firm from doing any business at this time with anyone who has perhaps a claim for recovery of taxes against the Government. The Commission just cannot function.

Mr. O'MAHONEY. Mr. President, the Senator is talking about an utterly different issue.

Mr. AIKEN. No; I do not think he is.

Mr. O'MAHONEY. I say that it is impossible for the Senate to judge now, from what has been said by the Senator, or from the amendment, how many persons will be exempted from the criminal law as a result of the amendment. The matter has been delayed for weeks and months since the Commission was created. If it goes over until the next session of the Senate and the matter is all printed, and all the members of the Committee on Expenditures in the Executive Departments have an opportunity to read it, and the members of the Civil Service Committee have an opportunity to read it, no great damage will be done. It may be there should be a limitation as to the number of persons who should be exempted. What is proposed is a blanket exemption. Anybody who may be appointed by the Commission will thereby be exempted if the amendment should be adopted. I hope the Senator will withdraw it, because, if he does not, I shall be forced to object.

Mr. AIKEN. Mr. President, I should, of course, be willing to have the bill itself, as unanimously passed by the House, and the amendment which I have proposed, and which was unanimously approved by the Commission this morning, printed in the RECORD; and may we make this the unfinished business for the next day on which the Senate will be in session?

Mr. O'MAHONEY. I shall have no objection to that.

Mr. WHITE. Mr. President——

Mr. AIKEN. Then the Senator from Wyoming may examine it and go over it, and if he has any suggestions for making it safer or for improving it, I shall gladly welcome those suggestions, because I do not want to provide any loophole whereby somebody might be able to commit wrong against the Federal Government without being called to account for it. But I do know that we just cannot get the type of men we must have for the reorganization study, if we force them through the regular channels. They will not come in through that method.

Mr. WHITE. Mr. President, the sentiment that has been expressed on the floor this afternoon with respect to the matter is so different from what I anticipated it to be that I feel constrained to object. There is proposed a bypassing of all legislative processes in connection with the bill. I feel that we cannot find justification for doing so at this time, and I reluctantly object.

Mr. WHERRY subsequently said: May I inquire of the present occupant of the chair the status of House bill 4469 with the amendment offered by the distinguished Senator from Vermont [Mr. AIKEN]. Is it the unfinished business?

The PRESIDING OFFICER (Mr. THYE in the chair). The Chair rather thinks it is, under the present situation.

Mr. WHERRY. If there is any doubt about it, I ask unanimous consent that it be made the unfinished business, to be taken up at the next session of the Senate.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

THE PARTITION OF PALESTINE

Mr. BARKLEY. Mr. President, inasmuch as I am compelled to leave the Chamber in order to fulfill an engagement, I wish to make a very brief observation on a matter wholly dissociated from the interim European-aid bill, which has been under consideration most of the day, and was passed a few minutes ago.

For a long time the people of the United States and the people of the world have been interested in a fair and equitable settlement of the problems which face Palestine. The United Nations appointed a subcommittee to consider the settlement of the Palestine problem. After long hearings and very earnest efforts on the part of that subcommittee, it reported to the United Nations a recommendation that Palestine be partitioned so as to establish a separate independent Jewish nation in that part of Palestine between the Jordan River and the Mediterranean Sea.

After long debate in the United Nations Assembly, just before it adjourned on last Saturday, by a vote of 33 to 13, the report of the subcommittee was adopted by the United Nations, 33 to 13 being a vote of almost 3 to 1 in the Assembly.

While in the declaration of that result, Mr. President, neither side received completely all that it had desired in the way of the establishment of a Jewish nation in Palestine, yet the result was a culmination of many years of study, thought, and agitation not only on the part of the United Nations, but on the part of the nations of the world and the people of the world.

There are many in this body who have been interested in a proper solution of the Palestinian question. I am one of those. We have felt for a long time that the peace of the world would be promoted by a settlement of this kind, by an adjudication, as it may be called, of the United Nations or of some international tribunal, even before the United Nations was created, which would give to the Jews, not only of Palestine but of the world, a reasonable degree of satisfaction in the consummation of this great ideal which they have for many years and generations held, that there would be established not only in Palestine a homeland for the Jews, but an independent

nation. It has now come about, insofar as the judgment of the United Nations is concerned, by the vote providing for the partition of Palestine.

In my judgment, it is the best solution that could have been made of this troublesome, ticklish problem. In my judgment, if accepted in good faith by all the nations of the world, and especially by the nations in the Mediterranean basin, it will contribute much to the peace of the world by the elimination of a sore spot, of a condition which has troubled not only the region in which it is involved, but all the nations of the world, great and small, more than anything that has happened in many years.

Therefore, I feel that those who have been working for the promotion of this ideal are to be congratulated. As to those who have opposed it, I feel that in the interest of world peace, security, and satisfaction ultimately all over the Mediterranean region, among the Jews and the Arabs alike, the acceptance of this decision will make a contribution toward world peace, world satisfaction, and the realization of an age-old ambition and ideal on the part of the Jews especially, and will do no substantial harm to those who opposed it in the United Nations.

I hope the decision will be accepted. I hope it will be received with that resignation on the part of those who opposed it which comes about through the necessity that if peace is to prevail in the world there should be concession, there must be acceptance of the verdicts of mankind, and a realization that the vote in the United Nations must be considered a verdict of mankind with respect to the solution of the Palestinian question.

The vote of the United Nations is only the beginning. A government must be set up. It will require time not only for it to be set up, but to adjust itself into the new world situation and with its neighbors on both sides of the Mediterranean Sea.

I urge upon all those who have been interested in this question and in its solution, no matter what attitude they assume, to accept the verdict of the United Nations and to cooperate in good faith in an effort honestly to carry out the judgment of the United Nations. I hope that ultimately Jew and Arab may live together in peace and harmony in the same region where the destiny of men has placed them. I think they can do that if they find themselves willing to accept this verdict as the verdict of mankind with respect to this particular problem, which has been, I think, so happily settled in the United Nations within the last few days.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from New Hampshire.

Mr. TOBEY. Mr. President, I am in hearty accord with the remarks of the distinguished minority leader. I am one of those—and I doubt not that all my colleagues feel the same way—who have great admiration for the very consistent way in which he has carried out his convictions in this particular cause, which has now culminated in the vote to which he has referred.

I point out to him, and I doubt not it has occurred to him in his own heart, the lines of Spenser:

> But Justice, though her dome she doe prolong,
> Yet at the last she will her own cause right.

Mr. BARKLEY. I thank the Senator.

Just this one word in conclusion. I feel that the leaders of the great Jewish people who have undertaken to bring about the consummation of an independent nation in Palestine are to be congratulated upon the fact that while they did not get all they originally hoped to get, they have accepted the decision as the solution to which they are committed, and which they will undertake to carry out in good faith, and in the faith that stirs their hearts now, and has stirred them throughout all the years in which they have sought this consummation.

Mr. SALTONSTALL. Mr. President, I rose to ask the senior Senator from Kentucky to yield for a moment, when he was speaking on the Palestine situation. He did not see me, and so I rise now in my own time, just to commend him for what he has said.

As one who has worked at public and private meetings on the subject of Palestine over a period of years, I certainly pray and hope that the present settlement will be one which will lead to greater peace, greater satisfaction, and greater comfort for many persons throughout the world today. I commend the Senator for his statement. I join with him in what he said.

Mr. LUCAS. Mr. President, I shall detain the Senate for a brief time only. As one of the Senators from Illinois, I wish to associate myself with what the able senior Senator from Kentucky, our distinguished minority leader, said a few moments ago about the partitioning of Palestine. I know of no man in America who has done more in the dissemination of information upon the partitioning of Palestine than has the able Senator from Kentucky. Along with him, and, I think, with all other Senators, I was happy to know that the Assembly of the United Nations had, by a vote of 33 to 13, agreed upon what seemed to them, and what seems to the people of the country, to be the proper and adequate solution of one of the most troublesome problems the Assembly will probably ever be compelled to solve. Like other speakers, I am certain that if those people in the Mediterranean area who are vitally affected by the partitioning of Palestine will face the issue in the true spirit that was exhibited by those who voted in the affirmative, it will go a long way toward eliminating one of the real trouble spots of the world, and will help bring about the thing that every American is truly interested in, which is an everlasting and enduring peace.

Mr. CHAVEZ. Mr. President, I wish to join with other Senators in rejoicing on the action taken by the United Nations in its vote concerning Palestine. However, there is nothing strange about that whatever. Irrespective of the vote and irrespective of how different countries voted, the important and significant thing is that a historical fact has finally been recognized by civilized governments. That is as it should be. The situation is as it was from the time of Abraham, from the time of the coming of the Persians into Palestine, from the plowing of Palestine by Egypt, from the coming of Alexander of Greece and the Romans and the Crusaders. Think what happened even under England. The significant thing in my opinion is that civilized society, as organized at the moment, has finally recognized that the Jewish people have a place in the earth, something which history has always proved. The other significant thing is that the United Nations has said that foreign military must get out of Palestine, and they will get out of Palestine.

If, now, the United Nations will only carry the matter further and tell France to get out of Indochina, and the Dutch to get out of Java, then we shall really have something for which to be thankful. We shall then actually believe that civilization is making progress.

Mr. McGRATH. Mr. President, I wish to join the distinguished Senator from Kentucky [Mr. BARKLEY] and the other Senators here this afternoon in expressing my great satisfaction and happiness at the favorable decision reached with regard to the partition of Palestine by the United Nations General Assembly on Saturday.

We in the Senate have a justifiable right in feeling that the solution of the Palestine problem was in no small way due to the efforts in behalf of the Zionist cause by many Members of this body throughout the past two decades. One of the leaders of this great cause was the very able and distinguished senior Senator from New York [Mr. WAGNER].

I know of no better way of expressing my feelings about this fruition of the dreams of millions of our fellow citizens and the Jewish people throughout the world than to associate myself with the sentiments and remarks of the Senator from New York hailing the partition of Palestine.

I only want to add to his statement, which I ask unanimous consent to include in the body of the RECORD following my remarks, the thought that the solution of this grave and difficult international problem holds out the hope and the promise that what has been demonstrated as possible in the solution of this problem can and should happen with respect to other great issues facing the world.

I join the Senator from New York in saluting Jewish Palestine.

May God grant both the Jews and Arabs the wisdom, the patience, and the good will to see the partition through in that same spirit of cooperation and good will that motivated the nations of the world in working out and voting for the partition of Palestine.

There being no objection, the statement of Senator WAGNER was ordered to be printed in the RECORD, as follows:

STATEMENT OF ROBERT F. WAGNER HAILING THE UNITED NATIONS GENERAL ASSEMBLY VOTE ON THE PARTITION OF PALESTINE

I hail the decision of the United Nations General Assembly to establish the Jewish state in part of Palestine. This act by the United Nations is in accord with the highest dictates of humanity and the loftiest principles of justice. If the resolution for the

establishment of the Jewish state in Palestine is immediately implemented, I feel certain that the present tension and difficulties in Palestine will disappear and peace again will reign in the Holy Land.

The American people have for many years taken a close interest in the development of the Jewish National Home in Palestine. I was particularly pleased with the leading and vigorous role which the United States under leadership of President Truman, Secretary of State George Marshall and our delegation to the United Nations played at the sessions of the General Assembly in implementing the traditional policy of our Government in support of the establishment of the Jewish state. This policy can only further and strengthen the ideals and charter of the United Nations. I am sure that world public opinion will support the establishment of the Jewish state in Palestine.

After an exile of more than 2,000 years from the Holy Land the Jewish people in their new state—their own state—will start a new and glorious chapter in which hundreds of thousands of Jews can end their miserable wanderings and become rooted in the land of their fathers, the homeland of their prayers and the land of their dreams. Once given the opportunity and the initial economic aid the Jews of Palestine will develop a civilization worthy of their prayers and their aspirations for the future.

As one of the co-sponsors of the current resolution on Palestine adopted by the Congress of the United States and as one of the founders of the American Christian Palestine Committee, and because of my life-long interest and association with the Zionist cause, I am personally very thrilled to see in my lifetime the dream of a Jewish state converted into a reality. This has brought me much happiness.

I salute the Jewish state of Palestine!

Mr. BREWSTER. Mr. President, I wish to address myself briefly to the matter which engaged the attention of the Senator from Kentucky, in connection with Palestine. I ask permission that there shall be inserted in the RECORD at this point excerpts of publications of the last 2 days, commenting upon this subject, particularly an editorial from the Herald Tribune of this morning, an editorial from the New York Times of this morning, and a most penetrating analysis of the problems ahead in connection with Palestine, from the publication PM. I ask that these be printed at this point, because I think they furnish a most interesting and valuable historical record. I also ask permission to insert in the RECORD at this point a news article from the New York Times of this morning, on the significance of this occasion and what the future portends.

There being no objection, the excerpts of publications and the news article were ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune of December 1, 1947]

THE ASSEMBLY ACTS

The final vote in the General Assembly of the United Nations approving the partition of Palestine by a little better than the requisite two-thirds vote represents one of the few great acts of courageous collective statesmanship which our shattered postwar world has been able to achieve. For the first time in some 30 years of anguished history it opens a real hope that a stable settlement of the Palestine issue can be reached. For the first time in the far briefer but hardly less troubled history of the United Nations it reveals that organization acting as it was intended to act in precisely the kind of situation which it was created to meet, with a careful deliberation, but at the same time with an ultimate decisiveness, which are the best possible omens for the future of this second great attempt to bring order into the international world.

The partition plan, dealing as it was forced to do with an irreconcilable tangle of violently conflicting rights, represents only a very rough justice at best. Unable to rely for enforcement on anything more than the existing jumble of national policies, national interests, and available popular forces, it includes no detailed program for its own administration and there is no certainty of its practical success. Zionism, whose path has never been easy or safe, is presented with new perils in this proposed solution. It is clearly not in itself a final answer. But there are not infrequently moments in the affairs of men and peoples when some firm answer, however imperfect or even perilous it may be, is better than none.

It is quite clear from the shifting attitudes of the various delegations and from the composition of the final vote that the partition plan was adopted basically because there was no alternative. The most exhaustive investigation, the most patient hearing of all parties at issue, the most careful calculation of the actual political and human forces involved, yielded no solution which would have ben more just, more practicable, or more certain in its operation than this one. What the United Nations did was to ascertain that fact, to have the courage to make the decision which the fact implied, even though it carried no sure guaranty for the future, and thus to establish as firm a foundation as has yet existed on which an ultimate settlement of the Palestine problem may one day be erected.

Whether or not such a settlement will be erected obviously depends upon many things. It depends upon the sincerity with which both the United States and the Soviet Union meet the implications of a policy on which they have been in rare and fortunate agreement. It depends very directly upon the willingness of the British to effect their evacuation as fully as possible in accordance with the spirit of this international directive, which they invited for their own relief. It depends immediately, of course, upon the Arab states and, perhaps upon the statesmanship which the Zionist community can bring to the problem in its new form. These variables are many, and the difficulties ahead may be grave. But whatever they bring, the two-thirds vote in the United Nations, recording a considered judgment upon the facts of the world as it is, will be a powerful aid and support for reasonable courses. The General Assembly has had the will to speak. That in itself is a new factor, and it leaves us with a new hope.

[From the New York Times of December 1, 1947]

THE PARTITION OF PALESTINE

History was written at Lake Success when the General Assembly of the United Nations approved, without major change, the plan recommended by its special committee for the partition of Palestine. Under this plan two independent states, one Arab and the other Jewish, linked together in an economic union, will be established after the termination of the British mandate. Jerusalem will be placed under a United Nations trusteeship. Provision is made for democratic rights and processes, for the protection of minorities, for the safeguarding of the holy places of three great religions and for the preservation of existing languages and cultures.

The decision in favor of partition has been made on the basis of an extremely close vote, but we do not believe that this result necessarily measures accurately the judgment of the Assembly on the merits of partition as such. It has been obvious throughout the long debate that a practical question of procedure was involved: namely, the question of how this decision for partition is to be enforced if there is resistance to it. Britain, the present mandatory power, has refused to accept this responsibility; the United Nations has as yet established no international police force which could be used for this purpose, and the General Assembly itself has created no enforcement machinery for a contingency of this kind. It seems probable, therefore, that the failure to make adequate provision for enforcement explains not only some of the negative votes but some of the abstentions when yesterday's poll was taken.

Many of us have long had doubts on another score; doubts concerning the wisdom of erecting a political state on a basis of religious faith. But these doubts must now yield to the fact of a decision made by the necessary two-thirds majority of the voting nations, after a thorough investigation and a full and fair debate. It has been clear for many months that the present precarious deadlock in Palestine required some new solution. It has been equally clear that the most appropriate forum in which to find such a solution was the General Assembly of the United Nations. The Assembly has now made its choice, and its decision should command the acquiescence, the respect, and the loyal support of all nations and all peoples. The award does not go so far, in territorial terms, as most Zionists had hoped. It will grievously disappoint the Arabs But it is the decision of the United Nations; it is the best decision which that great agency of world opinion was able to discover, and we trust that it will have the willing compliance of the two peoples whose future it involves. Failing that, the Security Council must be courageous enough and resolute enough to supply the necessary means of enforcement. Let us hope that with this decision a solution has at last been found for the Holy Land's tragic and heartbreaking problems.

[From PM of December 1, 1947]

WHAT'S AHEAD FOR THE NEW JEWISH STATE

(The following articles were written by PM's two experts on Palestine. As the postwar fight for a Jewish homeland unfolded, I. F. Stone made three trips to Palestine. One trip was via the European underground of Jewish DP's attempting to reach their promised land. Victor Bernstein accompanied the UN special committee (UNSCOP) to the Holy Land and reported first-hand its findings and recommendations. Here they give their reactions to the fight for partition and how the birth of two nations will come about.)

THE END OF A 2,000-YEAR JOURNEY FOR THE JEWS

(By I. F. Stone)

The decision taken at Flushing Meadow on Saturday gave international approval to the reestablishment of a Jewish state in Palestine. Almost two millennia, more than 18 centuries, have passed since the last Jewish state in Palestine fell. It was in A. D. 70 after a struggle whose fury still lives for us in the pages of Tacitus, that Jerusalem was taken by the Romans and the second temple destroyed, all but that fragment of wall at which Jewish pilgrims have long prayed and wept.

Much has been paid for the reestablishment, and much more will be paid before it is firmly realized. It was made possible first of all by those who in the latter half of the last century began to return, not to pray and weep but to build and sow. Except for the empty desert spaces of the Negev, which new settlements have just begun to pene-

trate, the land granted the Jews by the UN are those acres of Galilee, the Emek, and the coastal plain which these settlers and those who followed them wrested from desert sands, malarial marsh, and stony hills.

Many names are associated with the return: the Viennese journalist, Herzl, who helped inspire it; Weizmann, the chemist with a poet's vision, who played the crucial role in winning the first international recognition of a Jewish national home; the British philosopher and statesman, Lord Balfour, to whose declaration Woodrow Wilson lent his support. Another American President, Harry S. Truman, has made possible the completion of the work to which they set their hands.

Hitler helped to spell out the validity of Jewish claims

One other name, a strange one in this list, must be added, that of Adolf Hitler. No more terrible instrument of Providence could be envisaged. The main payment for what happened in the UN Assembly was the payment of 6,000,000 Jewish lives taken by the Nazi terror This it was which spelled out in blood and fire a message the most unwilling among Jews as well as non-Jews could not escape: the validity and the necessity of Jewish national aspiration.

The doubts and hesitations, the hypocrisy and reluctance, the intrigue and the power politics of the prolonged UN inquiry and debate, will dwindle into the distance as time passes. And what will loom larger on the horizon of history is the fact that the world did make recompense to this new Attila's foremost victims; that justice and good will and Christian conscience did triumph after all.

A need for understanding between Arab and Jew

The circumstances under which this new nation makes its debut are the circumstances on which its future, like the future of every small country and of the world depends. The United States of America, the British Dominions without exception (only the mother country abstaining), and the Union of Soviet Socialist Republics with its new east European bloc (only Yugoslavia abstaining) joined to make Saturday's two-thirds vote possible. Everywhere it is hoped that such agreements on other, wider, problems can again be achieved.

Next to this overwhelming need for world peace is the new nation's need for understanding with its Arab citizens and its Arab neighbors. What the Jews have been given is what they had already made theirs by their own sweat and courage; the UN merely set its seal on an accomplished fact. What the Jews can achieve in their area will depend, as it would depend even if they had all Palestine, on joint economic development and trade with the Arab sections of Palestine, with Trans-Jordan, and with the Middle East as a whole. Under such circumstances, the new Judea, like Denmark and Switzerland, can provide a home for several million people.

The courage and the will to do a good job

Those who have been to Palestine and felt the dynamic and confident spirit of the Yishuv will have no doubt that this little community will do an astounding job. Those who have seen the courage and the will to live that throbs in the Jewish DP camps in central Europe and in the detention camps on Cyprus will have no doubts about these folk, on whom the impact of the UN decision is beyond the imagination of those who possess comfort and country.

To these scattered remnants the news on Saturday must have seemed the fulfillment of that prophecy which Jeremiah spoke: "I will set mine eyes upon them for good, and I will bring them again to this land: and I will build them, and not pull them down; and I will plant them, and not pluck them up." On this joyous occasion we greet them and the Yishuv, and wish them in the ancient formula, peace and serenity, "Shalom v'shalvah."

PROPHECY: ARAB ARMIES WON'T MARCH INTO JEWISH PALESTINE

(By Victor H. Bernstein)

"Judge us by the results," a member of the United States delegation pleaded a few weeks ago. The results came Saturday: 33 votes for the partition of Palestine, 13 against, and 10 abstentions. The victory for partition was put through despite last-minute parliamentary maneuvers by the Arabs and their supporters aimed at delay and diversion. But the founding of the Jewish state could be no longer delayed nor any longer diverted.

The day was one of triumph not for Jews alone. The UN ending its session on a singularly constructive note, disproved the plaints of its critics that it was already a moribund organization. It was a day which also told the world that the United States of America and the Union of Soviet Socialist Republics could work in close harmony for justice and human rights.

How much luster would be added to November 29 if it should prove not only freedom day for Palestine and resurrection day for Judea, but also the birthday of future United States-Union of Soviet Socialist Republics collaboration.

The architects of this freedom day are many. One cannot hope to name them all. The delegates of the UN Special Committee on Palestine laid the foundation. Among those who built upon it were men like Granados, of Guatemala; Fabregat, of Uruguay; Fruszynsky, of Poland; Pearson, of Canada; Tsarapkin, of the Soviet Union; Zoloaga, of Venezuela.

Hats off to United States delegation and to President Truman

I leave for special mention Johnson and Hilldring, of the United States of America, because of the special role they played as representatives of the most influential of all UN members. The United States delegation blew alternately hot and cold during the long and tortuous weeks which came to a climax on Saturday. But in the final and crucial hours they blew hot. "Judge us by the results." America is grateful, President Truman.

I have been here speaking of the architects of freedom. But architects are only designers, not builders. The builders of freedom were the 600,000 and the 6,000,000—the 6,000,000 who died nameless in Europe that the 600,000 in Palestine, and thousands more to follow might live in peace on land that they can call their own.

I have spoken of November 29 as a day of freedom. In cold analysis it is merely a day of opportunity.

I think that, of the thousands who crowded the Assembly hall on that date and tensely counted the ballots, some of the greatest realists sat in that block under the south gallery reserved for Moshe Shertok and his colleagues of the Jewish Agency.

Those partisans of partition who saw the desert blooming anew with each affirmative vote were not realists.

The Saudi Arabian, the Yemenite, the other Arabs who made great show of repudiating the UN decision, and talked of reserving their freedom of action as against the majority of the civilized nations of the world, were not realists either.

The truth about the Arab threats at Flushing

I should like, first, to discuss briefly the phony fervor with which the Arabs insisted on their unity against the Jewish state and against the United Nations.

The Arabs know, and I hope they realize that the world knows, that however they may appear to be at Flushing and Lake Success, walls of conflicting ambitions tower high between Aman and Damascus, Cairo, and Bagdad. The saber rattling the world heard a few weeks ago emanating from the Arab League Conference in the Lebanese Mountains above Beyrouth turned out to be the tinny sound of pennies rattling in a beggar's cup.

The world should know now the truth of what happened at that conference. The truth was that Saudi Arabia refused even to threaten termination of her oil contracts as a weapon against the United States. The truth was that Egypt declared herself powerless to do anything while her demand that Britain evacuate the Sudan was before the Security Council. The truth was that Syria, with camels instead of tanks, feared the military machine of Iraq on the one hand and of Trans-Jordan on the other. The truth was that Abdullah, ruler of Trans-Jordan, hopeful of swallowing the Arab state which would evolve out of the partition of Palestine, had no desire to burn his fingers before the prize was available.

If you will look at your newspapers of a few weeks ago, you will see in bold headlines the only practical results achieved by the vaunted unity of the Arab League states in their meeting at Lebanon. "Troops menace Palestine along Syrian and Egyptian borders," read the headlines. No one knows how many troops there were on these borders nor how well they were armed. What we do know is that a single Associated Press reporter, flying in an unarmed plane over the reported areas, seems effectually to have dispersed them.

Some prophecies as to the future

The truth was that the Arab League members failed to agree on maneuvering their troops anywhere except across newspaper headlines, where operating costs, presumably, could be kept at a minimum

I should like, at this point, to make a prophecy that is not based entirely on speculation. If any Arab army crosses into Palestine en masse in the near future, it will be the Trans-Jordan Legion into Arab Palestine. I venture to add that not a single legion soldier will march across any boundary into the Jewish state. And I prophecy, thirdly, that if this does happen, the last pretense of Arab unity will dissolve and the hot winds of the Arab world will be filled with imprecation called out upon the head of Abdullah by enraged politicians in Beyrouth and Damascus, Cairo and Bagdad.

One notes that neither the delegate of Egypt nor of Lebanon associated himself with their fellow Arabs in their explicit repudiation Saturday of the Assembly's adoption of the partition plan.

But if the Arab chauvinists are not realists, neither are those Jews who feel that the UN has guaranteed the Jewish state for them by a stroke of the pen.

What has been created is an opportunity, not a state

The loud-talking Arab politicos at UN may be phony in their arguments on unity, but the mufti and his gang of cutthroats are not. Neither is there anything phony in the simple Arabs throughout the Middle East whose passions have been aroused by years of propaganda against the Jew and the Jewish state. One should not be surprised if riots do occur in all the cities of the Middle East, where Jews are settled in large numbers, nor should one be surprised if before the Jewish desert blooms it will be moistened not only by the sweat of pioneers but by the blood of the defenders.

Above all, there is nothing phony in the oft-repeated statement of the Jewish agency that the Jewish state will be a tiny oasis in an Arab sea whose only hope for survival will be ultimate understanding and cooperation with the Arab world.

I repeat: the partition plan does not create a state; it creates only an opportunity. The plan is merely a skeleton, a frame, upon which the Jews must build with flesh and blood.

No one, least of all the UN Commission which is to go to Palestine, can make the plan work unless the Jews themselves are prepared to pay the price in statesmanship and, if need be, in lives. Those of us who have watched the evolution of the plan through the UN have come to realize and to appreciate the misgivings with which it was finally adopted. At crucial points it was saved by only a handful of votes. Some of its staunchest supporters recognized in it grievous [illegible] only superhuman efforts can overcome.

I would like to say in passing that the Commission membership chosen by the Assembly on Saturday does not seem, at first glance, an entirely satisfactory substitute for the original list approved by the Palestine Committee Bolivia, Czechoslovakia, Denmark, Panama, and the Philippines have been chosen to substitute for Poland, Uruguay, Guatemala, Norway, and Ireland. It is evident that the change, sponsored by the United States, was made as a last-minute gesture of appeasement toward the Arabs. As such, it may have some value if the Arabs accept it as a conciliatory gesture. But it is particularly to be regretted that Guatemala, which fought so valiantly from the outset for [illegible] plan should not have been retained as a counterweight to the Philippines, whose propartition stand is of rather extraordinary recent origin.

In the end, the plan can only succeed if (a) the United Kingdom fulfills with good will and with sincerity its Saturday pledge to the UN that it will cooperate; and (b) if the Jews of Palestine are granted the arms with which their militia must be made ready to secure law and order as and when the British evacuate their territory.

The actions of the United Kingdom will be watched from here on in with all the cynicism which its past performances in Palestine have given rise. As to the arming of the Jewish militia, that duty will rest primarily on the United States, which can once more perform as the arsenal of democracy.

[From the New York Times of November 30, 1947]

PALESTINE IS HELD UN TURNING POINT—RISE IN PRESTIGE SEEN IF PLAN WORKS, PERIL TO WORLD BODY AND TO PEACE IF IT FAILS—MAJOR POINTS APPRAISED—PRECEDENTS, TROOPS, ADEQUACY OF SOLUTION, RESPONSIBILITY AMONG FACTORS AT ISSUE

(By Thomas J. Hamilton)

LAKE SUCCESS, N. Y., November 30.—The decision by the General Assembly to partition Palestine is generally recognized as a turning point in the history of the United Nations. If the Assembly's resolution brings about a workable solution, the prestige of the United Nations will be greatly increased. If it fails, not only will Palestine become a potential breeding ground for war, but the future of the United Nations itself will be imperiled.

The following questions and answers are intended to clear up some of the principal points involved:

1. Is there any precedent for such a decision by an international organization to divide up a disputed area?

Students of history agree with Herschel V. Johnson, the United States representative on the Assembly's Palestine Committee, that there is no direct precedent. Next to Palestine, the Duchies of Schleswig-Holstein provoked the most intense dispute known in modern history. They were annexed to Prussia, and subsequently became a part of Germany, not by the decision of an international organization, but as a result of the "blood and iron" policy of Bismarck.

He promoted the Austro-Prussian War with Denmark in 1864 and 2 years later fought Austria to get undivided control of the spoils. Part of the Duchy of Schleswig was restored to Denmark under the Treaty of Versailles.

WHY THE ASSEMBLY ACTED

2. Why did the General Assembly have to assume responsibility for the fate of Palestine?

Great Britain placed the responsibility on the Assembly for recommendations regarding its future government. The British, who had held Palestine under a mandate from the League of Nations, decided to give it up because they could not find a solution acceptable to both Jews and Arabs. Since the League of Nations had been liquidated, the British turned to the United Nations.

3. What right did the United Nations, and specifically the General Assembly, have to order the partition of Palestine?

There are no specific provisions in the Charter, but the Assembly has the right to make recommendations to member governments and also to the Security Council regarding the maintenance of peace and security. However, since its recommendations are not legally binding, the Assembly in its resolution asked the Security Council to assume the responsibility if a threat to the peace should develop—that is, if the Palestinian Arabs or the neighboring Arab states should carry out their threats to fight rather than agree to partition. Internal disturbances are to be handled by armed militia recruited by the provisional councils of government of the two nascent states.

4. Are these arrangements adequate for keeping peace?

The sponsors of partition, and particularly the United States Government, hope so; but no one knows how much of a fight the Arabs inside or outside Palestine will put up. However, the supporters of partition think the crucial period will come after, not before, the independence of the two states is proclaimed. In that case, serious fighting would be a matter for the Security Council anyway.

The British, however, think the severest test will come between now and the termination of the mandate and the evacuation of British troops—for which the deadline is next August 1—and particularly in the 2-month interregnum between that time and the proclamation of the two states as independent—which is to be not later than October 1. The majority of the United Nations Special Committee on Palestine, which recommended partition, said it thought force would be necessary to enforce it.

THE PROBLEM OF TROOPS

5. Why did not the Assembly provide outside military force to be on the safe side?

Some members, including apparently the United States, kept thinking until the last that the British would back down on their announcement that they would not allow British troops to be used to enforce any solution unless it was satisfactory to both Jews and Arabs—in which case, of course, no armed force would have been necessary anyway.

The Security Council is supposed to have standing arrangements for an international force to deal with such contingencies, but never has been able to agree on the size of the respective contingents

The trouble about recruiting an international force from scratch was that the small powers did not have the forces available, and were not willing to send them anyway; and if the great powers sent troops, that might give the Soviet Union a chance to establish itself in a strategic center of the strategic Near East. Besides, the United States State Department did not think that Congress would agree to the sending of United States troops.

The result was that the United States at first proposed the formation of an international constabulary force recruited on an individual basis. This obviously was unworkable, and the United States along with the other supporters of partition then decided to depend on the armed militia in the respective states for keeping internal order.

6. Where will the militia get the necessary guns and other equipment?

Presumably, these will come from the United States and other supporters of partition, although the Assembly resolution says nothing on that subject.

IMMIGRATION CURB SEEN RETAINED

7. What happens about Jewish immigration, and the British laws restricting the purchase of land by Jews, between now and the proclamation of independence?

Presumably the British will keep in force the land laws and the present immigration quota of 1,500 a month until they give up the mandate. However, the Assembly resolution says that the respective councils of governments, under the supervision of the United Nations commission, will have responsibility for such questions during the transition period.

This is one of the many points that have to be worked out with the British. It is supposed that the Jewish state will provide virtually unlimited immigration permits once it gets going.

8. What are some of the other questions to be settled with the British?

For one thing, the British say that although, of course, they will have to evacuate their troops gradually, they will give up authority all at once except for the gradually diminishing area occupied by their troops as they are withdrawn, where the British would govern by military law alone.

On the other hand, the Assembly resolution provides for the progressive transfer of authority; that is, the British would hand over authority as they withdrew their troops, but would continue the civil administration until the last in whatever areas they occupied. In view of this unsettled dispute, it is not clear who would be responsible for restoring order if there were a serious clash between Jews and Arabs after the termination of the mandate.

Much as they dislike it, the British apparently are responsible until they end the mandate, which is one of the reasons why many delegates think this will come sooner, rather than later.

AN ARAB COUNCIL HELD UNLIKELY

9. What are the prospects that the Arabs will form a council of government in the part of Palestine assigned to them, and in general cooperate in carrying out the Assembly resolution?

Such a prospect is regarded as remote.

10. How will this affect the Jewish state?

That state can and no doubt will be established anyway. However, Arab noncooperation would make it impossible to carry out the complicated business of taking over the liabilities and assets of the British administration, arranging for an economic union and a common currency, agreeing on the administration of telegraph and railroad facilities, and so forth.

11. What will become of the area assigned to the Arab state if there is no cooperation?

The Security Council is supposed to do something if provisional councils of government have been established in both states by next April. Some delegates expect the Arabs in the intended Arab state to take over after the British withdraw. As King Abdullah of Trans-Jordan is strongly opposed to partition, his actions may determine whether it can be carried out with relatively little bloodshed.

12. Since the Jewish state will have almost as many Arabs as Jews (397,000 to 538,000), why was there no provision for the exchange of minorities?

Each state is required to write into its constitution guarantees of the rights of the respective minorities. In addition, any Arab who desires to do so may opt for citizenship in the Arab state within 1 year, and vice versa.

No exchange of minorities is authorized because the partition plan is based on the belief that, once a final decision is reached, Arabs and Jews will accept it and live together without fighting, and eventually may even find it possible to forget their present enmity.

POSSIBLE ALTERNATIVES APPRAISED

13 What United Nations agencies are involved in the partition plan?

All the important ones have some role. The Assembly adopted the partition plan, named the commission to help carry it out, and will get the commission's final report.

The Security Council is responsible, if either side refuses to cooperate, to the extent of naming a provisional government, and if there is outside intervention or serious fighting from any direction.

The Trusteeship Council is responsible for administering the city of Jerusalem and outlying towns. The Economic and Social Council is to name three representatives who will hold the balance of power on the commission that is to carry out economic union.

14. Were there any alternatives?

There were, but none apparently could have received a two-thirds majority in the Assembly—certainly not the earlier Arab demand for a single Palestinian state, where the present Arab majority would have had permanent control. A federal state would have had a good chance if the Arabs had accepted it before the eleventh hour.

15. Will partition work?

The answer depends primarily upon the Arabs of Palestine and the neighboring states. If they accept the Assembly decision, it will work. However, their statements at the closing session of the Assembly indicate that they will not. In that case, the answer depends upon the degree of cooperation of Britain in surrendering her authority over Palestine, and in keeping order until the transfer takes place; and, also, the ability of the United States and the Soviet Union to work together in the Security Council in handling the difficult problem of providing military force, if that should become necessary.

Mr. BREWSTER. Mr. President, I want to speak briefly on this subject, because we are witnessing one of the significant events of history in the birth of a nation by a new process, through the action of the United Nations. In view of the refusal of Great Britain, who hitherto has been responsible for Palestine, to accept responsibility in the future, it means the United Nations has not only given birth to this nation, but must see to it that the infant shall be properly nourished and developed. While we pause for a moment here appropriately to congratulate both the new nation and its parents, and all those who have been concerned in the past half century with bringing this great dream of Zion to pass, we should also remind ourselves that the United States Government, as one of the chief sponsoring powers for this solution in bringing to pass the vote of 33 to 15, by which it was given birth, has assumed a considerable measure of responsibility.

This is no time for international or political recrimination. There is glory enough for all if the fond hopes of those who have sponsored this dream of the centuries shall be realized. We may go far back to see the great vision of Dr. Herzl and Chaim Weizmann, who originally conceived the idea of recapturing Palestine as a homeland for what seemed to be otherwise a homeless people except as they had found lodgment in other parts of the globe—a vision that, after 2,000 years of wandering the Jews should come to what might be for them appropriately considered the homeland that was promised to them by the so-called Balfour Declaration—Palestine as a homeland for the Jews.

I have said that there is glory enough for all. What has now occurred is another evidence of the significance of bipartisan achievement in our foreign policy. It is interesting to note that the first steps for United States participation in this great achievement were taken under the direction of a Republican administration, and its final consummation has been under a Democratic Executive.

After Mr. Balfour's Declaration, the United States, not being a member of the League of Nations, which issued the mandate for Palestine, became a party to the mandate by its treaty, the so-called Coolidge convention with Great Britain in 1924, under the leadership of the late Henry Cabot Lodge, the distinguished predecessor as chairman of the Foreign Relations Committee of the one who has so successfully advanced the measure we have considered here today.

Under his leadership, as well as under the leadership of Charles E. Hughes as Secretary of State and Calvin Coolidge as President, the United States became a party to the British pledge of a homeland for the Jews in Palestine.

It is not here appropriate to go into the history of the past 20 years, and the somewhat equivocal attitude that developed in the mandatory power as a result of the tragic incidents of the last decade, when the Arabs protested vigorously, and there came on the incidents which have more and more occasioned the world to consider that here was the possibility of a disturbance of the peace. But we have come down through to the episodes of the last year, when finally, after some 25 commissions and committees of various kinds had studied the situation, the United Nations were convened this last spring in special session at the request of Great Britain and asked to recommend a solution, which they have now done, with only two dissenting votes outside of the countries which had certain very strong prejudices regarding the appropriate solution, as the result of racial and religious views. So that, as the Senator from Kentucky [Mr. BARKLEY] said, the giving of this mandate for the partition of Palestine may be considered the consensus of the opinion of mankind, although two-thirds of Palestine has been removed as the result of the creation of Trans-Jordan.

In the past year the cause has been greatly served by the leadership of the world leader of Zionism, Dr. Abba Hilliel Silver, of Cleveland, and it is under his leadership and wise statesmanship that this successful result has finally been brought to pass.

It is no time to speak of a certain schizophrenia that has apparently affected our State Department during the various considerations of this question. It is enough that finally the goal desired has been achieved. It is necessary, however, to bear in mind that while both great political parties in this country, in their last political platforms, adopted resolutions endorsing the Palestine solution, and while members of both political parties, including Senators on both sides of the aisle, have in repeated public utterances supported their own resolutions, it was not until Russia, to the amazement of everyone, a few short weeks ago became also a cochampion of partition, that the result was finally achieved.

We were told during the past 2 or 3 years that the reason we must not consider Palestine as a Jewish homeland was because the Russians were going to take advantage of Arab intransiegence and would use the action of Britain or the United States regarding Palestine to the prejudice of world peace by stimulating Arab aggression. So it was to the amazement of everyone that Russia in the United Nations a few short weeks ago championed the partition solution. I shall not enter into a discussion of what may or may not have been her motives, whether she was primarily concerned with what seemed to be a just solution, or whether there were some more devious reasons, but at any rate her action destroyed for all time the idea that she was seeking to cultivate Arab national aspirations for the sake of securing interests in our oil concessions in these Arabian lands. I think it is well to bear that in mind as we go forward into consideration of this matter, realizing that this is the beginning, and not the end; that while we are here giving birth to what we trust will be a nation, its continuation will be achieved not only by the continued sacrifice and possibly suffering of those immediately concerned, but that the United Nations and the commission which they have created for the purpose, have now the tremendous responsibility of seeing that this infant nation shall have its proper nurture during the undoubtedly difficult days that so obviously lie ahead.

I think all the speeches here have appropriately pointed out that it is to be hoped that whatever may be the irresponsible acts of individuals or certain small collective groups in seeking to challenge this solution, that those responsible for the administration of the affairs of the nations which opposed this solution, some of them very old governments, and others comparatively new, that have been born within recent decades and admitted to the United Nations, shall demonstrate their recognition of world order and world democracy by yielding to the overwhelming opinion of mankind, and join in the suppression of aggressive acts calculated to challenge a solution which has had so conclusive a decision after long and searching consideration.

In that respect I think our own country has now to consider its course. We proposed originally that there should be created an international police force under the direction of the United Nations. That was not contemplated within the terms of any of the discussions of the

Charter, but it was rather designed that individual nations should contribute quotas of troops to care for whatever responsibilities should arise.

In the suggestion I now call to the attention of the Senate, I do not wish to imply any anticipation that there will be armed revolt on any major scale. It is my hope and my belief that those concerned will respect this overwhelming decision, and that the two new nations which have now been born will be given their proper opportunity for becoming contributing members of the family of nations. But if such a distressing situation should arise, with the absolute refusal of Great Britain to assume responsibility further and its withdrawal of all its forces, the United States must realize that neither we, nor Russia, as the parties which have championed this solution, can avoid the responsibility that is appropriately ours, and I speak to this because, as the weeks and months pass by, if we shall be faced with a crisis in this situation we must be prepared then to act.

For that reason I call attention to what in my judgment should be the next question considered by the administration in the obvious challenge it may face, the question of whether or not we in America shall be prepared to contribute the indispensable elements essential to the preservation of the peace.

On that score it is a curious anomaly that those who have been most inhospitable to the Jew have been also most opposed to the idea of a homeland for the Jew in Palestine. Meanwhile, whether or not we shall have in the world the force necessary to implement the decision of the United Nations may be determined in no small measure by the action the United States shall take. The United Nations has taken this action, but unless it is supported by appropriate power to compel the acceptance of its decision, then the United Nations will demonstrate its absolute futility, and the United Nations will fall into innocuous desuetude like the League of Nations. I was privileged last week to hold sessions in the vast mausoleum costing $60,000,000 on the shores of Lake Geneva standing as a melancholy monument to the vain hopes of all mankind for a peace that should endure.

I trust that we in this country will realize that we have set our hand to the plow. If difficulty comes—and God forbid that it should—it seems to me that it is none too early for the United States to consider the action it shall take. I do not believe that the opinion of America would support the sending of our armed forces to Palestine to preserve order except on the basis which I shall now suggest, and that is that no man shall go there who is not a volunteer. I suggest that serious consideration be given without delay to the organization of a volunteer force not solely for this purpose but for any purpose for which it shall be required under the action of our Government and under the proper direction and request of the United Nations Security Council, to implement and support, in collaboration with other countries which shall be ready to take their share of responsibility, the action which we may be called upon to take.

To that end I ask that there be printed in the RECORD at this point as a part of my remarks a letter sent to the Secretary of State, Hon. George C. Marshall, by the Jewish War Veterans of the United States of America on August 8, 1947, in which, among other things, recommending action on Palestine, they make this proposal:

Recognizing the practical administrative and manpower obstacles which the United Nations might face in placing and maintaining an adequate police force in Palestine at this time, the Jewish War Veterans of the United States suggest that such a force be recruited from among trained veterans of all faiths and all nations who would volunteer to comprise such a United Nations police force. The Jewish War Veterans of the United States offers its total resources to aid in the efforts to obtain such a force.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JEWISH WAR VETERANS OF THE
UNITED STATES OF AMERICA,
New York, N. Y., August 8, 1947.

Gen. GEORGE C. MARSHALL,
Secretary of State, Washington, D. C.

DEAR GENERAL MARSHALL: The Jewish War Veterans of the United States, representing 600,000 American Jewish veterans who were proud to fight under your command in World War II, and the over 200,000 who fought in the American armies of World War I, respectfully recommend a course of action to alleviate the present intolerable situation in the Holy Land.

It is obvious that if forthright steps are not taken immediately, violence in Palestine will continue to mount until the rising tide of reprisals by the contending parties will have reached a volume that will gravely menace any attempt at peacemaking.

Under your able leadership our Government has already pointed out an avenue of solution for the problem through the action recently taken with respect to a state of war between the Netherlands and Indonesia. The successful action of the United States delegate to the United Nations Security Council in pressing a resolution that led to a suspension of armed conflict in Indonesia establishes a precedent which may well prove effective in the Palestine crisis.

We, therefore, fervently recommend that our Government pursue that precedent to the following extent:

1. That our delegate to the United Nations be instructed to have placed upon the agenda of the United Nations Security Council, for immediate action, a resolution requesting the United Nations to assume authority in the Holy Land dispute.

2. That the United Nations order the immediate withdrawal from Palestine of all British troops and police and substitute therefor United Nations personnel. Great Britain has not only proven herself unable to maintain the peace in Palestine, but her actions have incited continuing turmoil and bloodshed.

We are convinced that these two simple steps will facilitate the immediate cessation of hostilities and will serve as a logical preface to the definite and final solution of the entire problem by the United Nations.

Recognizing the practical administrative and manpower obstacles which the United Nations might face in placing and maintaining an adequate police force in Palestine at this time, the Jewish War Veterans of the United States suggest that such a force be recruited from among trained veterans of all faiths and all nations who would volunteer to comprise such a United Nations police force. The Jewish War Veterans of the United States offers its total resources to aid in the efforts to obtain such a force.

Said police force would be under the jurisdiction and direction of the United Nations. Participation of American veterans would, of course, be subject to the approval of our own Government and on the basis of existing laws.

We feel that the presence of a police force responsible only to the United Nations, instead of troops now answerable only to Great Britain—one of the disputant parties—suggests a course of action that can put an effective halt to further unnecessary killings on both sides.

The principles of the four freedoms, borrowed from the institutions upon which American democracy is founded, have been incorporated into the Charter of the United Nations. Historical precedent, as well as the basic precepts of human decency, require that the United States now take through the United Nations with respect to Palestine the action that has already been initiated in Indonesia—action that will bring peace to a distracted world. The Palestine problem is a challenge to the necessity for, and the effectiveness of, the United Nations. For the benefit of all freedom-loving peoples and the peace of the world, we appeal for your approval and immediate action on this proposal.

Respectfully yours,
MILTON H. RICHMAN,
National Commander.

Mr. BREWSTER. That offer was the result of the proposal by the United States in the United Nations Assembly that an international police force should be recruited. There was no provision for such a proposal in the Charter and apparently little is likely to come of it.

That has been followed by a resolution adopted in St. Paul at the fifty-second annual encampment of the Jewish War Veterans of the United States under the leadership of Col. Julius Klein, a veteran of the last war with a distinguished war record in the Pacific under General MacArthur, proposing again that the Jewish War Veterans of the United States were prepared themselves very actively to promote the organization of such a group in whatever way might be found feasible. It seems to me, as we realize the responsibilities which are ours, that we may appropriately consider their action, representing 800,000 veterans who have offered their lives on many fields, and their belief that there would be ample reserves from which to recruit such a force to be available in the event of need.

In this resolution, adopted at St. Paul at the fifty-second annual encampment, October 15 to 19 of this year, it is recited:

If it will prove to be necessary to establish a United Nations constabulary during the period between the United Nations' acceptance of the said report and the final establishment of the Jewish and Arab states in Palestine, we hereby place the Jewish War Veterans of the United States, its facilities and membership, at the disposal of our Government and of the United Nations, and assure our Government of the readiness of our members to stand prepared to the end that the UNSCOP majority report shall be implemented without delay.

I ask unanimous consent that the resolution be printed in the RECORD at this point as a part of my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD.

PALESTINE

The Jewish War Veterans of the United States of America, assembled together for its fifty-second annual encampment in St. Paul, Minn., October 15–19, 1947, as representatives of 800,000 veterans of the Jewish faith who fought in the wars of the United States, recognizing that we stand on the threshold of the realization of the aims, aspirations, dreams, and hopes of the Jewish people for the past 2,000 years of reestablishment of a Jewish state in Palestine;

And expressing in this conclave our solidarity with our brethren in Europe whose one hope for a new and stable existence is emigration to Palestine and with our brethren in Palestine whose efforts have resulted in the development of that country to the point where it is now ready for complete independence and statehood, and recognizing that our efforts can aid in the realization of the establishment of such a Jewish state, hereby direct our national executive committee to take such steps and make such representations to the appropriate authorities as will make most effective the following policies and principles which this convention now approves and for which it stands:

1. We urge the approval of the UNSCOP majority report, with such modifications as will insure viability of the Jewish state as a minimum measure of justice to those who have suffered the most.

2 We urge the immediate implementation of the said report and believe that such implementation demands the immediate withdrawal of all British troops and police forces from Palestine.

3 We approve wholeheartedly the action of the United States Government in endorsing the majority report of the UNSCOP and in offering assistance in the economic and financial problems which will arise in the implementation thereof.

4. If it will prove to be necessary to establish a United Nations constabulary during the period between the United Nations acceptance of the said report and the final establishment of the Jewish and Arab states in Palestine, we hereby place the Jewish War Veterans of the United States, its facilities and membership, at the disposal of our Government and of the United Nations, and assure our Government of the readiness of our members to stand prepared to the end that the UNSCOP majority report shall be implemented without delay.

5. We condemn the current Arab threats of war and economic sanctions as reminiscent of Nazi tactics and as a direct violation and affront to the Charter of the United Nations, and we voice our confidence that the United Nations will withstand such intimidation and that the people of the world will realize these threats to be hollow and baseless.

6. In the interest of preserving order during the initial period of the establishment of such separate states in Palestine, we urge immediate recognition by the United Nations of the Jewish Agency for Palestine as the interim governing body of the Jewish state.

7 We urge the United States to announce immediately that upon a definite decision by the United Nations in support of the said majority report, that it, the United States, will assume its full share of responsibility for such economic, political, material and other aid as may be necessary under the circumstances.

8. That copies of this resoution be forwarded to the President of the United States, the Secretary of State, the Secretary General of the United Nations, and the members of the United States delegation to the United Nations.

Mr. BREWSTER. Mr. President, my reason for calling attention to this is that I share the high hopes of all that whatever difficulties may arise will be of an incidental, fragmentary character, that there will be no action by any of the countries in this area which have opposed the adoption of this report, and that they will not precipitate any collective incidents. I do not believe they will. I believe that calmer and cooler heads will prevail. But we cannot blind ourselves to the responsibility which has been assumed. I point out to the Senate and to the country that if such a situation arises and the United States is not prepared to act, then the only alternative is the prospect and probability that our fellow nation which has joined us in sponsoring this proposal may be prepared to act, and that the United States might find itself in a very unfortunate and perhaps humiliating position if in the suppression of difficulties of any character we are obliged to allow the Soviet to take over responsibility for the preservation of law and order in this entire area.

I am calling attention to this subject so that in 1 month or 2 months or 4 months from today we may not be faced with another crisis proposal because there is difficulty in the Middle East and some action must be taken, requiring, perhaps, that American armed forces be sent there, when it is obvious that a volunteer force prepared for this purpose should be recruited now. In my judgment it can be done well within the law, so that the existing administration could have such a force ready. No man would be called upon to offer up his life in defense of this situation unless he had properly and voluntarily made an offer of that kind.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. MORSE. At this late hour I do not wish to press a discussion with the distinguished Senator from Maine on this subject, because I think it could better wait for another day. However, the Senator is leaving me in doubt as to just what he is proposing as a means for enforcing the Palestine partition decision. Let me say incidentally that I am very much in favor of the decision which has been reached by the United Nations in regard to the partition of Palestine. The Senator leaves me in doubt as to whether or not he is suggesting that, if it becomes necessary to enforce that decision, it should be done by an armed force other than a United Nations police force. Am I to understand that the Senator is suggesting that there be raised a volunteer army in this country, of Americans, to be used in enforcing that decision? If so, under what flag would it fight?

Mr. BREWSTER. I do not know that the Senator has been present during all the time I have been speaking.

Mr. MORSE. I have been present every moment of the time the Senator has been speaking.

Mr. BREWSTER. Then evidently I did not make myself sufficiently clear.

As I pointed out, the original proposal of the United States was for the recruitment of an international police force under the Security Council.

Mr. MORSE. That proposal has not been adopted.

Mr. BREWSTER. No; it was dropped, because whether or not there was legal authority for it within the Charter, there was certainly no contemplation of it. The entire contemplation of the Charter was that whatever force was used would be composed of quotas from various countries which would be contributed to operate as a united whole under the Security Council. It has been impossible to implement that proposal because of the apparent reluctance of Russia to agree upon the composition of the force.

Everyone says that he is in favor of partition; but, if we favor the decision without being prepared to support it, we are doing a very vain thing. I do not believe that we could justify our action in giving birth to a child whom we immediately leave on the doorstep.

I have not gone further than to say that if difficulty arises—which God forbid—the Commission and the Security Council must maintain order. It would be most unfortunate if the United States were to find itself in the position of not being able to assume whatever might be its proper share of the burden, because then we certainly could not challenge the action of Russia or any other eastern power in moving in. Therefore, we should give serious consideration to the question of how we can implement our action. For that purpose, I propose that a portion of our armed forces—not solely for this purpose, but for any purpose for which there might be a legitimate call by the United Nations—should be recruited on a volunteer basis, either from men now in the service or men who might later volunteer for such service. The analogy I suggest is that of the French Foreign Legion. It should be understood that such a volunteer force should be available for whatever purpose the President of the United States should find it proper and necessary to use it under proper authorization of the Congress. To what extent there should be further legislative authorization, I am not clear. I do not speak on that point.

But, certainly, we should begin to give consideration to how we are to assume our share of responsibility.

Mr. MORSE. If the Senator will permit me, I think I now understand his point of view. I think he illustrates very clearly, at least to my satisfaction, the importance of this country's making clear to the members of the United Nations that there should be established at the earliest possible date a police force of the United Nations, because unless that is done I think there is grave danger that we shall be maneuvered into a position in which American boys under the American flag will be called upon to enforce some decision of the United Nations.

I do not agree with the Senator, if I understand him correctly, that I put myself into an indefensible position if I take the position, as I would take the position, that the American Army should not be used to enforce a decision of the United Nations except as a part of a United Nations police force. I think the nation members of that organization must be called upon to enforce the decisions of the organization. I do not think we should ever permit ourselves to be

placed in a position in which, because a difficulty arose in Palestine, for example, the American Army would be used to enforce a United Nations decision. A volunteer force raised in this country, as I understood the suggestion of the Senator from Maine, would lead us into grave difficulties unless it were raised as a part of a yet to be agreed upon United Nations police force. A volunteer force of Americans fighting in Palestine, for example, under the American flag would necessarily carry with it the complete backing of the military might of the United States the moment the first shot was fired against our flag. Hence I urge extreme caution in this situation. I am for the enforcement of the decisions of the United Nations but by the joint action of a United Nations police force.

Mr. BREWSTER. The Senator has not understood my statement. I should like to make my position crystal clear. It is not my concept that an American Army, as the Senator terms it, ever could or ever should enter into this situation. I have repeatedly stated that it would be a question of the Security Council of the United Nations calling upon the Associated Powers for the creation of the force which was contemplated in the Charter. At that point, unless we have a force in being that we could appropriately contribute to that quota under proper arrangements, the problem would be a very difficult one. I am not prepared to take any of our boys who may have been secured either under the draft or, at the present time, under the volunteer system, and order them to such a service. It is my thought that there should be a particular force recruited, understanding that at some time they might be called upon for service of this character if the situation should demand and the Congress and the President, under their proper exercise of power, should so determine. The average man joining the American Army today or at any future time should not be faced with the possibility that he might be sent to such a foreign field. That is the point I am making, and for that purpose it seems to me to avoid exactly what the Senator from Oregon suggests. If 3 months from today we are confronted with a crisis in the Middle East or elsewhere as we were in Greece and suddenly the President says: "The United Nations Security Council has called for a quota of troops, to prevent a threat to the peace of the world" we should not order American boys who have not been recruited or prepared for such service. That is my point.

Mr. MORSE. I thank the Senator, because I think he is making a valuable contribution to the discussion of the Palestine issue, particularly in pointing out, as I think he has, the need of developing a police force within the United Nations so that it can enforce its own decisions.

Mr. BREWSTER. That is exactly the point I wished to make.

Mr. LODGE. Mr. President, I appreciate the reference that was made earlier to the part which my late grandfather played in connection with a homeland for the Jews. This furnishes a personal reason for my satisfaction at the development which has taken place in setting aside a place in Palestine which the Jews can think of as their own.

Another memory which gives this event special significance for me lies in the recollection which I have of the Jewish units which fought in Libia in 1942, in the desert, against the common enemy.

I desire to express my congratulation to Rabbi Silver, who has shown real statesmanship in leading this very complicated and arduous problem to such a successful outcome. I hope that it means that the Promised Land has been reached at last, and that it is the beginning of new happiness and more auspicious events for the Jewish people.

PURCHASE OF THE NATION'S WHEAT CROP OF 1947 AND 1948 TO COMBAT HIGH COST OF LIVING

Mr. WATKINS. Mr. President, one of the most important questions before the Nation is the increased cost of living. During the past summer there were several committees making an investigation of that question, and the President of the United States has recently given us a statement of his views as to what ought to be done.

On November 23 I prepared a press release outlining some of the views I had acquired and the conclusion to which I had come in the summer's investigation, and I ask unanimous consent to have that press release printed in the RECORD as a part of my remarks.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

Purchase by the United States of all the remaining portion of the Nation's wheat crop of 1947 and also the wheat crop which will be harvested in 1948, as a security measure and as a check in spiralling prices was urged today by Senator ARTHUR V. WATKINS, Republican of Utah.

Senator WATKINS is chairman of the Western Subcommittee of the Joint Congressional Committee on Economic Report, which recently has been holding hearings on the high cost of living in the Rocky Mountain and west coast areas. He made it clear that he was not speaking for the committee, but was expressing his own views.

Amendment of the Fair Labor Standards Act to permit a 6-day workwork at straight-time pay, without time and a half for overtime is another feature of the 10-point emergency program to combat high prices, urged by Senator WATKINS.

"With an ideological and economic war raging between the leading nations of the world—a war which threatens to become a shooting war at any moment—and with starving millions of people in Europe and Asia depending on us for a part of their food supply, and with the additional factor of a short wheat crop already threatened and in prospect for 1948, it is high time," Senator WATKINS declared, "that security measures be adopted by this country to insure at least a minimum of food for our own people and our allies who are now in desperate need and depending on us.

"The time to save wheat is when we have it. We can't save next year's wheat crop now, but we can take steps in that direction. We dare not go into another season, threatening as it is, with a carry-over of only 80,000,000 bushels of wheat as we did for the current year. Prudence dictates that at least 50 percent of our needs for 1948 should be held in reserve out of our present crop until such time at least as we can safely determine what next year's crop is likely to be. It will be far better, in my opinion," declared Senator WATKINS, "to tighten our belts now, if by so doing we can insure ourselves against possible tougher times next year. We can make that insurance more certain if we own the wheat.

"In this connection it should be kept in mind that Secretary of Agriculture Clinton P. Anderson told the Economic Report Committee Friday that, 'Speaking of the next harvest, who among us here is willing to venture a guess as to how large or how small the harvest will be?' No doubt he had in mind the extreme drought at planting time in the winter Wheat Belt, and the possibility that after so many years of high production, the law of averages may well be against a normal crop next year.

"It should also be remembered that, historically, famines follow wars, and we should not disregard nature's warning signal—drought—which is already in evidence to an alarming degree.

"Wheat is a basic food influencing the price level of at least 50 percent of the total food consumed, as evidence before our subcommittee demonstrated.

"In the present emergency it is our strongest weapon against communism, more effective and more practical than atomic bombs. Why shouldn't the Government own and control it under the present short supply and world conditions?" Senator WATKINS urged.

"If the Government should purchase the wheat crop and allocate where [illegible] and where it is needed most, the necessity for an OPA in food lines would largely disappear. Also, there would be no need for additional laws regulating speculation. Purchase of the wheat crops by the Government is not a new idea. Canada and other countries have felt compelled to do it and in World War I we purchased most of 2 years' crops. We could use Canada's experience and our own experience in World War I as a guide.

"In taking over the wheat crops of 1947 and 1948, it is imperative that prices shall be high enough to bring a heavy production in 1948 and for this year's crop an average of market prices for the year should be paid. Resort may be had to a fair price committee determination, as was done in World War I.

"It would be necessary probably to adopt a system of allocations, if not actually ration other grains, so that wheat farmers would not plant them with the hope of getting higher prices than for wheat, thus cutting wheat production."

Briefly Senator WATKINS' emergency proposals are as follows:

1. Purchase of 1947 and 1948 wheat crops, giving Government control of their use.
2. Rationing of meat.
3. Increase production by increasing the workweek to 6 days, at straight-time pay. Buying power of workers will be increased by the extra day's pay and there will be additional goods to meet the increased buying power.
4. Intensify campaign for public cooperation in saving food and more selective and cautious buying of short commodities.
5. Use of substitutes such as soybean, potato, and rice flours in connection with wheat flour in the making of breads and pastries.
6. Speed up the construction of western reclamation projects, and specifically those projects which will bring into production additional lands suitable for the production of grains and fibers.
7. Adopt a policy of allocation of steel and coal.
8. Put export controls to work. Extend these where necessary.
9. Restore credit controls.
10. Extend the present rent-control law, but provide a subsidy for hardship cases among landlords.

LEAVE OF ABSENCE

Mr. BREWSTER. Mr. President, I desire to ask, "posthumously," permission

of the Senate to be absent for the past 2 weeks. I was not able to ask this permission when the session began because I was absent on a mission at the request of the President and the State Department, in connection with the International Conference on Aviation, at Geneva, concerned with a multilateral pact, and was asked to go there as the chairman of the congressional advisory group, and I left before the session began. I should like to have it appear in the RECORD that I was absent on official business, and to have the Senate confirm my absence on that occasion.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO THURSDAY

Mr. WHERRY. Mr. President, I now move that the Senate stand in adjournment until Thursday next at noon.

The motion was agreed to; and (at 5 o'clock and 45 minutes p. m.) the Senate adjourned until Thursday, December 4, 1947, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 1 (legislative day of November 24), 1947:

DEPARTMENT OF COMMERCE

John R. Alison, of Florida, to the position of Assistant Secretary of Commerce.

PATENT OFFICE

Lawrence C. Kingsland, of Missouri, to the position of Commissioner of Patents.

Joe E. Daniels, of New Jersey, to the position of Assistant Commissioner of Patents.

COAST AND GEODETIC SURVEY

To be ensign in the Coast and Geodetic Survey, from the date indicated:

Ward A. Kemp, October 10, 1947.

HOUSE OF REPRESENTATIVES

TUESDAY, DECEMBER 2, 1947

The House met at 12 o'clock noon.

Rev. Russell Wharton Lambert, minister, the First Methodist Church, De Kalb, Ill., offered the following prayer:

Almighty and Eternal God: at the close of a national season of thanksgiving, we lift our spirits unto Thee, seeking ways to translate our many blessings into means of service to our countrymen, our Nation, and our world. The spiritual power for that service comes only from Thee, our Creator, our Father, and our eternal hope.

In these days when all the earth yearns for peace and security, in these hours when the cry of need is heard across the world, and in these moments when the future is being born for good or evil, grant us wisdom and spiritual vision that we might acquit ourselves like true sons and daughters of Thee.

Restrain those within every nation who seek selfish ends through means of deception, jealousy, hatred, bloodshed, or other evil. May all men see the frightful futility that comes from fighting Thee and the life-giving liberty that comes from loving Thee.

Grant to our President, our Congress, our diplomats, and to all other representatives of our Government the power to discern Thy holy will, that every word and act may be guided by Thy holy spirit. Unite us in a Christlike mission to mankind so that Thy divine purposes may be realized on earth.

In the sincerity of faith in Thee, in the knowledge of Thy revelation to the minds of men of good will, and in the hope of a just and enduring peace, we pray. Amen.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Miller, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1774. An act to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis.

The Journal of the proceedings of Friday, November 28, 1947, was read and approved.

COMMITTEE ON FOREIGN AFFAIRS

Mr. EATON. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have permission to meet during the session of the House today and also that I might have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

EXTENSION OF REMARKS

Mr. JOHNSON of Indiana asked and was given permission to extend his remarks in the RECORD.

Mr. ROBERTSON asked and was given permission to extend his remarks in the RECORD and include an editorial from the Country Gentleman.

Mr. STEVENSON asked and was given permission to extend his remarks in the RECORD and include an article entitled "Congressman STEVENSON Reports From Washington."

AID FOR EUROPE

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. STEVENSON. Mr. Speaker, the people of the Third District of Wisconsin during the recent recess of Congress have given me a clear idea how they feel about aid for Europe. My people are sympathetic and do not want their neighbors across the sea to freeze or go hungry. However, in view of conflicting reports about the European situation coming from Members of Congress who have just returned from England, France, and Italy, as well as conflicting reports from others who have been in Europe in and out of the Government service, the American people want to know the real facts about conditions in those countries.

Our people should know how relief for Europe is to be administered. They are most critical of the methods and the general plan of relief as carried out by UNRRA, and they do not want United States relief for Europe placed in the hands of UNRRA, only to be handed over to corrupt foreign politicians and to European black markets. They also want it clearly understood that their sacrifice of money, fuel, and food to help the hungry and needy people of Europe shall not become a mockery by foreign politicians and dictators so as to enhance their own political and financial standing.

Our people have heard a lot about the hoarding of food and fuel by the very individuals who are clamoring for our charity. They are disgusted with black markets at home. Reports of black markets run by foreign governments and by citizens of foreign countries asking for our aid and relief is abhorrent to our people. Our people will refuse to give aid to build up foreign political parties or foreign ideologies. In short, our people want to help those in distress in Europe, but they are definitely opposed to building up foreign dictators and their political machines. They want to help the people of Europe physically and spiritually to become free and independent, but they refuse to endorse the ideologies or political principles of any foreign government.

And so our people want it made clear to the people of Europe that aid and relief, charity and good will from us shall not be interpreted as endorsement or support of any particular person or persons, group or groups, party or parties that happen to be in authority at the time such aid and relief are given.

Our people also want it made clear that our resources are limited and that our relief and aid cannot be continued without end; that we are not initiating a permanent world-wide relief administration. On the contrary, our people want the people of Europe to realize they must solve their own economic problems; that foreign governments must stand on their own feet and produce food, fuel, and other commodities for their own preservation.

The stopgap aid bill as passed by the other body provides that all aid to Europe in the form of food, fuel, goods, and other materials shall be given to the Governments of Italy, France, and Austria, and those governments may sell such food, fuel, and commodities to any group, party, association, as the Government may see fit, for which such government shall be paid in the currency of that particular country, and the money so received therefor shall be used for the benefit of the government or group currently in power in such country. But any food, fuel, or other relief given by the United States to those governments must be paid for by the people who receive the relief, thus being available only to such people who have the funds to pay for them. Such relief is therefore not guaranteed to the hungry, to the poor and the needy people who should be the recipients of our aid and relief.

I am informed that only about 30 percent of the entire amount called for in the bill, approximating $600,000,000, will be used for food relief. Most of it will be used for the purchase of oil, coal, scrap iron, steel, and other commodities. We are giving France ten million to pay Brazil an old debt and about thirty million to pay an old debt to Belgium. France asked for eighty million to apply on her debt to Belgium. We will also pay ten million to France to take care of her contribution to the International Monetary Fund.

The bill also provides for $145,000,000 to pay for imports going to French north Africa. These imports will not go to France, but to the north African colonies of France. It has even been suggested that we pay Venezuela for oil shipped to Europe by that country under the provisions of the bill.

Mr. Speaker, my people want to help the hungry and needy people of Europe in their distress, but I am not so certain they favor the provisions of the bill and the administration of its provisions as called for in the bill passed by the other body on yesterday.

EXTENSION OF REMARKS

Mr. KEATING asked and was given permission to extend his remarks in the RECORD in three instances; to include in one remarks regarding a bill he is introducing today, in one an address delivered before a rally of the United Nations, and in one a statement by the policy committee of the Rochester, N. Y., Association for the United Nations.

Mr. O'HARA. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Minnesota [Mr. KNUTSON] may extend his remarks in the RECORD upon the subject of Federal Tax Outlook, by Dr. Roswell Magill. I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost $159.75, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. LECOMPTE asked and was given permission to extend his remarks in the RECORD and include an article appearing in the Fremont (Iowa) Gazette.

Mr. MURRAY of Wisconsin asked and was given permission to extend his remarks in the RECORD in two instances and include in each official letters and reports.

Mr. LEFEVRE asked and was given permission to extend his remarks in the RECORD and include an article appearing in Saturday's New York Sun.

Mr. BEALL asked and was given permission to extend his remarks in the RECORD and include an address delivered by Donald McCoy.

SPECIAL ORDER GRANTED

Mr. MERROW. Mr. Speaker, I ask unanimous consent that on Monday, December 15, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 1 hour.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

VETERANS' BURIAL ALLOWANCES

Mr. ROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROSS. Mr. Speaker, I have introduced today a bill to amend Public Law 368, Eightieth Congress, approved August 5, 1947, so as to provide a $200 allowance to the next of kin for private interment of repatriated war dead of World War II. There have been approximately 13,600 of these war dead returned to their families within the past 2 months. The present amount of $75 established by regulation and allowed to the next of kin by the Memorial Division of the Quartermaster General, Department of the Army, for burial expenses incurred for interment in private cemeteries has proven to be inadequate.

I have received numerous complaints from residents of my district, local newspapers, and veterans' organizations, pointing out the great variance between the sum of $75 allowed by the Department of the Army and the actual burial fees involved.

The Catholic War Veterans and the New York Daily News have been actively and thoroughly investigating this appalling condition. They have found that the majority of the families experience financial hardship because of the inadequacy of the $75 allowed.

A study of Public Law 383, as amended by Public Law 368, indicates to me that it was the intention of the Congress that the Federal Government should reimburse families for funeral expenses incurred in an amount sufficient to fill all the needed requirements of a proper burial. I am now of the firm opinion that in everyday practice the $75 provided is but a futile gesture insofar as the majority of families are concerned. A survey shows that a great number have found it necessary to borrow additional money, use their life savings, or dispose of their war bonds—war bonds which were paid for by the deceased—in order to give their son or husband a decent burial.

The general public has little, if any, knowledge of the cost of specialized funeral services. On the other hand, established creditable national organizations representing the funeral directors report that in the past 3 years these costs have mounted 49.5 percent. Families reliving the death of their loved ones, aware only of their grief, can hardly be expected to give thought to such matters as the opening of graves and the maintenance and expense of supplying limousines to undertaking establishments. They are totally unaware of the many factors making a funeral in these days an expensive matter.

These families have made a most notable, most worthy contribution to our country, in that the lives of their loved ones were terminated, and too often in early tender years. I suggest, Mr. Speaker, that it is the will of the overwhelming majority of all our citizens that this Government provide more adequately for the proper burial of our heroic war dead.

Mr. Speaker, we have met in this special session to consider legislation providing emergency aid. I submit that no aid is more worthy of consideration than providing sufficient funds for the proper burial of our heroic dead of World War II. I strongly urge the Congress give immediate consideration to this bill. This is the very least we can do in memory of our brave dead, who never faltered, never hesitated, to give their all, that our country might emerge from the terrific conflict victoriously. Bereaved families of our war dead can never be repaid for their profound loss, and I am sure a grateful nation does not want to add to the suffering of these families by having them bear the burden of financial embarrassment and hardship in order to have their deceased loved ones buried close to them, where they may care for their graves. Before God this is our sacred duty, for has not the Divine Master, himself, told us: "Greater love hath no man, than that he lay down his life for his brother."

Our gallant dead have proven their love beyond question, having made the supreme sacrifice. I submit it is our obligation to keep faith with them, and not unnecessarily burden their families with this added sad expense. The $75 now allowed is hardly sufficient to meet even two of the more than a dozen items required for interment. As a nation which has expended billions for warfare, Mr. Speaker, I urge that the Congress take prompt action on this vital measure to meet our obligation to those who have suffered irreparable loss. In the immortal words of Gladstone: "Show me the manner in which a nation cares for its dead, and I will measure with mathematical exactness its respect for the laws of order and society."

EXTENSION OF REMARKS

Mr. SEELY-BROWN asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. BRADLEY asked and was given permission to extend his remarks in the RECORD in two instances and include editorials from California papers.

Mr. POULSON asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. BOGGS of Louisiana asked and was given permission to extend his remarks in the RECORD and include an editorial from the New Orleans States.

Mr. BLAND asked and was given permission to extend his remarks in the RECORD on the American merchant marine and include a letter from the president of the National Federation of American Shipping.

Mr. HÉBERT asked and was given permission to extend his remarks in the RECORD and include an article from the New Orleans Item.

Mr. ALLEN of Louisiana asked and was given permission to extend his remarks in the RECORD.

Mr. ANDREWS of Alabama asked and was given permission to extend his remarks in the RECORD and include a speech recently delivered by Col. O. P. Lee, of Alabama.

Mr. JOHNSON of Oklahoma asked and was given permission to extend his remarks in the RECORD and include a bill he has introduced.

Mr. TEAGUE asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. JARMAN asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. SPENCE asked and was given permission to extend his remarks in the RECORD and include a letter in regard to the inclusion of tobacco as incentive goods in connection with relief to Europe.

Mr. BARTLETT asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

EAST NEW YORK SAVINGS BANK

Mr. KEOGH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD within the limits of the 1-minute rule on the record of the East New York Savings Bank, of Brooklyn, N. Y.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEOGH. Mr. Speaker, the lights should shine not only when the world is bright and at peace but particularly when it is dark and dismal. Such a light emanates from a great section in the Borough of Brooklyn. When, during the period from 1917 to 1947, the deposits in the savings banks of the country were increasing 301.3 percent; in New York State, 369.4 percent; in New York City, 400.6 percent; in the Borough of Brooklyn 650.6 percent, the deposits of the East New York Savings Bank in Brooklyn were increasing by the stupendous figure of 5,919.0 percent. While, during the same period, the number of depositors in the savings banks of the country was increasing by 103.4 percent; in New York State by 101.3 percent; in New York City by 147.2 percent; in the Borough of Brooklyn by 230.4 percent, the number of depositors in the East New York Savings Bank was increasing by 1,948.2 percent. The foregoing is a simple and lasting monument to the thrift, confidence, and optimism of thousands of typically American residents of the East New York and Brownsville sections of Brooklyn and is a forceful tribute to the officers and staff of the bank, particularly its president, Judge Edward A. Richards. The people of East New York reflect to the world the light of their confidence in the United States.

FOOD AND HOUSING CONDITIONS

Mr. YOUNGBLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include editorials from a Detroit newspaper, the Detroit News, of November 26, 24, 25, 27, and 28.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. YOUNGBLOOD. Mr. Speaker, if we are endeavoring to combat communism in this world, it is only good common sense that we begin at home. Right down in my own city of Detroit communism is rampant. They have a stranglehold on the labor unions. I cannot conceive the idea of deflating the American dollar any lower than it is at the present time by giving money for foreign aid to people who do not have the will to work while our people here at home are eating out of garbage cans. There is convincing evidence that this is being carried out on a wholesale scale, particularly in the city of Detroit. People are crying for lower prices on food while the executive department of this Government is abusing its prerogatives by cornering the market on foodstuffs and preventing them from going into the open market. The destruction of 100,000,000 bushels of potatoes is one example. Another is buying eggs in order to maintain prices; poultry is another example.

Now, getting back to combating communism, we are asked by the President to feed hungry Europe to prevent the spread of communism therein. With one gesture of the right hand and with another gesture of the left continuing to feed fuel to the fire by permitting exports to communistic Russia, particularly with reference to the export of trains and locomotives which, I warn you, will carry Russian troops in the direction of the American Continent to kill our American boys in the not too far off future.

I object to any further continuance of this nonsense.

Price controls cannot be made workable—that is a foregone conclusion—they have failed. The American people cannot and will not be regimented and coerced, nor stand idly by while their liberties are stripped from them.

[From the Detroit News of November 26, 1947]

PARK CHILDREN EAT FROM GARBAGE PAILS—PICTURE OF MISERY AND WRETCHEDNESS AT ROUGE BARRACKS GROWS WORSE

(By Robert S. Ball)

It seems now that the News did not go far enough in describing the dreadful conditions at the River Rouge Park Shelter—strictly temporary—operated by the Detroit Public Welfare Commission.

The News did not know about the children from the River Rouge barracks eating from the garbage pails back of houses in Warrendale and other nearby suburbs.

Now it does know about it, because the Warrendale Kiwanis Club and the Married Couples Club telephoned about it, and these reports simply compound the picture of misery and wretchedness which was drawn in Monday and Tuesday's editions with the temporarily housed victims of daily evictions as the subject matter.

Maybe it is nice for most of us to have these forlorn characters out at Rouge Park where, during the cold, bleak winter months, we will not be forced to see them.

Out of sight, out of mind, the saying goes—and besides, the calendar, with so much to buy and so many plans to make.

But the kids out at River Rouge are foraging among the garbage pails of the better neighborhoods, and their parents are living almost like pigs anyway, so what the heck?

There will be turkey wings and necks in the garbage pails by tomorrow night, which is better fare than is being offered now in the alley cafeterias.

And there will be cast-off Christmas trees come December 26, which will increase the fire hazard in the cardboard-and-tarpaper shacks which are the best dynamic Detroit can provide for its destitute citizens.

KIWANIS STUDIES IT

Even before Monday's story was published of the conditions in the temporary shelter at Rouge Park, Michael Kinney, former Ford Motor Co. social-service worker, had conducted his own investigation as chairman of the Warrendale Kiwanis committee.

"I went into many of the barracks with my committee members, and conditions were revolting in some of them," Kinney said.

"Some of the children were dressed in flimsy rags, some had on only cotton panties, and one child ran out of the hut entirely naked.

"It was chill and damp in these places, and why some of those ragged kids were not down with pneumonia I don't know.

"We saw the fire hazards, the poor sanitary conditions, and all the rest of the dreary situations. If an epidemic starts, our community would be the first to suffer."

ASK FOR ASSISTANCE

Kinney said his group already had appealed to the local and State medical authorities for assistance in immunizing the 100 juvenile shack dwellers against contagious diseases, and planned to distribute food baskets there today.

Dr. Bruce H. Douglas, city health commissioner, said his staff would cooperate in the vaccination program, but offered the opinion that "the people out there are better off than if they were crowded together in a single shelter."

Are they? Perhaps so, insofar as the spread of contagious disease is concerned.

In the "single" jam-packed, stuffy, malodorous shelter on Scotten Avenue there is inside plumbing and sufficient heat so that little bodies are not blue with cold. And the cockroaches, while perhaps more numerous, are somewhat less vicious to contend with.

There is a heated water supply on Scotten Avenue, so that the kids can have a bath oftener than once a month and the women can do their washing without toting water half a mile and heating it on a rickety stove.

DREAR AND BLEAK NOW

But the summer camp atmosphere of the Rouge Park barracks has been dissipated with the coming of snow and wind and rain and the damp cold of winter.

What seemed like a beautiful playground during the lush months of summer now is but a windswept, muddy expanse of bleak terrain which must be traversed by tired souls in quest of water and groceries.

And the summer cottage type of construction the Army deemed adequate for its military police units here is a daily mockery of the otherwise comforting word "shelter."

The Zedakah Club, a charitable organization of Jewish women, looked into the case of one mother and her seven children living in one of the cardboard firetraps, and were so horrified that they are determined to raise enough money to buy a house for the victims.

LITTLE HELP FOR ANY

The mother, a wisp of a woman who has been ill, cannot carry water the great distance between the public hydrant and her hutment. Her oldest child is only five, so there is little help there.

In fact, there is little help for any of these people, whether or not there is a wage earner in the family.

For it is said there are no vacancies in Detroit; particularly are there no vacancies for couples with children. Single folk and childless couples fare somewhat better.

But for the future citizens of the United States, for the little boys and girls who are expected somehow to grow up and become substantial members of the community, there is no room.

Only a temporary shelter, of the type provided for the displaced persons of Europe. And perhaps not quite so good.

TAKE THE CASE TO WASHINGTON!

We do not believe the welfare commission should give up so easily on the proposal that unused barracks buildings at Fort Wayne be used as living quarters for Detroit's evicted and homeless families.

The current touch of winter, with snow and ice and chilling blasts, makes it especially urgent that the children and women and men, for example, living a miserable existence in tar-paper shacks in Rouge Park, be given warm shelter.

The welfare commission's position is that since the Army decided to keep Fort Wayne for use by the Army, the Organized Reserve, National Guard, and Federal administrative agencies, use by the city is impossible.

That is not necessarily so.

Go to Washington. Go to Washington and show the Army the pictures and Rex G. White's story in the News and remind the gentlemen responsible that human beings are living in such misery on the eve of Thanksgiving and with Christmas just a few weeks away.

Daniel J. Ryan, welfare director, says the only relief the city can provide for the families in Rouge Park is hot water in the single washroom and toilet hut at the barracks.

That is not enough.

To comply with the recommendations of the fire marshal, fire extinguishers have been supplied at the barracks, and a fire guard is being maintained, but that does not provide warmth.

We suggest that a delegation be sent at once to Washington to tell the whole story of distress. Fort Wayne probably will not care for all the persons to become homeless in Detroit later, but it will serve to empty the Rouge Park shacks before Christmas.

[From the Detroit News of November 24, 1947]

PIGPEN SHELTERS INVITE DEATH AT RIVER ROUGE PARK

(By Rex G. White)

"Detroit, one of the wealthiest cities in the United States," etc.

This is a quotation from a tourist travel book. Remember it, please, as you continue on into the tale of the open road to death and disaster that is the story of the River Rouge Park Shelter, where more than 150 human beings are living in cardboard houses under threats of destruction that a breeder of hogs would not permit for his livestock. Pigs have a value.

The Detroit Public Welfare Commission, faced this fall with a sudden rush of destitute families evicted from their homes and with the emergency shelters in the city packed to the doors with human misery and alive with vermin, looked about for further housing.

They took over the military police barracks at River Rouge Park, and into those shacks they have dumped some 30 families with 100 or more children.

Conditions are appalling. The barracks are built of a cardboard type of material and over it is plastered tarpaper. One can drive his fist through the walls at any spot. There is no water, no toilets, and the only heat comes from tiny square cookstoves with tin pipes running to the roof.

THIRTY DOLLARS A MONTH FOR FIRE HAZARD

There is only one exit. In many of the barracks the stove is placed at the front, between the door and the so-called rooms. It was estimated that a fire starting in any one would destroy the building in 5 minutes or less. Some of the places reportedly have a fire extinguisher, but what good it would do is a question.

The "apartment" or unit assigned to each family consists of a section of the building with three-quarters high partitions, also of paper, some cots, a table, plain chairs, and the coal cookstove.

For this the tenant is charged $30 a month, if he is working. If there is no adult with an income, the welfare commission does not collect rent.

Field workers employed by the welfare commission realize the situation.

"It is a worry that is on my mind night and day," one said. "The fire hazard is terrible. Fire department officials have been out, but all they did was order the ash cans to be kept far away from the sides of the building.

"I know they do not like the set-up, but there is nothing we can do. The fire department did have a fire alarm pole set up in the middle of the area."

SHUN BATHS, FEARING PNEUMONIA

Dozens of the children have not had a bath of any sort in more than a month. The mothers say they are afraid to bathe the children in washbasins because the barracks are so cold they fear pneumonia.

Many of the children are suffering from head colds now. Rooms devoted to public baths are in smaller barracks, with cement floors and overhead shower pipes. There was no heat in the bath buildings, and the water was icy.

The store where food may be bought is more than half a mile from the nearest barracks across open fields. In snow or rain only adults or large children could make the trip.

Windows are small, high up, and either nailed shut or so warped they cannot be opened. There is no ventilation of any sort. The tenants point out they could not have the windows open in any event because of the cold.

"Military police lived there," attendants point out, forgetting that young men hardened to the last degree through training and wearing the finest and warmest of wool and heavy shoes are a far cry from sickly children dressed in rags.

YELLS PIERCE ILL WOMAN'S EARS

Many of the partitions are broken and have wide cracks, so there is no privacy.

"My wife has heart trouble," said one man. "We live between two other families. They have about 15 kids, and there is nothing between us all but the paper partitions. Imagine a sick woman trying to get well or rest with 15 children yelling and running in the room.

"If the thermometer drops down to below freezing, I don't know what will happen. Stoves will be overheated, and there is almost sure to be a fire. Any fire in one of these barracks will mean a dozen dead children."

The mild weather of the past few weeks has been a godsend. As it is, the rooms are so chilly the younger children refuse to get off the beds because the uncarpeted floors are too cold for their feet.

SEND OUT HEALTH INSPECTORS

Several families there have as many as 10 small children. One family has 7 children with the eldest only 5, there being 2 sets of twins. The washing is done on the little cookstoves in pails. There is no place to hang the clothes for drying except from strings near the stoves, adding still another hazard.

Cots, which are furnished, are so close to the ground that some families will not allow the children to sleep on them because of the drafts that sweep across the floor.

Instead, they take the children into their own cots or beds regardless of discomfort. Because of the lack of sanitary facilities some of the mattresses are in a constant state of dampness and stench.

Some shacks are two blocks from a public toilet. This means that as high as 30 persons in a single building utilize buckets, pails or even lard cans. In bad weather these reeking receptacles stand all night and sometimes all day in the room where the families cook and eat. The stench in some of the places when visited by a reporter was nauseating.

"I was told when the Welfare first moved people out to the River Rouge place it was only a temporary condition," said Dr. Bruce H. Douglas, health commissioner.

"But like a lot of things adopted as emergency aid, this seems to have gone on. I am sending inspectors out there today. Epidemics could start under conditions described to me. Real winter weather will increase the hazard."

SUGGESTS A 24-HOUR PATROL

"Everything you have said about the River Rouge barracks is true," Fire Marshal Edward W. Hall, commenting on the fire perils, told me today. "In a report to the Fire Commission today, I requested that if the barracks must be used, then additional exits be built in every building.

"I wrote a letter in reply to one from Donald Smith, of the Welfare, in which he asked that we inspect and approve the barracks. I asked that a 24-hour-a-day patrol be established, that a telephone be installed in the center of the area so alarms could be sent in, and I asked that fire extinguishers be placed in every building.

"I was appointed to a committee to investigate the barracks some time ago. I made a verbal recommendation that the barracks not be considered as permanent places.

"I urged that a building with fewer fire hazards be used and suggested a building at Shelby and Larned Streets. It would have cost some $40,000 to fix it up for habitation.

"I was told the barracks were to be used only as emergency shelters for 24- or 48-hour periods. The welfare people explained they were desperate and had to have some sort of shelter or the evicted families would have to be on the streets.

"I shudder to think what would happen if a fire ever started there. We know children sometimes are alone in those cardboard houses, that matches are available, that paper and cardboard trash collects on the floor, that the coal stoves are between the single exit and the rooms.

"It is a bad situation. We have insisted on metal trash cans and on gravel areas surrounding each building, for fear of grass fires, but I do not know what else we can do to lessen the fire hazard within the barracks."

[From the Detroit News of Tuesday, November 25, 1947]

WELFARE BOARD IN QUANDARY ON CITY'S HOMELESS

The Detroit Welfare Commission today set itself to the task of finding new temporary shelters for the evicted and homeless.

But members of the commission said that they scarcely knew where to turn.

It was conceded that conditions at the Rouge Park barracks shelters were as bad, or perhaps worse, than depicted in the News Monday.

THE BIG PROBLEM

The problem was to find other shelter of any kind that would not be as bad.

Monroe Lake, member of the welfare commission, suggested the barracks and officers' quarters at Fort Wayne. It was pointed out, however, that the Army decided last month to keep the Fort Wayne buildings for use of the Army, the organized Reserve, National Guard, and Federal administrative agencies.

Daniel J. Ryan, welfare director, submitted the issue to the commission at a meeting today.

"We canvassed the entire city last summer," Ryan said, "and the old military police barracks were the only thing we could find for an extension of our shelter facilities on Scotten Avenue."

NOTHING ELSE AVAILABLE

"We know they are rotten, in many respects, but there just isn't anything else available, and we are down to the point of just trying to provide a roof for these people."

Ryan said the only immediate remedy his department could offer is hot water in the single washroom and toilet hut in the compound.

All the recommendations made by Fire Marshal Edward Hall have been complied with, Ryan said, including the posting of fire extinguishers, a telephone fire-alarm system, and a 24-hour fire guard.

Hall said the structures are fire traps which never should obtain the approval of his department as permanent dwellings, but admitted that to force a closing would result in throwing the tenants back onto the streets.

WHOLE SET-UP ILLEGAL

Joseph P. Wolff, head of the department of buildings and safety engineering, said he would consent to the fire marshal's recommendation for cutting of emergency exits at the rear of the one-door barracks, but declared the "whole set-up is illegal."

Wolff said his department could never approve the canronment as dwelling units, but agreed with Hall that to move against the place would result in even greater hardship for the unfortunates housed there.

All agreed that expenditure of a considerable sum of money for indoor plumbing, better heating equipment, and some building repairs would make the cardboard barracks more habitable.

"But that would be putting the welfare commission into the housing business, where it does not belong," Ryan said.

BUDGET NEVER STRETCHED

Mayor Jeffries some time ago charged the Welfare Department with providing shelter for victims of evictions, but the budget was never stretched to provide for construction of housing units, it was pointed out.

Welfare Department investigators have reported on the conditions of unspeakable filth in some of the quarters in Rouge Park, and have made sincere efforts to get the tenants to "police up" their rooms and grounds.

But due to disability in some cases and disinclination in others, "pigpen conditions" still are to be found there, investigators admitted today.

A HARBOR—WHERE?

No one in a responsible city position is complacent about the conditions described by the News. Everyone admits the charges, in the main, are true.

But where, they ask, can these people be harbored?

One of the 25 families is in luck. A woman who asked that her name not be mentioned phoned the News Monday night and offered a five-room upper flat for rent, suitable for a family of eight.

Perhaps there will be others, moved by these revelations of miserable, sub-human living in the fourth largest city in the United States.

[From the Detroit News of November 27, 1947]

STARK MISERY FACED BY HOUSING VICTIMS

(By Don Lochbiler)

Thanksgiving Day brought bitter irony to many Detroit families today.

While more fortunate residents counted their blessings, hundreds of families faced a bitter struggle for adequate shelter in the winter months ahead.

The crisis reached the highest authority in the city, the council, on the eve of Thanksgiving, with a stark report from Mark K. Herley, assistant director of the Detroit Housing Commission.

With the severest months of the year to come, there is no housing for many families, Herley told the council Wednesday.

Families desperate for housing are not solely those unable to pay ordinary costs, it was brought home to the council in another report.

The report was from the civil-service commission, and it listed 23 city employees scheduled to be fired Friday because they do not live in the city and cannot find housing here.

COMMITTEE NAMED

The council named a committee composed of Herley, Welfare Superintendent Daniel J. Ryan, and City Controller Homer R. Marson to grasp at the only straw in sight at present—Federal buildings in the area.

The committee will survey such buildings and report back to the council Monday. Such buildings, notably the unoccupied barracks at Fort Wayne, offer the only possible relief in sight, the council was told.

Otherwise, Herley emphasized, the commission "has no solution for the problem, nor has anyone else come up with any ideas."

SITUATION WORSENING

He added: "The situation has been worsening steadily for the last 2 years."

A suggestion that a delegation including Mayor Jeffries and Mayor-elect Van Antwerp go to Washington to speed transfer of Federal buildings to the city, if they are found available, was tabled pending the committee's report.

Meanwhile, the maintenance division of the commission and the Department of Public Works was ordered to take all steps to make the River Rouge Park Shelter, admittedly the most inadequate place offered for human habitation under the city's jurisdiction, as safe as possible under the circumstances.

THANKSGIVING CHEER

Detroiters aroused by the Detroit News exposé of conditions at the shelter brought what Thanksgiving Day cheer they could to the families at the shelter, but a permanent solution remained elusive.

The Warrendale Kiwanis Club provided Thanksgiving baskets for the families. Hams took the place of turkeys, but excellent dinners have been provided.

Pressure already was being applied, too, to cut the Washington red tape which has prevented utilizing the available buildings now unoccupied at Fort Wayne.

FERGUSON MAY AID

Superintendent Ryan said he had dispatched urgent telegrams to Washington asking that Detroit be given immediate possession of the empty fort barracks, and pointing out the desperate need for shelters here.

If the appeal is refused or ignored, Ryan said he would urge Senator FERGUSON to use his influence in its behalf.

The welfare department also was investigating a number of offers made through the News of empty houses, apartments, and rooms, in addition to offers of blankets, clothing and other furnishings.

"Should any of the offers prove to be acceptable we shall be glad to turn them over to the families that are now on our hands at River Rouge," Ryan said.

"We will investigate every offer, and do anything we can to assist the families into homes that will provide better living conditions."

EVICTION BLOCKED

The Detroit Housing Commission said it was powerless to evict tenants in low-cost housing units whose incomes are above the limits set by the National Housing Act.

Charles F. Edgecomb, director-secretary of the commission, said the commission's hands are tied by the McCarthy Act passed by Congress last July, prohibiting evictions based on incomes. No chance exists of finding places for the Rouge Park families through this means, he said.

At present, 2,185 units of the 4,800 low-cost housing units in Detroit are occupied by families whose incomes are above the limit.

SIX HUNDRED SUITS CANCELED

Edgecomb said 600 eviction cases against families with incomes over $4,000 a year were in process when the McCarthy Act forced cancellation.

Only 187 families have moved of their own volition after their incomes passed the limit, Edgecomb said.

As for city employees facing dismissal because they cannot find habitations in Detroit, the council ordered that a special meeting of the civil service commission be held to consider their cases. Additional time should be granted to all who can show they have exerted all efforts to find quarters inside the city limits, the council held.

[From the Detroit News of November 28, 1947]

CITY OPENS HEART TO HAPLESS IN ROUGE SHELTERS—RESPONSE HIGH TO STORIES IN THE NEWS AS MANY BRING FOOD AND CLOTHING

While entertaining the hope of acquiring Fort Wayne Barracks as emergency shelters for the homeless, the welfare department was accepting public assistance today in alleviating the distress of 25 families lodged in the Rouge Park tar-paper huts.

Distribution of privately donated food, clothing, and blankets began, appropriately enough, on Thanksgiving Day, with every family receiving at least one large basket of food and dozens of children being given additional warm clothing.

From Washington, meanwhile, came word from Senator FERGUSON that he is battling interdepartmental red tape to find the answer to the question of Fort Wayne's availability for an emergency winter shelter.

BATTLES RED TAPE

Informed that several Federal agencies were using the Fort Wayne barracks for offices, personnel quarters, and the storage of files, Senator FERGUSON said he would seek a temporary release of some of the facilities for municipal use.

"Perhaps these departments can find other places for file storage more easily than the welfare department can find living quarters," he said.

The search for shelters more suitable to Detroit's midwinter climate was extended beyond the city limits as officials eyed other abandoned military installations in neighboring counties.

Included in this survey are barracks and officers' quarters at the naval ordnance plant and the tank arsenal in Macomb County. Vance G. Ingalls, assistant corporation counsel, told the News he believed the city is empowered to spend welfare funds out of the county.

Stories in the News of the substandard conditions under which victims of the housing shortage are forced to live at the converted military police barracks have brought an overwhelming response from sympathetic readers.

Members of the Warrendale Kiwanis Club spent much of Thursday visiting the scores of children living in the drafty, ill-heated huts, distributing clothing.

AID ARRIVES DAY LONG

Joseph Hermann, a baker at 15341 Greenfield Avenue, drove in with a truckload of pies, cakes, and bread—and promised to come back every Saturday with additional supplies.

All day long individuals and groups kept arriving with additional donations of food and blankets.

An emergency depot for the collection of clothing and blankets for the shelter residents has been set up at 281 West Grand Boulevard by the International Women's Auxiliary of the UAW-CIO, and a staff has been recruited to solicit and gather the donations.

At least three offers have come of living quarters for the shelter folk—and these, of course, are the greatest treasures of all.

SEARCH GOES ON

For while the city can provide limited funds for the feeding and clothing of its hapless citizens, it cannot provide adequate shelter for them, and the Rouge Park project is a stopgap at best.

Nor are all of the shelter colonists dependent upon the welfare department for subsistence. Several families, otherwise self-supporting, are there because no private housing is available.

And so the search goes on for a more humane solution to the emergency housing problem, and the families who are forced to live in the tar-paper huts with outside plumbing are more comfortable for the added clothing and food and sympathy that have been extended to them.

PERMISSION TO ADDRESS THE HOUSE

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a short statement by Senator JOHN H. OVERTON, of Louisiana, and I ask further that these remarks appear in the Appendix of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

[Mr. LARCADE addressed the House. His remarks appear in the Appendix.]

NEW DEAL FOREIGN POLICY

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, what a fearful mess the New Deal high command is getting the good old United States of America into. Its foreign policy—bipartisan, mind you—makes this Nation party to the bitter factional internecine and ideological struggles for political power that rage in France, Italy, Greece, Britain, China, the Near East, and elsewhere.

In Greece our Nation has joined King Paul in killing off a part of the population of that country that claims the right to rule. In China we join in a military venture with Chiang Kai-shek to effectuate a similar purpose. In France we give aid to one political clique in squelching all other contenders for power.

In Britain our Nation is made to support the Socialist regime in power, and, consequently, in the nature of things, our people are bound to assist that Socialist regime in destroying what is left of liberty in Britain and reducing her people to a state of slavery.

And now the New Deal high command wants the so-called Marshall plan to initially provide it with $20,000,000,000 to implement its program of meddling in the civil strife and warfare that is going on in the countries of Europe and elsewhere.

What a spectacle the New Deal is making of the United States. Yea, what woes this heinous, suicidal policy is storing up for us, and more especially our posterity.

PROHIBITING SALE OF CERTAIN GOODS TO RUSSIA

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. ST. GEORGE. Mr. Speaker, in the last week an increased number of our people, both in and out of Congress, feel the importance of curtailing, or rather completely stopping, the sale of durable goods to the Soviet Union. I think that at this time something more than talking about it should be done. To that end, I introduced a resolution a week ago today to prohibit the sale of durable goods, scrap, gasoline, and oil to the Soviet Union, and to stop it now.

Apparently, Mr. Speaker, we never learn. We went through all of this with Japan before the last war. At least at that time we had the excuse that Japan professed to be friendly and peaceable. Of course, we know that she was neither. At least the Soviet Union is frank. They tell us every hour on the hour how much they despise and dislike us, and in spite of that, with a crying need in this country for freight cars, we manufacture and send to them 216 freight cars made to their own specifications.

I trust that this resolution will be approved and that something will be done at once to stop the sale of these goods to a power that has shown itself deliberately unfriendly to our way of life.

The resolution is as follows:

House Resolution 379

Whereas the President of the United States is reported to have stated on November 21, 1947, at a press conference, that he approved of the sale and the continuing thereof of durable goods, machinery, and so forth, to Soviet Russia; and

Whereas it is now abundantly clear that the Soviet Union is inimical to the United States and is bent on hampering this country in every possible way; and

Whereas our own country is in dire need of durable goods at this time, especially freight cars, of which 216 have been constructed for and purchased by the Soviet Union: Now, therefore, be it

Resolved, That the sale of durable goods, machinery, scrap, oils, and gasoline be prohibited to the Soviet Union until such time as the Soviet Union shall cease interfering with our economy and way of life, both at home and abroad, and that a subcommittee be appointed by the Committee on Foreign Affairs of the House to look into the matter, and to watch over the same to determine on what terms and when sales of durable goods, machinery, scrap, oils, and gasoline can be resumed to the Soviet Union without jeopardizing the welfare and safety of the United States of America.

DISPENSING WITH CALL OF PRIVATE CALENDAR

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the call of the Private Calendar today be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

LEGISLATIVE PROGRAM

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I have asked for this time, after consultation with the Speaker and the distinguished minority leader and other Members of the House, to discuss the program for the balance of the week and at least the forepart of next week, with particular reference to the so-called foreign interim aid bill. As probably most of us know, the Committee on Foreign Affairs reported the bill yesterday. It was formally introduced today. The chairman of the Committee on Foreign Affairs has obtained unanimous consent to have until midnight tonight to file the report on the bill. It is my understanding that the chairman of the Committee on Foreign Affairs, acting for the committee, will ask the Committee on Rules to hold a hearing starting tomorrow morning to apply for a rule making the bill in order on the floor.

At this time, Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tomorrow night to file a rule on the bill H. R. 4604, the so-called foreign interim aid bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, if the rule is granted and filed tomorrow, then, of course, it would be in order to begin general debate on the bill on Thursday.

I have discussed with some of the members of the Rules Committee and some of the members of the Foreign Affairs Committee what time might be allotted for general debate on the measure. Of course, it is not within my province to determine what that time shall be. It was my idea, however, from what I have been able to discover regarding the intentions as to general debate, that it probably would continue for some 10 or 12 hours, and possibly longer. In any event, I express the hope that with the general debate starting Thursday morning the general debate be concluded this week. If concluded on Friday, then, of course, there would be no reason for a session on Saturday. If

the general debate is concluded this week, it would then be possible to begin the reading of the bill for amendment on Monday morning.

As we all know, this is a matter of extreme importance and of great consequence to the country and to the world. There is much interest in the country about it. I commend the Committee on Foreign Affairs for the painstaking effort they have put forth in their consideration of the subject and the bill they reported. Certainly, it is a measure that should be thoroughly debated and carefully considered, to the end that the Congress and the country be as fully informed as possible regarding its contents and what it proposes to do.

As to the reading of the bill next week, it would be my idea that those Members desiring to speak under the 5-minute rule be given opportunity, within reasonable limits, to do so.

Now, Mr. Speaker, that having been announced as the prospect for the program as I see it, it occurs to me that the business of the House and consideration of the measure might be expedited if we were to adjourn over tomorrow until Thursday and have the House meet on Thursday at 11 o'clock in order that more time would be available for formally considering the bill in general debate.

So, Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock on Thursday next.

In that connection I yield to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN], who had a special order for tomorrow, and about which I have talked with him.

The SPEAKER. The gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I have no objection at all to the request of the gentleman from Indiana, but I requested this time because I was chairman of a subcommittee that visited 11 countries in Europe on the agricultural and food situation. Amongst those countries were Austria, France, and Italy. I thought it would be advisable and desirable for me to give the membership the benefit of our findings. If the leadership will assure me that I will get some time under general debate so that I can present the facts, I shall be very glad to yield my time set now for tomorrow.

Mr. HOFFMAN. Mr. Speaker, I object to the unanimous-consent request of the gentleman from Indiana. I want to hear the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Well, Mr. Speaker, I have the floor. I would rather talk to the membership of the House when they begin consideration of the legislation than to make a speech here when only the gentleman from Michigan [Mr. HOFFMAN] would be present.

I hope the gentleman will not press his objection because I would rather speak when the bill is up.

Mr. HOFFMAN. Mr. Speaker, I object.

Mr. HALLECK. Mr. Speaker, will the gentleman withhold his objection for the moment?

Mr. HOFFMAN. I will, if we are given assurance that those opposed to the bill will be given some time in which to be heard. I know very well there are some Members of the House who do not intend to go along with this idea of giving everything away while our own people are not able to get the things they need, and I want some assurance that those who are opposed to this bill are going to have a chance to be heard.

Mr. HALLECK. The gentleman, of course, is entirely right in suggesting that those who are opposed to this bill should be heard. I might say, first of all, as I said originally that I discussed this matter with the gentleman from Minnesota. Speaking for myself and as an individual Member of the House I certainly want the benefit of his information and advice arising out of his experience and observations in the countries affected by this legislation.

Certainly I am sure those in charge of the time, particularly the chairman of the committee on this side, will see to it that the gentleman from Minnesota is given time in general debate to tell the House his observations and give the membership such information as he has.

With reference to the suggestion of the gentleman from Michigan, I may say that I discussed with the chairman of the Foreign Affairs Committee the matter of time and the division of time. I have no way of knowing how many may be in the category referred to by the gentleman, and how many may be in some other category, but the chairman of the committee has assured me he will undertake to see to it that opportunity is given to those who have questions about the bill, or are opposed to all of it, or to parts of it, have time in general debate for the expression of their views.

Mr. HOFFMAN. Mr. Speaker, that is all very well but I have had some experience in these matters myself, not on the question of getting time for myself because I always get more time than I want and much more than the House wants me to have on many occasions, but my experience has demonstrated that if you rely on this kind of assurances you get just nowhere.

We all know that the chairman of the Foreign Affairs Committee is in favor of this bill and has always been in favor of this kind of legislation. The ranking minority member is in favor of this bill, and those who are opposed to it or to portions of it will get nothing at all unless we have something definite. If the gentleman can assure me that the gentleman from Minnesota is going to get at least half an hour—if that is enough—all well and good; otherwise I shall insist on my objection. If I am the only one to hear the gentleman from Minnesota that is the loss of the other Members, not mine.

Mr. HALLECK. I, of course, can make no definite commitment in the absence of the chairman of the Committee on Foreign Affairs as to the exact time the gentleman from Minnesota might be granted.

Mr. HOFFMAN. In other words, then, the gentleman is speaking without authority.

Mr. HALLECK. If the gentleman from Michigan insists upon his opposition then, of course, there is nothing for me to do about it. I have had but one objective, and that is to expedite action on the proposed legislation while, at the same time, making certain that the consideration of it is as complete and exhaustive as possible.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent that the special order set down for me for tomorrow, Wednesday, be vacated.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

SHORTAGE OF OIL IN BOSTON, MASS.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, is it in order to ask to speak for more than 1 minute at this time?

The SPEAKER. The Chair cannot entertain any request for more than 1 minute, but the Chair could be a little liberal if the minute were not too long.

Mrs. ROGERS of Massachusetts. The Chair is a very good timekeeper, I would say.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I was in Massachusetts last week, and I found actual hardship in the shortage of oil there. For instance, there is one group of buildings under Federal management. The manager of those buildings could not secure any oil with which to heat the buildings over the week end. There are a good many young soldiers and their wives and babies there. Babies especially need to be kept warm.

Mr. Speaker, I found very great resentment in the State because we have sent oil abroad. We are asked to do more for foreign countries in the way of oil and coal. The American people feel, however, that the United States should be kept warm before anything is sent to foreign countries.

Mr. Speaker, I believe the Members will find in their correspondence a good many letters from persons who feel that self-preservation, not charity, necessarily begins at home and that the people at home should be given the comforts of life and not become weakened and they should not suffer because they are cold.

Mr. Speaker, I have conferred with the Secretary of the Navy, and I have offered a resolution to man the idle tankers with Navy seamen and officers in order that oil may be brought from Saudi Arabia, Venezuela, and other countries.

An administration that has allowed this situation to arise in the United States should be severely censured. Various departments of our Government have known what is going on. They have known that there is a shortage of

oil in the United States. This shortage is not confined to Massachusetts alone, as I understand it. Yet nothing has been done about it. Thousands and thousands of barrels of oil have been sent to Russia—Russia, a country which is hostile to the United States and which opposes all our ideals and way of life.

Mr. Speaker, I intend to use all the influence that I have to see that the Congress of the United States does something to remedy the mistakes of the present administration in this matter. My resolutions are as follows:

House Resolution 381

Resolved, That the United States Maritime Commission be requested to furnish the House of Representatives full information in their possession relative to all idle tankers under their control and why said tankers have not been put into operation.

House Resolution 382

Resolved, That the Director of the Office of Defense Transportation be requested to furnish the House of Representatives full information in his possession concerning the shortage of coal cars used in transportation of coal to New England and whether coal cars being released from the Great Lakes terminals can be assigned to New England.

House Resolution 383

Resolved, That the Secretary of the Navy be requested to furnish the House of Representatives full information in their possession relative to tankers under their control used in the transportation of oil whether full use is being made of the tankers and how soon additional tankers being received from the United States Maritime Commission will be put into operation.

House Resolution 385

Resolved, That the Secretary of the Interior be requested to furnish the House of Representatives full information in his possession concerning the amount of fuel oil, gasoline, petroleum products, and coal in the United States and whether any steps should be taken to increase these commodities in order to have a proper and necessary amount.

Mr. Speaker, I remember well the battle I waged when the United States made ships available to Japan and my protests against the large shipments of oil, cotton, and scrap iron to Japan when it was obvious that Japan might use those ships and oil and other commodities against the United States. Secretary Ickes protested along that line. History is repeating itself this time with another country.

EXTENSION OF REMARKS

Mr. BUFFETT asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. LEMKE asked and was given permission to extend his remarks in the RECORD and include an article on Alaska.

Mr. SANBORN asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. MUNDT asked and was given permission to extend his remarks in the Appendix of the RECORD and include a newspaper commentary on the activities of the Communist clique in Hollywood.

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks in the Appendix of the RECORD and include a recent radio address he made.

PALESTINE

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, now that the conscience of the world, organized in the United Nations, has decreed the partition of Palestine, we have a right to expect Britain to support the United Nations by making an orderly turn-over of Palestine to the Partition Commission appointed by the General Assembly. Her refusal will lead to another Munich. British weakness in foreign affairs will pay off in Palestine as it paid off at Munich—in further deterioration of her position in the world.

If Britain persists in an obstinate course, she will alienate the United Nations which cast a decisive vote for partition; she will further alienate Palestine's Jews, and she will earn Arab hatred—not friendship—because she is weak. This is a day when Britain needs all her friends, a day when she must realize that her future lies more and more with the United Nations, with whose success she is likely, indeed, to be indissolubly linked.

Britain should be seeking to introduce democracy and well-being for the people of the Middle East, and should not play the old imperialist game. The great democratic tradition of Britain could inspire and impress the whole Middle East at this time if she would proceed in the spirit not of rancor, but of world statesmanship. The Tommies—the people of Britain—fraternizing with the people of Tel Aviv will prove to be much smarter than the British Foreign Office.

VOLUNTARY SERVICE IN DEVASTATED COUNTRIES

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, there is certainly no Member of this House more anxious than I am to extend the help of American food, clothing and other vital necessities to those of the downtrodden and hungry throughout the world. We Americans must aid the unfortunate to get on their feet, and to enable them to be self-sustaining with respect to food. Therefore, I am introducing a bill today which provides for the services of from 100 to 500 county agricultural and home demonstration agents in the European field. It is entitled: "A bill to provide for the rehabilitation of foreign countries being financed with American aid by making available to them the services of American county agricultural and home demonstration agents and for other purposes."

Be it enacted, etc., That the Secretary of Agriculture shall select not less than 100 and not more than 500 county agricultural and home demonstration agents wherever available throughout the United States for immediate voluntary service in countries devastated by the recent war and being financed by American aid.

SEC. 2. The Secretary shall assign said agents to duty along the following general lines:

(a) To scrutinize, study, and observe agricultural activities in the aforementioned areas.

(b) To work along with departments of agriculture in the official governments of these nations in advisory capacities.

(c) To make available to them their services, advice, and knowledge to individual farmers to the end that their production of grains and foodstuffs be increased to adequately feed their entire populations.

(d) To encourage the improvement of farming and husbandry wherever necessary.

(e) To foster the inherent desire on the part of the farmers of said countries to be self-sustaining and raise sufficient food crops to make their populations eventually independent of outside aid.

(f) To introduce and improve the arts of homemaking, cooking, dressmaking, and allied subjects.

SEC. 3. For the purposes of carrying out the work of said agents, there shall be made available funds from whatever appropriations are made by the Congress for official United States aid to Europe.

SEC. 4. Wherever localities in the United States have been deprived of services of said agents, vacancies shall be filled forthwith by regular authority so as not to impede or hamper agricultural extension work in the United States.

I hope that we will be able to devise some plan like this whereby the millions of helpless people across the seas will have the advantage of making themselves independent through American aid and American genius.

Any plan this Congress adopts to finance aid to Europe and Asia must, it seems to me, consider as its ultimate goal, lifting the recipients out of a relief class in which so many have been since the war.

Put farmers over across on their feet by material help accompanied by real advice, instruction and education which the county agents are capable of giving. They will remedy this tragic situation in a short time if they get the cooperation of our government and of those they are designated to assist.

This plan is worth a try. It cannot possibly cost more than a tiny percent of the whole aid expenditure and it is bound to work over there just as American agriculture has profited by it.

EXTENSION OF REMARKS

Mr. DOLLIVER asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. CHURCH asked and was given permission to extend his remarks in the RECORD on the subject Pardon Me, Truman, and include two editorials, one from the Washington Post of last Sunday and one from the Chicago Daily Tribune.

Mr. McDONOUGH asked and was given permission to extend his remarks in the RECORD and include a radio address he delivered during the recess.

"'TRU' OR FALSE"

Mr. JONKMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. JONKMAN. Mr. Speaker, President Truman on June 20 last in his veto message on the Taft-Hartley labor bill said, "Its provisions would cause more strikes, not fewer."

Is this true or false? This is more than a $64 question to every American.

Let us look at the record. According to the Bureau of Labor Statistics, there were in the months of September and October of 1946, 1,015 new strikes, involving 663,000 workers, resulting in 11,100,000 idle man-days.

For the same period, September and October of 1947—after the Taft-Hartley bill—there were only 375 new strikes, involving 135,000 workers, resulting in 3,850,000 idle man-days.

In other words, after the Taft-Hartley bill there were roughly only one-third the number of strikes, one-fifth the number of men on strike, and only one-third the number of man-days lost as compared with the same period a year ago and before the Taft-Hartley bill.

Which should inspire the confidence of the American people, President Truman or the Republican-led Congress of the United States?

CONGRESS SHOULD DEFINE COMMUNISM

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. McDONOUGH. Mr. Speaker, the time has come for definite action by the Congress to legally define communism in clear, concise terms.

It is generally admitted that communism advocates the overthrow of—not the modification of—democratic government established by the free will of the people and especially the overthrow of constitutional democracy as we know it in the United States. Is it not therefore logical to assume that the active practice of communism is treasonable and therefore unconstitutional?

I have introduced H. R. 4581 for the purpose of establishing a clear definition of communism that can be easily understood. My bill does not deny the privilege of nor penalize anyone for believing in any ism he pleases. In other words, there is no attempt to set up a policy of thought control. No man can be penalized for his thoughts or beliefs in the United States.

It is only when he puts his beliefs into active practice and thereby by precept and example conspires with and influences others to follow him in the active practice of communism that an overt act is committed. This is a fine distinction between other types of proposed legislation against communism, and I do not want it construed or misunderstood. H. R. 4581 condemns and penalizes only the active practice of and not the belief in communism or any other kind of ism.

Heretofore there has been no clear definition of communism, and because of this many people have sympathized with communism and have become influenced to believe in it. Communism, as a political policy, or as a way of life, is inimical to the people of the United States and incompatible with our form of government. It advocates deceit, conspiracy, confusion, subversion, revolution, and the subordination of man to the state. It is not a political party but is an international conspiracy and an antireligious ideology that would destroy the purposes of the American Government as set forth in the Constitution and the Bill of Rights.

It is time the Congress recognizes the truth about communism and sets forth a clear definition of it for the protection of the people of the United States.

Newspapers editorialize about communism, men in public life are attacked as adherents to communistic philosophies, but in spite of all these discussions few people can define communism or give any coherent explanation of their understanding of what it is.

Informed Americans know that a Communist menace does exist in the United States, a dangerous force which threatens our future. There is evidence proving that an organized attempt is being made to establish communistic methods, policies, and political ideologies within this Nation. The number of workers in this movement who understand its true purpose may be few. But unfortunately, they are highly trained men and women, so subtle in their methods that they enlist the active aid of thousands of loyal Americans who are sympathetic and are misled by deliberate confusing of issues, subversion of facts, and deceit.

Americanism and communism cannot mix. Democracy and communism are incompatible. Freedom and liberty as we know them cannot tolerate communism. We must be vigilant and alert to the wiles and insidious influences it is attempting to inflict upon us.

We must take steps to protect the innocent and expose the guilty. We do not want to brand loyal Americans, misguided though they may be, with the label of communism when they are not engaged in the active practice of communism and have no sincere intention of furthering the cause of communism.

We must seek out the Communists who burrow from within to destroy everything we cherish—freedom of religion, freedom of speech, freedom of enterprise, and freedom of the press.

We want to expose them, reveal them as enemies of the United States, and deal with them accordingly. But first we must define communism. Without a legal definition of that term, our law-enforcement agencies are helpless, in many cases, and even the courts are at a loss to act with conviction.

Recently the United States circuit court of appeals in Illinois was called upon to decide a case in which the defendant was accused of libeling the plaintiff through the use of the term "Communist," applied to the plaintiff in a syndicated column of political commentary written by the defendant. A district court dismissed the suit on the ground that no cause for action had been established since the word "communism" had no definite meaning.

The United States circuit court of appeals reversed the prior ruling, and ordered the case to trial, stating:

> It is libelous per se (of itself) to write of a man or corporation that they are Communists or communistic sympathizers.

It continued:

> The label of Communist today in the minds of many average and respectable persons places the accused beyond the pale of respectability and makes him a symbol of public hatred, contrary to the statutes.

During the arguments before the court of appeals in this case, it was definitely established that the word "Communist" has no definite meaning, but that its appearance as a characterization in a newspaper political editorial is sufficient to destroy a person's presumably good reputation with the public.

Communism does not lead to liberal policies in government or to liberal legislation. On the contrary, communism does lead to and advocates a totalitarian form of government and subordinates man to the state.

There is every facility and opportunity under our constitutional form of government in the Republic of the United States to bring about the most liberal policies in government, if we use them properly.

Communism is restrictive, limited, autocratic, and totalitarian.

Democracy is elastic, adjustable, and subject to the will and needs of the people.

Let us use the freedoms and liberties we now possess in our constitutional democratic form of government in the United States to preserve and protect those liberties and freedoms from the corruptive and destructive influences of communism.

Communism crawls through this Nation with the subtlety of the serpent, bent upon the destruction of all religion, the abolition of all private property, and the complete subordination of the individual to the state. Its weapons are deceit, conspiracy, confusion, propaganda, and revolution. Its goal is the overthrow of democratic government, by force and violence if necessary.

It is obvious that an untenable situation exists. We can correct it by passing legislation that will clearly define the term "communism." At the same time we will take constructive action toward the elimination of the Communist menace. I have introduced H. R. 4581 for the purpose of defining communism. It reads as follows:

> Whereas communism as a political policy, or as a way of life, is inimical to the people of the United States; and
>
> Whereas communism advocates deceit, conspiracy, confusion, subversion, revolution, and the subordination of man to the state, and because of its practice of deceit and confusion, its real purposes and intentions are clouded and misunderstood to the extent that many persons in the United States have been influenced to believe in and sympathize with communism; and
>
> Whereas there is a pressing need for a clear and easily understandable definition of communism in order to protect the people of the

United States from its insidious influence: Therefore

Be it enacted, etc., That communism be defined and declared to be not a political policy, but is an international conspiracy and an atheistic and an antireligious ideology which advocates and practices deceit, confusion, subversion, revolution, and the subordination of man to the state, and which has for its purposes and intentions the overthrow of any democratic or other form of government by force and violence, if necessary; and

That any person, either citizen or alien in the United States, actively practicing communism should be exposed and treated as a treasonable enemy of the United States and dealt with accordingly.

PERMISSION TO ADDRESS THE HOUSE

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[Mr. CRAWFORD addressed the House. His remarks appear in the Appendix.]

PARTITION OF PALESTINE

Mr. KLEIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KLEIN. Mr. Speaker, last Saturday afternoon the general assembly of the United Nations achieved a notable triumph for justice and democracy when the delegates voted to partition Palestine and to set up a new national government there for the Jews who have, in the sweat of their brows, in the labor of their hands, and in danger of their lives, made the desert again a land of milk and honey.

But, Mr. Speaker, that vote was also a personal triumph for President Harry S. Truman, whom I am proud to call my leader, and in behalf of the Jewish community of America I am glad to be able to pay this tribute to our President, a great leader, a great humanitarian, and a great American.

There can be no doubt that the successful fight of the American delegation was made at the personal direction of President Truman, and over the opposition of some officials in our own State Department as well as those in the British foreign and colonial offices.

For 1900 years, since the Romans destroyed Jerusalem and drove the Jews from the land of their fathers, the Jews have been a scattered nation. Always their eyes have turned toward the Holy Land as a national home. Under the League of Nations mandate hopes rose high, but Great Britain repudiated her promises.

Since Hitler the dream of a national home has become a grim and absolute necessity for a land in which the pitiful remnants of European Jewry can rebuild their shattered lives; and now, more than any other individual, President Truman has opened the door of opportunity through the action of the United Nations.

I assure you, Mr. Speaker, that neither the world Jewish community nor fair and honorable people anywhere will ever lack in gratitude to Harry S. Truman.

EXTENSION OF REMARKS

Mr. CRAWFORD asked and was given permission to extend his remarks in the RECORD and include part of a program for action adopted by the National Foreign Trade Convention.

Mr. RIVERS asked and was given permission to extend his remarks in the RECORD and include an address on sea power delivered by Col. J. H. Fellows, of the Marine Corps.

Mr. HOLIFIELD asked and was given permission to extend his remarks in the RECORD.

THE NEEDS OF AMERICA

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, the distinguished Member from Massachusetts [Mrs. ROGERS] was telling us that she intended to insist that we keep some gasoline and oil and, I believe, a few other things here in America. I wonder if she has realized that you cannot burn here in America the same barrel of gasoline you send abroad. I have noted with a great deal of interest that she has always been very enthusiastically in support of legislation which would help the people in other lands. She is to be commended for that spirit of kindness and I join with her in that desire to help everyone who needs aid. But I just cannot figure out how we can send abroad so much and maintain our strength and power here at home. How is she going to use that same gallon of gasoline over there and in this country at the same time? I do not see how you can carry on that kind of a program of supporting the whole world and still have enough left to maintain our own security. I have been brought to this inquiry by the fact that 40 veterans in Benton Harbor, Mich., in the Fourth Congressional District, are able to build their own homes by cooperative efforts, exchanging work if they can get cement. They cannot get the cement which is going abroad. It cannot be shipped abroad to build bridges and at the same time be used to build homes in Michigan. I hope the gentlewoman, when she discovers how we can use something in two places at the same time, will put me wise because those veterans want to build homes. They insist that they should get the cement and other materials before we send it abroad. With them I agree even though I may be accused of being an "America Firster."

ABANDONMENT OF FOOT-AND-MOUTH DISEASE PROGRAM IN MEXICO

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, it is regrettable that the program for stamping out the foot-and-mouth disease in Mexico has been practically abandoned.

Through releases issued by the Department of Agriculture during the past few months, Members of Congress were led to believe that the vital work of eradication was proceeding properly. We find, however, that Congress has been misled by the officials of the Department of Agriculture and that the program has not been at all effective for the past few months.

I cannot support the program now proposed to spend millions of dollars in Mexico for a vaccination program. According to veterinarians, who certainly know, vaccination is but a palliative and cannot possibly do the job that must be done. The only manner in which the foot-and-mouth disease can be stamped out is through the destruction and burial of the animals exposed to that dread disease. It would seem that the time has come for Congress to protect the border, 1,905 miles in length, between the United States and Mexico insofar as it is possible to do so. This will require the construction of high wire fences protecting the area on our side of the border, as well as that on the Mexican border, and beyond which no cloven hoofed animal should be permitted to exist. The fences on both borders should be efficiently patrolled so that no diseased stray could enter the United States from Mexico.

Mr. Speaker, I believe that this problem is as critical as any problem facing us today. This Nation certainly cannot afford to permit the spread of this dread disease into our great meat industry. Should this disease become rampant in the United States of America the loss could run into billions of dollars. However, such a threat should not be measured in dollars alone but might well be calculated in terms of actual hunger later on.

Mr. Speaker, I ask leave to include, as a part of my remarks, the following article by Mr. Alfred D. Stedman, the noted feature writer on agricultural subjects, which appeared in the November 30 issue of the St. Paul Pioneer Press, and is entitled "Foot-Mouth War Collapse Perils Cattle Industry."

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

FOOT-MOUTH WAR COLLAPSE PERILS CATTLE INDUSTRY

(By Alfred D. Stedman)

Collapse of the joint United States-Mexican campaign to stamp out foot-and-mouth disease following Mexican peasant uprisings against killing infected cattle has confronted Midwest agriculture with great ultimate danger and is arousing some concern for the safety of American technicians, including nine Minnesotans, employed in eradication work.

This was revealed Saturday night as executives of 134 leading livestock organizations of the United States, including Norris K. Carnes, of Central Cooperative Association of St. Paul, were summoned to an emergency meeting at the Sherman Hotel in Chicago today of the joint livestock committee to consider steps to meet the crisis.

The two Governments have dropped their campaign to eradicate the livestock sickness by exterminating infected and exposed animals, and have just disclosed a shift to a fight to keep the dread disease within a quarantine zone. But this zone is so vast that the difficulties of hemming in and controlling the livestock plague in this way have spread consternation among American stockmen.

These men say that if the malady ever should get really loose in this country, it might destroy in present form the industry of feeding concentrations of livestock, and inflict disastrous losses and changes on all agriculture.

One high-ranking Washington official told the Pioneer Press by phone Saturday night that about 100 American veterinarians and sanitary engineers working in Mexico have been protected by the Mexican Army, that no American has been harmed though several Mexicans have been killed, and that there are no grounds known to him for concern for the safety of any American.

But others who have been following events in the Mexican quarantine zone, while not alarmed, did privately acknowledge concern over possible consequences of Mexican popular indignation in some places. A Mexican cowboy, not the Minnesota veterinarian was reported to have been mobbed and killed by Mexican peons on one day when the Minnesotan happened to be ill and absent, and therefore safe.

A Mexican veterinarian and a Mexican Army officer and five soldiers were set upon several weeks ago by a mob of several hundred, were shot and their bodies mutilated in an uprising near Sen Guio in northeastern Michoatan.

According to reports, the lucky Minnesotan was Dr. D. F. Werring, of Springfield, although this was not officially confirmed.

The anger of the Mexicans has flared often because the cattle serve as sources of food, draft animals, and pets to the peasant families. These were aroused by bitter harangues by the politicians.

The United States Government experts finally became persuaded that the disease had had too great a start, and eradication attempts were inflicting too heavy economic losses, and arousing too much resentment to succeed.

In addition to Dr. Werring, four other Minnesota veterinarians who are in Mexico for the United States Government's part in the campaign are Dr. H. E. Wilson, of Crookston; Dr. E. H. Braunworth, of Wheaton; Dr. Aaron Antoinen, of Ortonville; and Dr. W. H. Whitcomb, of Reeds Landing. Four Minnesota sanitary engineers also have been working there.

Probably two-thirds of 60 to 70 American veterinarians are likely to be brought home soon, but the sanitary engineers may be asked to remain for some time in the fight to stamp out any new outbreaks outside the quarantine area.

Dropping of the fight to wipe out the disease in Mexico is the latest defeat suffered in nearly 2 years of a losing effort by the United States Government, although at times Washington officials made hopeful claims. About a year of that time was taken up in protests to Mexico over her admission of exposed Zebu bulls from Brazil, and another 3 months were consumed in writing and enacting congressional legislation. So it wasn't until last April that the campaign really got under way.

Thirty million dollars had been spent in exterminating half a million cattle, including the finest dairy herd in Mexico, and perhaps 300,000 smaller animals.

The changes and losses that would be forced upon the American livestock industry by a sweep of the disease across North America are not even imagined by most Americans, Mr. Carnes said Saturday night before leaving for Chicago. The losses might run into the billions of dollars a year, and estimates of increases in production costs run up to 20 percent, he said. The livestock exchanges of the country, including the South St. Paul Exchange are represented on the joint livestock committee.

Collapse of the eradication campaign is taken by stockmen to mean that this country will be compelled in self-defense to adopt stringent controls of movements across the border of freight, tourists, and traffic that might bring in the disease from Mexico.

Construction of a tight-mesh fence, 7 feet high, along 2,000 miles of the Mexican border at a cost of around $6,000,000, long discussed, now will become among the essential steps to keep diseased domestic and game animals of Mexico strictly out of this country, stockmen assert.

The danger area of Mexico, stretching westward into the interior from the Gulf coast, extends north along the coast near Tampico to a point only 300 miles from the American border at the nearest point.

THE UNITED NATIONS AND THE PALESTINE FIASCO

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks and include two paragraphs from a statement made by Hon. Henry Morgenthau, Sr.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, it is evident to every thinking American that the members of the so-called United Nations Organization desire to subordinate the United States to their domination.

If they have a right to go into a country like Palestine and dismember it, then they will probably claim the right to turn Texas and California back to Mexico, Louisiana back to France, and the Panama Canal back to Colombia.

I wonder how far these international moon gazers are going in their attempts to drag the United States down to the level of Italy, China, India, or Russia.

It is about time that Americans began to be heard, from one end of the country to the other. There is going to be such a wave of resentment against this surrendering of the powers of government to foreign influences that the Members of this Congress will never hear the last of it.

With reference to this subject of Palestine, I want to quote from the autobiography of Henry Morgenthau, Sr., one of the great Jews of this country and the brains of the Morgenthau family. He said:

> Zionism is the most stupendous fallacy in Jewish history. I assert that it is wrong in principle and impossible of realization; that it is unsound in its economics, fantastical in its politics, and sterile in its spiritual ideals. Where it is not pathetically visionary, it is a cruel playing with the hopes of a people blindly seeking their way out of age-long miseries. These are bold and sweeping assertions, but in this chapter I shall undertake to make them good.
>
> The very fervor of my feeling for the oppressed of every race and every land, especially for the Jews, those of my own blood and faith, to whom I am bound by every tender tie, impels me to fight with all the greater force, against this scheme, which my intelligence tells me can only lead them deeper into the mire of the past, while it professes to be leading them to the heights.
>
> Zionism is a surrender, not a solution. It is a retrogression into the blackest error, and not progress toward the light. I will go further, and say that it is a betrayal; it is an eastern European proposal, fathered in this country by American Jews, which, if it were to succeed, would cost the Jews of America most that they have gained of liberty, equality, and fraternity.

That is from one of the most patriotic Jews America has ever seen, warning the world against the stupendous fallacy into which this bunch of moon-gazers in New York have now plunged.

The next thing we hear will probably be a demand that America send soldiers to protect this new state.

The United Nations have thus waved a red flag in the face of every Arab, in the face of 500,000,000 Moslems, people who were our friends, and have turned them against the American people—because this whole thing is being charged against the United States.

This crazy program is being supported by certain alleged leaders of both parties in order to try to line up certain elements in New York in the next election.

The SPEAKER. The time of the gentleman from Mississippi [Mr. RANKIN] has expired.

PALESTINE

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, after listening to the remarks of the gentleman from Mississippi [Mr. RANKIN], I feel that I should say that when it comes to the subject he just discussed and in referring to American Jews as he does, he is as expertly misinformed as he usually is.

I yield back the remainder of my time.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—GOVERNMENT-OWNED VESSELS (H. DOC. NO. 468)

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk and referred to the Committee on Merchant Marine and Fisheries and ordered to be printed:

To the Congress of the United States:

The present authority of the United States Maritime Commission to operate, sell, and charter Government-owned vessels which were built during the war will expire on February 29, 1948.

It is now clearly apparent that this authority must be continued beyond that date in order to prevent a break-down in vital shipping services.

Over 1,200 dry-cargo vessels are now chartered to American citizens by the Commission. The bulk of this fleet is devoted to carrying vital relief cargo, chiefly coal and grain exports. Its continued operation will be essential in furnishing aid to foreign countries during this winter. Other portions of this chartered fleet are devoted to essential coastwise and intercoastal services.

Under its authority to operate vessels, the Maritime Commission, through general agents, is now operating emergency passenger vessels and tankers. It is necessary to continue the authority for the operation of these passenger vessels if we are to meet essential needs for which no other passenger service is available. While the number of tankers operated by the Commission is being steadily reduced as tankers are sold under the Ship Sales Act, those which remain unsold must be kept in operation to assist in averting a serious world-wide shortage of petroleum.

In order to avoid needless disruption of the vital services now being provided with Government-owned ships, the present authority of the Maritime Commission should be renewed well in advance of its expiration date. I recommend, therefore, that the Congress give consideration to this matter during its present session.

There are other questions concerning the maritime industry which will require consideration of new legislation in the near future. These questions relate to the shipping requirements of the European recovery program and the long-range requirements of our own merchant marine. Our most immediate need, however, is to assure the maintenance of essential shipping services by continuing in effect the present provisions of law which make possible the use of Government-owned ships.

Accordingly, I recommend that these provisions of law be extended until June 30, 1949.

HARRY S. TRUMAN.

THE WHITE HOUSE, *December 1, 1947.*

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. KNUTSON (at the request of Mr. AUGUST H. ANDRESEN), on account of illness in the family.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—REPORT OF GOVERNOR OF THE PANAMA CANAL

The SPEAKER laid before the House the following message from the President of the United States, which was read by the Clerk and, together with the accompanying papers, referred to the Committee on Merchant Marine and Fisheries:

To the Congress of the United States:

In compliance with the provisions of Public Law 280, Seventy-ninth Congress, approved December 28, 1945, I transmit herewith a report by the Governor of the Panama Canal on means of increasing the capacity and security of the Panama Canal.

HARRY S. TRUMAN.

THE WHITE HOUSE, *December 1, 1947.*

SPECIAL ORDER

The SPEAKER. Under the previous order of the House, the gentlewoman from Ohio [Mrs. BOLTON] is recognized for 76 minutes.

CALL OF THE HOUSE

Mr. HOFFMAN. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and twenty-nine Members are present, not a quorum.

Mr. MICHENER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 139]

Allen, Ill.	Gore	Philbin
Barden	Griffiths	Powell
Bland	Hardy	Price, Fla.
Blatnik	Hartley	Reed, N. Y.
Bloom	Heffernan	Rees
Buckley	Hendricks	Rich
Bulwinkle	Jennings	Sabath
Byrne, N. Y.	Kefauver	Scoblick
Case, S. Dak.	King	Scrivner
Celler	Kirwan	Sheppard
Clark	Knutson	Simpson, Pa.
Clements	Lane	Smathers
Cooley	Lewis	Smith, Ohio
Cooper	Lucas	Smith, Va.
Coudert	Ludlow	Stratton
Dawson, Ill.	McCowen	Thomas, N. J
Dingell	Marcantonio	Vorys
Domengeaux	Meade, Ky.	Vursell
Dorn	Mitchell	Wadsworth
Doughton	Morgan	West
Durham	Morrison	Whittington
Flannagan	Multer	Wigglesworth
Fogarty	Norrell	Wilson, Ind.
Fulton	Pfeifer	Wilson, Tex.

The SPEAKER pro tempore (Mr. JENKINS of Ohio). On this roll call 359 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

The SPEAKER pro tempore. The gentlewoman from Ohio [Mrs. BOLTON] is recognized.

CONDITIONS IN EUROPE, THE NEAR EAST, AND THE MIDDLE EAST

Mrs. BOLTON. Mr. Speaker, it is with a sincere sense of privilege that I address myself in the time accorded me by unanimous consent on Tuesday last to a report of stewardship in the matter of funds allotted by this body for on-the-spot study of conditions in certain areas of Europe and the Near and Middle East.

It has been a satisfaction as well as a responsibility to share in this appropriation which has made possible the securing of more first-hand knowledge than the House has ever before had. Nothing could be of more importance at this moment inasmuch as one of the dramatic results of the tragic holocaust we call World War II has been the change in the position of the United States among the nations. For many years before the war there had been developing a warmth of feeling toward America, an admiration for our way of life, an eagerness to learn from us, a confidence in our sincerely unselfish desire to share our joy with others. Today the situation has changed somewhat, for during World War II we became the strongest nation in all the world. We developed a speed, a capacity, a power the world had not seen. Unfortunately such strength, such power, does not build friendship; rather does it create envy and fear which can quickly turn to hatred.

More unfortunately still, the events that put us in the forefront did not develop synchronously, wisdom and judgment. Rather did they give to those in authority the arrogance of the youth who in his ignorance is so certain he can handle everything. To gamble with the peace of the world is dangerous business, and we gambled. Should we now fail to see and to face realistically the results of appeasement policies or should we blindly refuse to face facts at this all-too-late date, we may well destroy our world. We dare not continue on the old road, our responsibility is too great. But, to find the best spot upon which to set our feet on a new trail which is, as yet, not even blazed, takes vision, indomitable courage, and inexhaustible faith.

Fortunately it takes a lot of little things, too, which, when joined together and added up, give the mechanics, the formulas, that go to make up these great strengths.

The first of these is first-hand knowledge—and that can be had only by going and seeing, by listening and understanding. Congress never appropriated money for more vital and constructive a purpose than the appropriation made this summer which sent its Members out to have a look-see—some within our own borders, others out across the world. These were no junkets. These were serious, hard-working men and women out on Government business, sensitive to the need of first-hand knowledge and determined to get it. That some may have gone out with ideas too rigidly set to be able to recognize anything not fitting preconceived notions is, of course, possible. Yet I am inclined to believe that there were but a very few of these and that by and large we looked and listened with open eyes and ears as well as eager minds. The beneficial results cannot be measured.

Several travelers have already spoken in this well, and I think you will agree with me that they have brought back much that we shall find of inestimable value in the months to come. No Congress has ever faced so great a responsibility, for no Congress has ever had in its hands the fate of all the world. Surely we need every bit of information, of impression, of fact, and of vision we can secure, and then we need to use it with deep humility. Insofar as we are wise, insofar as we are understanding, insofar as we are selfless, shall we be indestructible instruments of the forces of eternal truth.

SUBCOMMITTEE NO. 5

Mr. Speaker, during the recent recess of the Congress it was my privilege to be among those sent out across the world. It is the special responsibility of the subcommittee of the Committee on Foreign Affairs, of which I am chairman, to concern itself with many vital matters included under the heading of "movements that cut across national boundaries." These have a very wide range indeed. Among other things, they have to do with international health, with the elimination of disease in all the far reaches of the globe as well as in nearby areas, dangerous to our safety in an age where time and space are no longer of much account. They have to do with the status of women, with the dream of a world where children will be born with sound bodies and free minds, to be reared with understanding in environments of opportunity.

They have to do with the wages and the working conditions of those who toil, with their relations to those who employ them. But that is not all that is meant by "movements that cut across national boundaries," for we are charged with the explosive aspects of such movements as communism, fascism, Zionism, nationalism, and so forth.

It goes without saying that no one person, nor any small group of people, could possibly study all these many aspects of the rapidly whirling life of the world today in so short a time. We did not attempt to do so. But in order to bring back to you as broad a picture as possible we subdivided our tiny group somewhat according to individual interests and backgrounds of knowledge.

Our subcommittee as a whole spent days in London, Paris, and Rome. Our eminent colleague, Congressman DONALD L. JACKSON, of California, spent some weeks in Greece and went to Turkey, accompanied by a no less distinguished Member of this House, Congressman OLIN E. TEAGUE, of Texas, who, while not a member of the Committee on Foreign Affairs, was thoroughly qualified to evaluate conditions in those areas against a background of grim experience and with a deep and consecrated sense of responsibility. They have prepared a report that none of you can afford to miss. It will be ready in a very few days.

The distinguished gentleman from Pennsylvania, Congressman FRANKLIN J. MALONEY, with one of the members of the staff of the Foreign Affairs Committee, George S. Pettee, gave himself to the task of making a detailed, first-hand study of the results of nationalization of industry in European countries, the impact of Communist methods, and the atmosphere of today's Europe as practically evidenced. His report also will be well worth your most careful attention.

Having spent some time in the Near East in 1945, Congressman CHESTER E. MERROW, the able Representative from New Hampshire's First District, and I chose as our main area for study Cairo and the countries of the great Arabian Peninsula, with the strategically situated and completely fascinating land of Iran. Congressman MERROW concerned himself more especially with certain aspects in which he had particular interest. I emphasized others.

Our original program would have brought us all together again in Cairo the first week of November with about a month to spend in north Africa, but a cable from our honorable chairman, the gentleman from New Jersey [Mr. EATON], calling us to a special committee meeting on November 10, canceled this part of our proposed study.

Mr. Speaker, as chairman of Subcommittee No. 5 of the House Committee on Foreign Affairs, I want to report that no chairman ever worked with a finer group. Their quality evidenced itself first in the long daily conferences we had on the *Queen Elizabeth* en route to London, in a thousand different ways of thoughtfulness where the chairman was concerned, and in the arduous work they did.

But there was one serious disappointment that I as chairman had to face and accept, difficult as this was. That was the inability of one of the subcommittee to make the trip. I had counted upon the distinguished gentleman from Pennsylvania, Congressman THOMAS E. MORGAN, to cover the health study, and confess that I shall never be reconciled to the fact that he was unable to do so. You see, I was aware that several years ago, quite at his own expense, Dr. THOMAS E. MCRGAN had made a personal survey of some of the devastated countries which gave him an invaluable background for comparison and evaluation of the present situation. As a fellow member of the Committee on Foreign Affairs I have grown to respect my quiet colleague most sincerely. As chairman of this subcommittee I know that the House has been deprived of much valuable information, so I remain unreconcilable.

BY SHIP TO ENGLAND

In coming before you today, Mr. Speaker, I do not bring you the formal report of Subcommittee No. 5 of the Committee on Foreign Affairs. That will be submitted in due time. Rather do I bring you observations and impressions with certain conclusions which have resulted from the experience that has been my privilege.

Sailing September 18 on the *Queen Elizabeth*, we used several hours of every day for discussions and conferences. These gave opportunity for clarification, for orientation, and for a pointing-up of our purposes that nothing else could have done. Add to this the talks with such people as Sir Ian Fraser, long a member of Parliament, with Miss Alice Bacon, Labor member of Parliament, with Mr. Morgan Phillips, secretary of the Labor Party, with oil and transport men, and with a selected group of women, some going to a woman's international meeting in Paris, others coming from the Philadelphia conference, and you can see that our sea voyage gave us a full and profitable introduction to some, at least, of the conditions we were to look into.

To me, England presented a grimness I saw nowhere else. Everyone's clothes need renewal, most buildings still need repair and paint. The dank chill of the average service flat creeps into your very bones. The better ones have one electric heater metered by shillings in a slot; but the walls are damp and cold straight through, some so saturated that water actually runs down onto the floor. Hard on little children and inexpressibly hard on old people. Yet, I heard on every side, from all sorts and kinds, "What we need is a hard winter." But if such develops, many of England's old people will not be there in the spring.

The unusually sunny summer had given everyone 2 or 3 months of a more varied and a more palatable diet, but that was over, and they were reverting to their cabbage, their sprouts, their beetroot, carrot, and turnip diet, with what is equivalent to about two chops a week in meat and now and again fish. If only they could have put up some of these precious summer fruits and vegetables against the winter. But there is little sugar; and what there is is tightly rationed; and containers have long since become more precious than diamonds, more valuable than furs, and far more scarce, and refrigeration as we understand the term just does not exist. Indeed, all household supplies are in short supply and tightly rationed, and clothes as well, yet British women in dresses that have been turned not only once but sometimes twice, cheered up with bits of brave color here and there, many of them stockingless, and British men in their worn and shiny clothes and frayed shirts are saying with complete conviction, "If we have a hard winter, we'll pull out of this."

From what background does this come? Some would say it emanated from the hope of those who look to the speedy overthrow of what they consider an inept, ignorant, and incompetent Labor government. But that is not accurate, it is said by those who want the Labor government retained.

Of one thing I am convinced and that is that we here have very little understanding of the forces that put the Labor government in. The fact that all groups were held together with a certain magnificence through the war by the amazing force and inspiration of Winston Churchill did not mean that people in all walks of life had not become increasingly aware of the backwardness of the Conservatives, of their inability to see their outworn methods in the light of the changed world. This was responsible, in a certain degree at least, for the election of a Labor government. We should be aware also of the considerable group of young Conservatives who voted for and still uphold the present government, certain that the Conservatives must be purified by the fire of reality if their return to power is to be anything short of tragedy. Nor should we forget the effect of that election upon some of the countries of Europe who were thoroughly out of sympathy with their own outworn governments and who, because they could find nothing better anywhere, were casting their eyes eastward. The whole atmosphere of Europe changed when the Labor government went in, and eyes once more turned westward. Should we not be a little grateful for that? Certainly, we should not forget it.

The fact that Labor went in on unfulfillable promises that they have not as yet had the courage to acknowledge as such, and that they have not yet faced up to cold reality is, at this moment in time, more than regrettable, but still very human. We should know, for it has happened here.

If we feel the leadership unequal to its task should we not recall that most of those who could have led England through these troublous times lie buried where poppies blow?

But I have confidence that with or without a hard winter, Britain will face up to the new conditions and pull out.

BRITISH NEED FOR MODERNIZATION

The economic situation in England is somewhat parallel to the political one. For years owners took everything out of the business, out of the mines, and put little or nothing back. I remember going to see some of their factories in 1944—the new war ones, streamlined and light; others, for four, five, and six generations in the same family, unbelievably dark,

crowded, and generally what we would not tolerate if only from the safety angle. All this is being recognized, but it cannot be rectified overnight, especially when men are paid whether they work or not and when they have laid their burden of personal responsibility upon government. But the Labor government must modernize the mines and make it possible for owners to put labor-saving methods into industry, or how will England be able to compete in world markets? And compete she must if she is to survive.

FRANCE

France is something else again—and the happenings of these last days are all the evidence anyone should need to be convinced that the U. S. S. R. recognizes us as her great adversary in the ruthless methods she is employing to control one of the keys to western Europe. The Kremlin is determined to have France. The French have shown their unwillingness to accept such domination, but they cannot go it alone.

As a background for our present judgments we should remind ourselves of the courageous action of the Ramadier government last spring when Communist members were removed. They had learned from bitter experience that even one Communist within the government means the sabotaging of every constructive effort that is attempted, and they were successful in freeing themselves from such direct destructive influences. But they have been unable to rid France of the indirect but grimly determined persistence of Kremlin-directed Communists to disrupt their economic life.

We were twice in Paris—before and after the municipal elections. Thanks to old friends we were able to get reactions and opinions from more than our exceedingly well-informed embassy staff. Again I found saturated walls, no hope of heat and a minimum of light. Food in France has always been less drab than in England, and it tastes good today. But the heart of French subsistence is bread—grain—in ways that neither the British nor we can wholly understand. The core of France is the peasant who, after the war of 1870, went into his hoardings of gold and paid Germany off in 48 hours. The peasant is still a deciding factor and he is still hoarding, but this time it is not money—it is what is even more necessary to the world today—food. He now feeds much of his grain to his animals, and he saves it for seed. He has learned to eat meat not once a week as he used to do, but once or even more daily, and he likes it. No, it is not going to be easy to get the French peasant to part with these things for francs that have no value, when there are no goods he wants in the market.

But I would ask you at this point whether the independent free American farmer, to say nothing of the farming industry, is not following a somewhat similar course?

BLACK MARKET

One of the contributing factors to discontent in France is the thriving black market, which among England's more law-abiding citizens prospers little. If you have money you can have anything you want in France. If you have not, you are fertile soil for Communist propaganda. The Communists are using the reductions of the bread ration with all their fiendish capacity—and the hungry listen.

FRENCH ELECTIONS

The swing to the right evidenced by the French municipal elections was without question given a lilt by the calling of our special session. Had this swing not been in industrial areas it would have been of little moment, but it came from cities, from industrial towns, and it so heartened the people that it was unquestionably one of the reasons for the shift of Communist tactics from pressures and propaganda to open war upon the free institutions of France. Having read the Communist posters, incredible in the viciousness of their attacks upon the United States, having read the Paris newspapers on the spot, having seen some of the handbills flooding the city, I confess to an inability to understand how men can say, "I am not for this aid unless France stops the strikes." Can they not realize that the Commies do not propose to let the strikes abate in the slightest if they can keep them going? Can they not see the dark hand of Moscow keeping the fire going under the pot of discontent and despair? The Kremlin has been successful in forcing the Ramadier government out, but they have not been able to prevent the formation of a new government under M. Schuman. They will continue their disruptive work hopeful of continuing confusion and of ultimately getting one of their members in. If they do, our chances of keeping France out from under the iron curtain will be definitely lessened, and the methods we shall have to employ will be increasingly more costly.

We are here in special session to consider interim aid for France, Italy, Austria, and I hope for China, but I wish there were a way to make us face up to the undiluted truth of the matter which is that we are in a bitter war as yet without guns; that we still have a chance to shove the fighting well into the future, but only by going all-out in this "cold war" declared upon us by the ruthless men of the Kremlin, whose relentless purpose is to liquidate all those who refuse to accept their domination.

ROME

The distinguished gentleman from Connecticut [Mr. LODGE] has given us a picture of conditions in Italy as he saw them that show the same strategy being applied there as has been used in France. De Gasperi has so far succeeded in keeping himself in power. If he falls and the Communists obtain a place in the government, sabotage will increase in leaps and bounds.

All this was evident to us even though we made Rome only an overnight stopping place. But even this was enough to register the changed aspect of the people since our last sight of them in 1945. Then they gave every appearance of discouragement, of hopelessness. Not so now. Their steps are strong, their eyes are alight, their chins are up and their smiles a joy to see. A new determination radiated from them which gives one hope that with a little help at this crucial moment, as an assurance that we recognize their situation in the relentless battle being waged by Moscow against them and against us, that this will give them the strength to win through.

ATHENS

Athens was disturbing, for there the worker long has been the tool and the prey of whatever group was in power. His attitude now seems to be that as he could not be worse off he might possibly take a chance on communism and see if it has something better to offer. Add to that the lack of water in the Athens area due to the emptying by the Germans of the great Marathon Dam, which takes 7 years to fill, and you have a situation piled on top of the continuous guerrilla war that would dishearten the most courageous government. But Greece will be given you in detail by others.

THE NEAR EAST

I come now to the area to which the gentleman from New Hampshire [Mr. MERROW] and I, with our two secretaries and two men from the State Department, gave ourselves for nearly a month.

Cairo was to have been our first port of call and our center of operations. But cholera broke out in Egypt and changed our program completely.

If you will look at the map you will see at a glance the dramatic position of the Arabian peninsula. It is in very truth a bridge between the West and the East, between Europe and Asia. For thousands of years caravans have made their way across it from the Mediterranean to the Himalayas and to the shores of India, from the Black and Caspian Seas to the Red Sea and the Persian Gulf—for thousands of years.

The discovery of oil under these barren sands has been filled with dramatic consequences. All eyes focus jealously upon the countries of the Near East.

IRAN

Again look at the map. Just beyond the eastern borders of the countries we include in the Near East, but definitely a vital part of the Europe-to-Asia bridge, are two important countries—Iran and Afghanistan. Both are on the southern borders of the U. S. S. R. and are at the moment antagonistic to Communist efforts. But just suppose Russia should decide to move across the frontiers. What is there in either country to stop the advance of a million or more trained and equipped men? Take just Iran and be realistic for a moment. Could a few inexperienced divisions with a handful of passenger planes stop such an advance? At Abadan, at the northern end of the Persian Gulf, is the largest refinery in the world. A few miles away in the tiny country of Kuwait is the richest oil field yet proven. And what is there to hinder a further descent upon Bahrein and the fabulous fields of Saudi Arabia?

As it happens, Iran is the one United Nations success. In addition the Iranians gave proof this October of a fine courage when the Parliament refused to ratify the Russian oil agreement by a vote of 102 to 2. We were there and felt the excitement and the upsurge of patri-

otism that resulted. There was no reaction from Moscow at the time, but I have here a clipping from the New York Herald Tribune with a Tehran date line of November 5 that indicates the subtle underground methods of their insidious propaganda.

AMERICAN MISSIONS IN TEHRAN

We have two small missions in Tehran, one military under the command of Gen. Robert W. Grow, and one to the gendarmerie, under Gen. H. Norman Schwartzkopf. Little by little they have accepted and begun to use the suggestions and advice given them. The relations between the groups are one of mutual respect and friendliness. There is no difficulty between the heads of the missions and the Ambassador. The young shah, grown from a charming, serious young man into a mature, thoughtful and increasingly able ruler in the 2 years since our last audience with him, evidences his confidence in our Ambassador, George V. Allen. All work in the closest harmony for one purpose: To build a lasting friendship between our two countries and to assist the Iranian Government to strengthen the units upon which it depends for internal order and external security. It is our conviction that the agreement between this country and Iran covering these important missions must not only be continued, but that every effort should be made to make possible to these courageous people a more adequate air protection, a better equipped and trained military establishment and more knowledge of the United States and our way of life.

USIS

Here let me say that everywhere we went in the Near East we found a demand for and a tragic lack of information about America. No books, no magazines, no newspapers—even for our staffs. The latest paper found during our stay in Tehran in late October bore the date line of September 18. With all the millions of feet of documentary and other film we have available, were it not for the Army mission there wouldn't be an inch in Persia. Penny-wise and pound-foolish have we been at a time when all the world wants to know of us.

Is it not amusing—or it is tragic—that we who talk so much at this end of our way of life, who advertise ad nauseam, have failed to make any real effort to give other people a picture of our day-by-day living. How can we expect them to refuse to believe the falsehoods with which they are being flooded day after day, month after month, year after year? No books, no magazines, few if any pictures in some of the countries where commercial films go, often give a basis for belief in the subtle as well as the crude propaganda which is no help.

AGRICULTURAL POSSIBILITIES

We were asked to give consideration wherever possible to the agricultural possibilities of these Near East countries with a view to determining what if any justification there might be for the hope that a proportion of the needs of western Europe now shut away from Soviet and satellite country production might be met by making such development possible.

You will recall that during the war the United States Army was instrumental in the development of an irrigation project in the desert of Saudi Arabia where wells bubble up at intervals from the ground. This proved tremendously successful and not only saved shipping but was a boon to our troops. Thanks to quick action when the Army abandoned it almost over night, this experiment is being carried on by American agricultural experts, financed by the Saudi Arabian Government. Here is a 2,000-acre tract which, thanks to American know-how and friendly agreements, produces wheat, alfalfa, watermelon, melon, squash, eggplant, broccoli, onions, carrots, beets, cabbage, and so forth. Why should this not be extended and the surplus produce be exported?

FOOD AND IRAQ

But it is in Iraq that the greatest possibilities for agricultural production exist. It would be impossible to estimate the riches contained in the long unused and constantly accumulating soil of the Euphrates Valley. In 1945 it was estimated that something over four and one-half million people live in Iraq. History tells us that between the eighth and thirteenth centuries it contained a full 20,000,000. There actually is in existence still the remains of an old dam and canal system destroyed by the Mongols between the twelfth and thirteenth centuries which could be made usable again with comparatively little expense or effort.

There is no doubt but that this ancient valley could indeed stage a "second blooming" and could play a vital part in supplying food to western Europe. This fact should be remembered, as we take up our ever-increasing and inescapable responsibilities for world peace.

THE ARABS

Syria and Lebanon offer agriculture possibilities also, though in somewhat lesser degrees. Here we find people with centuries of experience in irrigation, in agriculture, just beginning to come out from under the disheartening and stultifying effects of 400 years under the Ottoman Empire. It was the Arab's knowledge of terraces, of irrigation, that covered the hillsides of ancient days with fruit and the plains with grain. This knowledge has lain dormant and although the generation may not have thrown off the full effects of Turkish rule, their sons and daughters are doing so with an energy that is inspiring.

The greatest factor in this rebirth has been the American University of Beirut, where for 80 years American education has been freely theirs and American principles have been lived. The completeness with which they absorbed the democratic ideas and ideals can be measured somewhat by their reaction to what they consider our infidelity to these very ideals in our agreement to a plan which they interpret as an effort to take from them some of their land and to force upon them an alien minority. Our attitude has bewildered and angered them, but it has gone far deeper than can yet be measured, for they feel we have betrayed them both morally and spiritually. To fail to understand this is to fail to comprehend the heart of the present Arab point of view relative to Palestine.

Regardless of the validity or the invalidity of the arguments put forward by both Arabs and Jews, it is of the utmost importance to the integrity, not only of our Government but of every individual American, that, not only the arguments themselves, but their background be very widely known and understood.

I dwell upon the Arab point of view because until very recently few people knew they had one. Even now there is a minimum of actual knowledge about them in America. To continue to interpret this ancient people with their rich culture, their art, their scientific background, as if they were all something between beings of a fantastic world of the Arabian Nights and fast-riding desert tribes who swoop down from the hills to carry off women and children, would be the height of folly. We need to know much more of the picture, that is certain.

THE JEWS

Having taken you out along the Arab road let me return to my main theme of the possible productivity of the Near East via the road of the Jew. Two things are important as background for the evaluation of the Zionist movement—one is the complete and passionate belief inculcated in the synagogues down the centuries that God chose the sons of Judah as His own, and that He, in all His majesty and power, gave them this much-disputed land. The other is the Hitler persecutions and the consequent horrors visited upon the victims which in the minds of many can be brought to an end only by settlement in this Promised Land. Why should they consider the point of view of those who live within the borders? Did not the Lord Jehovah give it to His own? Unless you can understand the depth of this belief, you will fail to evaluate the situation with realism.

But I digress overlong and must return to the matter we were asked to illuminate to say quite simply that it would appear that the Arabian peninsula could be and should be a granary for a large area of the world. This is of vast importance to our western civilization. But without mutual confidence, is it not a good deal to expect that further steps in that direction will be taken?

OIL

This same confidence is involved in the vast oil developments upon which the United States and all the countries of the world rely for much of the oil supply needed for their reestablishment. Let us look at this particular situation for a moment.

Thanks to a number of fortuitous circumstances, the incalculably extensive oil concessions of Saudi Arabia are ours. King Ibn Saud has shown his desire to increase the evidences of friendship between our two countries. Our Foreign Service people and the representatives of the oil company have been building well. There is a very constructive frankness of exchange without which the rapid progress made in the 2 years since I was last there could not have been accomplished. It is a definite result of this

accord that water and sewage disposal and power are to be put into the main cities, and that these are to be joined together by a railroad, all constructed by American engineers, so giving access to ports soon to be enlarged on both the Red Sea and the Persian Gulf. It is part of the American way to build hospitals and schools for the Arab workers and to pay them a living wage, as the oil people do. It is also good business to make it possible for a man to learn his craft and improve himself. Such opportunities also are provided by ARAMCO, and the native workers begin to see their value. Notwithstanding, constant Soviet propaganda comes over the air, in Arabic. Even quotes from the Koran are being used. An all too small American air mission is teaching a group of carefully chosen young Saudis how to run a commercial air field. But the agreement runs out this spring. The importance of renewal can hardly be overestimated.

POSSIBILITIES FOR FUTURE FRIENDLY RELATIONS

A year ago no country in the world had the friendship of the Arabs as we did. A year ago we were tops in this link, this bridge between the east and the west. Where shall we find ourselves from here out? King Ibn Saud has given no indication that he intends to sever the very friendly and constructive relations between our two countries, and his influence is far reaching. Perhaps his attitude is due partly to the fact that of all the heads of governments in the area this King sees the menace of the Kremlin in broad perspective, and as a devout son of the prophet recognizes the fundamental danger. The sinister possibilities behind the momentary agreement between the United States and the Soviet in the United Nations plan to partition Palestine is probably troubling him as much, if not more, than it is troubling others. Indeed, the Arabs on the peninsula have no illusions over the meaning of the U. S. S. R. agreement to partition. They recognize the cupidity inherent in every move. If through the United Nations partition plan Moscow obtains the opportunity consequent upon her agreement to set up cells of destruction within Arabia, then, indeed, will another dark shadow have spread across the sunny path of a friendship with us which the Arabs as keenly desire as do we, and to which both of us have grown accustomed.

Nor are Saudi Arabia's and Kuwait's oil concessions the full measure of the requirements if we are to have oil. Pipeline agreements and the protection of those lines play a dramatic role. At this moment the Syrian agreement, though signed, is not yet ratified by the Syrian Parliament. From my conversations with Government people in Damascus I learned that there is a very strong effort being made to prevent this ratification. The ultimate decision is, at the moment, quite unpredictable.

PALESTINE

Flying down over the coastal plain past Haifa to the amazing city of Tel Aviv, which has spread itself far beyond its 1945 boundaries, one can well understand how the tragically persecuted Jews of the DP camps of Europe must feel upon landing, no matter how crowded their all too inadequate housing facilities are—or how poverty stricken they may be. We were much struck with the immense amount of building going on everywhere. Old Jerusalem seems smaller, somehow, because of the growth of the suburbs where streets are broad, stores resemble ours and residence areas are growing up like mushrooms, pretty solid ones to be sure, as all buildings must be of the native stone. This gives an immediate effect of permanency and is, of course, a great fire protection. The whole atmosphere of the new city is one of energy, growth, and enthusiasm.

With what is left of the King David Hotel turned into British headquarters, rooms had been found for us in an immaculate little hotel on the outskirts of the city, where we were exceedingly well cared for. I confess it was a relief not to be in town, where disturbances were too frequent for comfort.

But I am not here to talk of the visible Palestine; rather must I attempt to give you some picture of the less peaceful aspects of it all.

You realize, of course, that it is not within the province of my subcommittee to comment upon the relative merits of the various plans for the disposal of the Palestine question, nor to express any opinion regarding the UN decision. Assigned to an on-the-spot study of the explosive aspects of such movements as communism, Zionism, nationalism, and so forth, it was not our business even to form opinions. Rather was it incumbent upon us to talk with as many as possible of those in authority, Britishers, Jews, and Arabs, as well as our own exceedingly well-informed representatives. This we did to the best of our ability and in spite of hazards involved.

It is now my responsibility to lay before you the factual picture of our experience. I shall hope to do so briefly and clearly that you may share our sense of the difficulties presented by the complexities of the whole tragic business.

Arriving in Jerusalem on October 4, we found ourselves in what was virtually an armed camp. Warned upon our arrival at the airport of the police order to stop when the siren blew and stay still until the all clear, faced with barbed-wire entanglements strung around the five restricted areas and the constantly required passes, we found a terrific tension in the whole area. It was during our stay in Jerusalem that the United States position relative to the partition plan was announced. The day after we left, our consulate was bombed.

Try as we would to find some points of agreement between the two contending groups, we were successful in but few instances. Arabs and Jews agreed that the British should withdraw, and at once; and that, whatever the results, each felt able to cope with whatever situation might arise. Their first wish has been granted; and the British are folding up their tents with, oddly enough, a note of deep sadness. Indeed, it is this strange undertone of tragedy that meets one at every turn.

It seems especially tragic, now the die has been cast, that there have been within both groups those who felt a way could be found for peaceful settlement. Those with whom we spoke were the first to admit that the rigidity of the leaders, the unbending intolerance on both sides, presented an insoluble problem. Arabs pointed out the fact that Jews and Arabs have lived for all the centuries in practically unbroken friendliness together. They pointed to Baghdad, from which stem many of the world's richest and most powerful Jews, and where 120,000 have dwelt in peace and prosperity. They said quite frankly that it is the European Jew with his alien ideas now being forced upon them that they do not want. Among the Jews who have urged a unified Jewish-Arab state, probably the best known is Dr. Magnus, head of the Hebrew University in Jerusalem. But in addition there are groups of Orthodox Jews strangely inarticulate, who told us that to them Zionism is the greatest tragedy ever faced by the Jewish people. Only time can tell us if they sensed truth.

Politically there are internal divisions also. Out of sympathy with their elders who constitute the Arab high executive committee, a group of young Arabs has begun to be aware of itself. Without real leadership there is genuine concern lest they turn toward Moscow. This would lead to very serious developments.

Nor can the growing popularity and power of the Mufti, Haj Amin al Husseini, who has moved from Egypt to Lebanon, be entirely ignored. Some with whom we talked are of the opinion that the increase of his influence is due partly to subtle and insidious work by Moscow agents. Others reminded us that his pro-Nazi activities during the first war, his efforts to overthrow the reigning house in Iraq, have netted him more enemies than friends.

Great Britain deals officially only with the Jewish Agency, which is established in Jerusalem in an impressive building which has a government atmosphere. Acceptance by these Zionists of the partition plan brought forward a seldom-mentioned group: the Zionists-Revisionists. This group is composed largely of passionately patriotic Palestinians who tasted Russian ruthlessness and whose violent opposition to partition is matched only by their opposition to communism in any form. The full-page statement in September in New York papers of their irrevocable position against partition was clearly reflected in Palestine, where, we were told, they represent from 17 to 20 percent of the Jewish population. How all these differences will be resolved is fortunately not the responsibility of any outsiders. What is important is that we know of their existence. Especially should we be aware of the fact that the belligerent ones have armed units.

It is difficult to say what the extent of these various units is. The Arab Legion, originating in Transjordan and used by the British for policing the borders and certain other places such as Jerusalem, consists of some 8,000 troops. The Arab countries bordering on Palestine each have sent a few troops to their border areas. What equipment they have is hard to say, although such is easily come by.

The Jewish Agency's fighting arm is the Haganah, which under existing law

is an illegitimate organization, moderate in its action. Illegitimate also is the Irgun Zwai Leumi, which all authorities in Jerusalem told us is an unacknowledged arm of the Revisionists. Identification of the "Stern Gang" with any particular group was difficult, but the consensus of opinion was that they work with the Communists and fellow travelers.

LOVE OF THE LAND

But this is not the whole picture—for there is the more peaceful side made up of miles and miles of Arab orchards, of Jewish communal farms, of terraces under process of rehabilitation by both, of agricultural experiment stations. Jewish Agency developments have grown rapidly and the people we talked with had an enthusiasm good to see. But that enthusiasm was not theirs alone—we found it on the Arab hillsides also, where for lack of American money the progress has been slower. But eagerness to renew the fertility of the land is common to all. It is important no matter who governs, for a great part of the food of today comes from abroad. Without food imports the people would starve. Perhaps those who constitute the element of thought and feeling that longs for peaceful solutions to the many complexities could build upon this deep love of the land, of the country, that exists in the hearts of all who have lived there, for even the British leave with a reluctance bred of a deep feeling for this terrain that is called Palestine.

In submitting this picture of the facts and impressions we brought back with us from Palestine, I do so with the hope that in spite of the possible violence of reaction that may result from the United Nations' decision, there may still remain the possibility that once the British have gone, the two peoples who stem from a common ancestry, faced with the full responsibility for their common future, may find a way to peace.

PROBLEMS AHEAD

We are now faced with the results of our agreement with the United Nations' plan of partition and all it may mean to the West. A year ago we stood ace high in the Near East. Where we stand in the future will undoubtedly be governed somewhat by what they consider their need of our engineers and others in their oil and other developments. I have already reminded you that the signed pipe-line contract with Syria awaits action by the Syrian Parliament. Its ratification or rejection can serve as a pretty good indication as to how the wind blows. It is inconceivable that people who cling to feudal ways, and to whom their religion is paramount, would risk a break with Moscow's opposite—but only time can give us the answer.

AIRFIELDS

Although it was my colleague Mr. MERROW's responsibility to go into the importance of accessible and adequate air facilities in the Near and Middle East, I cannot refrain from a brief mention of this, to us, imperative requirement for the actual security of the United States.

Quite regardless of the need of having an adequate, well equipped, and friendly Tehran airport, is not it rather absurd that the Embassy-Mission plane must go to Dhahran for servicing and often all the way to Templehof or Frankfurt for repairs?

Nothing is more necessary in this security field than that our agreements with Iran as well as with Saudi Arabia be both renewed and expanded.

THE FOREIGN SERVICE

Only one more thing, Mr. Speaker, but one which is of very real moment to this country and which gives me great satisfaction to report to you. That is the quality of those sent into the Near East by the Foreign Service Division of our State Department. These are exceedingly difficult posts and, at the moment, posts of danger. Our contacts, made in the tense atmosphere of these difficult problems, gave rare opportunity for evaluation of character and capacity. It is my privilege to say to you that we can be proud that we have so high a caliber of representation. In this I include heads of missions down the line to the alien employees. And I include also the wives whose contribution to the efficiency of our posts is incalculable. The same should be said of our missions in Tehran and Dhahran, where they play an important part in building friendship and security for America.

To continue to improve our Foreign Service, one of the vital arms of American security, a few basic points should be emphasized: We must send out men and women of unquestionable loyalty, of capacity and intelligence, and we must give them as much training as can possibly be given. Their pay must be such as will relieve them from constant anxiety for the future of their families. We must supply them with funds adequate to cover the expenditures they are put to in the performance of their duties. We must house our chiefs of services in Government-owned and basically equipped residences worthy of the greatest of all the nations with simple American adequacy. We must own chancelleries, that our offices may in themselves be demonstrations of the standards that spell out American efficiency. It is my considered opinion that we should own and basically equip residences for certain members of the staffs and that, wherever increasingly possible, apartment facilities for the Americans of the secretarial group, for whom the problem of housing is more difficult than we should permit. Above all else, Mr. Speaker, we in this Congress should and must see to it that our Foreign Service be built up and extended rather than cut down and restricted at every point.

THE COLD WAR OF THE KREMLIN

Sent out to secure facts relative to the movements that cut across national frontiers with emphasis upon their explosive aspects, I want to emphasize, in closing, the grimness of the world situation with which we are faced and in which we must take a responsible position.

No one who has traveled with a seeing eye can feel there is any question of the fact that the Soviet Government is focusing its strategies in the "cold war" upon which it has launched in Europe, upon France, Italy, and Austria. The viciousness of the attack cannot be adequately described. It is my considered opinion that the people of America must be given a frank, calm, dispassionate picture of the actual situation of western Europe. If such a picture is given, I am certain they will quickly recognize their responsibility not only to Europe but to their own future security.

What is going on—this that has been called a "cold war"—must be faced realistically. It is not a war between the great mystical people of Russia and the freedom-loving people of the United States and of the world. This is a cold, ruthless struggle for complete domination of the entire world by a small group of men—and, alas, women, too—who, when they made the state their god, allied themselves with the terrible forces of destruction. Take from men the knowledge that there is a higher force, deprive them of the certainty that the body is only a house into which the soul comes for growth and experience, take from them the consequent certain hope, and you start them on a voyage of retrogression and self-destruction. This is the war that must be won, friends. Once won, the chance of a fighting war will recede into the distance.

But we shall not win by failing to recognize the immediate need for financial stabilization in China. We shall not win by leaving France, Italy, and Austria without hope of bread and of the tools and the seeds and the medicines with which to strengthen themselves for the resistance they are making and must continue to make against the unbelievable pressures being put upon them by these purveyors of destruction in the Kremlin.

Exacting efficiency and judgment of those who will be in charge of the lifeline—for such this interim aid actually is—is imperative; but it must be a strong line, strong enough to carry the load—not a penny-wise, pound-foolish bargain-sale piece of hemp.

In giving this informal accounting of my stewardship, Mr. Speaker, I want to register my hope that the carefully studied interim-aid bill reported by the Committee on Foreign Affairs may have speedy consideration by this House and that the conference following passage will be expedited with enthusiasm, judgment, and wisdom.

Mr. ROONEY. Mr. Speaker, will the gentlewoman yield?

Mrs. BOLTON. I yield.

Mr. ROONEY. May I say to the gentlewoman from Ohio that I congratulate her upon the remark she made commending the personnel of the Foreign Service. I was privileged again this year to meet many of the personnel of the Foreign Service in some of the countries which the gentlewoman visited. I found the same state of affairs everywhere we went. I know that when we come with an appropriation bill for the State Department for the next fiscal year we can

depend upon the support of the gentlewoman from Ohio with regard to the item for Foreign Service.

Mrs. BOLTON. Yes, and I have great confidence in the gentleman from New York, sir.

The SPEAKER pro tempore. The time of the gentlewoman from Ohio has expired.

EXTENSION OF REMARKS

Mr. VAN ZANDT asked and was granted permission to extend his remarks in the RECORD in two instances, one in connection with the life and character of the late Senator Davis and in the other to include an article, Don't Tamper With Coal.

Mr. KERSTEN of Wisconsin asked and was given permission to extend his remarks in the RECORD and include a radio address.

CODIFICATION AND REVISION OF LAWS

Mr. ROBSION: Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ROBSION. Mr. Speaker, I ask have introduced two bills intended to increase the usefulness of the United States Code and to clarify and simplify the Federal statutes.

The first of these two bills entitled "A bill to codify and enact into positive law title 3 of the United States Code, entitled 'The President'" is a pure codification bill. By that I mean that it makes absolutely no substantive change in existing law but does codify and enact into positive law all existing Federal statutes relating to the President which are now contained in title 3 of the United States Code and recent enactments but which in their present form are merely prima facie evidence of the law. The present provisions are taken from the Revised Statutes of 1874 and from about twenty volumes of the Statutes at Large and under existing practice it would be necessary to have recourse to all those volumes in order to find the positive law on the subject. When this bill is enacted all the positive law on the subject will be contained in just one place—title 3 of the United States Code—and the task of the legislator, the lawyer, and the judge will be greatly lightened. That is the sole purpose of the bill.

This is part of our extensive program to enact the entire United States Code into positive law. Five bills affecting five other titles of the code have already been enacted at this session.

The other bill introduced by me today is a bill to revise, codify, and enact into law title 46 of the United States Code, entitled "shipping." This bill, as its title clearly indicates, is something more than a pure codification bill. It is that, of course, but in addition it is a revision of the laws relating to shipping many of which are obsolete, inconsistent and redundant.

Without going into detail at this time, I want to say that the bill, consisting of 345 pages, has been prepared with the greatest amount of care. Suggestions and criticisms of preliminary drafts have been solicited and received from all interested quarters; including shipbuilders, owners, operators, labor and governmental agencies.

The distinguished chairman of the Committee on Merchant Marine and Fisheries has designated a subcommittee of that committee to cooperate with the Committee on the Judiciary in considering this bill, particularly those portions containing changes in substantive law.

What I have said concerning the advantages to be gained in enacting the bill relating to title 3 applies equally to this bill. I earnestly invite the cooperation of the Members in obtaining favorable action on these two bills.

EXTENSION OF REMARKS

Mr. HAVENNER asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter from a constituent.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks and include certain resolutions she introduced in Congress regarding oil and coal.

Mr. McDONOUGH asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter from the editor of the Washington Post and his reply thereto.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 26 minutes p. m.) the House, pursuant to its previous order, adjourned until Thursday, December 4, 1947, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1128. A letter from the Acting President, Board of Commissioners, District of Columbia, transmitting a draft of a proposed bill to amend section 11 of an act entitled "An act to regulate barbers in the District of Columbia, and for other purposes"; to the Committee on the District of Columbia.

1129. A letter from the Acting President, Board of Commissioners, District of Columbia, transmitting a draft of a proposed bill to amend an act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," approved February 27, 1929, as amended; to the Committee on the District of Columbia.

1130. A letter from the Secretary of the Army, transmitting, pursuant to the Federal Tort Claims Act (Public Law 601, 79th Cong.), part 2, section 404, the report of claims paid under said act by the Department of the Army for the fiscal year 1947; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. EATON: Committee on Foreign Affairs. H. R. 4604. A bill to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries; without amendment (Rept. No. 1152). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. EATON:

H. R. 4604. A bill to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries; to the Committee on Foreign Affairs.

By Mr. GWYNNE of Iowa:

H R 4605. A bill to confer jurisdiction on the State of Iowa over offenses committed by or against Indians on the Sac and Fox Indian Reservation; to the Committee on Public Lands.

By Mr. ANDERSON of California:

H. R. 4606. A bill to authorize a clothing allowance for certain veterans wearing or using prosthetic appliances; to the Committee on Veterans' Affairs.

By Mr. BLAND:

H. R. 4607. A bill to provide for a preliminary examination and survey of Bennetts Creek, York County, Va.; to the Committee on Public Works.

H. R. 4608. A bill to provide for a preliminary examination and survey of Pecks Creek, Richmond County, Va.; to the Committee on Public Works.

By Mr. DEVITT:

H. R. 4609. A bill relating to the naturalization of persons not citizens who served honorably in the military or naval forces of the United States during World War II; to the Committee on the Judiciary.

By Mr. DAVIS of Wisconsin:

H. R. 4610. A bill to grant annual and sick leave to certain temporary rural carriers; to the Committee on Post Office and Civil Service.

By Mrs. DOUGLAS:

H. R. 4611. A bill defining benefits to disabled veterans and their dependents; to the Committee on Veterans' Affairs.

By Mr. ENGLE of California:

H. R. 4612. A bill to provide a civil government for the insular possession of American Samoa, and for other purposes; to the Committee on Public Lands.

By Mr. FALLON:

H. R. 4613. A bill to direct the use of certain funds for the construction of a Veterans' Administration general medical and surgical hospital in Baltimore, Md.; to the Committee on Veterans' Affairs.

By Mr. EDWIN ARTHUR HALL:

H. R. 4614. A bill to provide for the rehabilitation of foreign countries being financed with American aid by making available to them the services of American county agricultural and home demonstration agents, and for other purposes; to the Committee on Agriculture.

By Mr. JOHNSON of Oklahoma:

H. R. 4615. A bill to amend the Social Security Act (49 Stat. 620) by adding a new title thereto to be known as title XIV, and for other purposes; to the Committee on Ways and Means.

By Mr. KEATING:

H. R. 4616. A bill to provide for changing the postal rate on relief packages for foreign countries; to the Committee on Post Office and Civil Service.

By Mr. KUNKEL:

H. R. 4617. A bill to provide reemployment rights for veterans of World War II who have remained in hospitals for periods in excess of 1 year after their discharge from the armed forces; to the Committee on Armed Services.

By Mr. MARTIN of Iowa:

H. R. 4618. A bill to amend the Internal Revenue Code to permit producers selling livestock or poultry in December 1947 to

defer reporting the gain from such sale until the following taxable year; to the Committee on Ways and Means.

By Mr. ROBSION:

H. R. 4619. A bill to revise, codify, and enact into law title 46 of the United States Code, entitled "Shipping"; to the Committee on the Judiciary.

H. R. 4620. A bill to codify and enact into positive law title 3 of the United States Code, entitled "The President"; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 4621. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

By Mr. ROSS:

H. R. 4622. A bill to amend Public Law 368, Eightieth Congress, first session, approved August 5, 1947, so as to provide for a $200 allowance for private interment of repatriated war dead of World War II, and for other purposes; to the Committee on Armed Services.

By Mr. SIKES:

H. R. 4623. A bill to increase the maximum duration of veterans' on-the-job training programs from 2 to 4 years; to the Committee on Veterans' Affairs.

By Mrs. ST. GEORGE:

H. R. 4624. A bill to provide temporary additional cost-of-living compensation for officers and employees of the Federal Government and of the government of the District of Columbia; to the Committee on Post Office and Civil Service.

By Mr. THOMPSON:

H. R. 4625. A bill providing for a survey of the area at and in the vicinity of Texas City, Tex.; to the Committee on Public Works.

By Mr. WALTER:

H. R. 4626. A bill to amend the Second Decontrol Act of 1947; to the Committee on the Judiciary.

By Mr. WELCH:

H. R. 4627. A bill to authorize an appropriation for the immediate relief of the Navajo and Hopi Indians, and for other purposes; to the Committee on Public Lands.

By Mr. NORBLAD:

H. J. Res. 268. Joint resolution to provide that information shall be made available to the public relating to the nature and extent of foreign property holdings within the United States; to the Committee on Foreign Affairs.

By Mr. CRAWFORD:

H. Res. 384. Resolution providing for the appointment of a select committee to investigate Government policies which have been the cause of cheapening the currency of the United States and to study to what extent such policies have increased prices of goods, services, and commodities; to the Committee on Rules.

By Mrs. ROGERS of Massachusetts:

H. Res. 385. Resolution requesting the Secretary of the Interior to furnish the House of Representatives full information in his possession concerning the amount of fuel oil, gasoline, petroleum products, and coal now available in the United States and what steps the Government should take to make the proper and necessary supply available; to the Committee on Public Lands.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BATES of Massachusetts:

H. R. 4628. A bill for the relief of John Philip Spanos; to the Committee on the Judiciary.

By Mr. GORDON:

H. R. 4629. A bill for the relief of Polish soldiers; to the Committee on the Judiciary.

By Mr. HAVENNER:

H. R. 4630. A bill for the relief of Mrs. Virginia Dalla Rosa Prati and her minor son, Rolando Dalla Rosa Prati; to the Committee on the Judiciary.

By Mr. SCOBLICK:

H. R. 4631. A bill for the relief of Antonio Villani; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

822. By the SPEAKER: Petition of Dixie County Chamber of Commerce, Cross City, Fla., petitioning consideration of their resolution with reference to appropriations in the amount sufficient to give proper water control of the Everglades; to the Committee on Appropriations

823. By Mr. HOPE: Petition of E. C. Binford and 107 other residents of Haviland, Kans., and vicinity, against H. R. 4278, a bill to enact the National Security Training Act of 1947; to the Committee on Armed Services.

824. By Mr. RICH: Petition of Hughesville, Pa., Woman's Christian Temperance Union, in opposition to H. R. 4278 and to recommit the bill; to the Committee on Armed Services.

825. By Mr. ROHRBOUGH: Petition signed by Rev. H. L. Koontz and 38 members of the Broad Street Evangelical United Brethren in Christ Church of Weston, W. Va., urging legislation prohibiting the advertising of liquor over the radio and in magazines and newspapers; to the Committee on Interstate and Foreign Commerce.

826. By the SPEAKER: Petition of members of the Yale law faculty, petitioning consideration of their resolution with reference to urging the House of Representatives immediately to abolish its Committee on Un-American Activities and that the President and Secretary of State revise their present policy with regard to governmental employees suspected as disloyal or as security risks; to the Committee on Rules.

827. Also, petition of S. F. Matthews, Homestead, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

828. Also, petition of Mrs. O. L. Williams, Tampa, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

829. Also, petition of J. P. Fleming, Plymouth, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

830. Also, petition of Mrs. J. B. Jones, West Palm Beach, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

831. Also, petition of F. B. Turner and others, of Miami, Fla., petitioning consideration of their resolution with reference to enactment of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

832. Also, petition of Buddy Hayes and others, of Orlando, Fla., petitioning consideration of their resolution with reference to enactment of the Townsend plan, H. R. 16, to the Committee on Ways and Means.

833. Also, petition of J. C. Michael and others, of Orlando, Fla., petitioning consideration of their resolution with reference to enactment of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

834. Also, petition of Carl Sirkin and others, of West Palm Beach, Fla., petitioning consideration of their resolution with reference to enactment of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

835. Also, petition of Mrs Emma Mackay and others, of Boynton Beach, Fla., petitioning consideration of their resolution with reference to enactment of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

836. Also, petition of Miss E. E. Harris and others, of Enterprise, Fla., petitioning consideration of their resolution with reference to enactment of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

SENATE

THURSDAY, DECEMBER 4, 1947

Rev. Frank G. Smith, D. D., pastor emeritus, First Central Congregational Church, Omaha, Nebr., offered the following prayer:

Dear Lord and Father of mankind, before entering fully upon the duties and responsibilities of this day, we pause for a moment in Thy presence to invoke Thy guidance.

Help us to understand that he spoke an eternal truth who said:

"Prayer is the soul's sincere desire,
Uttered or unexpressed;
The motion of a hidden fire,
That trembles in the breast."

It is our sincere desire that in this moment of communion with Thee we may have a clearer consciousness than ever before of the divine truth, that every human being who dwells upon this planet which we call our home is by nature a child of God; no matter how underprivileged his environment, or how primitive his heritage, there is enfolded within him the embryonic potential of becoming a strong son of God, a gracious daughter of the Most High. We are all sparks from the eternal flame, thoughts from the infinite mind.

Here in these legislative Halls we are faced with great problems, weighty decisions, and challenging opportunities that concern all mankind; we do not always see eye to eye; but grant that we may live and act in the tolerant spirit of him who said:

"There is so much that is good in the worst of us,
And so much that is bad in the best of us,
That it behooves all of us
To say nothing ill of the rest of us."

So as steel sharpens steel, and as one chemical reacting upon another produces a compound of larger value and greater efficiency, so may our cross-currents of honest thought and endeavor finally jell into a remedial balm that will ease every troubled mind and heal every wounded heart, both at home and in the remotest areas of this troubled world.

Guide us by Thy wisdom, undergird us with Thy strength, brood over us with

Thy love, that we may have that victorious faith, here and now, that will enable us to pray in the words of him who set the throbs of his patriotic heart to the music of verse when he prayed:

"Our father's God from out whose hand
The centuries fall like grains of sand,
We meet today, united free,
And loyal to our land and Thee,
To thank Thee for the era gone
And trust Thee for the coming one.

"O keep Thou us through centuries long,
In peace secure, in justice strong;
Around our gift of freedom draw
The safeguard of Thy righteous law,
And, cast in some diviner mold,
Let each new era shame the old."

All this we ask in Thy dear name and in the name of our Lord and Master. Amen.

THE JOURNAL

On request of Mr. WHITE, and by unanimous consent, the reading of the Journal of the proceedings of Monday, December 1, 1947, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

HARRY W. BETTINGHAUS

Mr. BROOKS. Mr. President, if I may take a few precious minutes of the time of the Senate, I should like to avail myself of the opportunity of paying a well-deserved tribute.

I think every Senator will agree that one of the most important persons in the office and life of every Member of the Senate is the one who occupies the very vital position of administrative assistant. Yesterday I had the sad honor of participating in the burial of the earthly remains of my late and devoted administrative assistant, Harry W. Bettinghaus. His death came suddenly and quietly as the result of a cerebral hemorrhage.

Harry was a big man in every respect, physically as well as in character and capacity. He loved his opportunity to serve his State, his country, and his fellow man. He was born, educated, and spent his early life in Springfield, Ill., the capital of our State. It was from there, during the First World War, that he enlisted in 1918 as a private. He was quickly elevated to the rank of regimental sergeant major, a rank which he held until he was honorably discharged in 1919.

More than 12 years ago he became associated with me. He soon became not only my secretary, but my close confidant and intimate friend. He came with me as my confidential secretary when I took office as United States Senator in 1940, a capacity in which he served until after the Reorganization Act became effective, when he became my administrative assistant. A few days before his death we celebrated our seventh anniversary of service together in the United States Senate.

He is survived by his beloved wife, Mazie, and three devoted children, each of whom served our country with distinction in World War II. His daughter, Georgia Ann, served as an ensign in the United States Navy. Knox, his oldest son, enlisted as a private and was discharged as a flight officer in the Glider Corps. Hunter, his youngest son, enlisted as a seaman and was promoted to the rank of petty officer, third class, while serving in the waters of the Pacific. All of them carried on in the true tradition of their father.

When the sudden news of Harry's death reached the Capitol, the spontaneous response of sympathy and sorrow that reached me, members of his family, and the remaining members of my staff was truly great. These sentiments came from elected officials and countless others in the State of Illinois. They came from distinguished Members of both the Senate and the House serving on both sides of the aisle. They came from the beloved Chaplain of the Senate, other officers of the Senate, employees in Senators' offices, the Senate Office Building, and the Capitol as well. They came from the Senate Press and Radio Galleries, and from members high and low of the various armed services. These tributes and expressions are eloquent testimony of the high esteem in which Harry Bettinghaus was held by all those who came in contact with him and those who knew him well.

To Harry Bettinghaus, devotion to duty was a religion, complete submersion of his own personality a pleasure, and unselfish sacrifice a matter of quiet pride.

He truly loved his fellow man. He truly loved to serve them. There was no task too great; there was no request too trivial to receive his equally energetic and enthusiastic effort.

During the dread and trying years of the late war, when the State of Illinois, which we represent, had more than 900,000 sons and daughters away from home facing both danger and death, he had great sympathy and understanding for the problems of the sons and daughters, as well as the anxiety of their parents. As a former service man, as a devoted father, he labored long and hard to alleviate the fears and meet the tragic realities of the citizens of Illinois.

Recently he and I returned from a trip through western Europe, where we viewed first hand the tragic results of the ruthlessness of all-out war. He was in the full bloom of taking up his continuing service to the people we represented in this great body, when he was stricken and his labor of love was ended.

Starting his service in Springfield, Ill., the capital of our State, it was abruptly ended in Washington, D. C., the Capital of our Nation. He was appropriately buried in Arlington, our national cemetery, where he took his rightful place among the other heroes of our Nation who served their States and Nation honorably and well, both in war and in peace.

Illinois has lost a devoted servant. I have lost a most valuable, conscientious, and trusted personal friend.

LEAVES OF ABSENCE

Mr. BALDWIN. Mr. President, I ask unanimous consent to be absent from the Senate on Monday next.

The PRESIDENT pro tempore. Without objection, the leave is granted.

Mr. LUCAS. Mr. President, I ask unanimous consent that the junior Senator from Florida [Mr. HOLLAND] be excused from attendance at sessions of the Senate from today through next Monday, inasmuch as he is participating in the dedicatory ceremonies of the Everglades National Park in the State of Florida.

The PRESIDENT pro tempore. Without objection, the request is granted.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE

A letter from the Under Secretary of Agriculture, transmitting, pursuant to law, a report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease, for the month ended October 31, 1947 (with an accompanying report); to the Committee on Agriculture and Forestry.

REPORTS OF RENTAL COLLECTIONS FROM FEDERAL UNDEVELOPED BUILDING SITES

A letter from the Administrator of the Federal Works Agency, transmitting, pursuant to law, reports of funds received for the rental of buildings and lands acquired as sites for the future construction of public buildings, fiscal year 1947 (with accompanying reports); to the Committee on Public Works.

REPORT OF COMMISSION ON LICENSURE, DISTRICT OF COLUMBIA

A letter from the President of the Board of Commissioners of the District of Columbia, transmitting, pursuant to law, a report showing the activities of the Commission on Licensure, under the Healing Arts Practice Act, for the fiscal year ended June 30, 1947 (with an accompanying report); to the Committee on the District of Columbia.

PETITIONS

Petitions, etc., were laid before the Senate by the President pro tempore and referred as indicated:

Petitions of sundry citizens of the United States, praying for the enactment of legislation to restore price controls; to the Committee on Banking and Currency.

Petitions of sundry citizens of the State of Florida, praying for the enactment of the so-called Townsend plan, providing old-age assistance; to the Committee on Finance.

A resolution adopted by the Juneau (Alaska) Chamber of Commerce, favoring the enactment of legislation to repeal section 2 of the Act of May 1, 1936 (49 Stat. L. 1250), relating to a reservation for Indians at Hydaburg, Alaska (with accompanying papers); to the Committee on Public Lands.

AGRICULTURAL POLICY

Mr. STENNIS. Mr. President, I present for appropriate reference a resolution adopted by the Delta Council of Mississippi, setting forth their views on a policy for agriculture, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

AGRICULTURAL POLICY

Delta Council, representing over half a million people and some four million-plus acres of land devoted mainly to high per-acre production of fiber, feed, and food, supports the following agricultural program:

1. Cotton seeks no preferential treatment, but as a nonperishable, profitable commodity to the Government itself, it should be afforded some protection as a world trade item in an economy favorable to industry and labor by present tariff and protective legislation policies.

2 Parity should continue to reflect a fair balance and equity between agriculture, industry, labor, and other segments of society.

3. Liberal support prices for basic agricultural commodities, and hand in hand with this support, adequate acreage control.

4. Continuation and strengthening of the Soil Conservation Service.

5. Abolition of present limitation of payments for soil conservation and improved land-use practices; price adjustment payments, and enactment of legislation for payment based on land involved, not ownership

6. Adequate facilities for the export of surplus commodities.

7. Import quotas, particularly applied to those countries needing dollar exchange, to prohibit flooding and adversely affecting domestic markets for farm products.

8. Maintenance and rapid expansion of the farm research program.

9. Abolition of discrimination against oleomargarine.

10. Continuance of crop goals and crop guidance.

11. Long-range planning toward better diversion and more efficient marketing of agricultural products, ultimate objective of which would be an encouraged and unrestricted world trade.

12. Recognition of the fact many of the problems of agriculture arise without the industry itself and increased per capita farm income can come from the absorption of surplus and/or marginal population in more productive employ by industry and service.

13. Full recognition to the tremendous agricultural production efforts of this country, taking full cognizance of the small percent cost of the raw agricultural commodity in the present high retail price to consumers.

Unanimously adopted, Clarksdale, Miss., November 18, 1947.

ELLIS T. WOOLFOLK, Jr.,
President, Board of Directors.

TRAINING FOR DEMOCRACY—EDITORIAL IN THE WASHINGTON POST

Mr. CAPPER. Mr. President, I send to the desk and ask unanimous consent to have printed in the RECORD an editorial entitled "Training for Democracy," from the November 15, 1947, issue of the Washington Post. I heartily approve the sentiments expressed in the editorial.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TRAINING FOR DEMOCRACY

The twelfth annual convention of the National Council of Negro Women, just completed in Washington, has afforded a heartening example of democracy in action. From some 24 States of the Union, delegates representing the 850,000 Negro women members of the organization assembled here for study and inspiration in dealing with the current problems of citizenship and of leadership in their home communities. The theme of the convention was: "Building a bridge to universal peace through understanding." And in the discussion understanding of issues was stressed no less than understanding of peoples Four workshops were in session—on health, education and child welfare, on employment, on housing, and on legislative strategy.

These women will go home with knowledge of the Marshall plan, with a sense of the urgency of food conservation, with something of the know-how of mobilizing opinion and organizing for community action. This is the way things get done in a free country. We offer our congratulations to the National Council on their awareness of responsibility. And we offer them congratulations, too, on their perennially younger, more dynamic founder-president, Mary McLeod Bethune, one of the great women of America.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CAPEHART:

S. 1827. A bill to encourage increased production, and for other purposes; to the Committee on Finance

By Mr. BUSHFIELD:

S 1828. A bill for expenditure of funds for cooperating with the public-school board at Sisseton, S. Dak., for the extension of public-school facilities to be available to all Indian children in the district; to the Committee on Public Lands.

By Mr. WILEY (by request):

S. 1829. A bill for the relief of John Cameron Henry; to the Committee on the Judiciary.

(Mr FLANDERS introduced Senate bill 1830, to extend the period of validity of the act to facilitate the admission into the United States of the alien fiancées or fiancés of members of the armed forces of the United States, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. YOUNG:

S. 1831. A bill for the relief of E. H. Charnholm and Leroy Charnholm; to the Committee on the Judiciary.

By Mr. LANGER:

S. 1832. A bill for the relief of Elizabeth Kahn Greenberg; and

S. 1833. A bill for the relief of John (Jewan) Mohammed; to the Committee on the Judiciary.

(Mr. BUTLER introduced Senate bill 1834, to amend sec. 8 of the act of June 17, 1886, as amended (46 U. S. C., sec. 289), and sec. 27 of the Merchant Marine Act, 1920, as amended (46 U. S. C., sec. 883), which was referred to the Committee on Interstate and Foreign Commerce, and appears under a separate heading.)

By Mr. HOEY:

S. 1835. A bill for the relief of Harry Daniels; to the Committee on the Judiciary.

By Mr. BALDWIN:

S. 1836. A bill to amend the act entitled "An act to provide for the evacuation and return of the remains of certain persons who died and are buried outside the continental limits of the United States," as amended, so as to provide a $200 allowance to the next of kin for private interment of individual identified remains; to the Committee on Armed Services.

S. 1837. A bill for the relief of Giuseppe Pompeo; to the Committee on the Judiciary.

By Mr. TOBEY:

S. 1838. A bill for the relief of Arthur C. Jones; to the Committee on the Judiciary.

By Mr. PEPPER:

S. 1839. A bill for the relief of Eleni Saclarides; to the Committee on the Judiciary.

By Mr. McMAHON:

S. 1840. A bill relating to the disposition of permanent housing acquired or constructed by the United States; to the Committee on Banking and Currency.

By Mr. KILGORE:

S. 1841. A bill to increase the mileage allowances of civilian officers and employees for use of privately owned vehicles and to increase the per diem allowances of civilian officers and employees while traveling on official business; to the Committee on Expenditures in the Executive Departments.

By Mr. KILGORE (for himself and Mr. AIKEN):

S. 1842. A bill to amend the Second Decontrol Act of 1947; to the Committee on the Judiciary.

(Mr. WILEY introduced Senate Joint Resolution 161, proposing an amendment to the Constitution of the United States relating to the filling of vacancies in the House of Representatives, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. BUTLER (for himself and Mr. WATKINS):

S. J. Res. 162. Joint resolution to rescind certain orders of the Secretary of the Interior establishing Indian reservations in the Territory of Alaska; to the Committee on Public Lands.

ADMISSION INTO UNITED STATES OF CERTAIN ALIEN FIANCÉES

Mr. FLANDERS. Mr. President, I introduce for appropriate reference a bill to extend the period of validity of the act to facilitate the admission into the United States of the alien fiancées or fiancés of members of the armed forces of the United States.

I might state parenthetically that the bill may be known as the sweetheart bill.

The bill (S. 1830) to extend the period of validity of the act to facilitate the admission into the United States of the alien fiancées or fiancés of members of the armed forces of the United States, introduced by Mr. FLANDERS, was read twice by its title, and referred to the Committee on the Judiciary.

ADEQUATE TRANSPORTATION FOR THE PEOPLE OF ALASKA

Mr. BUTLER. Mr. President, I introduce for appropriate reference a bill providing adequate transportation for the people of Alaska.

During my recent trip to Alaska, on which I was accompanied by three other members of the Senate Public Lands Committee, we discovered that one of the greatest obstacles to the development of this vast Territory is the extremely inadequate transportation facilities available between different points within Alaska, and from Alaska to the outside world. Within Alaska itself, there is only one railroad, and there are very few highways. The situation is particularly bad for the cities of southeastern Alaska where most of the population is located, and which are not even reached by the railroad. As a practical matter, such communities as Juneau, Ketchikan, and Wrangell have to depend almost exclusively on either steamships or airplanes for their communications with the outside world, or with each other.

Furthermore, all of Alaska must depend on surface transportation from the United States by water for virtually all

of its consumer supplies. Under these circumstances, adequate steamship service is absolutely necessary to the development of the Territory.

Unfortunately, Alaska does not now have adequate steamship service, or anything like it. The principal reason is the restrictive effect of our various acts which restrict all steamer traffic to ships under American registry.

I realize fully the reasons for our coastwise shipping laws which require, in general, the traffic between two American ports be conducted in vessels of American registry. In fact, I am in general sympathy with these laws insofar as they apply to movement of passengers or goods between, for example, New York and New Orleans, or the east coast and the west coast. I can see that without such laws it would be extremely difficult to maintain an adequate merchant marine.

However, it seems to me the situation in Alaska is radically different from that of the rest of the country. Between any two ports in the continental United States, there are generally adequate rail and highway facilities to offer a competitive alternative to the shipper. He is not forced to use water transportation on American lines. In other words, he is not solely dependent on water transportation and on the American shipping laws. In Alaska, the traveler or shipper is solely dependent on water transportation, even though the charges may be high and the service inadequate. It happens that the American coastwise shipping laws have effectively reduced the water transportation available to Alaskans to two American lines under the same ownership, plus a third small operator, whose few small vessels carry freight primarily. As a natural result, the service available for travel and transportation in the Territory has been poor, uncertain, expensive, and infrequent.

My proposal is that the present law be relaxed to the extent of permitting Canadian vessels to transport passengers and/or freight between two Alaskan cities. In other words, my bill will not affect the coastwise laws if they apply to transportation between the mainland and Alaska. It proposes merely to permit transportation of passengers and freight from one part of Alaska to another by Canadian vessels.

It is obviously an inefficient system which requires a businessman who may have traveled from Juneau to Ketchikan, to wait in Ketchikan for days for an American vessel to pick him up for the return trip, when a Canadian vessel has to bypass him because of the laws now in effect. The same applies to a movement of freight.

Canadian steamship lines have long rendered efficient service through 500 miles of American water in Alaska to Skagway and thence into the Yukon Territory. These same lines have built up an important tourist industry in that area. By giving them the right to transport American citizens or freight between southeastern Alaska ports, we would be contributing toward development of Alaska.

The second section of the bill I have introduced should not be controversial as it would simply remove a discrimination against Alaska. The act of June 5, 1920, known as the Jones Act, provides that no merchandise may be transported in the coastwise trade in foreign vessels, but it makes one important exception to this general rule. The exception permits such transportation between points in the continental United States over routes in part over Canadian rail lines and their own or connecting water facilities. The exception, however, is expressly stated not to apply to Alaska.

In other words, goods may be shipped from Chicago, for example, over American and Canadian rail lines to Vancouver, Canada, and from there by Canadian steamer to Seattle and other west coast points. The same shipment could not be taken by Canadian steamer from Vancouver to any point in Alaska. Alaska is, in this respect, denied a privilege given to the States. Since Alaska is absolutely dependent on water transportation to an extent that we who live down here can hardly realize, this discrimination is all the more burdensome. The second section of my proposed bill would eliminate this discrimination and place the Territory on a basis of equality with the rest of the Union.

Mr. President, during the last few years we have heard a great deal of the importance of Alaska as a strategic outpost of the United States. I believe the armed services are now fully convinced of the urgency of developing their defenses in that area. The greatest obstacles to effective defense have been the small population and the inadequate transportation facilities. I believe it is time that we make a start toward correcting these serious conditions, and I hope the committee to which this measure is referred will study my bill with those general objectives in view.

The bill (S. 1834) to amend section 8 of the act of June 17, 1886, as amended (46 U. S. C., sec. 289), and section 27 of the Merchant Marine Act, 1920, as amended (46 U. S. C., sec. 883), introduced by Mr. BUTLER, was read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

AMENDMENT OF CONSTITUTION RELATING TO FILLING OF VACANCIES IN HOUSE OF REPRESENTATIVES

Mr. WILEY. Mr. President, I introduce for appropriate reference a joint resolution proposing an amendment to the Constitution of the United States. This amendment provides for temporary appointment by our State governors to fill vacancies in the House of Representatives. This new power would be useful principally in the event of atomic attack on our country, with resulting vacancies in the Congress. I ask unanimous consent that the joint resolution together with a statement which I have prepared on this subject be printed in the body of the RECORD.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred, and, without objection, the joint resolution together with the statement by the Senator from Wisconsin will be printed in the RECORD.

The joint resolution (S. J. Res. 161) proposing an amendment to the Constitution of the United States relating to the filling of vacancies in the House of Representatives, introduced by Mr. WILEY, was read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. When vacancies happen in the representation of any State in the House of Representatives, the executive authority of such State shall issue writs of election to fill such vacancies: *Provided*, That the legislature of any State may empower the executive thereof to make temporary appointments until the people fill the vacancies by election as the legislature may direct.

"SEC. 2. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within —— years from the date of its submission to the States by the Congress."

STATEMENT BY HON. ALEXANDER WILEY, OF WISCONSIN, IN UNITED STATES SENATE, DECEMBER 4, 1947

INTRODUCTION OF PROPOSED AMENDMENT TO THE CONSTITUTION FOR TEMPORARY APPOINTMENT OF REPRESENTATIVES

Mr. President, I am introducing today a proposed amendment to the Constitution of the United States. This is a Senate joint resolution whereby the legislature of any State could empower the executive thereof to make temporary appointments to the House of Representatives until the people could fill vacancies by an election.

Mr. President, the reason for this is made obvious when we consider these facts:

1. At present there is no provision in the Constitution for interim appointment by State governors to the House of Representatives.

POSSIBILITY OF MASS VACANCIES IN ATOMIC WAR

2. If, unfortunately, America should ever be confronted with a national military emergency, in which we were under atomic or other attack, it would obviously be completely impossible for the people of the separate States to assemble to elect Members of Congress to fill vacancies.

3. If you consider the further possibility that an atomic bomb might well smash Washington and cause mass vacancies in the House of Representatives, as well as the Senate, you will see that there would be no possibility of elections to fill those vacancies, and, as a result, no functioning Congress.

The aim of my joint resolution is, therefore, to enable interim appointments of Members of Congress.

APPOINTMENT OF SENATORS

As my colleagues know, under the United States Constitution, the State governors are empowered to make interim appointments of Senators where vacancies exist. There is provision in every one of the State constitutions except one, in my own State of Wisconsin, whereby the governors can appoint Senators to fill interim vacancies. Therefore, a few days ago, I wrote to the Honorable Oscar Rennebohm, Governor of Wisconsin, respectfully inviting his attention to this situation and asking his judgment on the possibility of initiating legislation in Madison to amend our own State constitution.

SECURITY AGAINST ATOMIC ATTACK

This matter of filling vacancies in the Congress is but one means whereby I hope to offer a relatively complete program of security measures against the possibility of atomic attack. One of the vital elements in such a program is, of course, complete decentralization of the Federal Government and of private industry I have accordingly written to numerous business leaders and numerous members of government, urging decentralization—a project in which I have been interested for many years for purposes of national defense.

PRESERVATION OF THE FRIGATE "CONSTELLATION"—AMENDMENT

Mr. GREEN (for himself and Mr. McGRATH) submitted an amendment intended to be proposed by them, jointly, to the bill (S. 1796) to provide for the preservation of the frigate *Constellation* and to authorize the disposition of certain replaced parts of such vessel as souvenirs, and for other purposes, which was referred to the Committee on Armed Services, and ordered to be printed.

MAZIE KNOX BETTINGHAUS

Mr. BROOKS submitted the following resolution (S. Res. 173), which was referred to the Committee on Rules and Administration:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Mazie Knox Bettinghaus, widow of Harry W. Bettinghaus, late an employee of the Senate, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

NOTICE OF POSTPONEMENT OF HEARING BEFORE JUDICIARY COMMITTEE

Mr. MOORE. Mr. President, as chairman of a subcommittee of the Senate Committee on the Judiciary appointed to consider Senate bill 1567, to provide the venue in actions brought in United States district courts or in State courts against interstate commerce carriers by railroad for damages for wrongful death or personal injuries, I desire to give notice that the public hearings scheduled for Wednesday and Thursday, December 10 and 11, 1947, at 10 a. m. in the Senate Judiciary Committee room, room 424, Senate Office Building, have been postponed. Hearings will be held beginning January 7, 1948, at 10 a. m. in room 424, Senate Office Building. The companion bill is House bill 1639. On the date beginning January 7, 1948, at the time and place indicated above, all persons interested in Senate bill 1567 may make such representations as they desire. The subcommittee consists of myself, chairman; the Senator from Missouri [Mr. DONNELL]; and the Senator from Rhode Island [Mr. McGRATH].

BIRTHDAY FELICITATIONS TO JUDGE OSCAR E. BLAND BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD felicitations by him to Judge Oscar E. Bland on his seventieth birthday, at a dinner at the Raleigh Hotel, Washington, D. C., December 3, 1947, which appears in the Appendix.]

REPORT TO THE PEOPLE, PART 2—ADDRESS BY SENATOR O'DANIEL

[Mr. O'DANIEL asked and obtained leave to have printed in the RECORD a report to the people, part 2, an address by him, broadcast from radio station WBAP, September 11, 1947, which appears in the Appendix.]

THE IRRIGATOR LOOKS AT EROSION—ADDRESS BY WILLIAM E. WARNE, ASSISTANT SECRETARY OF THE INTERIOR

[Mr. McFARLAND asked and obtained leave to have printed in the RECORD an address entitled "The Irrigator Looks at Erosion," delivered by Hon. William E. Warne, Assistant Secretary of the Interior, before the National Reclamation Association, at Phoenix, Ariz., on October 29, 1947, which appears in the Appendix.]

PRICES AND FOREIGN RELIEF—ADDRESS BY ALF M. LANDON

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an address entitled "Prices and Foreign Relief," delivered by Alf M. Landon, before the South Central Business Association, Inc., Kansas City, Mo., November 18, 1947, which appears in the Appendix.]

THE FORGOTTEN PRODUCTION—ADDRESS BY HENRY J. KAISER

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD a radio address entitled "The Forgotten Production," delivered by Henry J. Kaiser on November 23, 1947, which appears in the Appendix.]

THE REGISTERED NURSE AND CANCER—ADDRESS BY GEORGE E. STRINGFELLOW

[Mr. REVERCOMB asked and obtained leave to have printed in the RECORD an address entitled "The Registered Nurse and Cancer," delivered by George E Stringfellow, president of the New Jersey Division of the American Cancer Society, potentate of Salaam Temple, and vice president of Thomas A. Edison, Inc., over radio station WAAT, Newark, N. J., November 14, 1947, which appears in the Appendix.]

INFLATION: ITS CAUSES AND CURES

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD a radio discussion entitled "Inflation: Its Causes and Cures," held over the American Forum of the Air on November 18, 1947, which appears in the Appendix.]

THE LAWYER'S VERSION OF THE TWENTY-THIRD PSALM

[Mr. MURRAY asked and obtained leave to have printed in the RECORD The Lawyer's Version of the Twenty-third Psalm, written by Louis Lande, of Washington, D. C., and published in the October 1947 issue of Case and Comment, which appears in the Appendix.]

THE GAMBLER—ARTICLE BY FRANK C. WALDROP

[Mr. McCARTHY asked and obtained leave to have printed in the RECORD an article entitled "The Gambler," by Frank C. Waldrop, from the Washington Times-Herald of December 4, 1947, which appears in the Appendix.]

INTER-AMERICAN TREATY OF RECIPROCAL ASSISTANCE

The PRESIDENT pro tempore. As in executive session, the Chair lays before the Senate a message from the President of the United States, transmitting the Inter-American Treaty of Reciprocal Assistance, which is known as the Rio Treaty, which will be read by the clerk, and the message, together with the accompanying papers, will be referred to the Committee on Foreign Relations.

The clerk read the message, as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a certified copy of the Inter-American Treaty of Reciprocal Assistance, formulated at the Inter-American Conference for the Maintenance of Continental Peace and Security and signed at Rio de Janeiro, Brazil, in the English, French, Portuguese, and Spanish languages on September 2, 1947, by the plenipotentiaries of the United States of America and by the plenipotentiaries of other American Republics.

I transmit also, for the information of the Senate, the report which the Acting Secretary of State has addressed to me in regard to the treaty above-mentioned.

The principles, purposes, and provisions of the treaty have my complete and wholehearted approval, and I am happy to recommend the treaty to the favorable consideration of the Senate.

HARRY S. TRUMAN.

THE WHITE HOUSE, *December 1, 1947.*

(Enclosures: (1) Report by the Acting Secretary of State; (2) Inter-American Treaty of Reciprocal Assistance, Rio de Janeiro, September 2, 1947—certified copy; (3) final act, Inter-American Conference for the Maintenance of Peace and Security, Rio de Janeiro, September 2, 1947—certified copy.)

The PRESIDENT pro tempore. Without objection, the injunction of secrecy will be removed from the treaty, and the letter from the Secretary of State to the President, together with the text of the treaty, will be printed in the RECORD for the information of Senators.

With the indulgence of the Senate, the Chair would like to suggest that there is great value in immediate ratification of the treaty, concerning which I am sure there is no controversy, because it is highly desirable that the hemispherical solidarity started at Rio be completed before the next pan-American conference in Bogotá, in January.

Therefore, the Senate will be asked, as in executive session, on Monday, to take up the treaty.

There being no objection, the letter from the Secretary of State, together with the text of the treaty, was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, D. C., December 1, 1947.

The PRESIDENT,
The White House:

The undersigned, the Acting Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if his judgment approve thereof, a certified copy of the inter-American treaty of reciprocal assistance, formulated at the Inter-American Conference for the Maintenance of Continental Peace and Security and signed at Rio de Janeiro in the English, French, Portuguese, and Spanish languages on September 2, 1947, by the plenipotentiaries of the United States of America and by the plenipotentiaries of other American Republics.

There is included in the same volume with the text of the treaty above mentioned the text of the final act of the conference, which contains information regarding the organization of the conference and the texts of the various resolutions approved by the conference. The texts of the treaty and final act have been certified by the secretary-general of the conference. The final act does not require ratification.

The Inter-American Conference for the Maintenance of Continental Peace and Security met in Petropolis, State of Rio de Janeiro, Brazil, from August 15 to September 2, 1947. The United States delegation to the conference, under the chairmanship of the Secretary of State, included the following delegates: The Honorable William D. Pawley, United States Ambassador to Brazil; the Honorable ARTHUR H. VANDENBERG, President of the United States Senate and chairman of the Committee on Foreign Relations; the Honorable TOM CONNALLY, United States Senator and a member of the Committee on Foreign Relations; the Honorable SOL BLOOM, Member of the House of Representatives and of the Committee on Foreign Affairs; and the Honorable Warren R. Austin, ambassador, United States representative to the United Nations.

The conference was convened for the special purpose of formulating the treaty to which reference had been made in the Act of Chapultepec, embodied in the final act of the Inter-American Conference on Problems of War and Peace which met in Mexico City from February 21 to March 8, 1945. In part I of the Act of Chapultepec it was declared in part:

"That every attack of a state against the integrity or the inviolability of the territory, or against the sovereignty or political independence of an American State, shall, conformably to part III hereof, be considered as an act of aggression against the other States which sign this act. * * *

"That in case acts of aggression occur or there are reasons to believe that an aggression is being prepared by any other State against the integrity or inviolability of the territory, or against the sovereignty or political independence of an American State, the States signatory to this act will consult among themselves in order to agree upon the measures it may be advisable to take."

In part II of the Act of Chapultepec it was recommended that "the governments of the American Republics consider the conclusion, in accordance with their constitutional processes, of a treaty establishing procedures whereby such threats or acts may be met by the use, by all or some of the signatories of the said treaty, of any one or more" of certain measures. In anticipation of the establishment of the United Nations, it was stipulated in part III of the Act of Chapultepec that the pertinent activities and procedures "shall be consistent with the purposes and principles of the general international organization, when established."

The inter-American treaty of reciprocal assistance was drawn up in accordance with the recommendation in the Act of Chapultepec and within the framework of the United Nations Charter. As stated in the preamble, the treaty deals with "those matters relating to the maintenance of international peace and security which are appropriate for regional action." This regional arrangement is thus of a type contemplated in chapter VIII of the United Nations Charter. It is entirely consistent with the purposes and principles of the United Nations and will facilitate and supplement the effective functioning of the United Nations. The authority of the Security Council with regard to the application of enforcement measures, and its general powers with respect to maintenance of international peace and security are fully recognized in the treaty, and article 10 contains the stipulation that none of the provisions of the treaty "shall be construed as impairing the rights and obligations of the high contracting parties under the Charter of the United Nations."

The principal features of the treaty include (a) references to certain basic considerations and precedents (preamble); (b) a reaffirmation of basic principles with respect to the pacific settlement of disputes (arts. 1 and 2); (c) the stipulation of specific obligations in the event of an armed attack against an American State, with a definition of the areas within which an armed attack would invoke the maximum obligations of the treaty (arts. 3 and 4); (d) provisions for consultation and collective measures in the event of certain other dangers to continental peace (art 6); (e) provisions specifying the types of measures which may be taken in either event and specifying certain acts of aggression (arts. 7, 8, and 9); (f) provisions assuring consistency with and fulfillment of the obligations under the United Nations Charter (art. 3, pars. 3 and 4, and arts. 5, 10, and 24); and (g) procedural matters affecting consultation regarding, and execution of, measures, voting and the binding effect of decisions (arts 11 to 21, inclusive).

The basic principle underlying the Act of Chapultepec is restated and extended in the treaty and concomitant obligations set forth in article 3, as follows:

"1. The high contracting parties agree that an armed attack by any state against an American State shall be considered as an attack against all the American States and, consequently, each one of the said contracting parties undertakes to assist in meeting the attack in the exercise of the inherent right of individual or collective self-defense recognized by article 51 of the Charter of the United Nations.

"2. On the request of the state or states directly attacked and until the decision of the Organ of Consultation of the Inter-American System, each one of the contracting parties may determine the immediate measures which it may individually take in fulfillment of the obligation contained in the preceding paragraph and in accordance with the principle of continental solidarity. The Organ of Consultation shall meet without delay for the purpose of examining those measures and agreeing upon the measures of a collective character that should be taken."

Thus, apart from such collective measures as may be agreed upon in consultation, each of the parties obligates itself to take affirmative action to assist in meeting an armed attack. This important provision converts the right of individual and collective self-defense, as recognized in the United Nations Charter, into an obligation under this treaty. The provision for immediate assistance is applicable to all cases of armed attack taking place within the territory of an American state or anywhere within the region delimited in article 4. This region embraces the American Continents and Greenland, adjacent waters, and polar regions immediately to the north and south of the American Continents.

Regardless of where the armed attack may take place, the parties are obligated to consult immediately with one another to agree upon appropriate collective measures.

The conference decided that no attempt should be made to define aggression in general terms, but two recognized types of aggression are specified in article 9.

In the event of an aggression which is not an armed attack or in the event of the occurrence of other possible dangers to the peace, the parties similarly obligate themselves in article 6 to consult to determine the measures to be taken to aid the victim of the aggression or to restore peace and security.

The recommendation in the Act of Chapultepec with respect to the measures which might be taken to meet threats to inter-American peace and security or acts of aggression against any American state is restated in article 8 of the treaty, as follows:

"For the purposes of this treaty, the measures on which the Organ of Consultation may agree will comprise one or more of the following: recall of chiefs of diplomatic missions; breaking of diplomatic relations; breaking of consular relations; partial or complete interruption of economic relations or of rail, sea air postal, telegraphic, telephonic, and radiotelephonic or radiotelegraphic communications; and use of armed force."

Article 7 provides that in the event of a conflict between two or more American states, the initial collective action to be taken by the parties shall be to call upon the contending states to suspend hostilities and restore the situation to the status quo ante bellum.

It is provided in article 20 that decisions which require the application of the measures specified in article 8 shall be binding upon all the signatory states which have ratified the treaty, with the sole exception that no state shall be required to use armed force without its consent. In article 17 it is provided that the Organ of Consultation shall take its decisions by a vote of two-thirds of the signatory states which have ratified the treaty. This arrangement, whereby the measures specified in article 8, with the one exception, become obligatory for all parties upon a two-thirds vote of the states parties to the treaty, represents a significant advance in international relations.

Article 22 provides that the treaty shall come into effect between the states which ratify it as soon as the ratifications of two-thirds of the signatory states have been deposited. Article 23 contains additional protocolary provisions relating to signature and ratification.

Article 24 determines the procedure for the registration of the treaty, when it has entered into force, with the Secretariat of the United Nations. Such registration is to be effected through the Pan American Union.

Article 25 provides that the treaty shall remain in force indefinitely, but that any state party thereto may denounce it by a notification in writing to the Pan American Union, such denunciation to become effective for that state 2 years from the date of the receipt of such notification by the Pan American Union.

Article 26, the final article, provides that the principles and fundamental provisions of the treaty shall be incorporated in the organic pact of the inter-American system. This has reference to an instrument in the nature of a basic constitution or charter for the reorganization of the system, which it is contemplated will be considered and adopted at the forthcoming Ninth International Conference of American States to be be held at Bogota, Colombia, early in 1948.

This treaty represents a significant advance in international cooperation for the maintenance of peace and security. Its provisions commit the other parties promptly to assist the United States in the event of an armed attack by any country on our territory or anywhere in the region defined by the treaty, and the United States similarly pledges its assistance to the other parties in case any of them is subjected to such an attack. In determining collective measures, the parties guarantee in advance to observe important decisions reached by two-thirds of them, reserving for their individual consent among the listed measures only the vital decision as to their participation in the use of armed force. The obligatory character of decisions by a two-thirds majority assures that the general collective will of the community can be made effective, and avoids the possibility that the operation of the treaty might be paralyzed through the nonconcurrence of a small minority.

The vital spirit of pan-American solidarity is implicit in the provisions of the treaty and there is every reason to believe that the treaty affords an adequate guaranty of

the peace and security of this hemisphere, thereby assuring so far as possible a necessary condition to the continued advancement of the economic, political, and social ideals of the peoples of the American states.

Respectfully submitted.

ROBERT A. LOVETT.

(Enclosures: (1) Inter-American Treaty of Reciprocal Assistance, Rio de Janeiro, September 2, 1947—certified copy; (2) Final act, Inter-American Conference for the Maintenance of Peace and Security, Rio de Janeiro, September 2, 1947—certified copy.)

INTER-AMERICAN TREATY OF RECIPROCAL ASSISTANCE

In the name of their Peoples, the Governments represented at the Inter-American Conference for the Maintenance of Continental Peace and Security, desirous of consolidating and strengthening their relations of friendship and good neighborliness, and

Considering:

That Resolution VIII of the Inter-American Conference on Problems of War and Peace, which met in Mexico City, recommended the conclusion of a treaty to prevent and repel threats and acts of aggression against any of the countries of America;

That the High Contracting Parties reiterate their will to remain united in an inter-American system consistent with the purposes and principles of the United Nations, and reaffirm the existence of the agreement which they have concluded concerning those matters relating to the maintenance of international peace and security which are appropriate for regional action;

That the High Contracting Parties reaffirm their adherence to the principles of inter-American solidarity and cooperation, and especially to those set forth in the preamble and declarations of the Act of Chapultepec, all of which should be understood to be accepted as standards of their mutual relations and as the juridical basis of the Inter-American System;

That the American States propose, in order to improve the procedures for the pacific settlement of their controversies, to conclude the treaty concerning the "Inter-American Peace System" envisaged in Resolutions IX and XXXIX of the Inter-American Conference on Problems of War and Peace.

That the obligation of mutual assistance and common defense of the American Republics is essentially related to their democratic ideals and to their will to cooperate permanently in the fulfillment of the principles and purposes of a policy of peace;

That the American regional community affirms as a manifest truth that juridical organization is a necessary prerequisite of security and peace, and that peace is founded on justice and moral order and, consequently, on the international recognition and protection of human rights and freedoms, on the indispensable well-being of the people, and on the effectiveness of democracy for the international realization of justice and security,

Have resolved, in conformity with the objectives stated above, to conclude the following Treaty, in order to assure peace, through adequate means, to provide for effective reciprocal assistance to meet armed attacks against any American State, and in order to deal with threats of aggression against any of them:

ARTICLE 1

The High Contracting Parties formally condemn war and undertake in their international relations not to resort to the threat or the use of force in any manner inconsistent with the provisions of the Charter of the United Nations or of this Treaty.

ARTICLE 2

As a consequence of the principle set forth in the preceding Article, the High Contracting Parties undertake to submit every controversy which may arise between them to methods of peaceful settlement and to endeavor to settle any such controversy among themselves by means of the procedures in force in the Inter-American System before referring it to the General Assembly or the Security Council of the United Nations.

ARTICLE 3

1. The High Contracting Parties agree that an armed attack by any State against an American State shall be considered as an attack against all the American States and, consequently, each one of the said Contracting Parties undertakes to assist in meeting the attack in the exercise of the inherent right of individual or collective self-defense recognized by Article 51 of the Charter of the United Nations.

2 On the request of the State or States directly attacked and until the decision of the Organ of Consultation of the Inter-American System, each one of the Contracting Parties may determine the immediate measures which it may individually take in fulfillment of the obligation contained in the preceding paragraph and in accordance with the principle of continental solidarity. The Organ of Consultation shall meet without delay for the purpose of examining those measures and agreeing upon the measures of a collective character that should be taken.

3. The provisions of this Article shall be applied in case of any armed attack which takes place within the region described in Article 4 or within the territory of an American State. When the attack takes place outside of the said areas, the provisions of Article 6 shall be applied.

4. Measures of self-defense provided for under this Article may be taken until the Security Council of the United Nations has taken the measures necessary to maintain international peace and security.

ARTICLE 4

The region to which this Treaty refers is bounded as follows: beginning at the North Pole; thence due south to a point 74 degrees north latitude, 10 degrees west longitude; thence by a rhumb line to a point 47 degrees 30 minutes north latitude, 50 degrees west longitude; thence by a rhumb line to a point 35 degrees north latitude, 60 degrees west longitude; thence due south to a point in 20 degrees north latitude; thence by a rhumb line to a point 5 degrees north latitude, 24 degrees west longitude; thence due south to the South Pole; thence due north to a point 30 degrees south latitude, 90 degrees west longitude; thence by a rhumb line to a point on the Equator at 97 degrees west longitude; thence by a rhumb line to a point 15 degrees north latitude, 120 degrees west longitude; thence by a rhumb line to a point 50 degrees north latitude, 170 degrees east longitude; thence due north to a point in 54 degrees north latitude; thence by a rhumb line to a point 65 degrees 30 minutes north latitude, 168 degrees 58 minutes 5 seconds west longitude; thence due north to the North Pole.

ARTICLE 5

The High Contracting Parties shall immediately send to the Security Council of the United Nations, in conformity with Articles 51 and 54 of the Charter of the United Nations, complete information concerning the activities undertaken or in contemplation in the exercise of the right of self-defense or for the purpose of maintaining inter-American peace and security.

ARTICLE 6

If the inviolability or the integrity of the territory or the sovereignty or political independence of any American State should be affected by an aggression which is not an armed attack or by an extra-continental or intra-continental conflict, or by any other fact or situation that might endanger the peace of America, the Organ of Consultation shall meet immediately in order to agree on the measures which must be taken in case of aggression to assist the victim of the aggression or, in any case, the measures which should be taken for the common defense and for the maintenance of the peace and security of the Continent.

ARTICLE 7

In the case of a conflict between two or more American States, without prejudice to the right of self-defense in conformity with Article 51 of the Charter of the United Nations, the High Contracting Parties, meeting in consultation shall call upon the contending States to suspend hostilities and restore matters to the *status quo ante bellum*, and shall take in addition all other necessary measures to reestablish or maintain inter-American peace and security and for the solution of the conflict by peaceful means. The rejection of the pacifying action will be considered in the determination of the aggressor and in the application of the measures which the consultative meeting may agree upon.

ARTICLE 8

For the purposes of this Treaty, the measures on which the Organ of Consultation may agree will comprise one or more of the following: recall of chiefs of diplomatic missions; breaking of diplomatic relations; breaking of consular relations; partial or complete interruption of economic relations or of rail, sea, air, postal, telegraphic, telephonic, and radiotelephonic or radiotelegraphic communications; and use of armed force.

ARTICLE 9

In addition to other acts which the Organ of Consultation may characterize as aggression, the following shall be considered as such:

a. Unprovoked armed attack by a State against the territory, the people, or the land, sea or air forces of another State;

b. Invasion, by the armed forces of a State, of the territory of an American State, through the trespassing of boundaries demarcated in accordance with a treaty, judicial decision, or abitral award, or, in the absence of frontiers thus demarcated, invasion affecting a region which is under the effective jurisdiction of another State.

ARTICLE 10

None of the provisions of this Treaty shall be construed as impairing the rights and obligations of the High Contracting Parties under the Charter of the United Nations.

ARTICLE 11

The consultations to which this Treaty refers shall be carried out by means of the Meetings of Ministers of Foreign Affairs of the American Republics which have ratified the Treaty, or in the manner or by the organ which in the future may be agreed upon.

ARTICLE 12

The Governing Board of the Pan American Union may act provisionally as an organ of consultation until the meeting of the Organ of Consultation referred to in the preceding Article takes place.

ARTICLE 13

The consultations shall be initiated at the request addressed to the Governing Board of the Pan American Union by any of the Signatory States which has ratified the Treaty.

ARTICLE 14

In the voting referred to in this Treaty only the representatives of the Signatory States which have ratified the Treaty may take part.

ARTICLE 15

The Governing Board of the Pan American Union shall act in all matters concerning this Treaty as an organ of liaison among the Signatory States which have ratified this Treaty and between these States and the United Nations.

ARTICLE 16

The decisions of the Governing Board of the Pan American Union referred to in Articles 13 and 15 above shall be taken by an absolute majority of the Members entitled to vote.

ARTICLE 17

The Organ of Consultation shall take its decisions by a vote of two-thirds of the Signatory States which have ratified the Treaty.

ARTICLE 18

In the case of a situation or dispute between American States, the parties directly interested shall be excluded from the voting referred to in two preceding Articles.

ARTICLE 19

To constitute a quorum in all the meetings referred to in the previous Articles, it shall be necessary that the number of States represented shall be at least equal to the number of votes necessary for the taking of the decision.

ARTICLE 20

Decisions which require the application of the measures specified in Article 8 shall be binding upon all the Signatory States which have ratified this Treaty, with the sole exception that no State shall be required to use armed force without its consent.

ARTICLE 21

The measures agreed upon by the Organ of Consultation shall be executed through the procedures and agencies now existing or those which may in the future be established.

ARTICLE 22

This Treaty shall come into effect between the States which ratify it as soon as the ratifications of two-thirds of the Signatory States have been deposited.

ARTICLE 23

This Treaty is open for signature by the American States at the city of Rio de Janeiro, and shall be ratified by the Signatory States as soon as possible in accordance with their respective constitutional processes. The ratifications shall be deposited with the Pan American Union, which shall notify the Signatory States of each deposit. Such notification shall be considered as an exchange of ratifications.

ARTICLE 24

The present Treaty shall be registered with the Secretariat of the United Nations through the Pan American Union, when two-thirds of the Signatory States have deposited their ratifications.

ARTICLE 25

This Treaty shall remain in force indefinitely, but may be denounced by any High Contracting Party by a notification in writing to the Pan American Union, which shall inform all the other High Contracting Parties of each notification of denunciation received. After the expiration of two years from the date of the receipt by the Pan American Union of a notification of denunciation by any High Contracting Party, the present Treaty shall cease to be in force and with respect to such State, but shall remain in full force and effect with respect to all the other High Contracting Parties.

ARTICLE 26

The principles and fundamental provisions of this Treaty shall be incorporated in the Organic Pact of the Inter-American System.

In witness whereof, the undersigned Plenipotentiaries, having deposited their full powers found to be in due and proper form, sign this Treaty on behalf of their respective Governments, on the dates appearing opposite their signatures.

Done in the city of Rio de Janeiro, in four texts respectively in the English, French, Portuguese and Spanish languages, on the second of September nineteen hundred forty-seven.

Reservation of Honduras

The Delegation of Honduras, in signing the present Treaty and in connection with Article 9, section (b), does so with the reservation that the boundary between Honduras and Nicaragua is definitively demarcated by the Joint Boundary Commission of nineteen hundred and nineteen hundred and one, starting from a point in the Gulf of Fonseca, in the Pacific Ocean, to Portillo de Teotecacinte and, from this point to the Atlantic, by the line that His Majesty the King of Spain's arbitral award established on the twenty third of December of nineteen hundred and six.

Por la Republica Dominicana:
A. DESPRADEL
DR. L. F. THOMEN
TULIO M. CESTERO
R. PÉREZ ALFONSECA
ROBERTO DESPRADEL
PORFIRIO HERRERA BÁEZ
E RODRÍGUEZ DEMORIZI
JOAQUÍN BALAGUER
SEPTEMBER 2, 1947

Por Guatemala:
C LEONIDAS ACEVEDO
I GONZÁLEZ ARÉVALO
FRANCISCO GUERRA MORALES
M. GALICH
SEPTEMBER 2, 1947

Por Costa Rica:
LUIS ANDERSON
MÁXIMO QUESADA P.
SEPTEMBER 2, 1947

Por Peru:
E. GARCÍA SAYÁN
MANUEL G. GALLAGHER
V. A. BELAÚNDE
LUIS FERNÁN CISNEROS
H. C. BELLIDO
SEPTEMBER 2, 1947

Por El Salvador:
ERNESTO A NÚÑEZ
C A ALFARO
M. A. ESPINO
G. TRIQUEROS H.
SEPTEMBER 2, 1947

Por Panamá:
R. J. ALFARO
J E LEFEVRE
SEPTEMBER 2, 1947

Por Paraguay:
FEDERICO CHAVEZ
RAÚL SAPENA PASTOR
JOSÉ A MORENO GONZÁLES
R. ROLÓN
JOSÉ ZACARIAS ARZA
SEPTEMBER 2, 1947

Por Venezuela:
CARLOS MORALES
MA PÉREZ GUEVARA
D GÓMEZ MORA
E. ARROYO LAMEDA
EDUARDO PLAZA A
SANTIAGO PÉREZ P.
A OTÁÑEZ
L. F. LLOVERA PAÉZ
RAÚL CASTRO GOMEZ
SEPTEMBER 2, 1947

Por Chile:
GERMÁN VERGARA D.
ENRÍQUE CAÑAS F
EMILIO EDWARDS
E. E. GUZMÁN F
A M PINTO
E. BERNSTEIN
SEPTEMBER 2, 1947

Por Honduras:
JULIÁN R. CÁCERES
ANGEL C. HERNÁNDEZ
M. A. BATRES
SEPTEMBER 2, 1947

Por Cuba:
GMO BELT
GAB LANDA
SEPTEMBER 2, 1947

Por Bolivia:
LUIS GUACHALLA
JOSÉ GIL S
DAVID ALVÉSTEGUI
A VIRREIRA PACCIERI
SEPTEMBER 2, 1947.

Por Colombia:
DOMINGO ESGUERRA
GONZALO RESTREPO JARAMILLO
ANTONIO ROCHA
EDUARDO ZULETA
JUAN URIBE CUALLA
FRANCISCO UMAÑA BERNAL
JULIO ROBERTO SALAZAR FERRO
AUGUSTO RAMÍREZ MORENO
JOSÉ JOAQUIN CAICEDO CASTILLA
SEPTEMBER 2, 1947

Por Mexico:
J. TORRES BODET
A. VILLALOBOS
R. CÓRDOVA
P CAMPOS ORTÍZ
D MIRANDA
JOSÉ GOROSTIZA
JOSE LÓPEZ B
SEPTEMBER 2, 1947.

Pour L'Haïti:
EDME TH. MANIGAT
C KERNISAN
A. LEVELT
JACQUES LÉGER
SEPTEMBER 2, 1947.

Por Uruguay:
MATEO MARQUES CASTRO
DARDO REGULES
E. E. BUERO
ALBERTO DOMÍNGUEZ CÁMPORA
CYRO GIAMBRUNO
ANTONIO GUSTAVO FUSCO
JOSÉ A. MORA OTERO
JUAN F. GUICHÓN
GABRIEL TERRA
SEPTEMBER 2, 1947

For the United States of America:
G C MARSHALL
ARTHUR H. VANDENBERG.
TOM CONNALLY
WARREN R. AUSTIN.
SOL BLOOM
WILLIAM D. PAWLEY
SEPTEMBER 2, 1947

Por Argentina:
JUAN ATILIO BRAMUGLIA
O. IVANISSEVICH
ENRIQUE COROMINAS
R A ARES
P. LA ROSA
NICOLAS C ACCAME.
SEPTEMBER 2, 1947.

Pelo Brasil:
RAUL FERNANDES
P. GOÉS MONTEIRO
HILDEBRANDO ACCIOLY
A. PENNA JR.
JOSÉ EDUARDO DO PRADO KELLY
EDMUNDO DA LUZ PINTO
LEVI CARNEIRO.
SEPTEMBER 2, 1947.

AUTHORIZATION TO FILE A REPORT OF A COMMITTEE DURING THE RECESS

The PRESIDENT pro tempore. The Committee on Foreign Relations desires authority to file a report during the recess in connection with the Inter-Amer-

ican Treaty of Reciprocal Assistance. Is there objection? The Chair hears none, and the order is made.

UNITED STATES NEWSPAPER PUBLICITY OVERSEAS

Mr. WILEY. Mr. President, while I was in Europe, I was struck with the meagerness of American publicity, and the fact that we are falling down in the war of ideas. As a result, I should like to offer two suggestions today for appropriate consideration by those who are deeply interested in getting across to the European peoples information on America.

To the question, "What is the best organ of publicity about America overseas?" the answer is, of course, the daily newspaper. But anyone who has been abroad knows that in the big cities of Europe he cannot possibly buy relatively recent issues of the big cosmopolitan papers of America, and must content himself, where he can get them, with very old issues of several weeks back.

AIRPLANE TRANSPORT OF PAPERS

I should like to suggest, therefore, that provision be made so that every American passenger transport plane traveling to foreign parts carry the latest issues of American papers. Thus, copies could be furnished at the very minimum of delay to our Ambassadors, Ministers, Consuls General, and other officials. Then, too, copies could be placed on the reading desks of the main hotels of the big cities. Obviously by carrying the papers by plane we would reap tremendous time-saving over transportation by steamship.

I ask, therefore, that the Civil Aeronautics Board, the Senate Interstate and Foreign Commerce Committee, the overseas plane companies, and other interested individuals and organizations, get together on this matter, to determine what legislative or administrative plans should be arranged, so that the planes will carry late newspaper issues.

A UNITED STATES PAGE IN FOREIGN PAPERS

The second brief suggestion I should like to make is that we try to get American publicity into the major foreign newspapers of London, Amsterdam, Brussels, and other cities. While relatively only a few people listen to the radio in foreign countries, copies of the newspapers are read almost universally. Copies go out to the farmsteads, and are read and reread for weeks. If we are to keep the Voice of America vibrant and continuous, we should make sure in connection with our foreign-aid program that there is at least one page devoted to American news in the papers of each of the countries which receive our aid, as well as in other countries, virtually all of whom have benefited in the past in some way from American contributions.

What sort of publicity about America should get into this special page? I do not want any twisted Government propaganda to be included on that page. I believe, therefore, that our Government should arrange for payment to private news-gathering agencies, that is, those utilizing our great wire services, and our principal American newspapers having correspondents abroad, so that a daily page of newspaper publicity, perhaps like the boilerplate here at home, could be reproduced in European papers. How much would this cost? Well, it would cost far less than much of wasteful and extravagant activities in which we have indulged abroad.

I make these suggestions, and ask for their earnest consideration by the appropriate authorities.

Mr. President, the idea I am stressing is the important matter, and how to get the idea across is the problem. I have suggested two means which came to my mind as the result of my observations during the 6 weeks I was traveling in Europe the past summer. I recall that in Frankfurt there is an American newspaper with a circulation of a million, and that paper reflects American thought, concepts, and ideas. But wherever I went elsewhere there was a total blank, a total lack, of American news. One might go to a newsstand in southern Italy, as I did, where people were fighting for the latest edition of the New York Herald Tribune, published in Paris, and even that was a week old. It cost me a quarter in American money to get a copy of the paper.

Mr. President, we preach and preach and talk and talk, but we fail to act. I am here suggesting two simple ways which it seems to me it is imperative should be followed, and it could be done at a minimum of expense.

Mr. SMITH. Mr. President, will the Senator yield for a question for information?

Mr. WILEY. I am glad to yield to the Senator from New Jersey.

Mr. SMITH. I am very happy the distinguished Senator from Wisconsin has raised this point, but I remind him that a special committee of the Senate and the House was appointed to study this very matter the past summer, and it is now working on its report. Every point raised by the Senator is being considered by the committee in preparing the report we propose to make as to the Voice of America program.

Mr. WILEY. I am very happy to get that reaction from the distinguished Senator from New Jersey. If the committee has had the experience I have had, it can and will reach the conclusion that the best agency for disseminating information about America is the newspapers. If one goes into some of the embassies or some of the offices of the consuls general and asks for a newspaper, he will be handed one a week or 10 days old, which went over on shipboard.

The newspaper is the vehicle for giving the foreigner information as to our viewpoint, and I, for one, feel that at a very minimum of expense we could get a sheet of information into some of the large city newspapers in the big cities in Europe, which could be edited under American supervision at a minimum of expense, and which would reflect our thinking and our concepts, and disclose some of the information regarding the United States which it is important the people of Europe should have.

Mr. LUCAS. Mr. President, I should like to ask the Senator from New Jersey a question, if I may, in the Senator's time, in line with what the Senator from Wisconsin is now discussing.

Mr. WILEY. I am very glad to yield to the Senator from Illinois.

Mr. LUCAS. May I inquire of the able Senator from New Jersey as to the progress that is being made with respect to obtaining consideration of the Mundt bill? It is now on the calendar, and in my judgment it would accomplish what the Senator from Wisconsin is seeking to have done.

Mr. SMITH. I may say to the distinguished Senator that I am in consultation now with our committee concerning the program for the remainder of the special session. It is my hope to bring up the Mundt bill next week, if the decks can be cleared so that it will not interfere with any other program that is before the Senate. That is my hope and expectation.

Mr. LUCAS. I sincerely hope the Senator will press the suggestion that is being made with respect to the Mundt bill. I certainly do not want to interfere with any of the emergency legislation, but we are now having days, and we shall continue to have days, between now and Christmas when the Senate will not be doing anything else. It seems to me, in view of all the remarks that have been made by those who have visited Europe and have returned, that the Mundt bill is the answer with respect to the total lack of information in foreign countries regarding what America is doing and should do. It certainly dovetails, in my judgment, with the interim aid program.

Without the Mundt bill or some other means of properly disseminating information to other countries that are obtaining help from America, we shall be unable to assist in the way we should. I hope the able Senator will continue to press on the majority side for action on the Mundt bill.

Mr. SMITH. I am glad the distinguished Senator raised the point. I agree with him entirely that the Mundt bill, which contains the legislative authorization for effectuating the Voice of America program, is entirely relevant. It is really a part of the purpose for which the special session was called. I think it could properly be considered without violating the general principle that we do not want to open the door too wide for matters that might interfere with the interim aid legislation. I thank the Senator for his suggestion.

Mr. WILEY. Mr. President, if I may proceed for a few moments more, there are two other vital and dynamic methods by which America can be sold to Europe instead of constantly being sold short. One is in the control of Americans who go to Europe. They do not have to be afraid to talk up America; they do not have to be afraid to tell the facts. They do not have to hang their heads for the bill of goods here to be sold, but how many undertake to sell them?

Mr. President, one other item. The great magazines of America are having considerable trouble getting into European circulation their great mediums of publicity, with their constructive thinking, their reflection or mirroring of the American way of life. I bring to the

attention of the committee that there is an obligation, and I bring to the attention of the State Department the fact that there is an obligation on that Department. There is a general tendency in Europe, so far as American concepts are concerned, to create a fog. Let us blow away that fog. Let us bring the light by disseminating the truth, the facts.

Through the four means I have outlined, we can lighten the load of those who have been fed on misrepresentation. We can stop the spread of communism by giving the people of Europe the truth that makes free.

PROBLEMS WITH RESPECT TO GREECE AND TURKEY

The PRESIDENT pro tempore. If there be no further bills or joint resolutions, there is a resolution coming over from a previous day, Senate Resolution 101, which, without objection, will be passed over.

Morning business is closed.

PROCUREMENT OF TEMPORARY OR INTERMITTENT SERVICES OF EXPERTS OR CONSULTANTS

Mr. AIKEN. Mr. President, I move that the Senate proceed to consideration of the unfinished business.

The PRESIDENT pro tempore. The clerk will state the unfinished business for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 4469) to amend the act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof.

The PRESIDENT pro tempore. The motion is not debatable.

The motion was agreed to; and the Senate resumed the consideration of the bill.

Mr. AIKEN. Mr. President, when the Congress approved the act of July 7, 1947, authorizing the Commission on Organization of the Executive Branch of the Government, there were two rather vital omissions. First, the House has taken recognition of that fact and has unanimously approved a bill which would correct those omissions. The first proviso of House bill 4469 would exempt temporary and intermittent employees of the Commission from civil-service classification laws. It reads as follows:

Provided, That the Commission also may procure, without regard to the civil-service laws and classification laws, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the act of August 2, 1946 (Public Law 600, 79th Cong., 60 Stat. 810), but at rates not to exceed $50 per diem for individuals.

This is a privilege which all department heads of the Government now have, enabling them to hire experts and consultants on a short-time basis without running through the civil-service mill.

This section also permits the Commission on Organization of the Executive Branch of the Government to pay up to $50 per diem for such expert help and for consultants. This is in excess of the maximum of $29.78 allowable under the Classification Act.

The House bill also provides for the addition of a subsection (b) to section (7), which reads as follows:

(b) That nothing contained in sections 109 and 113 of the Criminal Code (U. S. C., title 18, secs. 198 and 203) shall be deemed to apply to any member of, or to any person heretofore or hereafter employed by, the Commission on Organization of the Executive Branch of the Government pursuant to Public Law 162 approved July 7, 1947.

I have offered an amendment in the nature of a substitute for subsection (b) of the House bill. The proposed amendment would substitute for subsection (b) as now worded the following wording:

(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of sections 109 or 113 of the Criminal Code (U. S. C., 1940 ed., title 18, secs. 198 and 203), or of section 19 (e) of the Contract Settlement Act of 1944, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States.

It will be seen that the proposed amendment, which has been unanimously approved by the Commission, clarifies and broadens slightly, by reference to other acts, the provisions of subsection (b) now contained in the bill. It narrows the scope of the subsection in that its application is limited to attorneys and experts.

In other words, the House proposal extends to all employees of the Commission. The general proposal which I have offered would exempt only attorneys and experts. This is not an innovation. Congress has exempted counsel several times in recent years from these provisions of the law. In addition, all persons serving without compensation in certain capacities under the Selective Service Act and in the Office of Price Administration under the price control legislation, and all persons serving the National War Labor Board in certain capacities without compensation, or in per diem employment, not in excess of 90 days per year, were exempted from these prohibitory statutes.

The members of the Commission believe that it will be extremely difficult, if not impossible, to get personnel of the necessary high caliber to serve as experts and consultants unless they can be freed from the requirements of the civil-service and classification laws, and can be relieved of the prohibitions against appearing in opposition to the Government, which apply not only to the individuals employed but to the firms of which they are members as well.

It is also felt that much of the work of the Commission can best be done through engaging the services of firms or organizations of various types such as research organizations, and accounting and management consultant firms, rather than by employment of individual experts, and rather than to undertake to set up a new group of personnel within the Commission itself, particularly if the work happens to be of a very technical nature or promises to be of short duration. We realize that an accounting firm would be very reluctant to do work for the Commission if all its members had to stop work on Government business or stop work for firms that were engaged in doing business with the Government at the time they happened to be doing temporary work for the Commission.

I have several instances in which exemption has been granted to counsel in previous years, and within comparatively recent years. If anyone is interested in having them I will offer them for the RECORD. In the meantime, I offer the amendment.

The PRESIDENT pro tempore. The question is on the amendment submitted by the Senator from Vermont [Mr. AIKEN], which will be considered as having been read.

Mr. O'MAHONEY. Mr. President, the amendment which has been submitted by the Senator from Vermont is a distinct improvement upon the section in the House bill for which it was offered as a substitute, but I feel it will be setting a precedent which may easily rise to bother the Congress in the future.

The provisions of law from which an exemption is proposed to be granted are those sections of the United States Criminal Code which prohibit an employee of the Government from having any interest, direct or indirect, in a claim against the Government. As the bill came from the House it provided that not only the members of the Commission but all of their employees of whatever grade or character or expert qualifications should be exempted from the provisions of the Criminal Code.

The amendment now proposed narrows the exemption, as the Senator from Vermont has well said, to attorneys and experts. It should be pointed out, however, that attorneys are precisely the class who are most likely to have claims against the Government.

This Commission will be called upon to make recommendations to the Congress for legislation to reorganize the executive branch of the Government. Obviously it is quite possible that attorneys or experts having a direct personal or indirect partnership or employment interest in the form and character of Government bureaus, would be employed in determining what the powers and form of these Government bureaus should be.

So now we are confronted with the decision whether it is the opinion of the Senate of the United States that this Commission should have the delegated power to grant an exemption from the criminal law to any person whom it may employ as an attorney or as an expert. It seems to me that in the interest of the welfare of the people of the United States and in the interest of good order in the reorganization of the Government some sort of limitation should be placed upon that. My own feeling was that perhaps there might be a limitation as to the number of persons thus exempted, or perhaps, instead of having the Commission itself, by the mere operation of its

personnel policies in connection with the hiring of an attorney or an expert, grant the exemption, the authority should be vested in another and a different body.

We have before us a proposed act of Congress which will require the signature of the President of the United States. I wish to ask the Senator from Vermont whether he would be willing to accept the following amendment, which would be in addition to the amendment offered by him:

Provided, however, That with regard to employees no exemption from any provisions of law set forth in this subsection shall be effective until the Civil Service Commission shall certify that the employment of such person is desirable in the public interest.

The effect of this amendment which I propose would, of course, be to vest in the Civil Service Commission the power to review the cases of the attorneys and experts proposed to be hired and to be granted such an exemption.

Mr. AIKEN. Mr. President, I was discussing this matter a very short time ago with the Senator from Wyoming, and I was inclined to accept the amendment which he has offered until it was pointed out by the Senator from Michigan [Mr. FERGUSON] that the amendment would, in effect, amount to giving the Civil Service Commission the right to say who should investigate the status and employment of the 2,000,000 persons who are under the civil-service laws. If this amendment would give the Civil Service Commission the right to say whom the Commission on Reorganization of the Executive Branch might employ to go over the affairs of the Civil Service Commission, then I would feel that I could not accept the amendment.

Mr. O'MAHONEY. Let me say that I do not think it would have that effect, Mr. President.

Mr. AIKEN. I wish to make sure that it would not have that effect.

Mr. O'MAHONEY. The effect would be that the exemption would be granted for lawyers and experts only by the review of another body than the Commission itself.

Mr. AIKEN. I am as anxious as is the Senator from Wyoming or anyone else to see that all our laws have the proper safeguards. I should like to have the advice of the Senator from Michigan for the record on this matter.

Mr. FERGUSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Michigan?

Mr. O'MAHONEY. I am very glad to yield.

Mr. FERGUSON. Mr. President, on almost all occasions I have objected to a modification of the law as contained in sections 109 and 113; in other words, I have objected to the granting of exemptions. However, in this particular case, I find myself compelled to approve the amendment proposed, for the reason that this Commission is set up to study and review all agencies of the executive branch of the Government in order that it may make recommendations to Congress.

The present proposal is to amend this provision further, by providing that one of the executive agencies, the Civil Service Commission, shall have the power to say to this Commission which has been created by Congress, "You cannot hire this lawyer or that lawyer or this accountant or that expert, but you can hire only a lawyer whom we shall approve." It seems to me that that would thereby defeat the very thing we are trying to do, namely, to get an independent check and study by this Commission of the executive branch of Government.

Therefore, with all the power I have, I shall object to any modification making it possible for the Civil Service Commission to be able to say to the Commission, "You cannot hire this lawyer or that lawyer." I say that because I feel that this Commission should be independent and should have the right, without fear or favor, to study and survey in detail every agency of the executive branch of our Government, and that the Commission itself, which is responsible to the Congress and to the country, should be the sole judge of whom it employs and the consideration or amount of compensation, under the supervision of Congress, that it will pay to its employees.

Mr. O'MAHONEY. Mr. President, I feel that the argument the distinguished Senator from Michigan has just made could be just as effectively made against the amendment itself, because the Senator from Vermont desires to limit the power of this Commission with respect to granting exemptions from the criminal code. I submit that it is not at all necessary that this Commission employ attorneys or experts who have claims against the Government in order that it may suggest to Congress how the Government should be reorganized. I have not the faintest doubt that it will be easily possible for the Commission to find all the attorneys it needs and all the experts it needs to carry on its work, without going into the offices of those who are prosecuting claims against the Government of the United States.

The amendment I suggest would not have the effect, at all—certainly I do not desire it to have that effect—of delegating to the Civil Service Commission the power to pass upon all the employees. But every employee and every applicant for appointment as an attorney or as an expert, who has a claim against the Government, knows full well whether he has such a claim. I am saying by my amendment only that before he may be granted an exemption from the criminal law which applies to every other employee of the United States Government, his case shall be certified to by the Civil Service Commission. The amendment is presented just in the desire to erect a certain safeguard against the employment of persons who might have a personal interest in promoting a certain type of reorganization.

For the life of me I cannot understand why anyone would resist a mild amendment of this kind.

Mr. FERGUSON. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. Certainly.

Mr. FERGUSON. Of course, we have to look at the purpose of sections 109 and 113. The purpose of these two sections is to prevent persons who come into the employ of the Government, ascertaining of certain facts, or obtain certain information, let contracts, or do certain work, leave the Government service, and take employment with the very persons with whom they contracted or whose work under the Government they supervised.

It is not contemplated that a man who has had a claim against the Government shall be covered. The purpose is that he shall not for a period of 2 years thereafter take a claim against the Government.

As I said, the reason why I favor the particular amendment now pending is that the persons affected are not to be contracting officers. They are not to supervise contracts. They are merely to make surveys of the Government organization and make recommendations through the Commission. Therefore they are not the same as the persons about whom we have been speaking in the past, covered under sections 109 and 113.

Mr. O'MAHONEY. Mr. President, I think the Senator is mistaken. Let me read section 109; it is now section 198 of title 18 of the United States Code Annotated:

Whoever, being an officer of the United States, or a person holding any place of trust or profit, or discharging any official function under, or in connection with any executive department of the Government of the United States, or under the Senate or House of Representatives of the United States, shall act as an agent or attorney for prosecuting any claim against the United States, or in any manner, or by any means, otherwise than in discharge of his proper official duties, shall aid or assist in the prosecution or support of any such claim, or receive any gratuity, or any share of or interest in any claim from any claimant against the United States, with intent to aid or assist, or in consideration of having aided or assisted, in the prosecution of such claim, shall be fined not more than $5,000, or imprisoned not more than 1 year, or both.

Mr. President, that has nothing in the world to do with practicing before a Government bureau after the term of employment has expired.

Mr. FERGUSON. It is true Section 109 covers one while he is in the employ of the Government. Section 113 covers the situation for a period after a man has been in the employ of the Government.

Mr. O'MAHONEY. That may be true, but the point I am making is that we should not delegate to the Commission the right to exempt by itself these attorneys and experts from a provision of law which rests upon every other employee of the Senate and House of Representatives, and every employee of the executive branch of the Government.

Mr. FERGUSON. I reply by saying that the bill merely states:

Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of sections 109 or 113 of the Criminal Code (U. S. C., 1940 ed., title 18, secs. 198 and 203), or of section 19 (e) of the Contract Settlement Act of 1944, or of any other Federal law imposing

restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States.

That is, the man who is employed automatically is released from the application of the section.

Mr. O'MAHONEY. In other words, the attorney employed may represent a claimant against the Government, and by reason of the provision suggested he will be exempted from liability to a $5,000 fine.

Mr. FERGUSON. That would be correct.

Mr. O'MAHONEY. I submit that is a thing we should not do, and I suggest to the Senator that the amendment I have proposed should be accepted.

Mr. McCLELLAN. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield to the Senator from Arkansas.

Mr. McCLELLAN. I call attention to the fact, in connection with the amendment offered by the Senator from Wyoming, that if enacted it will create in one single member of the Commission as now constituted a dual power, both in his service as a member of the Commission on Reorganization and also as a member of the Civil Service Commission, and therefore there would be set up in this one member of the Reorganization Commission a power superseding the Commission itself.

I have no objection to the amendment and the purpose of the amendment to provide supervision, but I do submit, Mr. President, that if there is to be any other agency to supervise, or any power to make final decision, it should not be the Civil Service Commission, but there should be substituted in the Senator's amendment for the Civil Service Commission the President of the United States, in my opinion.

Mr. O'MAHONEY. Mr. President, I did not think of bringing in the President because, of course, the President has so many duties that he would have to rely upon some other group. There might be some basis of criticism of such a suggestion in that the Commission has been appointed as an independent body to survey the whole executive branch of the Government.

I was aware of the fact that Mr. Flemming, a member of the Civil Service Commission, is also a member of the Commission covered by the bill, but I have no thought that the members of the Commission would knowingly employ any person who was desiring to use his position to facilitate the prosecution of a claim against the United States. Therefore I felt that no great harm would be done by delegating the supervisory authority, when the exemption is desired, to the Civil Service Commission.

Mr. McCLELLAN. What the amendment as now proposed does is merely to take away from the Reorganization Commission, as created, the authority that was delegated to it to do an independent job of its own. Now it is proposed that we transfer part of that authority to the Civil Service Commission, to say that, notwithstanding the power the Congress has delegated to the Reorganization Commission to do an independent job, the members of the Commission still cannot employ this individual or that individual, except as they go back to the Civil Service Commission and get consent from an agency of the Government which is subject to investigation and reorganization by the Commission created for that purpose as to whom the Commission shall employ to make the study and to make the investigation.

Mr. President, I am perfectly willing to see any safeguard written into the bill. I do not think anyone would assume any member of this Commission, created for reorganization of the Government, or the Commission as a whole, would desire to incur the risk of employing someone who might take advantage of the Commission or of the Government. But, charged with the duty that the Commission has, I simply cannot see that it should have to go to another agency of the Government which will come within the investigation, just as much so as any other agency, and get its consent as to whom the Commission shall employ to investigate it and to make the surveys, or to determine what shall be done.

Mr. O'MAHONEY. Mr. President, I think the Senator is in error. The amendment would not have the effect of delegating to the Civil Service Commission the power to say whom the Commission should employ. It would merely have the effect of delegating to the Civil Service Commission the power to pass upon those to whom the exemption from the Criminal Code should be granted. I think it would have the effect of inducing the Commission, on the reorganization of the Government, by whatever name it is called, to find employees, attorneys, and experts who do not have any interest in claims against the Government.

Mr. McCLELLAN. I call attention to the amendment as worded. I submit the able Senator from Wyoming is wrong in his interpretation that the Civil Service Commission would not have final control. I quote:

Provided, however, That with regard to employees, no exemption shall be effective——

Mr. O'MAHONEY. "No exemption from any of the provisions."

Mr. McCLELLAN. "From any of the provisions"——

Mr. O'MAHONEY. I had better read my own writing—

from any provision of law set forth in this subsection, shall be effective—

That is the exemption—

shall be effective until the Civil Service Commission——

Mr. McCLELLAN. Very well; "until the Civil Service Commission shall certify that the employment of such person is desirable."

The amendment as now proposed not only vests in the Civil Service Commission the right to deny employment to the individual, but also vests the right to deny to the Commission the right to employ anyone.

Mr. FERGUSON. Mr. President, this particular Commission was created by the appointment of eight members by the Congress of the United States. There are now on the Commission 12 persons, 6 of them from each party. There are upon the Commission two Senators and two Representatives. If a safeguard is desired, it is found in the bipartisan board, whose duty it is not to employ people who should not be employed. To say that the bipartisan Commission, containing two Members of the Senate and two Members of the House, must go to the Civil Service Commission, which controls in a way all employees of every other executive branch of the Government, and that it can not employ a lawyer and give him the exemption provided in the law unless consent is first obtained, is saying to the executive branch, "You can dictate every employee of the Commission." I submit that the safeguard is in the fact that it is a bipartisan commission. It is in the fact that there are on the Commission two Senators, two Representatives, and four persons named by the President of the United States.

To say that we are now going to make this a partisan matter, that we are going to give it solely into the hands of the executive branch, would be the same as wiping out the Commission and saying that the President of the United States should proceed under the power that we gave him for reorganization. That is not the purpose for which the act was created. We created the act that Congress might have an independent research of government, a review of the entire executive branch, in order that Congress could reorganize the Government of the United States. Therefore the amendment to the amendment should not be adopted.

Mr. HATCH obtained the floor.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me just a moment?

Mr. HATCH. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I desire to say that from the remarks of the Senator from Michigan when he first arose, when he said that it has always been his belief that exemptions from the criminal statutes should not be granted, or should be granted only sparingly, and from the remarks of the Senator from Arkansas, who has just taken his seat, that he has no objection to the adoption of a safeguard, but objects only to the fact that a member of the Civil Service Commission is also a member of the particular commission which is the subject of the pending legislation, it seems to me that it is only a matter of agreeing upon the words in which the safeguards shall be written.

The amendment which I have proposed or suggested here is one I wrote hastily since coming on the floor this morning. I make no pretense, of course, that it is perfect, but it does point out the primary issue, namely, are we going to grant blanket exemptions, or are we going to provide a safeguard? I hope the Senator from Vermont will entertain at least the possibility of a change of this language, so as to secure the objective which I am sure we all agree to. I understood the Senator from Vermont to say to me before the matter

came up that he likewise had no objection to a proper safeguard. Would the Senator be good enough to indicate whether he would be willing to cooperate to that effect?

Mr. AIKEN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Vermont?

Mr. HATCH. I yield.

Mr. AIKEN. I wish to repeat what I said before, that I should like to see all laws enacted by Congress properly safeguarded. However, in view of the discussion by the Senator from Arkansas and the Senator from Michigan, and after considering the situation, it appears to me that the proposal of the Senator from Wyoming to have exempt employees certified by the Civil Service Commission would in itself constitute a precedent. I cannot find that that has ever been done, with all the people who have been exempted.

Mr. O'MAHONEY. The Civil Service Commission has exempted every time it has passed upon the qualifications of an employee.

Mr. AIKEN. I do not think the Civil Service Commission passed upon the OPA employees who were exempt, or the War Labor Board employees who were exempt, or the Selective Service employees who were exempt. It is true that some of them did not draw any pay. Most of them, I think, did not draw any pay, but they did draw expenses.

Mr. HATCH. Mr. President, if I could regain the floor——

Mr. AIKEN. It seems to me that the wording suggested by the Senator from Wyoming in his amendment is unfortunate.

The PRESIDENT pro tempore. The Senator from New Mexico has the floor, and he declines to yield further at the moment.

Mr. HATCH. I decline to yield just now. I wish to suggest, in the first place, that this is a very serious amendment. It establishes a precedent. The cases in which there were exemptions, to which the Senator from Vermont has referred, were in most instances exemptions granted on account of wartime conditions, such as those granted under the Selective Service Act, of people serving without compensation, in many instances. But, Mr. President, as a former member of the Committee on the Judiciary which considered the amendments, I was always concerned that we were perhaps going too far in granting exemptions even for wartime services. I know the Senator from Michigan [Mr. FERGUSON] and I, in connection with the War Investigating Committee, have observed certain things that still further cause me to feel that perhaps we went too far in granting exemptions.

Referring to the particular amendment submitted, I cannot see why any attorney employed on a full-time basis, which is what the amendment says, should be, even from the very moment of his employment, in a favored class of attorneys who may accept claims against or on behalf of the United States Government, a thing that other attorneys may not do. I think the amendment ought to be considered most carefully. I think the suggestion of the Senator from Wyoming that a safeguard be inserted could well be given serious thought.

The suggestion that I rose to make was that I had contemplated addressing the Senate for about 10 minutes or so on another matter. I think now I shall proceed with that discussion, in the hope that Senators may get together and work out some language that will constitute a proper safeguard.

THE PRESENT PLIGHT OF THE NAVAJO INDIANS

Mr. HATCH. Mr. President, because of the fact that for several weeks I have been receiving communications from all over the United States, and because many Members of Congress have also talked with me concerning the plight and the problem of the Navajo Indians in my State, the State of Arizona, and the State of Utah, I want to give the Congress a little factual information concerning these Indians.

First, I would remind the Congress and the people of the country as a whole that the problem of the Navajos and the problem of the Indian people everywhere is not a responsibility of the local State in which they happen to be located. I say that, Mr. President, because in some of these communications the people of New Mexico have been taken to task as though it were their responsibility and not the responsibility of people residing outside the State. The obligation and responsibility for just, fair, and proper treatment of all Indians rests with the Nation as a whole. It is a national obligation and responsibility. It is not local to any State where Indians may be located, into which they may have been transported against their will, as they were in many instances, by the Federal Government.

I might add, Mr. President, that during the emergency which now exists the people of my State have been most generous in their contributions to the Navajos. Several towns have organized committees and have gathered food, clothing, and other necessary supplies which have been and are even now being sent to the reservation. Not only in New Mexico have such supplies been collected, but persons in other States have also sent generous contributions. I wish to thank all the people who have so generously contributed.

But, Mr. President, while charitable contributions may help to relieve the immediate situation, charity from any source is not the answer to the Navajo problem, and it is unfair and unjust to the Navajo Indians to make them the recipients of charity or public bounty.

The facts which I have assembled and now give to the Senate were prepared in large part by the clerk of the Subcommittee on Indian Affairs, Mr. Grorud.

The Navajo Reservation was established by the treaty of June 1, 1868. Following that treaty, various Executive orders enlarged the area, and the present area is approximately 15,445,000 acres. Of this area 10,805,840 acres are in Arizona, 3,437,150 acres are in New Mexico, 1,194,953 acres are in Utah. In addition to the above, areas lying east of the reservation boundaries in New Mexico have been allotted to the individual Indians, and some 700,000 acres of public domain are being used for grazing, making a gross total area of approximately 16,750,000 available for the Navajo Indians. Estimated Navajo population is between 50,000 and 60,000.

The Navajos have a tribal fund of approximately $1,100,000 now on deposit in the Treasury, drawing 4 percent interest per annum. This fund has been accumulated out of royalties received from oil, gas, and helium operations. This tribal fund cannot be used without congressional action. In addition to the tribal fund, the Navajos have a fund of approximately $400,000, known as the sawmill fund. This fund is not on deposit in the Treasury and no interest is being paid on it by the Treasury. This fund may be used by the Navajos without congressional action. Recently the Navajos withdrew $150,000 from the sawmill fund. Out of this withdrawal of $150,000, $143,000 was earmarked for relief purposes and $7,000 for legal expenses.

The War Assets Administration has recently furnished to the Navajos 40,000 pounds of rice; several hundred dozen cases of canned foods consisting of fruits, tomatoes, and other vegetables; 17½ tons of foodstuffs consisting of flour, sugar, coffee, spices, and so forth. The War Assets Administration is keeping the officials of the Bureau of Indian Affairs informed as to what food and supplies may become surplus and may be available for Navajo use. It is understood that the Navajos have priority in the acquisition of such surplus, which the War Assets Administration are disposing of from time to time.

Two carloads of fresh citrus fruits were recently allocated from the Friendship Train and given to the Navajos.

Twenty tons of clothing have been shipped to Gallup, N. Mex., for use of the Navajos. These shipments of clothing were shipped to the Navajo Assets, Inc., a corporation organized under, and by virtue of, the laws of the State of New Mexico, which corporation is a nonprofit organization, organized, as I understand it, for the purpose of aiding the Navajos, having its principal place of business at Gallup, N. Mex. The distribution of the clothing and food which is being sent and made available to the Navajos is made by the officials of the Bureau of Indian Affairs, by transporting these goods by automobiles and trucks to the various school houses located in the different areas within the boundaries of the reservation. The teachers and other employees at these schools make distribution to the Navajo families and individuals in the respective localities where these schools are located. These distribution points will reach every section of the Navajo country.

I am also advised that various individuals, church organizations and other welfare organizations and associations are contributing food and clothing to the Navajos, which goods and materials are being distributed among the Navajos by missionaries, individuals, the Navajo

Assets corporation, a group of individuals located at Albuquerque, N. Mex., and the officials of the Indian Bureau.

By the act of July 1, 1946, Congress appropriated for the Navajos for educational purposes at Shiprock for dormitories and utilities $318,600; Toadlena school expansion, $500,000, and by the act of July 25, 1947, Congress appropriated for the Navajos for educational purposes at Mexican Springs or Coyote Canyon day school conversion, $150,000; Toadlena school development $200,000. In previous recent years Congress has appropriated millions of dollars for the construction of school buildings, hospitals and sanitariums, and the furnishing of equipment and facilities for the use of Navajo health and education.

There are many well-equipped schools and hospital structures scattered throughout the entire Navajo country. However, roads, transportation, and other factors not necessary to discuss today have prevented the Navajos from receiving full benefits of educational, hospital, and other facilities. The plight of the Navajo is serious and requires not only emergency treatment, which is necessary now, but also it requires definite long-range programs with economic, educational and other essential features included.

General programs along the lines indicated are being worked out in the Indian Office, and various associations and committees throughout the country are seeking to find the best and final solution to the Navajo problem. Only yesterday the newspapers carried the story of Secretary Krug's report to the President and the President's favorable reaction to proper and adequate aid to the Navajos. Appropriation bills are now pending in the Congress looking toward other assistance.

In conclusion, I may say that it is my hope that the interest which has been aroused the past few weeks will not subside when the present crisis is passed. We are under a heavy responsibility and duty to the Navajos and other Indian people. If present interest is maintained it will go a long way toward helping to find the right, correct, and just solution which must be found if this Government is to carry out its obligation and responsibility to these unfortunate people.

PROCUREMENT OF TEMPORARY OR INTERMITTENT SERVICES OF EXPERTS OR CONSULTANTS

The Senate resumed the consideration of the bill (H. R. 4469) to amend the act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof.

Mr. O'MAHONEY. Mr. President, before the Senator from New Mexico [Mr. HATCH] took the floor, the Senator from Vermont [Mr. AIKEN], the Senator from Michigan [Mr. FERGUSON], and I consulted with respect to a possible alteration of the amendment which I suggested. As a result of that conference, I desire for the RECORD to offer the following substitute amendment to the amendment offered by the Senator from Vermont:

Provided, however, That with regard to employees no exemption from any provision of the laws cited in this subsection shall be effective until the respective Committees on Expenditures in the Executive Departments of the Senate and the House of Representatives shall certify that the employment of such person is desirable in the public interest.

The change is merely to drop out the Civil Service Commission and supply in place of that Commission the Committees on Expenditures in the Executive Departments of the Senate and House.

The PRESIDENT pro tempore. The Chair did not understand the statement of the Senator from Wyoming. Is he offering a substitute for the entire amendment?

Mr. O'MAHONEY. No; merely an addition. The language which I have read is offered to be added to the amendment offered by the Senator from Vermont.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Wyoming [Mr. O'MAHONEY] to the amendment of the Senator from Vermont [Mr. AIKEN].

Mr. FERGUSON. Mr. President, I see no objection to the amendment, which places the authority in Congress.

Mr. AIKEN. Mr. President, in view of the fact that if the House refuses to accept the amendment which I offered, as amended, the matter will have to go to conference anyway, I am willing to accept the amendment to my amendment which has been offered by the Senator from Wyoming.

If there is no further objection or criticism of the bill, I wonder if we might have it passed so that we may find out what the House will do about it.

Mr. LODGE. Mr. President, as the author of the bill which at the last session established the Commission on Organization of the Executive Branch of the Government, I have some background on the question which I think should go into the record while we are having this discussion.

It will be remembered that the bill was reported unanimously from the Committee on Expenditures in the Executive Departments. The subcommittee which considered it consisted of the able Senator from Maryland [Mr. O'CONOR], whom I see in the Chamber, the Senator from Minnesota [Mr. THYE], and the Senator from Ohio [Mr. BRICKER]. The subcommittee and the full committee reported it unanimously. It was reported unanimously from the House committee. It passed the House unanimously, and it passed the Senate unanimously. It was signed by the President.

The Commission consists of six Republicans and six Democrats. The membership embraces men of the caliber of former President Hoover, Secretary of National Defense Forrestal, former Ambassador Joseph P. Kennedy, former Under Secretary of State Dean Acheson, President Roosevelt's former private secretary, James Rowe, Mr. Mead, and Commissioner Flemming of the Civil Service Commission, and Professor Pollock of the University of Michigan. That is the type of men represented by the membership of the Commission.

Let us be realistic about these matters. These are not men who are going to try to employ persons who will endeavor to put anything over on the Government. The Commission is bipartisan, and it is being conducted on the highest possible level. The Commission is not to report until January 1949, which takes the whole question out of the election, so there cannot possibly be any politics connected with it. I am in touch with the operations of the Commission. I am greatly encouraged by the wonderful study that has already been made, and the way in which all these fine Americans are working together.

I agree with the Senator from Wyoming that there should always be safeguards against any contingency; but, Mr. President, we have six Republicans and six Democrats on the Commission. They are men of the highest reputation and ability, and there is no safeguard in the world that is better than that. There is not any bureau or commission in Washington composed of abler men than are these men. I think the notion that something wrong is going to happen is perfectly fantastic, and the idea that these men are not capable of safeguarding the Commission against anything improper is equally unrealistic.

In my view, the proposed amendment does not set a precedent. As the Senator himself points out, during the war we exempted all sorts of agencies. I think it is a poor principle to put the Civil Service Commission in a position so that it can control the investigations and studies of this body which is supposed to consider the whole Government. One of its prime functions is to look into the matter of Government personnel, to see whether modern methods of personnel selection or promotion can be applied to the personnel of the Government.

I think the original amendment of the Senator from Wyoming is unnecessary. I think it might very well hamper the operations of the Commission. I appreciate the fact that he has modified it, and I think the modification is a very great improvement. I do not think the amendment is necessary, however. I believe the Commission can go ahead and function with the modification which the Senator has suggested. I assure the Senate that this Commission is a very high class body. It has gotten off to a wonderful start. The notion that anything improper is going to take place is completely beyond the realm of possibility.

Mr. O'MAHONEY. Mr. President, I want the record to be perfectly clear that I have not even implied any criticism of the character or ability of the gentlemen who constitute this Commission. I shall be quite ready to endorse everything the Senator from Massachusetts has said about the members of the Commission in that regard. I point out to him merely that the difference be-

tween his point of view and mine as expressed here today is the difference between government by men and government by law. If we now set a precedent whereby one group of excellent men of high character shall be able to grant exemptions from the provisions of the criminal laws, it may at some time in the future bring forth a similar exemption, just as the exemption we granted to the Selective Service and to other bodies at the height of the war is cited now as a precedent for this exemption for what we might call a peacetime department.

I am very happy that the Senator from Vermont has indicated his willingness to accept my amendment.

The PRESIDENT pro tempore. The Chair understands that the Senator from Vermont accepts the amendment of the Senator from Wyoming to his amendment.

Mr. AIKEN. The Chair understands correctly.

The PRESIDENT pro tempore. The question is on agreeing to the amendment as modified, offered by the Senator from Vermont.

The amendment as modified was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 4469) was read the third time and passed.

THE REMEDY FOR INFLATION

Mr. ROBERTSON of Virginia. Mr. President, the inflation situation confronting this Nation calls for self-control and a willingness on the part of every producer to contribute to the national stock pile of goods and services the equivalent of what he desires to withdraw from it; and that is a problem which no law can solve.

Congress is wrestling with proposals to curb this inflation, which already is hurting many people and which, if it continues upward for another 6 months as it has for the last 6, is bound to end in disaster for us all.

In my opinion, there are no laws which Congress can pass which can adequately protect us from the consequences of selfishness, greed, and group rivalry. No small group can sit behind closed doors in Washington and play providence for 140,000,000 people. No group in Washington is wise enough to so balance an intricate economy in a democracy as to make it function successfully.

In our present emergency a partial price control would tend to accentuate the prices free from control and a complete price control would not function without rationing. But rationing and price control in peacetime would not have the public support it had during wartime and therefore would not function successfully.

The more I hear the testimony of witnesses before the Banking and Currency Committee and read the testimony of witnesses before other committees on what the Congress should do to cure our ills, the more I am convinced that the real answer lies with the American people.

Consider the price of steel, for example. It was not necessary to advance that price $5 a ton to offset an increase in the price of coal from captive mines of $1.50 a ton or less. The steel workers are demanding a third round of wage increases, although the average of industrial wages has risen 110 percent since 1939, while the cost of living has risen in the same period 66 percent.

Now is the time for the leaders of the steel industry to show wisdom as well as patriotism by reducing the price of steel which is such a major factor in so many other industries.

Now is the time for every manufacturer to carefully examine his net income after taxes to determine which will be best for him in the long run—reasonable profits in a stable economy or excessive profits in a boom which is bound to end and which possibly may end before the fall of 1948.

Now is the time for labor leaders to consider the effect upon future employment of wage increases which add to the cost of production and for farmers to consider the public attitude toward a price-support program in the years to come if they wring the last dollar from a world-wide shortage of wheat.

The more highly organized society becomes, the less we can interpret personal freedom in terms of the primitive man. In such a society personal freedom of the natural man must yield to certain controls. But free will is the law of God and its counterpart is accountability. We have achieved a record production in a system of free enterprise and there is no other system comparable to it, but the absence of state control implies the necessity for self-control, and there is no substitute for it.

TREATMENT OF THE INDIANS, AND AMERICAN RESPONSIBILITIES AT HOME

Mr. LANGER. Mr. President, last evening I received a telegram which reads as follows:

Congratulations to you and your five colleagues for negative Europe relief vote. More charitable from a practical standpoint to first feed starving American Indians.

That telegram is from the Benson County Board of Commissioners.

I might add, Mr. President, that this board of county commissioners is an experienced board. It is a board of very representative and patriotic American citizens. It is my judgment that the board truly represents the feelings of the people of North Dakota who are familiar with the Indian problems, because Fort Totten is located in Benson County. There is another Indian reservation close by with which these county commissioners also are undoubtedly familiar.

A few moments ago we heard upon the floor the fact that no State is responsible for the care of the Indians within its borders. The senior Senator from New Mexico had a good deal to say about the Navajos. The Navajo question was gone into by me very carefully approximately a week ago.

I have in my hand a copy of the Albuquerque Tribune for the 29th day of November 1947, which says:

Navajos will use violence to get food, bishop asserts.

It refers to Bishop Stoney of the Episcopal district of New Mexico and southwest Texas.

While we are sending $597,000,000 to Austria, Italy, and France, right here in the United States our own people are starving to death.

On the front page of the paper to which I have referred I find this statement:

CITY JOINS IN TRUCK CARAVAN TO AID NAVAJOS

A truck caravan to get food and clothing to the destitute Navajo Indians by mid-December was organized here this morning, and by noon eight other communities had pledged their support to the movement.

In other words, as the distinguished senior Senator from New Mexico said, the care of these Indians may not be the obligation of Arizona or of New Mexico, but by almighty heaven it is the obligation of the United States of America, the obligation of our Government. Nevertheless, we simply have not done anything about it, Mr. President. Year after year those Indians have become poorer and poorer. It will be recalled that when I last discussed this matter, a week ago, I referred to the number of medals Indian boys received during the last war. Two of them received the highest honors any soldier can receive at the hands of our Government.

The good bishop says this:

The Navajo Indian will resort to violence—

Mind you, Mr. President, this article was published only 4 days ago in the Albuquerque Tribune—

The Navajo Indian will resort to violence to solve his present starving state on "a small island of ignorance, disease and poverty maintained by the Government through 80 years of failure and neglect," an Albuquerque churchman declared in an interview here today.

Bishop James M. Stoney, of the Episcopal missionary district of New Mexico and southwest Texas, said his personal inspections of the Navajo Reservation in western New Mexico and eastern Arizona had convinced him that force is the only alternative remaining for the Navajo.

"There are two possible ways of expression for any group: Votes or violence. The Navajo has no vote, and he is starving. What is there to look for?" Bishop Stoney said. He did not elaborate on the type of violence he expected.

THEIR WORST WINTER

He reported that the Navajos had begun pawning of their family jewelry in September and that they are experiencing the worst winter in their long association with the white man, an individual, who the Navajo is convinced has succeeded only in gypping the Indian.

"The Government has fallen down absolutely in its promises of health and education," Bishop Stoney asserted. "Administrators have expected more of the Navajos than we expect of ourselves.

"Teachers who cannot speak Navajo attempt to educate Navajos who cannot speak English—and the Navajo language was probably the only 'code' which could not be

'broken' during the recent war. School enrollments are padded and only one hospital is provided where 10 are needed."

The potential of starvation and disease has existed for a long time, but has been pointed up this winter because of the end of Government wartime allotments, the return of former Indian soldiers "who know the score," and the failure of Indian handicraft to compete in the white man's market, the church leader explained.

ONLY 200 TB BEDS

He said unofficial figures showed a 35 percent incidence of tuberculosis, and a 20 percent occurrence of syphilis among the Navajos.

"Government schools and hospitals are marvels of equipment but they manage to provide only 200 beds for TB patients among 55,000 Navajos," he said. "Only 25 percent of the children can enter the schools, and most of them get only as far as the fourth grade."

He continued: "We tell them it is not patriotic to use violence, but then we keep them from voting. Politicians will do nothing for the Navajos—or other Indians—because it will gain the politicians no votes. But something must be done to avert the violence which has seethed under cover since WPA days."

Mr. President, this statement was written by Mr. Doyle Kline. The caravan which I described a moment ago was organized in Santa Fe, to get food to these people.

On the front page of this newspaper is another article bearing the heading "Warehouse is empty; Navajos still hungry." This article comes from Gallup, N. Mex., bearing date of the 29th of November:

WAREHOUSE IS EMPTY; NAVAJOS STILL HUNGRY

GALLUP, November 29.—The warehouse from which winter relief food and clothing has been distributed the last few weeks to the Navajos will be empty this week end.

Bert Pousma, field agent for Navajo Assistance, Inc., which is serving as the clearinghouse for contributions coming from all over the country, said he would take "a small truckload of stuff" to the Sheep Springs and Tohatchi areas north of here this morning, completely emptying the warehouse.

Truckloads of goods from Denver long since have been distributed, he said, and there were continued requests for help. A request for clothing for 50 families near Keams Canyon, Ariz., cannot be filled until more contributions are received at the warehouse. Present supplies are cartons sent from Pomona, Calif., things collected in the Gallup schools last week, individual shipments of cartons and donations received through the Gallup Woman's Club.

The goods received have been distributed over a wide area, Pousma said, from Farmington and Shiprock on the north, Torreon 150 miles to the northeast, and Oljato, Utah, in the Monument Valley country, most isolated and needy part of the reservation.

Pousma said there were promises of truckloads of supplies from Albuquerque and a truck caravan from California which should reach here before Christmas. The caravan is being organized by the AMVETS. Fifteen to twenty bales of clothing to be shipped by the American Friends Service Committee are not scheduled to reach here for a few weeks.

All missions, schools, traders and other agencies in the Navajo country are helping in the distributions of the goods, Pousma said. They survey their local needs and make them known to Navajo Assistance, Inc., and are given the goods from the warehouse as they are available, Pousma said.

So, Mr. President, again I refer to the telegram signed by the five fine men who compose the Board of Commissioners of Benson County, N. Dak.

The day after I spoke upon this floor on this subject I saw an announcement coming from the White House to the effect that something was going to be done for these Navajo Indians. But I submit that that is not anywhere near sufficient to take care of the hunger and the want and the starvation of American Indians. As I said when I spoke a week ago, I have visited in the State of California, and there among the Torreon-Martinez Tribe I found exactly the situation that we find among the Navajos. The trouble has been that these Indians have not been taken care of properly. I remember that when the Civil Service Committee met a year ago and called in representatives of the Office of Indian Affairs they did not say anything was wrong. From the Secretary of the Interior, the Under Secretary of the Interior, and the Indian Commissioner we received the impression that everything was all right.

Let me now refer to the further fact that the Indian Commissioner has been ill now for month after month after month after month after month. At the time when the present Indian Commissioner was appointed he frankly admitted that his experience was confined to New Mexico, and that he had to take a trip to other States and to Alaska, where we have Indian tribes, to become familiar with conditions there. Nevertheless, his appointment was finally confirmed, over the objection of various members of the committee. Now we find that we have an Acting Indian Commissioner.

I maintain that it is passing strange and is a sad commentary upon the United States Government that at the time when it is setting out to rule the world and has sent $58,000,000,000 to country after country after country, at the same time, it has not even taken care of the Indians in the United States. Not only that, Mr. President, but the United States has not even taken care of Alaska or Hawaii or Puerto Rico, as I shall point out later in my remarks. The situation is damnably rotten, if I may use that expression upon this floor.

Mr. President, I hold in my hand a copy of the Los Angeles Examiner for December 1. In this Hearst newspaper we find an editorial entitled "A Disgrace to America," with a cartoon above it showing that Uncle Sam is sending billions of dollars to Europe, while lined up before him are the starving American Indians—Indians who actually are starving while billions of dollars are being handed out to foreign countries.

I wish to make it clear that if the statement from the White House refers only to Navajo Indians, the amount of money for support and relief will not be sufficient, because, as I said before, there are other tribes here in the United States that are in want and misery. For that reason, unless something is done promptly and announced by the Indian Bureau, I propose to introduce a bill by next Monday calling for an appropriation of not less than $100,000,000, to be expended by some existing relief board. I intend to confer on that matter with my distinguished colleague from Oregon [Mr. MORSE], who at the last session introduced one of the outstanding Indian bills dealing with claims of Indians; which, however, was not passed.

It was shown by the testimony of the Indian Commissioner before the Civil Service Committee that certain Indians in the State of Oregon were almost as intelligent and as well educated as the average white man residing upon the Indian reservation, and that upon an Indian reservation in the State of Oregon there were a very great many white men. Nevertheless, when a few Indians get together, there are five Federal employees present to see that the law is not violated. The testimony has shown further that the children of Indians and whites attend the same schools. When one reads the testimony of the Klamath Falls Indians, but one conclusion can be reached, and that is, that the Indians are being wrongfully deprived of their liberty and their property. Under the bill introduced by the distinguished Senator from Oregon, they would be entitled to manage their own property.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the Senator from Oregon.

Mr. MORSE. I want to say to my good friend from North Dakota that I appreciate his remarks, because I interpret them to mean that I can rely upon him for support of my bill when I succeed, as I think I shall, in calling it up for a vote in the next regular session of the Congress.

Should I also understand from the remarks of the Senator from North Dakota that he agrees with the junior Senator from Oregon that we should give careful consideration in this country to removing all Indians from the role of wards of the State at the earliest possible date?

Mr. LANGER. That is correct. I agree with that fully.

Mr. MORSE. I want to say to the Senator from North Dakota that I think the time has come when there is need for a complete overhauling of the Indian Service; not that I criticize the personnel of the present Service, but that I criticize the basic principle on which the program rests, namely, that the Indians must be treated as wards of the State. I think that in a country boasting of a free school system we ought to be able to put into practice the real purpose of that free school system, and let intelligent and educated Indians run their own affairs as all other free Americans do.

Mr. LANGER. May I ask the distinguished Senator from Oregon a pointed question? Would the Senator say that the United States Government has made a success of dealing with the Indians when, after a hundred years of education, there cannot be found a single Indian, even an Indian of half-blood, whom the President would consider fit to be Indian Commissioner, although some of them are graduates of Harvard, Columbia, Yale, and Princeton, in the

East, and of some of the large universities of the West, including the University of North Dakota and the University of Oregon?

Mr. MORSE. I simply do not share the conclusion that it is impossible to select a good many very competent Indians to run their own affairs. I would add, I think the continuance of the type of Indian Service that exists in this country has become the establishment of a type of bureaucratic government that ought to be modified at the earliest possible date.

Mr. MOORE. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the Senator from Oklahoma.

Mr. MOORE. As no doubt the Senator from North Dakota knows, the State of Oklahoma has the largest Indian population of any State in the Union.

Mr. LANGER. I am familiar with that fact.

Mr. MOORE. The Senator also knows that there probably is no difference between the mental capabilities of Oklahoma Indians and the mental capabilities of the average white people who are neighbors of the Indians. He also knows that many Indians from the State of Oklahoma have been elected to the highest courts, have held the highest State offices, have been elected to the Senate and House of Representatives of the United States, and have been elected to legislatures. Yet all those Indians are wards of the United States Government. It seem to me the Indian Bureau is the most useless Bureau and the most powerful Bureau and, so far as I can see, the Oklahoma Indians, especially the Five Civilized Tribes, and probably all the Indians, including the Osages, should be freed entirely. They are citizens of the United States and of the State of Oklahoma. They have the right to vote and the right to own property, but they do not have the right to manage their affairs with the United States Government. So far as I am concerned, I should like to see the Indian Bureau entirely abolished and the responsibilities of the Indians placed upon themselves.

Mr. MORSE. Mr. President, will the Senator from North Dakota yield, so that I may ask the Senator from Oklahoma a question?

Mr. LANGER. I yield.

Mr. MORSE. I wish to say to the Senator from Oklahoma that I appreciate his remarks, because I think, if he will permit me to say so, he is the best-qualified man in the United States Senate to pass judgment upon Indian affairs. I think he knows more about Indian affairs than any other Senator with whom I have conversed. I should like to ask the Senator from Oklahoma if he agrees with me that we have developed the Indian administration to such a point that it has created a large number of very soft, push-button, plush-bottomed jobs for a good many people.

Mr. MOORE. I definitely agree with the Senator in that respect.

Mr. LANGER. Mr. President, I notice in the Chamber the distinguished Senator from Minnesota, who, as a former Governor of his State, was, I think, as surprised as I was to discover at a hearing, when the Acting Indian Commissioner, Mr. Zimmerman, testified, that today in the city of Minneapolis, Minn., there are 2,000 Indians who are wards of the United States Government and who are enrollees. In the city of Brooklyn, N. Y., there are hundreds of Indians who are wards of the Government. The distinguished junior Senator from Vermont [Mr. FLANDERS] asked the Indian Commissioner, "I think I am one one-hundred-and-twenty-eighth Indian; do you think I am a ward of yours?"

When Mr. Collier became Indian Commissioner there were, roughly, as I recollect now, 240,000 enrolled Indians. An effort was made immediately to get every single Indian they could find, no matter how well educated, and put him on the rolls, with the result that there are now nearly 400,000 enrollees. In the month of January 1947 the Government had actual charge of approximately 233,000 Indians. To take care of those 233,000 there were approximately 12,000 Federal employees. From those figures it can be understood whether or not the question the distinguished Senator from Oregon asked was adequately answered by the distinguished Senator from Oklahoma.

Mr. MOORE. Mr. President——

The PRESIDING OFFICER (Mr. KNOWLAND in the chair). Does the Senator from North Dakota yield to the Senator from Oklahoma?

Mr. LANGER. I yield.

Mr. MOORE. The Senator from North Dakota knows, I am sure, that the claim for appropriations is based upon the number of enrolled Indians of the country, and that is the very reason why it is considered necessary to have as many enrollees as possible.

Mr. LANGER. The Senator from Oklahoma knows that the appropriation last year was in the sum of $45,000,000, and that the Appropriations Committee this year, only after a struggle, was able to reduce it to, roughly, $40,000,000.

In connection with the telegram which I read originally, I might say that I have received scores of letters commenting favorably upon the votes of those in the minority on the interim aid bill. I desire to bring to the attention of Senators a feeling which I believe prevails throughout the United States, that before appropriations of money are made for the so-called Marshall plan we should first take care of the people of our own country. I wish to read just a few letters that I have received from my own State.

Here is a letter that was written to me from Courtenay, N. Dak., November 23:

I am writing in regard to my mother-in-law's pension.

I shall not give her name.

She is getting a Civil War pension of $40 a month. Senator Frazier got it for her. Now she is 86 years old, nearly 87, and she needs more than that in order to meet the high cost of living. Do you think you could help her get a raise? She cannot get an old-age pension, because she is the widow of a veteran. If she is to get more coal, food, and money for doctor bills, $40 is not enough.

Her son is a cripple and he only has one limb, and he only works a few days a week and then is laid off 2 or 3 weeks, often with arthritis which he has awfully badly. I wish you would see what you could do to raise this pension, that they may pay higher monthly payments, for food and coal today are so much higher.

Mr. President, later I shall read a letter from a veteran's widow. Then I shall let this body decide as to what the American people may think, when our own people in this country are actually suffering and in want, while we are sending $597,000,000 to France, to Italy, and to Austria, without first having made a survey of what our own people are undergoing at the present time.

I have here a letter from Baltimore:

I have long been trying to call your attention to a matter.

The writer is referring to the Senate, not to me personally. It is the first letter I have ever received from him.

I am now 68 years of age. Have applied for old-age payments and they tell me I must earn $100 pay to get any additional pay at all.

I was one of the white-collar men as a salesman in Washington for 25 years with Moses & Son, Eleventh and F Streets NW., until the income tax put me out of employment. I lost my wife and am now being supported by my only daughter. When I was working during the war I was charged from $9 to $12 a week, but I have been out since the close of the war. I cannot get employment at any time. They tell me I am too old; must have a younger man. If I can get anything to do I will gladly do it. I have not been able to take the slurs of my daughter that she is supporting me after having been out about 15 years.

I have here a letter from my own State, from a man whom I know well, and I have no objection to giving his name. It is from Wilton, N. Dak., dated November 24:

DEAR SENATOR LANGER: I have been wondering why we do not get farm machinery here. In order to get it, we have to pay black-market prices. Are they shipping this machinery to Russia, or what? I have heard they are shipping it to Russia. Is that really true?

NICK KRUSH.

The only answer I can give him, Mr. President, is that not only have shipments of farm machinery in considerable amounts been made to Russia, but in addition to that thousands of locomotives have been sent to Russia and to other countries. Many thousands of boxcars, manufactured in this country have been shipped to other countries. For example, 4,000 boxcars were sent to Argentina. Two thousand boxcars were sent to Mexico. That was done at the very time when the junior Senator from North Dakota [Mr. YOUNG], my distinguished colleague, and I were trying to secure some boxcars for North Dakota last year and the year before, as well as this year, in order to move to the market crops raised in the United States, crops which the farmers were piling up out on the prairies of our State, and also upon the prairies of the State of Montana.

I have here a letter from Belleville, Ill., from the secretary of a branch of the

Mr. LUCAS. The Senator was reading from a letter which he received. I do not know whether the Senator adopts that language or not; but if I were reading from a letter which I had received from one of my constituents, I would believe that I was telling the truth, and I would adopt that language as my own language if I read it on the floor of the Senate. Perhaps the Senator does not follow that theory; but I never read a letter on the floor of the Senate unless I adopt it as my own language. Otherwise there is not much point to it.

Mr. LANGER. I suggest that the Senator adopt the language of the next letter. This one is dated November 21, and is from Hannover, N. Dak.:

I have come to feel it is my duty to call your attention to certain facts concerning the Federal crop-insurance program. According to information received, Oliver County was very successful in selling 3-year contracts covering 1947, 1948, and 1949. One of the main points was the so-called accumulated reserve, which would entitle the producer to one-half rate premium sooner or later.

Due to congressional failure—

I do not care whether the failure is a failure of Democrats or of Republicans. I think I have made my position clear time after time on this floor. With only three Democrats and three Republicans voting "nay," the Senate voted to send $597,000,000 abroad. Our Government promised the farmers of our country crop insurance. What happened?

Due to congressional failure to provide funds for continuing these contracts—

Contracts made by our own Government, and signed by our own Government. The farmer relied upon that contract, bought machinery, and put in his crops, but the Congress would not appropriate funds.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. LANGER. Wait until I finish reading the letter:

Due to congressional failure to provide funds for continuing these contracts, the insurance corporation has found it necessary to cancel them. I object to this failure to at least carry out the 3-year contracts. If there had been a reduction in premiums in cases where no loss had occurred cancellation of contracts might have been acceptable.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. LUCAS. The Senator is reading a letter which, from my own personal knowledge, is absolutely correct. There is no question that last year the Congress of the United States did eliminate crop insurance. At the time I thought that was wrong, because a few years previous to the last session of Congress we entered into a program in all sincerity in order to try to give the farmers of the country some security against crop failure.

The Senator well knows who is responsible for cutting off the funds for crop insurance. The Republicans are in control of Congress, and they must assume that responsibility.

Mr. YOUNG rose.

Mr. LUCAS. I see my good friend the junior Senator from North Dakota rising. I know exactly what he is going to say. Before I take my seat, therefore, let me say that he is not one of the Republicans who are responsible. He happens to be a member of the Committee on Agriculture and Forestry, of which committee I am also a member. We see eye to eye on most questions involving agriculture. However, agriculture is not the only question involved. The Republican Congress eliminated funds in a great many instances, in the name of economy which was false from start to finish. The Senator now is helping to make a case for the Democratic Party in connection with crop insurance.

Mr. LANGER. I now yield to my colleague.

Mr. YOUNG. Mr. President, I thank the Senator from Illinois for his kind remarks concerning my views on agriculture. By legislative act, and not by appropriation legislation, the crop-insurance program was reduced to an experimental basis. The administration now can carry on the program in only a few counties of each State. I should like to inform my distinguished colleague that I was the only member of the conference committee between the House and Senate who refused to sign that report bringing this about. The committee was comprised of both Democrats and Republicans. While I am on my feet I wish to commend my colleague for the able speech he is making.

Mr. LANGER. Mr. President, I come back to my original premise. We voted to send $597,000,000 to Austria, France, and Italy. We did it at a time when we were failing to carry out the contracts which our own Government had signed with the farmers of the Nation.

Mr. President, I have another letter. This one is from Fargo, N. Dak., where we have a very fine agricultural college. There is need for a certain type of building, in order properly to train the farm youth of my State and surrounding States. The local authorities have begged for a building, but are unable to obtain it. The particular building has to do with quarters for the Federal Government. The building was promised time and time again. Similar buildings have been erected in some of the other States. We had a difficult time even in obtaining soil pipe for some of the trailer camps.

I have another letter dealing with the question of accumulated reserves which have been set aside in crop insurance.

I have a letter from a businessman which reads as follows:

While our American people are going without a lot of necessities of life, including material for building homes, steel and iron for making cars, farm machinery, etc., it leaks out every once in a while that we are sending all such scarce items to the European countries including Russia. I heard over the radio the other day that we are sending iron and steel to Russia, including locomotives, and then a lot of administration officials and other politicians are telling the American public (who pay the taxes) that we have got to help the European countries to avoid the spread of communism.

I have before me a resolution from the Crow Indian Tribal Council. There was a meeting of delegates of the Crow Indian Tribe. I shall not read all of the resolution. They want money.

Whereas in the requests for sale of lands by Indians far advanced in years who may be sick, childless, and in need of money to meet the cost of the necessities of life or medical aid, or who may be the possessors of land far beyond their needs and who may wish to sell a portion of their land holdings and thus obtain needed cash for their needs before they die or who, for any other reasonable purposes, wish to sell a portion of his or her lands cannot do so, on account of the closed-door to sale-or-disposal-policy of the Indian Bureau.

What this tribe says bears out what I said a few days ago about the Indians who came back to Arizona and New Mexico—GI's who are unable to make a GI loan because they do not own the land. Title to the land is in the name of the Government.

Mr. President, it will be remembered that at that time I gave a list of distinguished men who had received honors at the hands of our Government; yet they were unable to get a loan.

I have here another letter from Jamestown, N. Dak., which reads as follows:

I wish to give you the opinion of one veteran's wife—and doubtless there are a lot more of the same opinion—on the veteran's school allotment.

They were promised $90 for married vets. On the strength of it we've built a home—rather are still in the process of building—nearly 2 years. By budgeting our income, allowing for overtime, he could work to help finance it. We nicely got everything started, including loan, etc., when allowance was cut and a ceiling put on veterans' earning powers regardless of number of hours he'd work. The more overtime he puts in the more he is cut down—instead of getting $90 he is getting $41.20 in spite of rise in living costs in the past year.

Here is another letter, Mr. President. These letters have all come within the last few days. This one reads as follows:

I am writing you a few lines to see if you can help me.

My husband has arthritis so bad in the spine and neck he hardly can't do anything. He was in the Veterans' Hospital in Fargo, N. Dak., for 3 weeks. They told him when he was discharged they couldn't help him any. He put in for a pension when he was there. Last week he got a letter from them that he wasn't getting any pension. They said he had to be totally disabled before he could get any pension.

Mr. President, every Senator on the floor knows that that is not true. They can pay 10 percent disability or 20 percent or whatever it may be. As can be seen by looking at the letter, it is written by a person who is rather ignorant. But here is a man who was misinformed, and so his wife writes a United States Senator that kind of a letter.

I have here a letter from the Second Assistant Postmaster General stating that in order to save $1,172.72 and to save 55 miles of travel, the Department is discontinuing a rural route. The farmers have to go without their mail while we send $597,000,000 to foreign countries.

I have here an article appearing in the St. Louis Post-Dispatch. We are helping all the foreign countries, but here is how we have taken care of Alaska, according to the St. Louis Post-Dispatch:

Congress has delivered Alaska into the hands of a salmon monopoly which pays only very small taxes to the Territory and does not even provide full local employment. Alaska's economic colonialism is made still more stultifying by the Jones Act of 1920 which requires all Territorial commerce by sea to be handled in American bottoms—which means, in practice, a Seattle shipping trust.

The rates—

This is what the distinguished Senator from Nebraska [Mr. BUTLER] was talking about a while ago.

The rates these steamship lines charge for both freight and passengers are among the highest in the world. Another transportation incubus is imposed by freight rates on the Government-owned railroad, the only one in the Territory—

Mind you, here is a railroad owned by our own Government in Alaska; and we are supposed to help Alaska. What freight rates do we charge in Alaska? The article says further:

Another transportation incubus is imposed by freight rates on the Government-owned railroad, the only one in the Territory, which are the highest in the Western Hemisphere.

That is how we are developing Alaska—by charging the highest freight rates in the Western Hemisphere. I can readily join with my distinguished friend from Nebraska in what he stated a while ago in connection with the Jones Act.

I read further:

These and other arbitrary barriers to the free use of natural resources are the causes of incongruous weaknesses in the economy. For example, despite abundant coal reserves and rich soil that will grow two crops a year, Alaskans must import coal and 90 percent of their foodstuffs.

Then the editorial says further that the proposed legislation would give war veterans "a maximum of 3 square miles of land in the Tongass National Forest. Since the veterans could hardly farm this mountainous and wooded terrain, they would be natural prey for predatory lumbermen."

I have another letter dated November 27, which reads as follows:

I am writing you a few lines again and asking you if the boys we are staying with will have to take us off the welfare board, and the boys don't feel like doing that. * * * We don't have no property. The boys let us stay with them. We was getting $15 and $14 for a while. Now she has cut us down to $9.

They have taken old pioneers and cut them from $15 to $9. At the same time we are sending vast sums of money to foreign countries.

Mr. President, I have here a copy of the speech made on Monday by the distinguished Senator from Florida [Mr. PEPPER], appearing on page 10976 of the RECORD. I should like to quote what he said about the situation in this country, as follows:

Figures were given out the other day indicating that the median of American income per family is $2,300. Half of the families make less than $2,300 a year and half make more than that What kind of a standard of living is possible today for people making less than $2,300 per family? The majority of the children of America, Mr. President, that have to fight our wars and build our strength in the future are living in families of four, on an average, where the gross income is less than $2,300 a year.

It was only a short time ago that a report was made by Mr. Delano, the head of the National Resources Board, which stated there were families at that time in America trying to live on $230 a year. How well I remember that the Senator from Delaware said he simply did not believe it. Yet there was that report by the National Resources Board which went into detail in giving the income of families at that time.

What does the average farmer think when he reads an account such as this one which appeared in the New York Times a short time ago? I read:

British industry seeks steel here. Two million five hundred thousand tons of finished products believed to be goal of new buying mission.

Interests acting in behalf of several British steel companies and other industrial concerns will attempt next week to place orders—

And so forth. In Hettinger County, N. Dak., according to sworn testimony of the county agent in the presence of 400 farmers who appeared there when a meeting was called, the farmers lost $1,000,000 worth of flax and wheat because there was not steel enough to get farm machinery to produce the crops. Two million five hundred thousand tons of steel are going to England, just as 34,000 boxcars have been sent to England. We sent to foreign countries 30,000 prefabricated houses built in this country at the very time when our own veterans were unable to get homes.

Mr. President, I have an article appearing in the New York Times which states that a London curio shop put up a sign reading, No Americans Are Welcome Here. That is on the front page of the New York Times. That is the way they feel after our sacrificing and sending them machinery to help them win the war.

I have here a letter showing the difficulty a farmer is having in trying to get a tractor so that he can make a living. I received the following letter this morning:

DEAR SENATOR LANGER: Will let you know that we are still waiting for a tractor, and you say till next harvest. What do you think about our spring work? How can we get it out without any tractor? Ours is no good. We had to wait until two of our neighbors were done with their spring work to help us get our crop in, so you see that we need a tractor right now for spring work right away.

Then there is a postscript as follows:

Hope to receive a new tractor as soon as possible.

That tractor, Mr. President, means everything to that particular family. Yet we send many thousands of tractors to one foreign country after another, including Russia. These folks are supposed to be patriotic American citizens, fighting communism.

Mr. President, I hold in my hand an article headed "U. S. gift-loan held cause of British crisis," appearing in the Chicago Tribune on September 4, 1947. The first paragraph reads as follows:

NEW YORK, September 3.—Max Aitken, publisher of the London Daily Express and the Evening Standard, believes that the basic cause for the present political situation of England is the American gift-loan to Britain and the conditions under which it was accepted.

In other words, if we had not loaned them or given them the $4,000,000,000 they would not be in trouble today, and therefore we are to blame.

Mr. President, I hold in my hand resolutions which were adopted by the Williams County Farmers Union, of Williston, N. D. These resolutions give fairly well an idea of what the rank and file of the people are thinking. They read as follows:

WILLIAMS COUNTY FARMERS UNION,
Williston, N. Dak., October 15, 1947.

HON. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

DEAR MR. LANGER: At the annual convention of the Williams County Farmers Union, October 11, 1947, at the Williston Armory, the following resolutions were adopted by the group:

"Be it resolved by the Williams County Farmers Union in annual convention assembled this 11th day of October 1947, That we strongly urge upon our Senators and Representatives that they actively work for and support legislation providing for increased funds for the building of rural electrification lines."

"Whereas big business is profiting and creating scarcities and is trying without justification to blame farmers for the inflation that is resulting; and

"Whereas some industries, such as steel, have openly and defiantly engaged in a sit-down strike against adequate production; and

"Whereas the statistics from the Department of Agriculture show that the farmer actually has 10 percent less purchasing power than in July 1947: Be it therefore

"Resolved by the Williams County Farmers Union in annual convention assembled this 11th day of October 1947, That we ask for restoration of tested inflation controls, and that copies of this resolution be sent to the North Dakota Farmers Union and Senators and Representative from North Dakota."

"Whereas there is already developing a serious shortage of electric energy in many parts of our country; and

"Whereas the continued expansion of REA lines to our farm people may suffer delays if such power shortage is not corrected: Now, therefore, be it

"Resolved, That we, the members of the Williams County Farmers Union, in annual convention assembled in Williston, N. Dak., this 11th day of October 1947, respectfully request that the United States Corps of Army Engineers and the United States Bureau of Reclamation to take all steps necessary to increase the generating capacity at the Fort Peck Dam to its maximum at the earliest possible date; be it further

"Resolved, That we urge General Wheeler, Chief, United States Corps of Army Engineers, and Mr. James Webb, Director, Bureau of the Budget, Washington, D. C., to request adequate appropriations from the next session of Congress to make possible immediate enlargement of generating capacity at Fort Peck."

Yours very truly,

ALVIN ANDERSON,
Secretary, Williams County Farmers Union, Williston, N. Dak.

As we see, the resolutions refer to the Rural Electrification Administration and the fact that it has been impossible to obtain any materials with which to build rural electrification projects. Mr. President, I disclaim all responsibility for that condition. That situation existed before I came to the Senate. But in the State of North Dakota, one of the 48 States of the Union, there is less REA than in any other State. Yet when we spoke to Mr. Claude Wickard and some of the other Federal administrators and said that we need more REA in North Dakota, they said, "We do not have the money." So our farmers' wives out there do not have refrigerators, and the children have to read by lamplight instead of by electricity, and there is no electric power in many parts of the State, all for lack of adequate materials—materials which have been sent abroad in great quantities. In many areas in the United States the proper materials still cannot be had.

Today we pick up the newspapers and read that buyers from foreign countries are in the United States buying such materials. For instance, I hold in my hand an article stating that Europe seeks 40,000,000 tons of United States coal in 1948. Mr. President, in my State our farmers work. Yet when they pick up the newspapers, they see articles stating that there are 1,000,000 or 2,000,000 persons on strike. So they say, "What kind of government do we have?" Mind you, Mr. President, this $597,000,000 is not to be sent to help poor people in those countries, but it is to be sent to their governments; and those governments apparently are run so poorly that they cannot get their own people to work and dig coal. So they send agents to the United States seeking 40,000,000 tons of coal in 1948. Of course, if that purchase is made, the result can only be that the price of coal in the United States will rise, even if we do not have an actual shortage of coal. As a matter of fact, there is a shortage. For the last 2 weeks my colleague, the junior Senator from North Dakota [Mr. YOUNG], and I have been busy answering telephone calls. The cold weather has come to our State. Veterans living in trailers in Jamestown, N. Dak., have not had fuel with which to heat their trailers. They cannot get coal, oil, or anything else. We finally got them some. A little later we received a call from the Farmers Union at Casselton, N. Dak., stating that there was no fuel oil there, and then we received word from Grand Forks, N. Dak., the third largest town in the State, that there was no fuel oil there.

Mr. President, I wish to make it perfectly plain that, so far as I am concerned, I intend to do everything within my power to see to it that before this Marshall plan is adopted, we find out exactly what is needed in this country by the aged, by the annuitants, by the widows of veterans, by the veterans themselves, and by people all over this country. We should find out what is needed by the school teachers. Some of them are living on starvation wages. I believe in appropriating money for our teachers, for our highways, for the REA, for our hospital needs, and for anything else that is absolutely necessary and essential here, before we send any more money to any foreign country, no matter what foreign country that may be. I think that certainly before we appropriate $16,000,000,000 or $20,000,000,000 for any Marshall plan, a thorough analysis should be made of what is needed in the United States.

Finally, Mr. President, I wish to refer once more to the telegram coming from the Board of County Commissioners of Benson County, N. Dak. I state in all sincerity that in my opinion it represents the feeling of the rank and file of the people, not only the people of Benson County, in my own State, but the people of the United States, wherever one may go. I have talked with people on the streets of Washington, and I have asked them what they thought about sending this money to one foreign country after another. I carry with me a list of such gifts and loans. It is based on a map of the world, and shows exactly how much money every one of these countries has received. I have had the great pleasure of asking men in high authority here, "Where is the country of Yemen?" They would look at me blankly, and would say, "I never heard of it." Yet, Mr. President, we gave that country $1,000,000 as a gift. I have here a complete list showing the distribution around the world of United States funds. The list is shown in conjunction with a map of the world, and underneath it is the following statement:

This new map of the world by William Wisner, Tribune staff cartographer, shows where the United States, since the beginning of World War II, has distributed more than $66,000,000,000 in the form of foreign loans and gifts of various kinds. Reverse lend lease reduces this grand total, as shown under the heading Recapitulation, to a sum in excess of fifty-eight billion. Figures are from governmental agencies, and are approximate and by no means final or complete.

From this list we see that Russia has received $11,631,393,782 and that the total going to Russia and her satellites has been $12,969,039,448. China has received $2,834,908,280; Mexico, $187,475,683; Guatemala, $2,436,700; Honduras, $1,791,500; El Salvador, $2,697,500; Nicaragua, $6,982,000; Costa Rica, $8,954,607; Colombia, $57,848,452; Ecuador, $25,197,134. The list also shows the amounts of money which our country has sent to Venezuela, Peru, Brazil, Bolivia, Paraguay, Uruguay, Chile, and various other countries. For instance, Chile has received $105,142,330.

Mr. President, we hear many statements on this floor about communism and about the fact that we have made the recent appropriations to head off communism. I should like to bring to the attention of the Members of this body that the best way to get communism here in the United States is just to keep on the way we have been going. If we do so, we shall get plenty of communism when hard times strike.

A while ago we passed a labor law. In this country we have many monopolies in industry. Nevertheless we passed a stringent labor law. Yet no law of any kind was passed against monopolies or cartels in industry. In 1890 the Sherman Antitrust Act was passed, and a criminal provision was made. But up to the present time not one person has been put in jail in the United States for violation of that act, regardless of whether we had a Democratic or a Republican Attorney General.

Mr. President, if Senators think that the people of the United States sooner or later are not going to understand that situation, then I submit that the Senate has a very poor conception of the intelligence and smartness and ability of the rank and file of the people of this country. I really believe that when it comes to foreign aid the rank and file of the people on the street, no matter into what State we may go, understand the situation better than does the average officeholder in Washington.

EXECUTIVE SESSION

Mr. WHITE. Mr. President, I move that the Senate proceed to the consideration of executive business.

Mr. LANGER. Wait a moment. May I see the calendar?

Mr. WHITE. It has nothing on it but a few Coast Guard appointments.

Mr. LANGER. Very well.

The PRESIDING OFFICER (Mr. STENNIS in the chair). The question is on agreeing to the motion of the Senator from Maine.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. VANDENBERG, from the Committee on Foreign Relations.

Walter J. Donnelly, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Venezuela, to which office he was appointed during the last recess of the Senate;

H. Freeman Matthews, of Maryland, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Sweden, to which office he was appointed during the last recess of the Senate;

Paul H. Alling, of Connecticut, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to Pakistan, to which office he was appointed during the last recess of the Senate;

Nathaniel P. Davis, of New Jersey, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to Costa Rica, to which office he was appointed during the last recess of the Senate;

J. Klahr Huddle, of Ohio, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to Burma, to which office he was appointed during the last recess of the Senate;

Donald R. Heath, of Kansas, a Foreign Service officer of class 1, to be Envoy Extraordinary and Minister Plenipotentiary to Bulgaria, to which office he was appointed during the last recess of the Senate;

James Hugh Keeley, Jr., of California, a Foreign Service officer of class 1, to be Envoy

raordinary and Minister Plenipotentiary the Republic of Syria, to which office he s appointed during the last recess of the nate;

William Benton, of Connecticut, to be a presentative of the United States of Amer- a to the second session of the General nference of the United Nations Educa- onal, Scientific, and Cultural Organization, be held in México, Mexico, from November to December 3, 1947, to which he was ppointed during the last recess of the Sen- e;

Laurence Duggan, of New York, to be a epresentative of the United States of Amer- ca to the second session of the General onference of the United Nations Educa- ional, Scientific, and Cultural Organization, o be held in México, Mexico, from November to December 3, 1947, to which he was ppointed during the last recess of the Sen- te;

Milton S. Eisenhower, of Kansas, to be a epresentative of the United States of Amer- ca to the second session of the General Con- erence of the United Nations Educational, Scientific, and Cultural Organization, to be held in México, Mexico, from November 6 to December 3, 1947, to which he was appointed during the last recess of the Senate;

Reuben G. Gustavson, of Nebraska, to be a representative of the United States of America to the second session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization, to be held in México, Mexico, from November 6 to December 3, 1947, to which he was appointed during the last recess of the Senate;

Miss Helen C. White, of Wisconsin, to be a representative of the United States of America to the second session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization, to be held in México, Mexico, from November 6 to December 3, 1947, to which she was appointed during the last recess of the Senate;

Detlev W. Bronk, of Pennsylvania, to be an alternate representative of the United States of America to the second session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization, to be held in México, Mexico, from November 6 to December 3, 1947, to which office he was appointed during the last recess of the Senate;

Charles S. Johnson, of Tennessee, to be an alternate representative of the United States of America to the second session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization, to be held in México, Mexico, from November 6 to December 3, 1947, to which office he was appointed during the last recess of the Senate;

Mrs. Louise Leonard Wright, of Illinois, to be an alternate representative of the United States of America to the second session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization, to be held in México, Mexico, from November 6 to December 3, 1947, to which office she was appointed during the last recess of the Senate;

George D. Stoddard, of Illinois, to be an alternate representative of the United States of America to the second session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization, to be held in México, Mexico, from November 6 to December 3, 1947, to which office he was appointed during the last recess of the Senate;

Howard E. Wilson, of New York, to be an alternate representative of the United States of America to the second session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization, to be held in México, Mexico, from November 6 to December 3, 1947, to which office he was appointed during the last recess of the Senate;

John H. Hilldring, of New York, to be an alternate representative of the United States of America to the second session of the General Assembly of the United Nations, to be held in New York, N. Y., beginning September 16, 1947, to which office he was appointed during the last recess of the Senate;

Admiral Alan G. Kirk, United States Navy, retired, to be the representative of the United States of America on the Special Balkan Committee established by the General Assembly of the United Nations October 21, 1947, to which office he was appointed during the last recess of the Senate;

Frank Porter Graham, of North Carolina, to be the representative of the United States of America on the Good Offices Committee of the Security Council of the United Nations on Indonesia, to which office he was appointed during the last recss of the Senate;

Paul H. Alling, and sundry other persons for promotion in the Foreign Service;

Basil F. Macgowan, of Tennessee, and Robert G. McGregor, Jr., of New York, Foreign Service staff officers, to be consuls; and

Philip F. Dur, of Massachusetts, and several other persons for appointment as Foreign Service officers.

NOMINATIONS IN THE ARMED SERVICES

Mr. GURNEY. Mr. President, I report certain nominations approved and recommended by the Armed Services Committee. I may say that these nominations are those which come to us because of the unification of the Army, Navy, and Air Forces, and include the names of men who are to be Under Secretaries and Assistant Secretaries of the Army, Navy, and Air Forces, along with nominations in the National Resources Board and the Munitions Board. Among them is the name of General Spaatz, Chief of the Air Forces, as well as that of the new Chief of Naval Operations, Admiral Denfeld.

At this time I give notice to the Senate that because of unification and the promotion bill passed at the end of the regular session, there have been numerous promotions, retirements, and transfers, as between the Air Forces and the Army, as well as in the Navy and Marine Corps. These promotions and transfers total almost 8,000.

The expense of printing these names on the Executive Calendar would be tremendous. Therefore it is my intention to give notice to the Senate that any Senator interested may look over the list in detail in the room of the Armed Services Committee. We shall be glad to secure any information any Senator may wish with respect to any of the nominations, and be as helpful as possible. It is not my intention to ask unanimous consent for the approval of the nominations at this time, but I believe the Senate will agree that this is too large a list to print.

It has already been printed once in the CONGRESSIONAL RECORD, as I understand. Some time next week, if there is no further objection, I shall ask unanimous consent to consider them en bloc.

Mr. CONNALLY. Mr. President, I should like to ask the Senator from South Dakota if it would be practical, in connection with the promotions and transfers, to have the committee compile a brief statement as to how many four-star generals we are to have, and how many full admirals, so as to get a picture of the overhead in these services. I do not mean necessarily only those included in this list, but I should like to know something about the entire organization.

Mr. GURNEY. I shall be glad to have such a statement prepared, and will transmit it to the Senator in letter form, or submit it for information on the floor of the Senate if he so desires.

Mr. CONNALLY. I should like to have the statement go as far as to include the number of lieutenant generals and the number of comparable grades in the Navy and the Marine Corps.

Mr. GURNEY. I shall be glad to obtain such information for the Senator.

By Mr. GURNEY, from the Committee on Armed Services:

William H. Draper, Jr., of New York, to serve as Under Secretary of the Army, to which office he was appointed during the last recess of the Senate;

Gordon Gray, of North Carolina, to serve as Assistant Secretary of the Army, to which office he was appointed during the last recess of the Senate;

John L. Sullivan, of New Hampshire, to be Secretary of the Navy;

W. John Kenney, of California, to be Under Secretary of the Navy;

Admiral Louis E. Denfeld to be Chief of Naval Operations in the Department of the Navy, with the rank of admiral, for a term of 2 years;

W. Stuart Symington, of Missouri, to serve as Secretary of the Air Force, to which office he was appointed during the last recess of the Senate;

Arthur S. Barrows, of California, to serve as Under Secretary of the Air Force, to which office he was appointed during the last recess of the Senate;

Cornelius V. Whitney, of New York, to serve as Assistant Secretary of the Air Force, to which office he was appointed during the last recess of the Senate;

Eugene M. Zuckert, of Connecticut, to serve as Assistant Secretary of the Air Force, to which office he was appointed during the last recess of the Senate;

Gen. Carl Spaatz (major general, U. S. Air Force), Air Force of the United States, for appointment as Chief of Staff, United States Air Force, with the rank of general, for the period of 4 years beginning September 26, 1947, under the provisions of law;

Vannevar Bush, New Hampshire, to serve as Chairman, Research and Development Board, to which office he was appointed during the last recess of the Senate;

Rear Adm. Roscoe H. Hillenkoetter, United States Navy, to be Director of Central Intelligence, to which office he was appointed during the last recess of the Senate;

Arthur M. Hill, of West Virginia, to be Chairman of the National Security Resources Board, to which office he was appointed during the last recess of the Senate;

Thomas J. Hargrave, of New York, to serve as Chairman, Munitions Board, to which office he was appointed during the last recess of the Senate;

Vice Adm. William R. Munroe, United States Navy, to be placed on the retired list with the rank of vice admiral;

Sydney M. Kraus and sundry other officers for appointment in the line and staff corps of the Navy; and

Harry Schmidt and sundry other officers for appointment to permanent grades in the Marine Corps.

The PRESIDING OFFICER. The clerk will proceed to state the nominations on the Executive Calendar.

UNITED STATES COAST GUARD

Mr. WHITE. Mr. President, there are four or five nominations to the Coast Guard, purely routine in character. I ask unanimous consent that they may be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations will be considered en bloc, and, without objection, the nominations are confirmed.

Mr. WHITE. I ask that the President be notified immediately of the action of the Senate.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS TO MONDAY

Mr. WHITE. I move that the Senate stand in recess, in executive session, until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 3 o'clock and 1 minute p. m.) the Senate took a recess, in executive session, until Monday, December 8, 1947, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 4, 1947:

DIPLOMATIC AND FOREIGN SERVICE

Herbert S. Bursley, of the District of Columbia, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Honduras.

Avra M. Warren, of Maryland, now Envoy Extraordinary and Minister Plenipotentiary to New Zealand, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Finland.

POST OFFICE DEPARTMENT

Paul Aiken, of Kansas, to be Second Assistant Postmaster General, to which office he was appointed during the last recess of the Senate.

IN THE AIR FORCE

Lt. Gen. Hoyt Sanford Vandenberg (major general, U. S. Air Force) Air Force of the United States, to be Vice Chief of Staff, United States Air Force, with the rank of general with rank from October 1, 1947.

Maj. Gen. Lauris Norstad (brigadier general, U. S. Air Force), Air Force of the United States, to be Deputy Chief of Staff for Operations, United States Air Force, with the rank of lieutenant general with rank from October 1, 1947.

Maj. Gen. Curtis Emerson LeMay (brigadier general, U. S. Air Force), Air Force of the United States, to be Commanding General, United States Air Force in Europe, with the rank of lieutenant general with rank from October 1, 1947.

Maj. Gen. Idwal Hubert Edwards (brigadier general, U. S. Air Force), Air Force of the United States, to be Deputy Chief of Staff for Personnel and Administration, United States Air Force, with the rank of lieutenant general with rank from October 1, 1947.

Maj. Gen. Howard Arnold Craig (brigadier general, U. S. Air Force), Air Force of the United States, to be Deputy Chief of Staff for Matériel, United States Air Force, with the rank of lieutenant general with rank from October 1, 1947.

Maj. Gen. Benjamin Wiley Chidlaw (lieutenant colonel, U. S. Air Force), Air Force of the United States, to be Deputy Commander, Air Matériel Command, with the rank of lieutenant general with rank from October 1, 1947.

Maj. Gen. Elwood Richard Quesada (major, U. S. Air Force), Air Force of the United States, to be commanding general, Tactical Air Command, with the rank of lieutenant general with rank from October 1, 1947.

Maj. Gen. Edwin William Rawlings (major, U. S. Air Force), Air Force of the United States, to be Air Comptroller, United States Air Force, with the rank of lieutenant general with rank from October 1, 1947.

TO BE MAJOR GENERALS

Brig Gen. Franklin Otis Carroll, United States Air Force, with rank from October 1, 1947.

Brig. Gen. Joseph Hampton Atkinson (major, U. S. Air Force), Air Force of the United States, with rank from October 1, 1947.

TO BE BRIGADIER GENERALS

Col. Edward Higgins White (lieutenant colonel, U. S. Air Force), Air Force of the United States, with rank from October 1, 1947.

Col. John Beverly Montgomery (first lieutenant, U. S. Air Force), Air Force of the United States, with rank from October 1, 1947.

Col. Horace Armor Shepard (first lieutenant, U. S. Air Force), Air Force of the United States, with rank from October 1, 1947.

NOTE—These officers were appointed to the grades indicated on October 1, 1947, during the recess of the Senate.

APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES

TO BE PROFESSOR OF MILITARY TOPOGRAPHY AND GRAPHICS AT THE UNITED STATES MILITARY ACADEMY, WITH RANK FROM DATE OF APPOINTMENT

Lt. Col. Charles Russell Broshous (captain, Corps of Engineers), Army of the United States.

IN THE NAVY

The following-named officers to be rear admirals in the Navy, for temporary service:

REAR ADMIRALS

Earl E. Stone
Augustus J. Wellings
William S. Parsons

COMMODORE

James E. Maher

CAPTAINS

Leon S. Fiske
Harry R. Thurber
John E. Whelchel
James H. Doyle
Clarence E. Olsen
Lucian A. Moebus
Francis X. McInerney
John P. Womble, Jr.
Byron H. Hanlon
Robert F. Hickey
Ruthven E. Libby
Herbert E. Regan
John P. Whitney
Hugh H. Goodwin
Edgar A. Cruise

CONFIRMATIONS

Executive nominations confirmed by the Senate December 4, 1947:

UNITED STATES COAST GUARD

TO BE COMMODORE IN THE UNITED STATES COAST GUARD RESERVE FOR TEMPORARY SERVICE, EFFECTIVE AUGUST 13, 1947

Halert C. Shepheard

TO BE LIEUTENANT COMMANDERS IN THE UNITED STATES COAST GUARD, TO RANK FROM SEPTEMBER 30, 1947

Gustave A. Lohse
Michael J. Kentos
Joseph T. Drake

HOUSE OF REPRESENTATIVES

THURSDAY, DECEMBER 4, 1947

The House met at 11 o'clock a. m.

Dr. Frank G. Smith, pastor emeritus, First Central Congregational Church, Omaha, Nebr., offered the following prayer:

Dear Lord and Father of mankind, before entering upon the duties and responsibilities of this day, we would pause for a moment in Thy presence to invoke Thy guidance and Thy blessing. Give us, we pray Thee this morning, new understanding of the meaning of those words of him who said:

"Prayer is the soul's sincere desire,
Uttered or unexpressed;
The motion of a hidden fire,
That trembles in the breast."

Heavenly Father, it is our sincere desire this morning that in this communion with Thee we may all have a clearer consciousness of the eternal truth that every human being who dwells upon this planet that we call our home is by nature a child of God; that, no matter how underprivileged his environment or how primitive his heritage, there is unfolded within his mysterious spiritual being an embryonic potential that, properly guided, enables him to become a strong son of God, enables her to be a gracious daughter of the Most High, for we are all sparks from the infinite mind, all sparks from the eternal flame.

Here in these legislative Halls we are face to face with serious problems, weighty decisions, and challenging opportunities. We may not always see eye to eye, but we do pray that we may live in such a spirit of tolerance as was revealed in him who gave us the formula:

"There is so much that is good in the worst of us,
And so much that is bad in the best of us,
That it behooves all of us
To say nothing ill of the rest of us."

And so, as steel sharpens steel and as one chemical acts and reacts upon another to produce a compound of larger value and greater worth, so may these cross-currents of honest opinion and genuine endeavor jell finally into a remedial balm that will ease every troubled mind and heal every wounded heart, not only here at home but in the farthest outpost of the troubled world. So undergird us by Thy strength and brood over us with Thy love and guide us by Thy wisdom that we may all in our hearts this morning breathe the prayer of him who set the throbs of his patriotic heart to the music of verse when he said:

"Our father's God from out whose hand
The centuries fall like grains of sand,
We meet today, united free,
And loyal to our land and Thee,
To thank Thee for the era gone
And trust Thee for the coming one.

"O keep Thou us through centuries long,
In peace secure, in justice strong;
Around our gift of freedom draw
The safeguard of Thy righteous law,
And, cast in some diviner mold,
Let each new era shame the old."

This is our sincere desire, our simple, earnest prayer in Thy dear name, and in the name of the Prince of Peace, our Lord and Master, we ask it. Amen.

The Journal of the proceedings of Tuesday, December 2, 1947, was read and approved.

RESIGNATIONS FROM COMMITTEES

The SPEAKER laid before the House the following communication:

DECEMBER 4, 1947.

Hon. JOSEPH W. MARTIN, Jr.,
The Speaker, House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: I hereby tender my resignation as a member of the Committee on House Administration.

Very sincerely yours,
HUGH A. MEADE,
Member of Congress.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

The SPEAKER laid before the House the following communication:

WASHINGTON, D. C., *December 3, 1947.*

Hon. JOSEPH W. MARTIN,
Speaker of the House of Representatives, United States Capitol, Washington, D. C.

MY DEAR MR. SPEAKER: Please accept my resignation as of today as a member of the Committee on Banking and Currency of the House of Representatives.

Very sincerely,
DONALD L. O'TOOLE,
Member of Congress.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

ELECTIONS TO COMMITTEES

Mr. DOUGHTON. Mr. Speaker, I offer a resolution (H. Res. 387) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That DONALD L. O'TOOLE, of New York, HUGH A. MEADE, of Maryland, and CLARK W. THOMPSON, of Texas, be, and they are hereby, elected members of the standing Committee of the House of Representatives on Merchant Marine and Fisheries.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. DOUGHTON. Mr. Speaker, I offer a resolution (H. Res. 388) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That ABRAHAM J. MULTER, of New York, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Banking and Currency.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. DOUGHTON. Mr. Speaker, I offer a resolution (H. Res. 389) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That EDWARD A. GARMATZ, of Maryland, and KEN REGAN, of Texas, be, and they are hereby, elected members of the standing Committee of the House of Representatives on House Administration.

The resolution was agreed to.

A motion to reconsider was laid on the table.

HOUR OF MEETING TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

EXTENSION OF REMARKS

Mrs. BOLTON asked and was given permission to extend her remarks in the RECORD in two instances and to include in each newspaper articles and editorials.

Mr. BRADLEY asked and was given permission to extend his remarks in the RECORD and include resolutions.

Mr. DAGUE asked and was given permission to extend his remarks in the RECORD and include excerpts from an editorial appearing in the Bristol (Pa.) Courier.

Mr. ROBERTSON asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. GRIFFITHS (at the request of Mr. ROBERTSON) was given permission to extend his remarks in the RECORD and include an editorial.

Mr. FULLER asked and was given permission to extend his remarks in the RECORD and include an address on community life in a small town.

Mr. McDONOUGH asked and was given permission to extend his remarks in the RECORD and include an address delivered recently by the former Ambassador to Poland.

Mr. CLEVENGER asked and was given permission to extend his remarks in the RECORD and include an editorial and an article appearing in the Cleveland Plain Dealer.

HAVE YOU HAD ENOUGH?

Mr. FLETCHER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FLETCHER. Mr. Speaker, I wish to read into the RECORD a portion of a letter I received this morning from Mr. John Cotton, of San Diego, Calif.:

SAN DIEGO, CALIF., *December 1, 1947.*

Hon. CHARLES K. FLETCHER,
Member of Congress, House Office Building, Washington, D. C.

DEAR CHARLIE: I hope you can make those contemporaries of yours down there realize that we have had enough. We had enough by election time last year, and that is why they are there.

What can we do to help you convince the Congressmen and Senators that we didn't send them back there to plan and dream, but to get rid of the planners and dreamers? Have they in 1 year forgotten that winning slogan, "Have you had enough?"

A return to controls now would be an acknowledgment of defeat. You know and I know that controls beget controls; they multiply like guinea pigs. We have been successful so far in reducing the controls that were strangling our economy; let's stay on this same road until we get to our destination. If we turn back now, we might just as well say we have turned the country back to the Socialists and Communists and quit. We can't do that.

I want prewar butter prices, and eggs and clothing at prewar prices as badly as the next fellow, but I want butter and eggs and clothing more. I would rather have my pocketbook tell me how much I can afford than to have my Government tell me how much I can have.

Our opponents chide us with the statement that present prices are higher than black-market prices before controls were removed. That may be, but just imagine what the black-market prices would have been by now if we had had controls on all this time?

If they want to ration anything, let them ration bureaucrats and big government, but let's not control the people. We have had enough.

Sincerely,
JOHN COTTON.

PERMISSION TO ADDRESS THE HOUSE

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

[Mr. KEEFE addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. KEATING asked and was given permission to extend his remarks in the RECORD and include a letter from Mr. Edgar G. Brown, director of the National Negro Council, and a telegram to the President of the United States.

Mr. BUSBEY asked and was given permission to extend his remarks in the RECORD and include a speech by Col. Robert R. McCormick, publisher of the Chicago Tribune, on Constitution Day, September 17, 1947.

Mr. GWYNNE of Iowa asked and was given permission to extend his remarks in the RECORD and include a copy of an address delivered by him at the annual meeting of the American Bar Association.

Mr. ANGELL asked and was given permission to extend his remarks in the RECORD and include an address on atoms in industry, by Ivan Bloch.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD in two instances and in each to include some printed material.

PERMISSION TO ADDRESS THE HOUSE

Mr. JUDD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a letter and an article.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

[Mr. JUDD addressed the House. His remarks appear in the Appendix.]

" 'TRU' OR FALSE"

Mr. JONKMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. JONKMAN. Mr. Speaker, President Truman, on October 24 last, in his radio address to the American people, on his call for a special session of Congress, said:

The major cause of high prices in this country is the great demand among our own people for available goods. An attempt has been made to place the blame upon our foreign aid program, but this is not borne out by the facts.

Is the last statement true or false?

Secretary of Commerce Harriman, on November 13, in testifying before the Committee on Foreign Affairs, said:

The interim aid program, in other words, has no new impact upon our domestic grain markets. To say that it has no new impact is, of course, in no way to deny that export purchases have already had a substantial impact on our domestic prices. Our record wheat crop could hardly command a price of $3 per bushel in the absence of heavy foreign demand.

Is President Truman ducking responsibility for the high cost of living? Just another $64 question for the American people.

EXTENSION OF REMARKS

Mr. BLAND asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address on freight forwarders by the former counsel to the Committee on the Merchant Marine and Fisheries.

CONSUMER-CREDIT CONTROLS

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BUCHANAN. Mr. Speaker, on August 9, 1941, under authority of the Trading With the Enemy Act, an Executive order was issued establishing controls over consumer credit. During most of the war a one-third down payment was required on installment purchases of automobiles and many other classes of consumer goods—20 percent on furniture—while a period of full payment was limited to 12 to 15 months, depending on the article.

On December 1, 1946, the Federal Reserve Board, which administered the controls, lifted them from everything except automobiles and 11 other consumer durable goods which remained in short supply, such as radios, washing and sewing machines, and so forth. In the spring of 1947 President Truman wrote to Chairman Marriner S. Eccles, of the Board of Governors of the Federal Reserve Board, that he did not think the controls should be continued under wartime authority and that he would lift them unless Congress provided new and specific legislative authority.

Separate bills dealing with the subject were introduced in the Senate by Hon. C. DOUGLASS BUCK and in the House by Hon. JESSE P. WOLCOTT.

The final conference report on credit control was a compromise on a very simple resolution which declared that existing controls should end November 1, 1947, and no new consumer-credit controls should be imposed except in a state of emergency or war originatng after that date. The conference report was accepted by both Houses on July 25, 1947.

Now, after 1 month, I find sentiment among business interests in my congressional district predominately in favor of restoration of consumer-credit controls and a reinstatement of legislation similar to regulation W, as existed since December 1, 1946, on automobiles, furniture, and 10 other household items. Typical of the business reaction after 1 month's trial is the following telegram sent to me by one of my constituents:

Highly important and beneficial to country's economy that regulation W be restored. These regulations are a safeguard against the average wage earner mortgaging his future. Buying on the installment plan is so easy when little down payment is required, and a purchaser is inclined to buy the easy way, going from store to store opening an account. A little recession will make him unable to meet his obligations and chaos results. Under regulation W, the merchant is forced to demand certain down payments and rapid repayment. Thus, the average worker can budget his earnings and keep his credit standard at a high level.

I might say that I supported the Wolcott bill, House Joint Resolution 222, and now from a cross section of sentiment, after only 1 month's trial, I believe that it would be a wise thing to reinstitute regulation W into legislation.

EXTENSION OF REMARKS

Mr. LARCADE asked and was given permission to extend his remarks in the Appendix of the RECORD in three instances and include newspaper articles.

Mr. JONES of North Carolina asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Charlotte News.

Mr. BRYSON asked and was given permission to extend his remarks in the Appendix of the RECORD and include a speech on soil conservation prepared by him for delivery tomorrow night in his district.

WHAT THE WORLD NEEDS

Mr. MATHEWS. Mr. Speaker, I ask unanimous consent to address the House for a half a minute.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. MATHEWS. Mr. Speaker, what this world needs is fewer plans and better principles.

THE TENNESSEE VALLEY AUTHORITY

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, the December issue of the Reader's Digest carries an article by my old friend John T. Flynn called The Hidden Red Ink in TVA's Books. In his article Flynn unblushingly declared that I advocated the TVA. And he asks rhetorically, "Do I want TVA destroyed?" And then answers "Certainly not."

Yet that is what he advocates. For the proposals he makes concerning the TVA are just the ones which have been advocated openly by the Power Trust and its satellites who make no attempt to disguise their hatred for this highly successful regional agency. Mr. Flynn's points and his arguments can be found in any propaganda handbook of the Power Trust lobby.

Right at the beginning of the article he has a financial analysis which follows down the line on the kind of analysis made by the Edison Electric Institute, the Power Trust propaganda organization. He seeks to show that the TVA has a deficit by the simple ruse of charging navigation and flood-control costs, with an assumed interest charge, against power revenues. Of course, he shows what he calls a deficit. Yet certainly Mr. Flynn knows that in other parts of the country, on the Ohio and the Mississippi and other rivers which the Government has developed for navigation and flood control, the costs are not borne by the electric consumers.

The navigation dams on the Ohio and the levees on the Mississippi are not paid for by the electricity consumers along their banks. They are paid for by the Federal Government in the interests of the general welfare.

There can be no justification for assuming that things should be different in the Tennessee Valley—that there, unlike any other place in the country, power consumers should not only pay the power costs but those of flood control and navigation as well.

Mr. Flynn tries to make several points with respect to TVA power. And for an economist he has a strange notion of what interest is. He says it is an element of cost. But as any regulatory commission could tell him, interest is not a cost but a part of the return on profit. Rates of return are set by regulatory commissions without reference to interest. Out of this return, the utility pays whatever interest it has to pay—depending on the amount of bonded debt in its capitalization and on the interest rate it must pay.

But Mr. Flynn goes further than that. The TVA is required by law to pay back to the Treasury money invested in its power system within 40 years. That is something that private utilities do not do; they usually refund their debts, that is, they replace old bonds by issuing new ones. Mr. Flynn seems to think the TVA ought not only to pay back to the Treasury the money invested in the power system, but to pay interest on the money on top of that.

There is nothing the enemies of TVA would like better than to see the TVA hampered and hamstrung by just such a double burden. It would place the TVA under a handicap under which no power system, public or private, could survive. The TVA cannot, like a private utility, go out and borrow money. It has only two sources of funds—appropriations by the Congress and revenues from its power sales. The double burden proposed by the TVA's alleged friend, Mr. Flynn, would tie up this second source of funds, revenues, so that it is doubtful if it could fulfill its obligations to provide electric service to the 750,000 consumers who are dependent upon it.

Mr. Flynn claims that competent engineers have said the dams are almost wholly for power. Of course, some engineers have said that. Every time the utilities have gone to court against the TVA they have rounded up as many such competent engineers as they could lay their hands on and put them on the

stand. They did it in the so-called Ashwander case. That is the case that followed Newton D. Baker's $50,000 private opinion, paid for by the Power Trust, that the TVA was unconstitutional. The United States Supreme Court did not uphold that private opinion.

They tried it again in the 18-company case, and after listening at length to the competent engineers, this is what the three-judge Federal district court said:

> Certain expert witnesses, in answer to hypothetical questions, stated that the dams might be operated for the primary purpose of power. Thousands of pages of testimony and numerous exhibits were introduced to show that Congress might have adopted a better plan than the TVA unified system. Experts equally qualified testified to the contrary.
>
> The court is of the opinion that the relative value of these various plans is immaterial, since it has been established that the TVA project is reasonably adapted to use for combined flood control, navigation, power, and national defense, and that in actual operation the creation of energy is subordinated to the needs of navigation and flood control.

So much for Mr. Flynn's competent engineers.

Mr. Flynn declares that all the nonpower activities of the TVA—agriculture, fertilizer production, forestry, and other projects—should be transferred to appropriate departments of the Government. In that statement Mr. Flynn shows either that he has never read the TVA Act and does not know what the TVA unified development of resources is, or that he has read the act, knows it very well, and thus knows just how to go most effectively about destroying it.

Mr. Flynn looks on the TVA as simply another power system, in business solely for the money there is in it. It is true that power is important in the unified development of the resources of the Tennessee Valley—it is the paying partner, the only activity which brings in revenues in the commercial sense. But power is only a part of the whole regional development program which has done such great work in controlling floods, promoting navigation and commerce, and restoring the soils and forests of one of the great regions of the country. The TVA is much more than a power project. Either Mr. Flynn does not know that—or he does know it and wants to destroy it.

Mr. Flynn's anxiety to destroy the TVA leads him to some strange conclusions. Former TVA Chairman Lilienthal,. he says, "calls attention to the vast growth of Federal power. It has become so great that, he says, it cannot be wisely administered from Washington. But the power must not go back to the Governors, mayors, legislatures, and councils elected by the people."

Mr. Flynn here has missed the point. The powers Mr. Lilienthal referred to are Federal powers—the power to develop interstate streams and so on—which never could be held or exercised by States and local governments. The TVA, under the direction of Congress, does not exercise new powers, but simply administers in a new, integrated, and much more effective way the powers which the Federal Government has always possesssed. Nor does the TVA, as Flynn suggests, have these powers in itself; the powers are exercised by the Congress, which sets the policies; the TVA carries out those policies.

When Flynn suggests that the TVA has taken over State and local powers and functions, he raises a bogey without any substance. If, as he claims, he has spent months investigating TVA and has gone to the TVA country, then he ought to know better. Just the contrary is true. Two years ago, one of the leading newspapers of the country—the St. Louis Post-Dispatch—asked each of the governors of the seven Tennessee Valley States whether the TVA had encroached upon the rights of the States. The consensus was a vigorous "No." Moreover, the governors said, the TVA had in most cases increased the effectiveness of State and local agencies with which it cooperated in the regional program; they were stronger than ever before.

Mr. Speaker, as everyone knows, I was coauthor with Senator Norris, of Nebraska, of the bill creating the Tennessee Valley Authority. I have fought its battles from the beginning. No one could be more jealous of its reputation or more solicitous of its success than I am. I repeat what I have said on this floor time and time again, that it has wrought the greatest development of ancient or modern times.

From the building of the Pyramids down, there has been no single development that compared with that of the Tennessee Valley Authority. It is now generating between twelve and fifteen billion kilowatt-hours of electricity a year that was formerly going to waste. That power is being distributed to the people within the distribution radius at reasonable rates.

Its yardstick, showing what electricity should cost the ultimate consumers, is saving the users of electricity outside of the TVA area hundreds of millions of dollars annually. It is one of the few great developments the Government has ever undertaken that is paying its way. Every dollar of the cost of construction and operation that can be legitimately charged to power, as I said, will be paid back to the Government within 40 years; and in the course of time the revenues derived from this power will return to the Government every dollar invested for all purposes.

It is controlling floods on the Tennessee River and helping to control the floods on the lower Mississippi River, thereby saving untold millions of dollars of such damages as are being experienced along the Missouri and Ohio Rivers almost every year.

It has provided a navigation channel from Paducah to Knoxville, something like 600 miles, enabling the people of that area to use this great stream for transportation purposes.

At the same time it has carried out its program of reforestation, soil conservation and experiments in the development of fertilizers that have been of untold value to the farmers of the Nation.

But the private power interests that are owned by the vast holding companies, which exact tribute from every power consumer they serve, are turning heaven and earth to destroy the TVA and to take from the people of that area the benefits this great project provides; just as they are trying to take from the people along the Columbia River and the Colorado River and other similar streams their enormous wealths of hydroelectric power.

Out of the Tennessee Valley Authority grew our program of rural electrification. It has already resulted in the lighting of more than 2,000,000 farm homes. The Rural Electrification Administration now has in its files applications for $300,000,000 to build lines to serve the farmers of the Nation, and they are coming in at a rate of from twenty to twenty-five million dollars a month, or more.

Instead of attacking the TVA, it would behoove the Members of this Congress to join me in my efforts to secure additional appropriations for rural electrification. We are going to need at least $500,000,000 for that purpose from now to the end of the next fiscal year. We need a deficiency appropriation for that purpose now, and, in my opinion, we are going to have one, either during this short session, or in the early part of the session beginning in January.

While this Congress is appropriating billions of dollars for people in foreign lands, let us develop our own national resources, especially our water power, and see that it is distributed at the cheapest possible rates, and at the same time let us provide for the electrification of every farm home in America at rates the farmers can afford to pay.

Let us not permit selfish interests to interfere with this great program by hampering the operations of the Tennessee Valley Authority.

TVA EXPENDITURES

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, I want to thank the gentleman from Mississippi [Mr. RANKIN] for calling attention to that article by Mr. Flynn in the Reader's Digest. I commend it to your reading. It does not make any difference whether the argument is put forth by, or follows the theory of, the power companies or somebody else. The point is, has the TVA been hiding expenditures? Has it been hiding revenue? Has it a phoney system of accounting? Those are the questions. Now read that article and, if necessary, we will have an investigation and learn whether the TVA is proceeding under a false front.

Mr. RANKIN. You had one investigation.

Mr. HOFFMAN. And we can have another one.

The SPEAKER. The time of the gentleman from Michigan has expired.

EXTENSION OF REMARKS

Mr. MANSFIELD asked and was given permission to extend his remarks in the RECORD and include various and sundry editorials.

INTERIM-AID BILL, 1947

Mr. ALLEN of Illinois. Mr. Speaker, I call up the resolution, House Resolution 386, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4604, to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and shall continue not to exceed 12 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the committee shall rise and report the same to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of the bill H. R. 4604 it shall be in order in the House to take from the Speaker's table the bill S. 1774 and to move to strike out all after the enacting clause of said Senate bill and insert in lieu thereof the provisions contained in H. R. 4604.

The SPEAKER. The gentleman from Illinois [Mr. ALLEN] is recognized for 1 hour.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, this resolution provides immediate consideration for H. R. 4604, which is a bill reported by the Committee on Foreign Affairs to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries.

Our decision on this bill may change the whole course of world history for a long time to come. Every Member of this House will probably want, and has the right, to express himself on this bill. The Committee on Rules has therefore provided 12 hours of general debate, which is more than was asked for by any witness before our committee. In addition to this 12 hours, every Member is entitled to an additional 5 minutes to discuss proposed amendments to this bill under the 5-minute rule. The Rules Committee has done everything in its power to guarantee a fair hearing for this bill—including a waiver of points of order against the bill.

If this bill passes the House, there is a provision in the rule to take the Senate bill from the Speaker's table and to strike from it all after the enacting clause. The language of the House bill will then be substituted for the language in the Senate bill. The Senate bill will then be passed.

There were some serious questions in the minds of some of the Members of the Rules Committee on the advisability of enacting this proposed legislation, but nevertheless, they voted unanimously to send the bill to the floor. I, personally, am against the bill, for reasons which I will explain in a moment—but I voted to send this bill to the floor so that every Member of the House would have his chance to speak on it.

Whether you are in favor of the aid proposed in this bill—or against it—I hope you will vote for this resolution and submit the question to the membership of the House.

And now I will give you my personal opinion of the bill.

This bill is cited as the Interim Aid Act of 1947. The interim contemplated is from the passage of this bill, if it is passed, until the approval by Congress of the so-called Marshall plan. It must be obvious to all of you that the passage of this bill will be interpreted by many as tantamount to the passage of the Marshall plan when it comes before the House. I think it is wise, therefore, to consider the merits of the Marshall plan itself before deciding on this bill providing interim aid.

I believe that our first consideration should be whether our national economy can stand the strain of a foreign relief program of a magnitude and extending over the long period of time contemplated in the Marshall plan. The strain on our national economy should be considered both from the standpoint of our immediate ability to produce and with a view to the exhaustion of our natural resources in years to come. If, in either case, it is determined that our economy cannot stand the strain or that our people will be seriously handicapped by the proposed foreign aid, I think we have no alternative but to defeat this bill. A number of reports have been made concerning the impact on our national economy of the proposed aid. Four of these reports have been made at the request of the President, and one by the Special Committee on Foreign Aid appointed by this House. There is considerable divergence in the findings and recommendations of these different committees and it is understandable that some Members may not be able to resolve in their own minds whether or not this Nation can afford the extent of aid contemplated. I personally believe we cannot.

If, however, it is decided that the strain on our economy will not be unbearable, the next question which rises concerns the advisability of making these loans and grants. That is, will our national interests be served or is there a possibility, or a probability, that all we give in the way of aid may eventually be used against us in one way or another.

The foreign aid contemplated in this bill is largely in the form of commodities: Wheat, fertilizers, coal, steel and steel products, petroleum, and timber. Supplying these commodities will certainly have some effect upon our domestic economy, and to study this problem, four committees were appointed. The Krug committee, the Harriman committee, and the Nourse committee were appointed by the President—and the Special Committee on Foreign Aid was appointed by the House of Representatives.

It is apparent that the Krug report was tailor-made to justify, or to rationalize, the Marshall plan. The reason for this is too obvious, and further explanation is unnecessary, but it is interesting to note that even the Krug report implies that the proposed foreign aid will be a strain on our economy, and that commodity allocations and price controls will be necessary in this country if the plan goes into effect. Now to my way of thinking, if we are so short of supplies at home that we cannot go into this foreign-aid program without increasing prices, or without price controls and allocations, then we cannot afford loans to Europe. The strain on our economy would be too great.

In regard to our ability to supply Europe's needs for wheat, the report of the Herter committee points out that a very serious shortage of wheat in this country next year is now a probability. The report also states that—

> Any increased food-export program beyond 1947, unless underpinned by unexpected abundant production and conservation of supplies, would undoubtedly be a significant factor in further rises in the cost of living.

On the basis of the report of the Herter committee, it should be obvious that shipments of wheat for European relief in the amounts contemplated would be a severe strain on our domestic economy.

The Paris report of the Council for European Economic Cooperation also drafted heavy demands on this country for fertilizer. In his testimony before the Senate Appropriations Committee on November 24, Secretary of Agriculture Anderson said that our fertilizer supplies "will not be sufficient to meet all farmers' requirements." I am certain that those of you who know the problems of our farmers would not be willing to send fertilizer abroad that is needed so desperately by our own farmers.

The situation is about the same in regard to steel. The report of the Herter committee points out that honoring the European demands would impose a staggering deficit on the consumers of steel in the United States. It would raise our existing deficit of steel—amounting to 1,600,000 net tons—to 5,000,000 net tons. Further, the contemplated exports of steel raises a question of the increased rate of exhaustion of our irreplaceable natural resources.

Now, all of these reports—the Krug report, the Harriman report, the Nourse report, the Anderson report, and the Herter report—they all agree that the European-aid program contemplated in this bill will increase the cost of living in the United States and most of the reports recommend price controls and rationing to meet the increased prices. I would like to talk for just a moment about price control.

All of the reports on the needs of Europe point out that the farmers in European countries have food, but that they will not send it to the cities because there is nothing for which they can exchange it. In other words, there is no incentive for the farmers to sell their food. On the other hand, the workers in the city will not work and produce because there is no food in the markets for which they can exchange the result

of their labors. There is no incentive for the workers in the cities to produce. Europe has suffered great dislocations due to war, but the fundamental causes of today's economic distress in Europe are found in government policies that have stifled initiative, controlled enterprise, upset currencies, and disrupted production. They have suffered, in short, from supergovernmentalism.

Human beings are much the same throughout the world. They will not work and produce without incentive. In the not too far distant past, we had in this country about the same problem Europe now faces. People could not get meat; there was a shortage in the market of all types of food. The housing program for veterans was lagging. Production of nearly everything was restricted. Price controls had removed the incentive to produce. Farmers would withhold from the markets all the produce that could be stored and they kept cattle grazing rather than sell below cost. OPA had removed the incentive. Manufacturers and producers of all types refused to get back into production because they feared the arbitrament of the OPA. There was no incentive to produce.

Here, then, is our present situation with regard to aiding Europe. If we send the aid contemplated, it will reduce supplies in this country and increase prices. To avoid an increase in prices, the administration recommends price controls and rationing. If we provide price controls and rationing, we restrict production by removing incentive. The restricted production will make it impossible to fulfill the commitments made to Europe in this bill, and will reduce the economic level of the United States to that of the countries this bill proposes to aid.

To my way of thinking, any measure which would lead this country so near to the brink of economic collapse should meet the determined opposition of every Member of this House.

In addition to the strain the proposed aid would impose on our domestic economy, we should also consider whether the aid might eventually be used against us in one way or another. For example, if we lend this money, and ship the steel and equipment to build up the productive capacity of industry in these European countries, might they not be riper fruit in the eyes of Russia. If Russia should occupy these countries, which are virtually defenseless, the industrial plants built with our money might be used to manufacture the implements of war for Russia to use against us. But if Russia should detour from the path to war—which I pray she will—the proposed aid can injure the interests of the United States in another way. The industrial capacity we have built up in these foreign countries will flood the world market with manufactured goods which would inevitably compete for the export markets with producers in the United States.

We are now about to embark upon a discussion of a plan which may change the whole history of the world for the next hundred years—a plan which may bankrupt this Nation, or destroy it by exhausting our irreplaceable natural resources. If we pass this bill, we may commit ourselves, in the eyes of the world, to the so-called Marshall plan. And, as I have tried to point out, that plan may be the path from which there is no turning back.

Mr. Speaker, of course there is some merit to this bill. There is some merit to every bill introduced in Congress. Some people are for every bill. They are for the biggest army in the world, the biggest navy in the world, the biggest air force in the world. They are for spending billions of dollars for atomic-bomb development. They say they are for the British loan of $3,750,000,000, for the Greek-Turkey loan of $450,000,000. They say they favor flood control. They say they favor Federal aid to school teachers, and Federal aid to airports, and Federal aid to roads. They say they are for all the bills which provide around $10,000,000,000 to take care of our disabled veterans. They are of course for paying the interest upon our national debt. They say they are for universal military training. As I say, they are for everything which totals more money than all the people in this Nation make; yet at the same time those people who favor all those gigantic expenditures demand that Congress live within its income, that taxes be reduced.

Mr. Speaker, there are many reasons why I am against this bill, the first being my belief that the United States cannot stand the strain of all these drains upon its national economy. Scarcity makes high prices of timber, steel, meat, wheat, fertilizer, machinery, and all basic commodities. When we take those things which are scarce and very high priced and send them out of this country, naturally the people of this country are going to have to pay more.

Since the start of the last war the United States has given to foreign countries $66,000,000,000 worth of goods, $66,000,000,000. This means we have given them goods to the extent of over a thousand dollars for every employed person in the United States. I believe no one will contend that the $66,000,000,000 is not the chief factor in the present high prices now existing in this country. Everyone knows that if we continue through this bill of a few hundred million dollars and through the Marshall plan which is still to be presented to us and which will cost more than $20,000,000,000, prices will go still higher.

Mr. Speaker, the proponents of this bill say they favor it from a humanitarian viewpoint. Many of them say that since we granted relief to Greece to the tune of several hundred millions of dollars things have improved there. Naturally no one will deny it. One can go to Greece or any other country where living conditions are bad and pour in food and improve conditions in that country. You can take an underprivileged person off the streets of Washington, someone who does not have food to eat or clothes to wear, give him something to eat and something to wear, and his condition will be improved.

I took this up with my good friend the gentleman from Minnesota [Mr. JUDD] yesterday in the Rules Committee. You will note that this bill provides $60,000,000 for China, $600,000,000 divided amongst 600,000,000 people amounts to 10 cents a person for China. I believe it was mentioned there, whether by my good friend from Minnesota or someone else, that out of this $60,000,000, this 10 cents apiece to the people of China, they were going to raise the standard of living in China, they were going to fight communism with it, they were going to build up their industries. They were going to do all those things with an amount of money that represents only 10 cents for each person in China. So I would say that before you vote for this proposition you should go into that matter.

Then my good friend the gentleman from New Jersey [Mr. EATON] said yesterday that Russia could take over Europe in 24 hours. We could ask him whether this small amount allotted, the $500,000,000 allotted under this bill, if given to the countries of western Europe would stop Russia from taking over Europe within 24 hours. In other words, Mr. Speaker, in my opinion, this is not a proposition of a few hundred millions of dollars.

It is stated that we want to raise the standard of living of the undernourished over there. After all it hurts a baby in India, a baby in South Africa just as much to starve to death as a baby in Holland or Denmark. If we want to go into this thing, if we feel that we here in the United States have to feed the world, that we have some moral obligation to do so, I say we must go into all those countries. In order to raise the standard of living of all the people throughout this world, in order to build up the industries all over the world, in order to stop communism throughout the world, we have a $200,000,000,000 proposition extending over the next 10 years.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Mississippi.

Mr. RANKIN. I have been told by Members of the House that none of the countries that this money is to be supplied to are as greatly in debt per capita as the United States. Is that true?

Mr. ALLEN of Illinois. That is my opinion.

Mr. RANKIN. Then why should they not extend their credit to get food for their own people instead of asking us to further burden the overburdened taxpayers of the United States?

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Illinois.

Mr. MASON. The $260,000,000,000 debt of the United States is more than the total national debt of every country in Europe, including Russia.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Minnesota.

Mr. JUDD. Inasmuch as the gentleman mentioned my name, I am sure he will be glad to have the House informed also that I specifically said I did not think this bill could be justified just on a humanitarian basis.

Mr. ALLEN of Illinois. That is true and I want to say here that I have the greatest respect for your truthfulness and ability

Mr. JUDD. And I said I believe that it is justified solely on concern for the national defense of the United States.

Mr. ALLEN of Illinois. That is true. The gentleman will remember, however, that the gentleman from New Jersey, Dr. EATON, said Russia could take over Europe in 24 hours. Does the gentleman believe the amount we are allotting those three countries would stop Russia from doing that? How much does the gentleman think it would require for us to put these European countries in a position where Russia could not take them over in 24 hours or take them over at any time for that matter?

Mr. JUDD. I can answer only in terms of possible alternatives. I do not know that a bill of this sort will tide them over even until April 1. But I am dead certain that Greece and Italy and France would already be under Communist control, if it had not been for the stand the United States took last spring in two acts of this sort in support of peoples striving to remain free. I think that once we can reverse the trend toward communism, and I think our action probably has reversed the trend, then there can and will be a progressive decrease in communism over there. Our action will not solve their problems but can give the people the opportunity to build up the recuperative forces in their own countries. If they are given hope and help they can stay free. They want to survive the same as everybody else does.

Mr. ALLEN of Illinois. I know the gentleman is a great authority on China. Now, $60,000,000 is about 10 cents an individual over there. Does the gentleman think we can raise the standard of living, build their industries and stop communism in China for $60,000,000?

Mr. JUDD. No, and I have never made any such contention, as the gentleman well knows.

Mr. ALLEN of Illinois. Then what is the purpose of this bill so far as China is concerned?

Mr. JUDD. The purpose of the bill is first to give the Chinese at long last some hope; second, to declare a policy of support which should lead our Government to make available to China certain surplus commodities, especially munitions, in the United States or the Pacific islands, supplies which they desperately need in order to survive, and which will not cost us 1 cent; third, to help them balance their international payments and stabilize their currency so that they can begin to get their economy going again. There are many problems in China, but next to the military the single biggest one is the problem of their inflated currency. They cannot cure it without help. It would require only $200,000,000 to redeem all the trillions of Chinese dollars now in circulation. You could buy it all up for $200,000,000.

Mr. ALLEN of Illinois. Well, all of this was known some time back. It was known more than 10 days ago that Chinese currency was not worth much.

Mr. JUDD. Yes, and, as the gentleman also knows, I have tried ever since VJ-day to get our country to stand by the Chinese in peace as they stood by us in war. One reason for their present condition is because they followed our advice and urging, and continued to fight and bleed themselves white instead of making terms with the Japanese which would have enabled them to eliminate their internal enemy, the Communists. Instead they concentrated on their external enemy and ours, Japan, allowing the Communists to expand. Then after Japan was defeated, we wouldn't help them with the internal enemy.

Mr. ALLEN of Illinois. I thank the gentleman.

Mr. COLE of Missouri. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Missouri.

Mr. COLE of Missouri. Last week I heard a news commentator state that the countries of Europe had some $26,000,000,000 in securities here in the United States. Would it not be well for those countries to liquidate some of those securities rather than for us to dig down into the taxpayers' pockets to put money over there?

Mr. ALLEN of Illinois. I agree with the gentleman.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Michigan.

Mr. HOFFMAN. The gentleman from Minnesota [Mr. JUDD] said that in his opinion—if I understood him correctly—$60,000,000 would not prevent the Communists from taking over China. Well now, if that is true, what is the use of putting it over there? Is it for the purpose of fattening them and making it worth while for the Communists to take over? Is that what you want to do?

Mr. ALLEN of Illinois. In regard to this Communist question, here is my opinion, that we are going to hear a great deal about communism, and I think that there are many people in foreign countries who are going to meet that assertion with the cry that "if you do not continue to help us, we are going to go Communist." That is their ever-threatening attitude and it will always be until we say, "Start doing something for yourselves."

I will say, in conclusion, that this Nation owes $258,000,000,000. Fortunately, our national income is great, whereby, in fact, we can pay and just about keep even. But maybe that is not going to be true forever. Maybe a time will come when we are not going to have a national income of $200,000,000,000. Maybe the time will come when we cannot tax the people more money than it costs them to eat. I say in conclusion, to protect and feed and clothe the nations of the world and to stop communism, it is not this kind of money that will do it. We must decide whether we want to pay $200,000,000,000 in the next 10 years, and in my opinion, with a $258,000,000,000 debt, we cannot spend that kind of money.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Does not the gentleman feel that the aid proposed under this measure to be given to France will bolster Premier Schuman in the heroic efforts which he is now making to stabilize that country?

Mr. ALLEN of Illinois. I will say in answer to that that after giving $65,000,000,000 to them, that this amount of money will not stabilize, build their industries and feed them or stop communism in any two or three nations.

Mr. MASON. Mr. Speaker, will the gentleman yield further?

Mr. ALLEN of Illinois. I yield.

Mr. MASON. Since hostilities ceased in Europe we have given France over $2,000,000,000, and France is now in worse shape than she was at the close of the war, and communism has a stronger hold upon France today in spite of that $2,000,000,000 than it had 2 years ago when it was turned over.

Mr. MONRONEY. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Oklahoma.

Mr. MONRONEY. The gentleman used the figure of $66,000,000,000 several times. Will the gentleman tell the House how much of that was lend-lease which represented weapons in the hands of foreign soldiers to prevent the loss of life of American soldiers?

Mr. ALLEN of Illinois. I will say this, that the war will cost the United States about a trillion dollars before we get through. We already gave, outside of operating this war, $66,017,790,335.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield for a question?

Mr. ALLEN of Illinois. I yield.

Mr. HOFFMAN. Well, now, in the President's message he asked that we do something about inflation. If we give away all the money we can rake and scrape together to these foreign countries and provide that they spend it outside the United States, will that not help create inflation here because our people will not have anything to buy with?

Mr. ALLEN of Illinois. I agree with the gentleman. Of course, this bill will pass, and I predict that about every 3 months we will have other similar bills before us costing billions of dollars for foreign relief. Again I say, our national economy cannot stand it and that we should not dissipate the wealth accumulated through generations by such men as Armour and Swift in the field of packing, Carnegie and Schwab in the field of steel, Morse and Bell in the field of communication, Ford and Chrysler in the field of transportation, Hill and Gould in the field of railways.

Mr. Speaker, I yield 30 minutes to the gentleman from Georgia [Mr. COX].

Mr. COX. Mr. Speaker, the first thing we have to realize and the country made to know is that Russia is waging everything but a shooting war against us. It is fine to talk about extending relief for humanitarian reasons, but we cannot justify this bill upon those grounds alone. This is an investment in national security.

I am not disposed to quarrel with gentlemen who find it impossible to give

heir support to the bill, because I can nderstand that there are many, many easons why people should entertain doubts with reference to its efficacy. I am not even going to venture the opinion that the bill will accomplish the results we desire and so badly need. But I will say that, in the light of existing conditions, it is a gamble that we are compelled to take.

I find fault with the administration of the relief programs which we have heretofore set up. I find fault with the way we have carried on in Europe since the fighting war ended. In my opinion, the Morgenthau plan was completely insane, that it has brought down upon us many miseries, and is in part responsible for the sorry plight in which the country finds itself. We are now undertaking to rescue ourselves from the prison which we ourselves built. That we will succeed I do not know, but do fervently hope and pray. The most awful sin committed thus far against humanity in all time has been our appeasement of Russia. We took Russia as a third- or second-class nation and deliberately built her into a monster that now has the entire world trembling in its boots.

I was one of the Members of this body who went to Europe in the sincere desire to acquaint myself with existing conditions and to make honest report of what I found. I came back with the feeling that our chief asset in that part of the world is the spiritual will of broken, wrecked, and starving Germany to survive. All of Europe is in a critical attitude toward the United States. The British are quarrelsome and the French are ungrateful. I never found in any place I went the slightest evidence of appreciation for America except in wrecked Germany. I know that it is unpopular to say it, but the truth ought to be made known, and the truth is that if Germany, in all of its misery and woe and hunger and nakedness, should break and turn to the east there is no power this side of heaven to keep all of western Europe from following.

Mr. BLOOM. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield.

Mr. BLOOM. With all due respect to the gentleman's speech, I cannot allow that statement to go by with reference to the Germans, the French, and the other countries of Europe.

Mr. COX. Mr. Speaker, the gentleman will have time to make answer.

Mr. BLOOM. I know, but at this point I want to say I object to that.

Mr. COX. I want to say to the gentleman that the people who think as he thinks are in the main responsible for the misery and the woe which comes down upon us at the moment.

Let me say to you at this point that unless there is to be a change of attitude and a change of mind on the part of the people who will spend this money, then you had as well pour it down the rat hole.

The people who have been thinking for us—the thinking of the people who have been administering relief programs—has not been too different or too far apart from the thinking of the people we are now undertaking to stop. Let me say to you, my friends, that Russia is everywhere. There is no spot on this globe inhabited by man but that Russia is there, promoting discord, preaching revolution, and making war against the liberty and peace of this world. You may question whether Europe wants to stand with America. I think she would like to, but Europe is old and sick and afraid. The governments of western Europe are all concessions to Russia, and they are made so because they live in mortal fear of Russia. So it would not be difficult for the British, for the French, for the Italians to turn to the east. If the will of Germany to survive should break, they will turn to the east, and it would only be a matter of time when we would be completely encircled by Russia because Asia would fall.

Let me say to you, my colleagues, as mighty and as powerful as the United States is, we cannot successfully contend, either in trade or in war, with an angry and hostile world organized against us. Our policy in Europe has not been consistent. We build with one hand and destroy with the other. We talk against communism and then we help it. Certainly here after the shooting war ended we could cease cutting the throats of people we so badly need in our resistance of Russia.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield.

Mr. RANKIN. The gentleman says that this is a war proposition.

Mr. COX. I do.

Mr. RANKIN. I am not quarreling with his conclusion. But if that is the case, had we not better turn the atomic bomb back to our military authorities, keep an ample supply on hand, and build the strongest air force on earth, and let the world know that we are prepared to take care of America at home before we attempt to take care of those countries abroad?

Mr. COX. Let me say to my friend that in the joint enterprise with Russia we acted in good faith. Russia betrayed us at every turn. At the moment it is known by everyone that knows anything, that Russia is feverishly preparing for war. Yet, in spite of that knowledge, we continue in the insane enterprise of destroying a people whom we badly need in resisting the aggression of Russia. Does the gentleman understand me?

Mr. COUDERT. Mr. Speaker, will the gentleman yield?

Mr. COX. Yes, I yield.

Mr. COUDERT. The gentleman has made it perfectly plain, as did his colleague the gentleman from Minnesota, Dr. JUDD, that this is primarily a war measure, in the "cold" war with Russia, and he has most eloquently stated the situation. May I ask the gentleman a question? The gentleman states that this measure now before the House is intended as a measure to stop Russian aggression in western Europe. Now that aggression has taken violent and critical form at the present moment in the civil wars now raging in France and in Italy, how far is the gentleman prepared to go or to have the United States go at this time pursuant to its avowed policy of stopping Russian aggression everywhere, in sustaining existing governments in France and Italy, whose lives are definitely put in jeopardy by the civil wars promoted by the Communists in those countries?

Mr. COX. Let me answer the gentleman from Mississippi [Mr. RANKIN] first. There is no power anywhere that could prevent Russia taking all of Europe within a week's time. Russia can take Europe without the firing of a gun, so afraid are the people of the countries of western Europe. The only influence that stopped Stalin in making the final blow, insofar as Europe is concerned, is fear of the atomic bomb.

Mr. Speaker, I should like to make the observation that up to this moment World War II has been fought for Russia and for Russia alone.

We had just as well make up our minds that if we are not willing to treat this as defensive warfare we would be very much wiser did we keep our money at home and try as best we can to preserve the strength and the might of our own country.

Mr. COUDERT. Mr. Speaker, will the gentleman yield?

Mr. COX. Yes; I yield.

Mr. COUDERT. The gentleman now says that there is nothing that can stop Russia from seizing all of western Europe in 24 hours. If that be so, obviously this measure cannot stop them. I wonder, therefore, if it is not really the fact that the only realistic justification of this measure is primarily humanitarian and only in the long view national security.

Mr. COX. What we are by this measure undertaking to do is to enable western Europe to carry on. To let her know that our appeasement of Russia has ended and that we are determined and prepared to use all the force and power that we can command to see that the entire world is not stuffed into the already overgorged belly of Russia.

I think that the putting of China in the bill was a very wise thing to have done, because I agree with the viewpoint of the gentleman from Minnesota [Mr. JUDD], who is the special pleader for China in this body.

Mr. Speaker, the gentleman from New York wishes to know just how far we are prepared to go in our endeavor to help France and Italy. Let me say to you, realizing that we are in warfare with Russia, or at least Russia is waging warfare against us which we are now seeking to defend, that in the hope, in the endeavor, in the purpose and desire of preserving our country we will go just as far as is humanly possible to sustain the forces, the peoples that we need in our resistance to the further advancement of Russian power and influence.

Mr. COUDERT. Mr. Speaker, will the gentleman yield for one more question in that same connection?

Mr. COX. I yield.

Mr. COUDERT. There is an immediate crisis confronting us. Is the gentleman prepared to go to the point, if the courageous and embattled Governments of the present French Republic or Italian Republic should be in jeopardy, to send American troops to maintain them in power?

Mr. COX. Let me say to my friend that if a million American soldiers could

turn up in Germany tomorrow it would insofar as security is concerned be worth all the billions we could provide.

What is troubling Europe is the fear of being absorbed by Russia. We need to take a firm stand so as to strengthen the morale of European peoples.

Mr. BUSBEY. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to my friend.

Mr. BUSBEY. I think the gentleman from Georgia has made a very fine statement of this situation. I believe the Members of this body and the people of the United States as a whole are fully aware of the crisis of events in the world and particularly Europe, but I am wondering if the gentleman from Georgia would not discuss for a few minutes before he leaves the floor the causes that led up to this situation, that put us in this predicament, and who is responsible for it?

Mr. COX. I do not know that it would profit anyone anything for me to particularize further as to the reasons for this distress in which we find ourselves. At the moment we ought to find it possible to forgive and to forget. This is an American question. The call is to America and to the cause every one should rally, even though it means the suppression of an angry dissatisfaction with the people who heretofore have been carrying on. I do want to say to you now, and this is repeating what I have already said, that unless we find people of a new mind and a changed attitude to administer these relief programs, you better forget the whole question. That would mean our withdrawing from Europe, and that would mean that Europe would go communistic. It means that Russia would soon encircle us and that would mean it would be only a matter of time before liberty would perish from the face of this earth.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the gentleman from Mississippi.

Mr. RANKIN. In reply to our distinguished colleague from Illinois [Mr. BUSBEY] I call attention to the fact that this situation was probably created by a superabundance of international moongazers in both Houses who have not been realistic enough to realize that we had better look out for our own defenses and our own country first.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the gentleman from Illinois.

Mr. CHURCH. Could the gentleman use his influence to stop his administration from shipping the present shipments that are going on to Russia?

Mr. COX. If the gentleman seriously thinks I have any influence, I am afraid he is overgenerous. I do want to say that there is nothing more shocking to the American people and to a large part of the membership of this House than that we should be shipping implements of war and other supplies to the country that is waging war against us. I make that statement in complete disregard of the political effect of what I say. I know that it is wrong, I know it is hurtful to America, and I make that declaration regardless of whoever may seek to defend such practices.

Mr. CHURCH. The Members of the House know the gentleman's influence, his strong position as a member of the Rules Committee. The Congress is being asked by the administration for this measure. Cannot the gentleman use his influence to stop this practice to which I referred?

Mr. COX. I am afraid that the gentleman has no influence in that respect.

Mr. Speaker, this is a serious moment. We are taking the first step in an enterprise which if it succeeds then liberty lives, America carries on; if it fails, everything is lost. The whole world will be Russianized. I approach the whole question in a prayerful sort of attitude.

Mr. BUFFETT. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the gentleman from Nebraska.

Mr. BUFFETT. The gentleman from Georgia makes out a very strong case for this new outpouring of American funds. I am wondering if he is prepared to vote for price controls which will prevent a further inflation in this country as a result of this new outpouring of our money?

Mr. COX. I am for anything and I am for everything that is necessary to the salvation of my country.

Mr. BUFFETT. Does the gentleman think that that answers the question?

Mr. COX. It is the best answer that I can give the gentleman.

Mr. BUFFETT. I was not being in any way facetious.

Mr. COX. I know, of course, that the gentleman was not.

Mr. BUFFETT. I felt, through a study of the problem, that inflation is the surest road to communism. Lenin himself declared that the surest way to overturn an existing social order was to debauch the currency. We have been on that road a long time now. We are still on that road.

I wonder how we are going to stop communism at home if we cannot solve our economic problem. This is a part of it.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman has made a very fine and very forceful and very courageous statement. If we are going to fight communism abroad, had we not first better get it out of this country and suppress its activities in our educational institutions, in our Government, motion pictures, radio, and other activities that tend to strengthen that atheistic ideology throughout the country?

Mr. COX. Of course, the honest answer to the gentleman's question is "Yes." It is the people whose thinking has not been too different from that of the group that the gentleman from Mississippi refers to who are responsible in the main for the position in which we find ourselves.

Mr. ALLEN of Illinois. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the gentleman from Illinois.

Mr. ALLEN of Illinois. I meant to go into the question of UNRRA. The proponents of this bill, a short time ago after we gave about 72 percent of the money amounting to billions of dollars to UNRRA, had certain utopian dreams of what was going to happen. We were going to have a perfect world. Will the gentleman tell us what he thinks about UNRRA?

Mr. COX. The gentleman knows as well as I that UNRRA's record has not been perfect. I think I can go further and agree with him that the record of UNRRA has been bad. Let me make this last statement.

Mr. BROWN of Georgia. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. I want to congratulate the gentleman from Georgia on the fine statement that he has made. I thoroughly agree with him that Russia is in a position to take western Europe, and the reason that Russia does not take western Europe is on account of our atomic energy. The one thing for us to do today is to help the people of western Europe, who are down and out, to get on their feet before Russia has time to build war machines similar to ours.

Mr. COX. The gentleman is eminently correct.

Mr. BROWN of Georgia. This is a battle in which both parties should fight together. The question of who is responsible for bringing about our present condition is not so pertinent at this time—the question of responsibility might be pertinent next November, but not now. We must pull together to save our country.

Mr. COX. I want to thank the gentleman. I take that view. His statement reflects the feeling that I think everyone should have.

Let me make this statement. If this money is to be used to sustain some of the governments of western Europe, to further pursue policies which have contributed to the distress of western Europe and of the world, then I think it would be a mistake to make the grant. Therefore, I very strongly urge the support of the conditions attached to the grant which are provided in the bill.

This is the first step of a long program. In the setting up of a program for the long plan I think it would be tragic not to provide an entirely new organization responsible to the Congress and the President. We must make certain that we are not providing the plume to fledge the shaft that Russia will return to seal our doom.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 10 minutes to the gentleman from Massachusetts [Mr. HERTER].

Mr. HERTER. Mr. Speaker, I rise on this matter both in support of the rule and in support of the bill. As the chairman of the Committee on Rules has stated, the rule is a very generous one from the point of view of time, in that it allows a full 12 hours of general debate, during which I hope many of the problems that are disturbing, and quite rightly disturbing, Members of the House

with respect to the program it makes in order will be gone into in great detail.

With respect to the bill that will be taken up if this rule is adopted, I think the Committee on Foreign Affairs should be congratulated on having done a very conscientious and very thorough job, fully documented, in bringing out the type of legislation they have produced. Personally, I would wish to see a different type of bill. I say that only because I feel very strongly that if we are going to continue foreign-aid programs on anything like the scale that might be indicated by the world situation, the sooner we can set up a piece of administrative machinery in which we have real confidence, so that the American dollar can be used to the very best advantage, the better it will be not only for ourselves but for recipient countries. However, as far as this bill is concerned, it is designed to meet what is in effect an emergency situation, an emergency situation brought about by two things: First, a terrifically severe winter last year in northern Europe, followed by a drought such as Europe had not seen in the last 100 years, thereby reducing very materially northern Europe's indigenous food supply. Second, the resources which the nations—particularly Italy, Austria, and France—might have had available to them in prewar times with which to meet this particular catastrophe are not available to them. They have come to the end of their dollar resources.

The purpose of this bill is to make it possible for those nations during an interim period of time to secure enough food to keep their people even at the low-ration level they are now on and to get enough fuel so that they may maintain their industries without mass unemployment and the resultant social dislocations that come from mass unemployment.

The details of this bill will be gone into during the period of general debate, so I do not want to address myself to those now. I do want to address myself to one phase of this relief or reconstruction operation that I think is very generally misunderstood.

There have been questions asked as to the effect of this program upon our own price level in the United States. They are entirely fair questions.

I fully agree with every Member of this House who feels our primary responsibility is to maintain our own economy on a strong and high level. I think there is a very general lack of knowledge as to where this European relief program fits into the over-all picture. Let me cite some figures. In the first quarter of 1947, the second quarter of 1947, and the third quarter of 1947 we exported from the United States at a rate averaging better than $19,000,000,000 per year. That is the rate at which we exported to all the nations of the world. The area of the 16 nations of Europe which met in Paris last summer received about one-third of that total. In other words, these nations who are running out of dollars with which to buy their raw material and food requirements received less than one-third of the total exports which went out of the United States during that 9 months' period. The rest went to Canada, Australia, New Zealand, Cuba, Mexico, Central America, South America, South Africa, India, and so on.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield to the gentleman.

Mr. AUGUST H. ANDRESEN. Is it not a fact that most of the food which was exported went to the western European countries during that period?

Mr. HERTER. Yes; I am coming to that item in just a moment.

Mr. BELL. Mr. Speaker, will the gentleman yield for a question?

Mr. HERTER. I am very glad to yield to the gentleman.

Mr. BELL. Does the gentleman have any figures on how much of those exports went to Russia or her satellites during that period?

Mr. HERTER. No; I cannot give the gentleman the exact proportion, but I hope I can give the full break-down on that as well as the commodity breakdowns before debate on this bill is over.

Mr. LODGE. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I am glad to yield to the gentleman.

Mr. LODGE. The break-down on these figures is in the hearings on page 124, I believe, if my recollection serves me. Mr. Harriman gave us the figures on the amount sent to Russia and the satellite countries.

Mr. HERTER. Was that the amount for the year 1946 or the first 9 months of 1947?

Mr. LODGE. For 1946 and the first 9 months of 1947.

Mr. HERTER. I know that the figures were given for the amounts, but I am also trying to get them by commodities. The reason I am emphasizing that point is that in many cases we in the Congress have been accused of being responsible for inflation because of the amount of money we have voted for foreign relief. It is not the money for foreign relief, assuming that one bases inflation entirely upon the foreign demand, that is responsible for this. During the war period we spent a great many dollars in a great many areas of the world. Those dollars were spent abroad and could not in turn be used for the purchase of goods, because during the war period we were unable to supply goods. Those dollars are now coming back to the United States and are purchasing goods in this country. It is that accumulation, the war accumulation of dollars, that is responsible for the export phase of our inflationary cycle.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield.

Mr. HALLECK. Before we recessed last summer, the President asked us to extend the authority to limit exports. My recollection is we granted that authority. Is it not true that these exports which have been going to countries outside of the so-called aid or need area might have been controlled and curtailed by the President and his administration if they had seen fit to do so?

Mr. HERTER. The gentleman is quite correct. That is just the point that I was coming to.

We extended export controls last year. That export control power was without any limitation whatsoever. It allowed the President through the Secretary of Commerce to control all exports from the United States by administrative fiat.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I am glad to yield to the gentleman.

Mr. CHURCH. And that authority is unlimited yet, is it not?

Mr. HERTER. That is still unlimited. The power expires in February 1948, but I am hopeful that it will be extended, if not strengthened.

Mr. ROBSION. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield.

Mr. ROBSION. Does that power extend to exports going to Russia?

Mr. HERTER. It applies to all exports from the United States, regardless of the commodity or the quantity or use to which it is to be put. It seems to me that that point must be emphasized, because today we are beginning debate on a bill which takes up only a very small segment of the over-all problem, and a segment of this over-all problem that to my mind is very definitely in our interest to fulfill.

The committee with which I was privileged to be associated this summer had three subcommittees, dealing with three of the countries which are involved in this bill. One on France and the Low Countries, headed by the distinguished gentleman from New Jersey [Mr. WOLVERTON]; another dealing with Italy, Greece, and Trieste, headed by the distinguished gentleman from Ohio [Mr. JENKINS]; and a third which dealt with the Austrian problem, as well as the German problem, headed by the distinguished gentleman from South Dakota [Mr. CASE].

Insofar as the first two of those subcommittees are concerned, they worked day and night when they returned to this country to make an analysis of the problems within those countries, particularly France and Italy, because we knew we would be called upon to report on those two countries in connection with this program.

The SPEAKER. The time of the gentleman from Massachusetts [Mr. HERTER] has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield to the gentleman the balance of the time.

The SPEAKER. The gentleman is recognized for 4 minutes.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield.

Mr. RANKIN. I think I understood the gentleman to speak about this power of the President to curtail shipments abroad. The gentleman's party is in power. If they want to stop that authority they have the power to do so.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield.

Mr. HALLECK. We gave the administration that power at its request, to be executed as an administrative matter. The fact is that the administration did not choose to use it. Hence, I charge,

and I think correctly, that much of the high-price situation in this country today is their responsibility, for failure to exercise export controls that they asked for, and the best evidence of that is that in the last few days, since some of us have been talking about it, the Secretary of Commerce now announces the addition of some 36 items on the export-control list.

Mr. HERTER. The gentleman is absolutely correct, that that export-control power could have been used. If the responsibility for this inflationary situation is being placed on the excessive exports from this country, those could at any time have been controlled during the last 8 or 9 months.

But to return to the reports of these committees on the countries principally involved, those subcommittees, unanimously, and the full committees, unanimously, approving their reports, recommended substantially the degree of aid that is provided for in the bill that has been reported out by the Committee on Foreign Affairs. Our committee consisted of a group of Members representing various different committees in the House who made as conscientious a study as any group could make. The Speaker could not have appointed a better committee than he did, to try to ascertain the truth, and to try to relate what appeared to be the minimum needs of certain foreign nations with what the United States could properly apply to those needs without impairing its domestic economy.

It is for that reason, and based upon those reports, that I feel this present bill that has been brought out by the Committee on Foreign Affairs deserves the most serious and sympathetic consideration.

Mr. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield.

Mr. CHURCH. Does the gentleman intend to offer his bill by way of amendment to take care of machinery?

Mr. HERTER. No. I will say to the gentleman that the form of organization which every member of our committee felt ought to be set up in order to give proper administration to relief, is now in the form of a bill before the Foreign Affairs Committee, and I have been advised that hearings will be held on it just as soon as this matter is disposed of.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. HERTER. I yield.

Mr. AUGUST H. ANDRESEN. The gentleman referred something to the recommendations by these two subcommittees. Is it not a fact that the committees stated what the requirements would be, without having in mind a special session of Congress and making recommendations?

Mr. HERTER. That is correct. They were an analysis of the over-all figures. On the other hand, these subcommittees pointed out that there were very definite needs. In addition to that there were some real corrections made in the figures on availability within those countries, which I am glad to see the Foreign Affairs Committee has adopted.

I am hoping that in the debate on this matter we are not going to be led astray by a lot of red herrings. The only question before us is whether we are going to give this particular amount of aid and do it both to relieve hunger and unemployment and in our own self-interest, do it in order that we may be able to create a situation in western Europe and perhaps in China which will be beneficial to us from the point of view of maintaining friends under free governments.

The SPEAKER. The time of the gentleman from Massachusetts has expired; all time has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to and a motion to reconsider was laid on the table.

Mr. EATON. Mr. Speaker, I move that the House resolve itself into the Committee of the whole House on the State of the Union for the consideration of the bill (H. R. 4604) to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4604) providing emergency foreign aid, with Mr. MICHENER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from New Jersey [Mr. EATON] is recognized for 6 hours, and the gentleman from New York [Mr. BLOOM] for 6 hours.

The gentleman from New Jersey.

Mr. EATON. Mr. Chairman, I wish to make an announcement—and I hope everyone will pay attention to this—as to the time. On this side we have 6 hours. I have decided—and apparently it has met with the acquiescence of my folks—that we will divide this time—half to the proponents of the bill, of whom I am one, and half to the opponents. I hope now and pray that no one this time will accuse me of trying to keep any of my distinguished colleagues from expressing themselves upon the floor of the House.

We are going to allot this time as Members come here and ask for it—first come, first served; and I am going to ask now my dear friend the gentleman from Michigan [Mr. HOFFMAN]——

Mr. HOFFMAN. Very dear friend.

Mr. EATON. My very dear friend, who was greatly grieved last time over the matter——

Mr. HOFFMAN. And I still am——

Mr. EATON. How much time he wishes.

Mr. HOFFMAN. Three minutes.

Mr. EATON. The gentleman wants 3 minutes. Thank God for the shortness of the period.

I have one further announcement before we proceed with the program. My beloved friend from Minnesota, who is a great expert on food and who has probably consumed his full portion of it in his time, arranged to speak for half an hour under a special order; but since, so the RECORD said, the only person he had to hear him was the gentleman from Michigan [Mr. HOFFMAN] he decided that the gentleman needed no further illumination on the subject and he asked to be transferred to this program. So, after I introduce my distinguished colleague at my right to explain this bill I am then going to put the gentleman from Minnesota on for 15 minutes on the proponents' side and 15 minutes on the opponents' side so that he will have a chance to do what most of us are now doing on this subject, face north and south.

Mr. BLOOM. Mr. Chairman, will the gentleman yield?

Mr. EATON. I yield to the gentleman from New York.

Mr. BLOOM. Mr. Chairman, I wish to make the same announcement that the gentleman from New Jersey has just made. The time on this side will be divided the same way, one-half to the opponents and the other half to the proponents of the bill. May I say also that the Members who wish to speak on one side or the other should immediately ask for time, so we will know how to arrange it.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. EATON. With pleasure.

Mr. HOFFMAN. The gentleman said he is going to divide the time equally. Then he said he would yield 15 minutes to the gentleman from Minnesota, to be used on one side, then 15 on the other. Is he going to divide it that way or is he going to charge the 30 minutes up to the opponents of the bill?

Mr. EATON. Only in this particular case on account of the extreme anxiety of the gentleman to give us the full benefit of his views on food.

Mr. HOFFMAN. And our great need for it.

Mr. EATON. And our great need for it. Is the gentleman satisfied?

Mr. HOFFMAN. It is difficult to be satisfied with anything the gentleman states. That is due, perhaps, to my own ignorance.

Mr. EATON. I am glad to have penetrated the Stygian gloom of the gentleman's mind on this subject.

Mr. HOFFMAN. I think I know how I am going to vote, but I have found many times the gentleman did not know.

Mr. EATON. I expect the gentleman will vote for the bill and speak against it.

Mr. HOFFMAN. Well, while many are laughing, may I say that there is not a Member of this House who does not know what my position is. It is always quite clear, even though it might be mistaken. The gentleman may do as do some, speak on one side and vote on the other. The gentleman knows very well I will vote against this bill.

Mr. EATON. I am glad to have that matter cleared up.

Mr. Chairman, I now yield 15 minutes to my distinguished colleague from Ohio [Mr. VORYS] who has, like all the members of our committee, given an immense

amount of time and work in the preparation of this bill, to explain the bill to the House.

Mr. VORYS. Mr. Chairman, the first point to explain on this bill arises out of this situation: Apparently a substantial majority of the Members of Congress is in favor of doing something on interim aid in the critical situation that faces us, but there are two points of view. One is that whatever we do is all right if this is merely another hunger-and-cold relief emergency bill. The other view is that what we do is all right only if this is part of a long-time policy. I happen to belong to those who hold this latter view.

This is the third emergency relief bill we have had on the floor of Congress in 1947. To go back to what we heard a year ago, I have had enough of emergency relief legislation.

However, this bill resolves this conflict as between those who want merely a short-time proposition that commits us to nothing and a bill that is a part of a long-time proposition, by two provisions in the bill. It is provided in section 12 of the bill, page 8:

> This act, however, shall not imply any present or future obligation to give aid to any foreign country, nor shall it imply or guarantee the availability of any specific commodities.

In short, we are promising nothing to anybody by passing this bill. On the other hand, the bill takes care of those who feel that this should be the first step in a longer program by a provision—section 15 on page 10—as follows:

> The personnel, records, and funds provided for the purposes of carrying out this act shall be transferred to the administration of any organization for general foreign aid which Congress may provide.

Thus, the bill provides for merger in any long-term program enacted, although it contains no long-term or short-term commitment to any country.

We thus find that the two views are not inconsistent. In the first place, of course, this does deal with a very serious emergency abroad, an emergency precipitated not only by war devastation, not only by unprecedented weather conditions, freezing last winter, and a terrific drought this year that made crop failures all over western Europe, but an emergency deliberately precipitated by Communist infiltration and action. So there is an emergency.

On the other hand, we realize that any long-term program must consider the situation that we find at the time in these countries and at home, and must not bleed this country white, and therefore any long-term program must be flexible enough to take care of the immediate situation in this country as well as the current situation in other countries.

On page 5 of the hearings Secretary Marshall, in discussing the long-term program, brought out this point:

> The program of United States support will achieve its objective only if it is kept responsive to changing situations and varying supply conditions.

So, those who feel that by doing something here Congress is committing itself to a long-term program in which it will tie its hands in advance need have no fear. The Secretary of State does not intend to recommend such a program, and if he does, I predict that no committee of this House would bring such a program to the floor. Any long-term plan must provide for periodical review of our resources, and foreign performance as well as needs. We will never authorize, appropriate, or commit any gigantic long-term sum all at once.

This is not just a relief proposition for starving people; it is not merely a gift. This bill, in its purpose clause, provides that it is not only to relieve hunger and cold, but also to prevent economic retrogression. There are probably a billion people in the world who are hungrier than the people of France and Italy. I question whether we would be justified solely on the basis of hunger in providing for those two countries at this time.

Let us remember this: We are attempting to keep those countries from economic collapse. This is a balance of payments bill. What do we mean by balance of payments? Suppose a shoemaker has $20 and he needs $10 for groceries, $10 for leather, and $10 for rent. If we furnish him $10 for groceries we are making his $20 available for his other needs. We would arrive at the same result if we paid his rent or if we furnished him his leather to go on with his trade. It is more appealing to us, and it is a great necessity that we furnish food and heat which accounts for about $484,000,000 out of the amounts in these estimates. But, let us remember that what we are doing is meeting dollar deficits, dollars which are necessary if these countries are not to retrogress.

This is not a direct gift proposition. If this shoemaker I have mentioned were furnished $10 for leather but told that he must deposit the proceeds of his shoemaking business to the order of the person who furnished him the $10, he might be very, very thankful but he would not consider that to be an unconditional gift. Not only are the proceeds of the sales of the so-called relief commodities impounded subject to joint account until June 30, and thereafter to the sole control of the American Congress, but there are ten strings tied to the relief, which you will find in section 5 of this bill. They are strings that those who have been abroad and seen the present relief program operate believe to be necessary to make sure that this relief does not go down the rat hole, that this balance of payments does not leave these countries in the same condition again, that they start to provide for themselves, and that they distribute our relief properly.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I wish the gentleman would clear up that balance of payments proposition, because it was earlier stated, not here but before the committee, that France owes Belgium $45,000,000 and owes Brazil $10,000,000. Is it the idea in the balance of payments that we are to provide in this legislation for the payment of those sums to those countries for France?

Mr. VORYS. We do not. I believe the amounts were $17,000,000 and $3,000,000. They add up to $20,000,000 that France owes other countries. France also has obligations to the International Bank. France intends to meet those obligations out of its other dollar availability. None of the money, none of the supplies under this bill, according to the justifications presented by the State Department, are to go for any such purpose. All of the supplies set up as the needs to be met under this bill are within the same classification as the relief supplies which we authorized under Public 84, the relief assistance bill, earlier in the year. But we must not kid ourselves that if we furnish relief supplies these other countries, through their balance of payments, will not meet other items they feel necessary, and in that calculation we are going to use our good influence to have them not spend their dollar availabilities on items we consider unnecessary. However, when we are attempting to preserve the integrity of a foreign nation, we should give due weight to whether or not they should refuse to pay their international obligations.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Georgia.

Mr. COX. The gentleman says this is not an outright gift. Did not the gentleman mean to say that it is a gift with conditions attached, that since the entire fund is spent for the benefit of the people to whom the grant is made, not one dime returning to us, it is, in effect, an outright grant?

Mr. VORYS. I think the statement the gentleman made, that it is a gift but with conditions attached, is perhaps as good a description as I gave of it.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from California.

Mr. McDONOUGH. Will the gentleman inform me what constitutional authority the Congress of the United States has to make this appropriation?

Mr. VORYS. We examined into that question, and found that the first time it was raised was in connection with the Japanese earthquake contribution back in 1923, when our Attorney General, belonging to the gentleman's party and mine, passed on it. The question came up first in our committee since I have been here in connection with the so-called Polish relief recommended by ex-President Hoover in 1940, I believe. It was reviewed again twice this year. There is no specific case on the subject, because under the situation, which every lawyer will understand, there is no way in which a case can arise where the precise point can be litigated, but constitutional textbooks and the dicta of judges, like Stone and others, which we had in the memorandum before us, show that when the appropriations are for the general welfare of this country or for its national defense such appropriations are justified. In my judgment, unless every Member of this House feels that this is for the general welfare of his own country and for the defense of his own coun-

try, he is not justified in voting for this bill. I feel that this legislation clearly qualifies under those constitutional requirements.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. McDONOUGH. In other words, as I understand it, the gentleman is qualifying the authority of Congress under the Constitution to make this appropriation under the general-welfare clause and the clause for the common defense of the Nation?

Mr. VORYS. That is right. That is my judgment.

Mr. STEVENSON. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. STEVENSON. The leader of the Republican Party in the other body, the Senator from Ohio, made the statement that this bill provides $145,000,000 to pay for imports going to French North Africa. He also made the statement that $10,000,000 was provided in this bill to pay a debt of France to Brazil, and $30,000,000 to pay an old debt of France to Belgium. As I understood the gentleman here this morning, he said that that was not correct. Is the Senator from Ohio in error when he made that statement on the floor in the other body?

Mr. VORYS. As I explained, none of the proceeds of this appropriation will go to pay either of those items. But the paying for relief supplies for these countries, relief being in quotations, because the relief definition is quite broad, the paying for relief supplies does make it possible for the country in question to spend its dollar assets to pay other debts.

Mr. JONKMAN. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. JONKMAN. Will the gentleman explain the difference between balance of payments on the one hand and excess of imports over exports on the other hand?

Mr. VORYS. I think they involve the same things. The balance of dollar payments means that if, for instance, the exports of a country and its other invisible assets, such as tourist travel, income from outside investments, and so forth, are insufficient to produce dollars enough to pay for its necessary imports in dollars, then you have a deficit which causes a deficit balance of dollar payments.

Mr. JONKMAN. Then if the excess of imports included a lot of luxuries, that would depreciate the dollar purchasing power for necessaries, would it not?

Mr. VORYS. That is perfectly true, and we certainly should not permit that. We should make arrangements so that these countries do not waste away their dollar availabilities by importing luxuries. So far as the evidence showed, they were not doing that. They were down to hardpan.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. EATON. Mr. Chairman, I yield five additional minutes to the gentleman from Ohio.

Mr. VORYS. There are three reasons urged for the consideration of this measure. One is the humanitarian reason, to relieve hunger and cold. I will leave others to dwell on that as, in my judgment, that would be an insufficient reason for taking care of the needs of only three countries, and the partial needs of a fourth country at this time. In addition to the humanitarian reason, there is an economic consideration. If we had conditions of peace and progress, a recovered Europe and a recovered China would be very good customers of ours with whom we could do many, many millions and even billions of dollars of profitable business. Western Europe is never going to be able to produce enough food for itself. It will not be many years before we will have agricultural surpluses. It would be good business for us to have customers who could take off our hands our agricultural surpluses in return for things that we need. China has needs which we can fill with great profit if we had conditions of peace and progress and those countries were recovering.

That brings me to the third consideration. Why is it we do not have conditions of peace? We have involved in this bill a consideration of security, of national defense. For the first time since the end of the war our committee has brought to you the official Army estimates of the strength of the Soviet armed forces and of the free European forces and the satellite forces and our forces. You will find them on pages 12 and 13 of our report. We also show the disposition of those forces. You will find that the Soviets have 99 divisions aimed toward the West. The satellities have a hundred divisions. As opposed to them, there is one American division, the First Infantry Division, in Germany, and 104 divisions of the 12 free European countries. Those figures lead different people to different conclusions. The unquestioned fact that there is the possibility of immediate military aggression makes one group say, "Well, the inevitable is so inevitable, the conquest by military power of Europe and Asia is so clear that the best thing for us to do is to relax and enjoy it and spend billions on countless billions making ourselves militarily strong, isolated here at home." The other viewpoint is taken by those who realize that our first line of defense constitutes the forces of those 104 free European divisions, and that it is quite important not to permit the economies of those free European countries to deteriorate to the place where they can no longer support their necessary defense forces. I believe that is an element involved in this bill.

While I was hundreds of miles behind the iron curtain this fall and realized this overwhelming Soviet military superiority, it kept occurring to me, "Why don't they move? They have the troops on the ground. They could win the fight locally. Why don't they move in?" In studying that question, it seems to me there are just two answers. The answer is not that they love us so much. The answer is not that they hate war so much. The answer is not that they love the European countries. The answer is, one, the atomic bomb, and two, the fear of the tremendous economic power of this country, once we launch into full-fledged warfare. Therefore, what should be our policy? Our policy should be not to yield another inch by way of appeasement, or another jot of a principle by way of appeasement, but to stand up in the battle of principles and argue those out. Then, our second step should be to do what we can to maintain the economies of our friends of the free, democratic nations, without bleeding ourselves white. We must not fall into the trap that the Soviets have set for us, by bleeding ourselves white through too many emergency, extravagant, and expensive operations. It is their definite policy first to prevent our aiding those countries, and second, to make any aid we render as expensive and ineffective as possible. I do not believe their policy should control our policy. We must go ahead and render aid we can afford to those who need it and who can be helpful in this world-wide struggle so as to have them ready for all eventualities.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. VORYS] has expired.

Mr. EATON. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. VORYS. What are those eventualities? I hope the eventuality is that when the Soviets see that we are not backing down any place, that we intend to use our economic power, our moral power, and our military power to prevent aggression and expansion, that we will then have an era of peace. But if the situation should develop so that under article 51 of the United Nations Agreement there comes an invasion of a free nation by armed force and that nation has the right and the duty to defend itself, and other nations have the right and the duty to aid in its defense, our country and other free countries should be ready to act.

I now yield to the gentleman from Wisconsin.

Mr. MURRAY of Wisconsin. I was in hopes that the gentleman would have time to explain that incentive-goods section in the bill.

Mr. VORYS. The incentive-goods proviso, which is found in section 3, is a provision under which we can use commodities not in short supply in this country to induce the production in other countries of commodities which are in short supply in this country. Those who have been over there know that the farmers of Europe are hoarding their grain. There is no more way to bring it out by bayonets over there than there is here—it might be a little easier—but what is going to bring it out is incentive goods. When the farmer can buy something for his money, he will quit hoarding his produce or selling it on the black market. If cigarettes, pots and pans, and other things of that kind not in short supply here but absolutely lacking over there were made available over there in appropriate markets, it would help develop not only the production but the distribution of materials and commodities which are so badly needed. It could be so handled as to save the American taxpayer money. Such an agreement is required under section 5 before

a country receives any such incentive goods. That, briefly, is a description of the incentive-goods provision.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. BLOOM. Mr. Chairman, I yield 30 minutes to the gentleman from Alabama [Mr. JARMAN].

Mr. JARMAN. Mr. Chairman, I do not intend to dwell on the situation in Europe of which this House and this country have been well advised and will be further advised in the future. You know the situation is tragic, you know there are many people in Europe today, and that there will be more in January, who are hungry, cold, emaciated, and undernourished. You know that such a condition is a fertile field for communism; that, in fact, it is the very field that Communists desire most and to the continuation of which they are anxious to contribute most. I do want to talk briefly about the cause of those conditions.

It seems to me it is necessary to go back at least to World War I when Europe lost practically a generation. That is particularly true, of course, of England, which had no conscription during the first 2 years of that war, because of which fact the flower of the youth of that land volunteered, and practically all of them were slaughtered in battle during those first 2 years. The same applies similarly to other countries, though not so extremely as to England. I have frequently wondered if the leadership which would have led England out of the slough of despond in which she unfortunately finds herself today has not slept in Flanders field since 1914 and 1915. Of course, the loss of manpower and leadership during the last war causes the losses of the other war to fade into insignificance by comparison. In the case of Germany several million of her men are still prisoners. We saw many of them, and they are very fortunate, those who are prisoners of the countries we visited. They are the best-fed Germans I saw. I do not know about those who are in Russia; I am not at all sure that they are nearly so fortunate.

Then there is the destruction wrought by that war, not only of cities, towns, and buildings, but of fields, many of which were literally churned with shells. These shells are still buried in many of the fields causing their cultivation to still be impossible. Then there is the scarcity of animals, practically all of which were eaten, driven away, or confiscated during the war. There is a similar scarcity of farm tools, seed and fertilizer.

In addition to that the crop, which would otherwise have been made even under those handicaps, was cut 25 to 50 percent due to the terrible weather of last winter and the drought which followed, which was the worst one suffered by Europe in more than a hundred years. Even in the case of that which is produced great difficulty is involved in getting it to the cities. As the gentleman who preceded me indicated, the farm people are not suffering so much. Not only is it difficult for them to transport their goods to the markets in the cities but it is only natural for them to hoard that food when they have no respect for the currency they would get if they sold their products; when every single one of them lives in constant fear that communism will sweep over the country and that whatever money he might have will either be confiscated, devalued, or otherwise made worthless. Then there is the waste of the black market and the unfortunate fact that Russia has the bread baskets of Europe. I do not know how that happened, but it is an unfortunate fact that Russia occupies the bread baskets of Germany and Austria, and, of course, a large part of the Balkans which, with Poland, also dominated by Russia, constitutes the real bread basket of Europe, is behind the "iron curtain."

Many of you ask: Are they trying to help themselves? and Why should we assist them if they are not? I gained the very definite impression, while visiting 22 countries this summer, during which visit I could only gain a bird's-eye view because of the limited time in each country, that while there are naturally exceptions, by and large the people of Europe, not only the leadership of the countries but the individuals, are trying diligently to help themselves. Now they are not accomplishing nearly what they could but for the handicaps to which I have referred and the numerous others to which reference could be made, however, I believe they are doing very well under the circumstances.

Furthermore, as I understand it, the first requirement of the Marshall plan, toward which I consider this the first step, is that they help themselves, that each country, before it comes to us for assistance, will do whatever it can not only within its own borders but for its neighbors.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from North Carolina.

Mr. BONNER. I think everyone in America is interested in getting food and clothing to people who are in distress. I have listened to previous speakers and I have been attentive to the gentleman's address. Is someone going to tell the Members of Congress who have not had the opportunity of listening to the hearings before the Foreign Affairs Committee just the manner in which food and clothing are going to get to individual people; or is this program going to be turned over to someone in the various countries of Europe, eventually to go into the black market, as so much of the other goods that we have sent to Europe channeled through those markets?

Now, is there a program laid down to actually get this food to the people who the gentleman says are suffering? Do we have that program? I would like to have the gentleman discuss that, if he will.

Mr. JARMAN. I will not do so in detail because of my knowledge that another member of the committee will. But I will briefly reply to the gentleman by saying that the goods must necessarily be turned over to the countries concerned. It is absolutely impossible for one country to go into another country and effect such a distribution without depending considerably on the local government.

Mr. BONNER. For instance, in China it will go to a certain class of people, and the distressed Chinese will never receive it.

Mr. JARMAN. It will go to the government of the country concerned. But do not overlook the fact that rather strenuous restrictions have been placed in this bill as to observation and inspection by our people. We have, we think, been careful to take care of that situation in this bill, although we cannot take over absolute distribution in other countries.

Mr. BONNER. All the speeches on this subject that I have heard so far are just along the same line. Now, the people in this country, as I said, are greatly interested in this material, that these goods are to reach into the people who are in destitute circumstances. I want it to reach them. I want to support the measure, but I do not want to let this go over there again and get into the hands of certain people who use these goods for their own benefit and will never reach the people that we preach back home to help.

Mr. JARMAN. We all share the gentleman's desire.

Mr. BONNER. I think there should be an explanation of that situation in this House.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from Ohio.

Mr. VORYS. Answering the gentleman's question, the language on page 5 of the bill, section (e), requires any country, before it receives anything, to make the following agreement:

> To make available to its people at reasonable prices, consistent with economic conditions in the recipient country, such commodities as it may sell under the terms of this act.

Mr. BONNER. Who is going to distribute it? The gentleman certainly did not discuss this phase. Are you going to set up some program turning it over to the Salvation Army, that will get right down to the people, or are you just going to turn this over to a country to do whatever it chooses with it? This ought to be developed.

Mr. VORYS. It will be seen from a reading of the bill that the administration of this measure is to be under the Relief Administration which has acted fairly successfully since the bill passed last May 31. The head of it is Dick Allen, former executive, with the American Red Cross, and he is doing a very good job of making these agreements with each country and enforeing the provisions. A similar provision is in the present law.

Mr. JARMAN. Of course, I wish to express thorough agreement with the gentleman. It is mighty easy, gentlemen, to criticise and say that goods are going down a rat hole, and that we ought to go over there and undertake finite details of the distribution, but I want to agree fully with the gentleman from Ohio in the opinion that this present relief program is being well carried out, and I disagree that it should be disrupted now and a change made for this comparatively small item, particularly when we have

the Marshall plan coming on later, and particularly also when time is of the essence. Our country now has an efficient organization supervising this distribution in all of the countries concerned. It would in my opinion be ridiculous to ditch it and ask the Salvation Army to set up a new organization by January 1.

Mr. BONNER. Let me make myself thoroughly clear. I am not questioning and I am not doubting the gentleman's good intentions, but so far no speaker has told us just what the program will be about this, and from the experience of the past we do not want to follow in that footstep.

Mr. JARMAN. I thought the gentleman from Ohio told the gentleman, but I will repeat that the program will be carried out under Mr. Allen, who has charge of our present relief program and who is evidently doing an excellent job.

Mr. ALLEN of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from Louisiana.

Mr. ALLEN of Louisiana. On the same thought that the gentleman from North Carolina brought out, this bill provides for the sale by these local recipient governments to the people. Now, what are you going to do about the man over there who does not have any money with which to buy? What are you going to do about that?

Mr. JARMAN. He is going to get it without money.

Mr. ALLEN of Louisiana. Does it say so?

Mr. JARMAN. I think the act says so.

Mr. ALLEN of Louisiana. All right; but why do you not spell it out?

Mr. JARMAN. If the gentleman will read the bill carefully I think he will find it in the minutest detail. We could not spell out everything in this bill that every Tom, Dick, and Harry wanted. We spent nearly 2 weeks attempting to satisfy as many as possible and indulged in a great deal of entirely unnecessary tweedledum and tweedledee. If we continued to work on it and spell out everything every Member of this House wants, everybody in Europe who needs relief would be dead before anything could get there to help them.

Mr. ALLEN of Louisiana. Does not the gentleman believe you ought to spell it out, so that the hungry men can get it?

Mr. STEVENSON. That is right, spell it out so the hungry people can get it.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from Illinois.

Mr. CHURCH. Referring to page 5, subsection (e), to which the gentleman from Ohio referred, to make available these materials to the people at reasonable prices, how does the gentleman justify his statement just now that the poor, who do not have the money, will get them free?

Mr. JARMAN. There are many people in these countries who have ample currency of their land but no dollars. There is no reason in the world that I can conceive of why a millionaire in Italy or France or Austria should get these goods free. They will pay for them in the currency of their countries, since they have no dollars to pay for them, but the man who is indigent will not pay. The gentleman will note that the proceeds will be placed in a special fund, much of which will undoubtedly be used for further relief to the indigent.

Mr. PHILLIPS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from Tennessee.

Mr. PHILLIPS of Tennessee. For the benefit of some Members who have not had the opportunity of serving on the committee that considered this legislation, do you have any communication of any kind from any foreign countries making a request for any kind of relief? Where is that cablegram? What official body in any foreign country has requested this aid? Is it not a fact that we are forcing this aid upon those countries?

Mr. JARMAN. Has the gentleman ever heard of the Paris Conference, the deliberations of which were carried in the press and the radio very generally a few months ago?

Mr. PHILLIPS of Tennessee. I have heard of numerous conferences, but I have not seen any evidence or any records or any official communications to this Congress from any foreign country.

Mr. JARMAN. I have on my desk a report by the 16 nations who participated in the Paris Conference, in which they request what they think they need. If the gentleman would like to see it, I should be glad for him to peruse it.

Mr. PHILLIPS of Tennessee. Yes; I should like to see it.

Mr. JARMAN. Do the people of the United States have any duty to help relieve the situation? I am very strongly of the opinion that we do have that duty, from a strictly humanitarian standpoint. The people of the United States have never yet failed to answer the call of suffering, starving humanity when they could—and never will. The people of the United States do not wish this Congress to fail to answer that call today.

However, that is by no means all. There was a time when we were a debtor Nation. I believe we became a creditor Nation during the other World War. There was a time when but for our resources we might have been in the same situation with which those countries are confronted now, without any suitable or hard international currency. We have proceeded from that to the position of the leading and most powerful Nation of the world. That position of power and leadership places a responsibility on our shoulders when vast areas of the world are about to go under, as is the case now. It prevents us turning a deaf ear to such a near catastrophe, so dangerous to world peace.

But is that all? No, Mr. Chairman, I think we owe a duty to ourselves, to our country, and particularly to the 5-year-old boys who play around the firesides in the homes of this country, and to their unborn children, to prevent, if we can, the domination of the world by communism, and the probable slaughter of those 5-year-old boys on the battlefields of world war III and IV. Talk about high taxes, ours are low compared with what future generations will have to pay if this effort fails and the remainder of the world becomes a police state under the domination of Russia. Think for a moment of the cost of fortifying this continent and raising and maintaining throughout the future a standing army such as no American has ever thought of in peacetime. Yes, some Member of this body—I do not think he is a member of our committee—very appropriately said upon his return from Europe, "The question is, What would it cost not to save Europe?"

And even with this tremendous expense, who can be sure that we would be saved when we know that Russia will in time possess the atom bomb or worse. Fortify our shore lines and our strategic points as we might, such fortifications would not prevent the destruction of New York, Washington, Chicago, and San Francisco by some future weapon, perhaps far more terrible than the atomic bomb.

There was a time when our foreign policy was something the average citizen could well afford to pay little attention to. He could then leave it to the President, the State Department, the Foreign Relations Committee of the other body, and the Foreign Affairs Committee of this House, but that time has gone forever. Now our foreign policy has entered, and sits around the fireside of, every home in this Nation. It plays, as it were, with those 5-year-old boys to whom I have referred and with the destiny of their unborn children.

Yes, Mr. Chairman, the greatest duty, perhaps, is to ourselves and especially to our children and theirs.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from Mississippi.

Mr. WILLIAMS. The gentleman has been through all these hearings and he is familiar with what is in the bill. I would like to know for my own information and for the information of the Members of the House, if there is anything in the bill which would protect the American people from having scarce commodities such as fertilizer, gas, and oil, and so forth, sent overseas under this program at a time when scarcities exist in the United States.

Mr. JARMAN. The gentleman doubtless heard the President's message to the Congress. If he did, the gentleman knows that the President dealt very exhaustively with that subject. However, as the gentleman well knows, there are other committees of the Congress; and another committee, as I understand it, is considering that phase of the matter. There is no such provision in this bill. In other words, the answer to the gentleman's question is "No."

I wish to comment, however, on the gentleman's reference to the scarcity of fertilizer. While it is unfortunate that our farmers are unable to secure as much fertilizer as they wish, and I sincerely regret it, investigation will reveal to the gentleman that practically none of the shortage results from the shipment of fertilizer to Europe. He will find on the other hand that practically all of such fertilizer is being manufactured by war plants, which would not be in operation except for this emergency. The cost of

manufacturing nitrates is so great that commercial firms would not operate them and they would have long since been closed and perhaps dismantled but for this demand for fertilizer. The use of nitrate recently increased in the State of Illinois 1,000 percent.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from New York.

Mr. COUDERT. The gentleman spoke a few moments ago about starvation and suffering. Does the gentleman take issue with the chairman of the Committee on Foreign Affairs? Does he take issue with his distinguished colleague from Georgia and with his colleague from Minnesota, all of whom characterized this as primarily a war measure in the cold war with Russia?

Mr. JARMAN. The gentleman now in the well of the House is taking issue with no one. He has already stated that there are three particular reasons why he considers this necessary. First, the humanitarian reason; second, the position of leadership that we occupy in the world, and third, our duty to ourselves and especially to our children. I am challenging no one when I make that statement.

Mr. COUDERT. Does the gentleman state that this is an act or a measure in pursuance of the American policy of stopping Russian aggression everywhere?

Mr. JARMAN. Indeed it is. This might be termed a defense measure. I do not know whether it could be properly called, and I would not call it, a war measure. On the contrary I prefer to think of it as a peace measure.

Mr. COUDERT. Does the gentleman agree with the gentleman from Georgia and the distinguished chairman of the committee?

Mr. JARMAN. The gentleman from Georgia spoke at length and I did not hear all of his speech, nor was it my privilege to hear that of our able and distinguished chairman.

Mr. COUDERT. Does the gentleman agree that Russia could seize western Europe in 24 hours?

Mr. JARMAN. No, I do not agree with that. I do think they could do so in 2 weeks.

Mr. COUDERT. Does the gentleman take the position that the enactment of this measure and the carrying out of its terms will prevent the seizure of western Europe by Communist parties now promoting civil war in France and Italy, and if not, is the gentleman prepared to carry the American policy to its logical conclusion and to intervene in France and Italy by force, if necessary, to prevent the seizure of their governments by local Communists' organizations now fomenting civil war?

Mr. JARMAN. I take the position that the passing of this legislation while, of course, it would not become effective in 2 weeks, the very fact that it is recommended and the very fact that we are considering it has had a psychological effect which has been very potent and will continue to be most effective. Not only that, but the Greek-Turkish bill, which was passed last spring, has had that effect. Russia has not progressed in Europe since its passage. I do not know how the gentleman voted on that.

Mr. COUDERT. I voted for it.

Mr. JARMAN. The gentleman may feel justly proud of having cast a vote that was most effective in stopping the spread of communism.

Mr. MILLER of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield.

Mr. MILLER of Connecticut. I expect to vote for this bill and later for the Marshall plan. I assume that we are going into this program with the hope that these countries eventually are going to be rehabilitated. The thought occurs to me why we should not look to those countries, perhaps 50 or 75 years from now, especially for the benefit of the 5-year-old youngster of whom you spoke, for repayment. Why should not those countries some day in the distant future, if and when they are rehabilitated, repay us? Why should not some of the countries now give us commodities of which they have surpluses? I have in mind rubber and tin and so forth that we need and of which they now have surpluses. Why could not an exchange be worked out, not under this bill, if not now, in the near future?

Mr. JARMAN. While it is not spelled out in this bill, I am of the impression that there is contemplated a sort of reverse lend-lease to take care of such items as the tin to which the gentleman refers which will contribute somewhat toward the end that he has in mind.

Mr. MILLER of Connecticut. The gentleman anticipates there will be some thought given to that in the so-called Marshall plan?

Mr. JARMAN. Yes; definitely.

Now, if I may, I must conclude. Some of you visited behind the iron curtain this summer. I wish every Member of this House could have done so, because of the fact that it is absolutely impossible to describe the stifling pressure, the strangulation that one feels when he realizes that every action of his is being observed, and that every conversation is being listened to, if possible; that he cannot afford to leave a secret document in his hotel room, even locked in a suitcase; that there is absolutely no freedom of speech, press, religion, or any other freedom in a police state. I say to you it is absolutely impossible to realize that condition and that feeling unless one has experienced it. Very soon we were able to detect the agents who were observing us; young men 30 or 35 years old; bareheaded; generally with their hands in their pockets, casually strolling about in front of the hotel or at the airport where we were congregated, ostensibly paying no attention to us, but by observing them closely we could see the furtive glances at us every minute or two. We were told that in Rumania our visit was preceded by the arrival of 30 of Russia's best agents, sent there, not so much for the purpose of observing us, but for observing those to whom we talked, and doubtless returning to them after our departure to put pressure on them, to give them the third degree, if necessary, to ascertain what was discussed. I certainly hope, my colleagues, that pressure is all that those patriots had exerted on them. Yes, I hope that imprisonment is all; because, as you know, life is very cheap behind the "iron curtain."

We heard in several places, before we reached Berlin, of the disappearance of 16 girl students of the University of Berlin the day before their graduation. They constituted either a class or a sorority. They were anti-Russian. I thought it was just a story they were telling on the Russians, but we inquired of the chief of our information service in Berlin and he said it was not a story; that those girls did disappear, and no one knows yet where they are.

In Warsaw we visited the Deputy Prime Minister, in the absence of the Minister. When we entered we saw two stenographers seated by him. That is, we assumed they were stenographers, although they were a little old for stenographers. One of them was baldheaded. They took notes diligently, as the gentleman is taking notes here, of everything that was said. But finally one of them interrupted the interpreter, correcting his interpretation. I saw when our chairman asked the Deputy Minister a question, before he would answer, one of the stenographers would speak to him in Polish and then he would answer. Henceforth, one of those stenographers would speak to the Minister before he answered practically every question.

As that happened, my respect for the Minister increased, and I began to wonder whether he was a Russian agent or a Polish stooge as we thought he was.

From there we went to a luncheon with which our Ambassador favored us, and to which he invited several ranking Polish officials. We were seated by seniority, as is the custom on such occasions. I have been around here sufficiently long to acquire a certain amount of seniority and was the senior Member of the House present, although I was not senior on that occasion because I was not a Republican; but I mean in point of service.

When I walked in to this table lo and behold whom should I see—and, of course, the Poles were seated by seniority too—whom should I see sitting directly across from me but this baldheaded stenographer. I looked at the chart and found that it was Dr. Sinanovich, or something like that. Then I became thoroughly convinced that there was greater hope for Poland than I had feared. I became convinced that that Deputy Prime Minister, as I said, not only was probably not a Russian agent or a Polish stooge, but possibly he was a patriotic Polish citizen who would do his duty towards his country when he found an opportunity. If such had not been the case, I concluded those stenographers with Ph. D. degrees would not be observing him so closely.

Speaking of Warsaw, in my opinion that unfortunate city is the saddest, most tragic place in the world today. It is, I believe, first, the most thoroughly destroyed large city. I have not seen Hiroshima or Nagasaki, the atomic-bomb targets, but I do not believe they can possibly be more completely destroyed

than Warsaw, where one witnesses mile after mile of absolute ruin. Even worse than the destruction there is the way that it occurred. Comparatively little of it resulted from the conquest of Poland early in the war. You will recall that she only lasted 21 days and such destruction would have been impossible had German guns and bombs been trained on her throughout this entire period. While some of it occurred then, the great majority was deliberately and entirely unnecessarily perpetrated by the Germans when they realized the necessity of their withdrawal. They then destroyed what remained of that beautiful city, not block by block, but building by building, by dynamiting it. Nor is this by any means all of the tragedy. Perhaps even still worse is the treachery of one of Poland's allies.

You recall how valiantly the underground conducted itself throughout the war under that magnificent patriot, General Bors. You recall the Russians having cautioned him as they proceeded on their victorious march through Poland not to rise too soon but to await the appropriate time, indicating to him, if not assuring him, that they would then join him, save Warsaw and drive the Germans away. General Bors did wait until the receipt of the Russian signal, which he received by radio loudspeaker and dropped pamphlets. Yes; he and his brave followers rose valiantly, but did his Russian allies carry out their agreement? No; they did not. Instead they despicably sat in sight just across the Vistula River and witnessed the destruction of that beautiful old city and the slaughter of much of the best citizenship of Poland.

When I expressed my opinion of them to the counselor of our Embassy, who was conducting me through the ruins, he ironically replied: "They simply saved themselves the trouble." Think of it, my colleagues, those treacherous Russians, who had promised to save those Poles, simply saved themselves the trouble of slaughtering them by permitting the Germans to do so. You see, the extermination of the majority of that type of Pole was necessary to such Russian domination of that unfortunate country as exists today.

That, my colleagues, is the way the Russian Army treats its allies, and such treatment is one of the things we hope to avoid by the passage of this legislation.

In conclusion, Mr. Chairman, I very much hope this bill will become law early next week, without any sizable vote against it. There are those who do not agree, of course, that such should occur and they have a perfect right to their opinion. I do not believe, however, that many who have visited behind the "iron curtain" so feel. Furthermore, I hope and strongly believe that those who do so feel do not represent the sentiment of any great proportion of our people, the tremendous majority of whom I believe agree with the opinion I have expressed of the duty which is ours.

The CHAIRMAN. The time of the gentleman from Alabama has again expired.

Mr. EATON. Mr. Chairman, I yield 15 minutes on the opponents' side and 15 minutes on the proponents' side to the distinguished gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. STEVENSON. Mr. Chairman, I make a point of order that there is not a quorum present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and fourteen Members are present, a quorum.

The gentleman from Minnesota is recognized for 30 minutes.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I am indeed grateful to the distinguished chairman of the Foreign Affairs Committee for having allotted me 30 minutes to discuss some of the realities of the problems confronting the Congress and also the problems confronting the people of the countries who are to be the beneficiaries of this legislation.

I fully agree with the gentleman from Georgia [Mr. Cox] and the others who have spoken here about our interest in trying to prevent the spread of communism wherever it is found. We recognize that Russia operates in a very treacherous manner. I do not have the same fears that Russia will immediately take over western Europe because Russia operates through Communists within a country whether it be France or the United States. The Russians give orders, or Stalin gives orders to his leading Communists in France and Italy as well as the United States, and his local leaders seek to secure power and take control over the government and the lives of the people within the respective country.

Mr. Chairman, if the committee will bear with me, I will try to express my views on the realities of this problem, including the question as to who gets the food when we send it out of the country as a gift to the people. There should be no question in the mind of any Member of the House about the nature of what is being done here today. It is a gift, a straight out gift, to the people of France and Italy, nothing else; therefore we should treat it as a gift and express the will of the American people, or a majority of them at least, that this gift of food and other necessities shall go to the people who are hungry and need it the most. Under the present system of distribution this food will not go to the hungry people in France and Italy, and I think I can demonstrate that as I go along.

Our first duty is to think about the welfare of the American people and our own economy, because if we do not remain strong as a Nation, our leadership will be worth nothing to the rest of the world. We have had programs of scarcity in the United States.

The relief program proposed in the bill for France and Italy, and for other countries before another harvest, may cause serious complications in this country unless there is some reasonable limitation placed upon the volume of grain which may be exported so as to keep supplies in line with the demands of our domestic economy. If the plan of the State Department prevails for the exportation of excessive quantities of wheat, there will be a decided shortage of wheat in this country and the prices for meat and other food products will sky rocket above existing levels. Such a man-made tragedy will cause great distress for millions of Americans who do not receive the income with which to buy vital food. These fellow Americans are entitled to protection and it is up to Congress to look out for their welfare.

Mr. Chairman, last July our Subcommittee on Food anticipated higher food prices because of Government grain buying, when we said in our report:

> Recognizing the desire of the American people to share their food with needy persons in other parts of the world, the committee believes it should be pointed out that the price paid for food by consumers in this country is greatly dependent upon the quantity exported to foreign countries.
>
> It is again emphasized that the supply and cost of food to American consumers will depend upon the outcome of this years (1947) production on American farms and the amount of food allotted for export to foreign countries.

It does not take a college professor to figure out that higher prices for food and other products will result when excessive quantities of such necessities are removed from the domestic market. That is what is happening today in this country. Large exports of wheat result in higher prices for bread, meat, and other foods.

EXPORTS OF FOOD TO EUROPE AND OTHER COUNTRIES

We have not been niggardly in sending food to countries in need. In the fiscal year ending July 1, 1946, we sent out 17,300,000 tons of food. In the last fiscal year ending July 1, 1947, we sent out 19,200,000 tons of food. A large share of it went to western Europe. I know it is rather difficult for people to visualize or think about the meaning of 19,200,000 tons of food when we deal in billions and hundreds of billions of dollars, so I am going to try to point out to you just what it means.

Mr. Chairman, it took 480,000 American boxcars to haul that food to the seaports for loading onto boats. If those 480,000 boxcars of food had been broken down into trains of 52 cars each, with 90,000 pounds in each car, there would have been 9,219 trains.

Mr. STEVENSON. The Friendship Train.

Mr. AUGUST H. ANDRESEN. No; not exactly the Friendship Train, because there the distribution of the food was handled in a different manner. But, putting those 480,000 boxcars into one train, we would have a train 3,861 miles long that would reach from Washington to Paris, and then some.

The gentleman mentioned the Friendship Train. I feel it was a wonderful idea because the food was given by the American people willingly and gladly, and it is to be distributed by charitable organizations in France and Italy to the people who are in need. Let me also call

to your attention that food packages are being sent by hundreds of thousands of Americans. During the last 12 months nearly 600,000,000 pounds of food and clothing packages have been sent out of this country to needy people in Europe and other countries of the world; a gift from the American people to people in need. Our people paid the postage on it. Unfortunately, the postage cost more than the contents of the packages, so I have introduced a bill which I hope will be considered as an amendment to this legislation that all of such packages shall go post-free when they are sent to needy people, and I feel that the American people will double their food shipments if such a law is enacted.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from New York.

Mr. COLE of New York. I rise merely to suggest that the gentleman in the revision of his remarks translate the amount of food which he said we have shipped out into terms of calories per person so that we can get an idea of how many people can be fed by that quantity of food.

Mr. AUGUST H. ANDRESEN. It is said on reliable authority—and I will try to give that to the gentleman—that the amount of food that was shipped out would have taken care of and provided a minimum diet for nearly 300,000,000 people in the world. Those figures were just given to me a few days ago, and I will endeavor to put the information into the RECORD.

Now, I do not go so much by calorie content of food, because I recognize that it is very difficult to change the historic diet of the average person. If the average person does not like pea soup, why he is going to be pretty hungry before he is ready to eat pea soup, and so with other things. I know I have my dislikes for certain kinds of food, and so do others, but over in these countries of Europe, particularly France and Italy, where the masses of the people are accustomed to eating bread and drinking wine, it is rather difficult to give them some other diet to which they are not accustomed.

I quote from the text of the Cabinet committee's report on the food situation to President Truman dated September 22, 1947, as to the caloric content of the food exported from the United States:

> From July 1, 1946, through June 30, 1947, the United States exported nearly 18,500,000 million long tons of foodstuffs—the largest total ever shipped from one country in a single year. These shipments represented about 49,600,000,000,000 calories of food—enough to supplement the diets of 300,000,000 people to the extent of around 450 calories a day throughout the year.

Since this report was submitted the export figures on food have been increased to 19,200,000 long tons for the 12-month period, which increases the caloric value of the food by several billion calories. I cannot vouch for the accuracy of the Cabinet committee's figures.

DROUGHT IN EUROPE

Now, let me talk a little while about the need for sending out the food from the United States. Europe, as most of you know, has suffered from the severest drought in 50 to 100 years. This, of course, will necessitate large imports before another harvest in order to take care of the needs of the people; imports particularly of cereal grains with which to make bread. All of the 11 countries that my committee visited, which included all the countries of western Europe, asked us to send them wheat for bread. Now, they were more interested in getting wheat for bread than they were in Communist activity over there. As a matter of fact, all of those countries had either trade agreements with Russia last year or were attempting to negotiate a trade agreement with Russia. Russia, fortunately for herself, at least, produced a crop of wheat 58 percent above 1946 production. So, they have the supply. But Russia will not sell any or provide any of their wheat to other countries unless they are paid for it with dollars or goods.

Some of you heard last year about the alleged magnanimous gift that Russia made to France of 500,000 tons of wheat and barley.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Pennsylvania.

Mr. WALTER. I call the gentleman's attention to the fact that they not only demanded that they be paid for it but that they be paid in dollars.

Mr. AUGUST H. ANDRESEN. I am going to bring that out.

It was published in the newspapers last year that Russia saved the French people from starvation by giving them 500,000 tons of wheat. We thought it was a gift. The Communists in France made a lot of noise about it. They brought out the bands when three Russian lend-lease ships came into Marseilles Harbor with wheat. When we got over there. I thought it would be interesting to get the facts for the benefit of the American people, so in going over the records with the French officials I found this to be the answer. Russia did provide 400,000 tons of wheat and 100,000 tons of barley, making a total of 500,000 tons of cereal grain, but Russia got paid for it in American dollars at the American price, and American dollars paid the freight on every bushel of wheat that went to France. Seventy percent of that wheat was hauled in American boats. Russia used three lend-lease ships, for which American dollars paid the freight, and they got all the credit for it.

I asked our Ambassador in France, "Why didn't you do something about getting publicity for the 250 boatloads of wheat and other food we have brought into France during the past 12 months?" He said, "We gave it out to the papers." To me, however, it appeared that the attitude of some of our officials was that it was beneath our dignity to dramatically publicize what we were doing to help France.

Mrs. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentlewoman from Ohio.

Mrs. BOLTON. Did it not occur to the gentleman that possibly if we had had a proper information service in France we might have got some of that information out to the people?

Mr. AUGUST H. ANDRESEN. I am certainly delighted that the gentlewoman brought that up. I suppose she is referring to the Voice of America?

Mrs. BOLTON. No; I said the information service.

Mr. AUGUST H. ANDRESEN. We have an information and public relations service over there. We have such a big staff in Paris and in other countries that it was difficult to find space for them. Why in the name of common sense could not our officials do a good turn for the American people by making available this information? Here are our people being taxed directly to pay for this food, and, secondly, being forced to pay higher prices for the things they buy in the United States. They are things to think about now so that appropriate safeguards may be established.

If I had my way, there would be an American flag attached to every package that goes to every recipient in every country. The American people are entitled to some credit for the sacrifices they are making, but under the present distribution system no credit is given and there is much hatred against us, because the people generally throughout Europe, including France, feel that everyone in the United States is a multimillionaire and should give more. It is difficult to convince them that about 99 percent of us have to work for a living to earn our daily bread. They also have an idea that we have a big barrel filled with food and that barrel never gets empty; that we can just dish it out and dish it out and dish it out, and there will always be enough left for everybody. There are over 800,000,000 people in the world that are asking us for food today.

When we consider this interim aid program for France and Italy, I think we should consider the availability of the food, and where it will be found. It is wheat that they want, wheat for bread. Where is the wheat? We had a tremendous crop in the United States this year, the largest one in history, 1,407,000,000 bushels is the latest estimate. It is a wonderful crop, and it is a fine thing for the world the good Lord provided us with a crop of that size.

Then they said we had an imaginary carry-over of 83,000,000 bushels, which gave us 1,490,000,000 bushels to draw from. Of course, we have to do something to provide bread and wheat for the American people. According to the Department of Agriculture, we have the lowest consumption of wheat in the United States—3.6 bushels per person. Figuring that out, we find that with an estimated population as of January next year of 145,000,000 people, we will need 532,000,000 bushels for human consumption in the United States. It is stated, and I am quoting from the Department, that we will use 325,000,000 bushels for the feeding of livestock, and there is also some wastage. Certainly we have to have some for seed for next

year's crop. That is 87,500,000 bushels. Then they have a little item down here of 5,000,000 bushels for industrial purposes. That makes a total of 949,500,000 bushels, or nearly a billion bushels, which we need for our own use. Certainly we ought to have a carry-over going into next year's crop, because nobody can predict today what the crop of wheat in the United States will be in 1948. Therefore we must provide for a carry-over. What is the growing situation in the United States? It is not very good. In the area of the United States where we produce one-third of our wheat, down in the Southwest, in western Kansas, Oklahoma, Nebraska, and the Panhandle of Texas, they have had a serious drought. The planting season has been late. That is winter wheat. It must be planted in the fall and it must have moisture to make the seed germinate, and it must begin growing so that it can withstand any winterkill. We just had rain there within the past 2 or 3 weeks. I dare say that down there if I were to make any safe prediction for the next year's wheat crop, it would be at least that the crop would be pretty short and not half of 1947 production. The Department has estimated that we will have a wheat crop of 1,000,000,000 bushels next year. We have only had such a large crop four times in the history of the Nation. Therefore they cannot in any way predict or prophesy what the wheat crop will be next year. Therefore I say until we make sure what the wheat crop will be, which will be sometime in April or May, we should set aside at least 300,000,000 bushels as a carry-over for 1948, so that our people will be sure of having something to eat.

Mr. JENKINS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. JENKINS of Ohio. Has the Department of Agriculture ever indicated what our minimum requirements are for a carry-over? Yesterday I had a discussion with a very distinguished Member of Congress from the wheat-growing area. He thought that if we had a carry-over of 50,000,000 bushels, it would be enough. I told him that was not enough. I wonder if the Department has ever spoken on that.

Mr. AUGUST H. ANDRESEN. You cannot get some of the officials to speak publicly on that question, but I think if you talk with any sensible man in the Department of Agriculture, he will say that we ought to have at least 250,000,000 to 300,000,000 bushels of wheat on hand as of July 1, 1948, to make sure that the people will have bread until the crop is determined.

Mr. JENKINS of Ohio. In that connection, if the weather conditions are as the gentleman says they are, and as everybody seems to know they are, it is highly probable that we will have a billion bushels.

Mr. AUGUST H. ANDRESEN. No; do not stake your hope that we will get a billion bushels of wheat, because the spring wheat has not been planted and will not be planted until next April, May, and June, and much of the winter wheat is not out of the ground yet. All we can do is to pray to the good Lord and nature to give us rain and good growing weather. But the reason I pointed out these figures on production in the United States is the fact that our next crop for the American people is uncertain; our production is uncertain.

Now, where are the other places in the world that surplus wheat is available? Well, there is Australia, Canada, and the Argentine. You will find that the United Kingdom has sewed up 160,000,000 bushels of wheat in Canada and that Canada will not have over 20,000,000 or 25,000,000 bushels to export. You will find that the United Kingdom has sewed up wheat in Australia, which crop is just in the making. Well, what happened down in Argentina? They have only 16,000,000 acres of wheat. They reduced their wheat acreage from 18,000,000 to 16,000,000 because their own government down there paid farmers only $1.35 a bushel for wheat, whereas the government itself sold it for over $5 a bushel. They want to sell their surplus to us. But for relief purposes they will not give it. They want us to pay in American dollars, and $5 is the price.

Now, let us get down to what is promised in this bill. Under allocations of wheat—this comes from the Department of State and from the Department of Agriculture—France has been promised 900,000 tons of wheat up to April 30, 1948. From July 1, 1946, to November 30, France received 616,000 tons, and for May and June will need 320,000 additional tons, making a total of 1,876,000 long tons of wheat from the United States out of the 1947 crop. If they carry out the scheme as provided in this bill, that is what they will get, 1,876,000 long tons of wheat.

The food situation will be more critical in April, May, and June, until the people in Europe harvest another crop, than it is now, and there will be greater need for wheat at that time. They do not harvest their crop of wheat until July and August. So they will need it from some place, and, of course, they will look to the United States to get it.

Italy has been promised approximately 700,000 long tons of wheat in this bill. For the 6 months ending December 31, 1947, Italy will have received 568,000 long tons of wheat, and she will need 230,000 tons for the months of May and June of 1948. This makes a total of 1,504,000 long tons of wheat from July 1, 1947, to July 1, 1948, which Italy expects to secure out of our 1947 wheat crop.

Reduced to bushels, France and Italy will require 126,074,000 bushels of wheat before those countries produce another crop.

WHEAT REQUIREMENTS FOR OTHER COUNTRIES

The minimum wheat requirements for other countries in western Europe, excluding France and Italy has been estimated at 6,150,000 long tons. The minimum estimated needs for all other countries in the world, for wheat supplies from the United States is stated to be 3,750,000 long tons. This makes a total of 13,280,000 long tons of wheat from our 1947 wheat crop, or approximately 496,000,000 bushels of wheat. This total includes exports to France and Italy.

Mr. HINSHAW. Will the gentleman translate those tons into bushels?

Mr. AUGUST H. ANDRESEN. I will do that in just a minute. That means 13,280,000 tons, or 496,000,000 bushels of wheat.

The reason I mention this today is because we may ship out too much wheat from the United States before we know what another crop will be. We must be careful to protect our domestic economy.

One man said, "We want the wheat in Italy right away." Of course they do, because they will eat it as soon as they get it. It is better for us to husband the wheat in the United States and send it out gradually to the countries that are in need, and divide it up so that they will all get a fair share and have enough over to take care of the needs of the American people. That is our first duty.

We frequently hear so much about other countries lending assistance, like the Russian wheat deal in France. Why cannot Russia be called upon to give some of her big crop as charity to help feed the hungry people of Europe? Why should not Argentina and Canada be invited to contribute wheat into a charity pool with which to help feed the hungry people? Certainly Canada, Australia, and Argentina will benefit as much as the people of the United States from a rehabilitated Europe. Therefore, they should be as willing to assist to the limit of their capabilities as are the American people. This bill, however, is to provide dollars whereby the United States will guarantee payment in dollars for the grain furnished by the other exporting countries. That is one thing that ought to be changed. We cannot afford to underwrite the food needs for the entire world.

AVAILABILITY OF WHEAT IN THE UNITED STATES

After estimating minimum requirements of wheat for the United States at 949,500,000 bushels for the crop year, and adding estimated exports, which I have stated to be approximately 496,000,000 bushels, we find that the United States will be left with a carry-over of only 35,000,000 bushels. To be safe, considering the poor condition of the winter wheat crop in the Southwest, we should provide for a carry-over into the 1947–48 crop-year of from two hundred and fifty to three hundred million bushels of wheat. I want to issue this warning: The administration will be held responsible by the American people for any shortage in our 1948–49 wheat supply in the event it does not provide for any adequate carry-over. The carry-over that I have suggested should be retained until the size and quality of the 1948 crop is determined.

How much wheat should we export? Various estimates have been made. The Cabinet committee in its report to the President on the food situation on September 22, 1947, estimated that we could export about 400,000,000 bushels of wheat and flour—about the same as last year. It was also estimated that we could export approximately 70,000,000 bushels of coarse grains. The committee stated

that in arriving at the estimated export availability careful consideration was given to the probable effects of exports upon prices because the undesirable results of a price spiral were apparent.

On November 26, 1947, the Secretary of Agriculture appeared before the House Banking and Currency Committee in support of a proposal to reestablish allocation rationing and price powers over agricultural commodities similar to those exercised during the war. When asked whether he had any opinion as to the amount of wheat that could be exported without the necessity of putting on the controls he was suggesting and at the same time maintaining some stability in our domestic markets, he stated that he had given quite a bit of thought to that problem and he had tried to indicate in a report submitted by the Cabinet Food Committee to the President that we could export 400,000,000 bushels of wheat without the necessity for the controls he was requesting and without doing any violence to our domestic economy.

It is abundantly clear from the foregoing statements that the administrative officials are in agreement on one thing, namely, that we are quite likely to have undesirable and perhaps violent effects upon our domestic economy if we export more than 400,000,000 bushels of wheat and 70,000,000 bushels of coarse grains and that it will be necessary to place our domestic economy in the strait-jacket of controls in an attempt to offset the undesirable and disastrous effects caused by overexporting.

With the conclusion of the Secretary of Agriculture and of the Cabinet committee that the exportation of more than 470,000,000 bushels of all grain will bring about undesirable results for our domestic economy, I heartily agree. But, I would be so bold as to suggest a very different course of action than that taken by the President and the Secretary of Agriculture.

Let me describe briefly the action which they have taken. On September 25, 1947, which was 3 days after the Cabinet committee's report on the food situation was issued, the President brought Mr. Charles Luckman, president of Lever Bros., a large soap company, to administer a grain-conservation program. Luckman, the great, evolved the brilliant theory that a dead chicken would eat more grain than a live one so he decreed that no poultry should be eaten on Thursday. About the same time this program was being staged by Luckman it was announced that the grain export goal was raised to 570,000,000 bushels, of which 500,000,000 bushels was to consist of wheat and 70,000,000 bushels coarse grain.

This is exactly 100,000,000 bushels more than the amount the Cabinet committee on food and the Secretary of Agriculture indicated could be exported without the danger of undesirable and violent results to our economy. The establishment of a grain export goal of 570,000,000 bushels was not all that was done. About the time of the issuance of the report of the Cabinet committee on food and of the establishment by the President of the Luckman committee and the announcement of an increase of 100,000,000 bushels in the grain export goal, the Commodity Credit Corporation stepped into the market in a big way and made huge purchases of wheat at a time when the price was approximately $2.50 a bushel at Kansas City. During the last 10 days of September and the first 10 days of October approximately 45,000,000 bushels of wheat were purchased. Almost 11,000,000 bushels were purchased on 1 day. These purchases were also made at a time when the Commodity Credit Corporation already had large quantities on hand or under contract for delivery. What happened to the price is well known. It rose from $2.50 per bushel about the 19th of September to more than $3.20 per bushel. The rise in price is directly attributable, in my opinion, to the announced intention of the administration to try and increase wheat exports by another 100,000,000 bushels and to the huge daily purchases by the Commodity Credit Corporation during that period.

Was this a deliberate attempt by the administration to start the price spiral, which it knew would follow if grain exports were increased above the 470,000,000 bushels established by the Cabinet Food Committee, and by increasing the tempo of purchases by the Commodity Credit Corporation in an effort to meet the increased goal? Was such action taken to lay the groundwork for the President's speech to the Congress and to create a situation whereby it would be necessary to grant the President the allocation, rationing, and price powers he was requesting? If there had been any real desire to prevent inflation and to stop the price spiral, other action would have seemed much more appropriate, for example, it could and probably should have been announced that no more than 470,000,000 bushels of grain would be permitted to be exported during the crop year 1947–48—at least until such time as the crop prospects for next year could be estimated with some degree of accuracy. The Secretary of Agriculture could have also been directed to have ceased purchasing or to have held purchases of grain to a minimum for awhile until the market stabilized itself. Had this been done, I venture to state that sharp increase in price from the 20th of September to the present would not have occurred.

Not only has the administration started the price spiral by these inflationary activities but it has continued such activities. About the middle of November the Secretary of State appeared before committees of the House and Senate in behalf of the interim-aid bill. In his statement he estimated the United States export availability of wheat at 520,000,000 bushels. This is 120,000,000 bushels more than the 400,000,000 bushels which the Cabinet Committee on Food and the Secretary of Agriculture stated could be exported without undesirable and possible violent effects upon our economy. These constantly varying statements as to the amount of wheat the administration intends to export during this crop year does nothing but create uncertainty and confusion and adds to the spiral of inflation.

From all the foregoing there can be but one conclusion. There has been a wanton disregard for the well-being of our domestic economy. There has been a willingness and a determination to export grain at a rate which will force our prices to rise so high as to have admittedly undesirable and violent effects. There has been a willingness and determination to risk the well-being and safety of our Nation by exporting wheat in such quantities as to leave us an inadequate carry-over in the face of poor crop prospects for 1948. If we should export 450,000,000 or 500,000,000 bushels of wheat based on present availability and crop prospects, it would leave us with almost no reserves in case we run into a short wheat crop next year and on the basis of present information the prospects of a short crop next year are dangerously real. This legislation should carry a provision placing a limitation on the amount of wheat to be exported from the 1947 crop to protect the United States from the danger of short wheat supplies and inflationary prices.

FOOD DISTRIBUTION IN FRANCE AND ITALY

Under the present system of distribution, our wheat is given to the French Government. Let us assume for purposes of illustration that we send over 50,000,000 bushels of wheat. Does the French Government give that wheat to the low-income groups or the people who do not have money to buy? No; evidently not. The food we send to those countries is sold to the people. In all of our travels in Europe we did not find any mass starvation, but we did find many low-income people who did not have the money to buy food at the high prices prevailing in the public market and in the black market; and in France and Italy the black market reaches such heights as we have never seen in this country. You can buy anything you want on those black markets but it takes money and a lot of it. Now, we give this wheat to the French Government, as a gift. The French Government will take this wheat and sell it to the flour mills in France. They are going to sell it to the mills at the same price the French farmers receive for their wheat so as not to destroy their domestic production. That price is the equivalent of $4.25 a bushel. The French Government keeps that money except, as the gentleman from Ohio said, Congress may at some future time direct how the money shall be spent in France and Italy. The millers, of course, sell the flour to the bakers, and the bakers bake the bread and sell the bread to the people, and the people who have money can buy it.

It is true they are holding down the price of bread over there because that is the one thing that is rationed, and they have a bread ration in France of 200 grams, which is a little more than three slices a day—not very much. So those people who have the money can buy a loaf of bread and use the entire 200 grams a day.

We have low-income people in the United States and they are suffering now, they do not have the money with which to buy the food they need at the prevailing high prices—we have a lot of

them here but they have more of them over there. Possibly three-quarters of the population over there is in the low-income group. That is the group the American people want to help. We do not want to establish a world-wide WPA relief project; no, but we want the food we give to go to hungry people. So I will offer an amendment to the provisions of this bill at the proper point providing that at least two-thirds of the food that is sent under this bill to France and Italy shall be distributed through the Red Cross, through church organizations, and through other charitable and reliable societies under supervision of a commissioner named in this bill, so that the people who are hungry and who are most susceptible to Communist influence will be the ones who will get the proceeds.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. In just a moment.

I think that is the best way to stop communism in any country. We cannot, of course, go on feeding them indefinitely but if we will give those people food, keep them in condition so they can work a little harder maybe they will produce a little more not only in food but in manufactured goods so that they can buy the food the next time—if we have a surplus to sell, because we cannot have a permanent world-wide relief project to feed 800,000,000 hungry people in the world. It is not possible. Therefore I ask for the sympathetic consideration of the amendment I shall offer when the bill is read for amendment.

For the information of the membership of the House I am including herewith two amendments to H. R. 4604, which I will offer when the bill is read on Monday:

Amendment No. 1: Page 7, line 8, after the period insert the following sentence: "All food made available under the authority of this act or the containers thereof, when such food is processed and distributed to consumers in a recipient country, shall bear a replica of the American flag and a statement in the language of the country disclosing that the food is a gift from the people of the United States."

Amendment No. 2: Page 6, line 18, strike out the period and insert a semicolon; and after line 18 insert the following indented paragraph:

"(k) to insure that, notwithstanding any other provision of this act, the following conditions are fulfilled in the case of food made available to it under the authority of this act: (1) not more than 33⅓ percent of such food shall be sold; (2) the proceeds from such sales, or as much as is required, shall be used only for paying local expenses of processing and distributing food made available under the authority of this act; and (3) all food made available to it under the authority of this act which is not sold shall be distributed among persons in low-income groups in such country, without cost to such persons, except the surrender of coupons for rationed food, through the Red Cross and through such other relief, charitable, and church organizations as may be approved by the field administrator referred to in section 10 of this act."

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

The Chair recognizes the gentlewoman from California [Mrs. DOUGLAS], a member of the Committee on Foreign Affairs.

Mrs. DOUGLAS. Mr. Chairman, we have no pending requests for time on this side of the aisle.

The CHAIRMAN. Does the Chair understand the gentlewoman from California, in charge of the bill on the minority side, to say that there is no further demand for time in general debate on that side?

Mrs. DOUGLAS. At this time.

The CHAIRMAN. That is different. The Chair recognizes the gentleman from New Jersey [Mr. EATON], chairman of the Foreign Affairs Committee. Is anyone seeking time in general debate?

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from North Dakota [Mr. LEMKE].

Mr. EATON. Mr. Chairman, will the gentleman yield for an inquiry?

Mr. LEMKE. I yield to the gentleman from New Jersey.

Mr. EATON. Mr. Chairman, I direct this inquiry to the leadership on the other side. Have they no more requests for time in general debate?

Mr. RAYBURN. Mr. Chairman, the situation is all right, as far as I am concerned. Some people say they have no more requests for time today. Of course, if we are going to use an hour today and an hour every day, and we have 12 hours general debate, it will take 12 days to get through general debate. Whether anyone wants time, I do not know.

The CHAIRMAN. The Chair may say for the information of the gentleman that under the rule not to exceed 12 hours is provided for general debate. Under the precedents of the House, if there is no demand for time in general debate, the Chair is directed to order that the bill be read for amendment. I think the distinguished gentleman from Texas, the former Speaker, understands that.

Mr. RAYBURN. That is what I would interpret the duty of the Chair to be.

Mr. LEMKE. Mr. Chairman, may I have 10 additional minutes then?

The CHAIRMAN. The Chair may advise the gentleman from North Dakota that this is all coming out of his time.

Mr. LEMKE. Mr. Chairman, I decline to yield further.

Mr. Chairman, we have a grave decision to make—a decision whether we are going to continue the America we know or substitute an America we know little about—the America of the internationalists and the one worlders. The question is, Shall we blindly follow the executive department and give America away? Shall we denude it of the raw materials that belong to unborn generations?

We have already depleted our natural resources from 11 percent to less than 9 percent of the world's supply. I submit we have no moral, legal, or constitutional right to do so. But there is no way to get a fair test of the constitutionality. This because the Chief Justice of our Supreme Court is one of the denuders. As Secretary of the Treasury, he helped prepare the agreement under which we made a loan to Great Britain of $4,400,000,000 and then, with $650,000,000 of our own money, canceled the $34,000,000,000 that she owed us.

This Nation, born amidst the sufferings of Valley Forge, is not ours to betray or destroy. It belongs to unborn millions, as much as it belongs to us. It is the property of future, as well as of living Americans. The step that we are asked now to take is a betrayal. It leads to inevitable depletion and destruction. Lincoln was right when he said that this Nation would never be destroyed unless we ourselves were its destroyers.

We are here asked to accept, without question, the false propaganda of international profiteers and multimillionaires that infest various departments of our Government. The trouble with this Government, since the days of President Harding, has been that the President has had too many multimillionaires in his Cabinet. We have gone from the Mellons to the Sumner Welleses, the silver-topped Stettiniuses, the Lovetts, the Claytons, the Grews, the Harrimans, and scores of other international bankers and international businessmen—all products of or alined with Wall Street.

Behind this bill, if the truth were known, are the international bankers and manufacturers. These are ably assisted by their friends, and parties in interest in the various departments of our Government. These are interested in advancing their financial gains, by selling products that rightfully belong to Americans, to foreign nations. They are interested in having these nations pay for these goods with our American dollars. This at the taxpayers' expense. They, in their greed, would denude this Nation of all its raw materials to further enrich themselves.

May I warn you that if this policy is continued, we will soon be a depleted fifth- or sixth-rate nation. There will no longer be an American standard of living. We will then have brought our people down to the lowest standard of foreign nations. We will then be mingling our poverty with the poverty of other nations. Then, in case of war—and we are now in an undeclared World War III—our lot will be a sad one.

If to prefer Americans to foreigners is isolation then we are isolationists. If desiring the abolishment of our own slums, rather than go slumming in foreign nations at the expense of our taxpayers is isolation, then we are isolationists. If to refuse to prefer other flags to the Stars and Stripes—if to refuse to denude and exhaust our natural resources that belong to future generations—if to prefer our Nation to other nations is isolation, then we are isolationists. It was not so very long ago that to say you were an American was almost equivalent to saying you were a criminal.

Only an ignoramus would say that we were ever an isolated nation. We have always mingled with all the people of the globe. Often we nosed into places where we had no business. As a nation, we will continue to mingle with the rest of the world—not in a "holier than thou" attitude, but with a feeling that commingling and friendship among the nations of the world is our destiny. However, that does not mean that we will follow the international lunacy of denuding and destroying ourselves.

We are willing to help feed the hungry, out of our surpluses, not out of our necessities. We will do our full share in helping rebuild the world that we helped destroy—again out of our surpluses, but not out of our necessities. Charity begins at home. Before we build homes for foreigners let us build them for our veterans that won World Wars I and II.

The same tactics are being used to put this legislation over that were used in putting over lend-lease, UNRRA, Bretton Woods, Dumbarton Oaks, and the reciprocal trade agreements. In each case the truth was not given to the people, but in place false propaganda was spread throughout the Nation. This because Wall Street and the one worlders control over 90 percent of all the avenues of publicity. They control the radio, the metropolitan press, and the theaters.

First, we were told that lend-lease would save our boys—"give us the tools and we will do the fighting"—but our boys did the fighting and the dying, and our taxpayers paid, and will continue to pay the bill, which will ultimately amount to $623,000,000,000.

Then came UNRRA. We were told that if we passed this legislation the white dove of peace would perch over the world forever and ever. With tears in their eyes and with trembling voices the proponents of that legislation told us that if we did not pass it Russia would withdraw from the conflict. What a blessing it would have been to future generations if she had. Then we would not be in the mess that we are in now.

Again we were told that Bretton Woods would bring about permanent peace and love among the so-called 52 peace-loving nations—peace-loving aggressors. The truth was that Bretton Woods was a scheme by Lord Keynes of Great Britain, and sold to the gullible Morgenthau—"morning dew." By this scheme the American taxpayers have been fleeced out of billions and will be fleeced out of billions more.

Then came Dumbarton Oaks. That word should be divided into two words, "Dumb Barton." Again the "one worlders" and the internationalists took over Morgenthau, and the UN was hatched. Again this institution was to bring about permanent peace. It was to stop aggression. Yet from the very beginning, after it was baptized at San Francisco and given a nice name, it condoned liquidation, murder, and theft, by some of the so-called peace-loving aggressor nations, of other nations' people and property.

Since then, the UN has degenerated into a name-calling institution. Like a bunch of rowdy boys, the delegates stick their tongues out at each other and call names. Worse still, the institution that was founded to stop aggression has become an aggressor. Again the UN was created at the expense of the American taxpayers. The delegates were largely wined, dined, and housed at the expense of our taxpayers. It has since been largely financed by Uncle Sam's taxpayers.

Not satisfied with that, these same internationalists and "one worlders" came forward with another request. They asked that the reciprocal trade agreements be not only extended but that the President be given the power to cut the tariff an additional 50 percent. In other words, giving the international horse traders in the State Department an opportunity to sell America still further short. Thus, the farmers' markets have and will again be sold, by the international bankers and manufacturers, to foreign horse traders.

Let us keep the record straight. To date, outside of our own war efforts and expenditures, we have given to foreign nations, in round figures, over $66,000,000,000. In addition, we gave them over $5,150,000,000 worth of surplus property for less than $1,000,000,000—for $950,000,000. This international lunacy has made a sucker of us. I do not blame the foreign nations for sponging on us. I blame our own stupidity.

With one hand we arm the Greeks, Turks, and other nations to stop communism, and with the other hand we arm Russia and its satellites. Through UNRRA and through loans and other sources we furnish her with war material. The thing does not make sense. America, wake up! There are things going on here in Washington that are not for the best health of our form of government—a Government of, for, and by the people.

I know that there were 200 Members of Congress investigating the slums and the poverty of other nations, but they could have spent their time more profitably by going slumming in our own slums. They could have spent their time more profitably by visiting the Navajo Indians, where out of 149 deaths the records show that 73 die of starvation and another 49 because of malnutrition.

I repeat the time has come to take care of our own people first, and then, out of our surpluses, and not out of our necessities, take care of others. I repeat that our present indebtedness, with future obligations, already amounts to over $623,000,000,000. This is twice the normal value of all our property. It is more than five times as much as all the rest of the world owes. Time to think—had enough?

I am aware of the President's message—a message full of holes large enough to throw a cat through without touching the hole. Let us have the facts. Let us stop playing politics. The situation is too serious. America's future is at stake. Among the Congressmen who visited in Europe there are some who believe that you can bribe nations into opposing communism. In fact, some have become so foreign-minded that they talk more like representatives of foreign governments than as Members of Congress.

Others give you the low-down on the European situation. They agree that this foreign romancing, at the taxpayers' expense, should be stopped. They tell us that there are some worthless DP groups. These eat American short ribs of beef and other American luxuries to the extent that they have grown fat and lazy. They tell us that there are also some worthy DP groups. These cut the wood and render services for the favorite groups. This under the auspices of the American occupation army. There are also foreign official crooks, grafters, and black marketeers.

They tell us that due to misgovernment—due to the Teheran, Yalta, and Potsdam blunders—there are millions of indolent. These hate us, but live on American charity—or should we say American stupidity. There are also hungry children—hungry because of indolent parents. A sensible solution to this problem would be to have the Red Cross and the Salvation Army take over. They are best equipped for the job. No political grafters or black marketeers or incompetents are needed. The indolent parents should be told to go to work or suffer the consequences.

The Marshall plan will produce only hatred and war. It is as stupid as it is dangerous. If adopted, it will create an additional indebtedness of $20,000,000,000 to $30,000,000,000. If adopted, we will have created an international WPA that will be hard to abolish.

Under the existing rate of taxes, it will take 86 years to pay our present indebtedness. This $20,000,000,000 will have to be borrowed, and payment postponed for 86 years. With simple interest at 2½ percent, it will, at that time, amount to $86,000,000,000. With compound interest, it will be $160,000,000,000.

The time has come that we talk plainly and call a halt to the further looting of America under the Marshall or any other plan. Anyway, why accept a plan by a general who does not yet know where he was on December 7, 1941? If he did not know then where he was, does he know now where he is?

There is only one way to bring down the high cost of living, and that is to stop squandering and giving to foreign nations the products and food that rightfully belong to Americans. As long as the administration takes, directly or indirectly, on an average, 57 cents out of every dollar earned, the cost of living will remain high.

There are already 73 hidden taxes on a single hot-dog sandwich, 126 on shoes, 154 on a bar of soap, 148 on a pair of overalls, 125 on a cotton dress, 172 on a bottle of milk of magnesia, 378 on other medicines, 205 on gasoline, 195 on farm dresses, and last, but not least, 52 on a loaf of bread. We have had enough of taxes.

As long as the administration takes the taxpayers' dollars, and gives them to foreign nations to compete with the consumer in the domestic markets, prices will be high. As long as the administration takes the taxpayers' dollars, and in addition to the foreigners, becomes a competitor with the consumer, there will be high cost of living. Stripped of all political chicanery the high cost of living is caused by our ignorant foreign policy.

The Republicans were elected to put an end to these foreign ideologies. Unfortunately, some of them have ignored that mandate. A few of them have been with the New Dealers so long that they, too, have the international disease—the disease of pauperizing America by giving away that which belongs to unborn millions. During the adjournment, we had

a dozen congressional committees snooping around in foreign countries, creating international hatred.

The time has come that these Members look after Americans and not foreigners. These committees should have called on the starving Navajo Indians in place of squandering American dollars in Europe, and elsewhere. They should have looked after the welfare of the white-collared workers at home.

Now one of these committees insists that we form a corporation to give America away. I hope that my Republican friends have more intelligence than that. They were elected to abolish and reduce Federal agencies, not to create new bureaus loaded with bureaucrats. We are told that these new bureaucrats will be under the control of Congress. Well, if some Republicans wish to make a bureau out of Congress, then I am sure the electorate will wash their hands of the whole gang, in the next election. Congress is supposed to be a lawmaking body. It is supposed to write the laws for Americans, and not for foreigners.

I shall oppose creating any new bureau, especially an international WPA. That sounds too much like the days of F. D. R. The Republicans must not permit themselves to be misled by this international lunacy. They must wash their hands of the New Deal foreign ideologies.

I repeat, our Uncle Sam has gone delinquent. He is in his second childhood. He has deserted beautiful Miss Columbia and her 140,000,000 sons and daughters. He has become an international philanderer. He is chasing Red, pink, green, and off-colored skirts all over the world. He is squandering the wealth that Miss Columbia and her 140,000,000 sons and daughters have created.

The time has come that we appoint a guardian to protect him from his folly, and prevent him from squandering the substance of our Nation—from giving away to gold diggers that which belongs to Miss Columbia and her sons and daughters—that which belongs to unborn generations.

I know of no better guardian than a candidate for President in 1948, who believes in America first, last, and all the time, with justice to all nations, whether they be the so-called 52 peace-loving nations, or our vanquished foes. One who believes in the Stars and Stripes rather than in a mongrel flag. A candidate who knows enough to know that the one-worlders have been deflated.

I am sorry that such a candidate—such a guardian—is not yet in sight. However, on the distant horizon—in the Land of the Rising Sun—we glimpse a real statesman—General MacArthur. May he become the Moses that will lead us out of the wilderness—the foreign entanglements. Eighty percent of the American people are getting sick and tired of our Uncle Sam's behavior, and demand such a candidate—such a statesman. They know that our Uncle is the easy prey of the global gold diggers—that he is denuding our Nation. They know that he is leading us into another undeclared war.

The Republican Party was kept out of the White House for 16 years because it had no positive program—because its candidates were me-too followers of the one-worlders—globetrotters. The Democrats met a disastrous rebuke November 5, 1946, because they, too, blindly followed blind leaders.

The time has come for both parties to adopt again the policy of our forefathers and avoid globetrotting and foreign entanglements. The time has come for my Democratic friends to adopt the doctrines of Thomas Jefferson. The time has come for my Republican friends to adopt the doctrines of Abraham Lincoln. When that day comes, it will be a glorious day for the United States of America.

Our visibility is low—the international weather is disagreeable. Our Uncle Sam's vision is very poor. Our Presidents and leaders were outgeneraled at Teheran, Yalta, and Potsdam. In place of looking for more entanglements, the time has come for Congress to repudiate Yalta, Teheran, Potsdam, and all the other commitments that are not in keeping with decency and honesty among the nations.

In his armament race, in his power politics, the President is following the unfortunate footsteps of the former President. He is entering an undeclared war. All this could have been avoided, if at Potsdam, he had repudiated Yalta and taken a firm stand by telling Stalin to get back into his own country where he belongs and stay there.

THE MARSHALL PLAN IN A NUTSHELL

Most of the requirements of the 16 countries participating in the Paris Conference, from which was evolved the so-called Marshall plan, have been submitted by representatives of such countries.

An analysis of the reported requirements indicates that the items needed in the 16 countries are, for the most part, either in short supply here at home or soon will be critical items with the exception of ocean-shipping facilities.

Expressed in United States dollars, part of the requirements our Government is being asked either to furnish directly or pay for in cash over a 4-year period are the following:

Requirements estimated to be paid for in United States dollars

[F. o. b. values in thousands of dollars]

	1948	1949	1950	1951
Participating countries:				
[illegible]	$482,345	$514,823	$531,181	$510,483
[illegible]	140,161	134,747	115,016	124,866
[illegible]	105,960	95,180	92,340	93,410
[illegible]	269,000	225,000	126,000	54,000
[illegible]	513,000	447,000	441,000	437,000
[illegible]	203,000	177,000	81,000	29,000
[illegible]	570,000	460,000	265,000	310,000
[illegible]	95,928	92,592	87,320	75,004
Total	2,479,394	2,146,342	1,538,857	1,633,763

[illegible] the 16 participating nations are expected to be augmented by surplus vessels owned by the United [illegible] be sold or leased by them under the Ship Sales Act of 1946.

The fleets of the 16 nations will, after the acquisitions contemplated, consist of the tonnages shown:

[Millions of dead-weight tons]

	Dry cargo	Tankers	Total
End 1947	32.02	11.11	43.13
End 1948	33.74	12.06	45 80
End 1949	35.58	12.94	48.52
End 1950	37.39	13.76	51.15
End 1951	39.21	14.45	53.66

Thus the shipping of the 16 nations will be increased by 10,530,000 dead-weight tons in the next 4 years. It must be remembered that the older ships will be wearing out, and that this program involves not only replacements but new bottoms from current shipbuildings. It is assumed that part of this burden will fall on private operators or shipbuilders.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. HUGH D. SCOTT, JR.].

Mr. HUGH D. SCOTT, JR. Mr. Chairman, there are two matters I should like to speak on and one pertains to the $60,000,000 fund for China. I know of no country which has more good will in America than China. I know of no country, other than my own, in which I personally have more interest than China. I know of no country I would rather see receive needed help than China. I know of no country which is more immediately menaced by communism than that country. I have seen pillboxes erected in Tientsin, for example, since the end of the war, for protection against the imminently expected attack of the Communists, with Russian aid, presumably, from the north. Yet when I see this $60,000,000 inserted into the bill I cannot help but question whether or not the Chinese people are going to get the benefit of the money, and I feel impelled to give a little bit of the experience I have had for whatever it may be worth.

During a recent visit to China and to four of its principal cities I talked to some sixty-odd Americans resident there, American businessmen, and Americans in the State Department as well, in those cities. In every case where I spoke to men in the American business colonies, they were unanimous without a single dissenting voice, in saying to me, "Whatever you do, do not send any money to this Chinese Government for projects which will be designated as relief, because the money will not get to where it is intended to go. It will be lost through corruption, and it will be lost through maladministration and inefficiency." Many others quoted the Chinese proverb, with all due respect to the gentleman from Minnesota [Mr. JUDD] and the gentleman from Ohio [Mr. VORYS], who both are able to pronounce it much better than I, which goes like this: "Tien ch'i tse jiu," which means "Heaven helps those who help themselves."

My own conviction is that our Americans in China do not believe that the Chinese national government has yet presented sufficient proof of a determination to help itself. One thing I do not like in this bill is the fact that we are to have no real supervision of the expenditure of the money, of the distribution of the goods. Our American friends in China say, "Yes, they can use the money. Yes, the Chinese Government can use the money, but it should be administered by Americans down to the last dollar, because if we are misled by the appeals of the Chinese on the grounds of sovereignty, we will be respecting their sovereignty, but the people will not get the benefit of the money." So, while I am going to support this bill I hope that the $60,000,000 for China will be deferred until a later time, until such assurances have been given by the Chinese Government, that it will be used for specific projects clearly allocated and definitely followed through under American supervision. I would prefer to see the $60,000,000 put into the bill for general relief in Europe where I am personally satisfied that it is very greatly needed.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. HUGH D. SCOTT, JR. I yield to my friend from Ohio.

Mr. VORYS. There is no requirement in the bill that any of this money will go to China. As to any relief which goes to China, they must make an agreement with the 10 strings attached as set out in section 5, so that there will be supervision as provided for the nations in Europe. The gentleman need have no fear that the money will be dissipated.

Mr. HUGH D. SCOTT, JR. If I may coin a Chinese proverb, I would suggest to the gentleman that 10 strings do not make a knot. I would prefer to see the knot there and I would prefer to see the protection provided for. I do understand that some $60,000,000 is at least informally allocated to China. I would like to make it very clear. My own sympathies are all for getting some money to China, but I want to see the money go to China some day which will be used for the purposes which we in America intend it to be used for.

With reference to the second point, I want to point out what I think is a possible joker in this bill. We have been assured that a bill will be introduced providing that ultimately all relief expenditures will be supervised by an independently created Government corporation. All such future programs as may be considered by this Congress will be supervised by a corporation to be set up, if we can get that bill through, and to my mind it is the goal of the long-range program. Certainly such a proposal will be made to this Congress. I sincerely hope that proposal will be adopted. But such a corporation or future agency is going to have its hands tied by this bill, because I submit to you that under section 13 the provision reads:

> Personnel employed to carry out the purposes of this act shall not be included in computing limitations on personnel established pursuant to the Federal Employees Pay Act of 1945.

And when that is read in connection with section 15, which provides:

> The personnel, records, and funds provided for the purposes of carrying out this act shall be transferred to the administration of any organization for general foreign aid which Congress may provide—

Please note the word "shall"—if I am not very much mistaken, the President will load this particular relief organization and this particular relief distribution agency with a great many people, not all of whom perhaps will be needed. You will find when you set up this new corporation that it must accept all of the people that have been added to the Federal pay roll for the distribution of this interim relief. I submit you are walking into a trap. You are already hamstringing the operation of any future Government corporation that you plan to set up, no matter how carefully you set it up, if it must accept the personnel who are charged with the distribution of goods under this act, no matter how inefficient they may be, no matter how incompetent they may be, no matter how many of them may be old political friends from Missouri.

I am suggesting to you gentlemen that when section 15 comes up, a suitable amendment should be offered.

I would like to say in conclusion that I have seen with my own eyes these low living standards. I have recently been in the countries for which it is proposed to provide aid. I have seen conditions in Europe and in Asia. I believe the aid to be necessary. I believe it is a charitable "must."

I think that this country cannot well refuse to recognize its obligation to maintain the necessary living standards of people who will otherwise starve and will go short of the necessities of life unless we help them. I do not think we can do it forever. I do not think that we have a bottomless pit from which we can draw these resources. What we are doing will keep prices high and impose sacrifices on the American people.

I do think that a great mistake is being made in this bill by not now providing for this independent corporation and for the administration of this act by an independent set-up, headed by some American in whom all of us can put our complete trust and confidence. I believe that the emergency is being used to rush this Congress into the support of something which many of us believe to be necessary but at the same time, under the guise of emergency, a form of administration and distribution is being set up under which it is my judgment that much of the money will be wasted, all of the effect of the program will be heavily felt by the American people; prices will go up on account of it, and we are going to see the day when we will regret that we did not at this time require that it be distributed by an independent agency; that it be distributed by Americans; and that instead of these 10 strings that have been spoken of, that we throw a very strong knot around the provisions under which the distribution is to be made.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. HUGH D. SCOTT, JR.] has expired.

Mr. KELLEY. Mr. Chairman, deny aid to Europe and millions die. Curtail aid to Europe and millions die slowly. Even today death stalks among the millions, because Europe is hungry and the marks of undernourishment are on their faces and their bodies. Death will reap its harvest in due time.

The most convincing argument for aid to Europe is to see the conditions and the people there. One may talk about it, write about it, but there is nothing so convincing as actually witnessing it. A visitor to western Europe, especially Germany and Austria, will be struck by the emaciated children and the gaunt, stoop-shouldered, ill-clad mothers and fathers on the streets of the great cities. Every living moment the one thought in the minds of the people of Europe is, "What shall my family and I have to eat today?"

I had the privilege of traveling through Europe after my mission to Switzerland at the International Labor Conference was completed. I visited Italy, Austria, Germany, France, and England, and was attached to no committee. I had the advantage of going where I pleased, talking to whom I pleased, and staying as long as I pleased. I had the disadvantage of paying my own expenses while doing so. But it was worth it, for I felt that I got very close to the people, and I have a vivid mental picture of the hunger, impoverishment, and the ruination of great nations.

We people in the United States are charitable and dislike to see others suffering for the lack of the ordinary comforts of life. We cannot enjoy the comforts to which we are accustomed if we know that others are suffering for want of them. This is the humanitarian side of the picture. There is also the practical view that our withdrawal or failure in Europe would mean complete collapse of the economy of western Europe, with an accompanying impact on us. We stand to benefit by an expenditure of relief money now, and failure to do so might mean a greater loss to us economically in the future.

All of the mouthings of Molotov and Vishinsky have been interpreted in the Congress and out of the Congress as whistling in the dark. I do not interpret them that way. To me, they are an attempt to embitter their people and the people of the satellite nations against us. They are the prelude to war. How could anyone suppose that the advancement of the Communists over the nations of western Europe was for any other purpose than for a battleground? Why do you suppose that Russia is so particular about permitting anyone to view what is going on behind the "iron curtain"? To me, it means simply that they are preparing for a war. If they can advance their own interests by a cold war and communism can creep forth over Europe, all well and good in their estimation. Should that fail, they could then resort to armed warfare.

So our only hope and defense against the encroachment of communism is to protect and preserve the peoples of western Europe. In so doing we should be careful that we get credit for our efforts and that the distribution of the goods

sent is properly supervised. These have been two of our great weaknesses. Whatever we do in Europe should be done with American efficiency and businesslike methods. And we should not submit ourselves to Russian propaganda. For instance, it is proposed that to carry out the success of reconstructing western Europe 30 or 40 percent of the coal should come from Poland. We are naive if we believe this, for the Ruhr coal-mine district spells success of any plan proposed for European recovery. Unless we recognize the Ruhr as the vital point in a reconstruction program, we may as well forget any plans and save our money. However, I shall deal more fully with the importance of the Ruhr area to European recovery at a later date.

Mrs. DOUGLAS. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. SADOWSKI].

Mr. SADOWSKI. Mr. Chairman, while a great many of the Members of the House were visiting Europe this summer, spending a day or a day and a half in some twenty-odd countries, some of us were back home visiting with our constituents.

I want to say to you that a great change has occurred amongst my people in the way they are thinking about many things. I have never been an isolationist. In fact, I have always been very much opposed to that throughout my whole term in this Congress. My people are not isolationists. My people probably have more immediate blood relatives living in Europe than any other congressional district in the United States. My people have immediate members of their families, uncles and aunts and cousins, very dear ones, close relatives, as I say, living in Europe. They have always been very sympathetic to all of this relief program. I have supported all of the relief programs in Congress. But something else has happened since the beginning of this program of relief in Europe. Maybe the war is over. Maybe the people do not feel the same any more. The fact is, however, that today my people say that every sandwich that leaves the United States and goes to Europe ought to carry the American flag on it. Everybody who receives a gift from the United States should know it is coming from the people of the United States. They do not want this relief passed out by irresponsible people or profiteers any more; they want this relief passed out, if possible, by church organizations, the Red Cross, established charitable organizations that will give it to the needy, to the poor, to the hungry. They do not want to see American goods sold in European black markets where it brings to us the emnity of the needy and discredits our people and our Nation in the eyes of the people of Europe. American relief supplies should not fall into the hands of black-market profiteers as has been the case in Greece and China.

The relief packages, the gift packages that are sent individually by the private citizens to the people in Europe, have done a lot of good for the United States. Those packages that have gone to the needy have been the greatest bearers of good will for the United States of America.

My people want to see that the food that we give to the needy of Europe is given freely and generously to those who really need it and who are hungry. They feel that our program of relief should be placed on a democratic, American basis; yes, on a Christian basis, coming out of the hearts of our people to the people of Europe who need it.

The other thing I was impressed with is our own economic condition at home and the condition of our own people here at home. My factory workers in the city of Detroit are earning anywhere from $48 to $52 a week. That seems to be about the average pay check—$48 to $52 weekly. They tell me this: "Congressman, on this $50 a week that I am getting now I cannot live as well as I lived in 1939."

In 1939 the average earnings were anywhere from $37 to $40 a week. "Then I could live much better than I can on this $50 a week I am getting now. This $50 I get now hardly buys $25 worth of food and clothes today."

If you have a family of six—four children, the husband and wife—that is, growing children attending school, you will probably use eight bottles of milk a day as I do at my home. Eight bottles of milk a day cost me $50 a month. Now, the average factory worker in Detroit who has a family the same as I do, a family of six—four children—has to spend $50 a month for milk, and $50 a month for rent. That leaves him $100 a month to buy his food and clothes, send his children to school, pay his doctors' bills, and such things as electricity, heat, and so forth. It just cannot be done; they cannot make out.

So we in the city of Detroit are faced with the problem of strikes. It is a very serious thing. It is going to come. We are all expecting it.

I talked with merchants back home. I said, "How does it look here?"

"Well," one of them said, "Congressman, you know things are high now, but the goods I am buying for next spring, the orders I am placing now for next spring are running 15 percent higher."

I said, "Do you mean that the clothes and things you sell are costing you 15 percent more at wholesale prices?"

He said, "Yes, that is exactly right."

He said, "You can expect much higher prices in the spring."

If these prices keep going up, and it looks like they will; if butter goes to a dollar a pound and eggs go to a dollar a dozen, if hamburger goes to a dollar a pound, which it looks like it will, what can I expect back home in my large city of Detroit, from those workers down there? I am going to have a lot of grief. I do not see how I can go along on a long-range Marshall program where we are going to take $20,000,000,000 out of this country at this time. I like to be with the administration, I would like to support the administration—I have—but I have my serious doubts right now that I can go along with a long-range program where the prices at home are going to rise so high that it will be unable for our own people to make ends meet.

The most pathetic thing that hit me, however, this summer was not so much the factory workers to whom I talked as it was the people on old-age pensions. In the 12 years that I have been in Congress I have never had so many old people come to see me as came to see me this summer and fall. What was really pathetic was old men coming in and showing me their $30 or $35 a month check and asking: "How can I live on $30 or $35 a month, Congressman? Do something for me. You have got to help me."

I think that is the worst thing that has happened in our own Nation, when our own old people are expected to get by on $30 to $35 a month at this time. That has not the purchasing power of over $15 a month. These people are going to have to go around and beg their relatives and friends to give them shelter, food, and medicine; in a great country like the United States, a generous Nation that is to give billions of dollars to everybody else and forget about its own citizens. How are we going to say to those who are incapacitated and old, "You can go along and starve to death if you want to."

I am going to support the $60 a month pension bill that the gentleman from New York [Mr. JAVITS] has introduced. This would increase old-age pensions to $60 a month. It was stated by members of the Ways and Means Committee that we could not afford to put through such an old-age pension bill, that it would cost some $2,000,000,000 to finance such an old-age pension bill. Well, Mr. Chairman, if we can give billions of dollars to Europe and the countries all over the world under the Marshall plan or any other plan, we certainly ought to be able to find $2,000,000,000 to finance an adequate old-age pension program for our own people in the United States of America. Certainly that money will go directly into the purchasing power of our own people, that money will be spent in the United States of America, it will be spent for our own goods, for farm products raised here in the United States.

It is fine to be charitable, it is fine to be Christian, but charity begins at home. We have got to start thinking about our people. Our people today are in a desperate condition economically and that condition is going to become worse, not better. I do not know how I could go home and try to explain to my people, if living conditions are intolerable, and justify my vote for the expenditure of billions and billions of dollars for Europe and not take care of my own people.

I can see a program that is an alternative to the Marshall plan. I think our program ought to be the old American principle of doing business the way we have done for centuries, extending trade on a businesslike basis to all nations, to all people, doing business with everybody but on a business basis. All people and all nations are our friends. That was our doctrine in the past. America became strong under such a program. That is still a good program for us to follow in the future. All nations, all people are our friends, we will do business with everybody, we want to do business with everybody.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. BLOOM. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. SADOWSKI. Mr. Chairman, we had a very funny bill come before the Committee on Interstate and Foreign Commerce the other day, introduced by our friend the gentleman from South Dakota [Mr. MUNDT]. True, it called for an investigation, but the purpose back of it was to cut off trade with Soviet Russia. Now, it is fine to talk about this fellow Joe Stalin if you are running for political office. You do not hurt very many Americans when you attack Joe Stalin, and certainly if I were running for the United States Senate I would want to do that in a big way. The fact remains, however, that in my city of Detroit the manufacturers who make automobiles are dependent upon metal. We have to have metal to make automobiles. When we go to making farm machinery and farm equipment, we have got to have metal for that purpose. We are getting chromium ore, nickel, and various other ores from Russia today. In some instances 50 percent of the most important ores are coming from Russia today. Now, if Joe Stalin wanted to be mean to us he would say: "Let us cut off trade with the United States and not give them any more ore."

We would be in a fine fix. I do not know just where we would get that ore to carry on with our industries in the city of Detroit. But sometimes people do such foolish things, it seems. The United States is strong because we have done business with everybody. We should continue to do business with everybody. I am sure that the metal manufacturers and the producers of metal who need this ore would make some arrangement to get that ore. If we should say, "Cut off trade with Russia," they would probably get the ore from England or some other country. England would make a deal with Russia for this ore; the ore would be mined in Russia, dumped over into England, reloaded on other ships, and brought back to the United States. The only difference would be that the recipients of that ore in the United States would pay about 25 to 30 percent more for the product because it would have to go through English brokers or Italian brokers or some other nation. So, it all strikes me that it is time to go back in our thinking to the good old way that we have been accustomed to thinking as Americans; that we want to do business with all nations and all people. You must have trade and commerce in order to have peace. If you are looking for war, if you want war and are pointing toward war, if your mind is directed in the direction of war, then you begin dropping the curtain of trade and commerce against these people, or this nation and that nation, and you bar trading with them. If you are thinking in terms of peace you will be thinking in terms of commerce and terms of trade and terms of business. Then it should not be necessary for us to burden the American taxpayers with heavy debts to finance the program for war. A program of commerce, of trade, and of peace calls for loans and credits that will be repaid to our people. It is a program of war that is causing heavy burdens to be put on the backs of our American taxpayers.

I am not going to support a program that will aim to set up east against west, Asia against Europe, or one country against another. I am going to support a program that is going to be directed for peace, for commerce, for trade, for justice, for equity amongst all peoples and all nations.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. COUDERT].

Mr. COUDERT. Mr. Chairman, I take this time solely for the purpose of making clear what I had in mind in a number of questions that I asked the proponents of the bill while they had the floor. The chairman of the Committee on Foreign Affairs, the distinguished gentleman from New Jersey [Mr. EATON], the distinguished gentleman from Georgia [Mr. COX], and the distinguished gentleman from Minnesota, Dr. JUDD, have all taken the position on this floor that this is primarily a war measure, a defensive measure, if you will, in the cold world-wide war with Russia, a measure to carry out that policy frequently stated by our Department of State that the United States is committed to the proposition that it will meet and stop Russian aggression everywhere.

Now, gentlemen, this is either a war measure or a relief measure or nothing at all. If it is a war measure, if it is for the purpose of carrying out that policy declared by the Department of stopping Russia everywhere, then I think we have got to measure it by one standard. If it is a relief measure we have to measure it by another standard.

As a war measure, it seems to me we have to ask ourselves, Will it accomplish the purpose? We must ask ourselves further, what really is the foreign policy of the United States, because we are not dealing in a vacuum any more, we are not dealing in pleasant academic generalities. That policy is now squarely put to the test, an immediate, living crisis. Russian communism has started, and has engaged in France and in Italy, in civil war, obviously jeopardizing the lives of the existing governments. If the United States is prepared to take any and all measures, and that of course includes armed force, to sustain in power the existing governments in those two states, and the Secretary of State comes to us and says that as part of our foreign policy in what is the equivalent of war he must have $590,000,000 for that purpose, then we are probably in the position where we have very little choice, as we had very little choice during the war itself.

It was further admitted by proponents of this measure that obviously this relatively small sum of $590,000,000 and what it will buy is not going to be decisive in the civil wars raging in France and Italy. It is not going to sustain those governments if they are not able to sustain themselves by their own splendid efforts in their magnificent and courageous struggle against the Russian Communist aggression within their borders. If it is not able to do that, and if the Department and the President are not willing to say to us that the United States will go all the way, maybe in the next 2 weeks, maybe even next week, then I think we are entitled to look at the amount of this bill with a questioning eye. We are entitled to ask ourselves whether this is truly a war measure and, if we find it is not truly a war measure, and that it is not calculated to achieve the purpose, then we are entitled to look upon it as a relief measure. As a relief measure the standard again must be different. As a relief measure we are certainly entitled to ask the obvious question, What is America's capacity to give relief? If it is a relief measure, we are entitled to define that capacity, as the amount, quality, and character of goods we can export for this purpose, without causing any further increase in prices and, of course, without necessitating the imposition of economic controls.

I think we have to make up our minds on this floor before we reach a conclusion on this bill as to whether it is really and truly a war measure primarily or whether it is a relief measure. As far as I am concerned, it would make some difference in the way I should vote on amendments to reduce the amount and limit the use of the money for the purchase of specific goods. As it is, I should like to see that question effectively answered.

I yield to no one in my sincere desire for the rehabilitation of two great nations, France and Italy, and in my admiration for the courageous struggle which their present governments are making. More power to them.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield.

Mr. BUFFETT. Is it not reasonable to suggest if the proponents of this measure feel it is a necessary war measure or equivalent thereto that they should be willing to go all the way and vote for price controls and wage controls and all other types of regimentation that go with a war effort?

Mr. COUDERT. That is precisely my point. If this is part of a war measure, and an effective war measure, then obviously we cannot balk at the consequences. If it is not an effective and necessary war measure calculated to accomplish an immediate purpose in an immediate war, then obviously it does not justify all the sacrifices that war measures do justify.

Let me make one further point in that connection. No aid of this character, in my humble opinion, whether it be the Marshall plan or interim aid, can possibly have any chance of achieving effective rehabilitation until the political and social structure in the interested countries has been reasonably settled so that men and women can get back to business, get back to work, and devote themselves to reconstruction and rehabilitation in their own countries, and use our contributions, however great they may be, intelligently and effectively.

Mr. BUFFETT. May I commend the gentleman on the brilliant way in which he has taken this problem apart.

Mr. COUDERT. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BLOOM. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, we have heard a good many experts who have returned from Europe and who have seen the situation there. We have had some differences of opinion among the experts as to what they say. I went with the Food Committee of this House and spent some 4 weeks in western Europe during the month of September.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. AUGUST H. ANDRESEN. May I say to the gentleman that he was a very, very valuable member of that committee.

Mr. POAGE. I thank the chairman of my subcommittee, and may I say to him I believe that subcommittee, under his leadership, made a serious and honest effort to see the situation in Europe. There were six of us and I expect there were six opinions when we got back. That is the usual situation.

I have already said that I made no claim to being an expert except as to one thing. I have lived all my life in the Southwest. I think I know dry weather when I see it. I think I am somewhat of an expert on droughts. I saw the situation in Europe this year, and I can say to you, that even judging by the standards of the Southwest, Europe is suffering from a very severe drought, a drought that cut their crops in many cases half in two. Remember that even under the best of circumstances when there has not been a war for 10 or 15 years, or if such a case ever happened, in 20 years; and when the weather was good, western Europe has not for 100 years been able to grow her own food. Think, then, what the situation must be after the devastation of this war and the destruction and disruption of all of their economy. Then add to that the worst drought in 100 years and you will have some picture of what Europe is facing now in regard to feeding herself. It just simply cannot be done. Those who say "Let Europe feed herself" or "Let Europe go to work" reckon without the physical facts of nature. Many of our great States could not feed themselves during the Dust Bowl drought, or at least those sections of States that did not get rain could not feed themselves although they had suffered no war damage. No nation on the face of the earth has ever been known to be able to feed itself unless the Lord allows the water to fall or unless its people are able to bring it under irrigation. Western Europe simply did not have the rain needed to grow a crop this year.

During the month of September when they should have had feed, if they are ever going to have it, I stood in Norway and with my own hands fed to a dairy cow wood pulp, and watched her eat it. We had visited a dairy and we saw rolls of wood pulp which looked like newsprint. They told us they fed it to the cows. I said, "I do not believe a cow will eat that stuff." They said, "Try it." I tore some off and I tried it and I saw those cows eat that wood pulp. Nothing in the world but wood pulp, rolled up like newsprint. I cite that merely to show you that the situation is desperate. I know some of those who visited Europe reported that they did not see people falling on the streets. I did not either. I was in Shanghai and I saw that kind of starvation there but I did not see it in Europe. But I think it is perfectly obvious that unless somebody supplies some food during these winter months, that just that kind of starvation must happen in Europe before another harvest season rolls around.

Under those circumstances it seems to me that our Nation could hardly claim to be made up of the Christian folks we have proclaimed ourselves to be if we were unwilling to make some effort to alleviate that suffering. I do not believe that many of us would deny that kind of help to a neighbor whose house had been destroyed by fire, or where the parents had been killed in some automobile accident and the children were left on a poor and unproductive place. That is about the situation in Europe. Their homes and their factories have been destroyed. Their people have been killed. If we lay any claim to being the Christian people that we think we are, we owe an obligation to our neighbors. I do not think the American people are so selfish or so reluctant to sacrifice that they will refuse to contribute when they know that people are bound to starve unless assistance is given. I believe our people would feed the hungry even if we knew that we would reap no selfish advantage.

Now, the fact that by doing good for somebody else we may perchance improve our own economy, and will undoubtedly strengthen our military position, should not mitigate against the proposal. The suggestion has just been made on this floor that we should decide whether this is a relief measure or a war measure, and that we must make a decision and say it is one and that it cannot be the other.

My friends, the fact that you can accomplish several desirable results by the same action makes that action no less desirable, in my opinion. Certainly we know that we are doing no more than our Christian duty when we feed these people. We know we have not done it if we do not feed them. That much we all know.

There may be room for honest difference of opinion as to effect that it will have on our own economy and the effect it may have on our military security. No one can look into the future and know positively that this program will give us either military or economic supremacy but it is hardly debatable that the probabilities are that it will place us in a stronger position. I certainly can give you no guarantee, nor can anyone else give you any guarantee that if we follow this program the nations of western Europe will not fall into the Soviet orbit and become our enemies at some future time. I cannot guarantee that. Neither can anybody else. No matter how much money we spend, we cannot guarantee that, but we do know, and no one can gainsay it, that there is greater probability of a communistic government in any land where suffering is great than in the same land when there is adequate food, housing, and clothing. We know what the probabilities are and we know that there is much less likelihood of a Soviet-controlled government in these western European nations if their people have a reasonable amount of food, shelter, and warmth this winter than if they do not have it. We know that the Soviet influence will be stronger the less we do.

We saw Yugoslavia fall to the Soviet influence; we saw Hungary fall to the Soviet influence; we are seeing the pressure that is being put upon Austria, Germany, Italy, and France right now. I do not know whether it will succeed or not, but I do not see any objection to doing a Christian act simply because it may help us in the future. I do not see any valid reason for rejecting this program as a relief program simply because it may save the lives of American boys 2 years, 10 years, or 20 years hence. I can see no reason for repudiating a program simply because we may get a modified blessing in our own country from doing the things that we know we ought to do.

I do know that some kind of show-down between the free enterprise, free speech, free religion, free ballots, and free men of the West and the controlled and regimented life of communistic Russia is likely to occur sometime in the future. I do not think that war is inevitable. In fact, I do not think we will have war as long as there is little reason to believe that the forces of totalitarianism could prevail. I don't think the men in the Kremlin have any desire to commit hara-kari. If we can keep the balance of strength on our side, I believe we and the world have a fair chance of peace. If we let the balance of strength shift, I fear for freedom. There are more people in western Europe than there are in the United States. In spite of their losses, their productive capacity probably exceeds that of Russia. I want these people and this productive capacity on our side. Whether the show-down comes on the battlefield or in the council chamber, we need these people as friends rather than as enemies. The side they take may well determine the course of history and our own national existence. I cannot see how anyone can contemplate these facts and hesitate to do what we can to keep these people and these lands west of the iron curtain. Once the Communists take over in France and Italy, the police states of the Balkans will have established themselves just across the Atlantic from us—and never suppose that with such governments it will make any difference what the majority of the people want. Surely we need but look at Poland, Hungary, or Yugoslavia to see how much help we could expect from a western Europe in communistic hands.

Nor do I see any reason why we should invite economic catastrophe in our own land just because in helping ourselves, we might also help someone else—even if that other person is not 100 percent perfect. There has been too much loose talk about how this program is going to starve the American people. This kind

of talk is perfectly childish. What are the facts of the matter? You know what the figures are. You know that we grew 1,400,000,000 bushels of wheat this year. That is approximately twice the amount of wheat the United States needs for food and for seed. What are we going to do with the other 700,000,000 bushels of wheat? I know a lot of people from what they have said in the past will get up and say, "Let us feed it." I ask you: "At what price can you feed wheat?" Any of you farmers, any of you wheat men, at what price can you feed wheat? Can you feed wheat at the present price of cattle and hogs? And they are high. Can you today feed wheat at $3 a bushel? No; you cannot feed it at $3 a bushel, and that is the reason it is not being fed now, high though meat prices are.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLOOM. Mr. Chairman, I yield five additional minutes to the gentleman from Texas.

Mr. POAGE. You cannot feed wheat until you bring the price down to a point that it is profitable to feed it. Now, you cannot feed $3 wheat, and it is just silly to talk about it unless you are willing to raise the price of beef, unless you are willing to raise the price of pork; far higher than these prices are today; and I do not think many of us want to do that sort of thing. You cannot feed wheat until it becomes an economically practical thing to do. That means, then, that if you are going to feed 700,000,000 bushels of wheat you have got to see the price of wheat drop decidedly. But some will say, "I would like to see the price drop; we want to bring prices down."

Do you? Are you so sure you want to bring prices down? Everybody wants to bring the other fellow's prices down. Everybody wants the other fellow to sell for less, we want the other fellow to sell food for less, we want the other fellow to sell manufactured goods for less, we want the other fellow to work for less, but how many of us want to lower our own prices or our own wage?

You cannot bring wheat prices down to the figure where you can feed wheat without destroying the existing prosperity in the agricultural regions of this Nation, and every farmer who grows wheat or feeds it knows it. You cannot bring the price of wheat down low enough to feed it to cows and to hogs without destroying the price of corn and without bringing the whole agricultural price structure down.

Oh, you say you would like to have that, that you want food to cost less. Do you? Your food costs much less per unit in 1932, much less, but there were 14,000,000 Americans walking the streets who could not get jobs, who could earn nothing to eat, even though beef sold for a nickel a pound. Were we so much better off in those days when the farmers of this Nation were getting 30 cents for their wheat? Some people seem to want to go back to those low prices but I do not know who was better off.

We hear all this talk about how people are in such bad shape today because the American farmer has an export market and is getting a fair price for most of what he produces. Who is in such bad shape? Are you suffering because the farmer is doing well? The American people as a whole are eating more per capita than they ever ate in the history of America. They are buying more new automobiles than they ever bought with the exception of 2 or 3 years. They are living in good shelter. We are short of housing, but they are living in better homes than they ever lived in before, and in my country and yours there have been thousands of old shacks abandoned that should have been abandoned long ago. With the low prices of 1932, only two farms out of a hundred had electricity in my State. With the high prices of 1947, nearly two out of every three farms enjoy electricity. With 8-cent cotton, nearly every farm in the South was mortgaged for all it would carry, and the loan companies were getting them just as they were getting city homes. Today, with a good export market, not only our farm mortgages but our city mortgages are at record lows and there are no foreclosures. Regardless of what may be said, our people have not simply more money, but what is really important from the standpoint of living standards, they have more of the conveniences and luxuries of life today than they ever had in any period of low prices and economic depression—and what is more, they have a higher living standard than they can possibly have in a future depression. Russia knows this, even if some of our people are not smart enough to realize it. Russia is making her plans on the assumption that we will suffer a depression. Russia knows that you cannot maintain the American standard of living in the city or the country if you let the price of wheat break down to a dollar a bushel, six bits a bushel, or 50 cents a bushel; and who in this House can tell where, if you are going to start a spiral of deflation on a vital farm product, that you can stop it? Remember that it is not simply farm prosperity that is involved. It is our national prosperity. You cannot have full employment or handsome dividends if you do not have a prosperous agriculture, and you cannot have a prosperous agriculture if you dump half a billion bushels of surplus wheat on the market. What plan have you to put the brakes on? Where are you going to stop when you pile up 700,000,000 bushels of wheat in this country with no market? Our present farm prosperity, which is the basis of our entire prosperity, stems from our export marketing of wheat.

If you want to maintain prosperity, Mr. Chairman, on the farms and in the factory, if you want to keep our people at work, if you want to keep our corporate dividends high, if you want to keep American prosperity at a level that will enable us to pay the public debt, let us not destroy the farm prosperity as we saw it destroyed in 1920 and 1928.

Let us keep this thing moving at a level that will enable the American people to sell their crops, so that we can have a level of prosperity that will pay our national debt. You talk to me about destroying America's credit. America's credit is good as long as America's income is good. But if you destroy America's income and take it back to the level of 1932, when it was $39,000,000,000, then, indeed, you cannot pay anything on the public debt, and you will have it increasing year by year. You keep this income where it is today, you keep America prosperous by letting us sell our wheat abroad and give us a program that does good for Europe, that does good for America, and you will see America enjoying a prosperity that will enable us to pay our public debt. It is the only way in the world you can do it. Why should we destroy this beneficial arrangement simply because it is going to do us some good and do the world some good at the same time?

If you are really troubled about getting some of our money back, why not wipe out the tariff on those things Europe can still export? Europe still produces some of the most elegant luxury goods. There are craftsmen and factories there that are utterly unfitted for any other work. Our people want their goods. Every dollar that we spend on luxuries relieves the inflationary pressure on American essentials. Our economy would be helped, not hurt by taking these goods. Europe would not be hurt by exporting this type of goods. Her people need necessities, not luxuries. I realize that luxury goods will not pay for all the essentials we shall send to Europe, but they will help pay the bill if we will but allow them to come in. What about it, my friends? Do you really want to be paid, or do you only want to find fault? Let us take all the luxury goods, all the scarce and needed minerals that Europe can send us. Let us send to Europe the wheat that she needs. Let us not hesitate because someone else may share in our blessings. I trust the American people to do the big, the generous thing, but if you are not interested in charity, I urge you to consider our own self-interest.

Let us not kill the goose that lays the golden egg simply because she feeds on surplus wheat which we cannot use at home.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. HOFFMAN]. [After a pause.] Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. VORYS. Mr. Chairman, I have attempted to yield to the gentleman two times but apparently he has not been here. There is no possibility that the yieldings will be accumulated, is there? I am yielding to the gentleman for only one speech.

The CHAIRMAN. I think the gentleman can figure that out for himself.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Chairman, I want to thank my good friend for giving me this opportunity to present some of the conclusions that I have reached after our recent tour through Europe and the Arabian countries.

Our Committee on Armed Services has just completed a tour of 12 European and Near East countries, including Germany, Austria, the free territory of Trieste, Greece, Turkey, Iran, Saudi-

Arabia, Egypt, Italy, Switzerland, France, and England.

During this tour the committee met and discussed military, economic, political, and social conditions with literally hundreds of persons. We met with Army, Navy, Air, and State Department officials in Berlin, Frankfurt, Munich, Vienna, Trieste, Athens, Istanbul, Tehran, Dharan, Cairo, Rome, Paris, Geneva, and London. In addition we met with both civic and military authorities of the different governments visited.

While the main mission of our tour was to inspect American military installations and American troops in the occupied zones of Germany and Austria, nevertheless, because our overseas military missions are largely determined by social, economic, and political conditions abroad we spent considerable time investigating those conditions.

We found the morale of our troops to be exceptionally high. The leadership displayed by our officers and noncommissioned officers was outstanding. The health of our troops in general is excellent. The discipline is of the highest quality and hundreds of GI's were personally interviewed.

Facilities and installations inspected were found to be in excellent condition. A number of United States cemeteries visited revealed that these were being given every care and attention.

While the number of American troops in Europe today represents merely a token force whose mission is that of maintaining law and order and supporting the military government in the occupied zones, nevertheless, the mere presence of American troops very obviously has done much to reassure the peoples of the occupied zones that the United States is vitally concerned with their welfare and their problems.

We traveled approximately 18,000 miles and visited 12 different countries and I must confess that I am more confused than I have ever been before.

Time will not permit me to review the many countries and places that we visited. However, I do want to present for the consideration of the House some of the conclusions that I have reached after this extensive trip.

Since September of 1945 we have pumped an estimated $20,000,000,000 into Europe of which the British received three billion seven hundred and fifty million. The other countries including Russia and the satellite countries of Russia have participated in the balance—this for relief and rehabilitation, and even in face of this gesture the result has been the steady advance of Russian influence on the continent of Europe.

For generations England strove to prevent any power from dominating the Continent. She fought Germany because the rise of German power threw its shadow over Europe.

Now, England is helpless before Soviet might and the question is whether the United States can prevent communism from engulfing Germany, Austria, France, Greece, Italy, and the few remaining European areas where some freedom and private enterprise remain.

In this connection, I might point out the warning by Herbert Hoover that "the greatest danger to all civilization is for us to impair our economy by drains which cripple our own productivity."

We cannot continue indefinitely to pour billions haphazardly into Europe without crippling and bankrupting ourselves.

Since World War II anyone who raised a question about our foreign policy has been charged immediately with being an isolationist.

In July of this year, before I made the trip to Europe I stated:

> The dilemma in which we find ourselves today is the direct result of bungling after victory in World War II.
>
> To begin with, we gave Russia every advantage. We felt that the Bear would respond to kindness. This country began its appeasement policy toward Russia even before Germany's defeat.
>
> We dismembered Germany and put German industry out of commission. We destroyed the industrial heart of Europe.
>
> Instead of trying to restore and rehabilitate European industry, we saw to it that most of the Continent became a poorhouse. Today Europe is a poorhouse dependent upon our charity.
>
> How the Russians must have laughed at us behind our backs. Communism thrives on misery, hunger, chaos, and confusion.
>
> Unless we restore the productive capacity of Europe, including Germany, there is no end to the money that can be poured into Europe without appreciable effect.
>
> Of course, we can punish Germany. We can turn her into a pastoral nation. But the result in all Europe shows that the American taxpayer will be called upon to pay for, in one way or another, the goods that are no longer produced in Europe.
>
> Our foreign affairs have been badly handled. Certainly, we cannot withdraw from participation in world affairs. At the same time, there must be an end to indiscriminate and wasteful spending abroad.
>
> So far as I am concerned, any future program for European rehabilitation must deal with fundamentals and must fully protect the interests of the United States.
>
> I think a lot of others feel the same way.

Now, I have not changed my mind to any great degree. Today the Congress is asked to appropriate some five or six hundred million dollars to prevent starvation and hardship during this winter in the war-torn countries of Europe. We will then consider a plan to appropriate an estimated $20,000,000,000 for restoration and rehabilitation of the economic and industrial life of western Europe. Also, up for consideration will be help to Britain, Japan, Korea, China, and India.

How far we can go without bankrupting this Nation is the question. We owe two hundred and sixty billion at the present time. However, I do say, in any event, to pass legislation authorizing these appropriations to effect stability in the world without building up our national defense is to me an unsound and unwise investment.

The conditions in world affairs are more critical than ever before.

I am of the opinion that if Russia and her satellite nations were inclined to move in they could push through Europe to the English Channel just about as quickly as mechanized equipment could get them there.

Russia, I understand has some 4,000,000 men under arms and has reached new peaks in production of military equipment.

Our military in Europe has but token forces in Germany, Austria, Italy, Greece, and Trieste. They are turning in a magnificent performance under Gen. Lucius D. Clay in Germany. The military, in my estimation, knows more about what should be done and how it should be done than all the statisticians, economists, and diplomats put together. We should be governed by their recommendations to a great extent.

As General Clay said to us in Berlin: "We fought our way in, we are dug in and we are here to stay unless ordered out."

Now, while we are talking about this rehabilitation program of the industrial and economic life of western Europe I read in Newsweek of October 27 as follows:

> It ought to give "enormous momentus" to the Bizonia industrial effort. As part of the new level-of-industry plan it will "sweep away the uncertainties and fears which have surrounded the problem of reparations for the last 2 years."
>
> With these words, spoken over Berlin radio on October 16, Lawrence Wilkinson, director of the American Military Government Economics Division prepared the Germans for the new list of 682 plants scheduled for immediate reparations dismantling. On the same day the complete book-length roster prepared by American and British military governments, officially made its appearance in London and Berlin.
>
> The most extraordinary feature of the announcement was the intimation that the flow of reparations to the Russians would be started again. Explanations that resuming shipping German plants to the Russians might put the Soviets in a pleasant mood for the Foreign Ministers' Conference in London this month did not impress Berlin observers in view of the cold war admittedly being waged between the United States and the Soviet Union and the somewhat warmer conflict suggested by former Secretary Byrnes in his book, "Speaking Frankly."
>
> Ruhr show-down: Fearful that their silence might prove political suicide, German party leaders had been loud and vitriolic in condemning in advance the new reparations list. But since its actual publication their threats of protest strikes and passive resistance have not materialized.

So why do we continue this appeasement policy where there is utter destruction and ruin? Why should it be necessary to dismantle these plants and then appropriate money of the American taxpayers to rehabilitate and rebuild them?

So the whole matter does not make sense. While we are asked to put up $20,000,000,000 to give western Europe that industrial impetus to effect recovery the planners are planning to strip the last remnants of Germany's industrial life around which recovery might be organized.

Certainly we must, sooner or later, take a stand and if we tolerate such an unsound performance under existing conditions in these war-torn countries how is it ever going to be possible to get these countries back on their feet?

The utter destruction and devastation in Germany is terrific, and one has to see with one's own eyes to understand the situation.

The people are discouraged. They are disheartened. They are demoralized.

They are frustrated. They walk around aimlessly all day scrouging around in the fields for a potato or two.

Certainly some help must be given. But, we must see to it that it reaches the people for whom it is given.

Fear that we may sicken of our job and move out and the Russians move in grips the hearts of the people everywhere. One might say, "Well, they had it coming and let them have it." Yet, on the other hand, if we fail at this critical hour you can, I believe, reconcile yourselves to complete communization of Europe. The situation is a desperate one and it looks more to me like a $50,000,000,000 job than the $20,000,000,000 estimated.

The No. 1 problem is food to prevent starvation in parts of Europe during the coming winter months.

No. 2: Rehabilitation of the coal industry arcund which the whole economy of Europe moves.

No. 3: Rehabilitation of transportation.

No. 4: Rehabilitation of the steel industry.

My recommendation is, that if we undertake the job, that an administrative agency separate from any branch of Government, in liaison with military government, be set up, composed of the keenest brains in America, in finance, agriculture, coal, transportation, steel, and miscellaneous industries—men of wide experience—hard-headed, practical businessmen who understand that two and two make four—men who have been successful operators.

With such a program set up the American people should be informed as to how the plan is going to operate, where the money is going to be spent, who is going to do the spending and the results it will achieve. The whole venture is purely speculative and my guess is that it would have one chance in five of succeeding.

We might as well include it as part of our budget. Write it off, as I believe it doubtful we would ever recover a dollar; but if the gamble is made—and it is a gamble—to stop up complete communization of Europe, it might and it might not produce results and return the world to some degree of peace and stability. However, if we are just going to appropriate money for promiscuous spending, as we have in the past, it would be like pouring money down a hole and would accomplish nothing.

Now, there should be enough patriotic American businessmen who would lay aside their own business for the time being, willing to take over and tackle the job. It would require the keenest brains and ingenuity that is available. This program must be made an all-out war for world recovery. It is a job for everyone to do his part toward peace for the world just as our boys did their part in World War II.

Mr. BLOOM. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. GAVIN. Thank you very much. I appreciate the consideration given.

It is evident that those who have been handling our affairs have not profited from the lessons of previous wars, judging from the agreements we have entered into, but have continued to put their faith in treaties with people whom they thought were as right minded as themselves; and the result has been that Uncle Sam and the American taxpayer have taken a terrific beating without any definite results.

We should have had alert, quick-thinking, practical realists handling our affairs, men who judged the past, the present in which they were working, and anticipated what might happen in the future, instead of world thinkers. The water is over the dam as far as agreements are concerned.

We have got to get down to practical business; we must handle this program in a practical manner. No Member of Congress is against this program to feed the hungry people of the world, but we want it carefully administered to see that these foodstuffs get into the stomachs of the people who are crying for them. That is all we are concerned about.

I want to say to you that communism is on the march everywhere in Europe. I have heard some of our speakers in the past week say that communism has been reduced to a crawl. I have heard them say that communism is only in evidence here and there. It is my opinion communism is on the march everywhere in Europe; every country in Europe, whether Germany, France, Austria, Italy, Trieste, Palestine, the Dardanelles, whether Germany, France, Austria, Italy, Arabia, wherever you may go, is packed with dynamite that may explode in our faces any minute.

Now I say to the American people that we had better begin right now, along with any help we give to Europe, to build our national defense—the mightiest Army, Navy, and Air Force this country has ever known to be ready to meet any emergency that may arise.

Far be it from me to be warmongering, but as Gen. Jan Smuts so ably said, "Peace without the power to back it up becomes but an empty dream."

We fought our way into Italy and at Anzio I saw the graves of our 7,499 American dead. We are scheduled, according to agreements, to pull our forces out of Italy when we have settled nothing, and yet we are about to put millions of dollars into that country for relief, and what may happen when we pull out is anybody's guess. If we put our money in we should see that the military stays in to protect it until conditions are settled in that country.

So, the problem is one that after this extensive trip has every one very much confused.

Help is requested of us from Japan, Korea, China, India, Germany, Austria, Greece, Italy, France, and the British Isles.

We are feeding today some million displaced persons and how long we can continue to carry this tremendous burden, without finding ourselves in difficulties, is the problem which confronts the Congress.

It is quite evident that there is a lack of cooperation on the part of the Russians to unify Germany economically and it may be necessary to unify the British, American, and French zones of Germany and go it alone, if Russia refuses to work with us.

In any event, the situation is a most critical and desperate one, and all I can say in conclusion is that we should be thankful to Almighty God that we were born Americans and live in America. We seem to fail to realize how grateful we should be to live in this great land of opportunity, where freedom of speech and freedom of the press and religious and political freedom prevail, and those fundamental characteristics that have built, without question, the greatest Nation the world has ever known.

The war-torn countries of the Old World look to America for strength and leadership to return them to some degree of peace, tranquillity, and stability, and I pray God will give us guidance and direction to restore order out of the chaos that now exists throughout the world.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman.

Mr. BONNER. The gentleman is making a fine speech and I have enjoyed it, but do you believe that the majority of this food we are going to send over there will get to those we are directly interested in, without cost? I mean for the hungry stomachs of Europe, unless there is some limit to this bill.

Mr. GAVIN. That is right; and I believe that the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] will offer such an amendment so that we can get the desired results and so that the food for which the American taxpayer is paying will reach the stomachs of the people for whom it is intended.

Mr. BONNER. But as the bill stands now, the food will be taken over there and sold.

Mr. GAVIN. As I understand it, the gentleman is correct.

Mr. SADOWSKI. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. BLOOM. Mr. Chairman, I yield one additional minute to the gentleman from Pennsylvania.

Mr. GAVIN. I yield to the gentleman from Michigan.

Mr. SADOWSKI. The gentleman has made a very splendid plea for the rebuilding of Germany, but I did not hear him say anything in behalf of the rebuilding of countries whose peoples were destroyed by the Nazis. The gentleman did not do that deliberately, I am sure.

Mr. GAVIN. Certainly not.

Mr. SADOWSKI. Should not they be extended aid in the form of loans and credits?

Mr. GAVIN. I may say that I do not believe we would be able to get back of the iron curtain to give relief to those countries that may be sympathetic, friendly, and ambitious to cooperate and work with us.

Mr. SADOWSKI. But the gentleman knows those people have made these requests and they need this help and have asked for credits and loans. They want their money on a business basis, not as gifts; they just want a loan and some credit on a business basis. Is the gentleman in favor of that?

Mr. GAVIN. I certainly think we want to help any country that is friendly

and favorable toward us. If, however, they are under the domination of any communistic country, certainly we do not want to do anything to make satellite countries of Russia stronger.

Mr. SADOWSKI. Those people and those nations have all been friendly with us. They fought on our side in the last war. They were our allies, so it is not a question of their being unfriendly to us.

Mr. GAVIN. We are friendly to them without question and would be if given the opportunity to be.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. BLOOM. Mr. Chairman, I yield 10 minutes to the gentleman from Arkansas [Mr. HAYS].

The CHAIRMAN. The gentleman from Arkansas is recognized.

Mr. DEANE. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield.

Mr. DEANE. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and twelve Members are present, a quorum.

The gentleman from Arkansas is recognized.

Mr. HAYS. Mr. Chairman, I have seldom begun a speech touching foreign relations without referring with some pride to the fact that in 1944 the gentleman from Minnesota [Mr. JUDD] and I introduced what was called a bipartisan peace resolution. I think one of the admirable things about the discussion of the pending question is the fact that partisanship has been minimized. We can all take pride in the fact that when national security is considered in an issue so grave as this we have at least tried to forget party differences. I feel such a strong conviction upon this point that while I am a pretty good party man, loyal to my party on most domestic issues, I want to use it as a preface to what I say about this bill.

When I returned from Europe after 7 weeks, visiting many of the countries that are mentioned specifically in the bill, and talking with our ambassadors and our agricultural and economic attachés, who are doing such splendid work, the first question that I was asked was, Are the conditions as bad as pictured? Second, if the answer is "Yes," are Europe's foundations, material and spiritual, preserved, or will the money we expend be wasted? Finally, if the answer to both of these questions is "Yes," can America do the job without exhausting herself, for I agree with everyone who has said that it is of utmost concern to the world as well as America that our great productive system be held intact. The worst misfortune that could befall the world is for America to be impaired.

I overheard a young man talking to the Ambassador's secretary in Copenhagen. He asked, "How can I join the American Army? I want to get to America. I want to be a part of America." I thought that was a rather typical conversation, because I found generally an admiration for and interest in America, an appreciation of our institutions. Yes; I know there were critical, even cynical, comments—I heard them—but wherever there was correct information about America there seemed to be a high regard for us. Certainly at one stage of the war we were the world's best loved nation. It is a worthy thing for us to want to remain continuously in that exalted position. We will strengthen that position by this measure.

Yes; conditions are as bad as they are pictured. One-half of all the babies that have been born in Europe since the war have died from malnutrition or undernourishment. I saw the wheat fields of northern France. They looked a good deal like the drought-stricken parts of the Southwest, of my own State, in 1930, when great suffering was prevented by outside help. I was amazed to read a businessman's statement in the CONGRESSIONAL RECORD the other day in which he said that on the boulevards of Paris and in the cafes he saw no sign of hunger, no lack of food. But he paid black-market prices for his meals, and if he had examined carefully the actual conditions that exist in France, even in Paris, he would have found suffering and deprivation. Without any doubt, conditions are bad, and they will get much worse unless we help.

Now, I believe America should rise to this challenge even if it were not for the threat of the Communists, and I hope that when the debate is concluded it will be apparent that we are engaged in saving something as well as defeating something. If it were not the Communists capitalizing misery, it would be some other revolutionary group. There are always people of violence to prey on hunger and distress.

The French people have perhaps not been as gifted, at least not as effective, as the American and British in the science of government. But they are a great people and there is still a devotion to freedom. And while, as the gentleman from Texas pointed out, no one can guarantee that this venture will be successful, that the results which we hope for can be assured, we know what the answer will be if the help is not given. We also know that it will not be because a majority of the people of France prefer a totalitarian government. It will be because a vicious, a violent, an unscrupulous and unprincipled minority will seize upon that situation and climb to power. There must be an opportunity for the people of France in their distress to register their majority will. They are going to be hungry this winter and they are going to be cold unless we can give this substantial aid, and I reiterate that we can do it without damage to our own resources.

A lady in France said to me that America still could not understand France because we have not suffered. I believe I had the right answer for her. It is partly because we have suffered, some of our people have suffered greatly, that we are determined to do something about the world's present ills. It is because we do know what war means.

The economic problems of France today are not primarily due to any widespread disinclination to work on the part of the rank and file of the French people; not at all. Work stoppages are Communist inspired. Let us remember, too, that here was a nation with 40,000,000 population that lost one and one-half million men in the First World War. Herbert Hoover rightfully said, "They have not recovered from it." Perhaps they never will in our lifetime. The war that was fought upon their soil took 25 percent of their industry, and almost wrecked their transportation. And following the war, the two worst droughts in the history of France came upon them. Not since 1815, when the first weather records were kept, have there been such droughts as in 1945 and 1947. The people of western Europe have suffered the greatest devastation in two tragic wars and they have suffered from the century's worst weather.

Many are asking if our action in giving aid can be carried out without the impression that we are thinking in terms of war. That is an important question, and the gentleman from Texas [Mr. POAGE] handled it exactly as it ought to be handled. Here is an identification of interest. Surely, there is enough danger potentially in the communistic expansion to make us aware of the fact that our own interests are involved, and the other element, the more positive one, is also here. Inevitably this question of our Christian character as the leading nation in the world comes into the discussions. It ought to be said without apology. I know there is a shying away from reference to America as a Christian nation for it might have a creedal and narrow aspect. Not at all. Our forefathers were not embarrassed about it. They said, "This is a Christian nation" because it is a free nation, with the right of every man, whether he be a Christian or otherwise, to worship as he pleases. Ultimately that is our hope, to achieve freedom in the world. There is a clear identification of interest between the French and our people, if the French who are trying to preserve freedom and stabilize their Government are in the majority, and I think they are. I cannot believe there is doubt about the outcome of this debate. We are going to pass this bill. There will be some minor amendments perhaps, and incidentally I hope there will be a full discussion on the Andresen amendment.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mrs. DOUGLAS. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. HAYS. I think we ought to discuss the possibility of the use of some funds and the extent to which aid might be given through the nongovernmental agencies that have done such good work, though I have reservations on that score. No one believes more than I do in the work of the church committees, for example. I want to say just a word about that, for the work of the Society of Friends and of the Church of the Brethren, to mention two in reestablishing some of the foundation dairy herds, is impressive.

I hope, therefore, as we talk about these political problems that have such grave aspects, we can also point out that

merica has been doing this other nonovernmental relief job, and we need to oordinate the two so that the world unerstands really what we are about. From the standpoint of policy, our purose is to stabilize the governments of he western rim of Europe so that if a conflict comes they will be our friends and not be on the side of the opposition. From the standpoint of human relief, it means we are not going to disappoint the millions who have only America to look to. This is the initial stage of what ought to be a reconstruction process, culminating, I should hope, in the Marshall plan, representing maximum self-help by the European people.

In spite of our differences over governmental patterns, even with the free part of Europe, it is obvious that there is enough congeniality to justify this effort to save the free governments.

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Wisconsin.

Mr. MURRAY of Wisconsin. Will the gentleman discuss his opinion as to furnishing money or food to a country that is indulging in the use of slave labor 2 or 3 years after the war contrary to international law?

Mr. HAYS. Will the gentleman be as specific as possible so I will be sure I understand him?

Mr. MURRAY of Wisconsin. I am sure the gentleman understands me, because he knows that one of the countries about which he is talking at the present time has thousands upon thousands of German prisoners, who may be just as innocent of all wrong as any man in this room ever was, and they are kept there at the present time by the French Government as slaves, if you please. I should like to have the gentleman, with his background, explain his position when it comes to supporting a government that is willing to use slave labor as it has 2 or 3 years after the war.

Mr. HAYS. Mr. Chairman, this illustrates very well the complexities of the problem. I think it is a good illustration of the point I made, that we do not have to underwrite, indeed, we cannot underwrite all of the policies of the existing Governments of France and Italy in order to support enthusiastically the efforts to bolster the stable governments as they now exist, by the choice of free people. I think it would be asking a good deal of me to give them a bill of health on the gentleman's proposition.

Mr. JARMAN. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman. I assume that the gentleman from Alabama wants to speak more directly to that point.

Mr. JARMAN. I am wondering if these unfortunate prisoners to whom the gentleman referred are not, even with all the scarcity of food in that country of which the gentleman is speaking, really faring a great deal better than if they were in their own country, Germany.

Mr. HAYS. Probably they are. The point can be made. Yet may I say to my friend from Alabama, it indicates that we cannot measure the situation by their material welfare. I believe there would be sound arguments against France on that particular point. France was perhaps eating better under German occupation than since the liberation. Yet France was miserable and unhappy. That is the reason I have said there is so much more involved than food and fuel. Freedom is really the goal that we are talking about, which we are trying to preserve. However, I thank the gentleman for making that point. I think he has answered in one respect the statement made by the gentleman from Wisconsin. Yet the gentleman from Wisconsin is right in saying that wherever we exert our influence, we must exert it in behalf of sound principles, and above everything else human freedom. I agree with him thoroughly as to that.

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield.

Mr. MURRAY of Wisconsin. I want the RECORD to show the high respect I have for the gentleman from Arkansas, and I want to explain to him what prompted me to ask that question. I wish that somebody some time would tell me why everything that the Italians do is fine, as if they were one of our allies in this war, and why they say the German people should be crushed down for all time. I wish somebody would answer that question sometime here on the floor of the House.

Mr. HAYS. May I say on that point, again that is a good illustration. I am for aid to the Italian Government, because we will thereby give to Italy a new opportunity to work out in much better fashion than they have in the past, a pattern of real democracy.

Mr. MURRAY of Wisconsin. They started this dictator business, however, I will say to the gentleman, did they not?

Mr. HAYS. All right. The Italians themselves must provide the final answers. I am trying to be consistent. If I allowed my emotions to rule, I might support a condition in the bill that every minority religious group in Italy might have the same kind of guaranties for religious freedom that we have in America, which I know they do not have. I am not making an issue of that. I think it would be inappropriate. I am using this as an illustration of the fact that we cannot write out the kind of government that others are to have, and neither can we correct all the evils in existing governments. We have to make a decision. I hope that the Congress will decide that there is enough stability in western Europe to assure us a perpetuation of that degree of freedom and of self-government that they have enjoyed in the past, thus giving us some hope of maintaining a peace based upon respect for human rights.

Mr. MITCHELL. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman briefly.

Mr. MITCHELL. With reference to the gentleman's statement regarding religious freedom in Italy, I wish to make a correction of the RECORD, because I checked on that today and in article 14 of the Italian Constitution, it is pointed out very specifically that all people shall have freedom individually and in groups in religion.

Mr. HAYS. The point is that some insist they have only freedom to worship and not the right to propagate their faith.

Mr. MITCHELL. They do have the right to propagate their faith. I read the constitution today, and I got it from the Italian Embassy, so the gentleman should check on that.

Mr. HAYS. I thank the gentleman. The point I am making, however, is that we would achieve nothing by trying to impose by pressure our ideas upon the people of Italy. I have faith that the people of Italy will sometime work this out so that religious groups, and I am not promoting any particular religious group, will have no basis for complaint.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman.

Mr. POAGE. Several of the questions have intimated that these governments in western Europe are not what we would like to have, and the questioners were not satisfied with the way they were running things at the present time. Neither am I satisfied with everything.

Mr. HAYS. Exactly.

Mr. POAGE. But do the gentlemen labor under any illusion that conditions would be better, and that these prisoners of war would be better treated, and that they would have greater religious freedom or any other kind of freedom if we allowed these governments to fall under communistic and Soviet rule?

Mr. HAYS. The gentleman makes a supremely important point. It is a question of alternatives.

The CHAIRMAN. The time of the gentleman from Arkansas [Mr. HAYS] has again expired.

Mrs. DOUGLAS. Mr. Chairman, I yield the gentleman one additional minute.

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield to me?

Mr. HAYS. I yield.

Mr. MURRAY of Wisconsin. I would like to ask this: Are we to understand from the Foreign Affairs Committee that the prisoners of war are better off in slavery with the French than they are in the American zone in Germany?

Mr. HAYS. I do not think the gentleman could infer that; I cannot agree that a man well fed in a prison is better off than a man poorly fed outside the prison walls. I am sure that was not implied, and I am glad the RECORD is clear on that point.

Mr. Chairman, I hope that the pertinent remark of the gentleman from Texas [Mr. POAGE] can have the emphasis in the closing moments of my contribution. The alternatives are clear. There is enough left, culturally, morally, and spiritually in the life of free Europe as we have known it in the past, particu-

larly among the peoples with whom we have fought for freedom in the past, to justify this monumental effort to relieve hunger and distress for a few months, so that the world can live again in hope and peace.

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

Mr. VORYS. Mr. Chairman, I yield such time as he may desire to the distinguished gentleman from Illinois [Mr. CHIPERFIELD].

Mr. CHIPERFIELD. Mr. Chairman, after the most careful consideration of all the evidence presented to the Foreign Affairs Committee, I reached the conclusion that the President's estimate of $597,000,000 for interim aid to France, Italy, and Austria was excessive and could not be justified. I therefore offered an amendment in committee to reduce this amount to $489,000,000—a cut of $108,000,000—by proposing the following four reductions:

First. A $74,000,000 cut in the allowance of wheat for Italy. This was based on information furnished our committee by the agricultural consultants of the Select Committee on Foreign Aid, that actual allocations to Italy would probably only be 618,000 metric tons as against 1,145,000 metric tons estimated earlier by the State Department. This involved a cost differential of about $74,000,000, to which I just referred.

In calculating the grain needs of Italy, the State Department used as a basis the Italian Government's forecast of their 1947 grain crop which it had underestimated by approximately 1,000,000 tons. Therefore Italy has on hand 1,000,000 tons more wheat than had been counted upon by the State Department.

Second. I made another reduction of a similar character amounting to $17,000,000 applicable to the estimated wheat requirements of France. This was brought about by a cut in the probable allocation for France from 770,000 tons of wheat with a value of $111,000,000, to 650,000 tons with a value of $94,000,000 as the State Department recognized the grave possibility that there would not be available the larger estimate for export.

The Herter committee thought there would only be available 500,000 tons of wheat with a value of $74,000,000. However, I allowed for France a safe margin of 150,000 tons or 5,550,000 bushels.

Third. Another reduction of $20,000,000 was made on the grounds the United States need not cover French payments due Belgium and Brazil on commercial accounts.

Fourth. I also included in my amendment a reduction of $13,000,000 against the initial request for fats and oils for Italy now considered to be unnecessary.

These four reductions reduced the total by $124,000,000. I added $16,000,000 to replace Austria's funds earmarked under Public Law 84 for the children's fund, which had been included in Austria's requirements, but which are not now available, making a total reduction in the amount originally requested of $108,000,000.

The following chart gives a breakdown of these items:

Summary of suggested reductions or additions

[In millions]

Amount requested for interim aid (report of the Secretary of State, Nov. 10, 1947)	$597
Suggested reductions or additions:	
Reduction of Italian wheat requirements	−74
Reduction of French wheat requirements	−17
Disallowance of French payments to Belgium and Brazil on commercial accounts	−20
Reduction of fats and oils to Italy	−13
Total	−124
Additional requirements for Austria	16
	−108
Balance of allowed requirements after suggested reductions and additions	489

This amendment which I sponsored was adopted by the Foreign Affairs Committee but was later reconsidered and a reduction of only $67,000,000 was approved.

The committee also later added $60,000,000 for China.

Taking into consideration that the Italian wheat crop was 1,000,000 tons more than estimated by the State Department, and the availabilities of wheat from this country for export to France and Italy are much less than originally estimated by the State Department, it is my conviction that this committee could and should reduce the $597,000,000 requested by the President to $500,000,000 or less. In doing so it would in no way jeopardize the proposed program.

It is difficult to arrive at an exact figure, as the State Department's figures, both as to requirements and availabilities, change from day to day, like a chameleon. But no matter how they juggle the figures, they always manage to get the magic total of $597,000,000 requested by the President.

It is well to keep in mind that the $597,000,000 figure is not based on the food requirements of the recipient countries but is based on balance of payments. An estimate is made of all the imports required for a country not only for food but for such items as coal, petroleum, cotton, and so forth. Then their assets from exports are subtracted from this amount and we are requested to make up the deficit.

Along with a large majority of my colleagues I want to feed hungry people where there is real need. I feel very strongly, however, that we should do so only when that need has been justified and only to the extent recipient countries cannot take care of themselves. Nor should we drain our natural resources and materials in short supply any more than is absolutely necessary.

It is a disservice to promise aid beyond our ability to perform. Such a promise would do more harm than good not only to ourselves but the countries promised such aid.

Furthermore we should not be required to give assistance unless the people of the recipient countries are doing everything possible to help themselves and preserve democracy. I want to stop the spread of communism in western Europe and China as much as anyone but I have grave doubt if it can be done with dollars.

It is a well-known fact there is considerable hoarding of wheat in Italy and France. Why should we use American taxpayers' money to force or induce the farmers of France and Italy to bring their grain to market when they are unwilling to voluntarily do so for the welfare of their own country.

The gentleman from New York, Representative BUCK, put the situation tersely when he said, "The Lord helps those who help themselves. We are not called upon to outdo the Lord."

Mr. JARMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JARMAN. As the debate began, the ranking minority member of the committee, following the lead of the chairman of the committee, stated that at least half of the time—I do not know whether he yielded it then or whether he stated it would be available for those in opposition to the bill. No one so far who is in opposition to the bill has requested time on this side. But we have only 44 minutes of the 3 hours in favor of the bill. My parliamentary inquiry is whether the ranking minority member still has control of that 3 hours that he promised to the opposition, if they want it.

The CHAIRMAN (Mr. REEVES). The Chair regards the rule which was adopted by the House as giving the ranking minority member of the committee 6 hours to dispose of as he sees fit. The Chair accordingly regards the situation as giving the ranking minority member of the committee control of all of the remaining time on his side.

Mr. JARMAN. I thank the Chairman.

Mr. VORYS. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Chairman, the Republican leaders in Washington may be unwittingly leading the party into a cunningly devised New Deal trap.

It mostly goes back to the servile bipartisan foreign policy adopted by the Republican leaders which in its very nature virtually committed the party to the multi-billion-dollar lend-lease program, called the Marshall plan—even before New Deal strategists released it.

Both party leaderships are jittery about the effect inflation will have on their chances for getting control of the Government next November. Each is looking for some political trick to pull it through. It may well be that the New Deal crowd has beaten its opponent to the draw.

Its scheme is simple. New Deal strategists are whipping up with all their might the worries being suffered by the people from ever-mounting prices.

his is done to frighten them into supporting their program for restoring the OPA with all its evils.

In addition they flood the country with propaganda that price and wage control, rationing, and so forth, are absolutely necessary to carry out the Marshall plan, that without such controls the further scarcity of goods which the plan would produce would drive domestic prices still higher.

If I judge correctly the sentiment of the Republican Members of Congress, there is strong support for carrying out this plan of regimentation.

There are a number of Republican Members that will accede to all of the New Deal demands. A much greater number say "some" controls have to be put back, which can mean only that all controls would in due time be restored. There can be no such thing as a halfway OPA.

But here is the trick. Once the administration is given the controls sought, it will use them as sparingly as it can—at least until after the election—to keep the good will of the voters.

Meanwhile it will so manipulate foreign shipments and transactions under the so-called Marshall plan as to have the least amount of effect in further raising domestic prices.

And be it not overlooked that the Marshall plan will provide it with a powerful weapon to effectuate that purpose. The New Deal high command hopes that this scheme will succeed in maintaining a high degree of prosperity without raising prices sufficiently to cause the voters to rebel. If it succeeds, the New Deal Party will again proclaim itself savior of the country by virtue of the powers granted it to ration commodities, control prices and wages, and regiment the people in general.

If the New Deal succeeds in putting the so-called Marshall plan through and having the wartime controls restored—both being integral parts of the same scheme—the end of what is left of the Republican Party and this Republic may well be in sight.

Mrs. DOUGLAS. Mr. Chairman, I yield 7 minutes to the gentleman from Missouri [Mr. BELL].

Mr. BELL. Mr. Chairman, we are discussing today a measure which I think every Member of this House recognizes to be of very, very far-reaching importance. It has been said today that this measure has a twofold purpose: First, the relief of suffering of humanity; and, second, the preservation of our line against the onrush of communism. I expect to vote for the bill.

Mr. Chairman, while I am thinking about this bill and all of its implications, for a moment I just want to comment on one or two things that have come to us in the picture of Europe today. In France we see a nation divided against itself. Forty percent of its people belong to the Communist Party. In Italy we see a nation torn with turmoil. All of eastern Europe is gone. In every country of Europe we see the hand of communism reaching into the body politic, confusing, destroying, rotting, and decaying, having a large effect upon not only the economy but upon the struggle of those countries to maintain liberty.

A distinguished gentleman standing here this morning said that communism is everywhere. I think that we as Americans should recognize that communism is in the United States the same as it is in every other country in the world. For instance, today there are more Communists in America, people who admit they belong to the Communist Party, than there were in Soviet Russia at the time of the Russian revolution.

Mr. VORYS. Mr. Chairman, I yield the gentleman four additional minutes.

Mr. BELL. Mr. Chairman, as I said a moment ago, the agents of the Politburo for the last 20 years have been carrying on an unremitting cold war in every country in the world. It is evident from the conditions in France and Italy and in numerous other countries that we could name that those countries have not set up an effective defense against that sort of a war. Here in America those of us who love our country have for many years been deeply concerned at the progress of communism here. Every time an American gets up and condemns communism or makes some remark about it, the stock phrase is that he is a "Red baiter" or a "witch hunter" or something of that sort. A great many people have been intimidated in just that manner.

The other day I received a copy of a speech delivered before the United Nations by a distinguished Filipino, Vicente Sotto, in which he described the efforts of the Filipinos during the last 20 years to combat communism in that country. He told how some years ago they arrested and convicted some 34 Communists who were in the pay of Moscow, who had been to Moscow for instructions, and were back in the Philippines well financed from Russia. He then sets forth in his speech a number of paragraphs from a bill which he has introduced in the Philippine Senate. This afternoon when we go back into the House I am going to ask permission to insert that speech into the RECORD. I do it for this reason: The best brains in America should be exerting themselves to find ways and means of stopping the advance of Communist influence in this country. I think that a study of Senator Vincente Sotto's bill will offer some helpful suggestions to you gentlemen who are considering the problem as to how we are going to combat communism here. I am not saying that Senator Sotto's bill is necessarily the answer to our problem, but it is worth study. Shall we outlaw communism as a party? Shall we recognize communism for what it is? Personally I think every Communist in America is an agent of the Politburo and the quicker that we as Americans recognize that fact the better off we are going to be. I think that every Communist in America is at heart a traitor to his country, and I think the quicker we recognize that fact the safer we are going to be in America. It is evident that the course that we have taken in the last 20 years has not solved this problem any more than it was solved in France by saying, "Yes, they are a political party and they have a right to say what they please." It has been said again and again in this country that we have no constitutional right to deny a man the opportunity and right to belong to the Communist Party. But, gentlemen, I do not believe that our forefathers when they wrote our Constitution intended that our Government should be so weak, so supine, so helpless, that it could not stamp out traitors within its own midst.

SPEECH OF SENATOR VICENTE SOTTO, DELEGATE TO UNITED NATIONS FROM PHILIPPINES, ON WARMONGERING AMONG NATIONS

I should like to discuss the stirring question raised before the General Assembly of the United Nations, that is, Who are the real warmongers, the Soviets or the Americans? Without considering the Balkan case, in which it has been factually established that the Soviets, through their clever intrigues and machinations are the real conspirators against the territorial and political integrity and independence of Greece; without considering the case of China, where it is likewise an established fact that the Soviets are the ones giving material and moral aid to Chinese Communist hordes in order to overthrow the Chinese Republic; and without considering the case of Korea, where it is also a proven fact that the Soviets have no plan of ever evacuating this unfortunate country, because they have ulterior motives of incorporating that territory to their ever-expanding empire, I should like to call and draw the attention of the world toward my far-away country, the Philippines, where for more than a year already peace and order in two or three Provinces of Central Luzon have been perturbed by bandits known notoriously as "Huks," who are none other but unlettered peasants and misguided elements led by Communist agitators under the pay roll of Moscow.

In making this observation I am not speaking through my hat. Documentary proof which tends to demonstrate conclusively that the Soviets and their agents are mainly responsible for the present disturbances in my country obtain in the national archives of the young Philippine Republic.

According to this evidence, long before the last World War, the Soviets financed the trip to Moscow of a certain Crisanto Evangelista and other notorious unemployed labor leaders, in order to further train in Communist tactics and propagating the vile seeds of discontent and Marxism in our islands with a view to overthrowing the legally constituted Government through force and violence. In effect, when these leaders of the Philippine proletariat returned to my country, with funds and instructions from Moscow, they immediately commenced active propaganda work among the ignorant and gullible masses. Under different names, they organized labor and peasant organizations; they established night schools where each enrolled laborer or peasant was paid 10 cents per attendance for learning the precepts and principles of Soviet communism; they printed and distributed extensively communistic handbills and pamphlets; incited laborers and peasants to strike against their employers and the landowners; and held meetings and rallies, where violence and force were preached as means to attain their objective of establishing a new government after the Soviet pattern. They also entered the political arena by putting up candidates for different elective positions, but all of them met with dismal defeat. This defeat at the polls angered them and incited them to redouble their efforts to agitate discontent and seditious acts against the constituted democratic government of the Philippines.

After our Government discovered the subversive and insidious objectives of the Communist leaders, 34 of their number were

forthwith brought before the pale of the law and accordingly indicted on charges of sedition and organizing an illegal association, and nearly all the accused were found guilty and sentenced accordingly to suffer imprisonment and others to banishment to provinces far from the capital of the Philippines. Our supreme court, where their cases were appealed to, handed the decision holding that the Communist Party of my country was an unlawful association, because both its platform as well as the public act and utterances of its organizers and leaders were predicated upon the principle that violence is necessary in order to overthrow the Philippine Government. Some time afterward the then American Governor Frank Murphy granted executive clemency upon the Communist convicts.

This is how communism was nipped in the bud in the Philippines before the last war.

During World War II, however, the Filipino Communists, ever with the aid and financial support of the Soviets, came back to life again, disguised under another name. Now they have adopted the name of Huk, and with the arms supplied by the American forces of liberation in order to fight against the Japanese invading the Philippine Republic, alleging imaginary agrarian injustices or inequalities, but all they really wanted was to wrest the control of the government of the Philippines and establish a new order after the Soviet pattern under the leadership of an irresponsible agitator named Luis Taruc and others of his ilk, paid with money subsidized from Moscow and aided by Chinese Communists, some of whom have already been deported by our energetic President Manuel Roxas.

Such is the insidious work of the Soviets and Soviet agents in the Philippines. And I should like to point out categorically that in making this observation I do not refer to Russia or to the Russian people. In Russia, where there is no freedom of speech, only God knows what the Russian people think.

Recently, motivated by the desire to contribute what little I could do to stem the tide of subversive ideologies in our country, I, in my capacity as member of the Philippine Senate, filed a bill amending our penal code with the following explanatory note:

"Disturbance of peace and order in our Government may impair its operation—nay, lead to its destruction. Acts leading to this effect are covered by book 2, title 3, of our revised penal code, and defined as 'rebellion,' or 'insurrection or sedition.' But there are certain utterances and overt acts which, even though not constituting any of the mentioned crimes, are a serious threat to peace and public order and a menace to the stability of our democratic institutions. They pertain to ideologies and doctrines antagonistic and subversive to those of our democracy, which has been proved to be the only safeguard of human rights and freedom against the barbaric abuses of totalitarian rule.

"This bill qualified such overt acts and utterances as crimes punishable for their commission. Associations and organizations whose purpose tends to propagate subversive ideologies to gain world power, such as nazism, fascism, the Falangist movement in Spain, and communism, are to be outlawed in this country. Evident proof that those ideologies already have gained foothold in our young Republic are the present disturbances of peace and order occurring in some provinces of central Luzon and are spreading to some areas in the Visayas. This deplorable situation is due to the nefarious activities of the members of a certain subversive organization known as the Hukbalahap, the purposes and objectives of which are similar and identical to the Russian system of government. Hence, the necessity that the Hukbalahap organization be outlawed.

"We must preserve our Republic and our democratic institutions not only for ourselves, but also for all generations to come. We should not for a moment allow totalitarian tendencies and ideologies to undermine the very foundations of our Republic."

My bill, which will most probably be debated during the next regular session of our Congress, contains the following provisions:

"ART. 142-A. Any person, who by means of speech or writing, or who by means of emblems, cartoons, banners, or any other means of information or publication suggests, preaches, or propagates ideologies, doctrines, or theories of government in favor of totalitarianism or communism and against democracy, and any person endorsing, subscribing, or adhering to them shall upon conviction, suffer the penalty of prison mayor and pay a fine not to exceed 10,000 pesos. In addition to the above penalties, if the offender is a Filipino he shall be deprived of all his political rights and shall be perpetually disqualified to hold public office; and, if the offender is a naturalized Filipino citizen or an alien, he shall be deported to his country of origin and all his rights to property shall be forfeited to the Government.

"As used in this article, 'democracy' means a government by the people; a form of government in which the supreme power is retained by the people and exercised either directly or indirectly through a system of representation and delegated authority periodically renewed, as in a constitutional representative government or republic.

" 'Totalitarianism' means, within the purview of this article, a system of government which is controlled by a political group and which allows no recognition of or representation to other political groups, as was in Fascist Italy, or Nazi Germany, or in Falangist Spain.

" 'Communism' means a system of social organization involving common ownership of the agents of production and providing for a dictatorial form of government controlled by the proletariat.

"ART. 142-B. 'Fascism,' 'Nazism,' 'Falangism,' and the 'Hukbalahap' organization are, for purposes of this article, subversive organizations, whose purposes and aims are to substitute the totalitarian and dictatorial form of government for that of the present democratic government of the Philippines, and, therefore, their existence is prescribed and prohibited."

Now, with these indisputable facts before us, the civilized world may judge who are the real warmongers: The Soviets or the Americans?

Mr. HALLECK. Mr. Chairman, I desire at this time to make an announcement because many Members have inquired as to the program.

Originally, in announcing the program as we expected to carry it forward in the consideration of this bill, I said that general debate would begin today and continue for such time as might be fixed by the Rules Committee; that if it were not concluded on Friday we would meet on Saturday in order to conclude general debate and that the reading of the bill would begin at the opening of the session on Monday and continue through that day and such further days as might be necessary to complete consideration of the bill and bring it to a vote. In view of the fact that we are progressing with the general debate, it being expected that general debate will continue for some little time yet this afternoon, and in view of the fact that the House has already agreed to come in at 10 o'clock tomorrow, and it being thus apparent that general debate can be concluded tomorrow, I think it will serve the best purposes of all of us to announce that we will continue general debate tomorrow until the time is concluded or until all of those desiring to speak have had such an opportunity to speak.

The first section of the bill then can be read for amendment. The committee will rise and, of course, if there is other business to be taken care of, it can be done at that time. It is my hope that the House can then adjourn over until Monday, at which time the reading of the bill will continue.

Many Members have asked me as to whether or not there will be a vote Monday evening or whether they could have an assurance there would be no vote on Monday evening. I have told them that I could give no such assurance but if I were to guess about it, from the number of amendments that I have heard talked about and from my experience here in connection with the 5-minute rule, I might be inclined to hazard the guess that the vote will not come on Monday.

However, I wish to make this clear for the guidance of the Members: The reading of the bill will continue on Monday until a reasonable hour in the evening. If at that time the reading of the bill is completed and we are ready for a vote, the vote on final passage will be had on Monday evening. If at such a reasonable hour in the evening the reading of the bill is not completed, then, of course, further consideration will go over until Tuesday.

On Monday we shall determine whether or not, in order to expedite consideration, it is desirable to have the House meet earlier than the usual noon meeting hour. It will be our purpose to have the House meet at noon on Monday.

Mr. CHIPERFIELD. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, the gentleman from Missouri has pointed up a very important fact. If you were living in western Europe today, as are so many millions of people, you would feel very much as they do there, "between the devil and the deep blue sea," the deep blue sea being the Atlantic Ocean. Those people are heartsick, they are afraid. Fear is written all over their faces. Many of them have taken communism to their bosom, so to speak. Why? Because they are afraid. They have seen what happened to patriots like Petkov, they have seen what happened to Nagy of Hungary, Mikolajczyk of Poland, and many others. They know that if the United States pulls out of western Europe today or even in the near future the void will be filled by Soviet troops, as it is already being partly filled by their Gestapo agents. They are afraid to say things in support of democracy or the United States for fear their words would be taken down and used against them in the future.

I doubt that very many of those people, even among those who carry a Communist card, are in favor of it. I doubt it because they have seen the ravages of communism. They have talked with

hose of their fellows who have escaped hrough the iron curtain, and they do ome out at the rate of several thousand a day. They really know the conditions hat lie behind the iron curtain. If you wish to see the most abject fear in the faces of people, take a look at those who walk the streets of Berlin. There is fear of the deepest kind written on the faces of these people. Why? Because they know that the mere presence, temporary as it may be, of a few thousand Americans, a few thousand British, and a few thousand Frenchmen, is all that keeps them from being completely submerged within the iron curtain. Berlin is 165 miles behind the border line between the Soviet zone and the British and American zones. Berlin is merely a relatively free spot inside the iron curtain. They do not complain that they have been bombed into ruins. That they accept as the fortune of war. The fear is the fear of the hunted.

The people of Europe need our help. They need our help temporarily because of hunger on the part of those who are unable through their own diligence and work or because of their age and infirmity to earn the barest living. I hope these funds we are appropriating may be so applied as to reach those who need it so badly.

But, first of all, those countries need to recover from the ravages of war. We can go on pouring money into this part of the world for years to come, but if we do not satisfy their need for industry and commerce and help them achieve some measure of prosperity, the entire fund we will have appropriated will have been thrown down the well-known rat hole. Therefore, while I support this pending legislation, I hope and trust that the agencies in the executive department, as well as the committees of Congress, will take the earliest practicable and possible steps toward the recovery of western Europe—to reinstate there some modicum, at least, of prosperity.

The one thing that communism fails against—that great rock upon which it dashes itself to pieces—is prosperity. It is chaos upon which it feeds most heartily. Therefore, to do something about the reconstitution of the industry and the commerce of those countries is the first order of business following this bill, I should say. The first necessity, as everyone who has been there will declare, is the stabilization of currencies and the resumption of trade and commerce. That part of the world is an industrious part of the world. The people are intelligent. Most of them have been honest, although the black markets they are caused to deal in by virtue of price control and the rationing system that exists there today force them to be criminals in a sense. Fundamentally, they are fine, honest people. They are the near relatives of millions of like people in America. We hope, therefore, that our executive officers and our committees of the Congress will take immediate steps to stabilize their currencies. Second in importance and probably equal to the first is the reinstitution of transport in that part of the world. It requires transport to carry coal and other supplies in order to have the proper distribution of these things among the people and industries where the people work. That is the second great requirement for that part of the world. When the currency has been stabilized and commerce and trade have been resumed, which I hope will be soon, then that part of the world should be able to take care of itself. Then it need no longer be a burden upon the United States. If we do not do that, and if we do not do our utmost to stabilize the currencies and reinstitute transportation and help get their industries started again, then they may well be a burden upon us for a long time to come, and force us down the same highway to destruction upon which they are presently traveling.

I think there are many problems that come into that question which we might discuss here, but time is too short.

I have just come back myself, not having been there in the business of investigation but on matters related to international civil aviation. We went to Germany for a few days at General Clay's invitation and visited him in Berlin. Then we went down to Frankfurt and Wiesbaden and drove by automobile through the French zone on our return journey to Switzerland. It is a very sad state of affairs, as anyone who has been there knows. We must give western Europe the opportunity to thwart chaos by restoring some modicum at least of their prosperity and happiness. I was particularly struck with one little fact. Those people are short of cigarettes, as everybody in the world knows. Cigarettes sell for more per pound over there than anything else that you can think of. On the current black market cigarettes are worth ten to fifteen dollars per carton. That is a tremendous and terrific price. At the same time, the Government of Great Britain has shut off the imports into Great Britain of tobacco from the United States, and we are about to have a terrific tobacco surplus, while in Europe there is a terrific tobacco shortage. I do not know how people feel about that, but if there is one great big black market that you want to break in Europe, just ship about 100,000,000 cartons of cigarettes over there, and you will bust it wide open. Incidentally, you will be giving some people who feel the shortage of cigarettes very badly some degree of contentment. The same is true about coffee, and the same is true about soap. Those commodities sell for higher prices on the European black markets in proportion to their value in the United States than practically any other items.

To conclude, communism being a real threat to freedom, and freedom being of vital importance to us, the best place to stop communism is in Europe. To do that we must defeat chaos and confusion by restoring order and production and distribution, trade and commerce. To me this bill is a temporary stopgap. The really important steps have to do with resumption of production, trade, and commerce. Uncle Joe knows that too, because he tries his best to defeat us and western Europe through strikes and disorders.

Mr. VORYS. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri [Mr. COLE].

Mr. COLE of Missouri. Mr. Chairman, last week I received a letter from a resident of Mound City, Mo., who is now at Columbia, Mo., and I believe is a student at the Missouri University. I do not know the author of this letter, therefore I do not know whether he is a Republican or a Democrat. However, I hope that it will soon be my privilege to meet him, because I admire his profound thinking and his ability to express his thoughts. His letter pertains to the matter now under discussion and is worthy of consideration by this Committee, so I have requested this time to read it to you. I quote:

DEAR MR. COLE: Please bear with me if my letter does not conform to the best rules of how to write your Congressman. I feel compelled to voice my opinion on the aid-to-Europe program.

I am urging you for five good reasons to oppose the Marshall plan, at least the long-range plan.

First, and most distasteful, is the power politics applied by the administration in backing of its pet scheme. Long before the plan was advanced to the public in general the Government bought up huge quantities of wheat that could not be resold in case the plan were defeated by Congress. The reason, of course, is similar to the potato deal that we're all so familiar with. And, by advertisement, sentimental appeal and applying nearly every principle known to the propagandist, the Administration has taken immense liberties in the underwriting of this plan.

Secondly, the detrimental effect that will result in this country will hasten disaster on this country. We've already been given the warning by the President, himself, in his appeal for powers that proved so distasteful but bearable in wartime. His appeal will have a lot more weight when the effects of this program begin to be felt. Once the heavy yoke of this power is instituted on the United States, it will be many, many years after Europe is back in full swing for us to rid ourselves of this yoke. This is manifested now by the immense number of bureaus in Washington that were war-born and are still with us even though the guise that gave them birth has been entirely removed. It has been proven time and again that once the Government is allowed to enter a field, i. e., rent control, export control, price control, etc., it takes virtually a revolution to expel them. And even if the Government is allowed these powers, I honestly doubt the degree of their success. It's just terribly hard to repeal the old economic laws by an act of Congress. Should they fail and should chaos come to this country comparable to that of the thirties I doubt that our way of life will survive. This is food for thought, MR. COLE. Since 1915 the Communist Party has been building in this country and waiting for its chance. I don't think it was ready in the thirties, but should they catch us in such a predicament again, revolution could easily result. You, as well as I, know the Reds thrive on chaos and confusion. Let's preserve our country and way of life.

Thirdly, one might doubt the actual good that might come of this gratuitous aid. If we impose conditions on the use of our aid, we might easily be called Uncle Shylock with grounds because such a program cannot be administered by a half-baked plan or ill-trained personnel. Just take a look at the difficulty of wielding control over such an organization as our Army or Navy with supposedly competent administrators. Even if it were well administered, though, the least grateful will be the Europeans themselves.

Due to ancient and deep-seated rivalries in Europe, we'll be inextricably involved in the mire of European politics. And if we don't

impose any conditions on our aid, even less good will be done. With my limited knowledge of Communist control in Europe, it's hard for me to say how or to what extent the Communist program will be directly aided by our money. But, however closely the European appeals are scrutinized, I'll guess that a lot of our aid will materially aid and abet the Red cause more than ours.

Fourth, if their need is so dire, why is the foreign capital in the United States not withdrawn and invested in European countries. If they are not willing to help themselves, why should we? Not only that, but our own price level which least of all needed a boost, has been considerably upped by the presence of this money.

Fifth and most important, after we've once committed ourselves to such a long-range program, it will be next to impossible to pull out regardless of the near-future developments in this country. A person in your position has, no doubt, seen the far misses of economists' and planners' guesses. At a poor second best, I'd recommend a year-by-year program that is easily removable. This is the very least Congress can do in their altruistic attempt to bankrupt this country. And with things so unstable as they are at the present, it is quite likely that such a contingency that would make necessary suspension of aid, transpire. Given a couple of years, I believe our economy could be stabilized. Delayed 4 or 5 years by such as the Marshall plan and with demand stifled by control for this extended period of time, disaster will surely envelop us with industry at an extremely high pitch for the partial supply of Europe and the United States. At the lapse of our aid, the demand could be satisfied in a period of perhaps a year and an economic break-down could easily result. Furthermore, the cost of the program plus the cost imposed by economy control at home will lead us further into debt when it is gigantic already. Only the shortsighted cannot see the danger of such a huge national debt. Right now the interest cost alone of our debt amounts to more than 10 months of the cost of the GI bill.

Now certainly is the time for the Government to get out of debt if it is ever to do so and not to increase the cost of government by a rigid, distasteful economy control.

I hope that I don't appear as an alarmist but from where I sit, now is the time for protection—protection from our own foolishness. For these reasons, I beg of you to wield your influence to forestall this idealistic, Wallacian dream.

A constituent,

E. M. WRIGHT.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. HOFFMAN].

The CHAIRMAN. The gentleman from Michigan [Mr. HOFFMAN] is recognized for 10 minutes.

The gentleman from Michigan is again recognized for 10 minutes.

The gentleman from Michigan apparently is momentarily absent.

Mr. VORYS. Mr. Chairman, during the momentary and no doubt unavoidable absence of the gentleman from Michigan, I yield 5 minutes to the gentleman from Pennsylvania [Mr. MUHLENBERG].

Mr. MUHLENBERG. Mr. Chairman, permit me to observe that I am not in any way substituting for the gentleman from Michigan [Mr. HOFFMAN], who has been called for but has not yet responded.

Mr. Chairman, I am quite anxious to bring this discussion back to earth, for it seems to me that we have wandered a good deal during the afternoon. We have talked about a great many things other than the particular matter we have come here to discuss today, which is the question of interim aid to Europe.

We can, it seems to me, regard this problem only on three bases. One, of course, is the economic angle. On that, I believe, there are only three possible plans, three possible points of approach. It must be observed, first, that Europe is without present resources and that the only place from which those resources can be obtained in quantity is the United States of America, almost the only country in which there is a degree of prosperity and in which there is a degree of plenty. In that case we must either, first, continue our buying abroad so as to give them an opportunity of obtaining dollars with which they can continue their buying here, or, second, we must give or lend the substance to Europe with which it can make these purchases here, or, third, we can withdraw altogether from the whole proposition and shut the door, refusing to allow them to withdraw our goods in order to build up here a country which within its own borders is self-sufficient.

It seems to me that the third one of these probabilities would be very tragic in its impact on world history. I do not believe the method we are considering today can include any such possibility.

Let me then approach the second one of these angles—that is from the standpoint of the military. Certainly it is common sense, if we are thinking in terms of national defense, to put our border as far away from the eastern and western seaboards as it is possible. If we can push that border 3,000 or 4,000 miles away from our seaboard certainly that is just plain common sense, it seems to me. If aid to Europe in this economic crisis will help that, if it will help to build up a group of like-minded and strong people who may defend our philosophy of free men, then I think it is worth while. The third and last point is that of the humanitarian angle, and from that standpoint, too, it seems to me that we will be following the humanitarian principles of the American people when we grant interim aid that is so desperately needed under the degree of impoverishment and the degree of undernourishment that exists in Europe today.

We are not talking about the Marshall plan today; we are talking about interim aid, and I am entirely in accord with the desire of the committee that the action of the Congress, under the safeguards that are within the bill, shall grant that degree of aid from this country to the impoverished people in Europe stipulated within the bill; and that I believe the American people want us to give.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. VORYS. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. LANDIS].

Mr. LANDIS. Mr. Chairman, I hope that the membership, before they vote on this bill or any other foreign-aid bill, will read the national-resources and foreign-aid article in the Krug report. I also notice that this legislation has called attention to the forgotten Indians in Arizona. I think they are going to do something about the American Indians right away. I hope also it will be some benefit to getting recognition for the old people of America so that we may give the old people of America a decent pension before we go into these foreign-aid programs.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. LANDIS. I yield to the gentleman from California.

Mr. HINSHAW. There is one more category we might take into account and that is our American internees in the Philippines and our American prisoners of war in Japan and China.

Mr. LANDIS. That is correct, sir. I thank the gentleman for his contribution.

Mr. Chairman, under the proposed Marshall plan we are to furnish European countries food, fertilizer, coal, steel, timber, and machinery for the next 4 years. This plan will cost the United States approximately $17,000,000,000.

Before we appropriate more billions for Europe, we should examine our productive capacity and see that enough of what is produced remains in the United States to avoid unemployment of millions of our workers. Unless the dividing is done wisely we will go down and the whole world will go down with us. The American people must have some assurance that their resources are not being depleted.

Since the start of World War II, United States has given or lent the world a net outlay of $58,206,000,000. United States has given approximately $20,000,000,000 to 59 countries since the fighting stopped. France has received $1,950,000,000; Italy $538,000,000; and Austria $63,000,000. However, the largest single item went to England, a $3,750,000,000 loan which is almost used up.

These lend-lease agreements turned out to be neither loans nor leases, but outright gifts. Apparently we are a Nation of givers who ask nothing in return. We must first find out how much we have left to give before we go completely broke and crash through inflation, strikes, and hunger at home. A crash at home would mean Communist-led strikes and hunger marches ending in revolution. The time has come to stop communism in America. First we need a law to punish individuals who advocate the overthrow of the Government of the United States by force. Next, Russian immigrants to this country should be restricted in proportion to the number of Americans authorized admittance to the Soviet Union.

During the past 12 months ending June 30, the United States has exported 19,200,000 tons of food at a cost of approximately $2,300,000,000. Sixty percent of this food went to Europe. The Friendship Train gathered approximately 2,000 tons of food for shipment to Europe. For a comparison of the amount of food exported to Europe last year, the total shipment equaled 11,609,000 tons or the equivalent of 5,804 trainloads the size of the Friendship Train.

Food sent to Europe included 611,000,000 bushels of grain, 500,000,000 pounds

of meat, 7,000,000 pounds of butter, 40,000,000 pounds of oleomargarine, 233,000 tons of fats and oil, 493,000 tons of dairy products, 181,000 tons of dry beans and peas, 82,000 tons of fish, 9,000 tons of chickens, 228,000 tons of eggs, 289,000 tons of vegetables, 385,000 tons of potatoes and sweetpotatoes, and 976,000 tons of fruits and nuts.

If you want to know why prices have increased and why you did not get an automobile, a tractor, a truck, or other essential products, just take a look at some of the exports from the Krug report.

1946

Industrial machinery, $1,076,000,000; farm machinery and tractors, $158,267,000; passenger cars, $125,173,000; motor trucks and busses, $240,264,000; railroad locomotives, $143,624,000; railroad freight cars, $40,551,000; chemicals and allied products, $500,100,000; 1,059,000 passenger-car tires; 1,406,000 truck tires; cotton cloth, 1,200,000,000 yards; leather, 9,484,000 pounds; lumber, 600,000,000 board feet; coal, 47,000,000 tons.

1947

Oil and gasoline, $308,445,000; boots and shoes, 7,200,000 pairs; agricultural products, $1,753,012,000.

After reading the Krug report from the Interior Department, I want to submit the following questions:

First. How can we export $1,800,000,000 worth of steel and steel equipment when the shortage of steel is our chief bottleneck to maintain or increase production? Certainly you do not want to stop the manufacture of automobiles, farm machinery, coal cars, tank cars, steel pipe, electric refrigerators, and electric washing machines. The manufacture of automobiles will be delayed 2 more years because of our present steel shortage. Surely you would not want to create unemployment in the United States of America. No; we have about 60,000,000 Americans employed and we had better keep them on the job.

Second. How can we export $500,000,000 worth of oil when it is becoming scarcer owing to the slowing up of the rate of discovery and the depletion of developed reserves? I am certain we do not want to start gas rationing.

Third. How can we export 500,000,000 bushels of wheat when we will only have a surplus of about 200,000,000 bushels? We certainly do not want to create a bread shortage in the United States next year. We must keep a wheat reserve, because our 1948 crop will be short about 300,000,000 bushels. If we do not feed part of our wheat to livestock and poultry, we will have a meat famine next year.

Fourth. How can we export $300,000,000 worth of coal when we only have enough coal cars to keep our mines working 3 or 4 days a week, and only produce enough coal to supply the United States and Canada? This is not a resource problem but primarily a transportation and production problem.

Fifth. How can we export $100,000,000 worth of lumber when we have an acute housing shortage in the United States? Most of our best timber has been cut and hauled away. An increase in lumber exports now would be at the expense of domestic consumption.

Sixth. How can we export nitrogen fertilizer unless special measures are taken to expand its production, for the present supply will only be enough to fill domestic requirements.

SIXTY-FOUR-DOLLAR QUESTION

All of us would like to know the answer to the $64 question, "Is it fair to ask our people to sacrifice and save grain to export in order for foreign countries to have 71,000,000 bushels of grain to make alcoholic beverages?"

The situation with respect to industrial products sent to Russia is as follows:

EXPORTS TO RUSSIA

Exports to Russia should be stopped. The Truman administration can stop the shipment of goods to Russia because they control the export license to sell goods abroad. I did my best to stop the sale of scrap iron and oil to Japan many years before the Roosevelt administration placed an embargo in 1941.

During the first half of this year, exports to Russia averaged about $15,000,000 a month—about half of it lend-lease and UNRRA goods.

During September we shipped $3,000,000 worth of exports to the Soviet Union. Following is a list of what we sold: 3 generators worth $53,292; 9 transformers, $953; switchboard panels and parts, $9,177; 10 oil circuit breakers and switches, $107,103; 14 stationary motors, $994; starter equipment and parts for industrial machinery, $26,623.

MACHINE TOOLS

Mining machinery and parts, $44,120; pumps and parts, $3,718; two automatic chucking lathes, $54,711; four lathes which could be used for artillery and ammunition, $113,214; two precision-boring machines, $49,000; two excavators, including power shovels, $148,860; one crane, $15,106; two gear-cutting machines, $11,000; six drilling machines, $131,500; one gear-tooth grinding machine, $23,200; three broaching machines, $72,000; two gear-honing and lapping machines, $13,000; forging machinery and parts, $224,400. Three new passenger cars, $4,287; farm machinery and implements, $34,984; 60 railway cars of over 10 tons, $339,000; railway car wheels, $202,500; laboratory instruments and supplies, $23,180.

OIL AND GREASE

Three million pounds of sisal, cord, and cordage, $403,000; 686 barrels of red and pale lubricating oil, $8,059; 1,409 barrels of lubricating oil for steam refined stocks, $16,601; 4,766 barrels of other lubricating oils, $77,600; 162,000 pounds of lubricating greases, $13,000; carbon or graphite products, $31,600—items listed in Washington Daily News of November 14, 1947.

POLAND GETS SHIPMENT OF UNITED STATES LOCOMOTIVES

One hundred locomotives are being shipped to Poland as part of a United States effort to speed up deliveries of Polish coal to western Europe. Also being shipped with the locomotives are spare parts, railroad tracks, bridge construction materials and machine-shop equipment. Poland is buying the locomotives and other materials with a $40,000,000 loan granted by the Export-Import Bank 18 months ago.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. BRADLEY].

Mr. BRADLEY. Mr. Chairman, I appreciate that this bill will pass the House in one form or another, and I have no desire to attempt to delay it in any way. However, there is one phase of the matter which has not yet been covered and which I think should be a matter of record.

There will be large quantities of material shipped from the United States to various foreign governments under this interim plan, and it is probable that there will be much greater quantities shipped in the future under some further developments of a European-aid project. All of this brings us to one of our old and difficult problems—the maintenance and operation of an adequate merchant marine under the United States flag. As you know, the American merchant marine has gone through violent ups and downs during the course of our history, and while just now it is on a reasonable plane of prosperity, it seems to be distinctly on the down grade. So the question arises in my mind today as to how the goods covered by this bill will be transported to foreign nations—will they be sent in American ships or in foreign bottoms? I can appreciate that in this stopgap-aid program it is hardly practicable to delay shipments so as to set forth any specific percentages or quotas which must be carried in American ships, but I believe that that recognition should not in any way dim the fact that the record of this debate should show the belief by at least some Members of the House that American ships should receive their just share of cargoes sent by this Government.

During World War II our overseas carrying trade was built up to a very high level, with practically all of the ships owned by the United States and operated either through charter or under general agency agreements. It has been our endeavor, since the end of World War II, to modify this system, and we are now getting the merchant marine back into private operation, either through private ownership of the ships concerned, or through the chartering of those vessels from the Maritime Commission. However, during recent months, the number of ships under charter has decreased considerably due to the entry into the carrying service of new ships under foreign flags of former American vessels purchased abroad and now operating under other flags, and also due to the dollar shortage abroad. We should do nothing which will encourage the further decrease in the carrying trade by the American merchant marine, but rather, we should use our every effort to build up that merchant marine as an outlet for American investments, as a means for furnishing employment for American seamen, and as an indispensable adjunct of the national defense.

In comment regarding the Marshall plan many statements have been made,

coming from reputable sources, that there is an intent on the part of the administration to turn American ships over to foreign nations in order that they may be manned by alien crews and so reduce the costs of transporting goods under our foreign-aid program—this with the idea that such a practice will result in a betterment of American economy as a whole. I consider such reasoning to be completely fallacious because not only should the American merchant marine be maintained for the transportation of goods and the employment of men but also because, without an adequate merchant shipping, we cannot carry out overseas operations which might be necessary in the event of further hostilities.

The very fact that in this debate it has been maintained that the principal purpose of this interim-aid plan is to prevent a possible war with Russia would seem to be an impelling reason to reserve the shipment of goods for the benefit of American flag vessels, and thus build up our own merchant marine.

Mr. Chairman, one reason for the failure of America to hold its own in the merchant service is our differentiation between Americans who go to sea and Americans who remain ashore. To my mind it would be just as logical to invite foreign workmen to come to the United States and operate our idle factories, take over establishments now in the hands of the War Assets Administration for disposal, and there to turn out relief goods for foreign lands, as it is to advocate turning American ships over to foreign governments for the purpose of carrying American relief supplies. The American who goes to sea has just as much right to the protection of his job by the Government as has the American who stays ashore, and we shall never be successful in our operation of a merchant marine until we recognize that fact. There cannot be two classes of American workingmen, but, rather, for the strength of the Nation we must treat all alike.

In the consideration of the bill now proposed I note that the House version would not permit of the use of interim aid for the purchase of American ships by the beneficiary nations. However, I find no such provision in the bill as passed by the other body, and it is my intent to offer an amendment at the proper time which would preclude the use of relief funds for the purchase of American vessels. I do not expect to have the amendment adopted, but I shall offer it for the purpose of impressing upon our conferees the fact that the bill, as passed by the other body, would permit of such purchases, whereas the House bill will not, and that for our own protection we should see that the House version is maintained. To some of you this may seem like a strange and possibly foolish precaution, but when one considers that this actually happened in the use of lease-lend funds, insofar as the present 96 American ships now operating under the Russian flag are concerned, I may say that it is no idle gesture to guard against a recurrence under the present legislation.

In concluding, may I express the hope that in the shipment of American goods abroad under this interim-aid program, the percentage we are now handling will not be reduced and, that under any conditions, the administration will see to it that at least 50 percent of American goods shipped to Europe under this program are carried in American flag vessels.

Mr. JUDD. Mr. Chairman, I yield 15 minutes to the gentleman from Wisconsin [Mr. SMITH].

A BANKRUPT FOREIGN POLICY

Mr. SMITH of Wisconsin. Mr. Chairman, when H. R. 4604, the bill now before the Committee, was reported out, I was constrained to vote against it. To vote against a majority of my colleagues on the committee was an unpleasant duty for me. Loyalty to my committee, however, must yield when it is opposed by clear convictions. It was my intention to vote for any kind of bill which would alleviate conditions of hunger and suffering. I agree with my distinguished colleague from Minnesota [Mr. JUDD] that this bill is not designed to meet the call of suffering humanity in western Europe. It is the first step in the long-ranged Marshall plan and I believe the members of our committee will not deny that statement.

Mr. Chairman, the people of this country have been hoodwinked again. For weeks the press and radio have been telling the people that this is a bill to relieve suffering humanity—and they are willing to respond to such a call—but now comes the great disillusionment. Passage of this bill will not aid hungry people or give them clothing or shelter originally anticipated.

Mr. Chairman, the Republican Party is on notice; and let it not be said 6 months from now that this bill was the President's program. Today our party carries the ball, and that spells responsibility. Make no mistake about it.

Mr. Chairman, this brings into sharp focus the kind of leadership we have had since the end of the war. During the debate on the Greek-Turk aid bill last spring I called attention to the deplorable state of affairs under the Democratic administration and indicated where it would lead if we followed it. We are in a more confused state of affairs today and they worsen each succeeding day. American military victory has been followed by American political frustration. In this postwar era we have followed bankrupt foreign policies which threaten the very basis of our Government.

Mr. Chairman, instead of freedom from want and from fear we find in Europe and in Asia fear and want on a scale heretofore unknown in the history of civilization. Everywhere, including our own country, there is the haunting fear of a Third World War and in some places the hope that it will come soon in order to relieve the present desperate situation. This hope is whispered among the millions of miserable people who have lost everything they had because of territorial changes accompanied by mass expulsions and the setting up of tyrannical dictatorships.

Mr. Chairman, let us recall the first three clauses of the Atlantic Charter:

First. Their countries seek no aggrandizement, territorial or other.

Second. They desire to see no territorial changes that do not accord with the freely expressed wishes of the peoples concerned.

Third. They respect the right of all peoples to choose the form of government under which they will live; and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them.

Tell that to the million and more people who were deported from eastern Poland to the Soviet Union, those of them who have survived the ordeal of transportation in cattle cars and subsequent slave labor. Tell that to the hundreds of thousands of Poles, Letts, Lithuanians, Estonians, Ukrainians, Yugoslavs, Russians who have been dispersed as fugitives all over Europe. Tell that to the Germans who formerly lived in east Prussia and the territory between the Oder-Neisse border and the former German frontier—to those of them who are still alive as beggared refugees after undergoing orgies of pillage, rape, and murder.

Mr. Chairman, our foreign policy during the war was largely in the hands of ungifted amateurs who seem to have made the gravest international decisions on much the same basis as hunches, or perhaps lucky numbers, which, we are told, determined financial policy in the early years of the New Deal. Four principal assumptions on which American wartime diplomacy was based have proved to be costly mistakes. These were:

First. That Russia, after a victorious war, would be a cooperative do-gooder or at least a passive factor in the international scene. It was assumed, with truly amazing naïveté, that Soviet foreign policy would continue to be restrained when every element of check and balance in Europe and Asia had been smashed.

Second. That the way to get along with Stalin was to give him everything for which he asked. Curiously enough, the advocates of this policy were often the most violent critics of concessions to Hitler. The aftermath of the Yalta and Potsdam agreements proves that an appeasement policy is always in the red, because it is invariably interpreted by a dictatorship as an invitation to new aggression.

Third. That Germany was the sole source of international evil—past, present, and to come; that no country except Germany had waged an aggressive war in the past or would wage one in the future. This highly emotional judgment overlooked the historical evidence that the strongest military nation in Europe habitually yields to the temptation to abuse its power. It was childish oversimplification to confront the problem of aggressive war with a crude formula for destroying Germany.

From a practical standpoint this assumption that only Germany could be an aggressor was extremely harmful. For it discouraged any attempt to come

to an agreement with the forces in Germany which were working for the overthrow of Hitler's dictatorship. How much more hopeful the outlook would be if, instead of a destitute, broken, divided Germany, we could today deal with a united western-oriented Germany, under the leadership of the men who took part in the anti-Nazi rising of July 20, 1944.

Fourth. That America could completely destroy the balance of power in Europe without, as a sequel, facing a bitter choice of alternatives. These alternatives are either to throw America's full weight into the scales to help create a new balance of power, or else to watch all of Europe slide bit by bit into dependence on the single strong land power which existed at the end of the war, namely, the Soviet Union. Whichever horn of this dilemma is chosen, the result will be continuous nervous tension and unprecedented drain on our national resources.

As for me, Mr. Chairman, I do not propose to follow the kind of leadership that has given us Tehran, Yalta, and Potsdam, and I plead with my fellow Republicans to remember what has transpired in the past so that it will guide their actions in the future.

Mr. Chairman, this administration, in addition to Tehran, Yalta, and Potsdam, has also given us UNRRA, lend-lease, Bretton Woods, the Morgenthau plan, and other crackpot New Deal ventures. It now seeks the power to set up a world spending program—the Marshall plan—to be owned and operated by the same crowd.

We have heard a great deal about setting up a "superduper" corporation to administer the program envisaged by this bill. I have the highest esteem and regard for the gentleman from Massachusetts [Mr. HERTER], who is responsible for this suggestion. If he were to be selected to head the organization I would be for it. But this would merely result in giving the New Deal billions of dollars to play with and we would get the same kind of administration as we are getting today.

If we are really interested in doing something constructive for the needy people in Europe and Asia we might rely upon existing agencies which have been doing that kind of a job for hundreds of years and it will cost the taxpayers of this country very little. I refer, Mr. Chairman, to the churches, the Salvation Army, and the American Red Cross. Take this job out of the hands of the politicians at home and abroad. Of course, the politicians will protest and I realize that any amendment that might be offered to effectuate that purpose would be defeated on this floor, because that would eliminate political power.

Mr. Chairman, if we turned the relief measures set up under this bill over to these existing agencies it would save millions of dollars in administrative costs and we could be sure that whatever aid we gave would go directly to the people who need it without graft or political pull. I am informed that the Salvation Army has a trained force of 30,000 men and women who can do this job. Today that organization is operating in many countries with a total of 16,000 posts. Here is skilled manpower at our command at our asking.

Mr. Chairman, I have today received a letter from a prominent constituent along this very line. She says in part:

> I am making a suggestion that has met with amazing enthusiasm among a widely assorted group of people—really generous Americans who want to help starving Europeans and Chinese, but Americans who have become completely disillusioned by the incompetency, waste, and complete inability which Government has shown in distributing the billions expended in Europe and Asia with little or none of these billions reaching the starving poor.

She adds:

> The money and food should be distributed through the missionary societies and charitable organizations already organized.

Certainly, this is the only way it should be handled and I intend to offer an amendment to that effect. These organizations publish literature in every language and they have the respect and confidence of the people everywhere. Let the people do this job; they can and will if governments, as such, will only get out of the way. There was no showing in our committee, Mr. Chairman, that our food and supplies will get to the needy and I am certain no showing will be made during this debate. Whatever we give will go to the respective governments and from there on out to the ultimate consumer; it is a cash transaction. By no stretch of the imagination can that be considered as beneficial to the hungry people in Europe or Asia.

Mr. Chairman, the people of this country must understand that adoption of this legislation means a continuation of high prices and a continued scarcity of consumer goods. The productive capacity of this country is wholly inadequate to meet the needs of all the world. At this time we are caught in a spiral of inflation which could easily wreck this country. The President has said that if the Marshall plan is adopted it must be implemented by a series of price controls and allocations. Is this what the American people want? I do not believe so. The cry today is for lower prices and a stable economy. The people are sick and tired of governmental confusion and ineptitude. They are demanding that this Congress bring order out of chaos and not a continuation of it. Furthermore, Mr. Chairman, our constituents will accept no excuses, be he Democrat or Republican. The time has come for resolute action on domestic problems; that is our chief responsibility today. Let us meet it without equivocation.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. JACKSON].

Mr. BLOOM. Mr. Chairman, I also yield 10 minutes to the gentleman from California [Mr. JACKSON].

Mr. JACKSON of California. Mr. Chairman, again the Members of this body find themselves confronted with a reluctant choice, a choice on the one hand of appropriating nearly $600,000,000 for aid to several countries of Europe and one country in Asia. The second choice with which we are confronted is that of turning our backs upon the rest of the world and withdrawing ourselves within the confines of our own country. That naturally infers and actually means a complete withdrawal from all of the other countries of the earth. There can be no leaving of occupation troops in Germany, there can be no further participation by this country in Austria, because to leave those isolated groups of Americans in the face of a Red tide which is as certain as day and night to surround them and eventually engulf them would be madness of the first order. So the choice, as I see it, is a choice between two very clear alternatives, the alternative of complete withdrawal or the alternative of continuing such aid as proposed in this program.

Those who advocate the program of aid give several reasons for their endorsements. They say, first of all, that it is for humanitarian reasons, that we cannot as a Christian Nation stand aside and see starvation, nakedness, and want move slowly across the face of the earth. That is one highly laudable reason for giving aid.

They say also that we must aid in the economic and physical reconstruction of the lands that have been devastated by war. Some of them add that we should also do it in defense of our own country.

I do not believe, Mr. Chairman, that we can completely justify to the American people any participation in this aid program on the first two points, that of humanity and that of economic rehabilitation. But I think that we can and we must approach this great problem on the basis of our own welfare—the national security of the United States of America. Perhaps my thinking on this matter is colored by 10 years of military service and perhaps that is the reason why I personally look at it from the standpoint of national defense. What I have said, Mr. Chairman, is not to infer in any way that the factors of hunger and want can or should be disregarded in our approach to the problem, for we are never going to arrive at any lasting solution to the problems that beset the world today so long as hunger is a major factor in the political decisions being made abroad. There are those who will quite correctly point out that we have hunger here at home. There are, in many parts of our country, people who are unquestionably hungry tonight. So it is not enough to justify the program on the basis of avoiding hunger abroad.

Some say that there are people in our land who do not have proper housing. I contend that we cannot properly submit that we are doing this for the building of homes abroad or for any other of the many excellent humanitarian reasons which might be properly advanced by the opponents of this program. But I do submit, Mr. Chairman, that there will be no hunger to match the hunger of our own economy in a great many ways if all of the avenues of approach to the Old World, if all of our lines of communication to the things we so vitally need are severed, as severed they

must and certainly will be if the iron curtain lifts to engulf and cover western Europe, the Middle East, Africa, and Asia.

We can build, Mr. Chairman, a million combat aircraft, we can build a million heavy tanks, we could make this country an armed camp, and we could cover our coast lines with defenses that would be impregnable to attack. We could do all these things and become a bristling arsenal of defense—except for one important factor. We are, today, a have-not nation with respect to oil. "Oil" is a dirty word. It has often been said that oil is an unsatisfactory period at the end of an unsatisfactory paragraph. That may be largely true, but until such time as science develops a substitute for that viscous liquid our peacetime economy and any possible war economy must operate on oil. We have enough for only a year or 15 months of total all-out war as we knew it in the late conflict. Then, what happens on the day that the pipe line gives out, that queer sucking sound which means that there is no more oil in the pipes? What about our national defense then? Where do we go from there? Some of the gentlemen may say that we shall never save the world from communism on these programs of aid. Perhaps that is true. But, whether or not we save the world from communism is secondary to the basic question of whether or not we save our lines of communication and our avenues of access to things we cannot do without; I put in that category such things as tin, manganese, nitrates, and nickel, all of which are in extremely short supply here at home. There is a score of such vital minerals and ore which we do not produce here but which are found only in other portions of the world. Certainly, there is no one naive enough to believe that if the rest of the world comes under the domination of the Soviet Union that we are going to get anything at all in the way of those things which will be essential for our own self-defense in a world in which every hand will inevitably be turned against us.

Let us look at this question for a while from the standpoint of not what we are doing for the rest of the world but what we are doing for our own welfare and for our own national integrity. What good is it going to do to sit on 5,000,000,000 tons of wheat if you do not have the Diesel oil to power the trucks and the trains that must convey it. That may not be too important, though, in a world, the markets of which are gone.

One of the most frequently heard complaints relative to our aid deals with the containment of aggressive communism. Have we succeeded in containing communism? Much has been said here today about that. Some gentlemen have said that the world is in worse shape today than it was on VJ-day. Well, I do not know. I also made a trip during the recess. I am a little hesitant to talk about that because in some quarters such a statement carries the connotation that one considers himself an authority on foreign affairs. Someone once said here that if a member of a committee flew over Paris he immediately became an authority on French economy. So, I am a little hesitant to point out that I spent almost a month in Greece, one of the countries which was given aid under the program of assistance to Greece and Turkey. But I will say that during the past year the voices of free peoples and free men have actually increased in volume. You are hearing them today where you did not hear them a year ago, and you are also listening daily to a great outpouring of hope. Italy, France, Denmark, Belgium, England—every one of those countries in going to the polls in recent months has shown a definite and unmistakable desire to swing away from the left. This has all developed in the past few months.

Has our material assistance, has the food we have poured in, the medical supplies, the clothing, have all of these things had anything to do with this new expression, the first indication of a revulsion toward international communism and the first indication of a worldwide gathering of free men? I am inclined to think it has had a great deal to do with it. I believe that the impetus behind the swing of the pendulum is a direct result of the aid rendered to these nations by the United States.

I do know that in Greece when the gentleman from Texas [Mr. TEAGUE] and I rode through the northern provinces in a jeep we were surrounded in every hamlet and village by hundreds of men and women, some of them with tears running down their cheeks, and I know that they literally kissed our hands because we were Americans and because they knew where their help had come from. So much for the statement that they do not know in Greece from whence comes the food that feeds them. The people I talked to knew where it was coming from, and they knew it very well. What is more, they were grateful. We found a great reservoir of good will for the people of the United States.

Speaking of the governments of Europe: it is no simple matter to solve all of the many complex postwar problems with which they are faced today. You can compare it to living in a gas-house-gang neighborhood where the bullies and the thugs run around with clubs. It is not easy under those circumstances to speak your mind. It is not easy to voice your opinions as to freedom and those abstract things we talk about. But there are men and there are governments today in western Europe who are doing just exactly that: Schuman in France, Sophoulis in Greece, De Gasperi in Italy, Inonu in Turkey. There are men who are standing up manfully against the pressures being directed against them in the form of strikes and riots. Every conceivable type of pressure is being used against them to try to break down those governments. It is hard to keep a mill running or to keep wheels in the mill turning when vandals bent on destruction of the property riot through the buildings and throw monkey wrenches into your machines. But that is precisely what is happening in these governments under attack.

Mr. Chairman, I do not interpret the new demonstrations of violence in France and Italy as representing an increase of communism, but rather they bear a remarkable resemblance to the actions of a cornered rat. These are outward and violent expressions of desperate men who fear only one thing, and that the success of economic rehabilitation. I think they fear that more than they fear anything else in the world, for communism hates order and lawful processes as the devil hates holy water. I think that at the source of the riots and the strikes can be found the germ of an idea that on the wall there is the faint outline of future hope for the country. Communism can no more exist in an atmosphere of hope than the sun can shine in the middle of the night.

I should like to ask anyone who says that our program of aid to Greece and Turkey has failed to give me evidence for his statement. We spent a month there, and to the contrary, we found that every indication pointed to the fact that had the United States not gone in there when it did the Communists in Greece, aided and abetted by their allies in Albania, Yugoslavia, and Bulgaria, would have taken over the country of Greece 90 days ago. One of the most plaintive cries of the Athens Communists is that the assistance and aid rendered by the United States to the Greek Government has prevented the establishment of a dictatorship by the proletariat.

Turkey? Turkey has one of the most stable governments in Europe. To those who say that Russia can overrun all of Europe in 24 hours I must say that I cannot agree. The Turkish Army is tough; it is ready. Anyone who attempts to overrun Turkey is going to find that it has a tartar on its hands, and it is going to take a much longer period of time then than 24 hours to bring about the downfall of the Turks.

As to when Russia will take over western Europe or take over Asia, I think it is enough to say that they will take over step by step, foot by foot, as we step back. The bayonets of the Red Army will fill the void created by our retreat. It may be a cold war, but when a country is overrun and when it is brought to its knees by political infiltration or by economic stress, the end product is exactly the same as if a foreign army had marched in. So cold wars or hot wars or lukewarm wars are just terms and relative expressions. I have the feeling that we are very much at war. There is no shooting going on, but the atmosphere is much the same as if we were on a field of armed combat.

So far as the charge is concerned that we are being blackmailed into furnishing aid by threats of going communistic, I should like to say that in the eight countries we visited in Europe I did not hear one individual say "If you do not do this, we will go communistic." We did hear a constant fear expressed that there might be forceful occupation by military aggression of several of the countries we visited. That is quite a different thing from saying "If you do not send us $100,000,000,000, we are going to go communistic tomorrow." I cannot term the expression of a real and living

ear "blackmail." In short, and in conclusion, Mr. Chairman, the military commander who commands troops in a bivouac area who does not post outguards and local security when in the presence of an enemy is guilty of unbelievable stupidity. He should be and is relieved of his command. The same is true of a naval task force commander who does not put out a screening force to protect his main body.

I contend, Mr. Chairman, that our outposts are on the shores of western Europe and on the shores of China. If we voluntarily pull in, we can expect no outer perimeter of defense to exist when needed. We can expect to take our stands on the docks of Hoboken and San Francisco when and if the fateful hour comes. I consider it is folly to seriously contend that when Soviet Russia has completed the conquest of the rest of the world she is going to say, "Well, that is all. It is a good day's work. We are finished, and we will live together in peace and harmony." That, to me, is the ultimate in folly. It was said today that this program has only one chance in five of succeeding. For my part, if it only had 1 chance in 10, yes, 1 chance in 100, to succeed, I should still feel inclined to support it. The alternative, to my mind, is the eventual destruction of America. I cannot accept that alternative. I believe that we are holding and containing the tide of militaristic aggression. I cannot agree with those who would leave a void to be filled by the Soviet as it most certainly will be filled. Five to one is not too long a shot for today.

The CHAIRMAN. The time of the gentleman has expired.

Mr. VORYS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MICHENER, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H. R. 4604) to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. DAWSON of Utah (at the request of Mr. GAVIN) was granted permission to extend his remarks in the RECORD.

TANKERS FOR TRANSPORTATION OF OIL

Mr. GAVIN. Mr. Speaker, on behalf of the chairman of the Committee on Armed Services, the gentleman from New York [Mr. ANDREWS], I file a privileged report on the resolution (H. Res. 383).

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That the Secretary of the Navy be requested to furnish the House of Representatives full information in their possession relative to tankers under their control used in the transportation of oil whether full use is being made of the tankers and how soon additional tankers being received from the United States Maritime Commission will be put into operation.

Mr. GAVIN. Mr. Speaker, I ask unanimous consent that the report be printed in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

(The report is as follows:)

REQUESTING INFORMATION CONCERNING THE NAVY'S USE OF OIL TANKERS

Mr. ANDREWS of New York, from the Committee on Armed Services, submitted the following adverse report:

The Committee on Armed Services, to whom was referred the House Resolution 383, requesting the Secretary of the Navy to furnish to the House of Representatives full information relative to the Navy's use of oil tankers under their control, report it back to the House and recommend that the resolution do not pass.

The action of the committee is based upon the following letter to the chairman of the Committee on Armed Services from the Honorable W. John Kenney, Acting Secretary of the Navy, which letter contains the information requested in the resolution insofar as practicable:

THE SECRETARY OF THE NAVY,
Washington, December 3, 1947.

Hon. WALTER G. ANDREWS,
Chairman of the Committee on Armed Services, House of Representatives.

MY DEAR MR. CHAIRMAN: Your request for the information called for by House Resolution 383 has been received. The information required by that resolution is set forth below:

The Navy owns and is now operating a total of 36 fleet-type tankers. Of this total, 12 are assigned to the Pacific Fleet, 8 to the Atlantic Fleet, and 16 to the Naval Transportation Service. All of the Naval Transportation Service tankers are regularly employed in transporting petroleum products from sources of supply to Navy or other military storage installations where those products are required. Tankers assigned to the two fleets are also made available monthly for that purpose in numbers depending upon the requirements of the fleet to which attached and the intra-area distribution needs for which the fleet commanders are responsible.

The Navy has only two large tankers laid up in its reserve fleet. These vessels were especially equipped with heavy lift cranes for particular purposes during the war. To reconvert them for use as petroleum carriers would not only be time consuming and costly but would also deprive the Navy of two specially fitted ships for which a definite need would exist in the event of another emergency.

By an agreement among the services the Navy is responsible for providing the bulk ocean transportation requirements for all three services on a world-wide basis. To carry out this responsibility the Navy not only uses all 36 tankers previously mentioned but also charters tankers from the Maritime Commission on a voyage basis. An average of 45 tankers monthly must be so chartered from the Maritime Commission to meet the petroleum transportation requirements of the armed services which exceed the capabilities of the Navy's own tanker fleet.

It was long recognized by the military services that a serious petroleum transportation problem would be presented by the expiration of the Maritime Commission's authority to operate tankers under general agency agreements. That authority, unless again extended, is due to expire on February 29, 1948. In late September a plan was accordingly developed in the Navy Department to acquire a certain number of tankers from the Maritime Commission and operate them under a service form of contract with one or more commercial operators. While this plan was under consideration a meeting was called on October 1, 1947, at the White House by Mr. Steelman to discuss means of meeting the predicted shortage of petroleum products for the civilian economy during the approaching winter.

The plan agreed upon at the above meeting which received Navy Department approval was to recondition for the earliest possible use of the military services 50 tankers then laid up in the Maritime Commission's reserve fleets. Appropriation considerations made it necessary that the cost of reconditioning the 50 tankers be divided between the Maritime Commission and the Navy Department. The agreed-upon division of vessels resulted in the Navy Department undertaking the reconditioning of 26 tankers and the Maritime Commission the balance of 24.

The program of readying for service the above 50 tankers is now in full progress. Two ships already have been completed and have sailed for loading ports on the west coast. By the end of December it is expected that a total of 16 ships will be in service. By late January or mid-February 1948 all 50 tankers are expected to be in active operation. It is important to note that as these vessels become available the requirements for tankers now obtained on a charter basis from the Maritime Commission will be correspondingly decreased, thus releasing those ships either for sale or to meet the needs of the domestic economy if continued in operation under the existing authority of the Maritime Commission.

Sincerely yours,

W. JOHN KENNEY,
Acting Secretary of the Navy.

Mr. GAVIN. Mr. Speaker, I move that the resolution be laid on the table.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. GAVIN. I yield.

Mrs. ROGERS of Massachusetts. I appreciate very much the interest the gentleman has taken in this problem. He is always helpful. The information requested in my resolution was given by the Secretary of the Navy to the Committee on Armed Forces. A great deal of work must be done on the fuel problem because our people are cold, as a result of the shortage of coal and oil. I am introducing a resolution today which calls for an embargo on the tankers being sent by the Maritime Commission to foreign nations. Those tankers are needed in order to bring oil to the United States from countries which produce oil. An embargo should be placed on the sending of tankers abroad until this country is assured of being kept warm at least for this winter. I believe they should be kept for the United States anyway.

I note in tonight's paper an embargo was placed by the United States on soft-coal exports. I am also requesting that an embargo be placed on the exportation of oil until the shortage is over. I am introducing a resolution for that purpose. The United States has the power to embargo oil and the tankers, but the resolutions would insure their doing it.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. GAVIN. I yield.

Mr. MICHENER. I have received letters from my district within the last few days stating that they are unable to get

fuel oil. Would the resolution referred to here help that situation?

Mrs. ROGERS of Massachusetts. This resolution simply gives the number of tankers that the Navy has. The resolutions which I have introduced would place an embargo on tankers going to foreign countries and would decidedly help our situation. Also, the embargo on oil would help our situation.

Mr. MICHENER. In voting on a resolution of this kind I think we all want to know that it is going to get some results. I shall support the resolution if there is any hope of helping to furnish oil at this time to people needing it. There are apartment houses right here in Washington that are cold now. They do not have hot water. The heat is being rationed, so I am informed. Hot water for bathing purposes is being rationed, the same as it was during the war. The hotel in which I happen to live has not adopted anything like that as yet, but I do think the country ought to give consideration to matters of this kind right now.

The SPEAKER. The question is on the motion of the gentleman from Pennsylvania [Mr. GAVIN] to lay the resolution on the table.

The motion was agreed to.

A motion to reconsider was laid on the table.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that the letter sent by the Secretary of the Navy may be included as a part of the gentleman's remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. TOLLEFSON asked and was granted permission to extend his remarks in the RECORD and include an editorial.

Mr. ROSS asked and was granted permission to extend his remarks in the RECORD and include an address delivered by Hon. JOSEPH W. MARTIN, JR.

Mr. SCHWABE of Oklahoma. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include certain extraneous matter. The matter exceeds the limit prescribed and I have an estimate from the Public Printer to the effect that the cost will be $177.50. Notwithstanding the additional cost, I ask unanimous consent that the extension may be made.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mrs. DOUGLAS asked and was given permission to extend her remarks in the Appendix of the RECORD in five separate instances and to include certain extraneous matter.

Mr. MACKINNON asked and was given permission to extend his remarks and include a speech by Gardner Cowles.

Mr VURSELL asked and was given permission to extend his remarks in the RECORD.

Mr. MANSFIELD. Mr. Speaker, I have two requests: First, that my colleague the gentleman from Missouri [Mr. BELL] may extend the remarks he made earlier by including a speech delivered by Hon. Vincente Sotto, Delegate to the United Nations from the Philippines; and second, that my colleague the gentleman from California [Mr. KING] may extend his remarks in the RECORD and include a newspaper article.

The SPEAKER. Is there objection to the requests of the gentleman from California?

There was no objection.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. BUTLER (at the request of Mr. VORYS) was given permission to extend his remarks in the RECORD.

ADJOURNMENT

Mr. VORYS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 27 minutes p. m.) the House, pursuant to its previous order, adjourned until tomorrow, Friday, December 5, 1947, at 10 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1131. A letter from the Acting President, Board of Commissioners, District of Columbia, transmitting a draft of a proposed bill to provide that compensation of members of the Alcoholic Beverage Control Board of the District of Columbia shall be fixed in accordance with the Classification Act of 1923, as amended; to the Committee on the District of Columbia.

1132. A letter from the Under Secretary, Department of Agriculture, transmitting a report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease; to the Committee on Agriculture.

1133. A letter from the President, Commission on Licensure, Healing Arts Practice Act, transmitting a report showing the activities of the Commission for the fiscal year which ended June 30, 1947; to the Committee on the District of Columbia.

1134. A letter from the Administrator, Federal Works Agency, transmitting reports of funds received during the fiscal year 1947 for the rental of buildings and lands acquired as sites for the future construction of public buildings; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 386. Resolution for consideration of H. R. 4604, a bill to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries; without amendment (Rept. No. 1153). Referred to the House Calendar.

ADVERSE REPORTS

Under clause 2 of rule XIII,

Mr. ANDREWS of New York: Committee on Armed Services. House Resolution 388. Resolution requesting the Secretary of the Navy to furnish the House of Representatives full information relative to tankers under their control used in the transportation of oil, whether full use is being made of the tankers, and how soon additional tankers being received from the United States Maritime Commission will be put into operation (Rept. No. 1154). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COLE of New York:

H. R. 4632. A bill to provide for a reevaluation of the strategic need for national defense posts, stations, bases, and other land or floating facilities beyond the continental limits of the United States, in Alaska, and in the Canal Zone, and for other purposes; to the Committee on Armed Services.

By Mr. SIKES:

H. R. 4633. A bill to provide for the conveyance to Escambia County, State of Florida, of tracts of land now under the jurisdiction of the Army Department; to the Committee on Armed Services.

By Mr. WOLVERTON:

H. R. 4634. A bill to amend section 16 of the Securities Exchange Act of 1934; to the Committee on Interstate and Foreign Commerce.

By Mr. MILLER of Nebraska:

H. R. 4635. A bill to amend section 11 of an act entitled "An act to regulate barbers in the District of Columbia, and for other purposes"; to the Committee on the District of Columbia.

H. R. 4636. A bill to amend an act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia," approved February 27, 1929, as amended; to the Committee on the District of Columbia.

By Mr. GRANT of Indiana:

H. R. 4637. A bill to encourage increased production, and for other purposes; to the Committee on Ways and Means.

By Mr. MILLER of California:

H. R. 4638. A bill to provide for a Division of Research and Development in the Post Office Department; to the Committee on Post Office and Civil Service.

By Mr. WALTER:

H. R. 4639. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

By Mr. BUTLER:

H. R. 4640. A bill to provide additional compensation for employees in the field service of the Post Office Department to the Committee on Post Office and Civil Service.

By Mr. HOLIFIELD:

H. R. 4641. A bill to prescribe the procedures of investigating committees of the Congress and to protect the rights of parties under investigation by such committees; to the Committee on Rules.

By Mr. FERNANDEZ:

H. R. 4642. A bill to provide for disposition and use of tribal funds of the Navajo Tribe of Indians; to the Committee on Public Lands.

By Mr. SADLAK:

H. R. 4643. A bill to extend the time within which persons who served honorably in the armed forces of the United States during World War I, World War II, and certain other periods may file petitions for naturalization; to the Committee on the Judiciary.

By Mr. D'EWART:

H. J. Res. 269. Joint resolution to rescind certain orders of the Secretary of the Interior establishing Indian reservations in the Territory of Alaska; to the Committee on Public Lands.

By Mr. VAN ZANDT:

H. Con. Res. 120. Concurrent resolution providing for the printing as a House document of the [illegible] edition "Manual Explanatory of [illegible], Rights and Benefits Provided for Persons Who Served in the Armed Forces of the United States During World War I, World War II, or Peacetime (after April 20, 1898), and Those Dependent Upon Them, With Special Reference to Those Benefits, Rights, and Privileges Administered by the Veterans' Administration"; to the Committee on House Administration.

By Mr. BEALL:

H. Res. 390. Resolution for the relief of Lucy Rhind; to the Committee on House Administration.

By Mr. JENSEN:

H. Res. 391. Resolution authorizing the printing of the publication entitled "The Hoover Dam Power and Water Contracts and Related Data" as a House document; to the Committee on House Administration.

By Mr. KING:

H Res. 392. Resolution to instruct the Banking and Currency Committee to undertake study of the effects of rent-control laws and formulate legislation granting financial relief, in the form of subsidies, to landlords of residential rental units suffering financial loss from effects of inflation and rent ceilings; to the Committee on Rules.

H. Res. 393. Resolution to instruct the Post Office and Civil Service Committee to formulate legislation reducing postal rates on private relief packages sent overseas by individuals, churches, or welfare agencies of the United States; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. BOYKIN introduced a bill (H. R. 4644) for the relief of E. Brevard Walker, trading as E. B. Walker Lumber Co., which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

837. By Mr. GRAHAM: Petition of 31 residents of Beaver County, Pa., urging the passage of legislation establishing a system of universal military training; to the Committee on Armed Services.

838. Also, petition of 52 members of Col. Joseph H. Thompson Post, No. 261, American Legion, of Beaver Falls, Pa., urging passage of legislation establishing a system of universal military training; to the Committee on Armed Services.

839. By Mr. HALE: Petition of Redbank Village Tenants Council, South Portland, Maine, that Congress of the United States pass the necessary legislation to extend the period of time in which war housing must be disposed of for at least 2 years beyond the time specified in the Lanham Act; to the Committee on Banking and Currency.

840. By Mr. HOPE: Petition of Herschel Louthan and 16 other residents of Hopewell, Kans., and vicinity, against H. R. 4278, a bill to enact the National Security Training Act of 1947; to the Committee on Armed Services.

841. Also, petition of Mrs. D. B. Martin and 59 other residents of Sterling, Kans., against H. R. 4278, a bill to enact the National Security Training Act of 1947; to the Committee on Armed Services.

842. Also, petition of Miss Olive Speck and 59 other residents of Hoisington, Kans., against H. R. 4278, a bill to enact the National Security Training Act of 1947; to the Committee on Armed Services.

843. Also, petition of Rev. Paul F. Holmes and 41 other residents of Satanta, Kans., against H. R. 4278, a bill to enact the National Security Training Act of 1947; to the Committee on Armed Services.

844. Also, petition of C. O. Burford and 14 other residents of Fowler, Kans., against H. R. 4278, a bill to enact the National Security Training Act of 1947; to the Committee on Armed Services.

845. Also, petition of Paul Hindman and nine other residents of Minneola, Kans., against H. R. 4278, a bill to enact the National Security Training Act of 1947; to the Committee on Armed Services.

846. Also, petition of Mrs. Amanda Schirmer and 23 other residents of Harper, Kans., against H. R. 4278, a bill to enact the National Security Training Act of 1947; to the Committee on Armed Services.

847. Also, petition of Mrs. Edwin Johnson and 39 other residents of Caldwell, Kans., and vicinity, against H. R. 4278, a bill to enact the National Security Training Act of 1947; to the Committee on Armed Services.

848. Also, petition of Rev. George W. Richards and 54 other residents of Bazine, Kans., against H. R. 4278, a bill to enact the National Security Training Act of 1947; to the Committee on Armed Services.

849. By Mr. GOFF: Petition signed by 30 students of Midway High School, Lewisville, Idaho, asking that further exportation to Russia of heavy farm machinery and scarce commodities be prohibited; to the Committee on Foreign Affairs.

850. By Mr. HOPE: Petition of Zita Darling and 23 others, of Alden, Kans., stating that an emergency situation exists among our Navajo Indian Tribe in the Southwest, threatening many with starvation, and petitioning immediate action to investigate these conditions, that steps may be taken to remedy the suffering of these neglected people; to the Committee on Public Lands.

851. By the SPEAKER: Petition of D. N. Norton and others, of St. Petersburg, Fla., petitioning consideration of their resolution with reference to enactment of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

852. Also, petition of Oscar L. Williams and others, of Tampa, Fla., petitioning consideration of their resolution with reference to enactment of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

853. Also, petition of E. G. Warren and others, of Tampa, Fla., petitioning consideration of their resolution with reference to enactment of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

854. Also, petition of Mrs. F. B. Turner and others, of Miami, Fla., petitioning consideration of their resolution with reference to enactment of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

855. Also, petition of D. R. Johnson, Lake Worth, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

856. Also, petition of Townsend Club, No. 22, of Miami, Fla., petitioning consideration of their resolution with reference to completion of signing of Discharge Petition No. 7, relative to the Townsend plan; to the Committee on Ways and Means.

857. Also, petition of Tampa Townsend Club, No. 1, Tampa, Fla., petitioning consideration of their resolution with reference to completion of signing of Discharge Petition No. 7, relative to the Townsend plan; to the Committee on Ways and Means.

858. Also, petition of Greater New York CIO Council, New York, N. Y., petitioning consideration of their resolution with reference to requesting immediate relief from high prices; to the Committee on Banking and Currency.

859. Also, petition of American Communications Association, CIO, Local 10, New York, N. Y., petitioning consideration of their resolution with reference to requesting immediate relief from high prices; to the Committee on Banking and Currency.

860. Also, petition of the Council of the City of New York, petitioning consideration of their resolution with reference to approval of the Marshall plan; to the Committee on Foreign Affairs.

HOUSE OF REPRESENTATIVES

FRIDAY, DECEMBER 5, 1947

The House met at 10 o'clock a. m.

The Reverend John F. McCadden, College of the Immaculate Conception, Washington, D. C., offered the following prayer:

We pray Thee, O God of might, wisdom, and justice, through whom authority is rightly administered, laws are enacted, and judgments decreed, assist, with Thy holy spirit of counsel and fortitude the President and the Congress of these United States, that their administration may be conducted in righteousness and may be eminently useful to Thy people, over whom they preside, by encouraging due respect for virtue and religion by a faithful execution of the laws in justice and mercy, and by restraining vice and immorality. Let the light of Thy divine wisdom direct the deliberations of this Congress and shine forth in all its proceedings and in the laws it frames for our rule and government, so that they may tend to the preservation of peace, the promotion of national happiness, the increase of industry, sobriety, and useful knowledge, and may perpetuate to us the blessings of equal liberty.

Enter into our hearts, O God, and remain with us. Teach us what we are to do, and grant us the strength to do it well. Show us what we must accomplish in order that, with Thy help, we may be able to please Thee in all things; and be Thou alone the author and finisher of all our judgments. Suffer us not to disturb the order of justice, Thou who lovest equity above all things; let not ignorance draw us into devious paths, nor partiality sway our minds; neither let respect of riches nor persons pervert our judgment, but unite us to Thee, that we may be one in Thee and never forsake the truth. Inasmuch as we are gathered together as representatives of Thy people, so may we in all things hold fast to justice tempered by mercy so that in this life our judgment may in no wise be at variance with Thee, and in the life to come we may attain to everlasting rewards for deeds well done. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4469. An act to amend the act of July 7, 1947, so as to authorize the Commis-

sion on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof.

EXTENSION OF REMARKS

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in two instances and include in each extraneous matter.

Mr. DAGUE asked and was given permission to extend his remarks in the RECORD and include a release by Samuel B. Pettengill.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent to include in the remarks I made yesterday certain tables and facts.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. ROBERTSON asked and was given permission to extend his remarks in the RECORD.

Mr. DONDERO asked and was given permission to extend his remarks in the RECORD and include two letters.

Mr. WEICHEL asked and was given permission to extend his remarks in the RECORD and include a statement.

Mr. ANGELL asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. ANGELL. Mr. Speaker, in connection with the extension of remarks granted me on yesterday to include an article, I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost $159.75, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. RICH asked and was given permission to extend his remarks in the RECORD and include an article by Curtis P. Nettles entitled "Congress' Power To Tax People for Aid to Europe Questioned."

Mr. CRAWFORD asked and was given permission to extend his remarks in the RECORD and include observations and recommendations of the National Foreign Trade Council.

Mr. EVINS asked and was given permission to extend his remarks in the RECORD in two instances and include in each newspaper articles.

Mr. FOOTE asked and was given permission to extend his remarks in the RECORD and include a copy of a bill he is introducing today providing for the establishment of a Limited Service Corps in the United States Army.

SPECIAL ORDERS GRANTED

Mr. JAVITS. Mr. Speaker, I ask unanimous consent that on Wednesday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. McDOWELL. Mr. Speaker, I ask unanimous consent that on Wednesday next, following the address delivered by the gentleman from New York [Mr. JAVITS], I may be permitted to address the House for 60 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

SALES OF SUPPLIES TO FOREIGN COUNTRIES

Mr. WOLVERTON. Mr. Speaker, as chairman of the Committee on Interstate and Foreign Commerce, I offer a privileged resolution (H. Res. 366).

The Clerk read the resolution, as follows:

Resolved, That the Secretary of Commerce of the United States be requested, if not incompatible with the public interest, to furnish the House of Representatives with complete information concerning the shipments of heavy machinery, farm equipment, and freight cars which have been made to the Soviet Union between the dates of January 1, 1947, and the most recent date for which figures are obtainable.

The Secretary of Commerce of the United States is requested to supply the foregoing information in complete detail including the names of the American firms or individuals making these sales, the dates on which the orders were received and the supplies delivered, and the nature of the payments made in return for these supplies; in addition, the Secretary of Commerce is also requested to furnish the House of Representatives with all information available to him revealing the extent of unfilled orders for heavy machinery, farm equipment, machine tools, or railroad equipment which the Soviet Union as of today has on record with firms or individuals in the United States.

With the following committee amendment:

Strike out all after the resolving clause and insert the following:

"That the Secretary of Commerce is requested to furnish the House of Representatives with complete information concerning the shipments of heavy machinery, farm equipment, railroad equipment, motor vehicles, metals and metal products (including tubular steel), coal, petroleum and petroleum products, building materials, meats and grains, and all other supplies shortages of which might endanger the national defense or security, which have been made to each foreign country between January 1, 1947, and the most recent date for which figures are obtainable.

"The Secretary of Commerce is requested to supply the foregoing information in complete detail, including the names of the firms or individuals in the United States making the sales of such supplies, the dates on which the orders were received and the supplies delivered, and the nature of the payments made in return for such supplies.

"The Secretary of Commerce is also requested to furnish the House of Representatives with all information available to him revealing the extent of unfilled orders for heavy machinery, farm equipment, railroad equipment, motor vehicles, metals and metal products (including tubular steel), coal, petroleum and petroleum products, building materials, meats and grains, and all other supplies shortages of which might endanger the national defense or security, which each foreign country has on record with firms or individuals in the United States as of the date of the adoption of this resolution."

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. WOLVERTON. I yield to the gentleman from Texas.

Mr. RAYBURN. Is this a unanimous report from the gentleman's committee?

Mr. WOLVERTON. It is. May I say further to the distinguished minority leader that this resolution was originally introduced by the gentleman from South Dakota [Mr. MUNDT]. It was limited to certain materials, and limited to the Soviet Union. After a full hearing and consideration of the matter the committee was of the opinion that there were other important materials concerning which the Members of the House would be interested in having information. It was also recognized that in this period of shortage of many critical materials that it was equally important to have information concerning exportations of such materials to each foreign country. Therefore, the committee amended the original resolution by expanding the list of materials with respect to which the Secretary of Commerce is to report, and also providing that it shall apply to all countries.

As a result of the hearing held by the Committee on Interstate and Foreign Commerce the Department of Commerce has already submitted to the committee very voluminous reports in compliance with the request for information contained in this resolution. However, there is much additional information desired. The Under Secretary of Commerce has given every assurance that all available information will be supplied as called for by the resolution.

Mr. RAYBURN. I am glad the resolution is here and is going to be passed, because I think when the full facts are developed about this thing a good deal of fog will be cleared away.

I have no objection to the resolution, Mr. Speaker.

Mr. MUNDT. Mr. Speaker, may I say first of all that I greatly appreciate the dispatch and the efficiency with which the gentleman from New Jersey [Mr. WOLVERTON] and his committee have handled my resolution, H. R. 366. I am sincerely grateful for their prompt cooperation.

As brought out during the public hearings on H. R. 366 during my testimony before the Interstate and Foreign Commerce Committee, this resolution will provide the Congress and the country with a full set of facts with which to determine upon wise provisions of export control and economic activity. I said in that testimony that America must make up its mind. Either we are trying to support communism by shipping and selling it the equipment and supplies it requires to make its militant aggression in Europe and Asia formidable, or we are trying to stop communism by supplying food and supplies to the victims of that Communist aggression. America is not great and strong enough to do both at the same time.

Our farmers have been unable during the past two harvests to market their crops promptly due to a shortage of freight cars. Much grain has been lost

through spoilage. Food has been wasted. Farmers have been deprived of the cash returns their crops would have brought and much deterioriated grain was sold at sacrifice prices. Now we read that while this critical shortage plagued our farmers American exporters were shipping over 200 freight cars to Russia. Thus this two-faced economic program neither makes sense politically, Mr. Speaker, nor does it add up economically. Indeed, America must make up its mind.

As a result of the passage of H. R. 366 we shall learn how much farm machinery has been shipped abroad in 1947. How much equipment which might have been used to extend electricity to the darkened homes not yet reached by REA? How many machine tools which are the very heart of a modern armament industry? How much gasoline and oil? Without these facts we stumble along blindly unable to devise programs which make sense or to answer rumors which may be fallacious. With these facts and the many others called for by H. R. 366 we should be able to build an intelligent, constructive, peace-serving, America-protecting program of export controls and of economic interchanges. I believe H. R. 366 merits the unanimous approval of this House, Mr. Speaker.

Mr. WOLVERTON. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The committee amendment was agreed to.

The resolution was agreed to.

The title was amended so as to read: "Resolution requesting the Secretary of Commerce to furnish the House of Representatives information concerning sales of supplies to foreign countries."

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. CLASON asked and was given permission to extend his remarks in the RECORD in two instances and include excerpts from newspapers and other material.

SHORTAGE OF FUELS

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WOLVERTON. Mr. Speaker, the House Committee on Interstate and Foreign Commerce will inaugurate a full and complete study of the entire subject of the threatened shortage of fuels, both as to the present and the future.

The scope of the study will be broad enough to cover all types of fuel, sources, and amount of available supplies, present and future demands, and all related matters, including production, processing, distribution, and transportation of the same. Foreign as well as domestic aspects of the subject will also be carefully examined.

We have been disturbed over reports reaching us of probable shortages this winter of gasoline, fuel oil, natural gas, coal, and even of electric power. Various representations have been made regarding causes of the shortages, such as refinery facilities, inadequate tank and coal cars, inadequate pipe lines, disposal of tankers, lack of steel pipe, greatly increased domestic demand, and foreign requirements. The committee intends to look into all of these matters.

The committee is also concerned over the long-range aspects of the Nation's demand for and supply of fuel, especially of petroleum. Demand for petroleum is increasing at a tremendous rate. Its use for the production of power, heating of homes, automobiles, trucks, airplanes, farm machinery, Diesel locomotives, Diesel power generation, home and space heaters, are all contributing to the total demand and thereby creating the problem of insufficient supply. The country's daily demand for petroleum has increased from 3,373,000 barrels a day in 1939 to an estimated 5,396,000 barrels a day in 1947. As late as last August it was estimated that the United States demand would increase to 6,000,000 barrels a day and the total world demand to 10,000,000 barrels a day by 1951. From present indications this figure may be attained by 1950 or even as early as 1949. This is a truly alarming situation.

The total ultimate oil resources of the world have been estimated at about 600,000,000,000 barrels, with the United States having about one-sixth, the rest of the Western Hemisphere about one-sixth, and the Eastern Hemisphere having about two-thirds. From 1859, the year of the first United States commercial oil well, to the present, the United States has produced more than 33,000,000,000 barrels of crude oil. According to some estimates, about one-third of the probable petroleum resources of the United States already has been produced and used. As against this it is stated the rest of the world had produced about 19,000,000,000 barrels or only 4 percent of its present oil resources.

The committee already has held hearings with respect to petroleum problems and made reports pursuant to various special resolutions in each of the last four sessions of Congress. It held further hearings during the early part of the present session. It now appears that the situation is rapidly changing and swiftly shaping up into such a critical condition that further inquiry and study is immediately imperative.

The study will be conducted by members of the committee staff supplemented by hearings to be conducted by the full committee. The hearings will start Thursday next, December 11. The first witnesses to be heard will be Max W. Ball, Director, Oil and Gas Division, Department of the Interior; Walter S. Hallanan, chairman, National Petroleum Council; and Col. Gus Vogel, Executive Director, Army-Navy Petroleum Board. These witnesses will be followed by others until every phase of the subject has been covered. It is the hope of the committee in this way to be in a position to make recommendations to the Congress with respect to any legislation that may be found necessary.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. ARENDS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 140]

Barden	Gore	Meade, Ky.
Bell	Gwinn, N. Y.	Miller, Md.
Bland	Hall,	Monroney
Blatnik	Edwin Arthur	Morgan
Bolton	Hall,	Morrison, La.
Bonner	Leonard W.	Murray, Wis.
Boykin	Halleck	Norrell
Buckley	Harless, Ariz.	Norton
Byrne, N. Y.	Hart	O'Brien
Camp	Hartley	O'Toole
Carroll	Havenner	Philbin
Celler	Heffernan	Ploeser
Chapman	Hendricks	Powell
Chenoweth	Herter	Rabin
Chiperfield	Hinshaw	Reed, Ill.
Clark	Hoffman	Reed, N. Y.
Clements	Hope	Rooney
Clippinger	Jenkins, Pa.	Sabath
Cooley	Jennings	Sadowski
Cooper	Johnson, Ind.	Sarbacher
Corbett	Johnson, Okla.	Scott, Hardie
Coudert	Kefauver	Scott,
Cox	Kelley	Hugh D., Jr.
Dawson, Ill.	Keogh	Smathers
Dawson, Utah	Kersten, Wis.	Somers
Deane	King	Stanley
Domengeaux	Kirwan	Stockman
Dorn	Klein	Thompson
Ellis	Knutson	Vail
Fletcher	Lane	West
Fogarty	Larcade	Wilson, Ind.
Fulton	Lesinski	Wilson, Tex.
Gallagher	Lucas	Wolcott
Gearhart	Ludlow	Wood
Gillie	Lynch	Zimmerman

The SPEAKER. On this roll call 321 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

COMMITTEE ON AGRICULTURE

Mr. ARENDS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Agriculture headed by the gentleman from Indiana [Mr. GILLIE] be permitted to sit during the session of the House today.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ADJOURNMENT OVER

Mr. ARENDS. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EXTENSION OF REMARKS

Mr. MICHENER asked and was given permission to extend his remarks in the RECORD and include a letter in reference to our air defense.

Mr. JOHNSON of California asked and was given permission to extend his remarks in the RECORD and include a speech.

Mr. SIMPSON of Pennsylvania asked and was given permission to extend his

remarks in the RECORD on the death of former United States Senator James J. Davis.

Mr. HORAN asked and was given permission to extend his remarks in the RECORD in two instances.

INTERIM-AID BILL, 1947

Mr. EATON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 4604) to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 4604, with Mr. MICHENER in the chair.

The Clerk read the title of the bill.

Mr. EATON. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. JAVITS].

Mr. BLOOM. Mr. Chairman, I yield an additional 5 minutes to the gentleman from New York.

Mr. JAVITS. Mr. Chairman, as I have listened to the general debate on this bill and have heard the Members on questions of foreign policy before, I have come to the conclusion that there are four main arguments advanced against this bill. In the time allotted to me, I would like to deal with those arguments, but I will state them first.

First. It is said that the bill will not stop communism.

Second. It is said that the people of Europe who will receive this food and other aid will not know that it comes from us.

Third. It is said that the bill commits us for the future to a Marshall plan or some other program for general European economic recovery.

Fourth. It is said that we are bleeding ourselves white and adding to the inflationary pressures in the United States by the enactment of this bill.

These are the main arguments. Let us deal with them in turn.

First, it is said that the bill will not stop communism. Gentlemen, we are all adults and grown men, and if for the $590,000,000 authorized by this bill we could stop communism, then it would not be nearly the problem that any of us think it is, according to our discussions here on the floor of the House. Certainly this bill standing alone will not stop communism, but the failure to enact this bill, in the opinion of most competent experts, including practically every member of the Committee on Foreign Affairs, with very few exceptions, will result in communism taking over control by force of the Governments of France and Italy within this very winter.

I, in company with other Members of the House of Representatives, have been to Europe this past summer. I have been in France, and though not in Italy on this trip, I was in Italy 9 months ago. I was in Austria, which is another country to be aided under this bill. I was in occupied Germany, Belgium, Great Britain, Switzerland, Poland, and other countries of Europe. Certainly we did not see people starving on the streets—of course not. The Europeans are not crazy. They are not going to wait until people with bloated bellies are lying around in the gutters before they do something about it—and do we want them to wait until that time? Certainly they are not starving, but they are in need, and they are hungry. Everybody who examined the faces of these people in the big cities, whether it was in Paris, Berlin, or Vienna, knows that you are dealing with hungry and needy people who are not sure whether their next meal will really be coming in.

One finds in Europe that the whole economy has been destroyed. Not only has there been physical destruction of the countries, that is, the factories, buildings, and homes have been blown down, but there has also been internal destruction.

The industrial plants of Europe during these war years have not been maintained with oil or spare parts or with any of the items that maintenance calls for. Neither has the soil of Europe been maintained. The yield of the soil in these current years is extremely low. Why? Because the Nazis abused and used Europe's resources as they abused and used Europe's people. When they got through abusing a plant or a field, they junked it with no concern whatsoever about the requirements of the people of Europe. Finally, all of the European economy was channeled by the Nazis out of the occupied countries into Germany because that is where it fed their war machine. In a sense all roads led to Germany; now all the roads lead to a ruin. Before Europe can get back on its feet, their whole economy must be reorganized and reoriented away from the sole receiving point for all of Europe, which was Germany; and is now a ruin.

The attitude of the people, which I think everybody saw who went to the western European countries, was distinctly opposed to communism. The people know communism. They have lived with it, and they are closer to it than we are. The thousands of refugees, many of them having come from countries which were occupied by the Soviets, people who have been locked in behind the iron curtain, know the one thing in life that they do not want. They do not want a police or garrison state. If the recent elections in France and Italy showed anything, they showed that the people of Europe were exercising the most magnificent discipline of any people in the world, because instead of trying to blackmail the United States into aiding them by threatening to go communistic, as indicated by their votes, they voted exactly the other way. They showed that they understood the reluctance of the United States to assume leadership in Europe and to assume leadership in the world better than they ever understood it before. Despite this horrible winter that is facing them, they showed that they were going to tighten their belts and give the United States this one last opportunity to assume the leadership in the world which its resources demand that it assume—the Europeans certainly are not trying to blackmail us into this program.

Soviet aggression in Europe is very clear. That through the communistic system it is out to capture control of the western European governments by internal means, and not by armed aggression. It has been said on this floor, and it has been said before, that the Russian tanks could sweep our armies and all of the other armies of Europe into the sea in just about as long as it took them to roll. Certainly they could, but they will not. Why? Because, though our forces in Europe are small, they are our forces, and the Russians know if you push them around you are pushing around the United States, and the United States, despite unpreparedness, licked Germany and all of the other Central Powers once, and licked Germany and Japan in World War II. The Russians know, and we know, that we can do it again if we have to or are made to do so. That is why the Russian armies will not move. That is why the only way for the Soviets is the internal capture of the western European governments through the Communists in those countries. But we must do something in order to get people to stand out against communism which offers them the philosophy of despair; for what does communism do? It says, "We will take your meager resources, such as they are, and by the power of the bayonet we will see that everybody gets his share. For that you will give up all individual liberty, you will give up individual freedom, you will give up the right of self-determination." It takes a very, very desperate people to embrace that philosophy, but a desperate people will embrace it. The alternative to chaos, confusion, hunger, and internal anarchy is communism. There is no use fooling ourselves on that score. Now, what do we offer the peoples of Europe in order to resist this Communist philosophy? Fine speeches on the floor of the House of Representatives and the Senate or something tangible that they can sink their teeth into?

The standard of living of western Europe today, despite what is said on this floor, is abysmally low. The ration in France is 200 grams of bread per day. We all know that bread is their principal item of diet. That is two thin slices per person per day. The ration in Italy is 270 grams of bread per day, or about three thin slices. What is this aid bill going to do? Will it increase that ration? Not at all. All this bill will do is to enable those countries to maintain the ration they have today and nothing more. So that what we are asking the people of Europe to do is to fight against communism because we are going to help them maintain their present skimpy ration.

That is the least we can do. If they fight against communism on that, they are indeed the best kind of fighters for democracy, and they are entitled to our support and every bit of additional aid that we can possibly muster.

The second point made against this bill is that the people receiving it will not know where the food comes from;

that they will not know it comes from us. The bill clearly says, as anyone who reads section 7 can find, that everything that can be marked as coming from us shall be clearly so marked. The bill, in addition, provides for a broad program of publicity so that in the case of wheat, which necessarily must be mixed with other wheat unless we want to furnish all the wheat that those countries use—and then the cries on this floor will be far louder than they are now—and if the wheat is mixed with other wheat, the bread is going to be partly theirs and partly ours, the only way we can get the message across is by radio, newspapers, and other means of publicity. The bill provides that we shall do that to the full. Anyone knows that most of the people of Europe are deeply grateful and know that we are aiding them.

The point has been made that we should have distribution in western Europe through soup kitchens or through the Red Cross, so that the people will know that the aid comes from us. Now, I say again, let us be adult. If you were living in a country where you were being fed by soup kitchens or by the Red Cross, would you feel that that country was at the bottom; that the country was in a state of anarchy; that the government of that country was not entitled to your respect and support? Would you or would you not? If you did, would you not then proceed to change that government in what in your opinion would be a drastic change, considering your state of desperation? That change in Europe, Mr. Chairman, as every one of us who was there is convinced, means a violent change to communism.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. VORYS. The gentleman will recall that we took up with the Red Cross last spring in connection with the relief and assistance bill the question of whether they were in position to administer any large-scale relief. The gentleman will remember that we were told they were not equipped and organized to carry on any such program.

Mr. JAVITS. They said it would overwhelm them, as a matter of fact.

The third argument made against this bill is that it commits us for the future. The gentlemen who make that argument, of course, could not have read the bill for it states, and I read from page 8, line 25:

> This act, however, shall not imply any present or future obligation to give aid to any foreign country, nor shall it imply or guarantee the availability of any specific commodities.

What this bill does do, however, is to leave us with a freedom of action which we will not have if we fail to pass this bill. Because, Mr. Chairman, if we fail to pass this bill we will be faced in France and in Italy, as the present Communist-inspired disorders so clearly show, with what the diplomats call a fait accompli; the Communists by that time will have seized power and be in control and we will have as little chance of getting our ideas and our point of view and our system of government and our way of life spoken about, let alone adopted, in those countries as we have today in Rumania, in Bulgaria, in Yugoslavia, in Hungary, and in Soviet Russia itself.

This bill does not commit us for the future. On the contrary, it maintains our freedom of action for the future so that we really can fight totalitarian forces where they need to be fought.

Fourth, and finally, this bill, it is said, will bleed us white. In that respect, Mr. Chairman, I think we ought to make a few comparisons. One would think from the way Members speak on the floor of this House that the American people have a bread ration of 200 grams a day, just like the French; and one would think that their total caloric intake a day is what it is in France, which is about 2,000 a day, which the experts say is just about enough to keep body and soul together, or, as one Italian workman said to one of my colleagues, "It is not enough to live on, but it is not enough to die on." We know as a matter of fact that that is not true at all. In that respect the American people are miles ahead of some of these gentlemen who speak on the floor about our being bled white. That is shown by the way in which the people have made enormous contributions to the Friendship Train; and, second, and even more important, by their willingness to conserve food. For just what under this bill is the total amount of wheat that would be shipped over to Europe? If it were all shipped it would amount to 60,000,000 bushels over 4 months; and yet the American people in the space of exactly 2 months in what I call with no disrespect at all, a very modest program of food conservation, not a total conservation program, but a very little one, the American people saved a hundred million bushels of wheat so that the Conservation Committee is now going out of business. But we will soon have by the enactment of this bill a permanent food conservation program because we believe conservation to be the greatest resource against inflation and the greatest resource for making food and other commodities available to the hungry Europeans who need it badly; and who the American people know to need it badly, as displayed by the amount of relief they have already given and the conservation measures they have already undertaken.

Mr. BENDER. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. BENDER. Does the gentleman agree with his chairman? According to a newspaper the chairman made the statement in reply to an inquiry that Russia could take over France, in fact, take over all of Europe in 24 hours. Does the gentleman agree with that statement?

Mr. JAVITS. I have just addressed myself to that matter. I said that as a matter of military power the Soviets might be able to take over Europe in a few weeks but that they would not because they know that if they were to try it would mean taking on the United States—and they will not do that. That is what I said about it.

Mr. BENDER. Then the gentleman does not agree with his chairman?

Mr. JAVITS. I said nothing to indicate that, and I do not believe my answer to be susceptible of that interpretation.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from California.

Mr. McDONOUGH. A moment ago the gentleman mentioned that 60,000,000 bushels of wheat is the amount that is provided under this bill.

Mr. JAVITS. Yes.

Mr. McDONOUGH. That is the first I have known of any break-down as to how this money is to be spent. Can the gentleman give me a break-down as to how it is going to be distributed?

Mr. JAVITS. The gentleman will find that completely set out in the report of the committee which covers that point and others of exactly the same character.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. JARMAN. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. OWENS. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Illinois.

Mr. OWENS. The gentleman from New York has stated twice with quite a bit of emphasis that this winter Russia will take over those countries by force and he has stated with equal emphasis that the alternative to the hunger and despair of those people is communism. Will the gentleman state what proof there is of his first statement that they will take over by force and tell me also why the alternative to this hunger proposition?

Mr. JAVITS. I did not make the statement that the Soviets would take over by force. I said exactly the contrary, that they would not dare to. I said they would try to take over through their ideologies, that the people who believe in them would try to take over by internal capture of western European governments.

Mr. OWENS. The gentleman has not answered the question. Will he answer the question?

Mr. JAVITS. I believe I have, sir.

Mr. JACKSON of California. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from California.

Mr. JACKSON of California. How long would it take the Russians to take over? Would not the gentleman say they will take over step by step just as fast as we go backward step by step?

Mr. JAVITS. Yes; when we leave any vacuum there, the Soviet is the only power in the world which is able to step into and fill it.

Mr. Chairman, I would invite every Member to examine a very interesting publication gotten out by the United Nations Conference on Trade and Employment now meeting at Habana which analyzes the annual incomes of the peoples of the various countries of the world. That document gives the following revealing figures, and this is all calculated on the same basis of exchange in dollars:

> Whereas in 1946 the annual income of the people of the United States was roughly $1,200 per year for every man, woman, and child, in those very same dollars the annual

income of the people of Austria and of the people of Italy was $100 per year per person—just exactly one-twelfth; and the annual income of the people in France was exactly $300 per year, based on the same dollar valuation, exactly one-fourth of ours.

In the face of that juxtaposition of individual income can any reasonable person believe that the people of the whole world will continue to live in a dreadful slum while we enjoy this relatively great prosperity without trying to do something about it? Can we expect by our speeches alone to have those people accept the virtues of individual freedom and democracy, and assume that they will be perfectly happy to tighten up their belts and starve to death so that they can be the front-line resistance, as indeed they are, to the Communists' philosophy?

There is one thing about this problem we are discusing that all of us would understand if we would only think about it for one quiet minute. The people of the United States are not old, and they are not stodgy. The people of the United States are young and they are vigorous. The people of the United States want to be given their head and want to be given their heart. They will do the rest.

Just look at the picture as the world sees it today. It is Soviet Russia that is on the offensive in every country in the world where it can possibly stage an offensive, in France and in Italy. A great many of our Members get up on the floor to say that Soviet Russia is on the offensive right here in the United States itself. All of us know that Russia does not have available for use one-fifth of the resources of our country. In magnitude, we have 50 percent of the wealth, we have 50 percent of the production, we have 50 percent of the transportation, we have 50 percent of almost everything that you can name in the whole world with only 7 percent of the population; yet here some would have us cowering in a corner, scared to death to appropriate—at least some people tell us we are—$590,000,000—which is roughly one four-hundredth of the annual production of the United States in the year 1947—in order to make our challenge to this power which is aggressive and moving forward on the offensive all over the world.

I say to you gentlemen that the people of the United States, in my humble opinion, do not feel that way at all. They feel they can hold their own, they feel they can take care of themselves if we will give them their head and heart and give them a chance to do it. They will triumph over these communistic ideologies by showing that ours is the best system in the world, the best system for men because it produces. It produces in goods, it produces in human satisfaction, it produces in the self-respect of the individual, it produces in peace, and it produces in human contentment.

Mr. JONKMAN. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to my colleague from Michigan.

Mr. JONKMAN. The gentleman has said that this $600,000,000 or one-twelfth—it does not make any difference.

Mr. JAVITS. One four-hundredth.

Mr. JONKMAN. Of course, this $600,000,000 is not the only contribution we made this year.

Mr. JAVITS. There is no question about that, sir, but that is what we are discussing here, and that is what it was said would bleed us white.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Missouri.

Mr. COLE of Missouri. The gentleman has said that the national income in Austria and Italy is one-twelfth per person of what it is in the United States and that the national income in France is one-fourth per person of what it is in the United States. I would like to call the gentleman's attention to the fact that the peoples of those countries are working only about one-twelfth and one-fourth as hard as we Americans are working. In France they are working only 5 days a week. They take 2 days off each week and also observe many national holidays by not working.

Mr. JAVITS. As far as I know, sir, we are, too, working only 5 days a week and taking days off for national holidays. May I ask the gentleman, before he makes such serious charges against the people of western Europe, whether he was over there himself and saw whether they worked, and would it not be a good idea that the gentleman see for himself before he gets up on the floor and says that people are starving because they are not working?

Mr. COLE of Missouri. The reports I get—and they are from reliable sources such as the press and Members of the House who have been over there—are to the effect that they are working 5 days a week, 5 hours a day, in France, and 5 days a week, 5½ hours a day, in Britain.

Mr. JAVITS. May I explain to the gentleman, if he had been in France he would know that the reason they are working short hours is that they have no coal with which to make their power plants go so that they could work longer hours, and the British themselves say that the French are doing an eminently better job than they are themselves, and British coal production is now going up.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BLOOM. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. LYLE].

Mr. LYLE. Mr. Chairman, I made no visit to Europe last summer. A trip I did make a very few years ago, however, permits me some license and pardonable interest in this matter. There can be no justifiable fear that the President's request for legislation to give interim aid to France, Italy, and Austria will not be granted. The apprehension, the justifiable apprehension, lies in the manner of the legislation's passage; the danger and uselessness of "cold" dollars, without the warmth and enthusiasm of our true American spirit for help to those who are in need, the offer of dollars without the strength of our moral and economic stability.

As sorely as dollars may be needed, they cannot save the world, nor can they, alone, inspire those seeking human dignity in the present atmosphere of western Europe. The dollars we send must express our faith in human dignity and our contempt for tyranny and totalitarianism and our love and respect for ideals, freedom, and democracy.

Any approach but the idealistic is, in my judgment, unrealistic and in disregard for the lowness and depravity to which human beings can be driven. Well-fed, prosperous people without respect for right, justice, or human dignity are a threat to civilization no less than the hungry people without ideals. Have we forgotten Nazi Germany?

Surely there must live in the hearts of millions of people, not Americans, a desire for peace, for well-ordered lives, based upon principles in which all of us can find a common ground. To them we must send with each dollar our faith, our enthusiasm, and our respect.

America, Americans today, have the greatest opportunity ever afforded the people of western civilization to contribute to a peaceful, stable, free world. Our rich and abundant inheritance can either crumble and wither away in this present world crisis or it can nurture the spirit of freedom in all lands and fan the flame and light of justice everywhere. It must, I believe, either be used productively or it will be wrongfully consumed.

This measure will pass; the aid will be granted. Let us, then, gentlemen, allay all apprehension and send with our dollars, not contempt or mumbled apologies, but warmth, faith, and friendship.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. JENKINS], who was chairman of one of the subcommittees of the select committee which made a study in Europe of European aid, and who as a member of the Committee on Ways and Means will have much to tell us of the result of his studies.

Mr. JENKINS of Ohio. Mr. Chairman, I appreciate the glowing introduction my good friend from Ohio has given me. I promise you I shall not transgress by speaking over the time limit, and I hope I will not say anything that will raise an issue as to what the food conditions are in Europe. There is a sharp difference of opinion among some of those who have recently returned from Europe.

I think that up to this time these debates have been everything that might be expected. Some brilliant speeches have been made. All the speeches have been very sincere. Sincerity is real eloquence in itself.

This is a very important subject. It is an easy subject to understand, in a way, because it deals with human beings. It deals with the personal wants of human beings, and things of that sort. It shall not be my purpose to take any of your time to discuss the matter of food except to say that I am happy in the thought that the conditions in Europe as to food are not nearly as bad as many people say they are. There are many poor people in Europe. Their standard of living is much lower than our standard. There are a few basic facts that argue conclusively that the conditions of Europe will be much worse in 2 or 3

months than now. First, we must consider that western Europe has not been able to furnish itself a full supply of food for years. Second, western Europe suffered a great drought in 1947, and the 1947 crop will soon be consumed.

I should like to discuss with you two propositions that are, I think, very important. One of these is the terrible results of weak governments and weak currencies, and the other is the insidious advance of communism.. I think today, if I had it in my power to do only one thing for Europe, I would rebuild, restrengthen, and rehabilitate the currencies of those crumbling nations. It is really pitiful when you stop to think that not a single country in western Europe today has a stable currency.

Money to most individuals is not only very desirable, but it is absolutely necessary. A man must have money to get to and from his work. He must have it in order to live. A collapse of our money would be a terrible calamity. So it is with any country. No nation can be strong if its currency is discredited. It is the nation's lifeblood. Without a stable currency no country can prosper. Now the question is what can we do with reference to helping the countries of Europe to build a stable currency?

There is another bill in the hopper that is coming along just as soon as we dispose of this bill; it is the Herter bill prepared by Mr. HERTER and recommended by the Herter commitee. The Committee on Foreign Affairs is going to give immediate consideration to the Herter bill, I understand. The purpose of the Herter bill is to take to these European people the maximum of benefits that this money will furnish not only in food but in an effort to stabilize their currencies.

For instance, Italy today has a credit of 31,000,000 British pounds sterling. She cannot move it because sterling does not move. Under the Herter bill we propose to set up a commission of eight men, to be appointed by the President, four of one political party and four of another. I do hope the President rises above politics and appoints good men to these positions, men who will be able to understand currencies and the intricacies of currencies and their relationship to foreign trade. I think that under the Herter bill such a committee could take up this matter of Italy's 31,000,000 pounds and probably arrange some plan whereby Italy could use this money now when she is in dire need. Such an exchange might possibly be made as to be for the mutual benefit of Great Britain and Italy. The same thing might be done for France, whose currency has been terribly debauched. If we can rebuild these financial systems we will aid these countries to stand on their own feet and fight their way back to prosperity.

I am hoping for a great deal with reference to the Herter bill. Its purpose is to administer the foreign aid in such a way as to enable all these European countries to put forth all their own potential strength, both financial and economic.

I would like to talk to you just a minute about another matter. The governments in Europe, as you all know, are terribly weak and fragile, especially in those countries where they must have these coalition governments and where they must have these compromise governments. In Italy, for instance, the first thing I did when I went there was to talk with the heads of the Government. I found them to be cordial and very anxious to do their best for their country. Then I went out to talk to the people. The common people in all the countries in Europe that I visited want a strong government. They do not care who is at the head of it. They want a government that has dignity and power. Well, what kind of government do they have in Italy today? They have a compromise government. The Prime Minister of Italy is a fine, honorable gentleman. The Secretary of State of Foreign Affairs is a fine gentleman. I talked with both of them on a number of occasions. But these two gentlemen, in order to form a coalition government, were compelled to do what? They were compelled to take into their organization a third man, a man who now is President of the Parliament of Italy. He is a very suave individual. But he is a Communist. I saw on the lapel of his coat a big red button. After I talked with him a little while I found out that he was a very suave gentleman. These Communists have everything. They have suavity when they need suavity, and they have a butcher knife when they need a butcher knife. They have what they need. So I asked him, "What did you do before you were elected to this high position?" He said, "Well, to be frank with you, for the last 18 years of my life, before I came to this place, I had been in prison." I am not sure where he was imprisoned. But he had suavity, and he was then presiding over the Parliament which presently had before it the great responsibility of writing a new constitution for Italy. This constitution will be voted on by the people of Italy in a few months.

Now, how can these people, these other two gentlemen who are so strong against communism—how can they function and how can that government function when this man, the President of the Parliament, is an out-and-out confirmed and graduate Communist?

De Gasperi, the Prime Minister of Italy, is putting up a magnificent fight against communism. So are most of the other officials of that government so far as they can go. If I had the power to do it today I would give these men every possible encouragement. If I could I would like to give them the military power to carry out every order that they would want to make to preserve order. We have been too easy with these lawless Communists. The governments of Europe must be encouraged to defend themselves against these paid professional gangsters that go from country to country fomenting strikes and disorder.

Let us consider France. The new Prime Minister there, Mr. Schuman, is doing a magnificent job. His country is on the verge of revolution there today largely because their currency is unstable and his Government has been unstable and the Communists have been gaining in power. How can we best help him and his people? We cannot do it by talking here in Congress. We must act. It is fine that we can distribute food through the Red Cross, and through any other agency that will do it. Nobody can truthfully discount the work and the effort of these volunteer agencies. But after all this splendid work is done we will have to do that year after year unless we can establish some strong governments in these countries.

I hope the Herter committee, this new organization, will give special attention to this matter of rehabilitating the countries, because if we do not do that, then what can we expect? I do not know that we are going to have a war with Russia immediately. It does not seem to me that Russia is ready for a war. But I tell you that Russian communism is persistent. I would like to ask you this question: How does it come that we Americans, with the finest government in the world, and with the finest philosophy of government in the world; America, with the most humanitarian people—how does it come that we cannot permeate Russia with our philosophy of government and get behind the iron curtain, while Russia can permeate the government and the governmental philosophy of every other nation? There is a tenacity in communism that it does not deserve. Russia can place her satellites right in the office of our Secretary of State, right in the chief offices of our cities, and in all the small towns in the United States. What virility that philosophy might have. When you contrast it with our philosophy you must conclude that we are right. They must be wrong. Their philosophy cannot be right. A philosophy that will permit them to go down into one city in southern Europe and take out 4,000 people, just steal 4,000 people and take them away where nobody knows where they are, and only 400 of them ever come back, where they can go out and take a doctor returning from visiting a patient and steal him out and nobody knows what became of him, is hard to understand. There is a persistency in their philosophy and a persistency in action that is pretty hard to comprehend and understand.

Here we are the greatest Nation in the world. Of course, we do not try to permeate other countries. We do not try to go behind the iron curtain with our philosophy. We try to do the right thing and hope that good results will come from the power of right over wrong. But the situation in Europe is desperate when we contemplate that millions of people are being terrorized by a much smaller number of wicked, murderous men.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. JENKINS] has expired.

Mr. BLOOM. Mr. Chairman, the gentleman's argument is very good, so I take pleasure in yielding him five additional minutes.

Mr. JENKINS of Ohio. I thank the gentleman very much.

Those of you who wonder what Russia is going to do, I would like to give you a short story of an incident that happened almost in our presence. It is an incident that happened at Trieste. Trieste, as you know, is now under the control

of the United Nations. It is a big city of about 380,000 people. The Trieste free state is a territory that runs about 40 miles along the Adriatic Sea and about 10 miles back. It is now under the Government of the United Nations. The United States had 5,000 soldiers stationed there and the British have 5,000 soldiers, and Yugoslavia is just behind it with 240,000 and maybe 400,000 soldiers. On September 15 Trieste celebrated what they called "Ratification Day." They had a big celebration. Italy had ratified the treaty and that was why they celebrated Ratification Day. We knew of this proposed celebration. We thought there might be some trouble there, so we made it a point to be there at that time, on the 15th of September. What did we see? As the evening shades came on, the mobs commenced to form; people commenced to march. Occasionally there was a gun shot. There were parades of all kinds; red flags, Italian flags, and all kinds of flags unfurled around there. So after a while we went to dinner.

I want to tell you something that happened at that dinner and subsequently that made me wonderfully proud of my own country. A man came in to the dining room and tapped an American official on the shoulder and asked him to absent himself. This man came back a little later and said to me, "I have to go on the line." He was going to be the toastmaster at this little dinner we were having. He designated another officer to officiate for him. There were some British soldiers there. Somebody came in and touched a British soldier on the shoulder and he went out. That was a little before 8 o'clock. They went out on the line. What took place on the line? The next day I had a chance to talk to the British general who was the commanding officer there, commanding our 5,000 troops and his 5,000 troops. He told me what took place. At 8 o'clock that night a soldier came to the American lines and got permission to see the general. He laid down to the general a written instrument. I have a copy of it, translated into English. It said, in effect, "We would like to come through the lines tonight with 2,000 soldiers into Trieste. Furthermore, if we cannot come with your sanction, we are going to come anyway at midnight." That was the substance of this message. So the British general told me, in effect, "I tried to reason with him. Of course, he was only just a messenger. He came from Moscow and Belgrade. I tried to reason with him but I could not do that. Finally, I told him, 'You go back and tell your superiors, first, that you are wrong; you have no right to come in. There has been no order of any kind issued that gives you this right, and no change in any law that gives you that right. Second, I want you to tell them that if they attempt to come through, they will have to take the responsibility of starting the third world war. Tell them that will be their responsibility; and, third, don't forget to tell them that when they come, they will not go through.'"

So what did he do? He immediately got in touch with his staff, and our general got in touch with his staff immediately and communicated with Washington, and Washington sent back the instruction to stand, and also sent a protest to Belgrade and to Moscow where it ought to go, from where the message came. The British did the same thing.

About 10:30 that night these messages had all been sent up. What took place from 10 o'clock till midnight all along that American and British line? What do you suppose took place? Anxiously they waited until 12 o'clock. Twelve o'clock came. What happened? Here came the Yugoslav soldiers, thousands of them with their horse-drawn artillery and their full equipment. They came up to an American post, commanded by a lieutenant from New York City. They presented themselves with their horse-drawn artillery all ready to force their way in.

What did the American lieutenant say to them? "You shall not pass!" This is a sentence that will go down in the history of the American Army to add luster to its great record of courage and achievement. And, Mr. Chairman, they did not pass; they turned around and, like a coward in any cowardly maneuver, they marched back down the hill with all their threatening equipment.

Now, Mr. Chairman, if they had attempted to pass, what would have been the result? What would have been the result if they had tried to pass? They probably would have killed a lot of our soldiers, and many of them would have been killed, and we would have been in a third world war. I think that those who believe that Russia is not yet ready for war can get strength for their new point from this incident. There is little doubt that with their superior force they could have come through, but their retreat indicates that they are not ready for another war. There is little doubt that these Yugoslav soldiers wanted to come into Trieste because they had already prearranged a great strike. I believe that our Army had practically anticipated their purpose.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BLOOM. Mr. Chairman, I yield the gentleman from Ohio two additional minutes.

Mr. JENKINS of Ohio. The Communists' headquarters had sent into Trieste a number of its most efficient troublemakers. They had a big strike all arranged for the next day. The big strike was carried out the next day with much confusion and disorder. If they had gotten their army into Trieste these 2,000 soldiers no doubt would have taken over the banks and they would have taken over all the public buildings. They would have said that because of the confusion it was wise for them to take over the city. They would have taken charge of Trieste and after that they would said said: "Trieste belongs to us." But they did not do it, they did not come in. All of which is a great compliment to the courage of our soldiers and the righteousness of our cause.

Then, too, we went down in Greece. We were up in the mountains where the guerrillas were carrying on their cowardly terrorism. From all indications Communists do not want to come in and take over Greece. They want rather to terrorize the people. Let me give you an instance of what I mean. Our party saw a young girl about 15 years of age who had been approached by a few of these guerrillas who asked her where her brother was. Her brother had joined the army or had in some way associated himself against the guerrillas, but she did not want to give away his whereabouts. She said: "I do not know where he is." And then what do you suppose they did to this little girl? It is a rather delicate thing to talk about, but I think I will tell you anyway. They cut off one of her breasts and went away. Such cruelty could not be practiced by none but beasts. Why did they do this cruel act? To terrorize the people, to scare them off of their farms into the cities where today thousands of them are hidden down there in the cities, and we are feeding them, we are taking care of them—great crowds of them. And I saw a number of incidents there that made me very proud of our own country. I went into several of the camps, and in one of the camps I said: "I see you have some new babies in here." I was told: "Yes, we do, we have been here 11 months and some babies have come."

I asked: "How many people have died since you have been here?" And the answer was that not a single person had died in any of the camps that I visited that have been supervised by Americans.

I was talking with one fellow in one of the large crowds trying to find out what he did when he got bugs and lice on him and in his hair. He could not understand me and I could not understand him, but finally by making signs he got the drift of what I was trying to say to him. He shouted gleefully, "We got DDT, we got DDT." He understood me and I understood him. I thought that certainly that was distinctively American, and I was proud of it. Mr. Chairman, I am proud to say that I saw nothing in Europe that made me ashamed of my country. Our country became great by doing big things. We must proceed with honor and courage.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BLOOM. Mr. Chairman, I yield 15 minutes to the gentleman from Florida [Mr. ROGERS].

Mr. ROGERS of Florida. Mr. Chairman, in the words of Gen. Lucius D. Clay, commander in chief of our occupation forces, "America is at the crossroads." Let me assert that we are in the most critical and most serious conditions in the history of this Nation. If there was ever a time in our history when we needed leadership and when we needed statesmen, that time is now. We need thinkers and not hollerers; which recalls the occasion when two men went to a political gathering and after haranguing for a couple of hours, one said to the other, "Now what do you think?" Whereupon, the other replied, "Think, hell, I did not come here to think, I came here to holler."

As a prelude to my remarks on the legislation now before us, I trust that in the consideration of this measure the Members of the House will not forget our obligations and responsibilities to our home people who need aid and who need

assistance. In my State of Florida in recent months we have suffered millions and millions of dollars of damage by reason of hurricanes and floods. The life savings of many of our people in this area have been wiped out. There have also been floods and disasters in the Mississippi and Missouri Valleys and fires in the State of Maine. As a result of these catastrophes vast areas have been devastated and much suffering has been experienced. The peoples of these areas are entitled to relief and it is a proper place for Federal intervention and Federal aid—assistance and relief should certainly take precedence in these areas to any foreign country for relief from misery and suffering.

Our American citizens who have suffered from these disasters over which they had no control should be our first consideration in the distribution of relief funds. We should deal honestly with our own people before we deal generously with foreigners. While we believe in foreign missions, home missions is our first consideration.

Believing in this philosophy, I did, on the first day of this session, introduce House Joint Resolution 257 providing for an appropriation of $5,000,000 for the relief and rehablitation of the victims of the flood and hurricanes which occurred in the State of Florida during September and October 1947, and as a result of which President Truman proclaimed a state of emergency.

My first allegiance, therefore, is for domestic relief, reconstruction, and rehabilitation which includes not only my State but the great State of Maine and the areas in the Mississippi and Missouri Valleys. Such aid will restore our people to a condition of stability where they can again become taxpayers and producers.

I would like to read into the RECORD a letter received this morning from Mr. W. C. Shepperd, of Boynton Beach, Fla., who is 77 years of age and whose wife is 75 years, reading as follows:

> The hurricane winds destroyed my three acres of orange and grapefruit trees, which was the only source of income left to me.
>
> We are looking to our own Government to do something for its people who need aid as a result of something over which we had no control. It seems to me that this is as essential as aiding those in need in other countries, we who are taxpayers, though we are fully in accord with this being done.

Now, Mr. Chairman, let me address myself to the consideration of this measure now before us which is to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries. This is not a partisan matter; it is not a political problem but it is an economical problem. A problem which vitally affects the welfare of this Nation, not only today but tomorrow. It is also a measure looking toward bringing us out of a chaotic and confused condition back to the road of peace. It is not a relief nor is it a purely humanitarian measure. It is an enlightened self-interest on the part of this country, and it is a measure that will possibly create a condition that will give our country an opportunity to save itself in the long run and to create conditions that will make possible the maintenance of free governments in western Europe, and certainly we have a deep and abiding personal interest in preserving and maintaining free governments in Europe. It is an appropriation of dollars now instead of bullets later—in short, a national security measure.

I had the opportunity, as a member of the Interstate and Foreign Commerce Committee, of going over to Europe this summer. I visited Austria, France, Italy, and other European countries and observed economic conditions as well as the political conditions of these countries. We observed that Russia was not only not cooperating with our country, France, and Britain, but was obstructing and blocking every move looking toward stabilization, rehabilitation, and a return to peace. Russia was exerting every means at her command to continue a state of confusion, instability, and chaos. Russia's policy seems to be "if we can keep them in a state of confusion we, the Russians, can overrun Europe." I observed that communism was fast permeating some of these European countries.

I came back to this country convinced that there is only one of three policies that our country can adopt in dealing with our present economic condition and possibly getting back on the road to peace. I went all over my district within the past 60 days and talked and discussed these three proposals and I had the finest response from my people that I ever had from any speech that I have made. The three courses are as follows:

We can withdraw our forces from European soil and we can withdraw all aid, saying to the nations of Europe: "We have already sacrificed 350,000 of the manhood of our country, we have already given you over $300,000,000,000, we have depleted our national resources to a sum you cannot calculate, and we have suffered losses in the way of wounded and incapacitated men around 750,000. We say to you we are going back to America and we are going to attend to our internal affairs and let you Europeans go communistic or do anything else you want to do. It does not make any difference to us."

Can we afford to do that? Can we withdraw? After the sacrifice this country has made, can we withdraw into our shell as we did in the last war and say: "Go your way. We are going home and attend to our own business." Should we do this, it is my belief, Russia would overrun Europe in less than 30 days' time. Do you want to pursue that course? I do not think you do.

The other course is this: We can issue an ultimatum to Russia, and say, "Get out of central and western Europe." And we can back that up by force, and with the atomic bomb, if necessary. It would cost not millions but billions for another war and civilization would be destroyed. But who wants war? There is not a Member in this House today who wants war.

Let me read you some statistics on what wars cost. Let us go into this matter a little further and examine the casualty figures for the first and second wars.

In World War I the total casualties for all belligerents amounted to eight and one-half million who were killed or who died. More than 21,000,000 were wounded and nearly 4,000,000 were taken prisoner or were missing. Of the United States troops, 126,000 were killed or died, 234,000 were wounded, and 4,500 were listed as prisoners or missing. The toll for the Second World War was even more staggering. Forty-five million members of the military or civilian populations were either killed, wounded, or among the missing. The total casualties, including dead, wounded, and missing, for the United States reached 1,135,054 as of June 30, 1946 Florida contributed 3,500 of this number. Certainly that was a high price to pay for such an unstable peace as we have been able to achieve thus far.

In addition to the loss in lives, there is the not inconsiderable burden of the financial cost. Involved in a computation of the total cost of a war are not only the strictly military expenditures but also those factors which are known as the continuing costs. These include such items as pensions, care for veterans, and interest on war debts, which continue for many years after hostilities have ceased. For instance, the last pensioner of the War of 1812 has just been removed from the pension rolls during the last year or two. The Spanish-American War cost us $582,000,000 in military expenditures, but has cost us more than two and one-half billion dollars in continuing costs. Up until June 30, 1945, World War I had cost the United States $74,000,000,000, of which only $31,000,000,000 could be classed as military expenditures. In 1945 we paid out $312,000,000, in continuing costs of the First World War, and the figure is still rising each year. World War II costs have already reached nearly $400,000,000,000. It is estimated that by June 30, 1948, the continuing costs will have exceeded the military cost, and the total cost is expected to reach $700,000,000,000 by 1972. You can see where a large part of every dollar you pay in taxes must go for many years to come. In citing some of the figures dealing with the cost of war, I am not implying in any way that we should have remained on the side lines. On the contrary, it was absolutely essential that we participate in order that our own country might continue to be free. But I do want to point out that the cost of war is extremely high and that it is a cost which we can afford only for the purpose of preserving our democracy and our national existence.

Now, we do not want war. If aid to Europe, and to these countries we are now considering, will prevent another war, if that will keep down the threat of war, do you not know that it is to your interest and do you not know that it is to the national interest for this House to consider favorably this legislation?

Now, here is the last course. The last course is that we can give economic aid or assistance to European nations. You can call it the Marshall plan, you can call it the Kennedy plan, you can call it any other plan you want to, but some kind of aid seems to be the only road we can travel at this time, and it is up to you. You have either got to withdraw

your forces from Europe and tell them good-bye or you have to come in with a foreign policy to be prepared for war, and, as the gentleman from Missouri [Mr. SHORT] said in the House the other day, it looks like we are going to have to do it. George Washington said that the best way for peace is to be prepared. We have got to do it, irrespective of what method we pursue. We have got to be prepared for national defense.

Those are the three courses, and those are the only three open to this country. Now, if any man has any other course that he would pursue, I would like to hear him. Those are the three courses as I see it: Withdrawal, declare war, or go ahead and give economic aid. Now, all of us are against spending the taxpayers' money. Everyone in this House is against it, but sometimes you get into a position where a policy may be the best one you can pursue, even if you dislike it. That is our situation today. It is up to this House whether in this serious time politics shall be thrown in the basket. Do not vote for or against this measure because it might be popular back home; vote for it according to your conscience. Let your conscience be your guide. Vote for it because it looks as if this is the only hope of salvation if what we hear of the conditions that exist in Europe is true.

If I were the gentleman from Missouri [Mr. SHORT], I would quote you some scripture. I would say:

There is that scattereth, and yet increaseth.

That is a fine text for a sermon, and I would like to hear Dewey preach on it. It might look as if we were scattering the dollars all over Europe, yet when the sum total of the result is added up you will see that we have increased in stature, we have increased in power, and we have increased in the opinion and the minds of the European nations who today are looking for leadership to the United States, the greatest Nation on the face of the earth. We are enjoying today the greatest period of prosperity we have ever enjoyed, with from two hundred to two hundred and twenty billions of income and with the taxes coming into the coffers of this Nation amounting to from forty to forty-five billions. Yet some of us are taking the dollar, silver, to place on the glass so we can see only ourselves.

It is time for us to think seriously; it is time for us to do a little praying, yea, much praying, as Benjamin Franklin suggested in the Constitutional Convention. These are serious times. The responsibility for the solution of the problem of whether or not we shall give assistance to the European countries who are in dire need is upon you. The passage of this bill may mean the difference between chaos and order; it may mean the difference between democracy and communism; it may mean the difference between freedom of choice and totalitarianism. The sum that we vote here may mean the difference between war and peace. It is worth taking the chance of providing aid at this time, recognizing, as I said, that we are not minimizing our obligations and our responsibilities to the home people who are in need.

Mr. VORYS. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. MASON].

THE WHYS AND WHEREFORES OF THE MARSHALL PLAN

Mr. MASON. Mr. Chairman, the mess in Europe today is largely of our own making. It stems from the appeasement policy of the "indispensable man" who headed this Nation for thirteen long years and directed our foreign relations during that time. As evidence in support of this statement I offer the following facts that have now become history.

President Roosevelt made a very costly mistake when he sided with Stalin against Churchill in deciding the strategy for the invasion of Europe. Churchill pleaded for the invasion of the Continent through "its soft underbelly," marching up through the Balkans instead of through France. Stalin wanted the invasion made through France so that the Russian armies could overrun the eastern part of Germany and the Balkan countries. President Roosevelt agreed to Stalin's proposal and thus gave Stalin his opportunity to overrun and control the whole of eastern Europe.

Following up this mistake President Roosevelt made another very serious and costly mistake when he agreed with Stalin and Churchill to divide Germany into four zones of occupation, each zone to be governed or controlled by one of four victorious nations, thus dividing the German economy into four different segments. When later he accepted the Morgenthau plan for postwar Germany—a plan to make Germany into a pastoral nation, "a nation of potato growers"—the German people's postwar condition was made impossible. To pay for these mistakes we have spent during the past 2 years $500,000,000 to keep Germany from starving. The burden will get heavier when Britain pulls out of Germany, as it is reported she intends to do. Because of the mistakes made by our leaders in trying to appease Stalin we now have to support our defeated enemy. As Lewis H. Brown, president of Johns-Manville Corp., said in his excellent report on the German situation:

The decision of President Roosevelt to stop the forward push of the western Allied armies until the Russian armies from the east could take eastern Germany and reach Berlin was one of the most fateful mistakes of the war, and it may well have repercussions in the pages of history yet to be written.

Eastern Germany, now under Russian control, is the bread basket of Germany. With this in Russian hands, how can western Germany, the industrial Ruhr, feed itself? Because of this mistake of Roosevelt's, Stalin now holds the bread basket of Germany and we supply the bread line of Germany. In destroying the German industrial system we destroyed the whole economy of Europe.

Mr. Chairman, we made another mistake when we subsidized and underwrote the Socialist program to nationalize British industry. It has not worked. Great Britain is worse off today financially, economically, and socially than she was at the close of the war. She is more ready today to embrace communism than ever before. In fact, she has already taken the initial step under her labor government.

We made a further mistake when we drafted and ratified the Italian treaty—a treaty that places Italy at the mercy of her Communist neighbor, Yugoslavia, whose dictator, Tito, is a Charley McCarthy for Stalin. Under this treaty we strip Italy of her military strength and force her to pay to Russia and Yugoslavia a war indemnity of $225,000,000—which we will have to pay since Italy is unable to do so.

Another very grievous mistake was made when Stalin's armies had their backs to the wall, when Moscow was in danger of capture, when Stalingrad was surrounded and being demolished and President Roosevelt did not require definite assurances from Russia as to her postwar policies before he agreed to bolster up the Russian defense with $11,000,000,000 worth of lend-lease war materials, without which Russia could not have turned the tide of war. Why Roosevelt did not require assurances as to postwar policies at that time poses an interesting question. Was it from lack of foresight or was it because of the influence of Communists and Communist sympathizers that held high and influential positions in his administration? But, whatever the reason, the failure to demand assurances at that time as insurance against inimical actions later on was an oversight that has been a costly one.

As a result of these mistakes we have thrown away in two short years almost every advantage America won in the war, trying unsuccessfully to appease Stalin. These mistakes have already cost us more than twenty billions of dollars since hostilities ceased in Europe, and it is estimated the Marshall plan will cost us at least $25,000,000,000 more.

Mr. Chairman, in order to get a clear picture of the mess we have made in Europe, we must understand the following facts concerning the economic life of Europe.

The industrial heart of Germany for many years before the war was the hub of European industrial activity. Around this "hub" the economic life of all Europe revolved. Under the Morgenthau plan we destroyed the "industrial heart" of Germany, so there is no longer any hub around which European industrial and economic life can revolve. As a result Europe is flat on her back—industrially, economically, financially, and politically. Because the European nations are in such a prostrate condition, Stalin now has a golden opportunity to communize the whole of Europe. He planned it that way and our leaders were foolish enough, shortsighted enough, to agree to his plans.

We now propose to correct with the Marshall plan, if possible, the mistakes we made when we adopted the Morgenthau plan and divided the German economy into four segments. The Marshall plan, if adopted, will provide during the next 5 years some $25,000,000,000 worth of needed materials, such as coal, steel, machinery, railroad equipment, trucks, factory equipment, food—materials that are in short supply here—to put the European nations back upon their feet so

that they may once again support themselves. The hope is that by doing this we will prevent them from falling victims to the Communist octopus.

The Marshall plan, if adopted, will also mean that the American taxpayer will continue to pay the present high wartime taxes and perhaps have them increased. However, the greatest impact of the Marshall plan will be felt by us in present scarce goods becoming more scarce and present high prices going higher and higher. With the adoption of the Marshall plan we Americans must continue to pay for the mistakes made by our leaders.

Mr. Chairman, as a further evidence of the mistakes we have made in Europe, I offer the following facts concerning the situation in both England and France today.

Before the war Great Britain mined 40 percent more coal than she needed so she exported this surplus coal to other countries and exchanged it for needed food supplies. Today under Great Britain's Labor Government the output of the coal mines of Great Britain is 40 percent less than her own needs, so she has to buy this extra coal from us with the dollars we hand over to her. The British coal miner works 5 days per week and 5½ hours per day, making a workweek of 27½ hours. He refuses to work longer hours. The American coal miner works 40 hours per week. The British coal miner produces an average of 1 ton of coal per day. The American coal miner produces an average of 5 to 6 tons of coal per day. Should the American miner be taxed to help support the British miner when the British miner refuses to work more than 27½ hours per week? There is plenty of coal in England and in Europe if the miners there will only dig it.

France is short of bread. We are told this shortage is the result of bad weather conditions last spring and a partial crop failure. However, that is not the only reason for the shortage of bread in France today. The French farmer knew last fall that the fixed government price for wheat was so low that it would not pay him to plant his usual acreage in wheat. So he let a sizable portion of his wheat acreage—about 1,000,000 acres—go into grass, and the wheat that he did plant and harvest he refused to sell on the market at the government controlled price, preferring to feed it to livestock which he can sell on the black market.

Not only is the French farmer cutting down on the production of badly needed bread grains, but the French factory worker is also cutting down on the production of badly needed manufactured goods. The French factory worker, following Communist leadership, refuses to work more than 5½ hours a day and 5 days per week. By refusing to work longer hours the factory worker in France is holding down the production of badly needed manufactured articles, thus creating shortages that they expect us to supply.

There are only two ways of speeding up production—the Russian way and the American way. The Russian way is to use force; the American way is to provide proper incentives to stimulate personal initiative. Neither England nor France apply force, as yet, but the Socialist government of each has removed personal incentive and destroyed personal initiative. They are, therefore, in desperate straits and are calling for aid in the form of gifts and unsecured loans. Should we help people who will not help themselves? Can the United States support the world in the style to which it would like to get accustomed?

Mr. Chairman, a picture of our blunders in Europe would not be complete without a discussion of our present attitude toward Spain, an attitude inspired and generated by the Communist sympathizers that have been lodged in the State Department for the past 12 years. This infiltration of Communists in the State Department, some of them occupying policy-making positions, was pointed out 8 years ago by Martin Dies of the House Committee on Un-American Activities, but nothing was done about it then because the New Deal was closely tied up with the Communists in what might be called an unholy alliance. As a result of this Communist influence in the State Department, our present attitude toward Spain is about as follows:

Our State Department says:

Satisfactory political and economic relations are not possible as long as the Franco regime remains in power. No loans or credits by the United States are being considered for Spain.

To justify this attitude toward Spain, State Department officials claim our attitude toward the Franco government results from the fact that "Italian and German aggressors assisted the Franco regime in its rise to power."

Have we forgotten that Stalin took an active part in the Spanish Civil War, 1936–39, that he recruited several thousand American youths on American soil, secured fraudulent passports for them, called them the Abraham Lincoln Brigade, and sent them to fight in Spain, contrary to the laws of the United States? Have we forgotten that President Roosevelt persuaded Franco to remain neutral when we planned the invasion of Africa, giving Franco the assurance that "Spain has nothing to fear from the United Nations"?

What have we got against Franco that does not go double for Stalin? We do not have to admire the dictatorship in Spain, but we must recognize the fact that Franco has not done any harm to other nations. The Stalin dictatorship in Russia, on the other hand, has taken advantage of the confusion and chaos resulting from the war to vastly extend its power to other nations and to force subservience upon them.

Competent authorities agree that the fall of Franco would lead to the seizing of Spain by the Communists. A Communist Spain would go far to assure a Communist France and a Communist Italy. Is that what our State Department wants? Is that in line with President Truman's announced policy of blocking communism's further expansion in Europe? Why hand out billions in Europe to block communism on the one hand and encourage the spread of communism on the other? President Truman and his State Department had better get together.

Now, Mr. Chairman, keeping our mistakes in mind and facing realistically the situation in Europe that has resulted from those mistakes—what does the Marshall plan offer?

First. There can be no industrial recovery in Europe unless a change is made in our attitude toward, and our treatment of, Germany. The Marshall plan makes no provision for such a change.

Second. Socialist controls in both England and France take away all incentive from the workers of those nations to produce at capacity, and those Socialist controls also place shackles upon business and industry. This must be changed before economic recovery can be attained, but the Marshall plan makes no provision for changing that situation, for supplying individual incentive, nor for removing the shackles from business or industry. Under socialism in both England and France workers get less for their work, production is reduced in both quantity and quality, and the cost to the consumer has soared higher and higher.

What the Marshall plan offers, therefore, is not relief for the distressed, not succor for the hungry, nor shelter for the ill-housed and ill-clothed, but rather a modernization of European industry, accompanied by social and economic revolution. Do we want to take part in that program at the expense of the American taxpayer?

Mr. Chairman, I believe the average American is a charitable person. I believe he is perfectly willing to feed the hungry, clothe the naked, and provide shelter for the homeless—always provided, of course, that the need can be shown, that the needy have done all in their power to take care of their own needs, and that we can extend the aid without ruin to curselves. This is not true in the present instance. Therefore I propose that in the place of the Marshall plan we do the following:

First. Give Europe such emergency aid as is urgently needed.

Second. Encourage free enterprise in Europe, thereby enabling men who are willing to work out their own salvation to do so.

Third. Unshackle that part of the German economy that is not under Russian control so that the German people can again reestablish themselves on a sound economic basis.

Fourth. Encourage private loans to European industrialists on a sound business basis, requiring proper collateral. This I have been assured can be done, and as evidence of same we have some $20,000,000,000 worth of European investments or holdings in the United States that could be used as collateral.

Fifth. See to it that when emergency relief is given to Europe it shall go direct to the needy, and shall not go as all relief heretofore provided has gone; namely, to the governments of Europe to be sold by them at black-market prices to their people who are able to pay those prices. The money thus received for the goods has been placed in the government

coffers to maintain it in power and to pay the salaries of the millions of government employees that the Socialist regime deems necessary. The American people have not been told and therefore they do not know that practically all relief to Europe furnished by us so far, including UNRRA relief, has been disposed of in this manner and very little of it has actually been used to feed the hungry and relieve the distressed. We must see to it that American emergency relief shall go direct to the needy as a gift.

Mr. Chairman, that is the American way of doing things. That is the way Hoover and the American Red Cross handled relief after the First World War. That is the way we can help those who want to help themselves, and are willing to do their utmost to help themselves. But that is not what is proposed under the Marshall plan. Not one of these things is included as a part of the Marshall plan. Can we not extend aid to Europe in the American way, in a businesslike way, in a way that will promote private initiative, stimulate production, and make the recipients of that aid self-supporting and independent? Do we have to support and subsidize governments that persist in carrying on experiments in social welfare, governments that promise their people more pay and less work, that offer a something-for-nothing program? Why waste our substance to encourage such unsound economic doctrines? Why bleed ourselves white to furnish lifeblood to a patient who persists in following a course that continually saps his strength? That is just what the Marshall plan proposes to do, and I for one shall vote against it.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from Michigan [Mr. JONKMAN], a member of the Committee on Foreign Affairs.

Mr. BLOOM. Mr. Chairman, may I at this time also yield to the gentleman from Michigan five additional minutes. I shall be glad to yield the gentleman further time if he desires it.

Mr. JONKMAN. Mr. Chairman, this interim aid bill, presented to the House, represents a very commendable job on the part of the Foreign Affairs Committee, considering the conditions under which it had to work, except as to the amount authorized.

The committee has spent long hours in hearings, in executive sessions, as well as research aside from this time, in providing the modus operandi for further relief. I do not believe it could be substantially improved upon. Nevertheless, strange to say, the committee at no time considered the Presidential message under which the legislation was supposed to be framed. In other words, we had the cart before the horse. It must be remembered that the chairman of the Foreign Relations Committee of another body, as well as the chairman of the Foreign Affairs Committee of the House, at the President's request, had promised to call a meeting of those two committees on November 10 to consider legislation for interim aid.

I understand that the President had agreed with the leadership to consult with them about the calling of a special session. I am further under the impression that the leadership called it a breach of good faith on the part of the President when he summarily and arbitrarily called the special session for November 17 without consulting the leaders.

Whether that was strategy on the part of the administration I shall leave for the Members to judge, but the result was that both committees began their hearings on November 10. By November 14 the Foreign Relations Committee of another body apparently had concluded its hearings. On the same day the House Foreign Affairs Committee had called and heard all the witnesses from the administration on the pending measure and they had been excused. This was 4 days before the President delivered his message on interim aid, price control and the proposed police state to the Congress on November 17.

As a practical matter, therefore, there was no opportunity for our committee to examine administration officials on the President's message on November 17. Therefore, while the impact of interim aid on our economy was considered in committee, its relation to the need for a police state was, as I said, not discussed.

On the other hand, the President had given no intimation up to the time of his message that he would discuss price control, rationing, and so forth. In fact, at his press conference on October 16 he had classed all forms of price control and rationing as essentially police-state methods. Therefore, all the committee had before it along this line was the statement issued by the President on his meeting with congressional leaders on October 23, his official call for the convening of the Congress on the same date, and his radio address to the American people on October 24.

At this time he must have had in mind his proposed program for the police state. Yet he did not in this radio address tell the Congress or the American people anything of his proposals for a police state.

I repeat, therefore, that if to some Members it seems strange that the Presidential message in response to which this legislation should have been based was never discussed, this is due to the strategy or program of the administration.

Last spring, about the time the House was considering the residual relief bill of $350,000,000, I paraphrased an old saying with the words, "Oh, what a tangled web we weave when first we practice to relieve." The further we get into this relief business, the more violently do I feel the truth of that statement.

In 1944, at the time of the first UNRRA bill, there was a very serious attempt to keep away from reconstruction. I remember how the Committee on Foreign Affairs struggled with such provisions as "rehabilitation shall be co-terminous with relief." In other words, the most painstaking care was used to confine the undertaking to human relief and to guard against our undertaking the reconstruction of the European economy. Now we are on the threshold of an effort in which we abandon the hunger, shelter, clothing relief, and have switched over, not only to the reconstruction of European economy, but the economy of the whole world.

In this interim relief bill, which is the prelude to the long-term Marshall reconstruction plan—for, Mr. Chairman, it is just that, regardless of what we call it—we have abandoned the consideration of the destitute individual. We are now considering legislation to authorize funds for stabilizing foreign governments and national economies. We are providing coal, cotton, and petroleum for manufacturing purposes to keep the economies of the recipient countries going until the long-range Marshall plan is adopted.

Now let me say first of all that at present I have no objection to such objectives. De Gasperi in Italy and Schuman in France are conducting a valiant fight for preservation of free governments, and right at this moment it seems that they have a fighting chance. Austria, under the quadra-partite occupation burden, is entitled to the same consideration, all this not only from a humanitarian standpoint and for European recovery, but also as a matter of enlightened self-interest.

On the other hand, I have always contended that in this whole relief undertaking we should be governed by the rule of reason, with due regard for the means at our disposal.

It was under this conviction that last spring, when the $350,000,000 residual relief bill was up for consideration, I offered amendments cutting that sum to $200,000,000, and the relief period to December 31, 1947, instead of June 30, 1948. The House, in its wisdom, adopted the first amendment, which as we know, was later nullified by another body. The latter amendment was not adopted.

At the time these amendments were offered the uncontradicted testimony of President Truman, of Herbert Hoover, and various officials from the State Department was that relief would be needed only through the next crop period, which was to the end of October of this year. My amendment was further based on the fact that the budget contained only $100,000,000 for this residual relief, and that no evidence had been advanced to warrant any larger amount, so that $200,000,000, twice the amount they had asked for in the budget, should be ample.

I said then, I quote:

> In upping the amount (from $100,000,000 to $350,000,000), the administration had admitted that this amount was partly based on judgment and partly grabbed out of the air. The evidence, of course, is overwhelming that the extension of the term of relief for 6 months to June 30, 1948, was also grabbed out of the air.

I went on to say:

> These two changes have all the earmarks of changing residual relief into continuous and permanent relief by the bureaucratic boondogglers.

Now, how nearly was I right at that time? The Congress has been furnished a report on this residual relief bill as of October 31, 1947, which was up to that time, under its provisions, we had shipped to the recipients, including shipping charges, $128,462,061. In other words, had the Congress stuck to the amended bill for $200,000,000, they would still have had, at the end of that crop

period, $71,000,000 undisposed of. As it is, the administration had at the end of October, $204,000,000 available.

It is this prodigality, and these scoop-shovel methods with the taxpayers' money that I feel should have closer scrutiny than they have had in the past.

The looseness of our whole effort is further accentuated when we consider that after passing this bill, whether you call it interim aid or by any other name, there will be funds for spending under three different bills.

On May 21 last, when we were discussing the residual relief bill for $350,000,000, I called the attention of the House to the President's UNRRA report for the 1st of January 1947, which showed an undisposed amount as of that day of $1,377,170,726.

Without going into some other details to which I called attention at that time, I want to say that the President's report for UNRRA, as of March 31, 1947, just last March, which also was withheld until the date of the President's message, some 8 months later. On that date there was still available under UNRRA $1,088,352,819. In other words, while Congress was in the throes of passing a residual UNRRA relief bill of $350,000,000. UNRRA still had on hand $1,088,000,000 which is being spent at the rate of about $70,000,000 a month. At that rate they still have enough left for 15 months, from March 31, 1947.

In reporting on UNRRA the President said he would make his June 30 report. It is now nearly 5 months since June 30, and the committee should have had the benefit of that report long before this time. Why is it being withheld? I am frank to say I have not had time to study what is being done with UNRRA money, or where it is being distributed, but I did at least take time to check on the progress of expenditures.

Then, of course, on July 31 last, the residual relief bill began to operate, with appropriations of $332,000,000, and, as I have said before, on October 31, 1947, there were $204,000,000 available under that bill, running at the same time.

Mr. BLOOM. Mr. Chairman, will the gentleman yield at that point for a question?

Mr. JONKMAN. I yield.

Mr. BLOOM. When the gentleman is talking about UNRRA is he talking about the international organization or does he mean that we have that much balance to the credit of the United States?

Mr. JONKMAN. The gentleman knows I do not mean that. But there is $1,000,000,000 there that should be spent for relief. I want to know something about it. I will answer the gentleman's question.

Mr. BLOOM. All right. May I ask another question? We had nothing to do with the amount of money that is in the international organization, although we may have contributed a certain percentage of it.

Mr. JONKMAN. I realize that, but I want to say to the gentleman there is $2,700,000,000 of the taxpayers' money in that fund. I want to know where it is going.

Mr. BLOOM. I think I can tell the gentleman. I think the gentleman should be fair and differentiate between the amount of money contributed by the United States Government and the amount of money that is in the international fund.

Mr. JONKMAN. I realize that there are two different funds; but the point I am making is that the relief money is still there in the international fund and the United States fund. Where is it being used?

Mr. BLOOM. May I say—I do not want to interrupt the gentleman, but I may say that I do not think the gentleman differentiates between the amount of money that is contributed and what has already been paid for.

Mr. JONKMAN. I want to say to the gentleman that I am not so much interested in what is obligated or allocated, as I am interested in what gets to hungry mouths. That is when I become interested. You can obligate this within 2 days after the bill is passed, but you will not have any of the food in Europe. It is shipments that count.

Mr. BLOOM. We will under this bill.

Mr. JONKMAN. I want to say in all fairness that I understand the new Administrator, Mr. Richard Allen, is doing a much better job than has been done. Nevertheless, I want to know how much money is really needed.

Mr. ROESION. Mr. Chairman, will the gentleman yield?

Mr. JONKMAN. I yield to the gentleman from Kentucky.

Mr. ROBSION. I wish the gentleman, right at this point, would state if he knows, and I am sure he knows, what part of this billion dollars or whatever the sum may be, was contributed by the United States?

Mr. JONKMAN. 78 percent; that is $780,000,000, roughly.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. JONKMAN. I yield.

Mr. CHURCH. I wonder if the gentleman would get a little more time from the gentleman from New York to say why the President does not make the report on UNRRA as required and which should have been made last June? I think that is of importance.

Mr. JONKMAN. I think I will cover that in a general way in just a moment.

Mr. CHURCH. I wondered if the gentleman from New York would answer it.

Mr. RANKIN. Mr. Chairman, will the gentleman yield for a question?

Mr. JONKMAN. I yield.

Mr. RANKIN. Talking about communism in Europe, I noticed an Associated Press article on the front page of the Washington Post this morning showing that the Communists, or some un-Christian elements, are strong enough in New York to forbid the singing of Christmas carols in 23 Brooklyn schools and to prohibit even Christmas decorations. I am just wondering while we are fighting communism abroad if we had not better concentrate at home and clean our own house first.

Mr. JONKMAN. I thank the gentleman for his contribution.

Now, assuming that we pass this interim-aid bill before the end of the month, there will be another $500,000,000 or more overlapping the other two, and available at the same time, none of which is related to the others.

I shall not speak of appropriations for the army of occupation in Germany and Austria, or the other billions of postwar relief, but in passing I want to mention that we established the World Bank and the stabilization fund in the hopes of eliminating continued responsibility on the American people alone, as contemplated by this bill and under the so-called Marshall plan.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. BLOOM. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. JONKMAN. Mr. Chairman, this week newspapers said in streamlines, "World Bank loans to await Marshall plan."

The point I want to make is that there is no way for a Member of Congress to find out where we stand on relief funds or relief needs as related to UNRRA, the residual $350,000,000 relief bill, or the proposed interim-aid bill. Nor does anybody seem to pay much attention to the amounts available under past legislation.

Nevertheless, it is vitally necessary to consider and know these amounts before we can intelligently make a new authorization. Now some Members may ask, Why do you not give us an analysis of the March report on post-UNRRA relief aid? The difficulty here is, as I informed the House in 1945 during consideration of the second UNRRA appropriation, and again last May, the bookkeeping is so confused that not even an expert accountant can make such an analysis. While I can read a balance statement, I am not an accountant. But even if I were, it probably would not avail, for as I looked at these reports this week, I read such headlines in the newspapers as "No one knows if the United States had surplus or deficit in 1947, auditor says." And, "Books so badly kept, data not available, ex-GAO official testifies." I came to the same conclusion as to UNRRA in 1945 and this spring, and so stated to the House.

Now, coming down to the present bill the next question is, How did the administration arrive at the amount of $597,000,000 originally provided in the bill?

This, as has been explained time and gain, is done on the balance-of-payment basis. However, the balance-of-payment theory is no basis whatsoever for calculating food and other human-need scarcities. It is principally a difference between imports and exports, or the excess of imports over exports. For instance, in the case of France, her imports and dollar requirements amount to $816,000,000, while her exports and dollars available amount to $488,000,000. So it is said her shortage or needs are $328,000,000.

Italy's dollar requirements and imports are $386,000,000, while her dollar resources and exports are $159,000,000, from which it is deducted that her need is $227,000,000.

In the same way Austria is rated to need $42,000,000, making a total of $597,000,000. However, this includes approximately $184,000,000 for coal, mostly for manufacturing purposes, as well as $35,000,000 for petroleum, and $38,000,-

000 for cotton, also for manufacturing purposes, and undoubtedly many luxury items. This becomes purely guesswork.

In view of all the foregoing considerations, I offered an amendment in the committee to reduce the authorization to $300,000,000. This amendment was based in part on the general considerations I have just stated and further on specific items which not only speak for themselves, but also lend emphasis to these foregoing considerations.

For instance, there was reliable information that the State Department had underestimated Italy's grain crop by 1,000,000 metric tons. This would make 37,000,000 bushels, and at $3 a bushel it would come to $111,000,000. This consideration is further fortified by the fact that much less grain will be available for Italy than had been estimated by the State Department in the amount of at least $74,000,000. And, as suggested by the Herter committee, it would be most unwise to promise Italy grain which we do not have.

In addition to this, Italy's olive crop was found to be $13,000,000 higher than estimated by the State Department.

On the basis of French production as against our availability, the estimate showed that at least $17,000,000 should be deducted, and, then, in addition to this the State Department considered French payments to Belgium and Brazil on commercial account in the sum of $20,000,000, which should not be recognized as relief items and disallowed.

Roughly, the items I have enumerated amount to $418,000,000, and if we cut $300,000,000, it would still leave $118,000,000 of these amounts for heat fuel, straight relief, and duplications.

Congress will be in session practically continuously until the middle of next year. If these $300,000,000 are actually needed, I think the administration should be asked to come again to Congress with a composite picture or balance sheet as to the amount still available under UNRRA, the residual relief bill, as well as the present interim-aid bill.

The situation and program is far too important to be met with rush legislation, disposed of under the haphazard facts that have been furnished to the Congress at the present time.

At the proper time I hope to offer an amendment reducing the present authorization in accordance with the foregoing remarks.

Mr. BLOOM. Mr. Chairman, I yield myself 2 minutes just to answer one or two things that the gentleman mentioned in his remarks. The gentleman, evidently, has not been informed of the meeting at the White House which was called by the President with reference to this legislation and the idea of the bill that we have before us. There were leaders of both parties, Democrats and Republicans, present. The President at the first meeting stated the object of the meeting and the amount of money that would be necessary to relieve the situation in Europe as regards Italy and France. At the first meeting the President also stated to the leaders of both parties that it might become necessary to call a special session of Congress. At the second meeting Senator TAFT and all the other leaders of both Houses were present, and the President stated that he found it necessary to call a special session of the Congress on a certain date. Now, that information was given to the leaders before the President gave it out to the press; in fact, if I remember correctly, it was the Republican leader that gave it out to the press before the President did, so I think it is in error to state that the President did not notify the leaders at that time to come to Washington with reference to this special session.

Mr. JONKMAN. Mr. Chairman, will the gentleman yield?

Mr. BLOOM. I yield to the gentleman from Michigan.

Mr. JONKMAN. While I agree that at one of those meetings, on October 23, the President mentioned high prices and relief, did he at that time say anything about rationing or about price control?

Mr. BLOOM. That I do not know. I do not remember. I cannot answer. He may not have.

Mr. JONKMAN. For that reason I stated to the House positively that he did not.

Mr. BLOOM. Well, the gentleman may be right. I do not want to answer that. But, I do want to say specifically that the President did call attention at both meetings to the fact that there may be a special session, and before the President gave out the information he called a meeting of the leaders and stated that it would be necessary to call a special session, and there was some debate between the majority leader and myself as to what the date should be.

Mr. JONKMAN. I do not think I have any quarrel with the gentleman on that.

Mr. BLOOM. No.

Mr. JONKMAN. But I do say that 4 days before the President's message to the House the testimony had all been heard, and shortly after that General Marshall went to Europe and there was no further testimony available on the message of November 17.

Mr. BLOOM. The gentleman may be right.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TEAGUE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. TEAGUE. Mr. Chairman, I am supporting this legislation on one basis, and that is the national defense of this country. It is certainly true that there are hungry people in Europe, but I did not see the widespread starvation that many have reported, and also there are hungry people in this great country of ours. The world is dividing into two groups, and for our own good we must maintain every outpost possible in Europe. Every man who has had military experience knows that you must maintain outposts and listening posts. At the present time, we do not know what is happening inside Russia, Albania, Yugoslavia, and many other countries, but we do know what is happening inside France, Italy, Austria, Germany, Greece, Turkey, and all those countries friendly to us.

I do not believe you can buy people away from communism, but the economy of a country can sink so low that it is impossible for the government to resist. I am convinced that if we do not help France, Italy, and Austria that Russia will take over those governments just as she has in some other countries.

At one time I thought it possible that we could get along with Russia, but after seeing the cruel, beastly actions which Russia is supporting in Greece, through Albania, Yugoslavia, and Bulgaria, I am convinced that there is no honor or honesty in the Russian Government. The most bitter feeling against communism which I saw was among the Greek peasants, farmers, and small villages in northern Greece. They know, from the killing of their people, the burning of their homes, the stealing of their food, and the forcing of their sons to become traitors to Greece that communism is a terrible disease.

In closing, Mr. Chairman, it is my belief that our programs abroad must be administered in a hard-boiled, businesslike way. I found a number of instances during my trip in Europe where American generosity was being mistaken for weakness.

Mr. BLOOM. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. GOSSETT].

Mr. GOSSETT. Mr. Chairman, I want to address myself briefly to paragraph 3, section 5, of this bill, with which I am in hearty accord. I might entitle these few observations "Selling America Abroad." I have been interested in the reports brought back by all the gentlemen speaking on the subject to the effect that America's motives and America's charity are generally misrepresented and misunderstood by the countries to which relief has been given.

It seems to me we have done a very bad job of selling America abroad heretofore. In connection with subsequent relief, it seems to me we ought to give particular attention to the publicity, the advertising, and the propaganda, if you want to call it that, used in foreign lands. Instead of leaving this program of selling America abroad to Hollywood or to some of the intellectuals in the State Department, we ought to turn it over to some hard-headed, practical American businessmen and let them sell this program or explain it just as you sell refrigerators or automobiles or radios or anything else.

The thing I have in mind is this: We can buy advertising abroad, thereby furnishing those folks dollars which they in turn can spend for American goods. We ought to take full-page advertisements in all the papers of countries to whom relief is given or loans made. For instance, if we are going to unload a half-dozen ships of wheat in France, we should take full-page advertisements in French newspapers, use billboards, if they have them, and take time over French radios. We should tell them in language that they can understand just what America has done, is doing, and will do, and why.

The gentleman from Florida [Mr. ROGERS] made a very fine talk here about some of the sacrifices we made in the war. If I were to write a billboard in Europe, just by way of suggestion, I would do it this way:

What has America done? World War I, 250,000 casualties, $50,000,000,000 spent. World War II, $360,000,000,000, 1,000,000 casualties. What has America asked and received? Not one cent of reparations, not one foot of territory. What has America spent in your country since the war?

Put it down in plain black and white.

What does America want? Peace and friendship.

We might as well educate these folks a little bit on what America has done. In private charity it is indelicate and it is unbecoming of one to advertise what he has done, what he has contributed to the church or the Red Cross or the Community Chest or anything else; but in this matter of international good will the exact reverse is true. We ought to tell the story of American generosity.

It burns me up to hear people talk of American imperialism or dollar diplomacy of mercenary capitalism. We have been and are the most unselfish, the most magnanimous, the most philanthropic Nation on the face of the earth. If we are spending billions abroad, why can we not tell that story to the most ignorant man in the countries in which we are operating, and tell it in such a way that he cannot fail to understand it?

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. GOSSETT. I yield to the gentleman from Georgia.

Mr. COX. The gentleman is eminently correct in the observations he now makes, because as a good-will measure this bill will pay no dividends unless the story is told, for the humanitarian aspects of the bill are lost in the fact that the grant is made to governments rather than to the nationals of governments. It is going to be difficult for a coal miner in the Ruhr who purchases at a price three or four times their value, the goods that we advance to appreciate that it is a gift the American people are making to him. So I repeat, the gentleman is correct in saying that people of common sense and of sound judgment should be put in charge of this informational program. When I was abroad I found that the Voice of America sounded like the explosion of a popgun, whereas the Russian program was booming like a cannon 24 hours out of the day. Our informational program is not adequately financed.

Mr. GOSSETT. I thank the gentleman for his contribution.

I noted in yesterday's press a story which said that the Voice of America had been broadcasting to the countries of Europe that there was a run on Russian banks. If that story were true, it was bad for the Voice of America to be propagandizing the fact. If it was not true, then it is bad also. The thing that worries me is, as the gentleman has said, that the Voice of America has been very inept and in many instances I feel it has done the cause of American good will more harm than good. The most important thing we have to sell, which I think we admit is the big objective in back of this thing, is the principle of democracy to the people and to unsell them on communism. If we fail in that then we have poured our money down a rat hole.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. GOSSETT. I yield.

Mr. HAYS. It does not nullify the unselfish character of the gift to put a label on it. I agree with what the gentleman says. I am going to put a little present on the Christmas tree for my grandson and I will say, "This is from your grandfather." The bill serves humanitarian ends as well as our national security and the ones to be benefited should know that it comes out of the beneficence of America. As the gentleman has so well stated, all we ask in return is peace and friendship.

Mr. GOSSETT. That is exactly the point I am trying to make. In buying advertising we give them dollars, and we tell them what the American program is. While a great many of our colleagues have traveled abroad, and I think it is well that they did, and while they are able to tell us what the Europeans are thinking, I spent my time in traveling throughout America this summer and not abroad. I know what Americans are thinking. They are willing to make any sacrifice that is necessary to preserve what we call the American way of life and American democracy, but they are not willing to waste money. They want the people to appreciate what they have done for them. They want the people of Europe whom they are now feeding to know that they are being fed out of the goodness of American hearts. If this program is not properly sold abroad, they are going to be rightfully resentful of our failure to do so.

Mr. Chairman, I yield back the balance of my time.

Mr. JONKMAN. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. BUCK].

Mr. BUCK. Mr. Chairman, no less an authority than the chairman of the Committee on Foreign Affairs has stated that the amount of $590,000,000 authorized by this bill "was pulled out of thin air." Less nebulous will be the impact of this expenditure upon the economy of our own country and upon the cost of living in the United States. This expenditure will definitely increase the cost of living to every American family.

While I regard Chairman EATON'S "thin air" admission as a damning indictment of the bill before us, page 7 of the report does purport to indicate the make-up of the original $597,000,000 figure. The State Department informs us that that figure represents the anticipated 4-month adverse balance of trade for these three countries, presumably based on past experience. Obviously, the United States exercised little or no control over the manner in which France and Italy purchased goods in the base period. Some of the purchases were doubtless wise but we have received information that some of the purchases were unwise. Some of them were made to prop weak governments. Yet it is on the basis of those purchases, wise and unwise, that the total of our contribution has been calculated.

Having arrived at the hoped for total by way of the balance-of-trade method, the State Department has then apparently taken pencil in hand and compiled a list of commodities to be furnished whose total cost, surprisingly enough, exactly equals the total of the adverse trade balances.

I wish to discuss in some detail certain of the items included in that list.

This past summer, at my own expense, I spent 6 weeks riding in my own car some 5,500 miles along the highways and byways of France. I lived in village inns, luxury hotels, and all the gradation in between. I was routed neither by French nor American brass. I selected my itinerary and was accompanied by my own interpreter. I did not talk to a single French official, but I did talk to hundreds of ordinary people, store keepers, farmers, mechanics, waiters, laborers, industrialists, white-collar workers. They constituted a fair cross-section of the people who make up the French Republic. What I say to you today about conditions in France is based upon what I learned from these people and what I saw with my own eyes.

We are asked to supply wheat for the 4-month period to the extent of $111,000,000. Why is there a wheat shortage in France? Weather is partly responsible, but the effect of the drought has been grossly exaggerated. Primarily, the cause of the wheat shortage in France is the unrealistic ceiling price placed on wheat by the French Government. That ceiling was unattractive to the French peasant. He planted other crops on which he could make greater profit. Now, because of bad judgment on the part of the French Government, we are asked to give $111,00,000 worth of wheat in 4 months. The official price of wheat in France, as per a statement of the Herter committee, is still far short of the black market price—the real price. Thus the French Government still discourages wheat production in France. They look to us to make good their shortcoming. And we seem to be in process of doing so. And as long as we do so, wheat production in France will not increase. We merely take on a permanent obligation to supply France with $24,000,000 worth of wheat per month, with no termination date in sight.

Now, let us examine milk products, fats, and oils. For these the 4-month amount is $23,000,000. Why should France be short of these commodities when as per a recent statement by the President of France there are more head of livestock in France today than there were prior to the start of World War II. For the answer to this question we must look both at France herself and at a bit of French history.

France is roughly 50 percent urban, 50 percent rural. In urban areas food is short. In rural areas food is relatively plentiful. What is the cause of the break-down in trade between country and city?

Before World War I French peasants constituted one of the world's greatest markets for high-grade bonds. That was when such bonds were readily and in-

stantly convertible into gold francs the equivalent of 20 cents United States currency. By the end of World War I francs had not only lost their gold convertibility, but had sunk to a value of 5 cents United States. Seventy-five percent of the peasant's savings had evaporated. Came World War II and the franc dropped to less than 1 cent. The peasant lost 80 percent of what he had left. Today he knows that the official exchange rate is 117 francs to the dollar, while the black-market rate is 300 to the dollar. The peasant has been burned badly. He does not want unstable paper francs in exchange for his produce. He wants things. The government and the cities offer him only francs. Hence he does not sell. Hence the cities lack food. The government has taken no adequate measures to meet the situation. But we are asked in this bill to contribute $23,000,000 of milk products, fats, and oils which the French peasant will not sell to his own countrymen. We are asked to be more generous to the French than the French are to themselves.

Petroleum products is another $20,000,000 item. Faced with a severe petroleum shortage ourselves, we are asked to give petroleum to a country which still allots gasoline and oil to its citizens for pleasure driving.

Then there is an item of $38,000,000 for cotton. Cotton is a raw material. Raw materials are wealth producing. Should we give commodities which by their nature should be handled as self-liquidating banking loans?

Another item is fertilizer—$9,000,000 of fertilizer as a gift. Here is a commodity the French peasant wants and needs. He will readily trade meat and milk and cheese and farm produce generally for fertilizer. Here is a means of getting food to the cities. And as food does move from French farms to French cities—the less food France need seek from overseas.

When President Truman told this Congress that food in France is near the vanishing point he was badly misinformed. That statement just is not so. The fact is that food supplies there are not properly distributed.

But as long as the United States continues its blind, heedless giving, no French Government will take the politically unpopular measures necessary to the solution of France's interior problems. Reliance on rich Uncle Sam is a far easier course.

Mr. Chairman, I favor some emergency aid as provided in this bill. I favor the bill's provision for China. But I believe the amount specified for emergency aid to Europe should be reduced at least 25 percent. Only through such reduction will there be incentive to these countries to put their own houses in order. Let us not regard figures pulled from the air as sacrosant. Let us give a bit of thought to the welfare of these United States of America as well as to the welfare of our friends overseas.

The Lord helps those who help themselves. This bill proposes that we outdo the Lord.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. BUCK. I yield.

Mr. BUFFETT. The gentleman is one of the most patient and conscientious listeners in the House; I think everyone will agree to that. Has the gentleman heard any testimony to indicate that any steps are now being taken or contemplated by the French Government to solve this reluctance of the French farmers to deliver their food to the cities?

Mr. BUCK. I have heard nothing.

Mr. HALE. Mr. Chairman, will the gentleman yield?

Mr. BUCK. I shall be glad to yield to my colleague from Maine.

Mr. HALE. On page 7 of the report I note that we contemplate giving $5,000,000 to Italy for "pulses." That word is not in my vocabulary. Can the gentleman explain it?

Mr. BUCK. I would rather have some agriculturist explain it. I believe, however, pulses are a form of product in the nature of peas or beans. I do not know the exact definition; I am sorry.

Mr. RANKIN. I think probably it is a Brookiyn product.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. JARMAN. Mr. Chairman, I yield 10 minutes to the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Chairman, I had not intended to have anything to say in general debate on this legislation. I have listened to the debate thus far with interest and profit. There have been so many fine speeches made, so many viewpoints expressed, which are wholesome and good in the consideration of important legislation as we now have before the Committee; however, in view of some of the things I have heard, some of the expressions that have been made, I am constrained to express my views and to impose upon your time for a few minutes.

We have heard a great many expressions about the bill, that it should not pass or should be amended, or that we should be careful about taking further steps of this kind because of errors of the past. I can well understand the apprehension of some people in a matter of this kind. I have no quarrel with that apprehension. We must, however, face this issue realistically and practically as I am sure this Congress will.

I agree with the viewpoint that some of the programs in the past have been badly administered. Certainly errors have been made. There might have been an error made at Yalta, there might have been an error made at Potsdam; yes, we were in war then trying to bring it to a successful conclusion as speedily as possible. Mr. Chairman, there might have been an error made in our various relief programs. Hindsight is always better than foresight. We may not be tough enough in dealing with Communists here at home. We cannot be too vigilant and alert in that respect. They ought not to be allowed here in this country. But because of all of these reasons that might be advanced, it seems to me that we should not say the future holds nothing for us. Because there might have been a mistake made somewhere should we say that the whole thing ought to go overboard, forget about it and turn it over to destiny at will? Or shall I say Communist surely.

I should like to refer to what the gentleman from Ohio [Mr. JENKINS] said a few moments ago in expressing my own views on this legislation. He explained to the committee the incident that occurred in Trieste in September. I happened to be in Trieste with a committee shortly after that. With eight other Members of this Congress I heard our officers and the General Staff in Trieste explain that situation as the gentleman from Ohio [Mr. JENKINS] gave it to you a few moments ago. It is a critical area in Europe. That was a trying experience for our officers and fine men over there. That was an incident that could have easily been the starting of another great and destructive war.

To me, because of that and because of the situation that exists in other places in Europe, is the more reason for the adoption of this program and the steps that we should take toward combatting the menace than anything I know of that has been advanced.

Anything I say about this may be repetition, but sometimes I think it is good for us to repeat some of these things that mean so much to us and mean so much to the future of our country.

We can start in Sweden, draw a line through Europe on down to Turkey, and that is not an imaginary line. It is a line where the forces have been divided and there they stand facing the world today. In Berlin we have some 5,000 officers and men in the heart of the Russian zone, where you cannot get from our zone, the United States zone, to Berlin except by one air corridor, by one highway, by one railroad. In Vienna, Austria, the same condition exists. We have a handful of men there today holding the line in their fox hole, so to speak. And as we consider that line dividing two great philosophies that exist in the world today, are we to say, because there have been mistakes in the past, that we are going to let the old groping world go on into darker dungeons?

On this side of the line in western Europe we are trying to give an opportunity to countries that have been devastated by war and to say to those people: "Under the principles of democracy we want to give you a chance to rehabilitate your government, rehabilitate your economy, and have the kind of government you choose to have in a great, free world, if at all possible."

While there is infiltration, of course, and while there exists today the attitude of the Russian Government in trying to submerge the interests of the people in the western part of Europe, we are saying with our meager, little force in Europe, "Thou shalt not pass," and at the same time these people will have the opportunity, if you please, to establish a government that is stabilized. Yes; France has gone through a terrible period. Many countries have. I have no brief for the inequities that reign or have reigned in them. I have no brief for the mistakes that have reigned in them. But I do know that those people who have gone through the horrors of a

terrible war, who have had their countries trodden over by the war lords, and occupied for years and years, are laboring under a condition today that makes it very difficult for them to stand up under such a terrible experience. Yes; they are living under that condition.

Someone said to me, "Why do they not go to work?" I agree that they should go to work; some of them are trying to work; some of them are not. Someone said, "Let them go to work. Here it is 2 years since the war and they have not done anything for themselves." I remember my people talking about the horrors that existed after the Civil War in the South. I remember hearing my people tell about how they suffered, and how long it was before they could begin rehabilitating themselves and orienting themselves in order that they could do something for themselves. You cannot do it overnight. But while they are having their opportunity, are we going to say that "We are going to leave you to the Russian aggression, Communist aggression, and let all the chaos that reigned under the Communist regime take over"? Do you not know where that will take us?

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. JARMAN. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. HARRIS. I believe in humanitarian efforts. I believe in trying to do the Christian thing. I believe in good will, and certainly for what aid we extend to any people there should be appreciation. There should be some manifestation on their part that they are grateful. But I believe another thing, with western Europe groping in darkness between the two greatest philosophies and powers in the world that we have got to do something, or else we know what is going to happen. We have got to give them an opportunity to build themselves or else Russia and the Communists are going to take over just like they did in Rumania, Hungary, and in the other countries in eastern Europe. That, to me, is the basic reason why we should do something for these people, giving them an opportunity, Mr. Chairman, to come out of all of the chaos that has reigned there for a good many years.

To me national defense, the security of our Nation, the future welfare of our country and people, are the basic reasons we should provide this aid and relief. I want to avoid another catastrophe where we might have to vote to send our boys to another devastating war.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to my distinguished friend from Mississippi.

Mr. RANKIN. It was stated here on yesterday that the countries to which we are preparing to send this money do not owe anything. Why should they not extend their own credits instead of asking us to assume the whole burden?

Mr. HARRIS. I heard the gentleman ask the question. I am in thorough accord with his views with this exception: They have no economy, consequently they have no credit that they might get anywhere. You can walk out on the streets of Paris, or Rome, or the other cities in western Europe and get money exchanged there at the rate of about 3 to 1, and as high as 12 to 1, of their official exchange.

Mr. RANKIN. If we keep expanding our currency through the Federal Reserve System we will be in the same predicament.

Mr. HARRIS. That is another great problem, which we are not considering here today. It is very important, I assure the gentleman.

Mr. RANKIN. It looks to me as if we are reaching a long way to rake the other fellow's chestnuts out of the fire when he is making no effort to help himself.

Mr. HARRIS. I disagree with the gentleman that they are making no effort to help themselves. Some of them are not, to be sure. Some of them are doing all they can. Given an opportunity to work, many of those people will work.

In my opinion, from the experience I had in my brief visit over there, they do not want the Communists to take over. The largest single party in France and in Italy, as the gentleman knows, is the Communist Party. It is only by reason of a coalition of the other parties that the Communist Party today has not taken over those nations.

Mr. RANKIN. As far as the Italians are concerned, they are divided into two groups, the Communists and the Fascists. They have never had a republican form of government; they have never had democracy in Italy. They are divided today between the Communists and the Fascists. That is true, is it not?

Mr. HARRIS. I would not say that is true at all.

Mr. LODGE. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Connecticut.

Mr. LODGE. May I say to the gentleman from Mississippi that he is misinformed. There are socialist parties and socialist democratic parties. There is no Fascist Party in Italy. I will be delighted to give the gentleman the facts on that if he would like to have them.

Mr. HARRIS. Insofar as I was able to ascertain, throughout all western Europe or anywhere today there is no Fascist Party that might have any force except perhaps in Spain.

Mr. LODGE. The party of Premier de Gasperi is the Catholic Center Democratic Party. I am afraid the gentleman from Mississippi is misinformed.

Mr. RANKIN. I have had a great deal of misinformation poured into my ears here for the last few days.

Mr. HARRIS. That is what makes this a wholesome debate, in order to try to clear up these misunderstandings and correct misinformation.

Mr. RANKIN. Everybody knows that in Italy they were divided between the Fascists who followed Mussolini and fought us, and the Communists, who hate us and who are now threatening to take over.

Mr. HARRIS. Where the Fascist Party in Italy reigned during that time, the Communists are trying to take over now. They are the same dangerous vipers that threaten the peace of the world. They are the same snake in the grass. That is the compelling reason for this legislation.

Mr. JONKMAN. Mr. Chairman, I yield such time as he may desire to the gentleman from Connecticut [Mr. SADLAK].

Mr. SADLAK. Mr. Chairman, since the opening of this special session, I have listened attentively to the reports of our colleagues relating their personal observations of conditions and circumstances attending events which were witnessed by them during recent visits and surveys abroad. Some of these speeches have been short, others lengthy; some have been sketchy, others detailed. I have listened, read, and studied their and other available reports in my sincere desire to obtain adequate facts prior to our consideration of the bill that would be submitted during this session. This was the means by which I could be informed about the problem, as reliably as possible, since I had spent the so-called recess within the State of Connecticut answering so very many inquiries at an office maintained for the purpose and attending meetings, conferences, and discussions with individuals and organizations about the problems confronting them. I traveled nearly 7,000 miles within the small but great Constitution State during the recess.

Yesterday and today we have heard additional explanations, first-hand reports during this general debate on H. R. 4604, the bill we awaited, designed to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries. These speeches have been directed more specifically to the conditions, the people, the governments of Austria, China, France, and Italy because they are referred to as the recipient countries under this particular legislation.

A plea to us for assistance is nothing new. It differs from the earlier requests in the grouping of the countries to be helped. The people in each of these four countries are desperately in need of food and are not far removed from starvation. So many of our colleagues have so reported and insisted. Thus, it is a great humanitarian problem. In addition, they have further reported and insist that there is another formidable nemesis which must be contended with, and that is the Red shadow looming larger and larger across democracy's few remaining strongholds.

If the basis for the incentive to work is food, and it has been so stressed by many, then, by overcoming undernutrition by providing the necessary food, we shall start these countries on the road to more production for their own use and commence their return to a self-supporting status enabling the restoration of economic stability. Simultaneously, we shall minimize the threat to western civilization and preserve its priceless freedoms.

Mr. Chairman, though I shall go along with this bill on the basis I have just outlined, I must insist, however, that the administering of this aid be undertaken with painstaking thoroughness. I de-

mand that the underfed and the undernourished receive this bounty relating to food; that the other essentially relief commodities be distributed and used applying proven production methods; that the appropriated funds be very closely observed to insure wise spending; that new administrative machinery be provided to take over this and previous gifts arranging it that everything sent from the United States in the form of aid, each morsel of food sing out the word "America"; that each package spell out "freedom," every cent and dollar spent serve to remind that it came from the land of ingenuity and incentive; from the one country where democracy truly operates and gives evidence of its work for the world at large to see.

Mr. JONKMAN. Mr. Chairman, I yield such time as he may desire to the gentleman from Nebraska [Mr. STEFAN].

CHRISTMAS, 1947

Mr. STEFAN. Mr. Chairman, Americans everywhere are looking forward to Christmas. I am certain that the anniversary of the birth of our Lord in 1947 will be observed in this country with a different spirit than that of any other Christmas in the history of mankind. The nearest approach to Christmastide 1947 was that first Christmas nearly 2,000 years ago in Bethlehem's manger.

A Nebraska-born poet aptly described our present situation in the form of a poetic conversation between his small daughter and himself:

CHRISTMAS, 1947

What is Christmas?
Just a day
To talk of gifts,
To laugh and play?
I'd never deny
That Chirstmas is giving.
But Christmas is loving
And Christmas is living.

What is Christmas?
Just a tree,
Books and toys for
Sister and me?
Christmas is that
And more than that far.
Christmas is Mother
And God and a Star.

What is Christmas?
Just a bell
Which, ringing, holds
Us in its spell?
That is not Christmas.
Christmas is still,
Poor shepherds kneeling
High on a cold hill.

What is Christmas?
Just a word
That few will hear;
Forget, when heard?
Christmas is love.
Upon that fair morn
Our world looked at Heaven,
Our Saviour was born.

What the poet meant—and what I mean in my words now—is that our Christmas of 1947 brings us abruptly to a fork in the road of our destiny as a republic. If we turn to the left, we are certain to find ourselves in the bottomless swamps of a form of government never intended for the people of this free nation. If we continue, onward and upward, on our present road, we will come with equal certainty upon those fertile hills that are our birthright. This Christmastide fundamentals are involved in every decision: peace or war? courage or cowardice? plenty or poverty? victory or defeat?

This special session of the Eightieth Congress has been called presumably to determine whether or not this country should draw upon its resources to feed, clothe, and shelter the peoples of western Europe through so-called stopgap aid. It is the solemn duty and responsibility of every Member of Congress to weigh carefully all of the available evidence—both pro and con—before cementing his decision with his vote. To this end, in order to investigate, accumulate, and sift this evidence, the Speaker appointed a committee last July. That committee studied conditions in western Europe at first-hand. That committee has made known its findings. President Truman appointed numerous committees to make similar studies. He appointed the so-called Citizens Food Committee—the Luckman committee; the Economic Advisory Committee—the Nourse committee; the Krug committee; and the Harriman committee. All of these committees have conducted research, deliberated, and made known their findings.

There are not enough minutes in an hour, not enough hours in the day, for each Member of Congress to read each report of each of these committees as thoroughly as they should be read before arriving at a definite stand. If communism is on the march in western Europe, it will have attained its objectives by the time each of us have read and digested the Krug report. If the people of western Europe are hungry now, they will have starved before the last of us can turn the final pages of the Harriman report.

In this crisis, we cannot rely on our own powers. We can rely upon the experience and observations of other Members, knowing all the while that they—like us—can only absorb a small degree of the whole truth as individuals. We are witnessing an awe-inspiring spectacle in this House, that of Members drawing together like the drivers of the prairie schooners of a beleaguered wagon-train in pioneer days, fighting side by side to save each other's lives and to protect their loved ones. Yes; we trust each other. We must trust each other in this our common hour of decision. But, as did those pioneers of another age, we must place our trust higher than the integrity of our associates, beyond their wisdom and knowledge. As the Eightieth Congress moves toward Christmas 1947, we have no alternative save to place our absolute dependence upon God. He and He alone is our hope, our salvation.

God dwells within each one of us. Let us search within ourselves for His message. Let us read the reports of committees composed of men—if time remains to read them. But, let us not forget that the Word of God speaks out in clarion tones from the pages of the Bible, His Book.

But, what does the Bible say of aid to the people of western Europe?

Turn to the third chapter of the second Epistle of Paul the Apostle to the Thessalonians and you will find one of the answers in the sixth, the tenth, the eleventh, and the twelfth verses:

Now we command you, brethren, in the name of our Lord Jesus Christ, that ye withdraw yourselves from every brother that walketh disorderly, and not after the tradition which he received of us. * * *

For even when we were with you, this we commanded you, that if any would not work, neither should he eat.

For we hear that there are some which walk among you disorderly, working not at all, but are busybodies.

Now them that are such we command and exhort by our Lord Jesus Christ, that with quietness they work, and eat their own bread.

This and other passages in the Bible can well be reckoned rocks of refuge in the stormy sea of present-day thinking. I am proud to use the Bible as my chief guide to reach the conclusions I must reach in regard to the aid which this country has been called upon to render to the cold, hungry, and ill people in western Europe.

Through the Bible and because of the Bible I have won through to those basic decisions on the subject of immediate aid to Europe on which I intend to build my future words and deeds.

To my mind, these are the basic decisions:

First. The hungry of Europe must be fed during this winter, by our help; the homeless of Europe must be housed during the coming winter, by our help; the cold of Europe must be given fuel this winter, by our help; and the sick of Europe must be supplied with medicine during this winter, by our help.

Second. The necessities of life must be brought to the needy of Europe through methods of distribution which will not swell the coffers of the black market nor of any foreign government charged with such distribution. To this end, not only the executive branch of the United States Government, but the legislative branch as well, will have to scrupulously keep watch over this distribution.

Third. Definite checks and limitations must be placed on what goods are sent abroad. If the sending of food from America to Europe spreads hunger in America, that type of export must be stopped. The whole world dreams of sharing our prosperity. Not one country in the world would volunteer to share our poverty. We can lead only as long as we are strong. Should we sacrifice our world leadership, there is only one man who will assume that leadership—Stalin. All of us know that a weak America means no America at all.

Fourth. The truth must be told. Those who receive must be kept aware of the country of their benefactors. I should like to see the insignia of this Nation on every crate of foodstuffs, on each bottle of medicine and on every bag of coal. If it is the destiny of this Nation to be the fountainhead of life to other nations, it is just that the people of the receiving nations know that they are getting their lives from Americans who look up to and revere a Republic governed by a Constitution based on liberty. Even as the truth should be

told to foreign nationals, it should also be told to Americans. The American people are sacrificing to give this food, this medicine, this fuel to Europe's needy. The American people—and Congress—deserve to know something far better than half-truths from the State Department. Whomsoever is entrusted with the administration of this aid cannot escape making a full and fair accounting of their administration to the real source of it.

Fifth. The stopgap aid must be applied to immediate needs. We must not deceive the Europeans by making them think that, when the present perils have been passed, they can neglect their production and rely on Americans to continue to produce for them. This country has given billions in lend-lease. This lend-lease did not hold back the iron curtain. This country has given billions to Britain. This has not halted the spread of state socialism. The stopgap aid cannot be considered a lasting barrier to communism. It is what it is intended to be: a means to keep people alive who would starve without it; to keep people clothed, warmed, and well who would be cold and sick without it.

Yes. Christmas 1947 is more like the first Christmas at Bethlehem than any other in all time. Men, women, and children are thinking the early, the elemental thoughts. In the United Nations, in Congress, in millions of American homes, people are banding together against evil. Their trust is in the living God. And through this strong, abiding faith I am confident that God's peace, toward which we have struggled so long, will surely be attained.

Mr. JONKMAN. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. LEFEVRE].

Mr. LEFEVRE. Mr. Chairman, nothing was quite so distasteful to me than to read in yesterday's New York Herald Tribune—the paper I have long cherished and have read regularly—a short editorial criticizing Members of the House for not immediately passing the interim-aid bill for foreign relief. I believe that every minute granted the membership on this legislation is justified. Certainly the Members who did not visit these foreign countries the past summer are entitled to hear from those who did, and, so far, the information given by Members who saw conditions first-hand warrants the few hours of discussion allowed. I believe the House bill will be an improvement on the Senate bill when finally passed, and the Members are justified in facing the complete picture, as it involves much. I do not believe I have ever seen the membership quite so confused on any former bill. There probably is not a man in the House who would refuse food and fuel to those who are hungry and cold. Likewise, I doubt whether there are many who would cherish the criticism that his vote might hinder and delay our Government's efforts to stop the spread of communism. I think the great majority of our constituents would approve of aid to help those in real need. But there has been so much criticism in the past of the methods of distribution that I, for one, want to be able to feel that any relief we give goes to those it was intended for.

If the relief purchased by the taxpayers of America, through the passage of this bill, goes to further the cause of communism, and also goes to those nations already dominated by the Russian leaders, we would be justified in holding up this legislation until we are assured of honest distribution. We cannot laugh off the fact that our responsibilities here are great. It is impossible to determine to what extent the entire foreign-aid program will go. The President himself is bound to be concerned because he knows the domestic demand is presently beyond the supply in many cases. This is why he is asking for a return of price controls and rationing. The housewives in my part of the country have too good a memory and abhor the thought of returning to rationing, coupons, and black markets.

We can remember those little grayish-covered books filled with various colored stamps, issued by an organization called the OPA. We all can remember, too, that if we could not get what we desired at the ceiling prices, it could be purchased at twice the market price in the black market. Then we can also recall that in October of 1946 President Truman announced that he was removing rationing except on sugar and the little stamps were a thing of the past. Strange enough, almost at once, meat suddenly appeared where it had not existed before. Other foods became plentiful and the black market floated out of the window. Since then our country has enjoyed great prosperity. Our earnings have been big. We have been living better than ever before and have bid up and up for the things we have wanted. Besides, our Government has been buying untold quantities of foodstuffs for shipment overseas. We can grow and produce only just so much. We cannot feed and clothe everybody without creating a scarcity. Higher prices are bound to follow. It does not take much stretching of the imagination to notice how the housewives will react to those little gray books again, how the racketeers would cheer their return, and how the working people would accept a ceiling on their wages. This is a moment when our country has the opportunity to prove the efficiency of a free economy as opposed to communism.

For the benefit of the editorial writer of the article referred to in the New York Herald Tribune, it is not a question of paring down the bill which the Senate passed overwhelmingly. From what I have heard of the methods used to arrive at the figure involved in this aid program, a few million dollars more or less means little. It is a question of whether or not we care to protect the gigantic investment of $350,000,000,000 and the lives of the thousands of our boys that were expended to defeat Hitler and save the world against totalitarianism, or to relinquish our position of international leadership and possibly face a third world war, which would make this initial request look like mere chicken feed.

Mr. Truman may have us "over a barrel," as some writers refer to the situation, but Mr. Truman has some explanations to make to the American people. How can he or his State Department explain the $16,000,000 that has gone to Russia during the year 1947, under lend-lease, when these shipments were to have ended a year ago this month? The American people are not dumb and the barrel may make a reverse roll. I plan to support this bill if certain strengthening amendments are approved. I intend to go the whole way and agree fully with the aid for China, too. I have that much faith in my colleague the gentleman from Minnesota, Dr. JUDD, and I can well understand the necessity for having two fronts for the Russians to worry about. We have a tremendous problem and we must have the full support of the American people.

Mr. JONKMAN. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I have had an opportunity to carefully read the report of the 16 nations of western Europe, the Harriman report, the report of the Presidential advisers, and the so-called Krug report, as well as the President's message to the Congress, which was delivered only a few days ago. The countries of the world less fortunately situated than our country basically need material goods, manufactured goods, and foodstuffs. It so happens they want dollars to use as payment to get the goods, which I have mentioned, from the United States because they are in such short supply in other parts of the world. It is not so much a question of other countries taking their local currency which they have and buying goods as it is a fact that these goods are not available in the countries where their local currencies are located. The goods that are in stock are over here, and two groups are contesting in the open market pit of this country for those goods, namely, the people of the United States and the people of other countries, to whom we furnish dollars as tokens to put them in a position to come into this open market and bid against us.

If these other countries have insufficient goods to give to us for dollars in exchange for the goods they would ship to us, and that is the situation as evidenced by the unfavorable balance of trade against those countries and in our favor, which has been argued here in debate for the last 2 or 3 days, the people who are promoting this Marshall plan and this short-term relief plan and the long-term relief plan come to the Congress and to the people of the country and argue that we should provide the dollars to those other countries with which to pay for the goods to be shipped from the United States. That is the basis of the argument presented here, because the argument is continually made that poverty causes the spread of communism. I take no stock in that philosophy because we have had poverty-stricken people here in the United States ever since the Government was formed. We will continue to have them. I have in mind the colored people of the South, who have always been poverty-stricken, but we never had communism in that section of the country until organized Communists

went there and promoted that philosophy. It did not come out of the poverty-stricken homes. That is not what spreads communism. But we argue here that we should eliminate the poverty of European countries in order to prevent the spread of communism. That means to say that we should send the necessary physical goods to Europe to save the people and to remove poverty so that communism will not spread. In that argument we are going to fail, because you do not have the dollars in this country to send there to be backed up by goods from this country in response to the call from those dollars. That is a fundamental economic fact which we are up against. We have advanced these dollars to Britain and to other countries to enable them to buy goods from us. The world outside of Britain has been paying to the United States through the immediate delivery of goods shipped to us no more than about one-third of the supplies which have been exported by us. We face a basic question. It cannot be separated from this bill or from this debate.

From our own viewpoint, are the needs of other countries for the two-thirds exports not offset by foreign imports to us from those countries, and our own long-run interests in satisfying them, so great that this country, the United States, ought to provide the necessary means of financing them? That is the basic question we face. I think the United States has already gone too far. We have gone so far in our bungling and mismanagement of this whole question, in my opinion, that we are now so rapidly destroying the buying power of the past accumulated savings and the current wages of our own people that we rapidly move toward the precipitation of an economic revolution here in the United States. I think we have oversubscribed. I think we have undertaken too much. I do not believe we can deliver our present commitments. I am satisfied in my own mind that sometime within the next 24 months we will have reached a point beyond which we cannot go. I have great respect for the feelings of our people if you please, even more than I have for the feelings of the people of other countries. We cannot continue the present program because it will destroy us economically. It will wipe out our capital structures, both individual and corporate. We face another great economic washout simply because of the economic bungling and emotionalism which enters into this whole picture, wherein so many of our people believe there is no bottom to our economic meal barrel. As pointed out by a former Member of the Senate who was on one of these committees to which I have referred, the United States is not an unlimited cornucopia. There is an end to the economic burden to which we can subscribe and under which we can deliver. I think economically and financially we are reaching that end, and with all the emotionalism removed from my mind with respect to this picture, I am not in a position to support this bill. I think we have carelessly handled and badly mismanaged the dollars we have already taken from the American taxpayers and bond buyers in connection with these so-called grants-in-aid programs that we have approved.

There is no way I can conscientiously stand before the people of my district and defend my position if I help continue this program. There is a too great scarcity of goods in the United States. We should repeal the 40-hour week. We should enable goods to be produced more and more in this country, without increasing the wage rate per hour on that increased production, and we should do it by moving the minimum weekly hour up to at least 50 hours per week, and get back into the production of goods, first for our own people, in order to maintain the buying power of our own currency, and then if we have goods that we can still ship to the other parts of the world on a grant-in-aid basis let those goods go, but not to the extent of destroying the buying power of our own people.

These price advances which we now witness and which are so highly destructive of our own people cannot be cured by any kind of Government control which can be designed by anybody on the face of the earth today. I shall continue to oppose the reinstatement of those controls as political sop to our people who are not so well informed on these questions as some of us should be, by reason of the chance we have had to study them. So I do not want to be a party to further crucifying our own people economically and misleading them through the slogan which cries out that it is our responsibility to feed the hungry people of the world.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. BUFFETT. The gentleman is making a very forceful speech on this situation. I wonder if he recalls that William McC. Martin, Chairman of the Export-Import Bank, testified before the Banking and Currency Committee early this spring. When asked about this dangerous financial situation at home he was asked whether or not this foreign lending had approached the point of alarm, and his answer was given in these words:

In terms of lending, I think we are in the danger zone now.

If that be correct, certainly this House is asking for trouble, asking for the kind of panic that will upset the world if they continue to pass such bills as this.

Mr. CRAWFORD. We are moving just as fast toward the coming crash in this country as we can possibly move in this day and age. For evidence of that I cite you to the war now breaking out between the Secretary of the Treasury of the United States, the Chairman of the Board of Governors of the Federal Reserve System, and the private bankers of this country who have pushed their business loans of the Federal Reserve banks alone up to the fantastic sum of something over fourteen billions. The Federal Reserve Board has just estimated the Nation's banks have over $41,000,000,000 out on loan as of October 29 last. There are plenty of danger signals if we want to heed them. Not another dime should be presently loaned to industry for any purpose than for the production of consumers' goods. All loans for the financing of additional inventories on an advancing price level should be immediately discontinued. The inflationary aspects and effects of such loans are now too highly destructive for further expansion. The hour for correction is long overdue.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. HOFFMAN].

AMERICA FIRST

Mr. HOFFMAN. Mr. Chairman, well do I remember the flood of name calling, the smearing, the vilification, and the false charges of sedition and disloyalty which were loosened upon those of us who opposed the foreign policy which involved us in World War II.

Fully do I realize that the warmongers and the war profiteers, the internationalists, those who have little faith in America, her Constitution and her people, will again turn on their well-oiled, their well-financed campaign of vilification against all who oppose any part of a policy which many of us sincerely believe will destroy America.

It seems to be old-fashioned, out of date, and a relic of the horse-and-buggy days to believe in one's country and to first act in the interests of one's homeland.

For myself, in opposing this legislation, in casting my vote against it, I am but following the advice of the Father of my Country and of a present-day outstanding and powerful supporter of a bipartisan foreign policy. If that seems inconsistent, listen.

It was on September 19, 1796, that George Washington, putting aside all political ambition, throwing away the reins of power which might well have remained in his hands until his death, among other things, inquired of his fellow countrymen, and I quote:

Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

Of that message and of that advice, on February 27, 1939, the outstanding advocate of this proposed legislation, among other things, said:

Ah, Mr. President, this address may be 150 years old but, like the law of gravity, it is as constant in its wisdom and accuracy today as it was the day it was uttered.

* * * * * *

Mr. President, if that message had been penned last night, its words could not fall upon our ears with more significant and pertinent application at this moment. True, we do live in a foreshortened world in which, compared with Washington's day, time, and space, are relatively annihilated. But I still thank God for two insulating oceans; and even though they be foreshortened, they are still our supreme benediction if they be wisely and prudently used.

The oratorical ability, the statesmanlike presence, the sincerity and the patriotism of the individual just quoted cannot be and is not questioned. His judgment which leads him to support this legislation cannot, however, be followed by me.

His conversion to the present bipartisan policy, in view of his former utterances, is baffling.

On the same February day in 1939, he made these further statements:

Mr. President, in my view, the question of national defense is inevitably geared to the question of foreign policy.

If we have a rendezvous with destiny, this surely is our supreme assignment.

But it is accurately said that at the moment we confront a condition, not a theory. As realists, we must take the world as it is and not as we would wish it to be. This undoubtedly calls upon us to review our defense resources, and, however, reluctantly, to make them adequate. * * *

But, Mr. President, adequate for what? That is the controlling question. Its answer must preclude all other answers to all other questions. * * *

Adequate for what? Adequate to implement national defense in the traditional American sense of minding our own business? To that, I can uncompromisingly answer, "Yes." * * *

Adequate for what? To help police the world under theories of collective security? Again, "No."

The same eminent gentleman also told us that we should never take a first step unless we were prepared to take the final one.

In my humble judgment, and it is based upon what has happened to us in the last 30 years, the policy which we are today following means, in the end, a third world war, and to that policy I cannot, I will not, subscribe.

Let us, however sincere and patriotic they may be, raise our voices against the opinions of any who seem to think that the resources of America are unlimited; that upon us has fallen the duty of supporting the rest of the world; of furthering the selfish plans and schemes of greedy, avaricious individuals and groups, whose only objective seems to be the creation of a one world, of an international organization, of a United Nations; of some sort of an organization, whatever be its form, which calls for the hauling down of the Stars and Stripes, the running up of a rag, which, whatever be its form or color, will be the symbol of a surrender of at least a part of our sovereignty, of our right to declare war, to make peace, a transfer to the international organization of the power to conscript the youth of our land to fight when, where, and for what purpose that international organization may think advisable.

Those who, in years gone by, opposed that sort of an organization were in derision labeled "America Firsters," and they were charged with a lack of patriotism, with being disloyal to their country.

Let those from the cities, those who are the representatives of various groups which place the interests of the people of their own race, of those who accept their form of religion, above the welfare of America, continue to call me an isolationist, an America Firster.

My reply is, I glory in the charge that the interest of my country is ever first in my mind, ever the guide for my actions, and, to those who do not like this country of ours and its institutions, I wish them either a happy journey to the land where, it is said, the fires never cease to burn and the smell of brimstone is ever in the air, that is, if they wish to migrate, or, if they prefer, to the land of their choice.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. Yes.

Mr. COX. I am certain no one would question the understanding and the loyalty of my distinguished friend. He referred to Mr. Churchill, and if he would permit me I would like to make the observation that among the tragic blunders that we have committed, have we not sided with Stalin too often and against Churchill? I think Mr. Churchill understood and understands the Russians very much better than we, and that the position against which we traveled so often represented the sounder view.

Mr. HOFFMAN. Mr. Chairman, I admire the gentleman from Georgia. I have the highest respect for his ability and his intelligence. No one questions his patriotism or his loyalty—his Americanism.

I agree that we built up Stalin, Russia, and communism. It was a mistake. As for the gentleman from Georgia and your servant, we just have a difference of opinion about the better way in which we each can serve our own country.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. JARMAN. I yield the gentleman five additional minutes.

Mr. HOFFMAN. I thank the gentleman.

Permit a further quotation from the distinguished statesman just quoted who, in October of 1939, said:

I must think solely of the welfare of our own America. I believe that welfare is inseverably linked to immunity to any foreign war which does not come to us. America first is now a literal necessity.

Once more and as late as May of 1943, we were advised by him:

America must be realistically world-minded in its external vision, but America also must never forget that its first duty is to 130,000,000 Americans and to the enlightened welfare of its own homeland.

Not content with that patriotic utterance, on the same day, for good measure, he added:

Mr. Churchill has made it plain in his candid moments that he will look out for Britain, and I honor him for it. Mr. Stalin has made it plain that Moscow comes first with him. So far as I am concerned, Mr. President, America is worth an equivalent fidelity, her sovereignty, her Constitution, her people and her destiny, and it will not much longer be considered treason to say so.

As previously stated, no one questions the gentleman's ability, his sincerity or his patriotism, but again I question his judgment in accepting a bipartisan foreign policy which to date has only brought us more and more trouble, involved us deeper and deeper in the mire; which, if followed, eventually will destroy our sovereignty, make us a member of an international organization.

This proposed legislation is part and parcel of a policy which to date has brought about a flow of billions upon billions of American dollars, millions upon millions of tons of American goods, and millions upon millions of young Americans to foreign soil.

Money and supplies which were needed here at home and young men and women, the very foundation of our future welfare, have been exported to almost every country in the world.

And what are the returns?

In return for our dollars, we have been given competition in foreign and domestic trade, the result of which was to hike the price of every necessity upon which our people depend for their American standard of living. There has been given to us in return for the abundance we sent abroad a scarcity here at home.

Because we sent farm machinery, farmers have been handicapped; because we sent goods, our people have gone without; because we sent dollars, we have inflation and a national debt greater than that of any other country.

"I heard the drums a'beating." "I heard the fifes a'shrillin'," and I saw the flag a'wavin'." I saw the parents, the wives and the loved ones, with tears in their eyes, bidding their boys good-by.

I heard the songs and the shouts of approval loosened by the internationalists and the one-worlders when our boys marched away; and, only a few days ago, I read of the ships sailing through the Golden Gate, and into the harbor at New York. And what was on them? Some flag-draped boxes. And what was in the flag-draped boxes? A few old bones, a handful or two of dust. Those fine, physically perfect young Americans—who might have been the husbands of our girls, the fathers of a future generation—they marched away and, to fill the void they left, back came a box—a symbol of a supreme sacrifice made in vain; a grim harvest from the seed the internationalists had sown.

I want no more of it. I want no more trips through the hospitals of America, where there are hundreds of thousands of young men who, but for the war, would have been glorying in their manhood, the husbands of American girls, the fathers of American children—but who now, some in darkness, some unknowing of what is transpiring in the world, and others maimed and disfigured, are no longer a part of our world; still alive but dead.

Yet more of all that will be our lot, if we follow through on the path our feet have entered.

The support for this proposed legislation rests upon false assumptions. The first one is that there is so much merit in communism and the people of other lands are so ignorant that if propaganda or force can impose it upon them they will accept it, like it, and it will make them prosperous and happy.

I cannot subscribe to that doctrine. I believe that communism, which denies existence of a God, asserts that religion is a fraud, will destroy the freedom, the initiative, the productivity of every nation which adopts it. I believe that the people of other lands have enough good sense and determination to, in the end, select the things that are good for them. A large dose of communism will be its own cure.

I see no reason why we, who have always advocated the doctrine that every people should be free to choose their own political philosophy, should become an aggressor nation and say to Greece, France, Italy, or any other country: "You shall not have communism for your political faith."

Nor do I believe that we should say to England: "You shall not adopt and follow socialism."

Claiming for ourselves and the Western Hemisphere the right of self-determination, the right to select our own form of political and economic philosophy, we should not be so inconsistent as to say to all others: "You must follow our lead, accept our ideas."

It is but a short step from that policy which leads us to impose our political and economic philosophy on others to the one which would involve us in an attempt to determine the form of religion which other peoples must accept.

That that which is good, which is sound, will come through in spite of the most severe persecution is evidenced by the failure to suppress Christianity when its advocates were thrown to the wild beasts.

That it is futile to attempt to suppress a religion, to impose one form upon a people, was demonstrated by the failure of the Crusades.

Though we know not why it is, it is certainly true that thought cannot be changed nor directed by force. So I reach the conclusion that all of our efforts to, by force or purchase, change the thinking of those who would embrace communism are futile.

By example we have demonstrated to millions that our form of government is best. Proof? Do not people from all other countries want to come to the United States of America? Why? That they may find and enjoy freedom, prosperity, and happiness.

Another false assumption is that if Russia and communism overrun western Europe and reach the eastern shores of the Atlantic, like a tidal wave they will sweep across the Atlantic and engulf us.

O ye of little faith, why is it that you have so little confidence in our own form of government, the ability, the courage, and the endurance of our own people that you think—if you do think—that we cannot, by arming ourselves, by preparing a national defense, meet and turn back any foreign aggressor or aggressors?

Every nation in the world acknowledges our strength, but we here at home have no confidence in it.

Have not two world wars demonstrated beyond argument that we are, as Churchill said on Thanksgiving Day not so long ago, the most powerful Nation in all the world?

All too long have those who have been selling America short followed their policy of making us afraid. Afraid first of a national economic disaster, giving us the remedy of taking from those who had and distributing to those who had not. Making us afraid that the Kaiser, were it not for the protection given us by the British Navy, would cross the Atlantic and lay waste our cities, conquer our land.

Yet it was this Nation of ours, which some endeavored to make us believe was so weak, so decrepit, so helpless that our very existence depended upon the protection given us by the British Empire, which determined the victorious outcome of both wars. Where is the British Navy of today? Today we are the protector, not the protected.

The truth is that it was our young men, and women, our men and women in the factories, in the mines, in the mills and in the fields who, in those days, saved the British Empire.

Then again, and more recently, we were frightened into believing that, unless we stopped Hitler, England would be destroyed, we and all our institutions be at his mercy, the blackness of the Dark Ages engulf us.

So we joined, as the gentleman from Georgia [Mr. Cox] said yesterday, with Stalin and communism.

Our might was the deciding factor which destroyed the German armies. Our generosity, our munitions of war, put Stalin and Russia and communism where they are today. We built up a monster and now we pretend to be afraid of that which we created.

We built up Russia, Stalin, and communism and, if worst comes to worst, we can tear them down.

We proceed upon the assumption, false as it is, that the air is a one-way medium and that through it Stalin and his forces—and only his forces—can send modern destructive forces.

Some folks get but half a thought. They talk endlessly about the atomic bombs which our enemy can hurl at us. They do not seem to realize that bombs could at the same time be traveling the other way.

DOLLARS TO END COMMUNISM

Throughout the consideration of this measure, in the other body and in this, an attempt has been made to frighten us by the argument that, if the appropriation of dollars is not authorized, a tidal wave of communism will overrun Europe and finally engulf the Americas.

Why fight communism by our dollars and our resources three thousand and more miles from home while we legalize the Communist Party here in America?

Why fight communism in China, in France, and Italy, or anywhere else, while here the administration for the last 15 years has not only tolerated Communists in high places, but in spite of repeated protests, encouraged them to hold responsible positions in the Federal Government?

Only within the last few months has communism become unpopular in America. Well do I remember the days when there were Communists aplenty in the organization administering the National Labor Relations Act. Here and there, where their influence might do the most to harm our Government, they were scattered throughout official Washington.

Only a few short years ago, when that courageous, determined legislator from Texas, Martin Dies, was fighting with all his heart and strength and soul to expose the Communists, he was bitterly vilified and smeared. Yes; the First Lady of the Land, when on one occasion Communists were called before the Dies committee, marched with them to the committee room and, by her presence, gave them her moral support.

We have little to fear from Communists abroad. We have much to fear from them here, operating as they are in our own country, in our own Government.

If the Communists and communism threaten our national existence, instead of impoverishing ourselves, bleeding curselves white, raising the cost of everything our people need to maintain their standard of living by appropriating money to be used abroad, let us sweep them out of the National Capital; let us make illegal their party; let us be consistent—not cuddle up to them here in Washington; pay them fancy salaries so that they may disseminate their propaganda and spend our money, exhaust our resources to fight them 3,000 miles away. Let us clean the vermin out of our own home first.

The policy, of which this legislation is a part, will impoverish America, will strip us of our ability to adequately prepare for national defense. It will lower our standard of living. It will destroy our individual freedom. It will make us a Nation of slaves, ever working for the support of a people who refuse to work to help themselves. It will make us, as a Nation, weak and vulnerable, unable to defeat the very forces which we now say we wish to destroy.

But you ask, Would I let the hungry starve, the naked go unclothed, without shelter? My answer is "No." I would have America, as always, be charitable. I would have her extend relief, food, clothing, and other necessities of life through private charitable organizations in which there would be less chance of waste, corruption, profiteering.

I would keep every penny, every ounce of supplies, away from the control of the politicians; put it in the hands of the Red Cross and of the religious organizations.

I would limit that relief to those who are in need. I would limit that relief to our ability to give without destroying ourselves. I would limit it to those who are hungry and cold and in need of shelter. I would divorce charity from all political considerations.

For a program of that kind, for an appropriation for that purpose, I will vote.

I would not, under any circumstances, join in a one-world organization, where a part of our sovereignty must be surrendered.

I will not be a "me tooer," a rubber stamp for so-called bipartisan foreign policy which is no less than a policy of the internationalists, the profiteers, and the warmakers.

My patriotism does not require me to surrender my opposition to a policy which, logically followed, means continuous war and the drafting of our youth to serve under an international military staff dominated by the power politicians and the militarists of the world.

My decision must on this, as on all other proposed legislation, be determined

what I think is for the best interests my country and her people. My vote ll be cast against the present bill.

Mr. VORYS. Mr. Chairman, I yield 10 inutes to the gentleman from Con- ecticut [Mr. LODGE].

Mr. JARMAN. Mr. Chairman, I yield) minutes to the gentleman from Con- ecticut.

Mr. LODGE. Mr. Chairman, I favor his legislation because I also am think- ig first of America. I agree with the entleman from Georgia and the gentle- an from Michigan that it is just a ques- ion of how we all feel we can serve America best.

I am inclined to think that although ve cannot justify this measure solely on he ground of relief we are doing our- selves an injustice when we deprive it completely of its humane considerations. We are a generous people, and our gener- ous sentiments prompt us to do some- thing for those who are afflicted, for those who are starving, and for those who are suffering. Furthermore, economic re- habilitation of these countries will be beneficial to all except those who seek to enslave the world.

However, in the brief time allotted to me I should like to address myself to the strategical aspects of this problem be- cause I agree with my distinguished col- league on the committee who spoke yes- terday, the gentleman from California [Mr. JACKSON], that this program can be justified entirely and rationalized exclu- sively on the basis of American national security.

We do not have one world politically but we have one world strategically, and we had better think on that basis, as we did during the war, or we are going to have a very dangerous time of it. In the field of strategy we are willing to use a very much curtailed cultural and infor- mation program to combat Russian propaganda, and we have been willing to use economic aid to combat the condi- tions created by the war and aggravated by Soviet agitation. In wartime we are willing to use flame throwers and atom bombs and we would have used poison gas if our enemies had used it. But we seem to have decided that we have no other weapon in fighting this cold war. We talk about a cold war but we do not act as if there were a war on.

I have suggested that there are three stages in this Soviet onslaught. The first is the effort to capture these govern- ments by constitutional means; the sec- ond is internal force; and the third is war.

As I have said, I personally do not believe that war is imminent. The rea- sons for that belief are many, but there are two which stand out: First, I believe that the Russian Government thinks that it can capture these countries without war.

Secondly, I do not believe that they want a world war. But I do think that the questions that will be decided within the next 2 or 3 years are whether there will be another great war and, if there is, whether we will win it. I think that the next 4 or 5 months are extremely critical.

I believe in this bill, but I do not be- lieve that we can be absolutely sure that it will succeed as a war measure, which is the way the gentleman from New York [Mr. COUDERT] referred to it. He asked the question: Either this is a war meas- ure or it is a relief measure. I would rather say it is a strategical measure, with relief characteristics, and it may very well fall short of the mark. There- fore, I think that we should reassess the nature of the threat to which we are exposed and reexamine the means which we have to meet that threat.

Accordingly I have a concrete sugges- tion to make with respect to the Italian situation, which, at this time, is the most critical in western Europe. I believe that our troops, the withdrawal of which has been postponed from December 3 to December 15, should remain beyond De- cember 15, and I believe that they should be increased in such numbers as are re- quired to enable us to fulfill our interna- tional obligations. My reasons for this recommendation are as follows:

First, in the surrender treaty which we made with Italy on September 8, 1943, which was the eve of the Salerno land- ing, we agreed to guarantee the essential nationhood of Italy. If we betray Italy as we betrayed Poland, I leave it to you to decide where that leaves us as the greatest Nation on earth. We must maintain a posture which will allow us to live up to our obligation to guarantee the essential nationhood of Italy.

Secondly, we have a peace settlement which involves Trieste particularly. We must be in a position to assure that that peace settlement is carried out.

Thirdly, we have lines of communica- tion and lines of supply to Trieste and to Austria. We must guarantee those lines of supply.

Fourthly, the very lives of our troops in Trieste and Austria and their families will be forfeited and will be at stake if we do not take steps to protect them.

A diplomat said to me during the trip I made with the Smith-Mundt commit- tee, that the fact that one side to a treaty violates it does not necessarily mean that we have the right to consider the treaty at an end. I have not gone into the technical legalities of international law in this connection. I believe that the letter killeth and the spirit giveth life. As a lawyer I realize that there are some breaches of contract which are de mini- mis, some breaches which do not ab- solve the other contracting parties. I do not believe that these breaches by the Soviet Union are in that category. In any event I think it is about time that we found reasons why we can do things in the national interest instead of look- ing around for reasons why we cannot. I would like to call your attention to the fact that the Soviet Union has violated, not only the United Nations Charter, the Potsdam agreement, and the Yalta agreement, but the satellite peace trea- ties which were ratified by the other body earlier this year. They have breached the Italian peace treaty in several ways. The present disruptions and strikes in Italy were, we know, ordered by the Bel- grade Cominform on instructions from the Kremlin.

In Bulgaria the breach is even more obvious. One of the reasons advanced for the ratification of the satellite trea- ties before the Senate Foreign Relations Committee earlier this year was that the Russians would have to withdraw their troops from Bulgaria. They did not have to withdraw them from Hungary or from Rumania, because they had a right to keep an indeterminate number of troops there to guard their lines of com- munication with Austria. But they are bound to withdraw them from Bulgaria by December 15. It is estimated that the Russians have four divisions in Bul- garia. They have not begun their with- drawal. It is the opinion of our highest military experts that were they to begin now they could not withdraw by Decem- ber 15. Furthermore, if they did with- draw, they would withdraw in the Rus- sian manner. They simply take off their uniforms and put on civilian clothes. Over and beyond that, the Kremlin through its gauleiter Dmitrov has Bul- garia in its iron grip.

Can we justify the withdrawal of our troops from Italy when the Russians are not withdrawing from Bulgaria?

There have been other breaches of these peace treaties—the legalized mur- der of Petkoff, and the imprisonment of Maniu were not in the spirit of the pre- amble of those peace treaties. We know that those are violations. We know that the recent happenings in Hungary are not in the spirit of the treaty. We know that Nagy and Sulok and Pfeiffer had to leave the country. So there are very good reasons, in the realm of interna- tional law, why we should take this step.

Furthermore, if we do not, we run the risk that the Vatican, which is a vital anti-Communist force and the spiritual comfort of millions, may become the prisoner of the Communists.

And last, and I think this is very vital, if we can put an end to these disturb- ances—and I may as well tell you here that the day it was announced that the withdrawal of our troops had been post- poned, the disruptions in Italy dimin- ished very appreciably—if we can sow a little political calm in Italy, we will be relieving the American taxpayer of a tremendous load. I do not have the exact figures of the cost of the strikes in Italy. I am informed that the cost of the strikes in France so far is three months' production. I say that we have a duty also in that connection to prevent higher prices, to curtail inflation, and to diminish the load on the American tax- payer by diminishing the economic needs of those countries.

First things first. First we have to dispose of these political disturbances, this civil strife, in order to rehabilitate those countries. That is the reason for this civil strife, to make it as expensive for us as possible. The Soviet Union knows that it is our desire to have a peaceful world, living in economic sta- bility. Why should they oppose this thing? Why should they make the dec- laration which they made in Warsaw? Why should they declare war on the Marshall plan? Why should they not want peace and prosperity in Europe? We must not delude ourselves.

I think it might be helpful if we could revise our thinking a little in connection with these strategic problems. The word "isolation" has become a rather

We recognized this at the war's end and we came to their aid with the final shipments of lend-lease—UNRRA—the loan to Great Britain—the loans of the Export-Import Bank. We hoped and believed this would be enough.

Production has been restored 70 to 90 percent of prewar capacity. The recovery of Europe has been miraculous. Without our help this recovery would not have been possible. But it was not enough.

It is not easy to repair the damage done during six long years devoted to the destruction of men and cities. Bridges, railroads, factories, and ships are gone. Left are the weary, the maimed, and the orphaned—worn-out land, obsolete machines, and desperation.

Things went very well after the war. Recovery in Europe was more rapid than after World War I. Then things went wrong. Hidden injuries began to slow up Europe's recovery. Europe was like a man, Mr. Clayton said, who has been injured in the bombing of his home, and at first does not know how badly he is hurt. He runs about, pulling others out of the wreckage, binding up his outward wounds, reassuring the children, cleaning up the rubble. And then, a couple of hours later, he staggers toward collapse from delayed shock.

We could see and understand the physical injury but, as Mr. Clayton points out, it was more difficult to realize the hidden wounds of the long conflict. Observers underestimated the damage to the nervous and circulatory system of the European economy.

For a very long time because of the density of her population Europe has not been self-sustaining in the matter of food and clothing. She has had to export manufactured goods in order to import what she needs to live.

She has not been able to catch up with herself. Western Europe finds herself today unable to export and receive enough dollars to buy both the food and the raw materials she needs to prevent economic, political, and social collapse.

The war was not easy to win. The peace is not easy to win. The war cost us men, materials, and money. The peace has already cost us money and goods. We now see that it will cost more before it is won.

And money and goods alone are not enough. We must stop building a psychosis of fear. We must have faith—faith in the future—and faith in the ability of men to build.

We are playing for big stakes—a free Europe, a democratic world, and peace.

I know that my district which needs housing and increased security benefits as desperately as any district in this country, is willing to make this sacrifice if the Marshall plan secures for them the thing they must have above everything else—a peaceful, democratic world.

No one can guarantee success but we know for certain what will happen if we fail to act.

I, for one, believe that if the Marshall plan is adequately financed and competently administered it will succeed.

If we cut it down to a size that we feel will be politically attractive, we had better not undertake it at all. We cannot dress up this task that is before us. We have got a hard road to pull before we see the sun rise over the horizon.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. BLOOM. Mr. Chairman, I also yield 5 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION. Mr. Chairman, the Governments of Austria, France, Italy, and China have requested our Government to provide aid until March 31, 1948, in the way of wheat, other foods, petroleum, coal, and fertilizer, amounting to $590,000,000. It was urged by the President and his administration that Congress must act promptly. It is another administration emergency. The administration knew about this alleged emergency in early June 1947 as the administration went out and bought great quantities of wheat, other foods, petroleum, and fertilizer, beginning on or about the 12th of June, but, this whole matter was kept a secret without information to the Congress or the American people, until late in October.

Mr. Chairman, I have followed closely the debate on this important bill and appreciate the information I have received, but it is evident that the information that has been presented to the House is quite meager indeed in consideration of the importance of this subject.

Let me say at the outset that I represent a district in the hill country of Kentucky. Kentuckians have always been noted for their hospitality and generosity. If there is any part of Kentucky that possesses those fine qualities to a higher degree than the other parts, it is the people of the hill country. I also represent a genuine American district. There is not one known Communist in my entire district.

Following World War I, many of us were opposed to recognition of Russia because her Government was controlled by the Communists with all their viciousness and totalitarian policies and acts and we applauded President Wilson when he refused to recognize the Russian Government. Presidents Harding, Coolidge, and Hoover likewise refused to recognize this Government. These Communists believed, and still believe, in the overthrow of all governments by force and violence who do not accept communism. It was a great disappointment to many Americans when President Roosevelt extended full recognition to the Russian Government and gave them aid and comfort in many ways and in course of time, there were hundreds of thousands of Communists or fellow travelers in our own country. The American people began to realize the danger, and communism and fellow travelers became unpopular in this country, and it was only a few months ago that President Truman and others in his administration began to denounce Communists and fellow travelers, but we still have many of them holding important positions in our Government and they have penetrated churches, schools, farm and labor organizations, as well as other groups. I have never failed to vote for measures that would protect our country from communism.

Naturally, I am anxious to help needy people. I think I have as much of the milk of human kindness in my heart as the average Member of this House or the average citizen.

FIVE-POINT PROGRAM

If this $590,000,000 proposal was the only bill of this character we would be called upon to consider in the remainder of the Eightieth Congress, it would not present so many difficulties, but in my opinion there will be at least four other proposals we will be called on to vote for before July 1948. The bill before us merely provides aid for France, Italy, Austria, and China up to March 31, 1948. But, mark my word, before March 31, 1948, there will be a new demand from these four countries for additional relief, and it is admitted that many other countries before that date will ask for aid, and in the end there may be as many as 12 to 15 countries making requests that we provide food, and so forth, to at least 800,000,000 people. We may expect at least 8 or 10 more countries in western Europe besides France, Italy, and Austria to seek relief.

This bill carries the very meager sum of $60,000,000 for China with perhaps more than 450,000,000 population. A strong demand will be made for a great increase in this amount in the near future. India, Korea, Palestine, the Philippine Islands, and quite a number of other Asiatic countries, requesting billions of dollars, will make demands. The President of the Philippine Islands stated at a conference of the officials of the Asiatic countries recently that there were more than a billion needy people in 12 Asiatic countries whose needs were more pressing than the people in Austria, Italy, and France. In fact, literally hundreds of thousands of people are starving to death in those countries. It can be seen at once that there can be no limit in the way of nations or the number of people who will be pressing their claims for their needy as vigorously as the claims of the people of the four countries embraced in this bill.

In proposal No. 3 the Army and other officials of our Government will call for an additional $600,000,000 to furnish food, clothing, and so forth, for the needy people of the so-called occupied countries. The fourth proposal will be the so-called Marshall plan, which will require the American people to contribute through our Government somewhere between seventeen and twenty-four billion dollars to rehabilitate the countries of Europe over a period of 4 or 5 years.

When we once become hooked up in the way of relief for these 20 or more nations, it will run into billions of dollars annually and there is no way that we can break off from giving this relief without offending each and every nation that has been granted relief. The officials of our own Government have led these 2,000,000,000 or more people on the earth to believe that there is no limit to the wealth in the way of money, food,

a vital, vigorous, vigilant, insurgent revolutionary force. Let us prove it and let us prove it now.

Mr. BLOOM. Mr. Chairman, I yield 10 minutes to the gentleman from Maryland [Mr. SASSCER].

Mr. SASSCER. Mr. Chairman, I fully realize that after the full and intelligent discussion of this pending measure anything that might be said now would be to a great degree repetitious. However, as I had the privilege of spending some 50 days as a member of the subcommittee of the Committee on Armed Services in Europe, the Middle East, and Africa, first under the chairmanship of that very able statesman from Illinois [Mr. DIRKSEN], and later when he paused in Europe for more extensive study, under the chairmanship of the able and personable gentleman from Missouri [Mr. SHORT], I might leave with you one or two brief observations that I made.

I think any of us who visited American hospitals, seeing wounded of greater and lesser degree, representing possibly a million young Americans, and visiting well-kept cemeteries in Europe, representing 100,000 or more of the flower of our country who gave their lives in the recent conflict, realize and feel to a great degree that the obligation of America both in this pending bill and the Marshall plan that is to follow, is limited to two phases. First, that natural desire on the part of any decent people to aid and alleviate hunger and distress in an emergency and, second, to do what is best for the United States of America and its peace.

In the brief minutes which I asked for it is impossible to review conditions as we saw them. Both Republicans and Democrats alike who made a study at close range were unanimous in the feeling that there is definite need to alleviate the want and despair in the metropolitan sections of Europe, which from present indications will apparently assume proportions of starvation during this coming winter.

I think there is also a general agreement in the feeling that if America does nothing those tottering nations will fall to communism in a matter of months, engulfing and driving along with them the Middle East, with its resources so vital to the American economy and to American protection, and swinging on and drawing in the Far East, leaving America with the products of its soil and the goods of its factories backlogged, with an unfriendly philosophy on each side, and thrown into the depression that must follow.

The gentleman from Connecticut a moment ago made some reference to the Voice of America. As important as food is in the twofold approach to this problem, one of immediate aid and one of stabilizing, projecting and carrying forth the objectives of the United Nations, you must have facts with food, and the facts as far as America's role and objectives are concerned are as scarce, if not more so, than the food in these stricken countries. Wherever we went, whether it was talking to our civilian officials, military intelligence, or the Americans exploring for oil in the Middle East, the universal request was, "We need more information as to what America is doing and what work she has to do in order to combat the constant flow of antagonistic propaganda rolling over the radios and rolling off the presses in all these countries."

When we think of going in with aid, not to take over the government of these countries; not to manage their economy; nor to actually administer the aid which would be completely impracticable, because of the sensitive sovereignty of nations, the Russian propaganda, and the necessity for innumerable clerks, we realize that we must stand by and demand complete publicity so that we may see that our aid is projected and used for the purposes for which it is given, in order that we may help those nations themselves to became self-sustaining economic units, prepared to take their own places in the community of nations in the United Nations for the future preservation of society and decency. I have no illusions as to the success of this program. Anyone who is realistic knows that these countries are torn by from 5 to 15 or 20 parties. They fight, not as we fight, but practically carry on civil strife in their political campaigns. We know that their black market is rampant, that there is a maldistribution of food and unstable currency. May I parenthetically say here to the credit of the leaders of the parties in America, to our two great parties, Democratic and Republican, although they fight in elections as they do, that when the hour of national crisis arises, the petty politics that we see in Europe are brushed aside, and both parties rise united in the national interest.

The one alternative is to go in with some aid, with the hope that they may rehabilitate themselves, as has been expressed here. It might work. I trust and pray that it will. We hope it will. When we balance on the other side the terrific penalties to America, to our people and our institutions if free governments throughout the world succumb to communism and we stand alone, and balance that against the chance of expending the equivalent of the cost of 3 or 4 months of additional war in the recent conflict, I share the feeling of many of my colleagues who went to Europe, that the chance is well worth taking, and taking wholeheartedly and sincerely. If the self-help or cooperation necessary for the success of this recovery plan is not forthcoming, then rather than drag America down with them we can leave them to their own destinies, rather than drag America down with them.

Mr. BLOOM. Mr. Chairman, I yield 15 minutes to the gentlewoman from California, Mrs. HELEN GAHAGAN DOUGLAS.

Mrs. DOUGLAS. Mr. Chairman, this program is not a relief program—it is not a war program—so to label the Marshall plan or the interim-aid program before us is to grossly underrate ourselves and to lose sight of our goal.

Peace is what we seek. Peace is what we must have. This is the challenge that confronts us—the building of an abiding peace—free from fear and want for ourselves and the people of the world.

The recovery program for Europe outlined in the Marshall plan is a tough-minded, dynamic program for peace. A program that has behind it the good will, the generosity, and the brotherhood of freemen.

Not to recognize this is to deny what we are.

We cannot sell democracy with guns. We cannot convert to the democratic way of life by abandoning it.

Our $17,000,000,000 profits after taxes do not necessarily commend our way of life to others.

It is the quality of our heart and mind that will win for us the heart and mind of Europe and the world.

Why are we so sensitive to propaganda that seeks to discredit our motives? I say that this propaganda is fashioned deliberately to divert us from our goal. For those who fashion the propaganda know full well that our works speak louder than any propaganda machine that they can build.

I supported the Voice of America. I shall support it again. But do you really think that any written or spoken word can make the men and women of western Europe believe that our efforts to save them from economic and political collapse are against their best good?

The Marshall plan proposes that we make sacrifices for the sake of order and freedom and stability. That is the democratic way. A great Communist nation has sought to block this plan.

This can hardly recommend the brotherliness of communism to those who face the reality of hunger, cold, and political chaos this winter.

Our democratic society is built on a respect for the individual and an understanding of his needs.

It is this respect and understanding that we export today.

Even if there were no threat of communism, the misery and despair of 270,000,000 people would not leave us indifferent.

Europe is faced with cold and hunger this winter unless we come to her rescue.

France, Italy, and Austria are confronted with immediate economic collapse.

The program we have before us is stopgap aid. It is an option on the 4-year recovery plan for Europe.

The interim-aid program is a life line to keep France, Italy, and Austria afloat until we have had time to think through and discuss fully the Marshall plan for Europe.

There is no sense going to a fire after the house has burned down.

We cannot permit France and Italy to collapse with the resultant spread of communism, while we are talking about the Marshall plan, if we are to help restore western Europe as one of the great pillars of our civilized world.

Let us not forget that western Europe accounted for nearly one-half of the world's trade before the war. They owned nearly two-thirds of the world's shipping. Their industrial production in terms of basic commodities of coal, steel, and chemicals was before the war slightly greater than that of the United States.

Six years of war left them devastated and bankrupt, and physically exhausted.

We recognized this at the war's end and we came to their aid with the final shipments of lend-lease—UNRRA—the loan to Great Britain—the loans of the Export-Import Bank. We hoped and believed this would be enough.

Production has been restored 70 to 90 percent of prewar capacity. The recovery of Europe has been miraculous. Without our help this recovery would not have been possible. But it was not enough.

It is not easy to repair the damage done during six long years devoted to the destruction of men and cities. Bridges, railroads, factories, and ships are gone. Left are the weary, the maimed, and the orphaned—worn-out land, obsolete machines, and desperation.

Things went very well after the war. Recovery in Europe was more rapid than after World War I. Then things went wrong. Hidden injuries began to slow up Europe's recovery. Europe was like a man, Mr. Clayton said, who has been injured in the bombing of his home, and at first does not know how badly he is hurt. He runs about, pulling others out of the wreckage, binding up his outward wounds, reassuring the children, cleaning up the rubble. And then, a couple of hours later, he staggers toward collapse from delayed shock.

We could see and understand the physical injury but, as Mr. Clayton points out, it was more difficult to realize the hidden wounds of the long conflict. Observers underestimated the damage to the nervous and circulatory system of the European economy.

For a very long time because of the density of her population Europe has not been self-sustaining in the matter of food and clothing. She has had to export manufactured goods in order to import what she needs to live.

She has not been able to catch up with herself. Western Europe finds herself today unable to export and receive enough dollars to buy both the food and the raw materials she needs to prevent economic, political, and social collapse.

The war was not easy to win. The peace is not easy to win. The war cost us men, materials, and money. The peace has already cost us money and goods. We now see that it will cost more before it is won.

And money and goods alone are not enough. We must stop building a psychosis of fear. We must have faith—faith in the future—and faith in the ability of men to build.

We are playing for big stakes—a free Europe, a democratic world, and peace.

I know that my district which needs housing and increased security benefits as desperately as any district in this country, is willing to make this sacrifice if the Marshall plan secures for them the thing they must have above everything else—a peaceful, democratic world.

No one can guarantee success but we know for certain what will happen if we fail to act.

I, for one, believe that if the Marshall plan is adequately financed and competently administered it will succeed.

If we cut it down to a size that we feel will be politically attractive, we had better not undertake it at all. We cannot dress up this task that is before us. We have got a hard road to pull before we see the sun rise over the horizon.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. BLOOM. Mr. Chairman, I also yield 5 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION. Mr. Chairman, the Governments of Austria, France, Italy, and China have requested our Government to provide aid until March 31, 1948, in the way of wheat, other foods, petroleum, coal, and fertilizer, amounting to $590,000,000. It was urged by the President and his administration that Congress must act promptly. It is another administration emergency. The administration knew about this alleged emergency in early June 1947 as the administration went out and bought great quantities of wheat, other foods, petroleum, and fertilizer, beginning on or about the 12th of June, but, this whole matter was kept a secret without information to the Congress or the American people, until late in October.

Mr. Chairman, I have followed closely the debate on this important bill and appreciate the information I have received, but it is evident that the information that has been presented to the House is quite meager indeed in consideration of the importance of this subject.

Let me say at the outset that I represent a district in the hill country of Kentucky. Kentuckians have always been noted for their hospitality and generosity. If there is any part of Kentucky that possesses those fine qualities to a higher degree than the other parts, it is the people of the hill country. I also represent a genuine American district. There is not one known Communist in my entire district.

Following World War I, many of us were opposed to recognition of Russia because her Government was controlled by the Communists with all their viciousness and totalitarian policies and acts and we applauded President Wilson when he refused to recognize the Russian Government. Presidents Harding, Coolidge, and Hoover likewise refused to recognize this Government. These Communists believed, and still believe, in the overthrow of all governments by force and violence who do not accept communism. It was a great disappointment to many Americans when President Roosevelt extended full recognition to the Russian Government and gave them aid and comfort in many ways and in course of time, there were hundreds of thousands of Communists or fellow travelers in our own country. The American people began to realize the danger, and communism and fellow travelers became unpopular in this country, and it was only a few months ago that President Truman and others in his administration began to denounce Communists and fellow travelers, but we still have many of them holding important positions in our Government and they have penetrated churches, schools, farm and labor organizations, as well as other groups. I have never failed to vote for measures that would protect our country from communism.

Naturally, I am anxious to help needy people. I think I have as much of the milk of human kindness in my heart as the average Member of this House or the average citizen.

FIVE-POINT PROGRAM

If this $590,000,000 proposal was the only bill of this character we would be called upon to consider in the remainder of the Eightieth Congress, it would not present so many difficulties, but in my opinion there will be at least four other proposals we will be called on to vote for before July 1948. The bill before us merely provides aid for France, Italy, Austria, and China up to March 31, 1948. But, mark my word, before March 31, 1948, there will be a new demand from these four countries for additional relief, and it is admitted that many other countries before that date will ask for aid, and in the end there may be as many as 12 to 15 countries making requests that we provide food, and so forth, to at least 800,000,000 people. We may expect at least 8 or 10 more countries in western Europe besides France, Italy, and Austria to seek relief.

This bill carries the very meager sum of $60,000,000 for China with perhaps more than 450,000,000 population. A strong demand will be made for a great increase in this amount in the near future. India, Korea, Palestine, the Philippine Islands, and quite a number of other Asiatic countries, requesting billions of dollars, will make demands. The President of the Philippine Islands stated at a conference of the officials of the Asiatic countries recently that there were more than a billion needy people in 12 Asiatic countries whose needs were more pressing than the people in Austria, Italy, and France. In fact, literally hundreds of thousands of people are starving to death in those countries. It can be seen at once that there can be no limit in the way of nations or the number of people who will be pressing their claims for their needy as vigorously as the claims of the people of the four countries embraced in this bill.

In proposal No. 3 the Army and other officials of our Government will call for an additional $600,000,000 to furnish food, clothing, and so forth, for the needy people of the so-called occupied countries. The fourth proposal will be the so-called Marshall plan, which will require the American people to contribute through our Government somewhere between seventeen and twenty-four billion dollars to rehabilitate the countries of Europe over a period of 4 or 5 years.

When we once become hooked up in the way of relief for these 20 or more nations, it will run into billions of dollars annually and there is no way that we can break off from giving this relief without offending each and every nation that has been granted relief. The officials of our own Government have led these 2,000,000,000 or more people on the earth to believe that there is no limit to the wealth in the way of money, food,

and other supplies of the people of the United States. We were very generous during World War II. We did grant relief amounting to $66,000,000,000 to more than 50 nations. All of this was free. Some of them agreed to pay but none of them will pay. This administration has already canceled the debts of those who received billions of dollars in relief. None of these debts nor the lend-lease accounts will ever be paid.

We have been very generous with many nations of the earth since the war closed. In fact, we have given to them in the way of food, clothing, machinery, and other supplies and equipment, and also in the way of credits, a sum amounting to more than $24,000,000,000, which will never be paid. There are about 140,000,000 American people. If we divide the enormous sums we gave during the war and since the war among the 140,000,000 American people, that would mean $612.85 for every man, woman, and child in the Nation, or more than $2,500 on an average for each of the 40,000,000 families in the United States.

THE MOST GENEROUS NATION IN ALL HISTORY

One of our good colleagues from Arkansas stated that there was too much talk about dollars in this bill—that we needed more of sympathy and understanding—more of the human touch in order to secure response from the recipients of our bounty. He must certainly know that we spent $350,000,000,000 to help these nations win the war. More than 15,000,000 men and women left their homes and offered their services and their lives for our country. More than 350,000 gave their lives and a million or more others were broken by disease or wounds. We have already granted more than a million of these defenders pensions for service-connected disabilities. We gave a lot of precious blood to the people of these nations. Millions of prayers were said by loyal Americans and a sea of tears were shed, and in addition, we gave to them sixty-six billions during the war and twenty-four billions since the war and if we have not, by all these sacrifices in treasure and in blood, impressed the people of other countries with our great interest in them and our great desire for peace, how in the name of high heaven can we convince them with a few millions.

But, it is urged here today that we must pass this bill providing $590,000,000 for additional relief for four countries in order to encourage them and to have them to follow our leadership. If they cannot appreciate what we have already done, I wonder if it would help if one would rise from the dead and urge them to forsake communism, war, insurrections, revolutions, and return to peaceful pursuits and put their best efforts forth to produce in industry and in agriculture for themselves instead of casting an unbearable burden upon our country and our people.

Mr. STEVENSON. Mr. Chairman, will the gentleman yield?

Mr. ROBSION. Just for a question.

Mr. STEVENSON. I just wanted to call the gentleman's attention to the testimony of Hon. Robert A. Lovett, Under Secretary of State, before the Committee on Foreign Relations, in which he stated that this interim aid is of course a preface to a longer range program and he repeated it three times before the committee.

Mr. ROBSION. Yes, Under Secretary of State Lovett was at that point referring to the Marshall plan. I pointed out heretofore that there will be other relief proposals made to us by many nations including the four nations covered by this bill.

These claims will run into billions of dollars and it will come from people quite as needy or more so, than the people of Austria, France, and Italy, but during that time, the Marshall plan will be urged upon the Congress but it will only apply to 16 nations of western Europe. We have not been niggardly with Italy, China, France, and Austria heretofore. We have given France approximately $2,000,000,000 since the war; China altogether, approximately three billion; Italy, nearly two billion; and Austria, one hundred and sixty-seven million.

REAL THREAT TO OUR OWN COUNTRY

We have been stripping our own country of its wheat, corn, oats, rye, meat, our farm equipment, petroleum, coal, and other critical supplies, and beginning with last June, when the Government went out buying grain by the hundreds of millions of bushels, and other food, feed, and supplies of various kinds—prices began to soar in this country. The Government, in some cases, paid at least 40 cents more per bushel than the market price for some of its grain purchases. These soaring prices were the result of the Government's policy. As commodities became more and more scarce prices went up and up, and if we carry out the commitments that have already been made, the increase in our cost of living will continue to soar. The prices are now reaching the point where even persons with good salaries and high wages cannot pay for the real necessities of life. This program has greatly reduced the standard of living in the United States, and the American people justly will hold those responsible for stripping this country of its food, feed, and other supplies and giving them to foreign countries. It could not be justified if we were getting pay for them.

President Truman, last year, asked for $37,500,000,000 in his budget. For this year he is asking $40,000,000,000, and I am confident that if these programs go through, the spending of the United States for the fiscal year beginning next July will exceed $40,000,000,000 by many billions. These tremendous expenditures can only be made in one way and that is by taxes and borrowing money by our Government through the sale of bonds. We already have a debt of $260,000,000,000. Italy, France, China, and other countries have wiped out their debts through inflation and the generous use of the printing press. Money of the three countries covered by this bill is of very little value and that is true of practically every other country of the world. They are wanting to get hold of American dollars and American products.

PRESIDENT TRUMAN RESPONSIBLE FOR HIGH COST OF LIVING

These tremendous sums paid out to foreign countries were paid out by the administration of President Roosevelt and President Truman, and it is President Truman and his administration who are backing to the limit these proposals to further strip our country of its wheat, meat, other foods, petroleum, and fertilizer and send them to foreign countries without any return or hope of return in the way of pay. Everyone knows that the heavy exports of American commodities produces this great scarcity for American consumers and that scarcity is the father of inflationary prices. If the prices to our consumers continue to go up, it will not be long until there will be a general demand, especially from persons of low income salaries and wages and the wages of those who toil in industry and agriculture, for an increase in wages and salaries. If these conditions continue, we will have strikes all over this country if the increase in wages and salaries is not met. If we cut down on our exports to foreign countries, prices will remain stable or in some cases may be reduced. This would mean more to the workers and consumers than an increase in wages and salaries.

It is unnecessary in discussing this matter to say that higher prices cause higher wages, or higher wages bring on higher prices. The thing responsible for high prices in our country today is a scarcity of consumer goods and especially food. Now, who is responsible for the fact that we exported 19,000,000 tons last year, and efforts are being made to increase this tonnage during the present year? President Truman and not Congress is responsible. President Truman was granted the authority by Congress when controls went out to limit and control exports. He could at any time have issued an Executive order limiting the control of exports but he did not issue any such order but on the other hand he gave authority for the Government to go out and buy, at excessive prices, grains and other foods for the purpose of exporting and let no one blame the Republican Congress or blame Congress at all for these inflationary prices. Instead of President Truman now proposing to control exports and control scarcity of commodities in this country, he is urging Congress to pass this bill to give him more money to buy more food and other commodities and give them away to foreign countries.

This can only mean one thing, higher prices, and it will increase the threat of uncontrolled inflation in our country. The Democrats contend there are no politics connected with this bill but I observe the Democrats charge the Republicans with the scarcity of commodities and the high cost of living. The Republicans helped to give the President control over exports. He will not use that control but insists on having more and more money to buy commodities and give them away to foreign countries. This will cause very great distress among millions of Americans and a real threat to the economic stability of our own country.

President Truman took controls off of meat, other foods and commodities before the election last year—1946—and he said less than 2 months ago it would not do to restore controls or allocations.

FOOD AND SUPPLIES SOLD TO NEEDY PEOPLE

I am not in favor of the provision in this bill to use the American taxpayers' money to buy food and supplies and turn them over free to the governments of these countries. Under this bill, when the officials of these governments receive these supplies—for instance, wheat—the government sells the wheat to the millers and the millers sell the flour to the bakers and the bakers sell the bread to the hungry, needy people. Of course, this makes it very difficult for the needy people who do not have money to secure a part of the bread or other supplies. They might secure some but more than likely they will be put under pressure to get it.

This bill provides that this relief shall be distributed to these various nations and under the different relief set-ups we have had in Europe. We know that these set-ups have been failures and much of our supplies have gone into black markets. I could not conscientiously vote for this bill when it provides for distribution of this relief in this way. The average American citizen believes that these relief supplies given away are distributed to the needy people as gifts. Few of them know that we give these supplies to the foreign governments and then they sell them. We are told that 80 percent of these supplies will go to the people who have the money and who can pay for them. If it is a gift to these governments, why do not these foreign governments in turn give this food and supplies to their needy people? It should not go to those who do not need it.

WILL IT BRING PEACE?

Among other purposes set out in the caption of this bill is that it will bring peace to the world and help the United States. President Roosevelt called Congress into session in November 1939 and asked Congress to repeal the Neutrality Act. He stated that would keep us out of war and bring peace and prosperity to our country. The Democrat Congress did repeal certain provisions of that act. It did not keep us out of war and it did not bring peace or real prosperity.

We had the same argument when we were called upon to adopt the lend-lease program. It lasted 7 or 8 years and cost this Nation approximately $60,000,000,000. It did not keep us out of war or bring prosperity to our country. Following the war, we passed the UNRRA, providing $2,700,000,000 for needy people in Europe. They said that would bring about peace. It did not, and we have had scores of other measures with the same high-sounding titles as set forth in this bill, and it is admitted that neither one of them accomplished the purposes set forth in the title or in the bill. We spent all of these hundreds of billions of dollars and still we are not at peace, but this measure states that its purpose is to bring peace to the world and we hear that the Marshall plan is to bring peace to the world. I wonder how long the American people will be deceived. After giving away more than $24,000,000,000 to these various countries since the war closed, they claim they are in worse shape now than when the war did close.

HAVE THESE COUNTRIES DEALT FAIRLY WITH OUR COUNTRY?

It developed in this debate that Italy had underestimated her grain supply by a million metric tons, or 37,000,000 bushels. Italy's farmers will not sell their grain to the government or to the people of Italy. They want to get hold of American dollars. France has lots of grain but will not let the government or the people of France have it. They feed it to their stock and then put their stock in the black markets and get more pay.

Some of our good friends' hearts bleed for the people of Italy and France, but the American farmers and citizens must put up their tax money to the Government to buy grain to feed the people in Italy and France. Do you not think they should help themselves. If we act wisely we must use good common sense. Do not forget we are sworn servants of the Americans.

WHO WILL DISTRIBUTE THIS RELIEF IN FRANCE?

Under this bill the relief will be turned over to the Government of France. There are 1,200,000 civil employees of the French Government. These 1,200,000 employees have decided to go on strike and the government would be deprived of its civil officers to handle this relief. There are 2,000,000 railroad and other industrial workers on strike. There have been riots and a number of persons were killed and many injured. I wonder how we would get this relief finally to the needy people of France.

While we have been rushed by the administration to get this legislation through and get these hundreds of millions of dollars to buy wheat, other food, petroleum, coal, and other supplies to France, apparently many Frenchmen are not in a hurry and they are not showing much concern or appreciation of what the Congress of the United States is doing. I will not vote to strip this Nation of its supplies and cause great distress among tens of millions of American people under these circumstances.

Mr. BLOOM. Is it not true that the present Schuman government in France has passed legislation stopping these Communist strikes? If they know today or tomorrow or next week that we are going to try to help them do this thing, they will not have these Communist strikes and organized strikes.

Mr. ROBSION. I think it has been well said that a Communist does not always have to have an empty belly to be a Communist. Many of them, according to my way of thinking, have empty heads, but not empty bellies. They are well fed. Just think of these writers out in Hollywood drawing $100,000 a year, yet they are known as Communists.

Mrs. ST. GEORGE. Mr. Chairman, will the gentleman yield?

Mr. ROBSION. I yield.

Mrs. ST. GEORGE. What do the Communists have that we apparently do not have, if all of these countries in Europe are so bent on going communistic?

Mr. ROBSION. I am just wondering. Russia, their mother, makes them pay for wheat and other food.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. BLOOM. Mr. Chairman, I yield 5 minutes to the gentleman.

Mr. ROBSION. May I say this to my friend, the ranking minority member from New York, who has been here for many years—like myself. I thank him very much.

Mr. BLOOM. I thank the gentleman.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. ROBSION. I yield.

Mr. MARCANTONIO. I simply want to make the observation that the gentleman from New York [Mr. BLOOM] made a very amazing admission. This is the first time that that admission has been made, which is that this money is to be used to crush strikes on the part of the working people who are trying to obtain for themselves a decent living in France and in Italy.

Mr. ROBSION. I am not commenting on the right or wrong of the strikes over there. I do not know all the causes, but I cannot believe that these 1 200,000 people who are on strike are all Communists, or that all the head men are Communists. That is the point I make. If they are Communists, as my distinguished friend the gentleman from New York [Mr. BLOOM] contends, then I wonder if we will not be continuing to pour our money down a rat hole over there, since, in that case, the people cannot be saved. You have heard it said on the floor here in debate that you cannot save any country or any people who are not willing to save themselves.

Mr. BLOOM. Mr. Chairman, will the gentleman yield?

Mr. ROBSION. I yield.

Mr. BLOOM. I believe the gentleman misunderstands me. I did not say that the 1,200,000 people who are on strike are all Communists. What I am trying to do is to stop the agitators who are Communists in France. The gentleman from New York [Mr. MARCANTONIO] knows that I am right in this one thing. I am trying to stop those agitators from calling the other people who do not want to go on strike, but who have to go on strike. The French Government is now passing legislation to take care of that one thing. I did not say that these 1,200,000 people are all Communists.

Mr. ROBSION. But they are not respecting the legislation or the Government. Furthermore, if they are loyal Frenchmen in such great majority, why do they follow these fellows who are calling them out on strike?

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. ROBSION. I yield.

Mr. NICHOLSON. Are we supposed to pay for strikes in some foreign country?

Mr. ROBSION. I was coming to that. In my own State, and I believe in every State in the Union, the laws do not give relief to strikers or to their families or pay compensation. Neither will the Federal Government.

Now, I want to pass on to another point. They say they have now discovered that Italy, or the 11,000,000 farmers

of Italy, have hidden away somewhere or somehow 1,000,000 metric tons, or 37,000,000 bushels, of wheat. Why? Because they do not like the money over there. Why did not the Italian Government, if it is such a strong government as we have been told it is here, go out and get that wheat? When you pass this bill you can take taxes away from our farmers and you can go out and get the wheat in America, and especially when you put on these controls that are a part of this program that has been advanced by the President, and which some of our friends are supporting here only in part, and then they will run up against a brick wall on allocations and price controls urged by President Truman.

They have plenty of wheat and corn in France. They are feeding it to their hogs and sheep and cattle and then they are putting those hogs and sheep and cattle into the black market. That is what they are doing with it; and they are making whisky out of wheat over there, which we do not do here.

MILLIONS OF NEEDY

While I am deeply concerned about the needy people in other countries of the world, I must first be concerned about the needy people in the United States. We have been generous to a fault to the other people of the world. We have tens of millions of people who are old and needy, who are disabled, who are widows with minor children, who are old-age pensioners with small pensions, who are disabled veterans, who are widows and children of deceased veterans; millions of workers receiving very small pay or salaries, that cannot afford to buy meat at a dollar a pound, butter at 90 cents a pound, eggs at a dollar a dozen, and many other necessities of life. We have millions of veterans without homes or apartments for themselves or their families. We have millions of miles of unimproved roads, inadequate schools, teachers with small pay, irrigation projects that were delayed by the war, flood-control projects that have become a necessity to many communities. My first concern is about these.

I am unwilling to vote additional billions to foreign countries and thereby add to the discomfort and to the distress of tens of millions of American citizens. The people in many of these countries do not seem to appreciate all that we have done and are doing for them. Some of those who have been the objects of our bounty to the extent of billions are blocking the road to peace and to prosperity. At least a third of the income of the American people is going into either direct or concealed taxes. The two bills that we passed last year and which were vetoed by the President would have cut down the cost of living. It would have given 30 percent relief to 30,000,000 people in the lower brackets. It would have cut down the prices of our food and other commodities by taking away a lot of these concealed taxes.

The CHAIRMAN. The time of the gentleman from Kentucky [Mr. ROBSION] has expired.

Mr. BLOOM. Mr. Chairman, I yield 5 minutes to the gentleman from New Mexico [Mr. FERNANDEZ].

Mr. FERNANDEZ. Mr. Chairman, I ask unanimous consent to speak without adhering strictly to the regular order of business.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. FERNANDEZ. Mr. Chairman, I am for this bill and I shall vote for it. I thoroughly agree with the arguments of those who studied the question of foreign aid on the ground this summer. I have nothing to add to their eloquent arguments. I spent my summer traveling in the West, where we ran into another suffering people, the Navajo Indians, about which we have heard much lately.

I find remarkable and most gratifying the manner in which the people of my State and of the State of Arizona have responded to the urgent need of these good Indian citizens, as shown by the editorials which I shall read into the RECORD. This is not confined to the people of my State—from the Quakers in Philadelphia to the Metropolitan Church in Denver, the Latter-Day Saints Church in Utah, the veterans in California, and other groups elsewhere, generous action has been taken to provide a Friendship Train for the relief of the Navajos, pending action by Congress. I sincerely hope this Congress will, at the special session, appropriate the moneys necessary for immediate relief. Thereafter, adequate measures should be taken for a long-range program that will prevent the repetition of the present intolerable conditions on that or any other reservation. There are other actions which need to be taken along this line, and I have introduced on yesterday a bill (H. R. 4642), making it possible for the Navajo Indians to use some of their tribal funds now tied up in the Treasury. That the Indians themselves would act, if they could, is shown by the action of the recent council meeting in which they voted to divert for relief $143,000 of a small lumber fund they had accumulated.

The first editorial to which I refer is from the Santa Fe New Mexican of December 1, 1947, and reads as follows:

PRIVATE CITIZENS STEP IN

There is a lesson of Americanism in the drive now under way to gather food and clothing from New Mexico and Arizona residents for relief of the Navajo Indians.

While Government-operated relief agencies hemmed and haggled, private citizens, acting on their own initiative, went to work on a program which will give immediate aid to human beings in need of immediate aid.

That always has been the story in the past. Americans sometimes may be a little slow to action, but they have a never-failing generosity, and when they do go to work to help a neighbor, they do it right.

Private philanthropy has taken quite a beating in recent years. Theorists of the New Deal school have contended—with justice in some ways—that the major burden of welfare and public health should be a Government responsibility.

But look what happened in the case of the Navajos.

The Indian Service, with primary responsibility for the welfare of the Indians, failed to prevent the crisis on the Navajo Reservation. The State welfare department, with a secondary responsibility, failed to take the quick action required.

Both agencies were arguing about what the other should do, while the Navajos froze and starved. Then private citizens stepped in.

No individual or organization can take any lion's share of credit for the Navajo relief drive. It couldn't be accomplished without the full cooperation of many persons, many organizations, and many communities.

But it is a fine and heartening thing to see a body of Americans join together as they have to do a job they know needs to be done.

Mr. Chairman, that the supply of this charity is far from equal to the demand is shown by another editorial of the same date from the Albuquerque Journal, which reads:

HELP FOR THE NAVAJOS

The plight of the Navajos has become both a national tragedy and disgrace.

Word from Gallup is that the warehouse from which winter relief supplies for the Indians have been distributed is bare. The last truckload has been taken cut.

No more requests can be filled until promised shipments of clothing and food and money arrive.

Nine New Mexico cities, including Albuquerque, have joined in a great humanitarian drive to send a truck train of supplies to Gallup for the starving and destitute Indians.

Albuquerque will strive to fill her Friendship Train December 5 and 6—next Friday and Saturday. Boy Scouts will cover the city in the all-out endeavor under sponsorship of the junior chamber of commerce to collect a great quantity of food and clothing.

It is obvious that Albuquerque and New Mexico will do their part in meeting the Navajo crisis.

In the meantime a Congress engages in a "fiddling while Rome burns" insofar as aid for the Indians is concerned. International problems involving aid are debated while the desperate Indian problem at home is given but little attention.

Congressional committees are engaged in various and extensive investigations of this and that. A thorough investigation of an Indian bureau under whose management the Indian problem has become so acute is long past due.

It's time for action.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. KERSTEN].

Mr. KERSTEN of Wisconsin. Mr. Chairman, commencing at a time during the last war our policy with Soviet Russia was one of cooperation. At the termination of the war it was appeasement of Russia. Following that we had a policy which might be termed amazement at Russia; and now our policy towards Russia is developing into resistance to Russia. It is true that we on this side of the House have been, and justifiably so, deeply critical of the efforts of the administration recently properly to resist Russia, properly to resist communism. I believe that all but a very few Members of this House desire forcibly to resist communism.

Why should we have an effective policy of resistance of Soviet Russia? Simply because Russia destroys human liberty wherever she takes over; because we do not agree with the Communist definition of democracy which includes the dictatorship of the proletariat, the liquidation of political opposition. We oppose it because it includes the philosophy of scientific materialism and because it insists upon militant atheism. We have seen

during the past year the implementation of this idea in countries where she has taken over. It is tragic that we did not recognize this long ago.

It has always been a wonder to me how the Russians have been able to call the turns on matters of foreign policy.

When in Germany this past month several factual incidents came to my attention that throw light on some of the Soviet methods and as to how they gauge their foreign policy. I recall learning that there were some English-speaking Germans in Frankfort and elsewhere, who spoke English well, who were employed by the Russians to circulate among the average Americans over there, among the average GI's or the average civilian employees, not to circulate with the top officials, not to try to talk with them, but with the average person over there, to find out from the average GI and the average American over in Germany exactly what he was thinking about, exactly how much resistance he would give to further Communist pressure, whether he would be willing to fight for the things that we as Americans hold dear, whether he would fight over there or would actually fight another war.

I have learned also that Russian espionage and Russian agents attempt to gage the temper of the common man not only in Germany but in other countries and also in the United States and as long as they know there is not a determined policy of resistance by the average man toward Russia, by the average American, just so long will they continue their aggression. They do not care particularly what Mr. Marshall says or what the President says. If they feel that the average man is not going to resist Russian aggression, they do not care.

For us to say, "Let communism run its course in Europe," would be to adopt a policy which would permit the triumph of the lower nature of man. It would be a policy of historic fatalism. It certainly would isolate the United States from the world.

What have been the Russian tactics where she has taken over? Take for example Berlin. First, she went into Berlin with her armies; immediately thereafter they sent in their vandals, and after a period of plundering Moscow let it be known that it was concerned about the people of this area. They then sent in their police, who stopped the plundering. Then they took a census to find out the professions and vocations of all the people. Immediately thereafter the leaders are picked up and liquidated. After that the people are more or less dazed from the plundering and without any leaders. They then organize the Communist propaganda. In Berlin the only real cultural center, known as Das Haus des Deutsche Kultur, is occupied and used by the Russians. Even some Americans go there for entertainment. There they get Russian music, the Russian ballet, the Russian opera, Russian lectures along the Marxist-Lenin lines. In other words, the Russians are really putting material aid behind their program, not only in Germany but in other parts of Europe. In Paris, France, they have the most expensive newspaper to be procured even without cost. In Italy they have the best-looking newspaper. In Germany they have printed 27,000,000 textbooks for the children of their zone, while we have printed 4,000,000 textbooks for the children in the American zone. Mr. Chairman, the Communists are backing up their effort in Europe with material aid. The question is, Are we going to fail to support the people who are trying to fight it? The people of Germany, France, and Italy do not like communism. They hate communism. But the Communists, with a powerful Russian Army and a powerful economy supporting them, are assisting the small Communist groups in these various countries. Are we, when called upon, going to say: "No, we are not going to be concerned about that situation"? Are we going to let the Russians pour in material aid to the small Communist fronts in these countries?

In Germany where we are trying to educate them for democracy, are we going to be beat by the Russians 7 to 1 with material aid? When you say you cannot stop communism with a gun, communism is being propagated with material aid and guns. Communism, as I have said, is the triumph of the lower nature of man; and the only way that this brute force can be stopped is with material opposition.

I do not see, Mr. Chairman, why we cannot right here and now set up a real committee as is contemplated to be done, so far as any long-range program is concerned. I do not see why that cannot be done now. Why can we not set up a committee now, an independent committee, that is responsible to the House, that will see to it that every bit of material aid that is placed over in Europe is placed there to block Russia and that it will not be dissipated by the governments. Of course, these governments have to be supported. These governments could be supported through the independent committee. We should have control over all of the aid that we give, and the chief criticism in the programs of the past has been that there has been no control, and there has been a great deal of dissipation.

I come from the Middle West, from the city of Milwaukee, Wis., where sometimes people are said to be of the isolationist type. But, Mr. Chairman, the people of my district are willing to fight to stop communism if the aid that they, together with others, give is not dissipated. They certainly do not want to go into any further program, any further tightening of the belt, where any aid of this kind is dissipated and handled by political factions.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. BLOOM. Mr. Chairman, I yield the gentleman one additional minute.

Mr. KERSTEN of Wisconsin. The gentleman from Kentucky who preceded me spoke of Members of this House being denounced for voting for foreign aid to stop Russian aggression. I will ask the gentleman who will be denounced if the Soviets take over in Europe completely? I saw the Soviet soldiers in Berlin. I do not want to see them in the rest of Europe. I do not want to see them in the United States, and I do not want to see later in the United States what one now sees in Europe, a broken civilization. I do not want to see our cities destroyed. I do not want to see this Capitol destroyed. I do not want to see ruins on this spot 5 or 10 years from now. To those who say, "Let communism run its course," I answer, its course runs to the heart of this country, and we had better stop it far along the path before it reaches the heart and blood of the people of the United States.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. MARTIN].

Mr. MARTIN of Iowa. Mr. Chairman, I am not one of the Members who toured the far lands during the past year. I traveled 340,000 miles in the 8 years I served on the Committee on Military Affairs, but I devoted last summer and last fall to the First District of Iowa, 12 counties in southeastern Iowa. What I say here will be my version of their viewpoint, with no effort to cover the entire State of Iowa, just the First District.

There has been a distinction made here in the course of the discussion between strategic moves and war. I have been involved in both. I usually associate strategic moves with war, either in war or as a prelude to war. My people so associate them. I will go along in the statement that there is a distinction between strategic moves and war, but the distinction is dangerously slight.

At the outset let me say this: If there is any doubt about my position when I get through with my remarks on this bill, I am against the bill in its present form.

The bill (H. R. 4604) before us today has for its purpose the extension of aid to European countries with special emphasis on France and Italy. During the closing weeks of the congressional recess last October and November, I had occasion to discuss the proposed European aid program with many hundreds of my constituents in the First Iowa District. I carried on my discussions with my constituents on this issue throughout the entire congressional recess starting the last of July, but the interest in this issue increased considerably with the developments that led to the calling of the special session. I had an unusual opportunity to cover my district thoroughly for a period of more than 3 months, and I have asked for this time to bring before you my observations of the thinking of the people of my district on this issue.

In the first place, the people of the First Iowa District favor very strongly our extension of any assistance we can give to Europe if it is given on a humanitarian basis. Their magnificent response to the Friendship Train movement is ample evidence of their support of humanitarian aid. On the other hand, they are just as vigorously opposed to any move that threatens international conflict, and they are seriously fearful of any strategic factors involved in a program of aid.

For the above reasons, I have been especially attentive to the discussion of

this legislation in Congress and by the members of the President's Cabinet. When the President's committee on foreign aid made their report on European recovery and American aid—the Harriman committee report—I was disturbed by the following statement on page 2:

> The interest of the United States in Europe, however, cannot be measured simply in economic terms. It is also strategic and political. We all know that we are faced in the world today with two conflicting ideologies. One is a system in which individual rights and liberties are maintained. The opposing system is one where iron discipline by the state ruthlessly stamps out individual liberties and obliterates all opposition.

And again in point 2 in the summary on page 12 of the Harriman report, as follows:

> 2. The United States has a vital interest—humanitarian, economic, strategic, and political—in helping the participating countries to achieve economic recovery.

Then, early in the debate on the rule yesterday, the statement of the gentleman from Minnesota [Mr. JUDD] in his reply to the gentleman from Illinois [Mr. ALLEN] was that he does not think this bill could be justified just on a humanitarian basis and, further, that it is justified solely on concern for the national defense of the United States.

During the course of the debate, I listened with great interest to the discussions and observations offered by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] and the gentleman from Wisconsin [Mr. SMITH]. I am particularly interested in the amendments these gentlemen propose to offer because in my opinion such amendments will go far to take out of the proposed legislation the strategic or war factor. The adoption of such amendments would go far to make this legislation acceptable to the people of my district and to me. Somehow I cannot sink to the level of holding our food supply before the hungry victims of postwar chaos in Europe and even hope to use those hungry victims as pawns in a prewar game of power politics and make of them human buffers between us and Russia. In my opinion, this is the worst possible type of imperialism and war planning. I have always contended that war is degrading and that the greatest threat to a victor nation is the possibility of becoming obsessed with the notion that it has been sent to this earth to rule the world. Many other great nations have marched down that road to their downfall and their doom.

In my opinion, the strategic factor in the present legislation qualifies this legislation as our second step into World War III. Our first step was the Greek-Turkish loan. I voted in favor of the aid to devastated countries in Europe last spring and then, later, I voted against the Greek-Turkish loan, because that bill definitely set up the Greeks and the Turks as pawns on our chessboard of world power politics. The Greek-Turkish loan was primarily intended for military assistance and was a brazen step to war. We cannot be so naive as to think we can maneuver against Russia in this way without incurring Russia's hatred for generations to come. Furthermore, our military experts, of whom General Marshall is certainly one, should know that such steps to war cannot be taken effectively without full preparation and placement to meet successfully the logistic requirements for war whenever the proper incident transpires. If the present legislation is openly a move against Russia, then let us admit we are engaged in a world armament race and a cold war simultaneously. The question then is, What is the most efficient and effective preparation for our defense?

I witnessed at close range the analogous steps into World War II: the repeal of neutrality, lifting of the arms embargo, shipping arms and ammunition to England after Dunkerque, and lend-lease. I called all of those steps, steps to war, and I opposed them. The arguments of the proponents still ring loudly in my ears. They were, first, steps to avoid war, then steps short of war, then "We will be the arsenal of democracy," then "Your sons will not be sent overseas to fight." We now know that they were steps to war and the Greek-Turkish loan and the bill now before us have the same implication. When will war come? Just whenever Stalin or his successor thinks we have slid back to unpreparedness and impotency sufficiently to enable them to strike startlingly, swiftly, and successfully.

I have always admired General Marshall for his mastery of military logistics. He demonstrated that ability as one of two distinguished young generals on the western front in World War I. He demonstrated this ability again most effectively in World War II. If the Marshall plan and this interim-aid bill are based upon strategic factors, however, I cannot give General Marshall credit for being a master of logistics in the cold war now in progress. Our moves for preparedness should be more efficient and more direct and more quiet. As this cold war develops, I suggest more emphasis upon adequate national defense and then I hope we can stop making faces at Russia, stop competing with Russia in name-calling, and return to the sound doctrine of Theodore Roosevelt, "Speak softly but carry a big stick." In my opinion, that policy will cost us infinitely less and it will win for us the respect of those nations that recognize and respect only power.

Furthermore, we must recognize the necessity of learning to live in a world with other nations having different ideologies. If we cannot learn to live in such a world without meddling with the political and strategic factors in other nations, we have already lost the peace our young men and women fought so gallantly to win.

I opposed going into World War I until Congress declared war. I then went to war the first day men were accepted for the first training camp, and I served 5 years. I opposed going into World War II until Pearl Harbor. I shall oppose taking direct or indirect steps into World War III, but I will join the effort of the Committee on Armed Services as vigorously as I can to build a strong America in this troubled and war-torn world before it is too late.

If the bill (H. R. 4604) is based upon strategic factors and is enacted into law without the Smith or the Andresen amendments, I want to build up our defenses so efficiently and so strongly that Stalin and his successors will not dare to strike us.

Mr. VORYS. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the Appendix of the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. VORYS. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. KEATING].

Mr. KEATING. Mr. Chairman, on Monday I expect to offer three amendments to this legislation. I ask unanimous consent to extend my remarks at this point in the RECORD in order that Members may be acquainted with those amendments.

The CHAIRMAN. Is there objection to the request of the gentleman from New York [Mr. KEATING]?

There was no objection.

Mr. KEATING. Mr. Chairman, on humanitarian grounds, and because I have become convinced that it is a strategic necessity in the "cold war" which is now being relentlessly waged against my country, I expect to support this legislation. For the same reasons, I shall vote against crippling amendments designed to render ineffective the extension of our aid. Naturally, sincere men may well differ as to whether a particular amendment is, in fact, crippling in its nature or will serve the useful and desirable purpose of actually strengthening the measure and helping it in practice to do more effectively what those of us who favor temporary aid are trying to accomplish.

In my judgment, and I say it with the utmost deference and respect for the chairman and members of the Committee on Foreign Affairs who have labored so sincerely and diligently in this matter, this bill can be improved. For that reason I shall support some of the amendments which I understand are to be offered.

I have submitted to the committee for their consideration over the week end three amendments which I propose to offer on Monday when the bill is read. In order that the membership may be acquainted in advance with these suggestions and have an opportunity to consider their merit, or otherwise, I set them forth below.

The first proposal is to add a new subsection to the list of covenants or undertakings which any recipient country must make before any commodities or credits are made available to it. This would read as follows:

> (k) to release from custody and repatriate, within 6 months hereafter, all foreign nationals heretofore captured and held as prisoners of war and to furnish, within 30 days hereafter, a schedule indicating the dates on which fixed numbers will be so released. Nothing herein contained shall require a

commitment or undertaking to release any person held for trial or after conviction for any offense committed against the laws of the country where held, since his capture as a prisoner of war.

The purpose of this amendment is quite clear. As I said in remarks last week, the beneficiary nations under any foreign-aid program should employ self-help, not serf help.

Some two and one-half million prisoners of war are still held as slave laborers by our erstwhile allies. True, 73 percent of this number are prisoners of the Soviet Union, which has proved unusually difficult to convince on many subjects. That still leaves, however, some 800,000 who are the slaves of our other allies. How many are held by the beneficiary countries embraced in this measure before us, I am unable to say.

It is my firm conviction, however, that these prisoners should be released forthwith; first, because it is fundamentally and morally wrong to hold these men in bondage two and a half years after the end of the war; and, secondly, because it is economically unsound.

Why do I say economically unsound? Because we are now expending our resources, our energies, and a substantial amount of our military and civilian manpower in assisting former enemy countries to get on their feet and get off our backs. As a part of that process they need to utilize their own manpower. There is no doubt in the world that the most effective use of this over-all supply of labor will result from insisting that each country use its own nationals to rebuild its own economy. All one needs to do is to compare, thank God, in mind only the effort which an American workman would put, indeed, has put, into the building up of this great country, the country he loves, with the effort which he would be inclined to expend under the whiplash of a conquerer, as a captive of a foreign power.

To be specific, a German workman will contribute more diligent, faithful, and effective effort to the rebuilding of the world in his native land than while wearing the dungarees of a French prisoner of war.

The second and third amendments which I propose to offer should be considered together. On page 9, line 3, after the recital that the act is not to imply a specific obligation to give aid to any foreign country, nor guarantee the availability of any specific commodities, I propose to add the following words:

nor shall aid continue under this act unless the recipient country immediately requests the Government of the United States to furnish it (through the Secretary of the Treasury) the identity of each of its nationals (including individuals, partnerships, corporations, and associations) holding assets in the United States, together with the character, location, and value, if determinable, of such assets.

Then as complementary to that provision, in section 14, after the first sentence thereof, which recites that the President is to transmit a quarterly report to the Congress on the operations under the act, I suggest the following sentence:

Included in this report to the Congress shall be a listing of the identity of each national of the recipient countries (meaning thereby individuals, corporations, partnerships, and associations), known to have property or assets in the United States, together with the character, location, and value, if determinable, of such property or assets.

Rumors are rife in this country that foreign nationals, including citizens of the countries involved in this relief measure, have extensive assets in this country running into millions—indeed billions—of dollars. I am without knowledge regarding the facts. This Congress, so far as I know, is without knowledge. We ought to know. The purpose of these two amendments is to require the recipient country to ask our Government for this information, to require our Government to furnish it, and to force the President to reveal those facts to the Congress of the United States and hence to the people of this Nation.

Whether further legislation will be required to force a disclosure by New York City banks and other financial and industrial institutions of the holdings of these foreign nationals remains to be seen. The first step, it seems to me, is to make a matter of public record whatever is now known on this subject.

The first obligation to help France, Italy, Austria, or China lies with the nationals of those respective countries. The American people, by large majority, have always been ready to meet a humanitarian call to relieve hunger and suffering—indeed, if there is even a reasonable prospect of success to combat with the weapons of food and other necessaries the forces of godless communism. But before we ask the toilers of our Nation to dip down in their pay envelopes and sacrifice further for this purpose, we should assure ourselves that the people—yes; all the people—of the countries we are helping have their shoulders to the wheel.

If our Nation were faced with financial crisis, such as has enveloped the countries which we now seek to aid, we would all expect, before we sought help on the outside, to pledge our own assets to the limit to meet the needs of our country. By the same token, our people have every right to demand that the suppliants for our assistance take every reasonable step to insure that their nationals have done the same.

If it should develop, perchance, that the citizens of one or more of the recipient powers have in the United States moneys or properties many times the value of the aid proposed to be extended, we should insist that that country or this Nation, or the two acting jointly, take appropriate measures to see that those assets are pledged as security to any advances which we may now or hereafter make.

Anything short of such precautionary measures seems to me something less than our full duty to our own people, which, after all, is our solemn obligation of first priority.

I commend these suggestions to the earnest study and consideration of my colleagues.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. LEWIS].

Mr. LEWIS. Mr. Chairman, it is with considerable reluctance that I rise to speak on this bill because my views with respect to at least that portion of the bill providing aid for China are contrary to the views of the Committee on Foreign Affairs for whose members I have the greatest respect, and also because they may be interpreted as in opposition to my good friend, the gentleman from Minnesota, Dr. JUDD, for whom I have the warmest feelings of admiration.

I speak only because I have recently made some first-hand observations of my own in that country in the course of a round-the-world trip on a steamship which left San Francisco on September 12 and arrived in Shanghai on September 29. I also feel that the membership of the House, Mr. Chairman, should have the views of many Americans whom I interviewed while there who have resided for many years in China and who are acquainted with its people and their manners, customs, and traditions and with the present Government of China and its personnel.

I was in and around the port of Shanghai for a period of only 3 days, but, in that time, I had the fullest opportunity, as a Member of the Congress of the United States, to see and to talk with many people. I was welcomed at the dock by a representative of the Chinese Foreign Office as well as by our own consular officers in Shanghai. I had the opportunity of meeting prominent and well-educated Chinese and of visiting briefly in some of their homes, as well as meeting many Americans, some of whom had lived most of their lives in China, and I thus had the opportunity to form some opinions of the Chinese people and of the functioning of the present government in China.

At the outset, I should say that I went to China on this first visit with the warmest feelings of friendship, respect, and sympathy for the Chinese people and all that they have endured through many years of war, suffering, and privation, and the opinions I am about to express forced themselves reluctantly upon my mind and became sincere convictions of mine only after I had verified them not only in China but also at other places in the Orient and from passengers aboard our ship, and in further conversation with people of different nationalities who had had years of experience and life in China.

My conclusions with respect to China are, briefly, that any money which we appropriate in this bill, or in any subsequent bill in the foreseeable future, for the present Government of China might just as well be thrown in the fire, because it will, in all probability, never reach either the Chinese people who need our assistance or be used by governmental authorities in combating communism; but in all probability, will be eventually deposited with Chase National Bank of New York or the National City Bank of that city, or perhaps some other American financial institution, to the credit of some member or members of the present governmental regime in China. If our appropriation in this bill

for China takes the form of goods manufactured for the Chinese Army, the result will probably be the same, as it will probably be handled through the black market which flourishes, so I am told, in every Chinese city. This shocking situation is the result of an ancient Chinese custom which sanctions, or at least tolerates, the taking by those through whose hands Government moneys pass of a "squeeze" or a portion of the same as compensation for the transmission of such money to officials further down the line of the government hierarchy. A shining exception to this government corruption is the mayor of Shanghai, Mr. K. C. Wu, who has the confidence of everyone but whose hands are tied by the Central Government.

I do not want it understood, however, that I am charging Chiang Kai-shek with misappropriation of government funds, because I never heard him so charged during all my stay in China. The most that anyone would have to say about him was that those under him are guilty of the practices that I have just mentioned and that it was exceedingly strange that the Generalissimo did not realize that fact and remedy such conditions.

China is in the midst of a terrific runaway inflation which, it seems to me, can only end in chaos. The week that I was in China one American dollar would purchase 48,000 Chinese dollars. By the time I arrived in Manila, about a week later, it was reported there that one American dollar would purchase 80,000 Chinese dollars. And the last that I heard was, while we were in India, one American dollar would purchase something over 100,000 Chinese dollars. Prices of everything in China, with such a currency, are exorbitant in the extreme. For instance, I paid $5,000 for a Shanghai newspaper, and Mrs. Lewis purchased two linen handkerchiefs at a cost of $200,000 in Chinese money.

The waste of American and other funds appropriated through UNRRA and handled through the Chinese counterpart of UNRRA, which the Chinese Government insisted on setting up and which they called CINRA, is fantastic beyond belief. But that is another story which I shall, at a proper time, bring to the attention of Congress.

After leaving Shanghai, our next port of call in China was Hong Kong, and there, in that British Crown Colony where peace and order prevailed, I received further confirmation of the opinions that I have just voiced. It is for these reasons that I shall support an amendment which I understand is to be offered to remove the provision for aid to China from this bill, notwithstanding the fact that I still have a deep respect for the Chinese people and a deep and abiding sympathy with them in all their sufferings and travail. It seems to me that in all this matter of aid to nations in Europe and Asia we should keep constantly in mind that America must, at all costs, remain economically strong and militarily powerful and that the resources of the Nation should not be frittered away in useless so-called aid to foreign lands, however much we may sympathize with the plight of their people and however much we should like to help them. If it should be determined that we are to give aid to China, the amount proposed by this bill, $60,000,000, is totally inadequate and would not be a drop in the bucket as compared with the amounts that we should provide to give effect to the purposes of this bill.

THE SITUATION IN CHINA

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. BLOOM. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. JUDD. Mr. Chairman, I had intended to use this time for a general discussion of my reasons for supporting this bill, but in view of the remarks just made by my good friend from Ohio on the situation in China, I must first make some comments on his charges. Even if they were all true, and most of them are, they are only a part of the truth, and the less important part, from the standpoint of the interests of this country. The gentleman has been in Shanghai and has seen the results of 8 years of war and occupation, the terrible inflation, and all the rest. But I think we have to consider also the causes of the conditions he saw, and in terms of what other countries would have been like if they had gone through the terrible experiences that China has suffered in the last few years.

In the first place, he mentioned the bad situation he found in Shanghai. I am sure he remembers that the Chinese never had control of Shanghai until after VJ-day. For more than 100 years it had been controlled by foreign nations, British, French, Japanese, Russians, and others, the last foreign concessions were given up by official treaty only in January 1943, but of course, at that time the Japanese armies were in control by occupation. The Chinese Government never had a chance to get control of Shanghai until after VJ-day, until the late fall of 1945. Thus they have had only 2 years to deal with one of the most complex situations that ever existed anywhere. People from all parts of the world had come to Shanghai, including a lot of riffraff, because under the system of concessions and extraterritoriality, a man could commit a crime in Britain or on one side of the street in Shanghai, in British territory, and go across the street into French territory where neither the British nor the Chinese authorities could touch him; or a Chinese criminal could commit a crime in the Chinese part of the city and go to the British concession and the Chinese police could not touch him. For decades criminals from all over the world had congregated in Shanghai. It seems to me it would be asking a miracle to expect the Chinese to set up good government in such a situation in 2 years.

After 8 years as a refugee government, the war ended rather suddenly and the Chinese were called upon to set up a dozen or so provincial governments to move into and take over on short notice the areas liberated from the Japanese. Could anyone reasonably expect all those provincial and county and municipal governments to be able to give good, efficient, noncorrupt administration?

Some of you are from the Southern States, and you recall vividly what some of the governments were like which the North sent down into the cities and States of the South. After 10 years most of those governments were still unspeakably corrupt. But, I do not believe that anybody would suggest that people ought to have withdrawn support from the Government of the United States, with its Capital in Washington, just because it made a mess of the governments in those Southern States when it reoccupied them after the end of the war.

I am not in the least denying what exists in China or attempting to belittle its seriousness. I am trying to analyze it in terms of its causes, so we can know how best to deal with it.

The next question is the alleged danger that any money authorized in this bill is likely to get into the bank accounts of individual Chinese, perhaps in foreign banks like the National City Bank, and will not be used for the purposes for which it is appropriated. If the gentleman will read the bill he will discover that we have written into it, in sections 3 and 5, very careful safeguards and limitations to prevent that very thing. Not a dollar of this money will go to the Chinese Government or any official in it. I myself proposed the amendments to this effect in the present bill and in the Greece-Turkey aid bill. The bill allows the President to allocate funds to Government agencies acting as purchasing agents in this country, or to establish in this country credits available to the recipient countries but under the control of the President. We did that so that no actual money would get into the hands of any foreign countries or agents. Twenty million dollars a month can be spent only for certain types of commodities. The two types that the Chinese want or need more than anything else just now are cotton and fuel oil. Why do they need cotton and fuel? Because the Communists are skillfully trying to break down the economy of China, the same as they are trying to break down the economy of Greece and France and Italy and every other country, including our own. They recognize that the one commodity that holds the Chinese economy together more than any other is cotton and its products.

The Chinese do not all have to eat wheat, they do not all have to eat rice, or millet, or kaoliang, but they do all have to wear cotton garments. So the Communists waited until this year's cotton harvests were in, then they struck in a period of about 2 weeks in October, and they cut practically every railroad or highway or waterway by which the cotton could move from the cotton-growing areas into the textile mills of Shanghai, Tsingtao, and Tientsin, the three big areas with cotton mills. The managers of those mills had properly allowed their inventories to run down in anticipation of the new crop, then all of a sudden the new crop could not get in. Unless China can get military supplies to enable her forces to reopen those highways, or can get cotton from some other part of the

world, probably the United States, within 2 months, the textile mills will have to close down. That will throw perhaps 600,000 or 700,000 organized workers, Communist infiltrated, onto the streets in unemployment. There will be disorder and riots, and the strong possibility of their causing the downfall of the Chinese Government, which, of course, is exactly what the Communists are aiming at.

This bill would enable the Chinese to get American credits with which to buy the cotton they so urgently need. The other thing is fuel oil. The Chinese have excellent coal mines. Given peace and restored transportation, they do not have to import any coal or, for that matter, wheat or other things in short supply in the United States. But the Communists systematically cut or destroyed the railway lines by which coal could come from the coal mines to the areas where it is most needed. For example, Tsingtao was practically paralyzed for a time and the mills had to close down because they could get no coal, even though only 70 miles away there were excellent coal mines.

If you think Shanghai is bad now, you should see what it will be like in case they have to close down the power plants, as they will if they cannot get fuel oil, because the Communists have cut off most of the coal to Shanghai. To buy foreign fuel oil, in order to keep Shanghai from exploding completely, the Chinese have to be able to get dollars to Texas Oil Co., and Standard Oil, and Royal Dutch Shell, and so forth.

So this bill provides credits in America under very careful safeguards so that the Chinese are able to get those commodities they are compelled to get from abroad only because of the Communist rebellion.

Without making any apologies for the Chinese Government, I wonder how much better any other government could do under similar circumstances. I think the gentleman knows that I have always opposed any blanket grants or loans to the Chinese Government or any of the other governments under consideration, because to do so would be no kindness to them. The Chinese Government is weakened by 8 years of war and occupation. It is something like, for example, Georgia's government was after a year or so of Sherman's occupation. It took Georgia 10 years to recover; some would say 50 years, to recover completely. China had not 1 but 8 years of occupation; and not just a little portion of it, but control of half the country; all the major transportation systems from north to south and east to west; of the cities, industrial areas, and richest agricultural areas. The Government could not get taxes or other revenues from the Japanese-occupied areas. It had to resort to the printing press to pay its soldiers, policemen, and other expenses, that inevitably led to the fantastic inflation. If the gentleman has not heard the figure for yesterday, it was $137,000 Chinese money for one American dollar. For 10 years China had to resort to the printing press because she could not collect taxes or customs.

We have not had a bomb or a single foreign soldier destroying our industries; we have not had the drying up of a single source of tax revenue; yet we are having trouble with inflation. It seems to me that, rather than criticizing, we ought to be profoundly thankful that the Chinese Government was able to keep inflation under control by some unexplainable miracle until the last year or so, when it finally broke loose, as all inflations do ultimately.

I do not deny the dangerous situation. Rather, this bill recognizes it and seeks to give them a helping hand in the crisis they are in, in part because of our own shortsightedness in not helping earlier.

China could have avoided much of this difficulty if she had been an unfaithful ally. The Japanese tried to make peace with the Generalissimo time and again. I know of at least 12 offers of peace. Chiang Kai-shek could have obtained peace for his people and ended the occupation and the slaughter and raping, and ended the causes of the inflation and ended the destruction of communications and the destruction of China's social order and economy if he had been willing to break his commitments to us, as we have broken commitments to him. He would not yield.

Mr. LEWIS. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Ohio.

Mr. LEWIS. Does the gentleman feel that the $60,000,000 provided for by this bill is adequate?

Mr. JUDD. No; I do not think it is adequate, but I think it may make all the difference between life and death. We cannot give to any of these countries an amount that will be adequate to solve their problems. It would be bad to do that for any country even if we could, just as it would be bad for me to work my little girl's arithmetic problems for her. But it can make all the difference in the world to China in this period of acute crisis, until I hope we will wake up and in our own interest work out a long-term program of helping China recover, including help of the sort she needs most, which is military help, mostly surplus munitions which will not cost us any new money at all.

If we had been willing to assist our ally after the war as she stood loyally by us in the war, then neither China nor we would have been in such a precarious situation, because I am confident there would not have been a civil war. The Communist line proclaimed all over America, including in the State Department, was that, if we helped the Government of China, it would lead to civil war. No; it was the only possible way we could prevent civil war. Instead of making good on our promises, we withheld our support.

Some say we cannot suspend our lend-lease commitments to Russia, but we suspended our lend-lease commitments to China. We had commitments to supply her with ammunition for the Chinese rifle. It was in the lend-lease pipe line on VJ-day. But we held it up for 20 months while trying to get the Chinese to take the Communists into the Government before giving up their separate armies.

We gave China Springfield rifles because we had the better Garand rifles. We told her to discard the old so-called Generalissimo rifles, for which she could manufacture some ammunition. She took our Springfield rifles, and then we would not give her ammunition for them. Some people talk about how much assistance we have rendered to the Chinese. That could hardly be called assistance. It was one of the cruelest disservices that any people ever rendered to another while still talking about "historic friendship." They would be so much better off today if we had not given them our weapons and they had continued to manufacture their own, no matter how inferior.

We suspended our commitments to equip eight and a third air groups for China. No wonder the Communists were encouraged to make war instead of peace. Under the guise of neutrality and nonintervention, we, in fact, intervened against a proven loyal ally, and then condemn that ally for the difficulties and weaknesses that ensued.

Mr. LEWIS. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. LEWIS. Does the gentleman feel that the money, if it is appropriated, will go for the purposes for which we intend it to go?

Mr. JUDD. I am sure it will go for those purposes. I would not vote for it, any more than the gentleman would, if I thought otherwise. I think I would perhaps be even less inclined to vote for it than the gentleman, because I know how unkind a blanket grant would be. Under my amendment that can be properly controlled. Just because many things were badly handled by the international organization UNRRA and its Chinese component CNRRA, does not mean that somewhat similar activities cannot be properly handled under this set-up completely under our own control. If large amounts of money or supplies are put into their hands without advice and observation and controls the pressures from hungry relatives and from needy neighbors and friends are so great that it is wholly unrealistic to expect in any country that graft could be avoided. Actually such a system encourages corruption. So we have put into this bill the necessary controls.

No funds will go to recipient countries, but credits will be established here under the control of the President. If you have a workable amendment that will tighten up on that, then I will help you get it adopted.

Just because the situation is bad does not mean that we must throw up our hands. The fact that the very life of the Chinese nation that has made so many sacrifices, and is so important to us, is involved is all the more reason why we must go ahead with a proper way to handle the problem.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. HOLIFIELD. I visited China with two Members from the Republican side, the gentleman from California [Mr. ANDERSON] and Mr. Gillespie, of Colorado. We visited Shanghai, and, after several days of inspection there and after seeing the diversion of UNRRA supplies which was occurring there, we all joined in a nonpartisan telegram asking that these UNRRA shipments be immediately terminated.

Mr. JUDD. You were right. Those supplies should never have been sent there in such quantities and so loosely managed. They stayed on the docks in the coastal ports for months because there was no way of moving them inland rapidly or of taking care of them. While they were lying there, of course they were pilfered and looted and damaged. That was due more to bad judgment in Washington or in UNRRA headquarters than the fault of the Chinese Government.

Mr. HOLIFIELD. I agree that the function of CNRRA, which, as I understand, was one of the necessities for obtaining UNRRA aid, was to allow the nations which received that aid to supervise its distribution. I want to point out to the gentleman that the formation of CNRRA was the direct responsibility of the Chiang Kai-shek government, undoubtedly one of the most corrupt governments in the world.

I think the record will prove that, according to the way they functioned with our UNRRA supplies.

Mr. JUDD. There are unquestionably corrupt people in that government, but even if it were the most crooked government in the world, compared with our standards, it has to be judged by Chinese standards. No one who knows anything about China will deny that the present Government of China is far superior in every respect, including corruption, than was the government of the war lords which the present Government succeeded. And nobody who knows anything about China will deny that the warlord government was far superior to the old Manchu government. So, bad as the present Government may be, it still is the best China has had in centuries; the direction is up, not down. And the only alternative we have, a Communist government, would certainly be far worse, from the standpoint of our national interest.

Mr. BLOOM. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. BLOOM. I do not know whether the gentleman has answered the gentleman from Ohio concerning this $60,000,000 for China. I think if the gentleman has not already done so, I would like him to answer.

Mr. JUDD. Thank you. The figure was suggested by General Marshall himself. In his original statement to our committees, he said that the State Department recognized China's need and importance and was working on a long-term program to begin April 1. Senator VANDENBERG asked him for the approximate amount. He said he did not want to be held to a definite sum but that it would probably be in the neighborhood of $300,000,000 for 15 months. The idea was to help China meet her balance of payments, get essential imports, and stay further deterioration of her economy.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. JUDD] has expired.

Mr. BLOOM. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. JUDD. No; I cannot yield now. I have not been able to get to my main thought.

Mr. HOFFMAN. It is right on that point.

Mr. JUDD. I am sorry. Secretary Marshall said it would be in the neighborhood of $20,000,000 a month for 15 months, beginning April 1.

Mr. HOFFMAN. Mr. Chairman, a point of order. I make the point of order that a quorum is not present.

The CHAIRMAN (Mr. KEATING). The Chair will count.

Mr. HOFFMAN. Mr. Chairman, if you cannot count them, all right; but if you can, all right, I will withdraw it.

The CHAIRMAN. The gentleman from Minnesota will proceed.

Mr. JUDD. General Marshall had an interim-aid program ready for the European countries. He did not have one ready for China. But one is as urgently needed for China as for Europe. If a patient is sinking and you intend to apply remedial action, then you want to start it at the earliest possible moment. One hundred thousand units of penicillin early in the disease are worth a million units later in the disease.

When General Marshall came home from Moscow last spring he himself said, "The doctors deliberate while the patient sinks." He took that position as far as Europe is concerned. The bill merely takes the same position as far as Asia is concerned and authorizes $60,000,000 or $20,000,000 a month for the first three months of 1948, so that help can be given just as soon as the program is presented by the State Department and approved.

If we are going to do anything at all, we ought to do it under the most advantageous circumstances possible, so we can get the maximum benefit out of our money. Why wait until the patient has a death rattle in his throat and then give him a transfusion? That surely would be wasting our money.

It may be that the situation in China is already so desperate that it cannot be retrieved. I am fully aware of that hazard. But the alternative, to abandon China and let it come under the Communists by default will cost us so much more and will mean such a threat to our security in the Pacific that I believe we have got to take that risk.

Some may ask, Well, why should we bother about China anyway? Because we have two fronts, our eastern front—Europe—and our western front—Asia. Our foreign policy for a hundred years, designed to give us security on our west, has been to have there an independent, strong, and friendly China; not necessarily a democratic China, nor a noncorrupt China, nor an efficient China. Much as we wish those benefits for the Chinese people, they are not the first essential. The first essential, from the standpoint of both the United States and the Chinese people, is that China be independent. Up until the last 2 years our leaders for a century had seen that clearly.

When we announced the open-door policy in 1899 and stood firmly in support of the Government of China against the efforts of other nations to divide China up into spheres of influence, was that a good government? Or a democratic government? Why, it was the rotten old Manchu government at the end of more than 200 years of corrupt rule. Yet, the policy enhanced our security in the Pacific and made possible changes by the Chinese themselves for the better. Then, after the First World War, when Japan was trying to divide up China, we called in Washington a disarmament conference. Out of that came the Nine-Power Pact. The United States took the lead in supporting the Government of China. Was it a good government? No. Was it a democratic government? No. Was it an efficient government? No. Was it a corrupt government? Indisputably. It was not even a single government. It was a loose confederation of war-lord governments. But we supported it because, as great men like Charles Evans Hughes and Elihu Root and others saw so clearly, the essential thing, the key requirement for peace in the Pacific, was to preserve the "sovereignty, the independence, the territorial, and the administrative integrity of China."

In 1941, Cordell Hull adhered firmly to that same sound policy. But in the last 2 years someone apparently has changed the policy without people realizing it. The statements of the State Department, like those of the left-wing writers, constantly refer to "peace, unity, and democracy" as if they are the conditions we are primarily interested in. If that changed policy is followed, it will continue to play into the hands of the Communists, the enemies of the United States, of China, and of all people striving toward freedom and toward genuine peace, unity, and democracy.

What we need is an independent China under Chinese leaders, subservient to no foreign power. Free and under Chinese leaders, China can and will move toward a government of greater efficiency, less graft, and more democracy. But if China is not helped to maintain her freedom, she will come under the Communists, which means under Russia, and then there will be no more chance of her people getting the better government you and I desire for them than there is in Poland or Yugoslavia or any other country now under Communist dictatorship.

We have got to put first things first. And the first thing is not that China have a better government, but that she have a free and independent and Chinese Government.

The first objective of a nation's foreign policy must always be its own security. If we keep this clearly before us, we will have no difficulty knowing what we should do with respect to China.

My primary concern is not what will happen to the Chinese if the Commu-

nists succeed in capturing the Government, much as I shall suffer with them in their enslavement. But they will survive somehow. Eighty percent are farmers, and if all the cities go down and the economy completely breaks, and millions starve or are murdered, still most will ultimately pull through. Within 25 or 50 years, the Chinese people will vomit up communism, I am sure.

So what I am worried most about is not China; it is the United States of America. What happens to us and our security, not only in the Pacific but in Europe too, if China loses her independence? If Russia, with sinister designs, and Americans with only the best of motives, by emphasizing the weaknesses of the Chinese Government and ignoring its strength and its importance to ourselves, succeed in persuading us to abandon China, then Russia will have satellites all along her Asiatic frontiers and can concentrate all her efforts with far greater boldness and aggressiveness on infiltrating and undermining the free governments of Europe. Should that come about, the Marshall plan as proposed, no matter how much we put into it, could have no hope of success. Do you think that the Italians and the French can hold out against such pressure from Russia?

It is not because I care less for our own country's interests and for free Europe, but because I care more for them that I feel we must make every effort to support the Government and people of China in this dark hour, after so long and faithful and heroic a struggle against insuperable obstacles, both external and internal.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from South Dakota [Mr. MUNDT].

Mr. MUNDT. Mr. Chairman, like virtually all other Americans, I wish it were not necessary for us to have to deal with this type of legislation at this or any other time in our national history. I profoundly wish that world conditions were such that the people of the world were more peaceful and more prosperous than they are at the present time. I deplore the collapse which has occurred in the fields of good will and good government since the conclusion of World War II. I think we all recognize, however, that we are compelled to live in the world as we find it and take conditions as they are, and do what we can to protect our national security and to improve the conditions we survey.

For over 20 days your Committee on Foreign Affairs has worked and worried with the legislation which is now before you. During that time we made some rather important and I believe significant changes in the legislation as it was approved by the Senate. I want to discuss some of those changes specifically, since many Members want to know how our bill differs from that of the Senate.

In the first place, as you all know, we have decreased the amount of money which the Senate made available. We decreased it in order to bring it into compatibility with the latest figures on availabilities and needs that were given to us both by the State Department and by the Herter committee.

You have just heard the very eloquent and effective explanation of the gentleman from Minnesota [Mr. JUDD] as to how China was brought into the legislation at this time. Had we not brought her in at this time in all probability either later in this extra session or early in the regular session we would have had a bill specifically dealing with the Chinese situation. Since the figures reported to us are that starting with January $20,000,000 a month during January, February, and March are going to be needed in China to avert chaos and collapse, we have brought this legislation before you with what is tantamount to an effective cut of $67,000,000. Since it provides a real saving of $7,000,000 and makes possible the allocation of $60,000,000 of the remaining appropriation for China, our committee is now in substantial agreement that the appropriation herein proposed is the proper amount to do the proposed task, and I hope it is approved without further reductions.

The second major difference is the fact that we have made available immediately on the passage of this legislation, without waiting for the long and necessarily laborious and meticulous work that the Appropriations Committee will have to do with the bill, $150,000,000 through the RFC so that the aid provisions of the legislation can begin to operate immediately after the bill is signed by the President. Thus we have greatly expedited the date upon which the aid program can begin.

The third major change is that we have increased the information program and its effectiveness as it came over to us from the Senate, especially by making available under this legislation utilization of the state-owned radio stations and newspaper facilities of the countries which are going to be the recipients of this aid.

The fourth change is that we have established a congressional control over the unencumbered balances remaining in any joint account which is established with the local currencies in the countries as a result of their sale of these commodities. This means, as the legislation is now before you, that if the recipient country and our country cannot jointly agree on what use is to be made of these local currencies any unencumbered balances remaining on June 30 of next year will then be disposed of in accordance with the determination made by the Congress of the United States. I think that is an important change from the Senate position. It gives us complete control over any unencumbered money. It also gives us a much better tactical position in working with the local governments and in helping to have our ideas in connection with the way the money is spent, validated, and approved by them.

The fifth change is that we have provided that representatives of the United States of America, in addition to being able to observe and report on what is done with this aid, are also in position to advise as to what should be done. In my opinion, that is a rather significant change in the legislation. It provides that American counsel as well as American cash shall be utilized in helping to rehabilitate the stricken areas covered by this legislation.

The sixth change is the insertion of the loyalty clause which the House has written into all previous aid bills, requiring that the American personnel be approved by the FBI before they are employed in these activities.

We have made other changes but the six I have mentioned are the most significant.

Personally, I prefer the Senate legislation in at least one respect, however, and I propose to offer an amendment at the proper time in an effort to bring our legislation in conformity with the Senate language as we find it in section 5, subsection (b), of the legislation now before us. I think that the Senate has acted more wisely than the House committee in providing that the deposits in local currency should be made in payment for all supplies provided under this legislation and not simply for those sold to local people as is the case with the bill as it comes before you now.

Our committee is still working. As a matter of fact, we are going to meet on Monday morning to consider other amendments. Some have been proposed during general debate. Some of them have been proposed by committee members. I, myself have one or two which are being studied by the State Department, by our staff members, and by the legislative counsel. One of my amendments is to determine whether we can write something into this legislation which will still further help reduce its impact on the cost of living in America. I am trying to tie on some regulatory language to prohibit as much as we can the use of this legislation and this purchase program from further raising the cost of living for the people of America. I hope we can have a cost-of-living amendment ready for you by Monday noon.

This bill is sound, in the first place, from the moral standpoint, because it is a manifestation of a Christian attitude on the part of America. It is in conformity with an ancient American precedent of coming to the relief of suffering in other parts of the world.

In the second place, I think this legislation is sound from the standpoint of foreign policy, because it has the twofold purpose of trying to help prevent suffering, and the second purpose is trying to help prevent the surrender of Europe to communism. That second function is certainly sound American foreign policy. I think we all recognize that either long suffering or the surrender of Europe to communism would be injurious to the best interests of world peace and the best interests of America. Whether human suffering or surrender to communism comes first, in the final analysis, when you get one you are going to get both, because if Europe surrenders to communism, Europe is going to suffer increasingly from hunger; while if Europe suffers long enough from want, it increases the danger that it will surrender to communism.

I recall one time when General Eisenhower was before the Committee on Foreign Affairs discussing a piece of legislation. He said that he considered legislation much as he was compelled during the war frequently to consider various advantages and disadvantages of a plan of battle. He said he had to consider it "in terms of its alternatives." I think that is the situation you and I confront on this legislation here and now. We have to consider it also in terms of its alternatives. We can do this, but if we fail to do this, what are the alternatives? I think that is a pertinent question which all of us should weigh before casting our final vote on this bill.

As I see it from my studies in Europe and here, we confront just three broad sets of alternatives at a time like this. The first would be to meet the menace of communism by declaring war upon it and the countries which are supporting its program of aggression. I know of no Member of the House who advocates that today. We hear reports from careless spokesmen now and then who say, "That is the thing to do; let us drop an atomic bomb; let us declare war." But I know of no responsible public official who favors declaring war as a logical and plausible answer to the problem at this time.

The second alternative confronting us is to pull out of Europe altogether. Some people perhaps do favor that particular alternative.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. BLOOM. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. MUNDT. Thank you. I think, if we follow the end of the trail of what it really means to pull out of Europe altogether at this time, that few people in responsible positions would favor that alternative, because it would naturally follow that, if we pull out in our relief programs, if we pull out our economic missions, we have to pull out the armies of occupation and lose all possibility of winning the peace. We would simply be turning Europe over to whatever might follow after, whether it is another resurrection of nazism, whether it is a revival of fascism, or whether it is a capitulation of all of Europe to Russian Red fascism, more frequently referred to as communism.

The third alternative is to project a positive policy in an effort to make peace permanent and make it work. This legislation is in line with that alternative. It is a step in that direction. To me it is the only hopeful alternative which we confront. The only hopeful thing is to take positive action and try to work out a program which has some possibility of averting another war or averting the surrender of Europe once again to men riding on horseback. If we simply surrender Europe to militant, Soviet-supported communism now, we have lost the peace and set the stage invitingly for World War III.

Now, unless we are to abandon all hope for peace and all plans for permanent security, I think it is our collective responsibility in Congress, throughout America, and in the administration to fashion a program of action leading in the direction of correcting the difficulties from which the world is now suffering. This legislation, at least, from the standpoint of the suffering of the people at the moment, at least from the standpoint of helping them not to surrender to communism now, is stepping along in a hopeful direction.

There are other steps which I think we should take. I am happy that the House today approved my resolution, House Resolution 366, which is a fact-finding resolution to determine just what categories of goods actually we are now shipping to the countries behind the iron curtain and to Russia. It will give us facts to determine whether we engage in a program by which we are endeavoring to help not only the victims of the aggression of communism but also the aggressors themselves. In my opinion, the White House and our State Department have too long followed the disillusioning and futile policy of bailing water out of the boat with one hand while dipping it back in from the sea with the other. My resolution as adopted today will give us the full set of facts upon which to fashion a realistic program of export controls and economic activities. Certainly we can expect to get exactly nowhere at all if while taxing ourselves to help strengthen the unhappy victims of Communist aggression we also extend ourselves by selling to the Communists the very things they require in order to make their aggression formidable.

Certainly, I think as the second part of any plausible program we must set up very definitely an adequate American information program, and I hope that the other body of Congress in this extra session of the Congress or in the first days of its January session will approve the legislation which the House adopted last July (H. R. 3342) to give some degree of emphasis and some degree of adequacy to a program which now needs so badly to be done. Of course, you all know my attitude on that. When I introduced House bill 3342, I felt it offered a significant and essential service. Today I am more convinced of it than ever.

In the third place, I think we must adopt some realistic policies which will safeguard American self-interest. I think that as we look at this picture we have to protect not only our own economic structure in America, not only the national security of America, but we must also protect our traditional American free-enterprise institutions here at home. As we look at the bigger picture and the greater challenge, those things must be kept in mind.

H. R. 4604, which is the bill before us, does more to protect these objectives than it does to weaken them. It does more to promote peace and opportunity than it does to endanger them. Failure to pass this legislation might put a torch to the powder kegs of Europe which only war itself could stop. So I think this bill should be passed by an overwhelming vote. Then I think we should look into the future prayerfully and carefully as we face an era which may well become even more serious and disturbing before we can make permanent progress and insure an enduring peace.

On pages 10693–10694 of the RECORD for November 20, when I discussed for 90 minutes the European situation as I saw it over there last summer, are listed 7 tests which I think should be applied to aid legislation, be it interim aid or aid of a more comprehensive nature. I want, if I may, to square this present legislation, insofar as I can, with those 7 tests to see how it measures up to the criteria which I think should be applied to legislation of this type.

The first test was, is it in America's self-interest? I think the answer to that is overwhelmingly yes, and few will deny it. Surely, at the moment we cannot afford to turn our backs upon Europe completely.

The second is, is it accompanied by an adequate information program? The answer to this is no, unless the other body takes action on H. R. 3342, which the House has already approved, but we have, on the other hand, in our modifications of the Senate language stepped up and improved and intensified the information program, as much as can be done in this specific bill.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. BLOOM. Mr. Chairman, I yield three additional minutes to the gentleman from South Dakota.

Mr. MUNDT. You are very kind. The third test is, how much use is being made of the food of non-Communist countries? This legislation is drawn so that the credits made available can be utilized to purchase the food outside the United States whenever it is available, and it also is drawn in such terms that those other countries of Europe seeking to share in a general raising of the economic levels of Europe should also participate in sharing what surpluses they have with their less fortunate neighbors.

The fourth test is, is the program flexible and adaptable enough so that it can work and do we have confidence in the type of administration which it will have? It is flexible, it is adaptable. Whether we have confidence enough in the administration, the way it will be handled, I am not sure. I happen to belong to the school of people who believe this should be handled by an independent agency. I even suggested that I think former Senator La Follette would be an excellent administrator, and that it should be handled from American headquarters established in Switzerland. This legislation provides that the House and the Congress can act at any time it desires to transfer the administration of this legislation to an independent administration responsible to the Congress. So it measures up to that test. At least if it becomes necessary, it can be made to measure up.

Fifth, does it provide for American counsel and leadership as well as American cash? It does, because by specific amendment the House inserted the words "and advise," so it provides for an American advisory administration.

No. 6: Does it contain communism at home as well as abroad? This particular legislation can do nothing in that regard. But we have put the loyalty clause in to make sure and certain that no Com-

munists can creep their way into the administrative field forces of this particular program.

Test No. 7: Does it include concurrent efforts on the part of our Government to make the United Nations actually work? I think these efforts are being engaged in by the Secretary of State presently at the Foreign Ministers' Conference overseas. Perhaps they will be successful and perhaps not. I think the establishment of the Little Assembly of the United Nations is a step in that direction. I think more remains to be done, and I believe that before we accept any long term or general or comprehensive aid program of any type we should see to it as Members of Congress that the State Department does those things through the United Nations which are essential if that body is actually going to be able to become a great functioning influence for peace rather than a debating society in which animosities are incubated and wars possibly precipitated.

I think if we look at this program as a whole, taking the time we have between now and the period when we vote on more comprehensive legislation, we have the capacity and I know we have the desire to work out a positive program of well-rounded American foreign policy which is consistent and constructive and which has an opportunity to help Europe and ourselves avert stark tragedy and another war.

Above all, I implore you, we must not lose hope—we must not quit hoping and trying and working for peace. Let us not assume that the evil force of communism has become invincible and surrender all of Europe to its bloody grip and the world to the blood bath of another war. Let us have faith in the good forces of freedom and in the strength of light. While there is yet opportunity to avert war, let us use our best judgment and our available resources in the development of positive policies to promote peace.

While it is true the task is prodigious, let us realize also that the Communists are confronting some mighty serious challenges. Only yesterday the news dispatches told of trouble in Russia, of runs upon the rapidly dwindling stocks of goods available in Moscow. Sometimes it is darkest just before the dawn. The disorders in Europe, the strikes, the rioting—perhaps these are manifestations of Communist strength and perhaps they are revelations of Communist weakness. Even the grim specter of hunger and misery has not yet driven France and Italy into the grasping arms of communism. Let us hope our aid at this time will help avert such a calamity from ever happening. It is at least gratifying that the forces opposing communism in the countries covered by this legislation have refused to cry quits. They have refused to surrender.

There is still cause to hope and while we have reason to hope, I believe we have reason to help. If we try and fail, we shall at least have the consolation of having done our best. If our help aids good government to prevail and peace to succeed, it will have been a paltry price to pay for our security and the world's tranquillity.

Mr. BLOOM. Mr. Chairman, I ask unanimous consent that the gentleman from West Virginia [Mr. KEE] may extend his remarks in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEE. Mr. Chairman, I am in favor of the passage of the bill now under consideration. As a member of the Committee on Foreign Affairs and in association with my fellow members, I have spent many days, in fact, many weeks, of diligent study and effort to bring to the floor of this House a measure designed to best accomplish its intent and purpose. The members of our committee were as one in their desire to probe into every phase of the situation at which the legislation is directed, and to that end no available source of information was left unexplored.

I believe it can be truly said that never before have the members of a legislative committee of Congress had the benefit of the direct testimony of so many of their colleagues, each and every one of whom possessed first-hand information on the subject under inquiry. Some 20 Members of Congress, all of whom had but recently returned from more or less extended visits to Europe, appeared before the committee to testify as to conditions in various areas visited by them and to express their views upon this proposed legislation. It would be impossible to overestimate the value of this evidence. These colleagues of ours came to us directly from the countries and areas to be affected by the proposed foreign-aid program. They had visited the countries for the express purpose of informing themselves upon existing conditions in the various areas and upon the problems with which the peoples therein and their governments are now confronted. They came back with the picture of Europe and her troubled peoples fresh and clear in their minds, and appearing before our committee, they painted that picture for us in words as clear and as vivid as the colors of an artist.

Mr. Chairman, with but a slight difference in expression, all of our returning colleagues drew for us the same picture. It is not a happy one. It has neither beauty nor promise. It is dark with overcast skies and the hint of a rising storm. It evidences no signs of peace, no hope for the distressed nor relief for the troubled. On the contrary, we see a picture not only of peoples who deeply suffer from sickening cold, hunger, and lack of clothing, but there is also evident the spectre of a deadly fear. This is not merely a personal fear of death. It is a national as well as a personal fear of the loss of national independence, national honor, human fredom, and personal liberty. Bluntly expressed, the free countries of Europe and their peoples are fearful of a slavery infinitely more dreadful than any bondage ever yet imposed upon mankind.

This fear pervades every country in Europe in which there is yet a semblance of freedom in government. It casts its grim shadow over every home and in fact in every heart. It is every freeman's unwelcome companion through the daylight hours and the disturber of his dreams at night. The fear is not the product of any man's imagination. It is real and vital. Those who are threatened are cognizant of this fact. They know full well that their fear is justified.

This specter of fear now stalking through Europe is the creature of Russia. God alone would know the process of reasoning through which the dictatorial leader or leaders of the Russian regime determined upon a policy of absolute world domination. That this is the policy as well as the plan, there is no room for doubt. There is likewise no doubt about what will happen to each and every country and people so unfortunate as to come under Russian power and domination. All this has been evidenced by every move of the Russian Government since the end of the war in which we were associated as allies. Also that Russian postwar plans even antedated the termination of the war is evidenced by disclosures, made at the time, of certain Russian conduct in connection with the vast quantity of military equipment, supplies, arms, and munitions then being supplied by our Government to Russia under the lend-lease program.

Everybody who followed the course of events in the first years of World War II will recall the fact that, at a time when we were pouring millions of dollars in supplies into Russia, our Ambassador to that country suddenly startled us by making public a charge that the Russian Government was hiding from its people the source of these supplies. He charged, in effect, that labels were being removed from all goods and material America was forwarding, no information was being given to the Russian people that America was supplying any help whatever, and the Russian people were being kept in total ignorance of the fact that the United States was supplying the Russian Army with food, clothing, guns, planes, tanks, munitions, and other war materials. Our Ambassador protested, and in some quarters was criticized for making a protest. The entire matter was seemingly quieted by some kind of Russian "assurance," and we continued to pour our supplies into Russia until her armies were sufficiently equipped to drive the Germans off Russian soil.

As a matter of fact the Russian masses were never advised, never knew, and do not know to this day that the United States gave any help to the Russian Army during the war. I have been told that practically all the Russian people firmly believe that Russia fought the war against Hitler unaided and unassisted; that after defeating Germany the Russians proceeded unassisted to conquer Japan; that the United States contributed nothing to either victory; that, being a selfish, grasping, capitalistic Nation, America is now trying to take away from Russia all the fruits of Russian victory and, at the same time, to take over the control of all adjacent countries and thus encircle Russia with unfriendly peoples.

Viewing Russia's actions since the end of the war, one can well believe that what I have stated is exactly what the Russian people have been told by their leaders. We have watched the great, sprawling, overgrown, and, from a military viewpoint, powerful nation initiate and prosecute a campaign of conquest. The manner and method of taking over and assuming complete control of a nation may vary in different cases, but each manner and each method always bears the Communistic label. Whether complete control is won through the fomenting of strikes, disorder and discontent, or through infiltration and indoctrination of communistic ideologies; whether control is gained through corrupt and police dominated elections; whether complete control is secured through tricky and underhanded dealings with traitors, Quislings, and puppets, or through the method of fomenting unemployment, scarcity of food, clothing, medicines, and fuel, thus trading upon hunger, cold, sickness, and misery; or whether absolute control is attained by force of arms; or whatever method is used, there will always be in evidence the label of communism. That is even found on the face of every erstwhile free man or woman of the ravished country. The label is the hopeless look of a slave.

Starting almost before the echo of the last shot of the war had become silent, the Russians started their career of aggression, acquisition, and occupation. To date they have taken over and made satellites out of some 14 countries of Europe—formerly free and sovereign nations. Not all of the countries are immediately adjacent to the Russian borders. As they are one by one absorbed, the Russians pass on to the next country and repeat the process. The iron curtain moves to the new borders as they are established, and from thence onward a hopeless people find themselves at the mercy of their masters.

The question confronting this Congress today is a serious one and much depends upon the answer we shall give. We have all the facts before us. We know what is happening in the lands across the sea and we know the problem with which we are confronted and which we must either ignore or earnestly attempt to solve. The bill now under consideration may not and probably will not be a solution, but it is the view of its proponents that it is necessary action at this critical time.

We know that the independence and sovereignty of France, Italy, and Austria are threatened and that the danger is imminent. Shall we take some action to save these countries now, or shall we leave them to whatever fate the Communists of Russia have in store for them? As stated, the proponents of the measure, with whom I agree, are strongly in favor of acting now. Your Foreign Affairs Committee urges prompt action. The State Department stresses the danger of delay. Your colleagues who visited Europe last summer to study conditions in the unhappy countries there, are practically a unit in advising the prompt passage of this legislation. In fact it seems to be the general view among those who have visited the countries named in the bill, that unless this action is taken now the consequences to the countries concerned, as well as to America, will be disastrous, perhaps tragic.

The pending bill authorizes the appropriation of $590,000,000 to carry out the purposes of the act. The purposes have been fully explained and are known by every Member of Congress. The money will be used to buy, transport, and deliver to France, Italy, and Austria, in Europe, and to China, in Asia, food, fuel, medicines, seeds, cloth for clothing, and certain other commodities to relieve the cold, starving, and otherwise distressed peoples of those countries. In all the countries mentioned, the conditions of distress have either been created or aggravated by the activities of Communists who, undoubtedly, under Russian direction, are seeking control of the respective governments. It is thought, and the thought is based on past experience, that unless relief is furnished to the peoples of these countries in this time of distress, unless their morale is strengthened and sustained, unless their resistance is encouraged and they are given new hope, they will certainly and surely turn to communism, as other peoples under like conditions have done. This mass desertion of democracy should, can, and will be prevented by supplying these distressed peoples with the necessities of life.

It will be recalled that at the last session of Congress there was passed certain legislation relating to Greece, Turkey, and other European countries. There were two measures, one authorizing an appropriation of $332,000,000 and the other for $400,000,000. At that time the Congress was advised that the sovereignty and integrity of both Greece and Turkey were threatened and that those measures were required to save both countries from communistic aggression and threatened invasion. As stated, the measures were passed and representatives from the United States were sent to Greece and Turkey to administer the funds so provided. As the bill now being considered is a measure similar to the Greco-Turkish acts and for a like purpose, it is pertinent for us to inquire into the question of whether or not the Greco-Turkish measures failed or succeeded in their purpose and their objectives.

I am indeed happy to be able to say to you on the best and most reliable authority that both of the Greco-Turkish measures succeeded. It is a fact beyond all dispute that the action of Congress, in passing that legislation and supplying the funds authorized by it, saved both Greece and Turkey from being taken over by the Communists.

If we saved Greece and Turkey then, why not save France, Italy, and Austria now? If the Greco-Turkish legislation was effective then, why will not exactly the same character of legislation, designed to meet exactly the same problem, be effective now? I am firmly convinced that it will.

Mr. Chairman, I realize that we have a serious domestic situation confronting us, but it is not my view that any domestic problems are such as to require us to ignore the very grave situation in Europe. If we have domestic problems requiring remedial legislation, we can meet them as they arise. The troubles abroad, however, seem to come to meet us, and unless we act at the psychological moment, we are likely to soon find ourselves in a situation of great difficulty and danger. The situation we are now facing calls for immediate action. It calls for the passage of this legislation now.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Chairman, it was not my privilege this past summer to visit the countries of Europe. I did, however, 2 years ago, in company with a bipartisan committee of this House, visit 19 countries in Europe and Africa. Yesterday on the floor one who did have the opportunity to travel in the old world last summer spoke most eloquently and convincingly on what he saw and learned. The gentleman from Georgia [Mr. COX], a man whom I greatly admire and respect, reported to the House that only in one country did he find any expression of appreciation or gratitude for what we have done in Europe. That in England and in France he found no such expression. I cannot believe that the people of England or the people of France in any way hold an unfriendly attitude toward the United States, nor do I believe that there is any inherent prejudice on the part of those people toward the people of America. I would much rather believe that their present attitude springs from fear of an ideology known as communism and which J. Edgar Hoover, director of the Federal Bureau of Investigation, says is "not a political philosophy at all, but is an evil and malignant way of life; a disease that spreads like an epidemic." He did find that in one country of Europe there was expression of appreciation and gratitude for what we have done, and that was in the Reich, or Germany. I am satisfied that such friendly feeling among the Germans has been built up and established by the able leadership of Gen. Lucius Clay, who is in command of the American forces in that country. Incidentally, I visited with him and in fact conferred with him on two or three occasions while I was in Germany and before entering Russia 2 years ago.

Since hearing the statement of the gentleman from Georgia yesterday information has come to my attention that Russia, France, and England have withdrawn from the prosecution of war crimes in Europe and the United States is proceeding alone. A copy of the indictment against 19 alleged war criminals, mostly German, dated Nuremberg, November 1, 1947, case No. 11, furnished to me seems to bear out that statement. The title of the case reads: "The United States of America Against," then follow the names of the 19 defendants. We might well ask why did the other three powers withdraw? If we as a Nation must proceed alone against the defendants, then it is more than probable that the good will built up and created by General Clay among the German people will be dissipated and destroyed.

In my opinion western Europe is dominated by fear.

Western Europe is dominated by fear. Much more by fear than by the threat of hunger. People are looking over their shoulder trying to find out how soon they will fall under the domination of the Communists or of the Red army. With some, there is fear of war—with others just plain fear that Communist penetration will succeed and that they will be taken over by Communists from within.

The all-too-close presence of the Soviet armies, which were permitted to enter right into the heart of Europe, holds western Europe in a firm grip, paralyzing all endeavors aimed at rehabilitation and recovery from the war. Everyone is afraid to invest his money in any kind of enterprise because everyone thinks that tomorrow the Soviets—either in the form of an occupation, or in the disguise of a Communist-dominated government—will be in their country nationalizing private property, taking away homes, business enterprises, industries, etc. This prevents any sound economy. Although there are still considerable sums of hard money in Europe, they remain in hiding or are smuggled abroad into safety. According to very reliable estimates made by American experts, there is over $4,000,000,000 in hard currency in France alone, but this money is not being put to work because of the ever-present fear.

For the same reason people do not care to work more in order to make money. There is no incentive for greater earnings because nobody believes in the safety of savings or investment.

As long as western Europe cannot be given physical safety—whatever money is being poured into it will be spent for current consumption only and not for investment. This is exactly what happened with the loan we granted to Great Britain.

No European government can be considered to be strong and stable. As long as every European government is afraid—because of the proximity of the Red army—to take any decisive steps against Communists undermining it, we cannot rely on loyal cooperation of any of these weak fence-sitting governments.

We can go on feeding Europe, sending clothing, fertilizers, and so forth, if we want to proceed doing that on purely humanitarian grounds. But no long-range economic plan for European recovery can succeed unless we bring about a change in European mentality. This, however, can be brought about only if we display our physical military strength and tell the European people that under no circumstances will we tolerate Soviet aggression or Communist infiltration.

That is precisely the policy now being carried out by Russia—the threat of military strength. If we can change the viewpoint of the people in France, Italy, Austria, and China by the aid included in this bill to stiffen the morale and encourage resistance to Communist infiltration we will have made some contribution to the peace of the world.

It is hard to tell whether the American people and the United States Congress are ready to take such a stand, but as long as this stand is not taken, and we continue to cooperate with Soviet Russia in the United Nations, and as long as we keep on recognizing Communist gangster governments, such as Tito's in Yugoslavia, Groza's in Rumania, Bierut's in Poland, and so forth, the people of Europe will gladly take our money and our food, but they will not believe that we intend to stand firmly and oppose Soviet expansion in any of the various forms it takes.

The American people have been called on before to make sacrifices. I believe the vast majority of the people of this Nation today are willing to make further sacrifices in an effort to bring about peace in this distressed and distraught world. For that reason, I propose to support this bill with some amendments, in the hope that I am expressing not only the will and opinion of the people of my district in Michigan, but also the will of the people of the United States. My support of this measure shall not be construed in favor of any long-range or continued support to foreign countries such as the Marshall plan or whatever name it is called. We cannot continue to take the whole world on our lap and nurse it forever without destroying ourselves.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. DONDERO] has expired.

Mr. VORYS. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. MCGREGOR].

Mr. MCGREGOR. Mr. Chairman, the time has arrived when we must decide just who we are going to aid—people of foreign nations or the people of the United States. Who will we help reach a sound economic basis and who will we assist in the establishment of a definite defense program that can be of real assistance in time of a definite emergency?

We are told that a survey has been made by the State Department covering the needs of foreign nations, and that Department recommends we spend billions of dollars to help Europe. The State Department has followed its Report on Europe with a demand for billions of United States money to be spent to prohibit the spread of communism. May I make a Report on the United States?

I spent several weeks this fall, as a member of a congressional committee, in making a survey of the conditions that exist in our own country. We found a dire need for developing our own natural resources; a dire need for a definite flood control and reclamation program. Our rivers and harbors need dredging; our docks and shipyards need repairing; our roads and Federal buildings are nearly in a state of ruin; our shipyards and shipbuilding facilities are in a high state of neglect. A real emergency exists in our housing needs and we have a critical shortage in a great number of commodities, including food. We have a high living and tax cost that has never been equaled. Our national defense program will require hundreds of millions of dollars to put it in first-class condition.

The bill now before us, H. R. 4604, will take the money so badly needed in the United States and send it to foreign countries. Our investigation definitely established the fact that if we were faced with another emergency tomorrow, we would be found sadly wanting. So the question arises, Who are we going to help? Can we, as a Congress, afford to take the chance? What assurance do we have that this money or aid, if we give it to foreign countries, will go to the people who really need it? We have given the authority to the President to spend about $20,000,000,000 for foreign relief since VJ-day. What is the result? These nations are in worse shape now than before our money was spent.

The bill before us does not establish any different distribution program than we have had in the past. May I quote from page 2, section 3, of this bill, lines 3 to 11, inclusive:

> SEC. 3. The President, acting through such departments, agencies, or independent establishments of the Government as he shall direct, may, by allocation of funds to any such departments, agencies, or independent establishments, or by establishing in this country credits subject to the control of the President, available to the government of a recipient country, whenever he finds it in furtherance of the purposes of this act and upon the terms and conditions set forth in this act.

This definitely means the President will continue to send aid, as he has in the past, which is the same policy and procedure for distribution that we have had during the expenditure of the $20,000,000,000 since VJ-day, and which has definitely brought very little results or aid to the people who actually need it.

This bill also gives authority to the President to send money to Argentina, or any other country, in payment for products produced in that country. For instance, he could take the American taxpayers' money to buy Argentine wheat at $5 per bushel, and then give to other governments that wheat, a policy that is rumored to be now in existence.

Mr. Chairman, I do not want anyone to starve, and that most certainly means people of other nations, as well as our own people. My survey has shown to me that our defense program is at a very low ebb; our harbors and shipbuilding yards are at a dangerous point of deterioration; we definitely need flood control to protect our own farm lands, cities and the lives of our people. We need a reclamation program which is very vital to our production; our housing shortage is critical; we have a high cost of living that makes it practically impossible for the low-bracket income workers, as well as our aged people, to barely live; and we have a tax rate that has reached an all-time high.

We must decide whether or not we are going to strengthen our own defenses, both military and economic, or give to other nations more and more American dollars. Our own defense and economic situation in this country is in such a weakened condition that it will take hundreds of millions of dollars to restore it to the level we maintained as of VJ-day. Our Nation has been built upon the principles of hard work, sacrifice and initiative, and it is questionable as to whether or not the continued spending of billions

of American dollars in Europe will eventually give those countries the sound economic basis which they need for recovery.

Mr. Chairman, it is time that we take heed to the need of our own American people.

Mr. BLOOM. Mr. Chairman, I yield 5 minutes to the gentleman from South Carolina [Mr. RIVERS].

Mr. RIVERS. Mr. Chairman, we note the anxiety that is felt for people of other lands by many of our colleagues. We hear of the plight of sundry people throughout the world. It is a fact, however, that few of us take the well of the House to defend the American housewife. I speak today of the inequitable, un-American and unconstitutional tax on oleomargarine.

Oleomargarine is made of carefully selected highly refined American food fats obtained from cottonseed oil, soy bean oil, corn oil, peanut oil, and meat fats. One or more of these, blended according to individual formula, are usually combined with pasteurized, cultured skimmed milk and salt for flavor. In almost all of these, vitamin A is added the year round. By addition of vitamin A, oleomargarine becomes a dependable uniform source of the health-protecting elements essential to nutritional well-being.

By a Federal definition, oleomargarine must contain 80 percent fat and provide 3,300 calories per pound. The elements going into oleomargarine comes from every section of the Nation—North, East, South, Midwest, and West—vast sections from which sources of these oils are derived. Yet before 1 pound is allowed to reach the table of the consumer, the Federal laws require 10 cents excise tax to be exacted. In addition to this, there are State taxes of one kind or another. The manufacturer has to pay a license fee of around $600. Before the wholesaler can sell to the retailer, he has to pay a Federal license of $480; and before the retailer can sell it to the consumer, he has to pay a license fee of $48. And then, before the housewife is permitted to touch it, she pays the above-mentioned 10 percent to the Federal Government. All in all, it has been estimated that every pound of oleomargarine carries with it a tax of 15 cents per pound. It is the only product of the farm that bears a tax.

Today, butter is almost impossible to obtain. It has long since disappeared from my table and the table, I venture to say, of many of my colleagues. The prohibitive price of butter has driven countless thousands of people to the use of oleomargarine. It is now time that we remove every vestige of Federal embargo on this healthful product. To longer retain it is wrong. This embargo was enacted by a powerful majority—it is being maintained by a powerful minority. To continue it longer will be powerfully un-American.

I have long-since introduced legislation to remove the above inequities, H. R. 2245. I have never been able to get any aid from the Committee on Agriculture. On Monday next I will have a discharge petition on the desk. Let us bring this bill to the floor.

Mr. VORYS. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. BATES].

Mr. BATES of Massachusetts. Mr. Chairman, I rise in support of this bill which, I understand, has been presented by the Committee on Foreign Affairs without a dissenting report.

I happened to be one of the members of the Armed Services Committee that had the opportunity of visiting the European area this fall, and I observed at close range the situation existing in that area. We consulted with all of our military leaders and civil authorities representing this country. We talked with the men on the street in order to get first-hand information as to what the situation actually is and what conditions the people are facing. We noticed also the attitude of the Russians in the United Nations Organization. We understood from our own military leaders in the European area the lack of cooperation they have received from the Russians for a period now of 1½ years. We saw the expression of fear as indicated by the inhabitants of western Europe as to what their fate is going to be, not in years to come but really in days to come. We saw by a study of the geography of Europe, the tremendous spread of the sphere of Communist influence over 11 satellite nations, which, together with Russia, have a population of approximately 320,000,000 people.

We discovered hunger; not starvation, because starvation is not seen on the streets. You find starvation only in the hospitals, or perhaps in the back parts of the communities or in the homes where people are unable to walk and present an appearance. I discovered only a few days ago in the press a little explanation about the situation to the effect that the statistics do not tell the whole story. Hospital statistics do show starvation, but they would not show continuing hunger. They might show, as they do in Germany, approximately the number of people who have died of actual undernourishment, but there is no way that they can record that the real cause is hunger when, according to the statistics, death came from pneumonia or tuberculosis. The Surgeon General of the United States Navy, who accompanied us on this trip, in the report that he made, states that the incidence of tuberculosis in Germany today is six times greater than that in the United States, and the most ominous thing is that it has doubled within the last year. Suffering and want are developing in the whole of Europe and as time goes on, if relief is not given, it is going to seriously affect the security of our own Nation.

The question has been asked as to what is the alternative. Will we go in there and help, as provided in this bill, even though it costs nearly $600,000,000, or will we show a complete lack of interest in the people of the world, especially those of Europe? "Are we going to pull out" seems to be on the lips of every inhabitant of western Europe today, and if we pull out, they say, the Communists will march right in. They are living in a state of fear and hunger. Starvation, yes, and the question in our minds is what are we going to do about it? Are we going to sit idly by and let our fellow men—call them English, call them French, call them Germans or Italians, or what not—starve by the thousands when we know that for a period of at least 2 years the people in western Europe have only been receiving in diet about one-half or one-third of what we enjoy here in this country of ours? Are we going to permit that condition to continue without offering a helping hand? Communism, we know, thrives on hunger, despair, and discontent. Or are we going to do the thing in the interest of our own country as we look ahead a period of many years, in the interest of our own security? Are we going to help those people who may be the bulwark against the onward march of communism?

This bill has been given very thorough consideration by the Committee on Foreign Affairs. It has been on the lips and on the minds of every Member of this House for a long period of time, and it seems to me, Mr. Chairman, that we really are at the crossroads of our civilization. The question is whether we are really concerned about Europe going down the road to a totalitarian state, to be followed quickly by Asia, or are we going to assist, before it is too late, those who are helping to stem the tide of communism and trying to preserve liberty for the oppressed people of this world?

I trust this bill will pass.

Mr. Chairman, an article in the Sunday Star by Relman Morin clearly expresses the situation that I believe exists in western Europe today:

HUNGER TAKES ITS TOLL—THE EFFECTS ARE SLOWER, BUT MORE DANGEROUS, THAN THOSE COMMONLY ATTRIBUTED TO STARVATION

(By Relman Morin)

Hunger is much more dangerous than starvation.

The reason is that starvation is acute, and you can immediately recognize it, and therefore do something about it. But a man can be hungry, very hungry, without showing it. A time will come when he will not really feel hungry, nor be aware of what is happening to him.

He might not recognize that his memory was failing, and that the mirror of his mind was turning cloudy. The physical weakness could creep over him so slowly that he wouldn't be aware of that, either.

None of this would necessarily be visible, even if you saw him every day at his work.

There was a teletype operator in Paris last winter who suddenly fainted at the machine. She loked sturdy and she was so vivid with her flashing brown eyes and quick wit that we were all surprised. We thought it was a heart attack. A doctor revived her.

"She's hungry," he said. "If she catches a cold it will turn into pneumonia and she will die in a few hours."

He shrugged. "Of course, we're all like that. Good day, sir."

The girl didn't die, but there was a man who did. His wife operated a "pension," a boarding house on a side street near the Gare St. Lazare. He was a man of stern principle and he refused to let her buy in the black market. "Anyway," he said, "we have enough to eat. The ration is enough."

So it took him a long time to die. But one afternoon he came home with a fever. "I believed him when he said he wasn't hungry," the woman said through her tears. "I wish I hadn't obeyed him."

Last summer a great many American Congressmen went to Europe to study hunger.

They came back confused, with mixed impressions and with greatly differing reactions One said he "didn't see anybody starving" Others were perplexed by the lavish restaurants in Paris and Rome, where the menu frequently is longer and more varied than anything you would see in New York.

Still others found their way to those hundreds of small restaurants around the Bourse in Paris and saw the modest middle class lunching fairly well for the equivalent of about $3. The same thing is true near the Grand Bretagne Hotel in Athens.

To further confuse them, they noted the tremendous differences between countries. In Finland and Norway, not even the black market has very much, and you feel actively hungry up there, whether you are or not. But Belgium seems overflowing with food. And in England, while the diet is monotonous and dull and skimpy, people at least are eating.

The statistics, too, were of little help to our Congressmen.

The hospital statistics would show starvation, but they would not show continuing hunger. They might show, as they do in Germany, approximately the number of people who had died of actual undernourishment. But there is no way that they can record that the real cause was hunger when, according to the certificate, death came from pneumonia or tuberculosis.

At a news conference recently President Truman used the phrase "starvation basis" in describing conditions in Europe. It was more accurate than perhaps he realized.

Except in Germany and Austria, you will not find very many people who are actually starving. You do not see such sights as we saw in India, in 1944, when terribly emaciated bodies simply dropped in the streets, or the vast and obscene horror of a famine in China.

It is not like that.

It is a creeping thing, a slow death that confronts millions in Europe. The thousands will survive, and fairly well, because they have enough money to buy food on scarcity-based prices. But the others will simply grow weaker and less efficient and more susceptible to disease.

This, in turn, strikes at the other side of the problem. Europe needs to work, so that it can produce food and coal and steel and the finished products that will buy food. But a hungry man can't go very long or very hard in a coal mine. He can't even think well if he has an office job.

No, it is not starvation in Europe now. It is plain hunger, the slow and soundless draining away of life, a much more dangerous thing.

Mr. VORYS. Mr. Chairman, I yield 7 minutes to the gentleman from Ohio [Mr. GRIFFITHS].

Mr. GRIFFITHS. Mr. Chairman, I take this time to ask the gentleman from Ohio a question in regard to fertilizer, on page 7 of the report. Will that fertilizer be purchased in this country and then shipped abroad? Is that the intent? There is $9,000,000 for fertilizer for France, fertilizer and agricultural supplies for Italy amounting to $19,000,000, and fertilizer to Austria amounting to $7,000,000.

Mr. VORYS. Yes; I understand that will be purchased in this country; purchased elsewhere if it is available under the terms of the bill. Under one section of the bill it can be purchased elsewhere, but not more than 25 percent of the whole appropriation can be used to purchase offshore supplies at a cost in excess of the delivered cost in the United States.

Mr. GRIFFITHS. I thank the gentleman.

We are, too, in pretty short supply of fertilizer in this country, and you want more food. You had better see that America is taken care of first. Over there, of course, they are going to need fertilizer. Why do we not get fertilizer in production over there? We know what enters into fertilizer.

I got hold of something last night that comes from the Department of Commerce, the Office of International Trade. It is a circular dated November 25, headed Reparations News, and speaks first of German reparations plants available for allocation. Under this they want people to submit bids on two factories. The time for submission of bids has been extended to January 9, 1948.

These two chemical facilities, allocated to the United States as reparations, were offered for sale, independently of each other, by the OFLC to American business on October 2, 1947. Originally bids were asked for by December 10, 1947. This extension of time will provide prospective purchasers sufficient opportunity to inspect the property in Germany.

The two plants offered for sale include units for the production of formaldehyde, pentaerythritol, and plastics.

Anybody that has even an elementary knowledge of chemistry knows that that means the production of nitrogen and ammonia, which are used in fertilizers. You know that before the war we were only peanuts in comparison with Europe in chemical production. On the last page of this circular is shown that there were 198 war plants in the United Kingdom zone and 104 in the United States zone, a total of 302. Chemicals, United Kingdom zone, 24; United States zone, 18; total, 42. Thus there are 344 plants that are potential fertilizer manufacturers over there. Nitrogen enters into it, and they have just as much nitrogen over in Europe as they have in the United States, because you get it right out of the air.

As to sulfur, in Sicily, or Sardinia, certainly down there in Italy some place, arrangements can be made to send sulfur up there so that it would make sulfuric acid. As to phosphates, where do they get the phosphates? North Africa. We used to get a lot of it in this country. It comes from the French section of North Africa. You can make your fertilizer over there by using these plants, instead of depleting the supplies in this country. I do not know if you people have ever looked into something like that.

I want to go along and feed these people, I will be perfectly frank, but I will be hanged if I want to go along and deplete our natural resources and cut down our own food and all that when it is not necessary.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. GRIFFITHS. I yield to the gentleman from Ohio.

Mr. VORYS. I think the gentleman expresses precisely the desire of the committee and of this House. We want those people to take care of themselves. We would rather help them produce their own fertilizer than keep on shipping it.

Mr. GRIFFITHS. Right, yet you are going to tear down plants and you are tearing down plants that will make it. The other day the War Disposal Office called up and wanted to know about buying a sulphur burner. What do you use a sulphur burner for?

Mr. VORYS. Our committee yesterday twice went into this very matter of the dismantling of the German plants, and will have action to report to the floor in a few days.

Mr. GRIFFITHS. Does the gentleman know anything about the $900,000 with which they want to buy a sulfuric acid plant in this country and send over there? I do not know, but it seems to me as though the right hand does not know what the left hand is doing. I think a lot of this foolishness had better be cut out and we had better be getting down to brass tacks. You say you want to put those people to work. Give them a chance to work, but do not come over here and ask us to decrease production by cutting down our supply of fertilizer when they have everything over there to make the fertilizer. They have got the phosphates, and they have the nitrogen and can make the ammonia.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. GRIFFITHS. I yield.

Mr. JUDD. We were assured yesterday that no plants making nitrogen are being dismantled or moved.

Mr. GRIFFITHS. No; but in making plastics you have to have hydrogen. In Europe they get hydrogen from coke, which they certainly can get over there, and here we make it from both coke and natural gas, which enters into the manufacture of fertilizer. Yet these plants, and I mentioned two of them to you, can be components in the manufacture of fertilizer, or they can be components in the fertilizer industry, and that is why I do not see why somebody down there who has knowledge of chemistry cannot get together and realize what they can make, because every fertilizer plant, as you yourself know, Doctor, is a war potential and we might just as well go ahead and use them, and they can sometime be used for explosives. But yet they are being torn down. Why not use them to make fertilizer when you need it?

GENERAL LEAVE TO REVISE AND EXTEND REMARKS

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all Members who have spoken on the bill may revise and extend their remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VORYS. Mr. Chairman, during this general debate for the last 2 days, while we have been discussing the serious situation in this country with shortages and with rising prices, General Marshall has been meeting Molotov head-on in the four-power meeting in London, there have been Communist uprisings in France and Italy, and a Communist-inspired civil war has been raging in China. Certain things have become apparent from the general debate. The House wants to keep America strong here at home, but it also wants legislation which shows warm hearts for human suffering, provides cold cash for a cold war, and

has an eye to future foreign business. If we act wisely when the bill is read for amendments I believe it will carry out all of these desires, unless by delay we lose the humanitarian, the business, and the security results we might otherwise obtain. The time for wise and speedy action is here.

The CHAIRMAN. If there are no further requests for time, the Chair declares general debate closed.

The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Foreign Aid Act of 1947."

Mr. VORYS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. HARNESS of Indiana, having assumed the chair, Mr. MICHENER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4604) to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. MURRAY of Wisconsin (at the request of Mr. VORYS) was given permission to extend his remarks in the RECORD and include certain tables.

Mr. ANDERSON of California (at the request of Mr. JUDD) was given permission to extend his remarks in the RECORD and include a table of figures.

Mr. MILLER of California asked and was given permission to extend his remarks in the RECORD and include a newspaper clipping.

Mr. DAVIS of Georgia asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. LATHAM (at the request of Mr. ARENDS) was given permission to extend his remarks in the RECORD and include an editorial from the New York Times.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. HERTER (at the request of Mr. HESELTON), today, on account of illness.

ADJOURNMENT

Mr. ARENDS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 20 minutes p. m.) under its previous order, the House adjourned until Monday, December 8, 1947, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1135. A letter from the national adjutant, Disabled American Veterans, transmitting a report of the proceedings of the national gathering held in Las Vegas, Nev., August 17 to 23, 1947 (H. Doc. No. 470); to the Committee on Veterans' Affairs and ordered to be printed, with illustrations.

1136. A letter from the Acting President, Board of Commissioners, District of Columbia, transmitting a draft of a proposed bill to amend the law relating to the possession, carrying, and acquisition of pistols and other dangerous weapons in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the clerk for printing and reference to the proper calendar, as follows:

Mr. WOLVERTON: Committee on Interstate and Foreign Commerce. House Resolution 366. Resolution requesting the Secretary of Commerce to furnish the House of Representatives information concerning the sale of supplies to the Soviet Union by firms and individuals located in the United States; with an amendment (Rept. No. 1155).

Mr. WELCH: Committee on Public Lands. H. R. 4627. A bill to authorize an appropriation for the immediate relief of the Navajo and Hopi Indians, and for other purposes; without amendment (Rept. No. 1156). Referred to the Committee of the Whole House on the State of the Union.

Mr. BISHOP: Joint Select Committee on the Disposition of Executive Papers. House Report No. 1157. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ANDREWS of New York: Committee on Armed Services. H. R. 2636. A bill to amend section 2 of the act prescribing regulations for the Soldiers' Home located at Washington, in the District of Columbia, and for other purposes, approved March 3, 1883 (22 Stat. 564); with an amendment (Rept. No. 1158). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FOOTE:

H. R. 4645. A bill to provide for the establishment of a Limited Service Corps; to the Committee on Armed Services.

By Mr. JAVITS:

H. R. 4646. A bill to authorize the expenditure of public funds for the assistance of State and municipal youth projects; to the Committee on Education and Labor.

By Mr. RAMEY:

H. R. 4647. A bill to authorize the Secretary of War to make an allowance in lieu of headstones or markers for certain graves; to the Committee on Veterans' Affairs.

By Mr. BARTLETT:

H. R. 4648. A bill to amend section 8 of the act of June 17, 1886, as amended (46 U. S. C., sec. 289), and section 27 of the Merchant Marine Act, 1920, as amended (46 U. S. C., sec. 883); to the Committee on Merchant Marine and Fisheries.

By Mr. JONES of Alabama (by request):

H. R. 4649. A bill to provide that compensation of members of the Alcoholic Beverage Control Board of the District of Columbia shall be fixed in accordance with the Classification Act of 1923, as amended; to the Committee on the District of Columbia.

By Mr. HARTLEY:

H. R. 4650. A bill to provide compensation for civil-service employees and other Federal employees who receive permanent partial disabilities resulting from injuries incurred while in performance of their duties, and for other purposes; to the Committee on Education and Labor.

By Mrs. ROGERS of Massachusetts:

H. R. 4651. A bill to authorize the reinstatement of lapsed 5-year level premium term national service life insurance on a comparative health basis until December 31, 1948; to the Committee on Veterans' Affairs.

By Mr. ELLSWORTH:

H. Con. Res. 121. Concurrent resolution providing an interpretation by Congress of the meaning of the Marshall plan; to the Committee on Foreign Affairs.

By Mrs. ROGERS of Massachusetts:

H. Res. 394. Resolution prohibiting sale of tankers by the United States Maritime Commission to foreign persons, companies, corporations, and governments; to the Committee on Merchant Marine and Fisheries.

H. Res. 395. Resolution prohibiting export of coal, gasoline, fuel oil, and other petroleum products; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California:

H. R. 4652. A bill for the relief of James Theodore Helm; to the Committee on the Judiciary.

By Mr. HOLMES:

H. R. 4653. A bill for the relief of John Keene; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

861. By Mr. CHADWICK: Petition of 3,077 citizens, substantially all of them residents of Delaware County, Pa., addressed to the President and the Congress of the United States, praying for the restoration of price control and rationing at May 1946 prices, the restoration of rent control with prohibition of evictions, and the end of monopoly profits and speculation in necessities, transmitted by the Delaware County Industrial Union Council, of Chester, Pa.; to the Committee on Banking and Currency.

862. By Mr. TIBBOTT: Petition of American Legion Post, No. 266, Leechburg, Pa., urging the passage of legislation establishing a system of universal military training; to the Committee on Armed Services.

863. By the SPEAKER: Petition of Cassadaga Townsend Club No. 1, Cassadaga, Fla., petitioning consideration of their resolution with reference to signing of Discharge Petition No. 7, relative to the Townsend plan; to the Committee on Ways and Means.

864. Also, petition of Miss Emma MacKay, Boynton Beach, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

865. Also, petition of Sarasota Townsend Club No. 1, Sarasota, Fla., petitioning consideration of their resolution with reference to signing of Discharge Petition No. 7, relative to the Townsend plan; to the Committee on Ways and Means.

866. Also, petition of Lakeland Townsend Club No. 1, Lakeland, Fla., petitioning consideration of their resolution with reference to signing of Discharge Petition No. 7, relative to the Townsend plan; to the Committee on Ways and Means.

867. Also, petition of E. C. Atwood, Cassadaga, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

868. Also, petition of William M. Hamilton, Orlando, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

869. Also, petition of E. J. Minges, Miami, Fla., and others, petitioning consideration of their resolution with reference to signing of Discharge Petition No. 7, relative to the

Townsend plan; to the Committee on Ways and Means.

870. Also, petition of Mrs. Lizzie Beers, Cassadaga, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

871. Also, petition of Mrs. Addie Perkins, Pine Castle, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

SENATE

MONDAY, DECEMBER 8, 1947

(Legislative day of Thursday, December 4, 1947)

The Senate met, in executive session, at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Peter Marshall, D. D., offered the following prayer:

Thou, O God, art our Father, and to our Father we come in this prayer. Reassure us that we have, each one, a place in Thy heart and are precious in Thy sight.

We know that we have offended Thee by some of the things we have done. We know that Thou canst not bless all that we undertake and dost not approve of all our attitudes. But we would hold on to that love Thou hast for each one of us—the love that wilt not let us go and wilt not let us off.

When we are overwhelmed by our sense of littleness in the world, may we remember that Thou hast made us all different, hast given to each of us life for a purpose, and if we fail it will never be fulfilled.

As our Lord preached some of His greatest sermons to audiences of one, may He now whisper to each one of us, as we wait upon Him, yielded and still. Amen.

THE JOURNAL

On request of Mr. WHERRY, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, December 4, 1947, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

NOTICE OF HEARING ON S. 1807, TO PROVIDE FOR THE TEMPORARY EXTENSION OF THE EXPORT CONTROL ACT AND TITLE III OF THE SECOND WAR POWERS ACT

Mr. COOPER. Mr. President, I desire to give notice, in behalf of a subcommittee of the Committee on the Judiciary consisting of the Senator from Oklahoma [Mr. MOORE], the Senator from Nevada [Mr. MCCARRAN], and myself, that public hearings will be held on the bill (S. 1807) to provide for the temporary extension of the Export Control Act and title III of the Second War Powers Act, on December 9, 10, and 11, 1947, at 10 a. m., in the Senate Judiciary Committee room, room 424, Senate Office Building.

TRANSACTION OF LEGISLATIVE BUSINESS

By unanimous consent, as in legislative session, the following routine business was transacted:

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

SUSPENSION OF DEPORTATION OF ALIENS

A letter from the Attorney General, transmitting, pursuant to law, a report reciting the facts and pertinent provisions of law in the cases of 83 individuals whose deportation has been suspended for more than 6 months by the Commissioner of Immigration and Naturalization Service under the authority vested in the Attorney General, together with a statement of the reason for such suspension (with accompanying papers); to the Committee on the Judiciary.

REPORT OF MIGRATORY BIRD CONSERVATION COMMISSION

A letter from the Secretary of the Interior, Chairman of the Migratory Bird Conservation Commission, transmitting, pursuant to law, a report of that Commission for the fiscal year ended June 30, 1947 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate by the President pro tempore and referred as indicated:

A letter in the nature of a petition from the Washington (D. C.) Chapter, Unitarian Fellowship for Social Justice, endorsing the report of the President's Civil Rights Committee; to the Committee on the Judiciary.

A resolution adopted by the James M. Power Regular Democratic Club of the Thirteenth Assembly District, Kings County, N. Y., favoring an immediate appropriation of $15,000 to the Veterans' Administration, or some other appropriate agency, for the sole purpose of constructing a motion-picture theater in the Manhattan Beach Veterans' Hospital, Brooklyn, N. Y.; to the Committee on Appropriations.

A telegram in the nature of a petition, from Porterville Post, No. 20, Tulare County American Legion, Department of California, Porterville, Calif., signed by Prentis D. Wells, commander, praying for the immediate appropriation of funds to continue work on the Central Valley project, California; to the Committee on Appropriations.

A petition of sundry citizens of Ann Arbor, Mich., and vicinity, praying for reorganization of the United Nations in the form of a world government; to the Committee on Foreign Relations.

A resolution adopted by the board of directors of the Stamford (Conn.) Chamber of Commerce, favoring the so-called Marshall plan providing aid for European recovery; to the Committee on Foreign Relations.

A resolution adopted by the city government of Chelsea, Mass., favoring the creation of a Jewish homeland in Palestine; to the Committee on Foreign Relations.

A resolution adopted by the Women's International League for Peace and Freedom, Chicago, Ill., protesting against the enactment of the inter-American military cooperation bill; to the Committee on Foreign Relations.

A resolution adopted by the New York State Federation of Women's Clubs, Inc., at Rochester, N. Y., protesting against the rising prices of foodstuffs; to the Committee on Banking and Currency.

A resolution adopted by the New York State Federation of Women's Clubs, Inc., at Rochester, N. Y., endorsing the plan for national strength presented by Dr. Karl T. Compton and his committee appointed by President Truman; to the Committee on Foreign Relations.

A letter in the nature of a memorial from Edwin Mechem, of Las Cruces, N. Mex., remonstrating against the partition of Palestine; to the Committee on Foreign Relations.

GENERAL RESOLUTIONS OF CENTRAL NEBRASKA BEET GROWERS' ASSOCIATION

Mr. BUTLER. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD general resolutions adopted by the Central Nebraska Beet Growers' Association in annual meeting assembled at Kearney, Nebr., December 1, 1947.

There being no objection, the resolutions were received, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

GENERAL RESOLUTIONS ADOPTED BY THE CENTRAL NEBRASKA BEET GROWERS' ASSOCIATION IN ANNUAL MEETING ASSEMBLED AT KEARNEY, NEBR., DECEMBER 1, 1947

Resolution 1

Be it resolved, That the Central Nebraska Beet Growers' Association express its appreciation to the National Beet Growers' Federation for its services in behalf of the beet growers in matters of Federal legislation, and that the directors of this association be instructed to continue the affiliation of the association with the National Beet Growers' Federation during the ensuing year.

Resolution 2

Whereas, under the provisions of the sugar legislation in effect for the 1948 growing season, it will be necessary that the growers establish new relations with the processor: Be it therefore

Resolved, That the Central Nebraska Beet Growers' Association earnestly request the Department of Agriculture to make an early determination and recommendation on fair price in order that the department's recommendation be available before contracting time.

Resolution 3

Whereas the uncertainty as to the cost of hand labor prevents many prospective sugar beet growers from including sugar beets in their farm plan: Be it therefore

Resolved, That the Central Nebraska Beet Growers' Association urge the Department of Agriculture to make an early determination of labor rates applicable to this area for the 1948 season, and to make public announcement of the rates in advance of the contract season and to include an approved price of hand labor in fields which have been mechanically blocked and thinned.

Resolution 4

Whereas the available supply of free Mexican labor will not be adequate for the care and harvesting of the 1948 sugar beet crop: Be it therefore

Resolved by the Central Nebraska Beet Growers' Association, That we urge the Department of Agriculture to attempt to make Mexican national labor available for the 1948 season.

Resolution 5

Whereas our Nebraska Senators and Congressmen rendered invaluable service to the sugar beet growers in the adoption of sugar legislation in the past session of Congress: Be it therefore

Resolved by the Central Nebraska Beet Growers' Association, That we express our sincere appreciation to our Nebraska Senators and Congressmen for their fine support of the sugar beet growers in matters of national legislation.

THE STATE OF THE NATIONAL DEFENSE

Mr. LODGE. Mr. President, about 2 weeks ago I made a speech outlining a proposal to increase the number of our combat ground troops by the formation of a Foreign Legion of the United States of America. Since that time I have received several letters from young men in Europe and Asia who have heard about the proposal. I should like to read into the RECORD, as typical of what young men outside the United States are thinking, the following letter:

SALZBURG,
MOOSSTRASSE NR. 70,
AMERICAN ZONE OF AUSTRIA,
November 28, 1947.

DEAR SENATOR LODGE: Your motion in the Senate concerning the formation of a Foreign Legion of the United States of America has roused great interest in the whole world. Many a young man has now the hope for a better future quite near on hand. Everyone has read the newspapers with great joy and has propagated the news. There are many, very many, soldiers by profession who would like to do service also later on as soldiers of the American Army. Besides that there are other men who have no other possibility to earn their daily living. There are so many DP's without home and without any possibility to emigrate. Thousands and thousands of them would enter the ranks of this legion. The establishing of such a foreign legion would also contribute to a gradual alleviation of the DP problem. Of these DP's, everyone will become enlisted because they know that by a service in this legion they will acquire a new homestead. It's obvious that in advanced age everybody wants to spend his life quietly and wants to have some security that he at last has found a homestead. Every reasonable man on the whole globe who is not infected by communistic ideas is considering the United States of America as the ideal guarantor of the future and security of the whole world.

The men whom I mentioned above have, however, no chance to contribute to the security of the world in this way or another; they are not subject to the Stars and Stripes, and it would be just this legion which would form a bridge between these men and the United States of America. The legion is thought to become a best-marshaled army, disposable and strong at any moment.

Dear Senator, my colleagues and acquaintances are requesting me to contact you in their name by a petition. All of them, like myself, are ready and willing to enlist with the Foreign Legion of the United States of America.

I have the further request to cooperate in the establishing of this legion. I am a poor student myself, who has no means to proceed in his studies. Not long ago my parents have returned from Siberia. They are absolutely poor and have lost their house and property. I should like to help them, but I see no chance for a normal life myself.

I have been born in Poland on July 27, 1922, am of Roman Catholic religion, and student of medicine and science. My parents are living on the other side of the "iron curtain"; therefore, I cannot call on them. I should like to emigrate to the United States of America or somewhere else, but I have no relatives over there who could lend me their support. From this reason I must choose another way to live.

Dear Senator, I request you, in the name of my colleagues, to do your best in the Congress to carry your motion. We are desirous to hear the day when the foreign legion will be established from the side of the United States Government, and hope to hear from you, dear Senator, good news before long.

Thanking you in anticipation for your kindness and benevolence, we beg to remain with our best regards,

Yours truly,

HENRY COUNT OF GLATZ.

AUTHORIZATION FOR COMMITTEE ON LABOR AND PUBLIC WELFARE TO MAKE ADDITIONAL EXPENDITURES—REPORT OF A COMMITTEE

Mr. AIKEN, from the Committee on Labor and Public Welfare, to which was referred the resolution (S. Res. 172), authorizing the Committee on Labor and Public Welfare to make additional expenditures under section 134 (a) of the Legislative Reorganization Act of 1946, reported it without amendment; and, under the rule, it was referred to the Committee on Rules and Administration.

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. LANGER, from the Joint Select Committee on the Disposition of Executive Papers, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted a report thereon pursuant to law.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CAPPER:

S. 1843. A bill to provide for the conveyance of Slowe and Carver Halls, Defense Housing projects, in Washington, District of Columbia, to the Booker T. Washington Birthplace Memorial; to the Committee on Banking and Currency.

By Mr. BUTLER:

S. 1844. A bill to authorize an appropriation for the construction, extension, equipment, and improvement of public-school buildings and facilities at Winnebago, Nebr.; to the Committee on Public Lands.

(Mr. LANGER introduced Senate bill 1845, to increase personal exemptions for income-tax purposes, which was referred to the Committee on Finance, and appears under a separate heading.)

(Mr. LANGER also introduced Senate bill 1846, to amend the Internal Revenue Code with respect to taxation of incomes of husband and wife, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. GEORGE:

S. 1847. A bill conferring jurisdiction on the United State District Court for the Middle District of Georgia to hear, determine, and render monetary judgment upon the claims of the city of Macon, Ga.; to the Committee on the Judiciary.

INCREASE OF PERSONAL EXEMPTIONS FOR INCOME-TAX PURPOSES

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to increase personal exemptions for income-tax purposes. It would raise exemptions for a single person to $1,000 and for married persons to $2,000.

There being no objection, the bill (S. 1845) to increase personal exemptions for income-tax purposes, introduced by Mr. LANGER, was received, read twice by its title, and referred to the Committee on Finance.

TAXATION OF INCOMES OF HUSBAND AND WIFE

Mr. LANGER. Mr. President, I also ask unanimous consent to introduce for appropriate reference a bill to amend the Internal Revenue Act with respect to taxation of incomes of husband and wife. The purpose of the bill is to provide in all the States similar forms of taxation as now exist in the 12 community-property States, in which, for income-tax purposes, the income can be attributed to both husband and wife.

There being no objection, the bill (S. 1846) to amend the Internal Revenue Code with respect to taxation of incomes of husband and wife was received, read twice by its title, and referred to the Committee on Finance.

AMENDMENT OF NATIONAL HOUSING ACT, AS AMENDED

Mr. TOBEY submitted an amendment intended to be proposed by him to the bill (S. 1770) to amend the National Housing Act, as amended, which was ordered to lie on the table and to be printed.

CHANGE OF REFERENCE

On motion by Mr. WILEY, the Committee on the Judiciary was discharged from the further consideration of the bill (S. 1820) to confer jurisdiction on the State of Iowa over offenses committed by or against Indians on the Sac and Fox Indian Reservation, and it was referred to the Committee on Public Lands.

VOICE OF AMERICA—RECOMMITTAL OF A BILL

Mr. SMITH. Mr. President, it was my purpose, in collaboration with the committee that went abroad last summer to study the so-called Voice of America program, to seek consideration at this session of the Congress of Calendar No. 602, House bill 3342, the so-called Mundt bill. After conferring with my colleagues on the steering committee, it seemed wise—and I agreed—that we should not bring up matters at this session other than those for which the President called the session. Furthermore, our committee that went abroad this summer felt there were certain amendments which properly should be made to the so-called Mundt bill before it is brought up for action on the Senate floor.

I therefore ask unanimous consent that Calendar 602, which is House bill 3342, entitled "An act to enable the Government of the United States more effectively to carry on its foreign relations by means of promotion of the interchange of persons, knowledge, and skills between the people of the United States and other countries, and by means of public dissemination abroad of information about the United States, its people, and its policies" be recommitted to the Foreign Relations Committee for further amendment before being reported to the Senate for final action.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

AWARD TO BERNARD M. BARUCH BY WOODROW WILSON FOUNDATION (S. DOC. NO. 110)

Mr. BARKLEY. Mr. President, on the 10th of November 1947, the Woodrow Wilson Foundation held its twenty-fifth anniversary dinner at the Waldorf-Astoria Hotel in New York City, at which time it gave to Mr. Bernard M. Baruch, an award for distinguished public service. At that dinner four very excellent speeches were made, one by Mr. Altschul, representing the board of directors, one by former Senator Warren Austin, one by former Secretary Josephus Daniels, and one by Mr. Baruch, responding to the award. I think those addresses are of such nature that the Senate would be justified in ordering that they be printed as a Senate document. Therefore I request that that be done.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

LEAVE OF ABSENCE

Mr. WHERRY. I ask unanimous consent that the junior Senator from Pennsylvania [Mr. MARTIN] may be excused from the session of the Senate today. He is absent on official business.

The PRESIDENT pro tempore. Without objection, consent is granted.

THE TENNESSEE VALLEY AUTHORITY

Mr. McKELLAR. Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks an article by John T. Flynn entitled "The Hidden Red Ink in TVA's Books," published in the Readers Digest for December 1947, at page 129. Immediately after this article was published. The Chattanooga News Free Press on December 2, 1947, carried an editorial entitled, "TVA Says ''Tain't So!'" which I also wish to have printed in the RECORD.

It is remarkable how active those who are now in charge of the Tennessee Valley Authority become about the time when appropriations for the ensuing year are to be considered. I hope both the article and the editorial will be considered by every member of the Appropriations Committee.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

THE HIDDEN RED INK IN TVA'S BOOKS

(By John T. Flynn)

In 1916 war raged in Europe. To insure a supply of nitrates, Congress voted funds for two nitrate plants at Muscle Shoals and a dam to produce hydroelectric power to run the plants. The dam, finished in 1925, became a Government headache. Finally in 1933 Senator GEORGE NORRIS put through a bill creating the Tennessee Valley Authority to operate the plants for fertilizer and the dam for navigation, flood control, and power.

But TVA is no longer just a plant and a dam. There are 26 dams on 650 miles of rivers running through 7 States. TVA owns 10 steam plants; has built villages, parks, stores; makes fertilizer; carries on forestry, agricultural, and recreational operations. Moreover, it is now proposed to establish as many as 9 more TVAs all over the country for the Missouri, Columbia, Arkansas, and other valleys.

I strongly advocated TVA. But in the interest of TVA and the country I think TVA's financial picture should be set straight.

Its managers have made extravagant claims. Dr. Arthur E. Morgan, its first chairman, told Congress in 1934: "After a preliminary period . . . this program will be amortized in 25 years." David Lilienthal, its next chairman, said in 1944:

"Even if the total investment in power, navigation, and flood control—the entire $700,000,000—were charged against power, revenues would pay the entire cost in less than 60 years."

It cost seven hundred and sixty-two million to build TVA. The Government borrowed and put up the money and pays interest on it. In addition the plant must be operated. The operation costs over 14 years up to June 1946, including the interest paid by the Government, were three hundred and thirty-nine million. The revenues were two hundred and nine million. Thus there was actually a deficit of one hundred and thirty million.

But TVA has a different figure. It arrives at it by leaving out of its accounts the one hundred and twenty-nine million paid by the Government as interest on the loans.

TVA carries on many activities. Power production is only one of them. The figures given above are for the entire program, including power. Now let us look at the power enterprise alone. TVA insists it is selling power cheaper than the private companies and doing so at a profit. Let us see.

The total investment in TVA power—using TVA's own accounting assumptions—is four hundred and sixty-two millions. All of this was borrowed by the Government. A TVA propaganda book claims that "the total net profit from power since the beginning in 1933 to June 30, 1944," was $38,000,000. But, alas, this left out the fact that $53,000,000 was paid by the Government as interest on the money borrowed to build the power plants. Hence, a power deficit of fifteen million.

TVA, of course, will never accept these figures. If one questions its accounts it replies: "Go to our reports. It is all there, verified by a firm of independent accountants." But it is not all there. Nowhere can you find any record of the interest charges paid by the Government. The firm of accountants it cites took particular pains to point this out, saying: "The net results stated for this program do not include any charge for interest." And the General Accounting Office of the United States in an official report expressly calls attention to this same failure and wants it corrected.

The Government has financed hundreds of housing projects. There is a loss of over $4,000,000 a year on these. But the projects faithfully record their interest costs. If, following TVA, they ignored this item, they could boast of a profit of fourteen million a year.

On the Government-financed Bonneville Dam project the Treasury charges 2½ percent interest. Why not on TVA's power debt? As a matter of fact, TVA's debt for its power investment alone is split into two classes. There is a small one of fifty-eight million and a large one of four hundred and four million. The Government holds both. TVA does pay 1 percent on the small one but nothing on the big one. Why is the interest on the small debt—however inadequate—a proper cost item while the interest on the big one is suppressed in its accounts?

If TVA were a private corporation the law would require it to state its debt and interest payments with exactitude. TVA ignores this. Each year it reports its revenues and its expenses (without interest). It calls the difference "net income." This is inexcusable in any case It is doubly so in TVA, which started out as a "scientific yardstick" to measure public-utility rates. But a yardstick must contain all 36 inches. The interest costs actually amount to more than a third of TVA's annual power costs. What sort of yardstick is it which leaves out a whole foot?

No one need take my word for this. The United States General Accounting Office says:

"Unless all costs for TVA's power operations are included in its income statement * * * it cannot be conclusively shown that the power operations are self-supporting."

It then insists that the interest on the Government loans must be included and that the proper rate is 2½ percent.

The TVA, of course, greatly improved its showing during the war. The whole Valley was turned into a war arsenal. TVA revenues doubled, as did those of many corporations. However, TVA reports its war record for power with the same 2-foot yardstick. It reports "net income" for the 6 years from 1941 to 1946 as $72,000,000. But what it omits is a bill for $57,000,000 of Government interest on the power debt.

However, these years do show a net power income even when interest is included. At least, they seem to do so. But the General Accounting Office is unwilling to say so. It points in its TVA report to various costs left out, one alone amounting to as much as $500,000 a year, and concludes the "power rates appear to produce gross revenues in excess of costs of power production," but "there can be no consistent showing of whether TVA is self-supporting and liquidating unless every element of cost is recorded on its books and shown in its final statement."

The TVA Act says its power project must be self-liquidating. The GAO says it will never be until its electric rates produce enough to liquidate its debt. The Appropriations Committee of the House says it should liquidate its debt in 40 years. This alone would mean an annual minimum payment to the Government of $11,000,000. Who should pay the cost of the power plant which produces power if not the people who enjoy the use of that power as is done by the customers of every private utility in the land?

The General Accounting Office has said the books do not tell the whole story: It is not all there. All of which recalls the complaint of Dr. Arthur Morgan, first TVA chairman, who declared that there ought to be an impartial investigation of the "obscure financial record of the power program."

We may now ask: Is TVA selling power at less than it costs? What should power costs include? Obviously the following: (1) All operation costs. The GAO says all are not included. (2) State taxes. It pays some but less than a private company of the same size. (3) Federal taxes. It pays none. Other utilities pay large sums. TVA boasts that other utilities pay only a part of their profits in taxes, while TVA pays all its profits. But it has no profits. (4) Interest on the Government power debt to build TVA. (5) Liquidation of the debt incurred to build TVA.

Actually, the estimates of the cost of TVA power given above are probably much too low. They are based on certain assumptions made by TVA directors. Upon these assumptions I have put the debt for power at $462,000,000. I believe, however, that a more rational allocation of power costs would put that debt at not less than $600,000,000.

Many of the great dams in the Tennessee River and tributaries are called "multi-purpose" dams. It is claimed they were built not only to produce hydroelectric power but to control navigation and floods. The directors of TVA have declared how much of the structure is for power and how much for navigation and flood control. But no one has ever officially checked this allocation.

The private accounting firm which audited TVA's books specifically disclaimed any responsibility for the allocation used. And the General Accounting Office has made the same disclaimer.

Competent engineers have disputed TVA's claim and have insisted that the dams are almost wholly for power production and that the element of flood protection or navigation control in them is small. They are supported in this by the leading authority on flood control in Congress, WILL M. WHITTINGTON, a Democrat, former chairman of the House Committee on Flood Control, a supporter of TVA and a Representative of Mississippi, which enjoys a large measure of benefits from TVA. In a speech in the House he declared that "TVA is primarily for the development of power."

There can never be any authoritative accounting of the cost of TVA power until the total amount of the investment in power has been settled. It is this that the General Accounting Office referred to when it recently reported that the power debt should be finally determined.

I have examined patiently most of the evidence on both sides of this subject and have gone to the TVA country to check on the respective claims. I believe there is no escaping the conclusion that the allocation of power investment and costs made by TVA *is arbitrary and that if it is ever audited by* a competent board of impartial engineers and accountants it will be found that the power investment and debt is not four hundred and sixty-two million but six hundred million at the lowest.

The reason for TVA's claim of lower power investment is plain. The more costs TVA can unload on navigation and flood control, the less the costs of power will seem. By the accounting trick here described TVA has cut more than one hundred and fifty million from the debt due for power. They can also reduce the seeming cost of operating the dams, because now they charge off most of the cost of operating the common purposes of the dams to navigation and flood control.

Do I want TVA destroyed? Certainly not. But we must submit TVA to the yardstick which it now tries to forget. Just as we had to have commissions to stop private utilities from soaking the customers, we should have some authority to prevent publicly owned power projects from soaking the taxpayers.

What should be done seems to me inescapable. (1) The outstanding Government debt on the power enterprise should be determined definitely and the TVA should pay the interest on it. (2) The TVA should pay off this debt in 40 years. (3) These items and all other costs should be included in the rates charged for power. (4) The TVA directors should not be the sole judges of the amount of the investment in power. (5) All the nonpower activities of TVA—agriculture, fertilizer production, forestry, and other projects—should be transferred to appropriate departments of the Government. They should be divorced from the TVA power project to which they have no rational relationship. (6) The costs of these activities should be paid out of authorized congressional appropriations like any other costs of Government.

There is an aspect of TVA which disturbs me more than its fiscal vagaries. It has operated as a Federal corporation under a charter which has enabled it to do an incredible number of things and to escape Government scrutiny. The Federal charter is a comparatively new device to enable the Federal Government to expand its powers immensely. Mr. Lilienthal, in his book, TVA—Democracy on the March, calls attention to the vast growth of Federal power. It has become so great that, he says, it cannot be wisely administered from Washington. But the power must not go back to the governors, mayors, legislatures, and councils elected by the people. It must go to great regional areas administered by directors appointed by the President, to a corporation cunningly devised to accumulate power and to elude congressional authority. We will see the country split into a few great regional provinces run by corporate provincial governors. This is what Mr. Lilienthal calls "democracy on the march." I think it is democracy in retreat, a return to the European system of centrally controlled provincial governors. With TVA as a beginning, the advocates of regionalism are planning under the guise of flood, navigation, and forestry control and other excuses to blanket America with this new type of government which represents a complete revolution in our political system.

The TVA should be specifically instructed by Congress that it is not a provincial government agency of a regional province but a Government-owned power enterprise. If the people of the United States want to adopt the regional form of government, they should do so—but only after full discussion and a formal decision. I do not think it should be presented to them suddenly as an accomplished fact.

[From the Chattanooga News-Free Press of December 2, 1947]

TVA SAYS "'TAIN'T SO"

The Tennessee Valley Authority's "answer" to the specific charges of financial trickery in John T. Flynn's Reader's Digest article, The Hidden Red Ink in the TVA's Books, is no answer at all, but a jumble of quibbling and attempt to discredit Mr. Flynn that boils down to the debating technique of a hard-pressed little boy who yells at his adversary "'Tain't so! 'Taint so! and besides, you are just an old meanie!"

Mr. Flynn charged that the TVA which was set up as a scientific yardstick to measure public-utility rates (remember?), is really no more than a 2-foot yardstick because it does not pay interest on the money borrowed by the Government to build the TVA's power-producing facilities, and this interest, according to Mr. Flynn, amounts to more than one-third of the TVA's annual power costs. Giving facts and figures, Mr. Flynn stated that for the period 1933–44, for which the TVA claimed a net profit of $38,000,000, there was actually a deficit of $15,000,000 because the Government had to pay $53,000,000 interest on the money borrowed to build the power plants. And the total deficit to June 1946, including interest on all the $762,000,000 that the TVA cost, he said, was $130,000,000.

Mr. Flynn anticipated the TVA's denial, but met it in advance with authoritative support of his statements, as follows:

"TVA, of course, will never accept these figures. If one questions its accounts it replies: 'Go to our reports. It is all there, verified by a firm of independent accountants.' But it is not all there. Nowhere can you find any record of the interest charges paid by the Government. The firm of accountants it cites took particular pains to point this out, saying: 'The net results stated for this program do not include any charge for interest.' And the General Accounting Office of the United States in an official report expressly calls attention to this same failure and wants it corrected."

As a matter of fact, the TVA does pay some interest. The TVA power investment debt, according to Mr. Flynn, is split into two classes. "There is a small one of $58,000,000 and a large one of $404,000,000. The Government holds both. TVA does pay 1 percent on the small one but nothing on the big one. Why is the interest on the small debt—however inadequate—a proper cost item while the interest on the big one is suppressed in its accounts?"

The author pointed out that Government-financed housing projects, which show a loss of more than $4,000,000 a year, could boast a profit of $14,000,000 a year if, like the TVA, they skipped their interest charges. But they pay 2½ percent interest. The Government-financed Bonneville Dam project also is charged 2½ percent. Why, asks Mr. Flynn, not the TVA also?

In its denial of the facts and figures cited in Mr. Flynn's article, the TVA lamely says: "His financial and accounting proposals are incorrect, unsound, and carelessly advanced; they would likewise be destructive by converting the TVA into an unmanageable utility financed so grotesquely as to make Samuel Insull's technique of milking the electric consumer a high point in public virtue."

Stripped of the verbiage about Insull and alleged grotesque financing, this statement practically amounts to an admission that the TVA could not meet the costs of producing electricity and sell it at rates lower than those charged by private utilities. This is what a great many people have been suspecting all along. After all, private companies could sell at much lower rates if they didn't have to pay any Federal taxes and if the Government spent millions of dollars building power plants for them and didn't even require them to pay interest on the debt.

The TVA answer then goes on to say that Mr. Flynn's proposals for making the TVA honest "have been persistently advocated by organizations and interests—Edison Electric Institute, National Association of Electric Companies, United States Chamber of Commerce, National Reclamation Association, Middle West Corp., among others—which would like to see TVA destroyed and which, unlike Mr. Flynn, make no unctuous denials of their intent to destroy."

This implied charge that Mr. Flynn is a tool of the power interests is similar to the Communist technique of crying "Fascist" at everyone who disagrees with the party line.

Fortunately, Mr. Flynn's reputation as a journalist of integrity and ability is sufficient to withstand this smear attempt. And the record shows that he has long been a supporter of the TVA. He simply dug out some facts about the TVA, and the TVA does not want these facts discussed.

So the TVA says, "Tain't so! And besides, you're just a tool of the mean old Power Trust."

But this answer is not enough. Since the TVA was built with the people's money and has been subsidized since with the people's money while it has been engaged in selling its patrons on socialism, the people are entitled to know the truth about the TVA's finances. And we have an idea Congress is going to find out what the truth is, let the people know about it and also do something about it.

The TVA also has an idea this is liable to happen, and how they dread it. That is why the TVA crowd yells so loudly when someone—like Mr. Flynn, for example—steps on those very delicate toes.

THE PRESIDENT'S EVERGLADES PARK DEDICATION SPEECH

[Mr. PEPPER asked and obtained leave to have printed in the RECORD the President's Everglades Park dedication speech, delivered at Everglades, Fla., on December 6, 1947, which appears in the Appendix.]

SENATOR PEPPER'S ADDRESS AT THE DEDICATION OF EVERGLADES PARK

[Mr. PEPPER asked and obtained leave to have printed in the RECORD the address delivered by him on December 6, 1947, at the dedication of the Everglades Park, Everglades, Fla., which appears in the Appendix.]

THE DISPLACED PERSONS PROBLEM—ADDRESS BY SENATOR SMITH

[Mr. SMITH asked and obtained leave to have printed in the RECORD an address on "Displaced Persons in Europe," delivered by

him December 7, 1947, at Calvary Church, New York City, which appears in the Appendix.]

PATENTS AND PROGRESS—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address on Patents and Progress, delivered by him before the Patent and Research Section of the Congress of Industry held by the National Association of Manufacturers in New York, December 5, 1947, which appears in the Appendix.]

REPORT TO THE PEOPLE: PART III—ADDRESS BY SENATOR O'DANIEL

[Mr. O'DANIEL asked and obtained leave to have printed in the RECORD his third report to the people, broadcast from Station WOAI in San Antonio, Tex., September 18, 1947, which appears in the Appendix.]

AID TO EUROPE—ADDRESS BY SENATOR O'CONOR

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD a radio address on the subject of aid to Europe, delivered by him in Baltimore, Md., on December 7, 1947, which appears in the Appendix.]

CONTROL OF LIVING COSTS—EDITORIAL FROM THE BALTIMORE SUN

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD an editorial entitled "No Miracle in Sight," published in the Baltimore Sun of Sunday, December 7, 1947, which appears in the Appendix.]

LABOR AND INFORMED PUBLIC OPINION—ADDRESS BY SENATOR GREEN

[Mr. TYDINGS asked and obtained leave to have printed in the RECORD an address entitled "Labor and Informed Public Opinion," delivered by Senator GREEN at the tenth annual convention of the Rhode Island State Industrial Union Council, CIO, December 7, 1947, which appears in the Appendix.]

ADMINISTRATION OF THE EMPLOYMENT ACT—ARTICLE BY SENATOR FLANDERS

[Mr. MYERS asked and obtained leave to have printed in the RECORD an article entitled "Administering the Employment Act—the First Year," written by Senator FLANDERS and published in the autumn 1947 edition of Public Administration Review, which appears in the Appendix.]

HOUSING PROBLEMS IN PITTSBURGH AND ALLEGHENY COUNTY

[Mr. MYERS asked and obtained leave to have printed in the RECORD a letter addressed to Representative RALPH GAMBLE, by Harbaugh Miller, chairman, Public Affairs Committee, Federation of Social Agencies of Pittsburgh and Allegheny County, relating to the housing problems in Pittsburgh and Allegheny County, which appears in the Appendix.]

WORLD TRADE—ADDRESS BY JAMES A. FARLEY

[Mr. CONNALLY asked and obtained leave to have printed in the RECORD an address on World Trade, delivered by Hon. James A. Farley, which appears in the Appendix.]

THE AMERICAN RAILROADS—ARTICLE BY MRS. ELEANOR ROOSEVELT

[Mr. HOEY asked and obtained leave to have printed in the RECORD an article entitled "United States Railroads," written by Mrs. Eleanor Roosevelt and published in the New York World-Telegram of December 2, 1947, which appears in the Appendix.]

CONDITIONS IN ENGLAND—ADDRESS BY SIR WILLIAM Y. DARLING

[Mr. HAWKES asked and obtained leave to have printed in the RECORD a radio address regarding conditions in England delivered by Sir William Y. Darling, a Member of the Parliament of Great Britain and vice president of the Society of Individualists, which appears in the Appendix.]

DO CONTROLS MEAN A POLICE STATE—DISCUSSION ON THE AMERICAN FORUM OF THE AIR

[Mr. SPARKMAN asked and obtained leave to have printed in the RECORD the transcript of a discussion entitled "Do Controls Mean a Police State?", conducted on the American Forum of the Air on December 2, 1947, and participated in by Senators CAIN, SPARKMAN, and MYERS and Representative BROWN of Ohio, which appears in the Appendix.]

THE ROLE OF EDUCATION IN OUR DEMOCRACY—ADDRESS BY RALPH E. ADAMS

[Mr. SPARKMAN asked and obtained leave to have printed in the RECORD an address entitled "The Role of Education in Our Democracy," delivered by Ralph E. Adams, acting president of the University of Alabama, before the Alabama Association of Circuit Judges on August 8, 1947, at Birmingham, Ala., which appears in the Appendix.]

MY FAITH—ARTICLE BY ROBERT G. SPROUL

[Mr. LANGER asked and obtained leave to have printed in the RECORD an article entitled "My Faith," written by Robert G. Sproul, president of the University of California, and published in the American Weekly for December 7, 1947, which appears in the Appendix.]

PLACE OF TRADE-UNIONS IN A DEMOCRACY

[Mr. KILGORE asked and obtained leave to have printed in the RECORD a prize-winning composition entitled "What Is the Place of Trade-Unions in Our Democratic Way of Life?" written by John Dean, of Charleston, W. Va., which appears in the Appendix.]

ADMISSION OF DISPLACED PERSONS—EDITORIAL FROM ST. LOUIS POST-DISPATCH

[Mr. KILGORE asked and obtained leave to have printed in the RECORD an editorial entitled "We Need the DP's," published in the St. Louis Post-Dispatch of November 28, 1947, which appears in the Appendix.]

CALL OF THE ROLL

Mr. WHERRY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hawkes	O'Conor
Barkley	Hayden	O'Daniel
Brewster	Hickenlooper	O'Mahoney
Bricker	Hill	Overton
Bridges	Hoey	Reed
Brooks	Ives	Revercomb
Buck	Johnson, Colo.	Robertson, Va.
Bushfield	Johnston, S. C.	Robertson, Wyo.
Butler	Kem	Russell
Byrd	Kilgore	Smith
Cain	Knowland	Sparkman
Capper	Langer	Stennis
Chavez	Lodge	Stewart
Connally	Lucas	Taylor
Cooper	McCarthy	Thomas, Okla.
Cordon	McClellan	Thye
Donnell	McFarland	Tobey
Downey	McGrath	Tydings
Ecton	McKellar	Vandenberg
Ellender	Magnuson	Watkins
Ferguson	Malone	Wherry
Flanders	Millikin	White
George	Moore	Wiley
Green	Morse	Williams
Gurney	Murray	Wilson
Hatch	Myers	Young

Mr. WHERRY. I announce that the Senator from Connecticut [Mr. BALDWIN] is absent by leave of the Senate.

The Senator from Minnesota [Mr. BALL] is absent because of official business in his State.

The Senator from Indiana [Mr. CAPEHART], the Senator from Idaho [Mr. DWORSHAK], and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

The Senator from Indiana [Mr. JENNER] is absent on official business.

The Senator from Pennsylvania [Mr. MARTIN] is absent by leave of the Senate on official business.

Mr. LUCAS. I announce that the Senator from Florida [Mr. HOLLAND] is absent by leave of the Senate on official business.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Connecticut [Mr. MCMAHON] are absent on public business.

The Senator from Mississippi [Mr. EASTLAND] is absent because of illness in his family.

The Senator from Arkansas [Mr. FULBRIGHT], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Florida [Mr. PEPPER] are absent on official business.

The Senator from New York [Mr. WAGNER], the Senator from Utah [Mr. THOMAS], and the Senator from North Carolina [Mr. UMSTEAD] are necessarily absent.

The PRESIDING OFFICER (Mr. IVES in the chair). Seventy-eight Senators having answered to their names, a quorum is present.

The Chair reminds the Senate that it is in executive session, having recessed in executive session last Thursday.

INTER-AMERICAN TREATY OF RECIPROCAL ASSISTANCE

Mr. VANDENBERG. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Executive II, which is the so-called Rio treaty.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the treaty, Executive II (80th Cong., 1st sess.), the Inter-American Treaty of Reciprocal Assistance, formulated at the Inter-American Conference for the Maintenance of Continental Peace and Security, and signed at Rio de Janeiro, Brazil, on September 2, 1947, which was printed in the CONGRESSIONAL RECORD of Thursday, December 4, 1947, at pages 11015 and the following.

The PRESIDING OFFICER. If there is no objection, the second reading of the treaty will be dispensed with. The Chair hears no objection, and it is so ordered.

Mr. VANDENBERG. Mr. President, I am confident that the values of this Inter-American Treaty of Reciprocal Assistance—called, for short, the Rio treaty—are so clear and so universally acclaimed throughout the United States and all the Americas that I can be brief in presenting the unanimous recommendation of the Senate Foreign Relations Committee in its behalf.

We have reknit the effective solidarity of North, Central, and South America

against all aggressors, foreign and domestic. We have sealed a New World pact of peace which possesses teeth. We have translated pan-American solidarity from an ideal into a reality. We have put the great wartime act of Chapultepec into an even greater peacetime contract which builds new peace defenses for ourselves and for our good neighbors. With scrupulous regard for the United Nations—acting strictly within articles 51, 52, 53, and 54 of the United Nations Charter—we have demonstrated how like-minded, peace-loving members of the United Nations can make so-called regional arrangements which build peace and security for themselves and for the world, regardless of confusion in higher UN councils. This is sunlight in a dark world.

Upon the return of Secretary of State Marshall from the Rio Conference—where the Senator from Texas, Mr. Connally, Representative Bloom, Ambassadors Austin and Pawley, and the senior Senator from Michigan were privileged to serve as his colleagues—the Secretary made this significant statement:

> I do not think it is an overstatement to say that this demonstration of trust and cooperation, this evidence of a willingness to adjust the many varied national points of view in order to make possible a unanimous agreement for the good of all, is the most encouraging, the most stimulating international action since the close of hostilities. The results demonstrate that where nations are sincerely desirous of promoting the peace and well-being of the world, it can be done without frustrating delays and without much of the confusing and disturbing propaganda that has attended our other efforts of the past 2 years. * * * This—

Says the Secretary—

> is one constructive international development in a world sadly in need of such encouragement.

Mr. President, I heartily agree with that evaluation. This simple compact of the American Republics, implementing the objectives and the authority of the United Nations, is welcome and encouraging refreshment in a contentious world which otherwise is finding peace almost as perilous as war. It is a pattern of reciprocal good will. It is the finest flower that has yet stemmed from the peace hopes planted in the United Nations Charter at the Golden Gate. Withal, it is new and rugged armor against anti-American aggressions.

That is not all. This treaty is faithful to the best of American and inter-American traditions. It is the lengthened shadow of our own Monroe Doctrine—one of the greatest moral pronouncements in two centuries. It is equally the lengthened shadow of Simon Bolivar, who, as early as 1826, was making the first cooperative effort to unite the interests of the Americas in common bond. American statesmen of many lands contributed to the evolution of this ideal across the years. The Pan American Union was formally organized in 1890 to administer these aspirations. There followed a long series of consultative pacts which strengthened international law and built toward fraternal partnership in our mutual responsibilities for intercontinental peace. These culminated during World War II, when all these American Republics made common cause at Chapultepec and promised to perpetuate this effective solidarity thereafter. Then came San Francisco, where there could have been no charter without the chapter on "regional arrangements." Then came Rio. And here before you, Senators, is the vital net result.

When this treaty is ratified, peace and justice and security will be on far firmer foundations in our western world, regardless of the obstacles which plague them elsewhere. Nothing that we have done is aimed at any other enemies than war and aggression and injustice, the three deadly foes of civilized mankind. If there should be those who suspect us of ulterior motives, they will merely confess their own. Nothing we do here subtracts one word from our over-all responsibilities to the United Nations, to which we renew our allegiance in a special, categorical pledge. Thus we give the greatest possible encouragement and aid and strength to the United Nations, and we set them an example worthy of high emulation.

Mr. President, I have constructed the following sentence from literal phrases taken out of the text of the treaty. Because it is literal it is authentic. This is it:

The American Republics, reiterating their will to remain united, pledge themselves to consolidate and strengthen their friendship and good neighborliness: To submit every controversy which may arise between them to peaceful settlement: But in case of armed attack from within or without the hemisphere, to prevent or repel aggressions against any of them through effective reciprocal assistance.

I shall now speak of these commitments in detail so that there can be no misunderstanding.

First, the fundamental obligation of all the American states which ratify the treaty is the unqualified agreement that "an armed attack by any state against an American state shall be considered as an attack against all of them." Supplementing this basic pledge, any fact or situation that might endanger the peace of America, whether an armed attack or not, is recognized as a common menace.

I can think of nothing more eloquent that could happen at this particular unhappy moment in world affairs than that the Senate should this afternoon promptly give its unanimous consent to a contract of that character.

Second, for purposes of special identification and emphasis, an intercontinental security zone is created. It is drawn upon the map—where he who runs may read. It is visual in its admonitory eloquence. It has continental form and shape and substance. The continental region runs from pole to pole. In the first instance, it is a gigantic, irregular ellipse, a great oval, encompassing North, Central, and South America and their surrounding seas and contiguous lands. Some American island territory, like Hawaii, for example, is geographically outside this contiguous continental region as thus mapped; but all American territory, whether physically within the continental ellipse or not, is declared by article III, section III, of the treaty to be inside the area which is to be given special protections. All the territory of any American state, wherever it may be, is in the area of special protections. It is in the security zone.

Lest there be any doubt as to these identifications, I read the following list of island territory outside the continental zone which, according to the State Department, is definitely, specifically, and unequivocally included within the zone of special protections: Hawaii, Midway, Wake, Johnston, Palmyra, Kingman Reef, Howland, Baker, Jarvis, American Samoa, and Guam. All islands east of one hundred and seventy-first west longitude in the Samoan group are included, plus Swains Islands, which are just off the Samoan group. There are also included a few minor islands, such as Canton and Enderbury.

Some territory of non-treaty states—like Canada and Greenland—is also included in this area where an armed attack would be of intimate and immediate hazard to the Americas.

Third, an armed attack within this special area, as defined in article III, section III, will immediately alert all of the signatory American states. Each is pledged to "assist in meeting the attack." Each will forthwith decide upon its own immediate action in fulfillment of this pledge and "in accordance with the principle of continental solidarity" and in the exercise of the right of summary self-defense, both individual and collective, specifically authorized by article 51 of the United Nations Charter. This immediate action will be followed by prompt consultation to determine upon collective plans for collective action. These plans are listed. They are the same as the sanctions in the UN Charter. They may comprise the recall of chiefs of diplomatic missions, the breaking of diplomatic relations, the breaking of consular relations, complete or partial interruption of economic relations, suspension of all types of communication, and the collective use of armed forces. In all but the latter, namely, the use of armed force—over which each signatory state retains complete and absolute option and self control—all treaty states will be bound by a two-thirds vote. There is no paralyzing veto upon any of these peaceful sanctions. One recalcitrant, one noncooperator, cannot nullify the loyalties of the others. It cannot even stop the others from using collective force. We are building upon mutual trust. This is a true partnership which represents the greatest advance ever made in the business of collective peace. These two coordinated continents thus will offer no hospitality to alien aggressors who, following the usual pattern, might seek to "divide and conquer."

Fourth, these treaty obligations are by no means confined to what happens in the special zone. The framers of this treaty took the broader view, consistent with bitter history and repeated experience, that an aggression far beyond our region—even on other continents—may potentially threaten our own peace.

They meant what they said in that original commitment about being "all for one and one for all." They said that "if the inviolability or the integrity or the sovereignty or the independence of any American state should be affected by an aggression, or by an intra-continental or extra-continental conflict, or by any other fact or situation that might endanger the peace of America," they will consult immediately in respect to common action. This is all-inclusive. I may say, in passing, that the United States delegation was particularly earnest in urging this idea that crimes against peace and justice cannot be confined within latitudes and longitudes.

Before proceeding to the fifth point let me sum up these third and fourth points very simply. The Republics of North, Central, and South America have made a hard and fast agreement with each other that an attack upon one is an attack upon all. When the attack comes home to us within our security zone they pledge immediate and effective action on their own responsibilities, followed by immediate consultation for coordinated defense. If the attack, or any sort of threat, is outside our security zone, they pledge immediate consultation looking toward "common defense and the maintenance of the peace and security of the continent."

I should also say at this point that it is, of course, required that the Security Council of the United Nations will immediately be notified of all such developments; and the jurisdiction of this "regional arrangement" will cease whenever—but not until—"the Security Council has taken the necessary measures to maintain international peace and security" as spelled out in the United Nations Charter.

The fifth and last point is that this treaty puts special emphasis upon keeping the peace within our own continental boundaries. With particular regard to intra-American border disputes, for example, the pan-American consultation will immediately call upon the contending states to suspend hostilities, restore the "status quo ante bellum"—the prewar status—and proceed to settlement by peaceful means. Refusal to adopt these pacific actions will largely determine who shall be branded as the aggressor and who thus must take the consequences under the provisions of the treaty for joint action.

In general summary, Mr. President, I want to testify that all these agreements were hammered out in full, free debate. At times there was vigorous argument—but always among friends. The ultimate and manifest enthusiasm which greeted the finished treaty is the more eloquent and the more reliable because it thus flowed from a free meeting of minds. What we have put on paper is important. But far more important is the spiritual unity which thus makes common cause in answer to the dearest prayers of humankind. Frankly, I do not believe there has been a more important document in the life of the New World.

Let me reiterate that all these pledges are exclusively peace pledges until aggression breaks the peace. There is not a syllable of conquest in the entire document. At all times it recognizes—and I quote from the treaty—that "peace is founded on justice and moral order and, consequently, on the international recognition and protection of human rights and freedoms, on the indispensable well-being of the people, and on the effectiveness of democracy for the international realization of justice and security." At all times it is a supplement and not a substitute for the United Nations, and is in faithful gear with the United Nations Charter. It is good for us. It is good for our neighbors. It is good for the world.

I submit, Mr. President, that such a treaty is cheerful, encouraging, and happy news in a war-weary world which is groping, amid constant and multiple alarms, toward the hopes by which men live. I submit that it is a vital, forward step in further cementing those inter-American friendships and freedoms which are our unique and special benediction. I submit that this is a particularly eloquent and significant moment to demonstrate the solidarity of this hemisphere, wherein an attack upon one becomes an attack upon all.

Mr. President, I have been unable to find any disagreement in our own country regarding this matter; I have found no disagreement among my colleagues; but I want it to be fully and faithfully presented. Before we move into a question hour, I wonder if I might not yield the floor to my able colleague from Texas, who was one of the participants in writing the treaty, and when he has concluded I suggest that both of us shall be very glad to answer any questions any Senators may wish to ask.

Mr. CONNALLY. Mr. President, the chairman of the committee, the Senator from Michigan [Mr. VANDENBERG] has very clearly described the general principles of the treaty and its many details. For over a hundred years aspirations among the republics of the Western Hemisphere for unity and solidarity have animated their people. From time to time proposals have been made looking to that objective. The ambition to preserve the peace of the Western Hemisphere and to establish methods of settling disputes through peaceful means has animated many of the citizens of the republics of the Western World. At a number of conferences of the inter-American system resolutions looking to the accomplishment of these aims have been adopted.

Pursuant to an invitation extended by the Government of the United Mexican States, delegations from nations composing the Inter-American Conference on Problems of War and Peace met in Mexico City on February 21, 1945. Former Senator Warren R. Austin, of Vermont, now the United States representative in the United Nations, and the senior Senator from Texas, then chairman of the Committee on Foreign Relations, were requested by the President of the United States to attend the conference as advisers to the United States delegation, and we participated in the deliberations of the conference. As a result of the labors of the conference, there was approved on March 6, 1945, a declaration which came to be known as the Act of Chapultepec.

The declarations of the Act of Chapultepec, part I, paragraphs 3 and the following, are as follows:

Third. That every attack of a state against the integrity or the inviolability of territory, or against the sovereignty or political independence of an American state, shall, conformably to part III hereof be considered as an act of aggression against the other states which sign this declaration. In any case invasion by armed forces of one state into the territory of another trespassing boundaries established by treaty and demarcated in accordance therewith shall constitute an act of aggression.

The delegation of the United States was instrumental in having that clause inserted in the Act of Chapultepec because of the disputes which were bringing about conflicts between the nations. So it was confined to a clearly demarcated line that had theretofore been agreed upon or determined by arbitration.

Fourth. That in case acts of aggression occur or there may be reasons to believe that an aggression is being prepared by any other state against the integrity and inviolability of territory, or against the sovereignty or political independence of an American state, the states signatory to this declaration will consult amongst themselves in order to agree upon measures it may be advisable to take.

This treaty invokes the principle of consultation of all the nations which are parties to the treaty—the principle of thoroughly discussing matters and trying to agree upon a joint means of repelling attacks. I think that is one of the splendid features of the treaty.

Fifth. That during the war, and until the treaty recommended in part II hereof is concluded, the signatories of this declaration recognize that such threats and acts of aggression as indicated in paragraphs third and fourth above constitute an interference with the war effort of the United Nations, calling for such procedures, within the scope of their constitutional powers of a general nature and for war, as may be found necessary.

It will be noted that the Act of Chapultepec contemplated assistance in a war participated in by the United States and other Latin-American nations.

Among the measures which should be adopted are the following:

Recall of chiefs of diplomatic missions.
Breaking of diplomatic relations.
Breaking of consular relations.
Breaking of postal, telegraphic, telephonic, radiotelephonic relations.
Use of armed force to prevent or repel aggression.
Interruption of economic, commercial, and financial relations.

Sixth. That the principles and procedures contained in this declaration shall become effective immediately, inasmuch as any act of aggression on threat of aggression during the present state of war interferes with the war effort of the United Nations to obtain victory. Henceforth, and with the view that the principles and procedure herein stipulated shall conform with the constitutional principles of each republic, the respective governments shall take the necessary steps to perfect this instrument in order that it shall be in force at all times.

Part II of the Act of Chapultepec recommends—and here is the recommendation of the act which eventuated in the pending treaty—

That for the purpose of meeting threats or acts of aggression against any American Republic following the establishment of peace, the governments of the American Republics should consider the conclusion, in accordance with their constitutional processes, of a treaty establishing procedures whereby such threats or acts may be met—

There is the exact and concrete basis for this treaty, going back to the Act of Chapultepec——

by:

The use, by all or some of the signatories of said treaty of any one or more of the following measures:

There then occurs a recitation of the particular measures, which I have already quoted at another point.

Part III of the Act of Chapultepec read as follows:

This declaration and recommendation provide for a regional arrangement for dealing with matters relating to the maintenance of international peace and security as are appropriate for regional action in this hemisphere and said arrangements and the activities and procedures referred to therein shall be consistent with the purposes and principles of the general international organization when established.

It must be borne in mind that this action was taken prior to the conference in San Francisco which wrote the Charter of the United Nations; but the Act of Chapultepec looked forward; it anticipated the formation of such an international organization, and expressed its purpose to establish this particular arrangement within a reasonable zone under the Charter of the United Nations.

This declaration did not have the dignity of a treaty, but it undertook to express the wishes and hopes of the nations participating for a treaty among the American states to be thereafter effectuated. The Act of Chapultepec forms the basis for the present treaty, known as the Inter-American Treaty of Reciprocal Assistance, signed at Rio de Janeiro on September 2, 1947.

After the recitation of the basic principles and the objectives, and in response to a recommendation of the Inter-American Conference on Problems of War and Peace which had met in Mexico City in 1945, the conference at Rio adopted the pending treaty for the purpose of preventing and repelling threats and acts of aggression against any of the countries of America, and declared the will of the signatories to remain united in an inter-American system consistent with the purposes and principles of the United Nations—all through the treaty there is a reaffirmation from time to time of support of the United Nations, expressing the opinion that there shall be no conflict between the treaty or the activities under the treaty and the United Nations Charter—and to reaffirm the agreement which they had contracted concerning matters relating to the maintenance of international peace and security which are appropriate for regional action.

The pending treaty reaffirms adherence to the principles of inter-American solidarity and cooperation, and especially to those set forth in the preamble and declarations of the Act of Chapultepec, all of which should be understood to be accepted as standards of their mutual relations and as the juridical basis of the inter-American system.

As a basis for the treaty it is declared:

In conformity with the objectives stated above, and in order to assure peace, through adequate means, to provide for effective reciprocal assistance to meet armed attacks against any American state, and in order to deal with threats of aggression against any of them, have resolved to conclude the following treaty.

Mr. President, I do not wish to weary the Senate, but I deal with these matters somewhat in detail because I believe it is necessary to set down in the record our understanding of them.

In article 1, the contracting parties assume an obligation not to resort to the threat or use of force in any manner inconsistent with the provisions of the Charter of the United Nations or this treaty. So, Mr. President, it is the purpose of the treaty to contribute toward peace and the peaceful settlement of disputes, and it proclaims its loyalty and allegiance to the United Nations Charter.

Article 2 provides that, in conformity with the principle theretofore set forth, the contracting parties undertake to submit every controversy which may arise between them to methods of peaceful settlement and to endeavor to settle such controversies among themselves by means of the procedures in force in the inter-American system before referring them to the General Assembly or the Security Council of the United Nations.

Here, Mr. President, is set forth the purpose of these nations of the Western World to settle by peaceful means, wherever possible, their own problems, their own misunderstandings, their own disagreements, without sending them to the United Nations, primarily. Thus is revealed a purpose to strengthen cooperation among the American nations and to settle their disputes if possible without reference to the United Nations.

In subparagraph 1 of article 3, the contracting parties agree—

That an armed attack by any state against an American state shall be considered as an attack against all the American states, and, consequently, each one of the said contracting parties undertakes to assist in meeting the attack in the exercise of the inherent right of individual or collective self-defense recognized by article 51 of the Charter of the United Nations.

It may be observed here, however, Mr. President, that this clause does not require any of the signatories to resort to armed force without its own consent. Herein lies the strongest bond of hemispheric solidarity and community of interest. It is proclaimed that an armed attack by any state against an American state shall be considered as an attack against all American states, and the treaty calls upon all the other states to assist the victim of the attack.

It is provided, however, in subparagraph 2 that, on the request of the state or states directly attacked and until the decision of the organ of consultation of the inter-American system, each one of the contracting parties may determine the immediate measures which it may individually adopt in fulfillment of the obligation contained in the preceding paragraph and in accordance with the principle of continental solidarity. In other words, it is left to the discretion and wish of each of the nations to adopt such measures as it may approve in carrying out the obligation to assist the victim of the attack.

It is also provided that the organ of consultation shall meet without delay for the purpose of examining those measures and agreeing upon the measures of a collective character that should be adopted. The consultation of the nations of the Western Hemisphere must be immediately called in case of such a contingency. Later on I shall explain how the consultation is constituted.

In subparagraph 3 of article 3, it is set forth that the afore-mentioned provisions shall be applied in case of any armed attack which takes place within the region described in article 4, which appears on the map on the wall of this Chamber, or within the territory of an American state. When the attack takes place outside of certain areas, the provisions of article 6 shall be applied. In other words, by the language "or within the territory of an American state," the treaty reaches out and includes all territories of the United States, whether they are within the particular region marked out on the map or not.

The region described in article 4 begins at the North Pole, and includes Greenland and the waters of North America and extends generally in a southern direction to include the American Republics. It does not, however, include Iceland. It extends to the South Pole and turns in a northwesterly direction through the Pacific, including the territories of the American Republics until it reaches the North Pole. It includes Hawaii by the expressed declaration of subparagraph 3 of article 3 in the language "which takes place within the region described in article 4, or within the territory of an American state." The language "within the territory of an American state" embraces Hawaii.

Subparagraph 4 provides that measures of self-defense may be taken until the Security Council of the United Nations has taken the measures necessary to maintain international peace and security. Thus it is again declared that the terms of the treaty shall not conflict with obligations or rights under the Charter of the United Nations.

Here, Mr. President, is a specific acknowledgment of subordination to the United Nations and its Charter when it takes effective and proper action.

Article 4 sets out by metes and bounds the territories contained within the specified area mentioned in subparagraph 3.

It is set forth in article 5 that the contracting parties shall immediately forward to the Security Council of the United Nations, pursuant to articles 51 and 54 of the Charter, complete information concerning "the activities undertaken or in contemplation in the exercise of the right of self-defense or for the purpose of maintaining inter-American peace and security. The purpose, of

course, is to avoid conflicts of jurisdiction or activity with the United Nations.

So, Mr. President, here is another provision seeking to prevent any conflict with the United Nations, or any invasion of the provisions of the United Nations Charter.

The provisions heretofore quoted have dealt with armed attack. It is realized that aggression may occur in another form, but involving a threat to the peace or a situation that might endanger the peace. It is, therefore, provided in article 6 that if any state should be affected by an aggression which is not an armed attack or by an intracontinental or extracontinental conflict, or by any other fact or situation that might endanger the peace of America, the Organ of Consultation shall meet immediately in order to agree on the measures which must be taken in case of aggression to assist the victim of the aggression or, in any case, the measures which should be taken for the common defense or for the maintenance of the peace and security of the hemisphere. It is therefore important to observe that here are provisions that may treat aggression which is not an armed attack and thus prevent its developing into an armed attack. One of the cardinal principles of the treaty is to adjust disputes by peaceful methods and here lies an exemplification of such a case. It is a wise and useful provision that these matters shall be considered and adjusted by neighbors and members of the inter-American brotherhood of states. A finer spirit of accommodation and adjustment is more apt to flourish in such a surrounding than in one of alien traditions and foreign outlook.

It is of the highest importance that possible conflicts between two or more American states should be considered and properly treated within this conception of peaceful settlement. Therefore, article 7 provides that in case of a conflict between two or more American States, without the surrender of the right of self-defense under article 51 of the Charter of the United Nations, the contracting parties shall meet in a consultation which calls upon the contending states to suspend hostilities and restore matters to the status quo ante bellum and that they shall take, in addition, all necessary measures to reestablish or maintain inter-American peace and security and for the solution of the conflict by peaceful means.

In case of an armed conflict between two American states, the Organ of Consultation is required to call upon them and to urge that they cease hostile action, take means to restore the situation to what it was prior to the war, and adjust their disputes. The rejection of the pacifying action will be considered in the determination of the aggressor and in the application of the measures which the consultative meeting may agree upon. That is entirely appropriate. The spirit of rejection, or unwillingness to abide by the provisions of the Charter, shall be considered as evidence going to the question as to who is the aggressor.

Here lies an earnest and impelling purpose to require the American states to keep in mind the high purpose of settlement of disputes by peaceful means and it reminds them of their solemn obligations to follow such a course and to observe the counsel of the Organ of Consultation when it calls upon the interested states to take such measures.

Article 8 sets forth that for the purposes of this treaty the measures on which the Organ of Consultation may agree will comprise one or more of the following: Recall of chiefs of diplomatic missions; breaking of diplomatic relations; breaking of consular relations or of rail, sea, air, postal, telegraphic, telephonic, and radiotelephonic or radiotelegraphic communications; and use of armed force. Article 9 provides:

> In addition to other acts which the Organ of Consultation may characterize as aggression, the following shall be considered as such:
>
> (a) Unprovoked armed attack by a state against the territory, the people, or the land, sea, or air forces of another state.
>
> (b) Invasion by the armed forces of a state, of the territory of an American state, through the trespassing of boundaries demarcated in accordance with a treaty, judicial decision, or arbitral award, or, in the absence of frontiers thus demarcated, invasion affecting a region which is under the effective jurisdiction of another state.

These examples of aggression are made clear and supply a standard by which hostile acts may be judged. The language, "invasion affecting a region which is under the effective jurisdiction of another state," would include islands awarded to an American state under the trusteeship provisions of the United Nations Charter. That is not entirely a closed question because of the Charter, but I think the language, "invasion affecting a region which is under the effective jurisdiction of another state," would include islands, because under the trusteeship they are under our jurisdiction. Thus, territories under such jurisdiction awarded to the United States would be within the scope of the protection assured. They certainly would as amongst the signatories to the treaty. They might not be under the power of the United Nations and under its Charter.

As evidence of a supreme desire to avoid conflict with the United Nations or under its Charter, it is provided in article 10 that—

> None of the provisions of this treaty shall be construed as impairing the rights and obligations of the high contracting parties under the Charter of the United Nations.

It is notable that the undertakings of this treaty are undertaken in conformity with the specific provisions of the Charter of the United Nations which provide for regional understandings or agreements. This specific recognition of a regional agreement is a safeguard and a guaranty that conflicts or collisions shall be avoided.

In article 11 it is provided that—

> The consultations to which this treaty refers shall be carried out by means of the meetings of Ministers of Foreign Affairs of the American Republics which have ratified the treaty, or in the manner or by the organ which in the future may be agreed upon.

Of course, signatories to the treaty could later agree upon some other method, but the consultations contemplated by the pending treaty are those among the foreign ministers of the various nations.

Pending the formation of a consultation composed of the ministers of foreign affairs of the American Republics, article 12 authorizes the governing board of the Pan American Union to act provisionally as an organ of consultation until the meeting of the organ of consultation referred to in article 11 takes place. Pending the formal organization, the Pan American Union is made a provisional organ of consultation. Article 14 sets forth that in the voting referred to in this treaty only the representatives of the signatory states which have ratified the treaty may take part.

It is further provided that the governing board of the Pan American Union shall act in all matters concerning the treaty as an organ of liaison. This provision is intended to invest the Pan American Union with authority to consistently inquire into the matters covered by this treaty and the relation of the American states to the United Nations, insofar as the matters covered by the treaty make appropriate.

It is further provided in article 16 that the decisions of the governing board of the Pan American Union referred to in articles 13 and 15 above shall be taken by an absolute majority of the members entitled to vote, and in article 17 it is set forth that the organ of consultation shall take its decisions by a vote of two-thirds of the signatory states which have ratified the treaty.

In order to carry out the purpose of impartiality and looking to just and fair decisions, article 18 sets forth that "in the case of a situation or dispute between American states, the parties directly interested shall be excluded from the voting referred to in the two preceding articles." Of course, that is a sound and wise provision.

Article 19 treats of the necessary quorum in these words:

> To constitute a quorum in all the meetings referred to in the previous articles, it shall be necessary that the number of states represented shall be at least equal to the number of votes necessary for the adoption of the decision.

That is to secure a quorum—a matter with which we have dealt somewhat in the Senate. I hope their efforts will be more effective than ours.

It will be remembered that article 8 sets forth the measures on which the Organ of Consultation may agree.

Article 20 provides as follows:

> Decisions which require the application of the measures specified in article 8 shall be binding upon all the signatory states which have ratified this treaty, except that no state shall be required to use armed force without its consent.

That refers to various measures relating to the withdrawal of consuls, and so forth. The provision applies to affairs both within and without the region.

It will be noted that it is specifically provided that "no state shall be required to use armed force without its consent." It is hoped that the other measures which the consultation may adopt under article 8 may be sufficient to prevent war and to avoid the necessity of the use of

armed force. But, as a safeguard, a provision was inserted that no state should be required to use armed forces without its consent.

Article 23 is as follows:

This treaty is open for signature by the American states at the city of Rio de Janeiro and shall be ratified by the signatory states as soon as possible in accordance with their respective constitutional processes. The ratification shall be deposited with the Pan American Union, which shall notify the signatory states of each deposit. Such notification shall be considered as an exchange of ratification.

It should be observed here that two American states did not sign the pending treaty when it was originally drawn. There was a revolution in Ecuador. Pending the convening of the conference, the President resigned or otherwise vacated his office. Because of the existence of a state of uncertainty and chaos, the conference therefore did not feel called upon to undertake to decide the question of who, if anyone, should be authorized to act in the conference. In the case of Nicaragua, a similar situation existed, and the conference declined to recognize representatives from that Republic. Under the foregoing provision, it is possible, however, that either or both of these countries may later adhere to the treaty when appropriate under the treaty and under international law. In the case of Canada, which is not a party to the treaty, if it should see fit later on, it could appropriately become a party to the treaty by adhering to it.

It is provided in article 24 that—

The present treaty shall be registered with the Secretariat of the United Nations through the Pan American Union, when two-thirds of the signatory states have deposited their ratification.

In other words, the treaty does not become effective until ratified by two-thirds of the signatory states.

The treaty thus comes into effect when two-thirds of the signatory states have deposited their ratifications. It is expressly provided in article 25 that—

This treaty shall remain in force indefinitely, but may be denounced by any high contracting party by a notification in writing to the Pan American Union, which shall inform all the other high contracting parties of each notification of denunciation received. After the expiration of 2 years from the date of the receipt by the Pan American Union of a notification of denunciation by any high contracting party, the present treaty shall cease to be in force with respect to such state, but shall remain in full force and effect with respect to all the other high contracting parties.

This escape clause provides that by a 2-year notification any American state that is a party to the treaty may withdraw, or may denounce it, but that the treaty shall remain in full force and effect as to all the remaining signatories.

While it is thus provided that the treaty shall remain in force indefinitely, it may be denounced by any contracting party by notification in writing to the Pan American Union and that after the expiration of 2 years from the date of receipt of the notification of denunciation, the present treaty shall cease to be in force with respect to such state.

The treaty as a whole is a supreme proof of the high resolve of the American Republics to preserve the peace of this hemisphere. It embodies the very essence of solidarity and the joint community of efforts among the American states to contribute to the peaceful adjustment of international disputes and to make a solemn and mighty contribution to the peace of the hemisphere. This treaty will be a great object lesson to all the peoples of the world. It will set a pattern for other regional agreements in other areas looking to the attainment of peaceful processes and the preservation of the peace of the world under the objectives and methods of the United Nations. It is a culmination of the hopes and aspirations of the peoples of the American states which have been generated and stimulated and have been strengthened over a period of more than a century. It will provide a means of settlement and adjustment of disputes which from time to time have interrupted the relations of nations of the western world. The propagation of conciliation, arbitration, and other peaceful measures will react tremendously upon the public life and upon the political institutions of the American states.

It is a long step in the direction of guaranteeing the safety and the security of the American Republics from aggression or attack by any power outside this hemisphere.

It is a fine exemplification of the dream of western security against the establishment in the western world of any alien or totalitarian government from beyond the sea.

President James Monroe, more than a hundred years ago, on December 2, 1823, envisaged the security of the republics of the new world and in the celebrated doctrine which bears his name, flung into the face of European monarchs these burning words:

We owe it, therefore, to candor and to the amicable relations existing between the United States and those (European) powers to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety. With the existing colonies or dependencies of any European power, we have not interfered and shall not interfere. But with the governments who have declared their independence and maintained it, and whose independence we have, on great consideration and on just principles, acknowledge, we could not view any interposition for the purpose of oppressing them, or controlling in any other manner their destiny, by any European power in any other light than as the manifestation of an unfriendly disposition toward the United States.

With reference to a claim to a part of the Pacific coast which the Czar of Russia had put forth, Monroe made the assertion:

The American continents, by the free and independent condition which they have assumed and maintain, are henceforth not to be considered as subjects for future colonization by any European powers.

In the words of a great Englishman, "That noble declaration ought to be hung up in the nursery of every king and emblazoned on the porch of every royal palace." Today it ought to be hung upon the porticos of every ruling power that may have any design, by infiltration, by armed force, or by economic pressure, to bend within its will the destiny or the fortune of any republic of the Western World.

While the Monroe Doctrine was intended as a defensive measure in behalf of the United States, it was proclaimed because the United States is one of the Republics of the Western World. Its declarations were in behalf of all the Republics of the Western World. It was intended to make the Western World the sanctuary of democracy and free government and it laid before the crowned heads of Europe the firm determination that that sanctuary could not be invaded or impaired by any form of aggression by any representative of any European system.

Had there been no Monroe Doctrine, it is easy to perceive that through the years there would have been armed aggression seeking conquest and dominion in the Western World by autocratic and ambitious military nations.

It will be remembered that the occasion for the promulgation of the Monroe Doctrine arose after the republics of the Western World had by armed revolution attained their independence from their European masters. The holy alliance composed of the Emperors of Austria, Russia, and Prussia, was contemplating the formulation of plans for the reconquest of the liberated republics and their restoration to their former masters or to those selected by their former masters. The promulgation of the Monroe Doctrine frustrated its plans and has given security and safety to the American Republics from any such evil and vicious system of conquest and exploitation.

It will be remembered that while the United States was engaged in the War Between the States, Napoleon III of France, with a vaulting ambition conceived the design of establishing an empire in Mexico, and with a French army invaded and subdued Mexico and in 1864 placed upon the throne an Austrian prince as Emperor Maximilian. It will be further remembered that at the end of the War Between the States the United States Government took steps to notify Napoleon III and the empire which he had established that the United States would not further tolerate the subjection of Mexico by armed force and the introduction into Mexico of a European monarch. We remember that Napoleon III, in 1867, withdrew his army. The Mexican people rose in rebellion to the rule of Maximilian and under the leadership of Juarez liberated the distressed and unhappy people of Mexico. The unhappy prince met a tragic fate when a puff of rifle smoke at Queretaro ended his life and destroyed his dominion. The Mexican people threw off their chains and resumed the control of their Government and the exercise of their rights. Had there been no Monroe Doctrine, other American states would no doubt have been the victims of armed aggression and conquest in the Western World.

Thereafter, the treaty emerging from the conference of Rio de Janeiro embodies the lofty principles of the Monroe Doctrine. It vitalizes and makes definite that it is a policy for the protection and the security of all the American states. It guarantees the liberties and political institutions of the Western World. It is a challenge to any alien or foreign influence that may seek to infiltrate with insidious foreign doctrines or to conquer by arms any republic of the Western World. It makes clear that here is a sanctuary where liberty and constitutional free government shall enjoy the opportunity to grow and develop according to the wishes and desires of the people of these republics with a respect for the rights and sovereignty of all other states of the hemisphere and with the noble purpose of promoting the peace of the world. The treaty is in harmony with the lofty precepts of George Washington in North America, and those of Bolívar, San Martin, O'Higgins, and other patriots in South America.

Mr. President, I sincerely hope that the Senate, after considering the vital provisions of the treaty, may agree to its ratification unanimously, and thus send to the republics of the Western Hemisphere a message of encouragement and of congratulation upon their embracing this great system, and to the United Nations a message that we are in harmony with the Charter and we are living under its provisions, but as a supplementary action on our part we are undertaking to aid and strengthen and make secure the provisions of that great document.

Mr. ELLENDER. Mr. President, I should like to direct a few questions to the distinguished Senator from Michigan. During the course of his remarks he made what was to me a most significant statement, to this effect:

> There would have been no United Nations Charter unless it was provided therein for the formation of regional agreements such as the one proposed.

Am I correctly quoting the distinguished Senator?

Mr. VANDENBERG. Exactly.

Mr. ELLENDER. Would the Senator be able to tell us how this came about?

Mr. VANDENBERG. Excuse me. How what came about?

Mr. ELLENDER. The right of nations to form regional agreements to which the Senator refers in his presentation. I think there was incorporated in article 51 of the Charter, the right of certain countries to form such regional agreements as the one now proposed.

Mr. VANDENBERG. That is correct.

Mr. ELLENDER. As I recall, the so-called Chapultepec Conference took place before the San Francisco meeting. Was this proposal in the original draft of the Charter of the United Nations, or was it added thereafter?

Mr. VANDENBERG. Does the Senator mean, was it in the Dumbarton Oaks draft?

Mr. ELLENDER. I mean the original draft submitted for consideration at San Francisco.

Mr. VANDENBERG. It was not.

Mr. ELLENDER. It was not. What brought it about? Why was it done, may I ask the Senator? What countries proposed it?

Mr. VANDENBERG. Mr. President, I shall not labor the record with detail.

Mr. ELLENDER. All I am asking of the Senator is, What country or countries proposed it and why? At whose instance did the proposal originate, and was there any opposition?

Mr. VANDENBERG. Yes. It developed at San Francisco that bilateral agreements were being made in Europe between various countries which took on the nature of regional protective zones, and it underscored the fact that there was no general provision in the Charter for those purposes. One evening in conversation with Mr. Nelson Rockefeller, who, the Senator will remember, at that time was in charge of inter-American affairs——

Mr. ELLENDER. Yes; I recall that.

Mr. VANDENBERG. It became very evident that there was great unhappiness among our Central and South American neighbors by reason of the fact that there was no specific provision in the Charter to set up and recognize adequately an extension of the relationships such as had been in effect since 1890 under the Pan American Union. As a result of that conversation I reported the situation to Mr. Stettinius, who was then Secretary of State and the head of the American delegation at San Francisco.

It was immediately realized that something had to be done about it. The language in article 51 was proposed originally by me, but it was hammered out in a series of long conferences with the representatives of the Central and South American Republics; and the longer the negotiations continued the more obvious it became that the Central and South American Republics particularly would look with considerable doubt upon accepting the new global pledges at the expense of the old hemispherical pledges. They were quite willing to take the new, but not willing to renounce the old. There was considerable controversy over the precise form in which article 51 should be written; but in the form in which it now appears in the Charter it was finally unanimously agreed to by the entire San Francisco Conference.

Mr. ELLENDER. Then, as I understand, the distinguished Senator himself originated the proposal.

Mr. VANDENBERG. I think that is a fair statement.

Mr. ELLENDER. I further understand that what partially prompted his action was the fact that such agreements were in progress across the seas; that is, in Europe and Asia.

Mr. VANDENBERG. That is correct, plus the fundamental fact—and I wish to underscore this—that from the time we reached San Francisco there was great unhappiness throughout the entire Central, South, and North American delegations that something of this character was not included in the Charter, not only for the sake of recognizing the historical and traditional utility of our own great regional arrangements, but also for the purpose of establishing beyond peradventure the existence of the right of individual and collective self-defense up to the point where the Security Council was able to take control. I wish to be sure that the Senator understands that both those objectives were involved in the undertaking.

Mr. ELLENDER. I wanted to make certain that at the time the proposal was being discussed no country had the feeling that the United Nations Organization could not itself do the job. As I understand, article 51 was unanimously approved, as the Senator states. There was no objection from any of the big powers. Therefore we are to conclude that all nations that finally signed the United Nations Charter did not include article 51 in it because they had the belief that the United Nations Organization itself could not bring about permanent world peace.

Mr. VANDENBERG. I wonder if this would answer the Senator's question: I now assume that the Senator is wondering whether there is anything in this article which is inimical to the authority, integrity, and prestige of the parent organization.

Mr. ELLENDER. No; that is not it at all. Upon two or three occasions I took the position that the formation of these regional agreements were a mistake because to my way of thinking they showed a lack of faith by those participating in them in the United Nations Organization itself. I am sure the Senator is well able to follow this reasoning through. If other nations of the world did the same as we are doing in this hemisphere, the United Nations Organization itself might be rendered less potent and less effective.

Mr. VANDENBERG. Let me speak very briefly to that point. The Senator will recall that under the theory of the Charter of the United Nations it is part of the formula that the United Nations should make contracts with the member nations to provide quotas of armed forces to create a unified United Nations force. The Senator is aware of the fact that that has been impossible to achieve chiefly because of the refusal of the representatives of the Soviet Union to enter into an agreement with the rest of us. It is part of the fundamental theory of the United Nations—contrary to the Senator's analysis—that in the event of localized trouble, regional trouble, the force of the United Nations should not be exercised through an attempt to mobilize a global faction, but that the United Nations should rely upon regional groupings of its members to deal with regional situations. The Senator will find that there is absolutely no collision between the two ideas.

Finally, I invite his attention to the fact that the Secretary-General of the United Nations conferred upon the Rio Conference his personal blessing, and was represented by his Assistant Secretary-General throughout the Conference.

Mr. ELLENDER. I could well understand the Senator's argument if such procedure were initiated by the United Nations Organization; but, as the Senator well knows, it is left to nations throughout the world to group themselves together and form such agreements as the one we are now being asked to approve.

Mr. VANDENBERG. That is quite correct.

Mr. ELLENDER. That is why I stated that I have often wondered whether such procedure as we are now following would not have the ultimate effect—if other nations did the same—of making the United Nations Organization less workable and less potent, and, may I say, less capable of being the instrumentality by which and through which the world can attain the goal of permanent peace.

Mr. VANDENBERG. On the contrary, it is my opinion that it makes the institution more workable.

Mr. ELLENDER. I thank the Senator for his views.

Mr. CONNALLY. Mr. President, let me say to the Senator from Louisiana, in all fairness, that at Chapultepec it was envisaged that this principle should be incorporated in a regional arrangement under the treaty which was to be thereafter effectuated.

Mr. ELLENDER. The distinguished Senator from Michigan really answered the question—perhaps not quite so directly. I presumed from what he said that the idea originated with us, and with the countries to the south of us.

Mr. CONNALLY. Part III of the declaration of Chapultepec does not go into all the details, but it provides as follows:

> This declaration and recommendation provide for a regional arrangement for dealing with matters relating to the maintenance of international peace and security as are appropriate for regional action in this hemisphere and said arrangements and the activities and procedures referred to therein shall be consistent with the purposes and principles of the general international organization, when established.

So there was no conflict. It was sought to avoid a conflict.

Mr. ELLENDER. I understand, but the purpose of my inquiry was to determine what the origin was, and, in turn, whether or not the proposal met with any opposition. The distinguished Senator from Michigan stated that it was approved unanimously. I thought it might be well to have that statement in the RECORD.

Mr. VANDENBERG. Mr. President, I did not mean to leave the impression that there was not a long argument over its development.

Mr. ELLENDER. I understand.

Mr. VANDENBERG. But it was accepted unanimously at the finish.

Mr. ELLENDER. By all nations concerned.

Mr. VANDENBERG. Oh, yes.

Mr. CONNALLY. I cite this provision only to show the Senator from Louisiana that this idea had been growing among nations of the Western Hemisphere, particularly among the nations of South America, prior to the conference at San Francisco.

Mr. DONNELL. I should like to ask the Senator from Michigan a few questions.

Mr. VANDENBERG. I shall be glad to answer if I can.

Mr. DONNELL. Earlier in the treaty occurs this language, following the word "considering":

> That the high contracting parties reiterate their will to remain united in an inter-American system consistent with the purposes and principles of the United Nations, and reaffirm the existence of the agreement which they have concluded.

I should like to ask the Senator what is the agreement the existence of which is hereby reaffirmed.

Mr. VANDENBERG. The Act of Chapultepec.

Mr. DONNELL. I assumed that was correct. I wanted to ask that specific question in view of the fact that accompanying the treaty to the Senate, as shown on page 11015 of the CONGRESSIONAL RECORD, is another document concluded, as I understand, on the same date on which the treaty was signed, namely, the so-called final act of the Inter-American Conference for the Maintenance of Peace and Security. I take it that the existence of the agreement which I have quoted "that the high contracting parties reiterate their will to remain united in an inter-American system consistent with the purposes and principles of the United Nations, and reaffirm the existence of the agreement which they have concluded" does not refer to this so-called final act of the Inter-American Conference?

Mr. VANDENBERG. That is my understanding.

Mr. DONNELL. May I ask further if the Senator recalls that the Act of Chapultepec was not mentioned in express terms? Instead of the treaty merely using the general language "agreement which they have concluded," I observe that there was express mention of it in the paragraph immediately preceding and an express mention of it in the paragraph immediately following. I wondered if there was any significance or any indication that there was any agreement other than the Act of Chapultepec which is being reaffirmed by the treaty.

Mr. VANDENBERG. There was none that I know of.

Mr. DONNELL. The second question to which I should like to invite the attention of the Senator is this: As I understand from his address, in article 3, paragraph 1, an armed attack against any state includes not only an armed attack by a non-American state, but an armed attack by any American state as well?

Mr. VANDENBERG. That is correct.

Mr. DONNELL. I think that is also very clearly mentioned in the report of the committee.

Article 3, paragraph 2, provides as follows:

> On the request of the state or states directly attacked and until the decision of the Organ of Consultation of the Inter-American System, each one of the contracting parties may determine the immediate measures which it may individually take in fulfillment of the obligation contained in the preceding paragraph and in accordance with the principle of continental solidarity.

The obligation contained in the preceding paragraph, as the Senator will recall, is that each one of the high contracting parties "undertakes to assist in meeting the attack in the exercise of the inherent right of individual or collective self-defense," and so forth.

In view of the fact that assistance in order to be actual assistance must be of a nature which will amount to a constructive help in a given situation, and in view of the further fact that there may well arise situations in which an attack having been made by one American nation upon another, the only effective assistance that could be rendered would be an assistance by armed force, does the Senator think that the language in the second paragraph of Article III, which leaves it to the contracting parties to determine each for itself the immediate measures which they may individually take, clearly indicates that there is no obligation on the part of any of the high contracting parties to use armed force in the case of an attack by one American nation against another, unless the helping nation deems it advisable so to do? Or does the Senator think that some further language would have been appropriate to make it more clear?

Mr. VANDENBERG. No. I think the total option remains with each individual signatory, without any limitation or instruction.

Mr. DONNELL. So that the Senator is of the opinion that the language "may determine the immediate measures" which follows right after the words "each one of the contracting parties" is adequate assurance that there is no binding obligation on any contracting party to use armed force, even though armed force is the only effective means of rendering assistance?

Mr. VANDENBERG. I repeat myself, that I think the option is complete.

Mr. DONNELL. The Senator thinks, therefore, does he not, that it would not be advisable to have a reservation to safeguard that point?

Mr. VANDENBERG. I would hope that there would be no reservations, because, in my view, the United States has a greater stake in this particular document than in almost any document that has come to the floor of the Senate for some time. I know what the feeling is of those who are responsible for the national security of the United States. I know how they feel about the importance of the compact; but I should hate very much to start in trying to carve it up in any fashion, lest we set a very unhappy precedent.

Mr. DONNELL. So I suppose the Senator thinks it would be unwise that any reservation be considered to further spell out the freedom of obligation regarding the use of armed force?

Mr. VANDENBERG. Unless it were a situation which so clearly required supplementary action that there could not be any argument about it. In a case such as that to which the Senator refers I do not think there can be any doubt on the subject.

Mr. CONNALLY. Mr. President, may I interrupt at that point?

Mr. DONNELL. Certainly.

Mr. CONNALLY. Let me say to the Senator from Missouri that the clause which provides that no nation shall be required to take action without its consent applies to the entire treaty. It applies to everything in the treaty.

Mr. DONNELL. I did not so interpret the language of the treaty. I may be in error. I observe that article XX, which is the one which refers to the

exception that no State shall be required to use armed force without its consent, reads in its entirety as follows:

Decisions which require the application of the measures specified in article 8 shall be binding upon all the signatory states which have ratified this treaty, with the sole exception that no state shall be required to use armed force without its consent.

I observe that article 8 refers to measures on which the Organ of Consultation may agree, and that in articles preceding article 20 there is the expression that the Organ of Consultation shall take its decisions by a vote of two-thirds of the signatory states which have ratified the treaty.

So the interpretation which, up until the remarks of the Senator from Texas, I had placed upon article 20 was that it was referring wholly to decisions of the Organ of Consultation and did not refer to determinations by the contracting parties under paragraph 2 of article 3 as to the immediate measures which such contracting parties might respectively take. I should like to know if the Senator is of the opinion, after the mention of the various sections, that article 20 does apply to the entire treaty and not merely to decisions of the Organ of Consultation.

Mr. CONNALLY. That is my view. The Senator will observe that all through the treaty, in several places, it is specific that even in the first instance each nation shall determine its own measures of meeting attack, which would mean that it would not have to adopt military action unless it so desired.

Mr. DONNELL. It occurs to me that a situation may arise in which a contracting party could not truthfully be said to have assisted in meeting an armed attack unless it had done something which would stop or repel such armed attack. It may also well be true in some instances that if a nation has used force and made an armed attack against an American state, the circumstances may be such that nothing but the use of an armed force would constitute assistance in meeting such attack.

Therefore it appeared to me that possibly the construction which would be placed upon paragraph 2 of article III, as read in conjunction with paragraph 1, would be that the obligation to assist in meeting the armed attack might under some circumstances be an obligation to use armed force, and that although paragraph 2 gives to the contracting parties the right to determine the immediate measures, nevertheless that paragraph might be considered not to release the contracting parties from the obligations set forth in paragraph 1, and that if the exigencies are such that in order to be of assistance, armed force must necessarily be used by the helping country, paragraph 2 merely permits it to use what measures it may deem proper in providing such armed force, but does not relieve the helping party from the obligation to use the armed force.

As to the inquiry which I have made, I am quite content to accept the construction which has been given it by the Senators who have so carefully considered it, but I should like to suggest the possibility that the language in paragraphs 2 and 3 of article I, inasmuch as I was not satisfied with the obligation under article II, might impose an obligation to use armed force in case there was a conflict, not between a European country and an American country, by way of illustration, but between two American countries. However, I am quite content to accept the views set forth by the Senators who have spoken.

The final question, with possibly one minor addition, is this: I should like to have the comments of the Senator from Michigan as to the advisability of having our country enter into a treaty under which it is possible for some 13 nations having an aggregate of approximately only thirty-three and one-fourth million population to determine what particular activities under article VIII our Nation must engage in—with the exception of the use of armed force—whereas our Nation and the other nations under this treaty have an aggregate population of approximately two hundred and forty-six million, including our Territories and possessions. In other words, I should like to have the comment of the Senator whether he thinks it is or is not advisable that our country surrender to 13 nations, with a comparatively small proportion of the entire population of the 19 nations, the right to determine for our Nation just how far we shall go in the breaking off of diplomatic relations, just how far we shall go in the recalling of chiefs of diplomatic missions, just how far we shall go in the interruption of economic relations or of rail, sea, air, postal, telegraphic, telephonic, or radiotelegraphic or radiotelephonic communications. I should like to have the Senator's comment on that point. I think I realize what the facts are, but I should like to have him state his view whether it is advisable for us to enter into that sort of an engagement.

Mr. VANDENBERG. Mr. President, I think I can imagine how that question might be raised in some of the other countries with greater validity than it might be raised by us in connection with this particular contract, because it seems to me that if we face realities we understand that the United States of America is the likeliest target of attack in respect to this New World, and that the complete protection afforded by this chapter in respect to pacific sanctions is calculated far more to be an asset to us, rather than a liability.

So far as the fundamental principle is concerned, I suppose men can differ on the subject. The fact of the matter is, however, that this represents the precise policy of the Government of the United States in the General Assembly and the Security Council of the United Nations, where it is seeking to evade needless interference with peaceful efforts to establish international security. I do not need to go into the detail of calling the roll of the diverse and sundry artificial obstacles which are thrown in the way of even peaceful sanctions in the General Assembly and the Security Council of the United Nations. Therefore, our program at that point is and has been for some time—and, speaking for the Senator from Michigan, I may say that it has been his program ever since the charter was written—to seek to remove any veto from the pursuit of peaceful means of settling disputes, recognizing the fact that probably it is impossible, and perhaps ought to be impossible, even from our point of view, to create sanctions for armed force against the agreement of the nation involved.

If the Senator from Missouri wishes to have my comment on the procedure which is here envisioned, I say to him that it is the same as it is with respect to the procedures for the Security Council and the General Assembly of the United Nations, and particularly the Security Council. I think the time has come when peace-loving nations, if they mean what they say, ought to be entitled to proceed under a two-thirds rule in respect to the application of peaceful sanctions, so long as they are not required to carry on into armed sanctions.

Mr. DONNELL. I thank the Senator for his very interesting and able response.

Mr. CONNALLY. Let me suggest to the Senator from Missouri, if he will yield—and I make this suggestion along the line of that made by the Senator from Michigan—that if by the employment of such sanctions by means of a two-thirds vote, an armed conflict is avoided, that is to our advantage more greatly than it is to the advantage of any one of the South American or Central American Republics, because the Senator realizes that if a conflict involving armed force arises in this hemisphere, we are bound to be involved in it. So we cannot have our cake and eat it too. Thus I have no hesitancy in following the recommendations of two-thirds of the South American and Central American states, because they are friendly with us and cooperate with us so far as possible.

Mr. DONNELL. I thank the Senator.

Mr. President, with respect to article 20, does the Senator from Michigan share the opinion of the Senator from Texas, namely, that it refers back to all the treaty, and would have application, for instance, to paragraph 2 of article 3—in other words, that article 20 would be read back into that?

Mr. VANDENBERG. I think is does go back to it; but I would go further, and would say that section 2 of article 3, in the opinion of the Senator from Michigan would be all-controlling without article 20.

Mr. DONNELL. I can understand the Senator's position on that point, and I think that view is entirely permissible and I myself take it. I am not as yet able to share the views of the two distinguished Senators as to article 20. It seems clear to me that article 20 refers only to decisions of the Organ of Consultation. Particularly is that true in view of the provisions of article 8 which refer to measures on which the Organ of Consultation may agree; and furthermore, particularly is it true, as I see it, because of the contents of article 17, which refer to the Organ of Consultation taking its decisions. However, I appreciate the views of the Senators, and certainly respect them.

I should like to ask this further question. It is provided in article 6 that—

If the inviolability or the integrity of the territory or the sovereignty or political independence of any American state should be affected by an aggression which is not an armed attack or by an extra-continental or intra-continental conflict, or by any other fact or situation that might endanger the peace of America, the Organ of Consultation shall meet immediately—

And so forth. I should like to ask the Senator who, in his opinion, under the treaty, makes the determination as to whether "any other fact or situation that might endanger the peace of America" has arisen?

Mr. VANDENBERG. I should think it would be the Organ of Consultation.

Mr. DONNELL. Very well. In the same paragraph, the word "Continent" is used, at the end of it. I notice in Mr. Lovett's letter, which accompanies the treaty, that he refers to the Western Hemisphere as the American Continents. I am wondering whether the Senator has in mind that the word "Continent" in article 6 should really be construed to mean "Hemisphere" rather than to only one of the continents.

Mr. VANDENBERG. The point which the Senator raises was raised in the hearing of the Foreign Relations Committee. The difficulty he points out was identified. The Senator is entirely correct that the word "Continent" is intended to mean the unified objective of the treaty.

Mr. DONNELL. I very greatly appreciate the courtesy of the Senator in giving me his answers, and I also appreciate the courtesy of the Senator from Texas.

Mr. MILLIKIN. Mr. President, I am not completely clear on the exchange between the Senators as to steps short of armed attack. Am I to understand that in the United Nations at the present time a two-thirds vote can impose the obligation on all members to set up an embargo, for example?

Mr. VANDENBERG. No; I do not think so.

Mr. MILLIKIN. This, then, is a departure in that respect?

Mr. VANDENBERG. That is correct.

Mr. MILLIKIN. I understood the general purport of the distinguished Senator's answer was that this is similar to the United Nations.

Mr. VANDENBERG. No, no; I said it was similar to some of the improvements which we are seeking to make in United Nations procedure.

Mr. MILLIKIN. The Senator, of course, is aware that an embargo may in itself amount to an act of war.

Mr. VANDENBERG. Oh, I think that is so.

Mr. MILLIKIN. So that in that sense, if two-thirds of the nations of this hemisphere were to take an action to which we might be bound against our consent, that might ultimately necessitate the use of armed force?

Mr. VANDENBERG. I think the Senator is justified in that statement. I should like to be very sure that I am quite clear in stating the premise. I indicated that we were seeking to make these improvements in the basic procedure of the United Nations. I did not mean to indicate that we went so far as to be seeking at that point to create a control, by two-thirds vote, of the sanctions to which the Senator refers. I meant to say that we were seeking to be free from a veto, and to put under a two-thirds vote all the pacific means of seeking settlements.

When we come to this contract, we have gone a step further, and while I would agree with the Senator that there might be an element of hazard in a global concept of the nature to which I referred, I respectfully submit that in a western hemispherical concept it is well worth our while to take whatever casual risk is involved in the concept to which the Senator refers. It is there, and I would not undertake to disguise it.

Mr. MILLIKIN. The distinguished Senator mentioned the fact, which is quite obvious, that we are the chief beneficiary of the benefits of this treaty, and we are the chief payer of its costs.

Mr. VANDENBERG. I hate to emphasize the fact that we are the chief beneficiary, but I am unable to deny the accusation.

Mr. MILLIKIN. Since we are the chief payer of its costs, there is no shame in admitting that we are the chief beneficiary of its benefits.

Mr. VANDENBERG. I am not clear that we are the chief payer of the cost. In my opinion, under the treaty, if we were to confront, in another world war, the type of conditions which we confronted on the threshold of World War II, when we had to wait almost indefinitely for essential rights of transit and rights of aviation bases in key points of Central and South America, this instrumentality would infinitely improve our situation; and that is the opinion of the ranking military authorities of the United States.

Mr. MILLIKIN. That, I suggest to the Senator, is due to the fact that we were committed to that conflict. I am raising a point that might commit us to a conflict in which we were not interested. There is a difference.

Mr. VANDENBERG. Mr. President, unless we have forgotten entirely the spirit of the Monroe Doctrine, I am unable to understand how there can be a conflict in the New World to which we are not so fundamentally committed that there is a relationship, I submit to the Senator, which would not apply to the global concept of the same problem.

Mr. MILLIKIN. If the Senator does not mind, I should like to make what I have in mind a little specific. I am merely asking the questions for my own information.

Mr. VANDENBERG. Yes, I understand.

Mr. MILLIKIN. I have no opinion on this at all, so far. Let us assume that one of the South American Republics got into some kind of dispute with a powerful foreign country. Who would determine whether that involved an aggression short of armed attack?

Mr. VANDENBERG. The Organ of Consultation.

Mr. MILLIKIN. And so two-thirds of that body would determine whether that was an aggression coming under its jurisdiction?

Mr. VANDENBERG. I would think so.

Mr. MILLIKIN. There are no standards, in the treaty, defining aggression; is that correct?

Mr. VANDENBERG. No; that is not correct. Article 9 identifies two types of aggression as follows:

(a) Unprovoked armed attack by a state against the territory, the people, or the land, sea, or air forces of another state;

(b) Invasion, by the armed forces of a state, of the territory of an American state, through the trespassing of boundaries demarcated in accordance with a treaty, judicial decision, or arbitral award, or, in the absence of frontiers thus demarcated, invasion affecting a region which is under the effective jurisdiction of another state.

Mr. MILLIKIN. I had excluded armed attack and was discussing other types of what might be defined as acts of aggression.

Mr. VANDENBERG. I think that is entirely in the jurisdiction of the Organ of Consultation.

Mr. MILLIKIN. So that a two-thirds vote of this Council of Ministers could determine that there has been an aggression, other than in the armed category, and that something should be done about it, and, by a two-thirds vote, the measures to be taken could be decided?

Mr. VANDENBERG. Within the specifications laid down.

Mr. MILLIKIN. Correct. We might not be one of the consenting parties. One of the measures might be that we should lay an embargo against, let us say, a very powerful foreign country, in a matter in which we were not interested or at least in which we did not care to intervene. I suggest to the distinguished Senator that this Union almost fell apart over the question, for example, of an embargo at the very beginning of the existence of the Nation. One of the greatest States in the Union took certain tentative steps to get itself out of the Union, because of an embargo. I respectfully remind the distinguished Senator that an embargo is not only injurious to the Nation which does not get the goods, but it can paralyze the economy of the nation that sends the goods. So that under the case, farfetched as it may be, which I have postulated, it might be possible that this Nation could be involved in the most serious complications over a matter in which it had no interest itself, arising over perhaps matters of very small global importance between a South American Republic and some other strong nation of the earth. Am I correct as to the possibilities, regardless of whether the Senator believes that might or might not happen?

Mr. VANDENBERG. Mr. President, I think the Senator can argue the position that he now indicates, but I am sure he will allow me to add to the answer my feeling that in taking calculated risks these days, in this very dangerous world, it is quite impossible to answer a question of that sort by simply putting down a categorical "yes" or "no" on one side, and ignoring the consequences on the other side. I submit to the able Senator, remembering now the advantages to us

in this arrangement, the tremendous, incalculable advantage of notifying the world this afternoon that the American Republics have certified each to the other that an armed attack upon one is an attack upon all, remembering the advantages to us, I suggest to him, when he postulates his alternative hazard, that he consider whether or not it has any relative tangibility. I ask the Senator whether he thinks that a decision by two-thirds of the American Republics, most of whom are in fraternal relationship with the Government of the United States would, under the existing circumstances, be likely even remotely to identify a threat to the peace of the New World which we ourselves would not have recognized first and be among those who would be called upon to help defend against?

Mr. MILLIKIN. I suggest to the Senator that there may be an overweighting in his discussion of the present fraternal relations which, of course, I hope will never be disturbed. But we have had disturbance of fraternal relations with other countries in this hemisphere, and we have had disturbance of fraternal relations with many nations in other parts of the world with which we had played a very warm "footsie-tootsie." So that particular part of the Senator's argument does not impress me very much. I must say that I think most any dispute that would arise would be one which we would probably be in from the beginning. But in making a long-term contract I think we also must consider the fights that might be started elsewhere in this hemisphere to which we would not be original parties. I bring to the Senator's attention again that under what he has said a council of ministers could decide that an act of aggression short of armed attack had occurred and could prescribe such severe remedies as embargo, which might tragically involve us, which might itself lead to a war which we were trying to avert. I do not believe the point is one which can be lightly brushed aside.

Mr. VANDENBERG. I am sure the Senator does not think I am lightly brushing it aside.

Mr. MILLIKIN. Oh, no. The Senator has not lightly brushed it aside. I do not think any of us should lightly brush it aside.

Mr. VANDENBERG. The Senator from Colorado never raises any point which I lightly brush aside, because he almost always has validity for anything he says.

Mr. MILLIKIN. I thank the Senator.

Mr. VANDENBERG. In this instance I am simply suggesting that we cannot have our cake and eat it too.

Mr. MILLIKIN. I suggest to the Senator that there is no point in having a cake if you do not eat it.

Mr. VANDENBERG. After you have eaten it, as I understand, it has disappeared.

Mr. MILLIKIN. It has disappeared, but if you do not eat it what is the use of having it?

Mr. VANDENBERG. Well, there it is. In the situation involved in North, Central, and South America, unless we have surrendered every concept that we had under the idea that we have a strong responsibility for what happens in this hemisphere, it seems to me—and I say it with the greatest respect—that while the contingency which the Senator raises should not be lightly brushed aside, nevertheless it is substantially remote in any discussion of reality, and is not entitled to weigh against the tremendous alternative advantage which we get out of precisely the same calculated risk.

Mr. MILLIKIN. I agree that it is a factor that must be weighed, with probably different degrees of weight given to it by different judges of the situation. Personally I want to give it very careful consideration.

Now I should like to ask the distinguished Senator, under what circumstances can United Nations reverse what may be our decision either as to armed attack or as to aggression of lesser degree?

Mr. VANDENBERG. The relationship of this entire contract to the United Nations is covered by article LI of the Charter itself. We are under an obligation—and by "we" I mean the signatories to this regional arrangement—to notify the United Nations forthwith when any of these actions are taken. What we do persists "until the Security Council has taken the measures necessary to maintain international peace and security. Measures taken by the members in the exercise of this right of self-defense shall be immediately reported to the Security Council and shall not in any way affect the authority and responsibility of the Security Council under the present Charter to take at any time such action as it deems necessary in order to maintain or restore international peace and security."

Therefore, the moment the United Nations takes competent jurisdiction, I should say that their authority overrides everything else.

Mr. MILLIKIN. Where, then, does that leave the Western Hemisphere as to what it previously considered to be measures for its necessary protection?

Mr. VANDENBERG. It leaves it precisely where it would have been if there had been no regional arrangement.

Mr. MILLIKIN. That brings me to the Monroe Doctrine. During the hearings on the United Nations I think the position of the Committee on Foreign Affairs, and I believe of the State Department, was very clear that there was no impairment whatever by the United Nations of our traditional viewpoint and our rights and obligations under the Monroe Doctrine. How, if at all, is that affected by this treaty?

Mr. VANDENBERG. I would say that historically in the last 15 or 20 years the Monroe Doctrine has taken on, paradoxically—because it is a paradox to say this—multilateral phases, and that is a paradox, because, of course, the genius of the Monroe Doctrine was the fact that it was ours and to be exercised upon our ipsi dixit. But in the last 20 years we have developed a series of consultative pacts with Central and South America, which have become the genius of the new Pan American Union, and as a result of those consultative pacts I would say that the Monroe Doctrine today, while losing none of its original authority, has taken on a consultative phase which strengthens it, through the association of other Latin-American powers with its enforcement. And I think it stands right there as regards the present situation.

Mr. MILLIKIN. Let us assume that what we consider to be a violation of our traditional viewpoint, our traditional interpretation of the Monroe Doctrine, has occurred. Are we free unilaterally to decide for ourselves what if anything we are going to do about it?

Mr. VANDENBERG. I think under the terms of the treaty the option is wide open in respect to the action that any country shall take, including our own. I think it is so stated in the article to which the Senator from Missouri [Mr. DONNELL] referred.

Mr. MILLIKIN. I would not reduce this debate to a yes-or-no status, but I believe that my question admits of a pretty short answer. If something occurred which in our viewpoint, under our interpretation of the Monroe Doctrine, called for action on our part, or nonaction, would we be at liberty to take the action or the nonaction under our own steam under the Monroe Doctrine, under its traditional significance?

Mr. VANDENBERG. I think we are in the first instance subject to immediate report to the Security Council and the United Nations, and then in the presence of adequate enforcement action for peace and security, that our right ceases.

Mr. MILLIKIN. That strikes me as a very clear answer to the question and brings me to the next one. In the event that under this reporting procedure and under this consultative procedure or under any other procedures, someone should say that we are not entitled to proceed on our own under the Monroe Doctrine as we originally understood it—as traditionally understood and unimpaired by other treaties—would we then be at liberty to act or not act as we chose under the Monroe Doctrine?

Mr. VANDENBERG. I think at that point we can be called into review in respect to the exercise of our authority under our fundamental obligation to the United Nations.

Mr. MILLIKIN. But would that review have the power to tell us, "Proceed no further under your interpretation of the Monroe Doctrine, and if you do proceed further you are subject to whatever the pains and penalties may be that we can inflict on you"?

Mr. VANDENBERG. I should think that that was the situation today under the United Nations.

Mr. MILLIKIN. I will say to the Senator that his answer has profound difference from the answer that was given to us about the Monroe Doctrine during our studies of the United Nations.

Mr. VANDENBERG. No; I do not think so, because our exercise of what the Senator is discussing in respect to our rights under the Monroe Doctrine is

the exercise of an initial authority. I see nothing on the contrary in article 51. I think our right to take our initial action is not only reserved but underscored, but after we have taken our action I think we have to be responsible for the action we have taken under our contract with the United Nations.

Mr. MILLIKIN. Then except for an initial action, under the Senator's answers, the Monroe Doctrine would not necessarily be effective and be a justification to us for whatever separate action we might choose to take.

Mr. VANDENBERG. Not after the United Nations had taken action otherwise.

Mr. CONNALLY. Mr. President, we are members of the Security Council of the United Nations, and we could veto the action.

Mr. VANDENBERG. Of course that is true.

Mr. MILLIKIN. What is the effect of this treaty on other treaties which have been made between this country and South American countries, or any country to the south of us?

Mr. VANDENBERG. I know of no effect.

Mr. MILLIKIN. For example, we have made a water treaty with Mexico. Let us assume that a dispute arose between Mexico and the United States over that treaty. Let us assume that Mexico complained that our action, whatever it might be, amounted to an act of aggression. Would it be within the power of the Council of Ministers, by a two-thirds vote, to say that our action constituted an act of aggression, and to prescribe action which, in effect, would invalidate the treaty as it now stands?

Mr. VANDENBERG. I am not familiar with the Mexican water treaty and I do not know its terms. I suggest that the Senator from Texas [Mr. CONNALLY] probably is familiar with the Mexican water treaty, and perhaps the question should be addressed to him.

Mr. CONNALLY. Mr. President, I shall have to ask the Senator to repeat his question.

Mr. MILLIKIN. Let us assume that the United States and Mexico fall into a dispute over water deliveries under the Mexican water treaty. Let us assume that Mexico takes the position that our action, whatever it may be, constitutes an act of aggression under that treaty. Could Mexico then refer the matter to the Council of Ministers, and, by a two-thirds vote of the Council, have our action declared an act of aggression? Could the Council of Ministers, by a two-thirds vote, take action to sustain the position of Mexico against the United States?

Mr. CONNALLY. What is the question?

Mr. MILLIKIN. That is an important question for the Senator.

Mr. CONNALLY. This treaty refers only to aggression by armed attack. There are examples in the other sections as to what aggression may be. I do not think any nation, by saying, "This is an act of aggression," could invoke the jurisdiction of the Organ of Consultation. Furthermore, I do not believe that the jurisdiction of the Organ of Consultation would extend to cases of that character.

Mr. MILLIKIN. I feel somewhat embarrassed in pressing the question, because I am a newcomer in the subject, and the Senator is thoroughly acquainted with it. However, I have understood from the debate which has preceded that aggression has not been defined, except as to armed attack. The remainder of the field of aggression is open to the decision of the Council. I think the distinguished senior Senator from Michigan so stated unequivocally.

Mr. CONNALLY. I am still of the view that whatever it may be called, whether it be called aggression or not, it must take on the character of a threat to the peace. If it is not a threat to the peace, it cannot be considered by the Organ of Consultation at all. It must be something which threatens the peace.

Mr. MILLIKIN. I can see no justification for doing so, but let us assume that we seriously interfered with what Mexico conceived to be her share of the Colorado River. I cannot think of a more serious issue between the two countries. It might easily be construed as threatening the peace. The point I am making is that the Council of Ministers would decide whether it threatened the peace, because there are no standards of aggression other than the two which have been mentioned.

Mr. CONNALLY. I think that would be an appropriate case to refer to the Court of International Justice. Such a case would involve purely the legal construction of a treaty.

Mr. MILLIKIN. That might happen; but I am trying to determine what could happen under this particular treaty.

Mr. CONNALLY. I do not believe that this treaty envisages a case of that kind. I do not see how the contention of Mexico or of the United States, without the use of some evidences of armed force bringing about a threat of war, could in any case bring it within the scope of this treaty.

Mr. MILLIKIN. What is the amendment procedure under this treaty?

Mr. VANDENBERG. There is no article dealing with amendment. There is an article dealing with withdrawal. I assume that the process of amendment would be the same process as that which brought the original contract into being.

Mr. MILLIKIN. Is there any question about that?

Mr. VANDENBERG. I think not. Let me illustrate. The Organ of Consultation is not identified in this particular act because the thinking had not been developed to the point where there was agreement on it. It is expected that at the Bogota Conference in Colombia, which was to have been in January and has now been postponed until March, the Organ of Consultation will be identified. That will be the same kind of conference as that out of which the document originally arose.

Mr. MILLIKIN. Specifically, is it the Senator's opinion that our consent would have to be obtained for any amendment to this treaty?

Mr. VANDENBERG. I should think so. I certainly think we would have a vote on it. I do not believe that this treaty, which is subject to our signature, could be amended without our acceptance of and signature to the amendment, which comes to the same thing the Senator asked me.

Mr. MILLIKIN. I should say that unless there is definite provision for amendment of the treaty our consent would have to be obtained to amend it.

Mr. VANDENBERG. I entirely agree.

Mr. MILLIKIN. What I was driving at was whether there was an amendment procedure. I understand there is not.

Mr. VANDENBERG. Therefore, I assume—and I think there can be no doubt about it—that we would fall back upon the original procedure, which would require our signature to any amendment.

Mr. MILLIKIN. Is there a time limit to the treaty, or does it depend upon denunciation?

Mr. VANDENBERG. It depends upon denunciation.

Mr. MILLIKIN. I should like to ask the distinguished Senator what is the situation so far as Canada is concerned in relation to this treaty?

Mr. VANDENBERG. Canada is within the security zone, and is thus identified as one of the points upon which an armed attack would be ipso facto of primary concern to the peace and security of the hemisphere. There is no obligation upon Canada because Canada is not a signatory to the treaty, but there is an article in the treaty which leaves it open to Canada's signature at any time she desires to adhere.

Mr. MILLIKIN. At the present time Canada is in the position of getting a free ride. She has benefits, but no obligations.

Mr. VANDENBERG. If it is a benefit to be attacked.

Mr. MILLIKIN. It certainly is a benefit to get defense if one is attacked.

Mr. VANDENBERG. Of course, if Canada is attacked, if no treaty had ever been written, we would be at her side in her defense.

Mr. MILLIKIN. I hope so, but I believe that in writing these treaties there is an excellent opportunity to obtain a little quid pro quo. So far as I can see, Canada is getting a free ride. So I should like to know what steps are being taken to bring Canada into this arrangement.

Mr. VANDENBERG. No steps that I know of. Canada is a free agent, and has an invitation in the textual form of the pending contract to come in whenever she pleases.

Mr. MILLIKIN. Did Canada refuse to come in?

Mr. VANDENBERG. I think not. I think it was not deemed appropriate to issue invitations. This is the sort of thing which ought to initiate in one's own sovereign judgment.

Mr. MILLIKIN. Did Canada ask to come in?

Mr. VANDENBERG. No; I think not.

Mr. MILLIKIN. Have there been any relations at all with Canada in this connection?

Mr. VANDENBERG. There have been informal discussions with Canada about various phases of the matter. The Senator will understand that there is in existence the Inter-American Defense Board, upon which Canada and the United States jointly serve, and which undertakes to correlate our interests.

Mr. MILLIKIN. Why did not Canada become a party to this treaty?

Mr. VANDENBERG. I do not know, except that Canada is not one of the American Republics. She has never been a member of the Pan American Union, and was therefore obviously not invited to the meeting of the American Republics.

Mr. MILLIKIN. I most respectfully suggest that it is not quite obvious, because this treaty takes in the entire hemisphere rather than merely that part of the hemisphere occupied by the southern countries.

Mr. VANDENBERG. I mean that it is obvious that she is not an American republic.

Mr. MILLIKIN. It is obvious that she is not in the treaty.

Mr. VANDENBERG. Yes.

Mr. DONNELL. Mr. President, I should like to pursue for a moment the point and the illustration presented by the Senator from Colorado with respect to article 8.

Suppose that a situation of this kind were to develop: Suppose that a controversy were to occur between one of the South American countries and a European country which we may identify as "country A." Suppose that before the council of ministers created under the treaty the question should arise as to whether or not the United States should be required to cut off all trade relations of every nature with country A. Suppose we were served with two notices by that country—first, that if we were to cut off trade relations with that country we would be placed on her blacklist for trade relations; and, second, that our act would be treated as an act of war. As I understand, the inquiry made by the Senator from Colorado presents the query to the Senator as to whether two-thirds of the council of ministers of the Western Hemisphere would decide whether the United States must go ahead with the termination of all trade relations, even though it might involve a declaration of war against us. Is that the question, as the Senator understood it?

Mr. VANDENBERG. Provided the fundamental question in itself affects the inviolability or the integrity of the territory or the sovereignty or political independence of any American state.

Mr. DONNELL. Suppose that a South American country is in difficulties with a European country and the European country has committed an act of aggression against the South American country, and the Council of Ministers says to the United States, by a two-thirds vote that the United States must promptly sever all trade relations with that European country. The European country says to us, "If you do that we will sever all relations with you and will declare war on you." Does the decision of two-thirds of the foreign ministers, under the treaty, become obligatory upon the United States, nevertheless, to outlaw all trade relations with that foreign nation?

Mr. VANDENBERG. If the original dispute at the front end of the Senator's long question involves the inviolability or the integrity of the territory or the sovereignty or political independence of the American state, it would involve us, under our traditional American theory, even though we did not have any part of a treaty of this character.

Mr. DONNELL. I should like to ask the Senator further, Is it not true that, under the terms of article 8 of this treaty, even though we should be of the opinion that a direct course of conduct would be advisable with respect to rail, sea, or air communications or trade, the Council of Ministers would have it within its power to veto our determination and impose upon us a course of action that two-thirds of those ministers might determine to be correct? Is not that true?

Mr. VANDENBERG. I do not think there is any doubt of that, provided the fundamental controversy affects the sovereignty or political independence of an American state.

Mr. DONNELL. Referring to article 18, which reads:

> In the case of a situation or dispute between American states, the parties directly interested shall be excluded from the voting referred to in two preceding articles.

What is the Senator's interpretation of the expression "directly interested"? Does that refer only to those American states between whom the situation or dispute exists?

Mr. VANDENBERG. Yes.

Mr. DONNELL. Why then does not the article simply say that, in the case of a situation or dispute between American states, such states shall be excluded from the voting referred to?

Mr. VANDENBERG. I think it would have been preferable to have stated it as the Senator indicates; and I regret that we did not have the benefit of his illumination at that time.

Mr. DONNELL. Does not the language "the parties directly interested" leave room for controversy between the states signatories as to what it really means?

Mr. VANDENBERG. I think not, because I am sure the understanding is complete in the fashion I have indicated.

Mr. DONNELL. Who would make the determination as to which parties are directly interested?

Mr. VANDENBERG. I would think the Council of Foreign Ministers, if there is any remote possibility of such a question being raised. I cannot understand that it ever would be raised. I think the meaning is perfectly clear, and I am sure the intent is clear.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. VANDENBERG. Yes.

Mr. BREWSTER. I should like to ask one question of the Senator. I have not been present during all the discussion; I heard the set speeches which were delivered, but I did not hear this question referred to. If it has been answered in the course of any of the colloquies while I have been out of the Chamber I shall withdraw the question.

Dealing with the question of acts other than armed attacks under the methods which seem to be now the fashion in Europe in the extension of influence in satellite states, is it contemplated that any penetration of that character may become a matter of concern?

Mr. VANDENBERG. I will say to the Senator that wherever an American state is confronted anywhere in the world with a challenge which involves the inviolability or the integrity of its territory or of its sovereignty or political independence, the subject matter immediately is a matter of required consultation by the signatory powers to see to what extent and how an obligation arises and where, when, and how it should be met.

Mr. BREWSTER. In both France and Italy today there are serious questions raised regarding the penetration of foreign agents and the arrest of foreign citizens involved in some of the difficulties in what seem to be possibly well-organized attacks. In South America last year there have been episodes of this character, involving in some instances diplomatic agents who were expelled; in other instances activities which seemed to have an ideological background associated with certain theories now extant. Was consideration given as to how problems of that character might be met under the curious developments of this modern world?

Mr. VANDENBERG. The Senator can understand that inasmuch as this is fundamentally and primarily a hemispherical compact with respect to the peace and security of the intercontinental Americas, the testing point with respect to any dispute and as to whether it falls within the jurisdiction of any phase of this treaty, whether it affects the inviolability or the integrity or the sovereignty or political independence of any American state, and any signatory power can assert that interest, is whether the Organ of Consultation would require immediate consultation as a result. The Organ of Consultation is the one who will be able to answer the Senator's question.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. CONNALLY. I suggest that in addition to the language referred to by the Senator from Vermont it is also provided in article 6 as follows:

> Or by any other fact or situation that might endanger the peace of America.

So that gives it a wide jurisdiction.

Mr. VANDENBERG. The Senator is entirely right. But finally the peace of America is to be the test.

Mr. CONNALLY. The peace of America. In addition to the inviolability or the integrity of the territory or the sovereignty or political independence of any American state being affected, there is included any other fact or situation that might endanger the peace of America, such as infiltration into and the existence of alien and hostile elements in any one of these countries. I think they are both within the language.

Mr. BREWSTER. I should like to ask one more question. The Monroe Doctrine has been fundamental in our foreign policy for a century. Does this mean that the unilateral determination of the United States which has hitherto been our only guide, is now abdicated?

Mr. VANDENBERG. We have discussed that question, I think, for a full hour. I hope we shall not have to go into it again.

Mr. BREWSTER. I certainly hope not.

Mr. VANDENBERG. The answer is that in the opinion of the Senator from Michigan the original unilateral authority of the United States stands where it always stood. Even under the language of section 51 of the United Nations Charter we simply become responsible to the United Nations as the result of our obligation to it for what we do in the exercise of the Monroe Doctrine; and whenever the Security Council takes adequate control of a situation into which we may have injected ourselves, then the final authority rests with the United Nations and not with us.

Mr. BREWSTER. I do not know whether this is a different question. If it is not, I shall withdraw it. As against any movement from outside this hemisphere we reserve our liberties subject to their court. We have had conspicuous instances within our own lifetime in the landing of our marines. There can be little question that anything of that sort would be first the subject of consideration by the Council of Foreign Ministers. Is not that correct?

Mr. VANDENBERG. I should think so.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. MALONE. I would like to address a question to the able Senator from Michigan. Do I understand from his explanation of the treaty that the Monroe Doctrine becomes for the first time a two-way street?

Mr. VANDENBERG. First, I want to correct the Senator's premise. This is not the first time in the last 10 years that we have been writing consultative pacts under the aegis of the Pan American Union, which has made the responsibility for North, Central, and South American interest a two-way street.

Mr. MALONE. I beg the Senator's pardon. I have not been here 10 years. If it would not be too much trouble, he may enlighten me on two or three of those matters at a later date, including if this is the first time that the South American nations which we announced we were going to protect 125 years ago would also help to protect us in case we were attacked. But I have another question at this time. If this does emphasize also what is now a two-way street through the agreement of the nations themselves—in other words, under the Monroe Doctrine, would we say that any act of aggression which disturbed the existing relations between nations in South America and this country would be considered an overt act against the United States, would also be considered an overt act by these nations themselves? Is that correct?

Mr. VANDENBERG. Well, that is——

Mr. MALONE. Is it substantially correct?

Mr. VANDENBERG. It is rather difficult to subscribe to the Senator's language as a generality, because the primary purpose of the Monroe Doctrine was to prevent the exploitation of the New World by monarchial forms of government.

Mr. MALONE. I stand corrected. I think the Senator's language is much better, but it amounts to practically the same thing.

Mr. VANDENBERG. I simply wished to be sure that we were talking about the same thing.

Mr. MALONE. Yes. I stand corrected as to language, and we are talking about the same thing—our own ultimate safety, regardless of any improvement of methods of defense that may be from time to time invented or advanced.

Then, for the tenth or twentieth time, let me state the question: If we have their signatures—all for the first time—and if we are attacked, we shall, as we have ever since 1823, when the Monroe Doctrine was announced, agree to defend them; is that correct?

Mr. VANDENBERG. The Senator is entirely correct.

Mr. MALONE. Then if a nation commits an act that may not be immediately an act of aggression against one of the nations of the Western Hemisphere, but in the light of ultimate results and new war offensive methods—we consider such an act of aggression, or through infiltration in Europe or in some other place we consider it an overt act against the United States, in the light of such improved methods of offense perfected during the 125 years since the Monroe policy was promulgated in 1823—does that in any way bind the other nations in the Western Hemisphere to defend us?

Mr. VANDENBERG. Under those circumstances I call attention to the language of article 6:

ARTICLE 6

If the inviolability or the integrity of the territory or the sovereignty or political independence of any American State should be affected by an aggression which is not an armed attack or by an extracontinental or intracontinental conflict, or by any other fact or situation that might endanger the peace of America—

That surely covers everything the Senator might have in mind in his question.

I continue to read:

the Organ of Consultation shall meet immediately in order to agree on the measures which must be taken in case of aggression to assist the victim of the aggression or, in any case, the measures which should be taken for the common defense and for the maintenance of the peace and security of the Continent.

Mr. MALONE. The Senator's answer is very clear that it depends upon the decision of the subscribers to the treaty, but leads directly to my next question. Suppose the decision of this assembly or group of nations within the Western Hemisphere was to the contrary of our final decision. Would that prevent us from going ahead in defending ourselves in the way that we might determine to do?

Mr. VANDENBERG. Not up to the point where the United Nations might have taken jurisdiction; and at that point we already are bound, of course.

Mr. MALONE. Yes, I understand that that liability is fixed—but is there a conflict?

In the Senator's opinion, is there any conflict between article 23 of chapter V of the United Nations Charter and article 9 of the Inter-American Treaty?

Mr. VANDENBERG. I shall have to look in my book first to find out what the Senator is talking about. What is the particular point the Senator makes?

Mr. MALONE. Simply that if it is covered by the Charter of the United Nations—and of course we are a member of the United Nations, and are committed to the Charter—then any action that we might take under article 9 of the Inter-American Treaty might be nullified under such provision.

Mr. VANDENBERG. The Senator must not overlook the language contained in article 51 of the United Nations Charter, which clearly recognizes that until the Security Council has taken the measures necessary to maintain international peace and security, the right of individual and collective self-defense remains for every member of the United Nations.

Mr. MALONE. What is the time element, in the estimate of the Senator, as to when the United Nations might take such action?

Mr. VANDENBERG. I do not think it is a time element; I think it is a question of fact.

Mr. MALONE. Well, what is the fact?

Mr. VANDENBERG. It depends upon the facts in a given dispute.

Mr. MALONE. Does the Senator think they would take such action now, if occasion arose?

Mr. VANDENBERG. I do not know whether they would or would not, under the veto.

Mr. MALONE. Is the veto the only thing that makes this Inter-American Treaty necessary?

Mr. VANDENBERG. Oh, no, indeed; because the Charter of the United Nations itself contemplates the use of regional arrangements as the most convenient and effective method of exercising its own administrative authority, and the Charter specifically invites the creation of these institutions to implement the Charter.

Mr. MALONE. I am very glad to have the Senator state his ideas on these points, because I have always been in favor of more definite understanding in the Western Hemisphere. I am trying to bring out whatever objects might be in the way, and what, if any, the limitations under this treaty might be.

Does the treaty which we are now making in any way constitute a precedent which might embarrass us later if some other nation formed a sectional treaty that would tend to form two or more spheres of influence in the world?

Mr. VANDENBERG. I know of no reason why we should be embarrassed by the operation of nations under the authority of the Charter, so long as they live within the requirements of the Charter in respect to regional arrangements.

Mr. MALONE. In other words, it is a perfect precedent for, let us say, having such action taken by Russia and England, who now are forming a trade treaty, or by any group of nations, which might take in 8 or 10 nations that could now be named, and might be added to from time to time, to form such a sphere of influence in opposition to our own.

Mr. VANDENBERG. Well, if they did, I would hope to God that we had ours first.

Mr. MALONE. That does not enlighten me very much on the question, but it does as to the Senator's personal position, which in this connection is very interesting.

I have one more question: It always occurs to me—and I have more respect for President Monroe every time I read the Monroe Doctrine—that at a time when South America was threatened by infiltration, I think we could call it—an interference with trade relations—he made a very significant pronouncement. I think it would not hurt to read it into the RECORD. This is taken from the message of December 1, 1823:

It was stated at the commencement of the last session, that a great effort was then making in Spain and Portugal to improve the condition of the people of those countries; and that it appeared to be conducted with extraordinary moderation. It need scarcely be remarked that the result has been, so far, very different from what was then anticipated. Of events in that quarter of the globe, with which we have so much intercourse, and from which we derive our origin, we have always been anxious and interested spectators. The citizens of the United States cherish sentiments the most friendly in favor of the liberty and happiness of their fellow men on that side of the Atlantic.

In the wars of the European powers, in matters relating to themselves, we have never taken any part, nor does it comport with our policy so to do. It is only when our rights are invaded or seriously menaced that we resent injuries or make preparation for our defense. With the movements in this hemisphere we are of necessity more immediately connected, and by causes which must be obvious to all enlightened and impartial observers. The political system of the allied powers is essentially different in this respect from that of America.

This difference proceeds from that, which exists in their respective governments, and to the defense of our own, which has been achieved by the loss of so much blood and treasure, and matured by the wisdom of their most enlightened citizens, and under which we have enjoyed unexampled felicity, this whole Nation is devoted. We owe it therefore to candor, and to the amicable relations existing between the United States and those powers, to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere, as dangerous to our peace and safety. With the existing colonies or dependencies of any European power, we have not interfered, and shall not interfere. But with the governments who have declared their independence, and maintained it, and whose independence we have, on great consideration, and on just principles, acknowledged, we could not review any interposition for the purpose of oppressing them, or controlling in any other manner, their destiny, by any European power, in any other light than as the manifestation of an unfriendly disposition toward the United States. In the war between those new governments and Spain, we declared our neutrality, at the time of their recognition, and to this we have adhered, and shall continue to adhere, provided no change shall occur, which in the judgment of the competent authorities of this government, shall make a corresponding change, on the part of the United States, indispensable to their security.

The late events in Spain and Portugal show that Europe is still unsettled. Of this important fact no stronger proof can be adduced than that the allied powers should have thought it proper, on any principle satisfactory to themselves, to have interposed by force, in the internal concerns of Spain. To what extent such interposition may be carried, on the same principle, is a question, in which all independent powers, whose governments differ from theirs, are interested; even those most remote and surely none more so than the United States. Our policy in regard to Europe, which was adopted at an early stage of the wars which have so long agitated that quarter of the globe, nevertheless remains the same, which is, not to interfere in the internal concerns of any of its powers; to consider the government de facto as the legitimate for us; to cultivate friendly relations with it, and to preserve those relations by a frank, firm, and manly policy, meeting in all instances the just claims of every power; submitting to injuries from none. But, in regard to those continents, circumstances are eminently and conspicuously different. It is impossible that the allied powers should extend their political system to any portion of either continent without endangering our peace and happiness, nor can anyone believe that our southern brethren, if left to themselves, would adopt it of their own accord. It is equally impossible therefore that we should behold such interposition in any form with indifference.

President Monroe led up to his decision and announcement later known as the Monroe Doctrine by various arguments to the effect that Spain, England, and France had been trying to extend their spheres of influence, or whatever they might be called, in an attempt to interfere with the trade relations—to direct the trade to the controlling countries through the empire preferential rate system under the guise of protecting the countries themselves.

I would ask one more question of the senior Senator from Michigan, if I may do so: Does the signing of this treaty in any way abrogate our right to extend the Monroe Doctrine at our own option regardless of the decision of the other members of the Inter-American treaty arrangement? I should like to make the question crystal clear. In other words, if we finally determine—and I know of no such determination—that a military attack, or continued infiltration or manifestation of a desire to control, or interfere with the established trade relations of other nations in Europe or Asia would be inimical to the best interests of the United States, is there anything in this agreement that would prevent us alone from extending the Monroe Doctrine or policy to cover Europe or Asia or any country that we might decide came under the category? The Senator will remember that President Monroe left the area covered by the Monroe Doctrine open to change when he added: "to this we have adhered, and shall continue to adhere, provided no changes shall occur, which in the judgment of the competent authorities of this Government, shall make a corresponding change, on the part of the United States indispensable to their security." Mr. President, I do not want to close this door.

Mr. VANDENBERG. There is absolutely nothing in the treaty which affects our authority or power one way or the other to pursue our own independent foreign policy abroad. By "abroad" I mean outside of the Americas.

Mr. MALONE. I understand the Senator's answer.

Then if we do decide that such overt act in regard to any one of the members of the United Nations should be an overt act against the United States by virtue of the fact that it threatens our ultimate safety or threatens the adequate defense of such materials as we think necessary for our ultimate good. I understand the Senator to say that this treaty in no way abrogates our right to extend the Monroe Doctrine to the remaining nation members of the United Nations. One more question: Does it include any obligation for the other members of the inter-American treaty to defend our decision?

Mr. VANDENBERG. Of course it cannot be an abrogation of the Monroe policy to go overseas, because that policy was to keep from going overseas or, rather, to keep overseas from coming over here.

Mr. MALONE. I shall read this again.

Mr. VANDENBERG. I think I understand the question. The Senator wishes to know this: If we wish to assert a national policy in, let us say, central Europe or the Balkans——

Mr. MALONE. Or in Arabia where the new oil discoveries are located.

Mr. VANDENBERG. Very well—and a continuation of an existing situation or regime is considered to be a threat to us, whether there is anything in this treaty which as a result would bind our colleagues in the treaty to join with us in that attitude. Is that the Senator's question?

Mr. MALONE. That is my last question.

Mr. VANDENBERG. I would say——

Mr. MALONE. I might make this explanation first, so as to be thoroughly understood: As the Senator has so ably explained on the floor from time to time over the past months, an act may be dangerous to our safety now, which would not have been considered dangerous 100 years ago—that is to say because of airplanes and new military offensive weapons. So we are making a treaty for mutual protection on the basis of present and future offensive and defensive weapons.

Mr. VANDENBERG. Very well, I will to answer the Senator's question. If we are prepared to prove successfully to the

Organ of Consultation under the pending treaty that the policy to which the Senator refers is necessary to defend the inviolability or the integrity of the territory or the sovereignty or political independence of the United States or of any other American state, it would be for the consultative authority to decide whether or not we had made our point, and it would be bound if we did make our point.

Mr. MALONE. And if we did not make our point to their satisfaction, but made it to our own satisfaction, would we be bound to pursue the course decided by them?

Mr. VANDENBERG. Not in the slightest degree.

Mr. MALONE. In order to have a full understanding that the Monroe Doctrine had nothing whatever to do with anything, except to safeguard our own interests, I will read the excerpt again:

> We owe it, therefore, to candor and to the amicable relations existing between the United States and those powers to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety. With the existing colonies or dependencies of any European power we have not interfered and shall not interfere. But with the governments who have declared their independence and maintained it, and whose independence we have, on great consideration and on just principles, acknowledged, we could not view any interposition for the purpose of oppressing them, or controlling in any other manner their destiny, by any European power in any other light than as the manifestation of an unfriendly disposition toward the United States.

I understand that, in the light of the information then available and the methods of defense and offense in use at that time, the Monroe Doctrine was merely the statement of a definite policy to show the world what we considered inimical to our interests, in no way saying that it could not be extended or withdrawn if our safety were threatened any place else and in any other manner by improved methods of defense or offense.

Mr. LANGER. Mr. President, I desire to compliment the Senator from Michigan for his directness and candor in answering the questions which have been propounded.

Mr. VANDENBERG. He is beginning to be worn down.

Mr. LANGER. There was an obiter dictum, in response to a question of the Senator from Missouri, which rather puzzled me. The Senator said something to the effect that if Canada got into trouble, the United States might rush to the assistance of Canada.

Mr. VANDENBERG. I do not believe I quite said that. I think I said that if Canada were attacked, there would be an obvious American self-interest immediately apparent.

Mr. LANGER. Suppose England and Argentina, for example, got into trouble, and two-thirds of the signatories to the treaty agreed Argentina was right, and suppose that Canada under those circumstances supported England; what would the United States do?

Mr. VANDENBERG. I do not think I follow the Senator. Is an act of aggression involved?

Mr. LANGER. Suppose England and Argentina got into difficulties——

Mr. VANDENBERG. It depends a good deal to what kind of difficulties the Senator refers.

Mr. LANGER. If two-thirds of the signatories said that England was guilty of an act of aggression toward Argentina, of course Canada would help England, in view of what the Senator said to the distinguished Senator from Missouri.

Mr. VANDENBERG. I would say that what Canada does is Canada's own right to a free decision, because she is not bound by any obligation under the treaty. So far as we are concerned, I assume we would pursue the judgment of the consultative organ.

Mr. LANGER. I do not think I made myself quite clear. It was obiter dictum to which I referred. The Senator did not have to say what he did in response to the question of the Senator from Missouri.

Mr. VANDENBERG. He frequently makes me say things I do not have to say.

Mr. LANGER. Merely assuming that England and Argentina got into trouble, and that two-thirds of the signatories to the treaty said that England was guilty of an act of aggression, and Canada went to the defense of England, and Canada was attacked by Argentina, what would our position be?

Mr. VANDENBERG. I think we would be on the side of the Argentine, under those circumstances, if I followed the Senator all the way around the lot, but his premise to me is rather fantastic, and I doubt whether we would ever even remotely confront a conundrum of quite that unfathomable character. I do not see how it is possible for that sort of division of interest in the Western World to arise. That is my point.

Mr. LANGER. I agree fully, but the obiter dictum in the Senator's reply to the Senator from Missouri prompted me to ask the question. There is a situation conceivable whereby we might not be on the side of Canada.

Mr. BARKLEY. Will not the Senator from Michigan withdraw the obiter dictum? [Laughter.]

Mr. VANDENBERG. Very well. I withdraw the obiter dictum and I ask the Chair's dictum. I ask for a vote on the treaty.

Mr. MILLIKIN. Mr. President, tedious as this is to the distinguished Senator from Michigan, who has been on his feet a long time, I must, as a basis for my own action here, be absolutely sure that I understand clearly the part of the treaty we have been discussing. As I understand, the Council of Ministers by a two-thirds vote can take under consideration anything it wishes to take up. So long as it might, in its opinion, endanger the peace of America, such an act would become a matter of concern to all the parties to the treaty, and become a foundation for action binding upon all the parties to the treaty. Is that correct?

Mr. VANDENBERG. Within the limitations of the treaty.

Mr. MILLIKIN. The limitation being, as I understand——

Mr. VANDENBERG. That it is short of armed force.

Mr. MILLIKIN. Short of armed force, yes; the limit being, as I understand it—and I want to be very clear on this—that it must, in the view of the ministers, be a fact or situation that might endanger the peace of America.

Mr. VANDENBERG. That is correct.

Mr. MILLIKIN. There is no limitation on that, except the limitations that have to do with armed force?

Mr. VANDENBERG. I think that is correct.

Mr. MILLIKIN. It pains me more than I can say to the distinguished Senator that this time I cannot go along with him on this treaty. I shall have to vote against it.

Mr. VANDENBERG. I ask for a vote.

The PRESIDING OFFICER. The treaty is open to amendment. If there be no amendment to be proposed, the treaty will be reported to the Senate.

The treaty was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read as follows:

> *Resolved (two-thirds of the Senators present concurring therein)*, That the Senate advise and consent to the ratification of Executive II, Eightieth Congress, first session, the inter-American treaty of reciprocal assistance, formulated at the Inter-American Conference for the Maintenance of Continental Peace and Security, and signed at Rio de Janeiro, Brazil, on September 2, 1947.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification.

Mr. MILLIKIN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is the demand sufficiently seconded?

Mr. VANDENBERG. I have no objection to the yeas and nays, except that I suggest that some Senators probably did not know there would be a yea-and-nay vote.

Mr. LUCAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. MILLIKIN. A parliamentary inquiry. Are not the yeas and nays required on the ratification of a treaty?

The PRESIDING OFFICER. No. Under the rule ratification is made by a two-thirds vote of Senators present and voting. If there were any question, undoubtedly the yeas and nays would be had. The absence of a quorum has been suggested. The clerk will call the roll.

Mr. LUCAS. Mr. President, I withdraw the point of no quorum.

The PRESIDING OFFICER. The point of no quorum is withdrawn. The question is on agreeing to the resolution of ratification, on which the yeas and nays have been demanded. Is the demand sufficiently seconded?

The yeas and nays were ordered.

Mr. MILLIKIN. Mr. President, a parliamentary inquiry. Are we about to vote on the treaty?

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. WHERRY. I announce that the Senator from Connecticut [Mr. BALDWIN] is absent by leave of the Senate.

The Senator from Minnesota [Mr. BALL] is absent because of official business in his State.

The Senator from Indiana [Mr. CAPEHART], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Ohio [Mr. TAFT] are necessarily absent. If present and voting, the Senator from Indiana, the Senator from Massachusetts, and the Senator from Ohio would vote "yea."

The Senator from Idaho [Mr. DWORSHAK] is necessarily absent.

The Senator from Pennsylvania [Mr. MARTIN] is absent by leave of the Senate on official business, and, if present and voting, would vote "yea."

The Senator from Indiana [Mr. JENNER] is absent on official business, and, if present and voting, would vote "yea."

The Senator from West Virginia [Mr. REVERCOMB] is unavoidably detained.

The Senator from Kansas [Mr. REED] is unavoidably detained, and, if present and voting, would vote "yea."

Mr. LUCAS. I announce that the Senator from Florida [Mr. HOLLAND] is absent by leave of the Senate on official business.

The Senator from South Carolina [Mr. MAYBANK], the Senator from Connecticut [Mr. MCMAHON], and the Senator from Idaho [Mr. TAYLOR] are absent on public business.

The Senator from Virginia [Mr. BYRD], the Senator from Arkansas [Mr. FULBRIGHT], and the Senator from Nevada [Mr. MCCARRAN] are absent on official business.

The Senator from Mississippi [Mr. EASTLAND] is absent because of illness in his family.

The Senator from Utah [Mr. THOMAS], the Senator from North Carolina [Mr. UMSTEAD], and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from California [Mr. DOWNEY] is detained on official business at one of the Government departments.

If present and voting, the Senator from Virginia [Mr. BYRD], the Senator from California [Mr. DOWNEY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Florida [Mr. HOLLAND], the Senator from South Carolina [Mr. MAYBANK], the Senator from Nevada [Mr. MCCARRAN], the Senator from Connecticut [Mr. MCMAHON], the Senator from Utah [Mr. THOMAS], the Senator from North Carolina [Mr. UMSTEAD], and the Senator from New York [Mr. WAGNER] would vote "yea."

The result was announced—yeas 72, nays 1, as follows:

YEAS—72

Aiken	Cooper	Hickenlooper
Barkley	Cordon	Hill
Brewster	Donnell	Hoey
Bricker	Ecton	Ives
Bridges	Ellender	Johnson, Colo.
Brooks	Ferguson	Johnston, S. C.
Buck	Flanders	Kem
Bushfield	George	Kilgore
Butler	Green	Knowland
Cain	Gurney	Langer
Capper	Hatch	Lodge
Chavez	Hawkes	Lucas
Connally	Hayden	McCarthy
McClellan	O'Daniel	Thye
McFarland	O'Mahoney	Tobey
McGrath	Overton	Tydings
McKellar	Robertson, Va.	Vandenberg
Magnuson	Robertson, Wyo.	Watkins
Malone	Russell	Wherry
Moore	Smith	White
Morse	Sparkman	Wiley
Murray	Stennis	Williams
Myers	Stewart	Wilson
O'Conor	Thomas, Okla.	Young

NAYS—1

Millikin

NOT VOTING—23

Baldwin	Holland	Revercomb
Ball	Jenner	Saltonstall
Byrd	McCarran	Taft
Capehart	McMahon	Taylor
Downey	Martin	Thomas, Utah
Dworshak	Maybank	Umstead
Eastland	Pepper	Wagner
Fulbright	Reed	

The PRESIDING OFFICER. Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to and the treaty is ratified.

Mr. PEPPER subsequently said: Mr. President, I wish to announce that I returned from an official visit in connection with the opening of Everglades National Park in Florida only a few minutes after the vote was taken this afternoon in the Senate on Executive II, the Inter-American Treaty of Reciprocal Assistance. Had I been present, I would have voted for the ratification of the treaty.

However, Mr. President, I would have called attention to the fact that I could not but feel that while the treaty is within the letter of the United Nations Charter, it can contribute little to the strengthening of the spirit and concept of the United Nations organization. While we all favor the Monroe Doctrine and regional security and reciprocal assistance among the nations of the Western Hemisphere, yet, Mr. President, I cannot escape the feeling that to emphasize regional responsibility for regional security through such a treaty as this is to diminish the obligation and the concept of world security against aggression in any part of the world through the United Nations. I must say, Mr. President, that while they are to be commended who have striven for the security of our country and continent as the treaty manifests, I think those who look upon it later will see this treaty as an attempt to provide regional and national security in this hemisphere through the old method of joint defense agreements among a few nations rather than through the new way of the United Nations, the purpose of which was to provide collective security for all the world by all the world.

Mr. LODGE. Mr. President, I was very happy to hear the senior Senator from Michigan make it clear that in the treaty which we have just ratified there was no question of delimiting the Western Hemisphere. In 1940 I had correspondence with the great explorer, Mr. Stefansson, regarding the question whether Iceland was or was not in the Western Hemisphere. He wrote me a letter in which he showed that Secretary of State Seward 72 years ago took the position that Iceland was under the Monroe Doctrine and quoted the State Department as stating that Iceland belongs to the Western Hemisphere. I ask unanimous consent to have Mr. Stefansson's letter to me printed in full at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NEW YORK, *June 22, 1940.*

The Honorable HENRY CABOT LODGE, Jr.,
United States Senator from Massachusetts, Washington, D. C.

DEAR SENATOR LODGE: Your letter of June 20 asks permission to publish through the CONGRESSIONAL RECORD what I wrote you June 19. That letter contains some things which do not bear on what interests you, whether Iceland should or should not be looked upon as part of the Western Hemisphere. I restate the case, and I shall be glad to have you use this letter in any way you like. The main points are:

1. The President has been quoted to the effect that Greenland is in the Western Hemisphere from the Monroe Doctrine angle. Now Greenland extends further east than Iceland, for the 1937 map of the Geodaetisk Institut, Copenhagen, shows that a line drawn south from the northeastern tip of Greenland passes about 50 miles east of the most easterly point of Iceland. Therefore, all of Iceland is farther west than some parts of Greenland.

2. If we decide upon a hemisphere defense in the North Atlantic, and if we decide to take our stand at our side of the main or broadest ocean channel, then Iceland, geographically, is our frontier in its quarter. For the sea is only about 180 miles wide between Iceland and Greenland but it is more than 500 miles wide between Iceland and Scotland, more than 600 miles wide between Iceland and Norway. There are, of course, the Faroes in between Iceland and Europe, but they are tiny, they do not have very good harbors and they do have about the worst weather of the North Atlantic. Besides, the Iceland-Faroe gap is wider than the one between Iceland and Greenland.

3. By implication, at least, the State Department, under Secretary William H. Seward, took the position 72 years ago (perhaps earlier) that Iceland would come under the Monroe Doctrine geographically. For in 1868 the Department published a Report on the Resources of Iceland and Greenland, compiled by Benjamin Mills Pierce, where you will find on page 1 that "* * * it (Iceland) belongs to the Western Hemisphere, and is an insular dependency of the North American Continent."

Seward wanted the United States to have Iceland and Greenland for about the reasons he gave for wanting Alaska. One of these was a defense reason, that Iceland and Greenland dominate the North Atlantic somewhat as Alaska dominates the North Pacific.

It will be understood that I write this letter strictly from geographical and historical points of view, with no thought of tendering military or political advice.

VILHJALMUR STEFANSSON.

LONG-RANGE EUROPEAN AID

Mr. LODGE. Mr. President, I ask unanimous consent to have printed in the RECORD a statement which I made at the Clover Club in Boston last Saturday night setting forth my interim views on the subject of long-range European aid. The statement enumerates four reasons in favor of extending this help and eight considerations which must be paramount in so doing.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

There are powerful reasons for helping Europe.

A. There is the reason that we do not want to let our brother starve and shiver with cold.

B. There is the reason that we do not want to see the whole western world outside of the United States engulfed in that godless tide of violence, hatred, and treason known as communism.

C. There is the reason which comes to mind from the old saying that, in life, the people you meet going up you also meet coming down.

D. There is the reason that, out of our aid and out of the ashes, a united and integrated Europe may arise which will give man some hope for a way out of his misery—in other words that we will not have merely resurrected the old fire trap which has involved America in two world wars.

Those are all powerful reasons.

But it is also powerfully important that this help be given in the right way.

1. In extending it we must avoid the errors of the past. We must not repeat all the mistakes of UNRRA and of the British loan and of the other ill-fated attempts to bring order out of chaos by the simple expenditure of American dollars. We must avoid the incredible errors of bureaucratic operations, whereby we send olives to Greece and coal to Newcastle.

2. We must provide help for essentials only. Let luxuries be obtained elsewhere and let them be obtained later and not at our expense.

3. Our help must be conditioned above all on the ability of European countries to help themselves. It would be a foolish and almost a criminal waste for us to send coal abroad, for example, to countries whose principal article of export is coal.

4. Then, we must get something back in return. If we are to deprive ourselves of badly needed oil, let us get back all of this oil from middle eastern sources just as soon and as fast as middle eastern oil gets into production. If we are to send our machinery overseas, let there be a hard and fast agreement that we will get natural resources (or future rights to such resources) in return, such as bauxite, manganese and iron ore and many other things, which we have not got in sufficient amounts in this country. Such agreements enhance self-respect and minimize the chances of bad feeling.

5. We must be absolutely sure that all assets owned by foreigners are put into the service of this great cause, insofar as this can be done. If, as we are officially told, there are between two and three billion dollars' worth of gold in France, this gold must be put to work. If there are wealthy people in Europe, they should be taxed. If there are $8,000,000,000 worth of foreign assets held in the United States, they should be pledged to the operation of the Marshall plan, because the poor here in America must not be made to support the rich overseas.

6. The Europeans must know that we are giving this help. We should set aside enough money and enough of an organization so that they may know the truth about America and then they can take us or leave us. If they know the truth they will embrace the hope and the inspiration that is America and will do so with enthusiasm.

7. Let there never be a Marshall plan in reverse. That would be worse than no plan at all. What do I mean? I mean a condition in which our funds would be used to promote the separatism and the suicidal nationalism of Europe. We should use our influence to achieve a voluntary integration and unity of Europe in which tariff barriers are removed, financial stability and a solid currency are assured and in which the whole European area is treated as a unit, thereby lifting the intolerable military and governmental burdens from the backs of the European people. That is the best hope for avoiding the recurrence of future European war.

8. We all know that the program which we are confronting makes sacrifice on our part inevitable and we also know that the American people can make sacrifices and have so done many times, but let us remember this: That whatever aid we send, we must never do violence to vital American needs. It must never be at the expense of the food and the heat and the clothing and the housing and the economic system whereby America lives and has its being. A strong America is not only necessary to Americans; it is vitally necessary to the world.

If there is one thing which the masters of the Kremlin desire more than any other it is the collapse of the United States. They may even desire this more than they desire the prostration of Europe.

Consequently, if there is one thing which we must preserve above everything else, it is the strength and the vigor of our country.

TREATMENT OF AMERICAN REPRESENTATIVES BY RUMANIAN GOVERNMENT OFFICIALS

Mr. KNOWLAND. Mr. President, while recently in Europe as a member of the Senate Committee on Appropriations I had given to me certain information which I thought was of considerable importance to the United States Senate and to the American people. When I returned to this country I wished to obtain confirmation of what had been told me relative to the treatment of American officials, both diplomatic and military, in Rumania, one of the satellite countries of Russia. I immediately requested information from the State Department regarding the situation, and on November 28 I received a letter from the State Department. I wish to read excerpts from the letter so that the public may be informed. I quote from the letter from the State Department:

Some staff members have encountered difficulties with the requisitioning authorities of the Ministry of the Interior concerning the rental of requisitioned quarters. On September 16, 1947, the day after ratification of the peace treaty, the United States military mission notified the Rumanian Government of the return of houses requisitioned for them by the Rumanian Government. In some instances the military staff members who were remaining entered into contracts with owners of requisitioned houses before these properties had been derequisitioned by the Rumanian Government and released to their owners. Rumanian Government officials, therefore, started inspection of some of these houses with a view to their use by the Rumanian Government or Rumanian officials. Since they had reverted to the Rumanian Government, the owners did not technically have a right to rent them. Only one case of actual inspection of houses occupied by members of the mission has come to my knowledge. On October 12, Colonel Culp (acting United States military representative on the Allied Control Commission for Rumania), informed me of the case of Captain Fishburn. In response to my request, the latter gave me a memorandum on October 13 stating that, since September 16, requisitioning authorities of the Ministry of the Interior had visited his house five times. On three occasions they had not been admitted by the servants; but on two occasions they had forced their way into the house. He said his wife was expecting an infant and therefore required complete quite. He asked the legation to intervene and to request the authorities to deal directly with him at his office. Captain Fishburn said that he and the owner had signed and registered a contract for the house on September 11, but that no official rental permit had as yet been issued.

I quote further from the letter of the State Department:

As regards the situation over the past 6 months the Office of the Military and Naval Attachés report the following:

"(1) On June 28, 1947, two men in civilian clothes claiming to be police entered the quarters of Sergeant Almasi during his absence and assaulted his chauffeur who attempted to protect his premises. The matter was disposed of by Colonel Culp, the acting United States military representative. (2) About September 20, 1947, three requisitioning officials attempted to enter the house of Lieutenant Shreve, United States Army, but were not admitted. (3) On September 10, 1947, a truck owned by the United States military representative on the Allied Control Commission containing food supplies was detained at control points 10 miles outside the city of Bucharest. Since the transfer of food from one district to another is illegal for the general population, Captain Petrovsky, United States Army, was called and permitted to escort the truck to Bucharest without difficulty. (4) On September 11, a chauffeur driving an empty military car normally used by Lieutenant Colonel Emmens of the United States military mission was stopped and searched for food supplies."

These are all American personnel, either military or civilian.

The most serious aspect of the situation develops in the case to which I now wish to invite attention. I read further from the letter of the State Department:

With regard to the case of the legation secretary, Mr. Ferguson, to which Minister Schoenfeld refers, the circumstances are as follows—

I may interpolate that Ferguson is secretary of the American Legation in Bucharest—

While driving in a legation car on official business on the night of November 4, 1947, Mr. Ferguson was overtaken and halted by a car bearing no official identification or insigne but containing several persons including a uniformed Rumanian policeman who questioned him at length at gunpoint. When Mr. Ferguson sought to proceed he was prevented from doing so and was eventually taken to an office in the Ministry of Industry and Commerce where he was charged with abetting the escape of a Rumanian citizen wanted by the police for illegal possession of foreign currency. Mr. Ferguson denied knowing such a person and protested the questioning and detention pointing out that if the Rumanian Government agents wished to question him officially they should make their request through normal diplomatic channels. After being detained about 20 minutes at the ministry he was permitted to leave. Minister Schoenfeld took immediate steps to obtain from the Ministry for Foreign Affairs an explanation of this incident and protested energetically against the methods employed, particularly the use of firearms in dealing with an American diplomatic officer. As you will note, he has followed up this request in person with the new Minister of Foreign Affairs but no reply has been reported to date.

This information was given to me by Mr. Norman Armour, Assistant Secretary of State, in response to an inquiry which I made when I returned from Europe.

Insofar as the satellite states may use police methods on their own citizens, it is certainly an unfortunate situation, to

say the least, that the so-called "four freedoms" are not applied to their own people within those countries. But when they seek to use such methods upon American military and diplomatic officials, it is no longer a matter of concern to those countries alone, but must be of concern to the American Congress, the State Department, and the American people, because no matter how humble a position a person may occupy in the echelon of command or the echelon of diplomatic life, whenever a man is in a country representing the United States, he is there in his official capacity, and as a representative of the Government of the United States.

Speaking as one Member of the United States Senate, I certainly hope that the State Department will take vigorous action whenever incidents of this kind occur, whether in Rumania or in any other nation of Europe. It is something with respect to which I think the American people are entitled to have information. The American press is entitled to the information, and the American Congress is entitled to the information.

DISPOSITION OF BIG AND LITTLE INCH PIPELINES

Mr. LANGER. Mr. President, I have received a great many letters and telephone calls from all over the country, including some from men high in this administration, complimenting five of my colleagues and myself. I refer to the Senator from Oklahoma [Mr. MOORE], the Senator from Wyoming [Mr. ROBERTSON], the Senator from Tennessee [Mr. MCKELLAR], the Senator from Texas [Mr. O'DANIEL], and the Senator from Idaho [Mr. TAYLOR].

Some of these letters particularly referred to three paragraphs to be found on page 11029 of the CONGRESSIONAL RECORD for December 4 last. I wish to read them now:

Mr. President, we hear many statements on this floor about communism and about the fact that we have made the recent appropriations to head off communism. I should like to bring to the attention of the Members of this body that the best way to get communism here in the United States is just to keep on the way we have been going. If we do so, we shall get plenty of communism when hard times strike.

A while ago we passed a labor law. In this country we have many monopolies in industry. Nevertheless we passed a stringent labor law. Yet no law of any kind was passed against monopolies or cartels in industry. In 1890 the Sherman Antitrust Act was passed, and a criminal provision was made. But up to the present time not one person has been put in jail in the United States for violation of that act, regardless of whether we had a Democratic or a Republican Attorney General.

Mr. President, if Senators think that the people of the United States sooner or later are not going to understand that situation, then I submit that the Senate has a very poor conception of the intelligence and smartness and ability of the rank and file of the people of this country. I really believe that when it comes to foreign aid the rank and file of the people on the street, no matter into what State we may go, understand the situation better than does the average officeholder in Washington.

Mr. President, every Senator on this floor will remember that during the emergency of war our Government built the Big Inch and Little Big Inch pipe lines, and during the short time those pipe lines were operated by the Government they paid for themselves, so that at the end of the war the Government had practically no money invested in either the Big Inch or the Little Big Inch pipe line. After the war those lines were under the control of the War Assets Administration. There they were one of the finest lines of defense in this country. There they were, ready to bring oil or fuel to the New England States. It was at that time that I introduced Senate Concurrent Resolution No. 36, which provided as follows:

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the Government-owned pipe lines known as Big Inch and Little Big Inch, extending from Texas to the New York-New Jersey area, should not be disposed of as surplus property, but should be retained and operated by the United States.

At the time that resolution was introduced I suggested that if the Government did not want to operate the pipe lines it could lease them. I contended then, as I contend now, that the Government could lease the pipe lines and have them available in case of an emergency, either war or fuel shortage, or in the case of a tank-car shortage.

What has happened to the Big Inch and the Little Big Inch pipe lines? I have here a letter from the Office of the Coordinator of the retail solid fuel industry in the city of New York, who encloses an article from the New York Times for the 11th of November 1947, which is entitled, "Huge Paper Profit for Pipe Line Group."

Mr. President, in my opinion what was done by a bunch of cheap crooks in this connection, some of them close to men high in the Government, could bring about more communism than almost anything I can think of. This is what they did. On November 10, in Philadelphia, a group of holders of common stock of the Texas Eastern Transmission Corp., including 11 associates of the investment banking firm of Dillon, Read & Co., of New York, realized a paper profit of $9,825,000 on an original investment of $150,000.

I ask unanimous consent that all of this article which appeared in the New York Times on November 11 be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HUGE PAPER PROFIT FOR PIPE LINE GROUP—TEXAS EASTERN TRANSMISSION STOCKHOLDERS STAND TO MAKE $9,825,000 FOR $150,000—PROSPECTUS GIVES DATA—DILLON, READ ASSOCIATES SHOWN AS BACKERS OF CONCERN THAT BOUGHT INCH SYSTEMS

(By H. Walton Cloke)

PHILADELPHIA, November 10.—A group of holders of common stock of the Texas Eastern Transmission Corp., including 11 associates of the investment banking firm of Dillon, Read & Co., New York, realized a paper profit of $9,825,000 this afternoon on an original investment of $150,000.

This was disclosed when the Securities and Exchange Commission permitted Texas Transmission's amended registration statement, covering 3,564,000 shares of no par value common stock which is to be offered publicly at $9.50 a share, to become effective.

According to the company's prospectus, Texas Transmission was organized last January with an authorized capital of 250,000 shares of $1 par value common stock. A short time later it successfully bid $143,127,000 for the Government Big Inch and Little Inch pipe lines.

The prospectus further states that 150,000 shares of the stock were sold to an investing group comprised of 17 individuals from Washington, New York, Texas, and Louisiana as well as the associates of Dillon, Read.

STOCK IS RECLASSIFIED

Last Friday, the prospectus stated, the 150,000 shares of stock initially issued were reclassified on the basis of seven shares for one, into 1,050,000 shares of common stock, "which would have an aggregate value of $9,975,000 on the basis of the price to the public" set forth in the amended registration statement.

The reclassified shares held by the investing group would represent 22.83 percent of the total shares of common stock outstanding after the sale of the common shares being sold by the company, according to the prospectus. There will be 4,600,000 shares of the company's authorized 6,000,000 shares of common outstanding after the sale.

All of the 3,564,000 shares of the common stock registered, with the exception of 14,000 shares owned by J. Ross Gamble, Washington, D. C., are being sold by the company. Mr. Gamble originally purchased 2,500 shares of the stock for $2,500 and as a result of the reclassification now holds 17,500 shares. If all of his 14,000 shares are purchased by the public at $9.50 a share, he will receive about $119,000.

COMMISSION $1 A SHARE

The prospectus also disclosed that the underwriting commission on each share sold would be $1 and that Dillon, Read would purchase 164,000 shares for resale to the public. Dillon, Read heads a group of 154 underwriters named to distribute the stock. Other top underwriters include Kidder, Peabody & Co., Merrill Lynch, Pierce Fenner & Beane, and White, Weld & Co.

Texas Transmission also disclosed in the amended registration statement that it had entered into contracts with 12 insurance companies to sell to the latter $120,000,000 of first-mortgage pipe-line bonds, 3½ percent series, due in 1962, at 101 percent.

Sale of the stock would net Texas Transmission $8.50 a share, or an aggregate of $30,175,000. The company proposes to use $138,027,000 of the proceeds from the sale of the stocks and bonds to pay to the Government the balance of the purchase price for the Big Inch and the Little Inch pipe lines. It initially made a payment of $5,100,000.

The company also proposes to repay all its outstanding notes in the amount of $8,350,000 and increase its general funds by more than $3,000,000. The latter would be used in part for construction.

Mr. LANGER. Mr. President, I have here also an article from the New York Herald Tribune for November 11, 1947, entitled "Texas Eastern Common Goes on Market Today."

I ask unanimous consent that the article be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TEXAS EASTERN COMMON GOES ON MARKET TODAY

PHILADELPHIA, Nov. 10.—The Securities and Exchange Commission cleared today Texas

Eastern Transmission Corp.'s stock registration, and as a result a group of common stockholders realized a "paper profit" of $9,825,000 on their original investment of $150,000.

The stock—3,564,000 shares of common—goes on the market tomorrow at $9.50 a share with an underwriting discount of $1 each.

Eleven of the stockholders to whom the profits accrue are members of the New York investment banking firm of Dillon, Read & Co., principal underwriter of the syndicate of 154 underwriters handling the sales.

Texas Eastern Transmission was organized last January in Houston, Tex., to buy the war-built Big and Little Inch pipe lines with a successful bid on the lines of $143,127,000.

Mr. LANGER. Mr. President, I have here another article, from the New York World-Telegram of Monday, November 10, 1947, entitled "Big Pipe Line Issue Due on Wednesday." I ask unanimous consent that it be placed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BIG PIPE-LINE ISSUE DUE ON WEDNESDAY

PHILADELPHIA, November 10.—A national underwriting group of 154 investment houses headed by Dillon, Read & Co., Inc., plans to offer Wednesday 3,564,000 no par, common shares of Texas Eastern Transmission Corp., at $9.50 a share.

This was disclosed today by the company in an amendment to its registration statement on file with SEC. Of the total, 3,550,000 shares are being sold by the company and the remaining 14,000 by a stockholder.

Underwriting discounts and commissions are given at $1 a share, leaving a net price to sellers of $8.50. On this basis the company would receive about $30,175,000 and the selling stockholder $119,000.

The company also has entered into a contract with 12 insurance companies for the sale of $120,000,000 of first-mortgage pipeline bonds, 3½-percent series, due 1962, at 101 and accrued interest.

Metropolitan Life Insurance Co. and Prudential Insurance Co. will take $36,000,000 each; New York Life Insurance Co., $18,000,000; John Hancock Mutual Life Insurance Co. of New York, $5,500,000 each; Northwestern Mutual Life Insurance Co., $5,000,000; Travelers Insurance Co., $3,500,000; Aetna Life Insurance Co. and Sun Life Assurance Co. of Canada, $2,500,000 each; Massachusetts Mutual Life Insurance Co. and Penn Mutual Life Insurance Co., $2,000,000 each; and New England Mutual Life Insurance Co., $1,500,000.

Proceeds approximating $150,605,000 will be used to pay $138,027,000 to the United States Government for balance due on Big and Little Inch lines, $8,350,000 on outstanding notes, $328,351 for legal and engineering fees. The remainder of about $3,399,649 will be added to the general funds.

Mr. LANGER. Mr. President, this is what the coordinator of the retail solid fuel industry in the city of New York has to say about the way our Government has taken charge of the Big and Little Big Inch pipe lines in this country. The statement is entitled "There Is Something Rotten in Denmark. Promotion of Big Inch Pipe Lines Smells." It reads as follows:

THERE'S SOMETHING ROTTEN IN DENMARK—PROMOTION OF BIG INCH PIPE LINES SMELLS

PART I—PROFITS AND THE DISINTERESTED DOCTOR

The New York Times, which does not engage in crusades, recently performed a notable public service when it reported the enormous paper profits in the Texas Eastern Transmission Co. promotion. It remained also for a courageous radio commentator, Fulton Lewis, Jr., to interpret the story and reveal the "fantastic" nature of the transaction. Texas Eastern, as you know, was the successful bidder for the Big Inch pipe lines. Mr. Lewis devoted part of two broadcasts to this exposé. Much more remains to be told.

That there would be a conflict of interest between those concerned with selling natural gas as a real public service and those primarily interested in the sale of securities for the natural-gas industry seemed obvious long ago. I pointed out this fact to the House Interstate and Foreign Commerce Committee last May. In conversations with members of that committee I insisted that the purchase of the Big Inch lines was primarily a stock promotion. Events have confirmed this opinion to a degree much greater than even I anticipated—and much sooner.

About February 5, 1947, 28 "investors," including 11 members of the firm of Dillon, Read & Co., Inc., the bankers who managed the sale of the stock and bonds, put up $150,000.[1] For this they received 150,000 shares of common stock. A 7 for 1 split increased these shares to 1,050,000. Nine months later—on November 10—3,564,000 shares of common stock were offered to the public at $9.50 a share. This was the same stock for which the original investors paid 14⅔ cents a share.

Thus was realized a paper profit of $9,825,000, a profit of 6,550 percent, on which a tax of only 25 percent need be paid because it is a long-term capital gain. But that was not all. In addition, the participating bankers made $1 a share on the 3,564,000 shares sold to the public. Dillon-Read also received $200,000 for marketing $120,000,000 of first-mortgage pipe-line bonds. To sum up: $9,825,000 paper profit, $3,764,000 commissions on sale of stocks and bonds, or a total of $13,589,000.

Was this enough? Not if the story related by one brokerage house is true. The original plan, it was said, was to offer the stock at $11 a share but objection on the part of some of the underwriting houses brought the price down to $9.50. Was a public-utility stock acquired at less than 15 cents a share and offered to a public 9 months later at $11 a share too raw? But, did the $9.50 price make it respectable?

With one exception, the original stockholders are retaining all their stock—22.52 percent of the outstanding stock—enough to control the company. These lucky 28, who invested $150,000 now have control of a $150,000,000 company, with all the emoluments and advantages stemming from such control. What are these emoluments and advantages? Let the past speak for the future. Just look at some of these emoluments and advantages which flowed to some of the original investors in the short 9 months since Texas Eastern was formed.

George R. Brown, chairman of the board of Texas Eastern, and his brother, Herman Brown, a director, are vice president and president, repectively, and own substantially all of the stock of Brown & Root, Inc., a construction company of Houston, Tex., which received or has owing to it for services $259,850. If the contracts are completely performed, Texas Eastern estimates that additional remuneration to be paid to Brown & Root, Inc., will amount to $633,150 for services under the contracts.

J. Ross Gamble, an assistant secretary of the company and a director for a short period, has received or has owing to him for legal services, approximately $50,000 at the time of date of sale.

R. H. Hargrove, a director and president, has received compensation from the company at the rate of $40,000 per annum from March 1, 1947, and $50,000 per annum since April 1, 1947.

Robert C. Hargrove, an assistant secretary, is a member of a law firm which has received or will receive for legal services $30,000 up to the date of sale of the stock.

E. Holley Poe was president from February 4 to May 28, 1947, and was retained by the company in an advisory capacity from that date until March 1, 1948. His remuneration as president and consultant has been at the rate of $25,000 per annum. The firm of E. Holley Poe and Associates, in which Texas Eastern was informed that E. Holley Poe and E. DeGolyer are interested, was paid $20,070 as reimbursement for certain expenses and in addition has agreed to furnish certain services to the company under an arrangement which is effective for 1 year from March 1, 1947, for which services such firm is being paid at the monthly rate of $1,750.

The firm of Vinson, Elkins, Weems, and Francis, of Houston, Tex., of which J. L. Elkins and Charles I. Francis are members, are counsel for the company. The aggregate remuneration received by that firm or owing to it for legal services as of the date of sale is $200,000.

This is what I mean by emoluments and advantages. As to the future, let's examine them as they concern the Brown brothers alone. Texas Eastern estimates that it may have to spend as much as $30,500,000 on equipment and construction work. For certain of the work Brown & Root have cost-plus contracts. For instance, Brown & Root has a contract to equip and construct not less than 4 and not more than 21 compressor stations of either the centrifugal or reciprocating type. The contract provides that Brown & Root, Inc., shall receive cost and a fixed fee on its construction of compressor stations of $24,000 for each centrifugal-type station, and $14 per horsepower for each reciprocating-type station, "plus such additional fee, if any, as may be agreed upon in event of changes as provided for therein."

In their dual capacities as chairman of the board and as a director of Texas Eastern, and as president and vice president and substantially sole owners of Brown & Root, Inc., the Brown brothers occupy an anomalous position. Just imagine their predicament when, as chairman of the board and director of Texas Eastern, they attempt to reach an agreement with themselves as president and vice president and substantially sole owners of Brown & Root, Inc., upon the changes to be made in the contract with Texas Eastern and the additional fees that should accrue to Brown & Root. Can the Brown brothers of Texas Eastern deal at arm's length with the Brown brothers of Brown & Root with advantage to both companies and without disadvantage to either?

We now present Dr. E. DeGolyer. Who is Dr. DeGolyer? Many informed people regard Dr. DeGolyer as the most eminent oil geologist in the United States. Wherever you find estimates of oil and gas reserves, in reports of private industry and in Government reports, you may be sure you are reading figures in which Dr. DeGolyer or his firm have had a hand. His pronouncements on the subject form the bible of the natural-gas industry. As much question them as question Einstein on his theory of relativity.

Could Dr. DeGolyer give a detached judgment on a matter in the outcome of which he had a large personal financial interest? What was the nature and extent of that interest? As an original investor of $15,375 in Texas Eastern he stood to win or lose within 9 months a profit now computed at approximately $1,007,000.

Dr. DeGolyer also heads the engineering firm of DeGolyer & MacNaughton, of Dallas, Tex. His managing partner, Mr. John Murrell, testified before the Federal Power Commission on the question of reserves as

[1] Of this amount, $67,500 was borrowed from the chairman of the board of Texas Eastern.

a witness for Texas Eastern, without revealing the financial interest of the head of his firm. He asserted on several occasions that the estimates he gave reflected "my opinion and my firm's opinion." On cross-examination he was asked to break down his estimates. The record discloses the following:

"Mr. McGRATH. Do you have the data with respect to the various fields upon which your estimate is based?

"JOHN H. MURRELL. Yes, sir.

"Mr. McGRATH. And by which you meet this aggregate number?

"The WITNESS. Yes, sir, every bit of it. These are proved recoverable reserves and that is our opinion after studying all the data. Yes, sir.

"Mr. McGRATH. All right. Are those data available and will they be presented here to substantiate those figures?

"The WITNESS. No, sir.

* * * * *

"Question. But you are not willing to submit the data upon which you arrived at that conclusion, are you?

"Answer. For a fee we do that type of work; yes, sir.

"Question. Aren't you getting paid a fee for coming here?

"Answer. Not for submitting that type of data, sir."

Tom McGrath, counsel for a group opposing the application, in his summation characterized Mr. Murrell's testimony as follows:

"I want to pay my respects to Mr. John Murrell, about who you heard this morning, before I go further.

"Mr. Murrell came in here with an exhibit presumably to reflect the amount of reserves aggregating, as he said, some 58,000,000,000,000 cubic feet in 113 major fields in the Gulf coast area. He gave that opinion, that they were there, and that was as far as he was willing to go. He had no basic data to support it. He did not know how much of it was dedicated to other pipe lines; he didn't know how much of it was susceptible to cycling, or how much had been ordered for cycling or repressuring. He didn't give us any information as to how much of it was flared gas, or gas associated with oil, or gas not associated with oil.

"In other words, we have just the bare statement of Mr. Murrell that in his opinion there are so many trillion cubic feet down there.

"I will say that this Commission cannot assume on that basis that there is adequate supply of natural gas for this company down there because we were not permitted to test the accuracy of that estimate by cross-examining Mr. Murrell, because he said he was not paid a fee to give that kind of information, and, therefore, it was withheld from us.

"I say that if this Commission makes a finding based upon Mr. Murrell's testimony that there are great quantities of gas down there, that that finding will be reversible, so we cannot assume that gas was there."

What does the prospectus reveal about the compensation of the firm of DeGolyer & MacNaughton?

"E. DeGolyer, a director of the company since February 7, 1947, is a member of the engineering firm of DeGolyer & MacNaughton, of Dallas, Tex., which firm was retained by the company to advise it regarding gas reserves, principally in connection with the application to the Federal Power Commission for a certificate of public convenience and necessity. The aggregate remuneration received by that firm from the company or estimated as owing or to be owing to that firm for services, as of approximately the date of sale to the underwriters of the securities offered hereby, is $47,272."

One million seven thousand sixty-two dollars and fifty cents as paper profit—$41,272 received to testify as to reserves—participating in $1,750 a month paid to E. Holley Poe & Associates—but not enough compensation to submit the data which is the basis for the expert testimony.

And this is the completely dispassionate and disinterested expert, whose scientific detachment gives such weight to his surveys.

Believe it or not, it is his figures of our country's natural gas reserves that have been solemnly put forth by the natural-gas industry to Congress and the Federal Power Commission as the last word on the subject.

Were it not so tragic and were it not so fraught with danger to the security of our country, I could laugh.

There will be more of this as I dig up and analyze the facts—meanwhile we should watch carefully the developments in the Trans-Continental and Tennessee Gas applications.

JOHN SCHREIBER,
Coordinator.

P. S.—In the interest of fairness and accuracy, I am sending a copy of this bulletin to those participating in the underwriting and financing for any comment they may care to make. If the circumstances warrant, their replies will be sent to the same mailing list as this bulletin.

Mr. President, I wish to say that as one of the 96 Senators upon this floor, I cannot condemn strongly enough what was done by the men in charge, for this Government, of the Big Inch pipe line and the Little Big Inch pipe line, those two great transmission systems which were giving service to the people of New England. If we had had another war, they were ready to be put in use, thus doing away with a great deal of worry on the part of our Government, for they would have been ready to protect hundreds of thousands and really millions of people in case of a shortage of fuel oil in the New England States. Yet they are turned over by the War Assets Administration, so that a few men could make a profit of 6,550 percent.

I repeat, Mr. President, is it any wonder that there are Communists in the United States? Is it any wonder that the average man upon the streets in any city in this country is amazed when he reads about a deal of this kind, in which the Congress has turned property over to the War Assets Administration, and the War Assets Administration has turned it over to a few of the associates of Dillon, Read & Co.? Every man in the street knows that a former president of Dillon, Read & Co. is high up in the affairs of our Government. I ask, in all earnestness, when the average man in the street hears that, is he not justified in believing what was said, at the head of the article, by Mr. Schreiber, the Coordinator, that "There is something rotten in Denmark"? He should have changed that to say, "There is something rotten in the United States of America."

Mr. MORSE. Mr. President——

Mr. LANGER. Does the Senator from Oregon want to ask a question?

Mr. MORSE. No; I am waiting to present a short matter.

Mr. LANGER. I yield the floor.

Mr. ELLENDER. Mr. President, will the Senator yield for a question?

Mr. LANGER. I yield.

Mr. ELLENDER. I did not have an opportunity to hear the Senator's entire speech. Is it not a fact that the Federal Government received every penny it spent in the building of the project to which he refers?

Mr. LANGER. That is exactly correct; and why did they receive it? They received it because the Senator from Wyoming [Mr. O'MAHONEY] and myself insisted that the Government should receive it.

Mr. ELLENDER. I understand. Would the Senator propose that the Federal Government operate the pipe line?

Mr. LANGER. In my concurrent resolution I proposed that the Government continue to own it, so that the Government could either operate it or lease it.

Mr. ELLENDER. My reason for asking the question is that the Senator talked about communism, but the Senator would like to have the Government itself own and operate this pipe line?

Mr. LANGER. No; I did not say that. I said I introduced a resolution saying the Government should own it, so it might either operate it or lease it.

Mr. ELLENDER. But that would be the alternative?

Mr. LANGER. If the Senator will examine the RECORD for the day when I introduced the resolution, he will discover why I introduced it. It was so the Government could either operate the pipe line or lease it. There is no question of communism involved in it at all.

Mr. ELLENDER. The Senator knows that all the people of the Northeast are going to have the use of it, for the purpose of carrying gas and oil, the same as though the Government were operating it.

Mr. LANGER. Let me ask the distinguished Senator one question: Does the Senator believe it is right to permit a group of men to buy a thing for 15 cents and then to sell it for $9.50 to people all over the country?

Mr. ELLENDER. I am not saying what is right or wrong.

Mr. LANGER. That is the very question I am raising.

Mr. ELLENDER. The only point I am trying to make plain—and I want the RECORD to show it—is that the Federal Government received every dime it invested in the project.

Mr. LANGER. There is no dispute about that.

NEWSPRINT

Mr. MORSE. Mr. President, I want to make a very short statement in regard to a problem which I think is of great concern to this country, particularly the newspapers. I shall not require more than 3 or 4 minutes. We are very proud of the fact that in America we have a free press, but we cannot retain that free press unless the newspapers are able to secure at economic costs the amounts of newsprint necessary to maintain a free press. I would call the Senate's attention to the fact that there is a great shortage of newsprint in America, such a shortage of newsprint that on other occasions I have, on the floor of the Senate and elsewhere, called attention to the plight in which a great many of our newspapers, large and small but particularly weeklies, throughout the country have found themselves for a considerable time past. I have urged in the past,

and I urge again, a greater interest on the part of our Government in the source of supply and in the development of the source of supply of newsprint. I urge it because certain developments in international trade channels today make it very important in my opinion that in the interests of maintaining a free press in America and of keeping all those newspapers that desire to operate supplied with newsprint, we must take steps to make available at reasonable prices an increased quantity of newsprint.

The fact is that the supply of newsprint in America is so short that our newspapers are in reality confronted with a monopoly in regard to newsprint, insofar as importations are concerned. Our American newspapers must rely upon the suppliers of newsprint in foreign countries for a very large proportion of the paper that is now going into American newspapers. It is alarming news today that Canada has increased the cost of newsprint another $6 a ton. I am informed that the International Paper Sales Company of Canada has just announced this additional price increase, which is the most recent of a chain of such increases. It will be followed undoubtedly by a like increase on the part of all other foreign suppliers of newsprint because the price increase pattern is always a consistent one.

This latest increase is added to an already outrageous price for newsprint. It is already a price, Mr. President, which is a "hold up" price. There is nothing our newspapers can do about it because American newspaper publishers are in a position where they really have no other choice but to pay exorbitant prices required by the owners of the source of supply of newsprint in foreign countries. There is no other place for them to go at the present moment from the standpoint of availability, but there is another place, Mr. President, from which American newspapers could get newsprint, if our Government would take the necessary expediting steps to make that newsprint available to them.

I refer again to the Alaskan paper pulp supply and will in the future undoubtedly refer to it, until this fight is won. I refer again to the need for Alaskan economic development. Part of that economic development should be the development of the newsprint supply sources of Alaska, sources which could supply the American newspapers at reasonable cost for many years to come. In fact, under a carefully and scientifically developed and sustained yield program our papers could be supplied with newsprint in perpetuity. If this Alaskan paper pulp supply could be developed it would certainly supply an effective competition factor for foreign countries who at the present time are holding up the American newspapers at the point of an economic gun, so to speak, on the price of newsprint. I want to submit, as one from the west coast, representing a population that is very much concerned with military and economic developments in the Pacific, and particularly concerned about the desirability of making Alaska a territory strong in security, that we should do all we can to develop the industrial advantages of Alaska. Industrial and military developments in Alaska are already overdue when weighed from the standpoint of our national security. Mark my words, no one in the Senate will eye with more critical concern than I any attempt to exploit the economic resources of Alaska, but our present policy of failure to develop the economic potentialities of Alaska I submit is resulting in unconscionable and inexcusable economic waste as far as the resources of Alaska are concerned. We need the development in Alaska of a scientifically devised forestry program to make it possible for the establishment and the immediate construction of a pilot plant for the manufacture of newsprint in Alaska. Such a development would bring to Alaska what it so sorely needs by way of industrial development, because out of industrial development will come that population necessary it seems to me for the development of Alaska in a way so that she can play a much more dominant part in the American economy. Also, once our people come to understand the economic importance of Alaska to our entire economy, I think they will see the great strategic place she occupies in our national-defense program.

I speak in sober judgment, Mr. President, when I say that should a dark day of future international trouble bordering on war ever develop we are going to find great activity in the Alaskan area. I hope that before it is too late we shall take up the importance of the development of Alaska not only as a strong defense area in our national security program, but also I hope we will recognize before it is too late the value of Alaska in solving some of our national production needs on the economic front. So I again today wish to place the administration and the Senate on notice of the importance of our proceeding to give consideration at the earliest possible date to the economic and defense needs of Alaska. I wish to call the attention of this body to the fact that if we really want to be of a very practical and material service to the concept of a free press in America, we should give heed to the importance of developing a newsprint industry in Alaska. We can do it very easily. We can do it, Mr. President, by the adoption of a program which makes very clear to those departments of our Government that have the forests and the other economic resources of Alaska under their control that it is the desire of Congress that they proceed to develop a program in Alaska which will permit of the use of the paper-pulp resources under a scientifically designed program of sustained yield. Under such a program a part of those resources can be used in the manufacture of much-needed newsprint. Unless cheaper newsprint is supplied—and mark my words, I speak advisedly—unless cheaper newsprint is supplied, a very large number of weekly and semiweekly newspapers in this country will have to cease publication within a 12-month period. Also, most of the large newspapers of the country are being caught in a squeeze play by the suppliers of newsprint owned by paper-pulp interests in Canada and other countries. This latest increase in price of $6 a ton is a profiteering charge based upon the economic helplessness of American newspapers because we have not had the foresight to develop our American Alaskan newsprint resources. This must be done quickly.

So in the interest of a free press, and that freedom of course means ability to publish—and there is no ability to publish unless we can supply newsprint at reasonable cost—I call upon the Government to give heed to my request that steps be taken immediately for the development of the newsprint resources of Alaska. I recommend the early construction of a pilot plant for the manufacture of newsprint in that Territory. I know of nothing that would break the tight control that some foreign countries have over newsprint supply more effectively than to serve notice on them that the paper pulp natural resources of Alaska are going to be opened up to meet American needs.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. THYE in the chair) laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the Committee on Foreign Relations.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. TOBEY, from the Committee on Banking and Currency:

Franklin D. Richards of Utah, to be Federal Housing Commissioner, to which office he was appointed during the last recess of the Senate; and

Raymond Michael Foley, of Michigan, to be Housing and Home Finance Administrator, to which office he was appointed during the last recess of the Senate.

By Mr. AIKEN, from the Committee on Labor and Public Welfare:

David A. Morse, of New Jersey, as Under Secretary of Labor, United States Department of Labor.

John T. Kmetz, of Pennsylvania, as Assistant Secretary of Labor, United States Department of Labor;

Abe Murdock, of Utah, to be a member of the National Labor Relations Board for a term of 5 years, pursuant to Public Law 101, Eightieth Congress, to which office he was appointed during the last recess of the Senate;

J. Copeland Gray, of New York, to be a member of the National Labor Relations Board for a term of 2 years, pursuant to Public Law 101, Eightieth Congress, to which office he was appointed during the last recess of the Senate;

Robert N. Denham, of Maryland, to be General Counsel of the National Labor Relations Board for a term of 4 years, to which office he was appointed during the last recess of the Senate;

Cyrus Stuart Ching, of New York, to be Federal Mediation and Conciliation Director, to which office he was appointed during the last recess of the Senate;

O. John Schmidt, and sundry other candidates for appointment in the Regular Corps of the Public Health Service; and

Carl M. Eklund, and sundry other candidates for appointments and promotions in the Regular Corps of the Public Health Service.

EXECUTIVE CALENDAR

Mr. WHITE. Mr. President, I now move that the Senate proceed to con-

sider the nominations on the Executive Calendar.

The motion was agreed to.

The PRESIDING OFFICER. The clerk will state the nominations on the calendar.

UNITED NATIONS

The legislative clerk proceeded to read sundry nominations to the United Nations.

Mr. WHITE. I ask that the nominations to the United Nations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION

The legislative clerk proceeded to read sundry nominations to the United Nations Educational, Scientific, and Cultural Organization.

Mr. WHITE. I ask that the nominations in question be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

SPECIAL BALKAN COMMITTEE

The legislative clerk read the nomination of Admiral Alan G. Kirk, United States Navy, retired, to be representative of the United States of America on the Special Balkan Committee established by the General Assembly of the United Nations October 21, 1947.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the Diplomatic and Foreign Service.

Mr. WHITE. Mr. President, there is a very substantial number of nominations in the Diplomatic and Foreign Service. I ask that the nominations be confirmed en bloc. I know of no opposition in any instance.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

DEPARTMENT OF THE NAVY

The legislative clerk proceeded to read sundry nominations in the Department of the Army.

Mr. WHITE. I ask that the nominations in the Department of the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

DEPARTMENT OF THE NAVY

The legislative clerk proceeded to read sundry nominations in the Department of the Navy.

Mr. WHITE. I ask that the nominations in the Department of the Navy be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

AIR FORCE OF THE UNITED STATES

The legislative clerk proceeded to read sundry nominations in the Air Force of the United States.

Mr. WHITE. I make the same request with respect to the nominations in the Air Force of the United States.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

CENTRAL INTELLIGENCE

The legislative clerk read the nomination of Rear Adm. Roscoe H. Hillenkoetter, United States Navy, to be Director of Intelligence.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

NATIONAL SECURITY RESOURCES BOARD

The legislative clerk read the nomination of Arthur M. Hill, of West Virginia, to be Chairman of the National Security Resources Board.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

MUNITIONS BOARD

The legislative clerk read the nomination of Thomas J. Hargrave, of New York, to be Chairman, Munitions Board.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

RESEARCH AND DEVELOPMENT BOARD

The legislative clerk read the nomination of Vannevar Bush, of New Hampshire, to be Chairman, Research and Development Board.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. WHITE. I ask unanimous consent that the nominations in the Navy be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Navy are confirmed en bloc.

MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. WHITE. I ask unanimous consent that the nominations in the Marine Corps may be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

That completes the nominations on the Executive Calendar.

Mr. WHITE. I ask that the President be immediately notified of the nominations this day confirmed.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOMINATIONS IN THE ARMY, THE NAVY, AND THE MARINE CORPS

Mr. GURNEY. Mr. President, on last Thursday, December 4, I presented to the Senate the nominations in the Military Establishment and asked that at a later date they be confirmed by the Senate. At that time I gave notice that the nominations were those of junior officers. The nominations composed a long list. I now find that that list totals approximately 8,876 officers. That is a large number, and the printing of the names would burden the Executive Calendar. In accordance with instructions from the Committee on Armed Services, I have heretofore, in order to save printing charges, presented these junior nominations below captain and colonel asking that they be confirmed on the same day as presented. During my presentation of this problem on last Thursday, because of the large number, I notified the Senate that the nominations were in the committee room for examination by any Senator who was interested. There have been no objections even after that notification.

During the course of my presentation last Thursday the senior Senator from Texas asked for information as to how many four-star generals and three-star generals had been or would be asked for by the Army and Navy and Air Force. I have secured that information, and, because no four- and three-star generals are in the group I am about to ask to have confirmed, I feel that it would be best to have a résumé of the number of four-, three-, two-, and one-star generals and admirals printed in the RECORD at this point. I ask unanimous consent that the compilation be printed at this point in the RECORD for the information of the Senator from Texas, and any other Senators who may be interested.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Recapitulation of general and flag officers of the Air Force, Army and Navy and Marine Corps

ARMY

	Statute authority	Now on duty	Expected June 30
5-star	2	2	1
4-star	5	6	5
3-star	22	17	22
2-star	92	108	[1] 136
1-star	92	212	[1] 138
Total	213	345	302

AIR FORCE

5-star			
4-star	4	3	4
3-star	13	7	13
2-star	80	52	80
1-star	98	132	98
Total	195	194	195

NAVY

5-star	4	3	1
4-star	8	8	4
3-star	22	22	22
2-star	160	141	164
1-star			
Total	194	174	191

MARINES

5-star			
4-star	1	1	2
3-star	3	3	2
2-star	14	14	13
1-star	22	22	22
Total	40	40	39

As of June 30 there will be—

5-star	2
4-star	15
3-star	59
2-star	393
1-star	258
Generals and admirals, all grades, on June 30	727

[1] The excess over permanent authority are temporary officers authorized in the amount of three-quarters of 1 percent of officer strength over 50,000.

Mr. GURNEY. Mr. President, further, because of the large list, I feel that a break-down of the number of officers, starting with lieutenant colonel and grades below that, and comparable grades in the Navy, should also be printed in the RECORD. So I submit such a compilation or analysis, and ask that it be printed in the RECORD at this point.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

Transfers to Regular Marine Corps from Reserve, without promotion: 1 lieutenant colonel, 3 majors, 7 captains, 22 first lieutenants, 29 second lieutenants, 8 warrant officers.

Appointment in the Regular Marine Corps—civilian college graduates, NROTC graduates, enlisted personnel, and Reserves: 26 second lieutenants.

Reappointment to the Regular Marine Corps: one second lieutenant.

Col. George A. Lincoln to be professor of social sciences at the United States Military Academy.

Transfers from National Guard and Reserve to the Regular Army, without promotion: 318 majors, 933 captains, 4,064 first lieutenants, 489 second lieutenants; total, 5,834.

Transfer from the Army Reserve Nurse Corps to the Regular Army Nurse Corps and the Women's Medical Specialist Corps, without promotion: 3 lieutenant colonels, 23 majors, 103 captains, 353 first lieutenants, 46 second lieutenants; total, 528.

Promotions in the Regular Army: 40 lieutenant colonels, 159 majors, 250 captains, 229 first lieutenants; total, 678.

Promotions in the United States Air Force: 6 lieutenant colonels, 56 majors, 121 captains, 344 first lieutenants; total, 527.

Midshipmen, NROTC graduates, and civilian college graduates, appointment in the Regular Navy: 83 ensigns, 34 lieutenants (junior grade); total, 117.

Appointment in the Regular Navy Nurse Corps, from Reserves and civilian life, without promotion: 260 ensigns.

Appointment in the Regular Navy from enlisted personnel, and Reserves, without promotion: 5 commanders, 23 lieutenant commanders, 63 lieutenants, 118 lieutenants (junior grade), 350 ensigns, 11 warrant officers; total, 570.

Civilian college graduates to be ensigns in the Regular Navy: 12 ensigns.

Mr. GURNEY. Mr. President, I now present the nominations and ask unanimous consent for their immediate consideration and confirmation. They are messages Nos. 433 and 434. Another message is designated by the letter F; others by the letters G, H, and I. Then there are messages numbered 441, K, and 445. I ask unanimous consent for the immediate confirmation of the nominations contained in the messages referred to.

The PRESIDING OFFICER. Is there objection to the present consideration of the nominations? The Chair hears none.

Without objection, the nominations are confirmed; and, without objection, the President will be notified forthwith.

RECESS TO WEDNESDAY

Mr. WHITE. Mr. President, I desire to make a very brief statement for the information of Senators, those present as well as those absent. It was my original intention to move a recess until Thursday. However, it has been brought to my notice that there is a possibility, if not a probability, that the European-aid bill may be messaged back to the Senate by Wednesday. If that should happen, it seems appropriate and altogether desirable that there should be Senate action on it on that day, either by the approval of the amendments of the other body or by the appointment of conferees. So, instead of a motion to recess until Thursday, I now move, as in legislative session, that the Senate take a recess until Wednesday next at 12 o'clock noon.

The motion was agreed to; and (at 4 o'clock and 25 minutes p. m.) the Senate, as in legislative session, took a recess until Wednesday, December 10, 1947, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 8 (legislative day of December 4), 1947:

DIPLOMATIC AND FOREIGN SERVICE

Robert M. Scotten, of Michigan, to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to New Zealand.

UNITED NATIONS MILITARY STAFF COMMITTEE

Lt. Gen. Matthew Bunker Ridgway (brigadier general, U. S. Army), Army of the United States, to be senior United States Army member of the Military Staff Committee of the United Nations with rank of lieutenant general under the provisions of section 504 of the Officer Personnel Act of 1947.

NOTE.—General Ridgway was designated as senior United States Army member of the Military Staff Committee of the United Nations on October 21, 1947, during the recess of the Senate.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 8 (legislative day of December 4), 1947:

UNITED NATIONS

ALTERNATE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE SECOND SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS, TO BE HELD IN NEW YORK, N. Y., BEGINNING SEPTEMBER 16, 1947

John H. Hilldring

REPRESENTATIVE OF THE UNITED STATES OF AMERICA ON THE GOOD OFFICES COMMITTEE OF THE SECURITY COUNCIL OF THE UNITED NATIONS ON INDONESIA

Frank Porter Graham

UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION

REPRESENTATIVES OF THE UNITED STATES OF AMERICA TO THE SECOND SESSION OF THE GENERAL CONFERENCE HELD IN MÉXICO, MEXICO, FROM NOVEMBER 6 TO DECEMBER 3, 1947

William Benton
Laurence Duggan
Milton S. Eisenhower
Reuben G. Gustavson
Miss Helen C. White

ALTERNATE REPRESENTATIVES OF THE UNITED STATES OF AMERICA TO THE SECOND SESSION OF THE GENERAL CONFERENCE HELD IN MÉXICO, MEXICO, FROM NOVEMBER 6 TO DECEMBER 3, 1947

Detlev W. Bronk
Charles S. Johnson
Mrs. Louise Leonard Wright
George D. Stoddard
Howard E. Wilson

SPECIAL BALKAN COMMITTEE

REPRESENTATIVE OF THE UNITED STATES OF AMERICA ON THE SPECIAL BALKAN COMMITTEE ESTABLISHED BY THE GENERAL ASSEMBLY OF THE UNITED NATIONS OCTOBER 21, 1947

Admiral Alan G. Kirk, United States Navy, retired.

DIPLOMATIC AND FOREIGN SERVICE

The following-named persons to be Ambassadors Extraordinary and Plenipotentiary of the United States of America, to the countries indicated with their respective names:

Walter J. Donnelly, to Venezuela.
H. Freeman Matthews, to Sweden.
Paul H. Alling, to Pakistan.
Nathaniel P. Davis, to Costa Rica.
J. Klahr Huddle, to Burma.

The following-named persons to be Envoys Extraordinary and Ministers Plenipotentiary of the United States of America, to the countries indicated with their respective names:

Donald R. Heath, to Bulgaria.
James Hugh Keeley, Jr., to the Republic of Syria.

TO BE CONSULS OF THE UNITED STATES OF AMERICA

Basil F. Macgowan
Robert G. McGregor, Jr.

TO BE FOREIGN SERVICE OFFICERS OF CLASS 4, CONSULS, AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

Philip F. Dur
Giles A. Hubert

TO BE FOREIGN SERVICE OFFICERS OF CLASS 5, VICE CONSULS OF CAREER, AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

Donald M. Davies
Garrett H. Soulen

TO BE FOREIGN SERVICE OFFICERS OF THE CLASS OF CAREER MINISTER

Promotions

Paul H. Alling
William W. Butterworth
H. Merle Cochran
Paul C. Daniels
Nathaniel P. Davis
William E. De Courcy
Hugh S. Fullerton
Donald R. Heath
J. Klahr Huddle
Joseph E. Jacobs
James Hugh Keeley, Jr.
Charles A. Livengood
John J. Muccio
Rudolf E. Schoenfeld

TO BE CONSULS GENERAL OF THE UNITED STATES OF AMERICA

George J. Haering
Joel C. Hudson
George M. Abbott
Roy E. B. Bower
Montgomery H. Colladay
C. Paul Fletcher
Perry N. Jester
Edward S. Maney
Willard Quincy Stanton
E. Paul Tenney
Jesse F. Van Wickel

TO BE FOREIGN SERVICE OFFICER OF CLASS 1, CONSUL, AND SECRETARY IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

Raymond C. Miller

TO BE FOREIGN SERVICE OFFICER OF CLASS 2, CONSUL, AND SECRETARY IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

William P. Maddox

TO BE FOREIGN SERVICE OFFICERS OF CLASS 3, CONSULS, AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

Samuel D. Berger
Clarence E. Birgfeld
Howard Rex Cottam
John J. Haggerty
William C. Ockey
John N. Plakias

TO BE CONSULS OF THE UNITED STATES OF AMERICA

Robert F. Hale
Roy M. Melbourne
Archibald R. Randolph

TO BE FOREIGN SERVICE OFFICERS OF CLASS 4, CONSULS, AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

N. Spencer Barnes
Austin B. Cox
Albert B. Franklin
Ashley Guy Hope
Robert G. Miner
Alexander Schnee

TO BE CONSULS OF THE UNITED STATES OF AMERICA

Keeler Faus
J. Brock Havron
Oscar C. Holder

TO BE FOREIGN SERVICE OFFICERS OF CLASS 5, VICE CONSULS OF CAREER, AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

John E. Devine
Paul F. Geren

TO BE FOREIGN SERVICE OFFICERS OF CLASS 6, VICE CONSULS OF CAREER, AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

John C. Amott	Robert J. Mautner
Stanley S. Carpenter	James M. Mills
Ralph S. Collins	David D. Newsom
Morris Dembo	Peter Rutter
John C. Craig	Robert B. Shaw
Samuel D. Eaton	Galen L. Stone
Lawrence B. Elsbernd	John M. Thompson, Jr.
Thaddeus A. Herrick, Jr.	Gordon C. Tullock
Robert B. Houghton	Charles M. Urruela
Howard D. Jones	Raymond A. Valliere
Joseph F. McFarland	George R. Wadleigh
Donald S. Macdonald	Herbert E. Weiner

DEPARTMENT OF THE ARMY

UNDER SECRETARY OF THE ARMY

William H. Draper, Jr.

ASSISTANT SECRETARY OF THE ARMY

Gordon Gray

DEPARTMENT OF THE NAVY

SECRETARY OF THE NAVY

John L. Sullivan

UNDER SECRETARY OF THE NAVY

W. John Kenney

CHIEF OF NAVAL OPERATIONS IN THE DEPARTMENT OF THE NAVY, WITH THE RANK OF ADMIRAL, FOR A TERM OF 2 YEARS

Admiral Louis E. Denfeld

THE AIR FORCE

SECRETARY OF THE AIR FORCE

W. Stuart Symington

UNDER SECRETARY OF THE AIR FORCE

Arthur S. Barrows

ASSISTANT SECRETARIES OF THE AIR FORCE

Cornelius V. Whitney
Eugene M. Zuckert

CHIEF OF STAFF, UNITED STATES AIR FORCE, WITH THE RANK OF GENERAL, FOR THE PERIOD OF 4 YEARS BEGINNING SEPTEMBER 26, 1947

Gen. Carl Spaatz (major general, U. S. Air Force), Air Force of the United States.

CENTRAL INTELLIGENCE

DIRECTOR OF CENTRAL INTELLIGENCE

Rear Adm. Roscoe H. Hillenkoetter, United States Navy.

NATIONAL SECURITY RESOURCES BOARD

Arthur M. Hill to be Chairman of the National Security Resources Board.

MUNITIONS BOARD

Thomas J. Hargrave to be Chairman, Munitions Board.

RESEARCH AND DEVELOPMENT BOARD

Vannevar Bush to be Chairman, Research and Development Board.

IN THE ARMY

APPOINTMENTS IN THE REGULAR ARMY OF THE UNITED STATES

To be professor of social sciences at the United States Military Academy, with rank from September 1, 1947

Col. George A. Lincoln.

The nominations of Bruce U. Crozier and 5,833 other officers, who were given recess appointments during the last recess of the Senate, were confirmed today. A complete list of these appointments appear in Senate proceedings of the CONGRESSIONAL RECORD for November 24, 1947, under the caption of "Nominations," beginning on page 10727 with the name of Bruce U. Crozier and ending on page 10748 with the name of Donald Y. Young.

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

The nominations of Claron Wager Meldrum and 677 other officers for promotion in the Regular Army of the United States, which were confirmed today, appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for November 24, 1947, under the caption "Nominations," beginning on page 10750 with the name of Claron Wager Meldrum, and ending on page 10758 with the name of James Robert Wigger.

APPOINTMENTS IN THE REGULAR ARMY IN THE ARMY NURSE CORPS AND THE WOMEN'S MEDICAL SPECIALIST CORPS

The nominations of Zora M. Ballard and 527 others for appointment in the Regular Army in the Army Nurse Corps and the Women's Medical Specialist Corps, which were confirmed today, appear in full in the Senate proceedings of the CONGRESSONAL RECORD for November 24, 1947, under the caption "Nominations," beginning on page 10748 with the name of Zora M. Ballard, and ending on page 10750 with the name of Keitha P. Zeisloft.

UNITED STATES AIR FORCE

PROMOTIONS IN THE UNITED STATES AIR FORCE

The nominations of David Dunnuck Porter and 526 other officers for promotion in the United States Air Force, which were confirmed today, appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for November 24, 1947, under the caption "Nominations," beginning on page 10758 with the name of David Dunnuck Porter, and ending on page 10764 with the name of Walter Vincent Coleman, Jr.

IN THE NAVY

Vice Adm. William R. Munroe, United States Navy, to be placed on the retired list with the rank of vice admiral.

APPOINTMENT TO THE PERMANENT GRADE IN THE LINE AND STAFF CORPS OF THE NAVY

Officers of the line

To Be Rear Admirals

Sydney M. Kraus	Ingram C. Sowell
Charles L. Brand	Glenn B. Davis
Harry W. Hill	Laurance T. DuBose
Bernhard H. Bieri	Theodore D. Ruddock, Jr.
Oscar C. Badger	Ralph O. Davis
John W. Reeves, Jr.	Arthur D. Struble
George D. Murray	John L. McCrea
Oliver M. Read	Allan E. Smith
Charles H. McMorris	Ralph W. Christie
Morton L. Deyo	Ralph E. Davison
Ernest M. Pace, Jr.	Russell S. Berkey
Sherman S. Kennedy	Osborne B. Hardison
Howard H. Good	Arthur C. Miles
Carleton H. Wright	William M. Fechteler
George H. Fort	Gerald F. Bogan
Walter S. DeLany	Grover C. Klein
Louis E. Denfeld	Thorvald A. Solberg
DeWitt C. Ramsey	Robert B. Carney
Roscoe E. Schuirmann	Arthur W. Radford
William H. P. Blandy	Charles T. Joy
Alfred E. Montgomery	Samuel P. Ginder
J. Cary Jones	Van Hubert Ragsdale
Daniel E. Barbey	John Wilkes
John L. Hall, Jr.	Lawrence F. Reifsnider
Arthur G. Robinson	Paul Hendren
Leo H. Thebaud	Robert W. Hayler
Roger W. Paine	John H. Brown, Jr.
William K. Harrill	George F. Hussey, Jr.
Richard L. Conolly	Willard A. Kitts III
Donald Royce	Bertram J. Rodgers
Wilder D. Baker	Frank E. Beatty
Lynde D. McCormick	Calvin T. Durgin
Arthur C. Davis	John D. Price
Frederick W. Pennoyer, Jr.	Frederick E. Haeberle
Claude O. Kell	Frank G. Fahrion
Robert O. Glover	Ingolf N. Kiland
Frank D. Wagner	Donald B. Duncan
Francis S. Low	Harold B. Sallada
Frank A. Braisted	Francis C. Denebrink
Ernest L. Gunther	Thomas R. Cooley
Edward W. Hanson	Allan R. McCann
Frank J. Lowry	William M. Callaghan
Forrest P. Sherman	John H. Cassady
Joseph W. Fowler	Marshall R. Greer
James Fife, Jr.	James L. Holloway, Jr.
Edmund W. Burrough	Ralph E. Jennings
Albert G. Noble	Harold M. Martin
Charles W. Sayer	Roscoe F. Good
Thomas L. Sprague	Fred D. Kirtland
John J. Ballentine	Thomas B. Inglis
Joseph J. Clark	Albert M. Bledsoe
Jerauld Wright	William K. Phillips
Earle W. Mills	Thomas G. W. Settle
Peter K. Fischler	John W. Roper
Henry S. Kendall	George C. Dyer
Felix B. Stump	Stuart S. Murray
Clifton A. F. Sprague	Emmet P. Forrestel
Ralph S. Riggs	Edmund T. Woolridge
Thomas P. Wynkoop	Charles B. Momsen
Rico Botta	Ernest W. Litch
George R. Henderson	Felix L. Johnson
Leslie C. Stevens	John Perry
Alfred M. Pride	Thomas S. Combs
Malcolm F. Schoeffel	Herbert G. Hopwood
Ralph A. Ofstie	Frederick W. McMahon
Matthias B. Gardner	
Robert P. Briscoe	
Carl F. Holden	

Officers of the Medical Corps

To Be Rear Admirals

Daniel Hunt	John P. Owen
John Harper	Thomas C. Anderson
Joel T. Boone	William J. C. Agnew
Frederic L. Conklin	

Officers of the Supply Corps

To Be Rear Admirals

John J. Gaffney	Murrey L. Royar
Malcolm G. Sarrow	David W. Mitchell
Walter A. Buck	Archie A. Antrim
Thomas E. Hipp	Charles W. Fox
Morton L. Ring	William V. Fox
Edwin D. Foster	John E. Wood

Officers of the Civil Engineer Corps

To Be Rear Admirals

John J. Manning	William H. Smith
Carl A. Trexel	Edward L. Marshall

Officer of the Dental Corps

To Be Rear Admirals

Alexander G. Lyle

Officers of the line

To Be Captains

Robert B. Pirie	Edmund M. Ragsdale
Alexander S. McDill	Charles F. Horne, Jr.
Fitzhugh Lee	Frank O'Beirne
Stanton B. Dunlap	John H. Ellison
Hugh P. Webster	Walter E. Linaweaver
Joseph L. Bird	Philip S. Morgan, Jr.
Alvord J. Greenacre	Walter F. Rodee
Philip Niekum, Jr.	Francis D. McCorkle

Officers of the Medical Corps

To Be Captains

Robert J. Vaughn
Oscar D. Yarbrough

Officers of the line

To Be Commanders

William N. Price	John H. Turner
Millard J. Smith	Ovid M. Butler
Edmund J. Hoffman	Clinton McKellar, Jr.
Fred G. Bennett	Robert J. Williams
John D. Blitch	James C. Shaw
Walter V. Combs, Jr.	William T. Groner
John M. Alford	George W. Grider
Charles R. Eisenbach	Harry B. Stark
Raymond W. Vogel, Jr.	Francis A. Greenup
John M. Oseth	Philip E. Shetenhelm
Earl R. Crawford	James L. Semmes
Carl H. Amme, Jr.	John P. Preston
Floyd T. Thompson	Donald E. Willman
Willard M. Hanger	

Officers of the Medical Corps

To Be Commanders

John B. MacGregor	Mark S. Curtis
Reginald R. Rambo	Richard L. Fruin
Benjamin B. Langdon	John V. Prevost
Samuel H. Oliver	

Officers of the Supply Corps

To Be Commanders

Charles K. Phillips
Allen B. Reed, Jr.

Officers of the Dental Corps

To Be Commanders

John P. Jarabak
Herman K. Rendtorff
Robert D. Wyckoff

Officers of the line

To Be Lieutenant Commanders

John L. Hutchinson	Ogle W. Price, Jr.
Walter F. V. Bennett	William E. Hoppe
James F. Wheeler	Robert M. Ross
Francis A. Lewis	William J. Hagerty
Frederick W. Zigler	Harry S. Warren
Willard H. Davidson	James H. Mahoney, Jr.
Robert H. Lemmon	
Christopher J. Kerstring	Frank M. Romanick
	Charles W. Sellars, Jr.
Vincent M. Dickerson	Richard O. Devine
William F. Barry	William Schubert
Robert G. Black	Richard B. McNees
J. Thomas Godfrey	Bernard M. Sorem
Olin L. Hipp	Paul A. Newlove
Franklin V. Bernhard	James R. Wilson
Benjamin R. Eggeman, Jr.	Harold S. Lewis

Officers of the Supply Corps

To Be Lieutenant Commanders

John K. Walker	Johnie L. DeLany
Harry L. Miller	Stuart H. Smith

Officer of the Civil Engineer Corps

To Be Lieutenant Commander

Joseph R. Braheney

Officer of the Dental Corps

To Be Lieutenant Commander

John C. Robie

IN THE NAVY

APPOINTMENTS IN THE NAVY

The nominations of Charles R. Burke and 567 other officers for appointment in the United States Navy, which were confirmed today, appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for November 24, 1947, under the caption "Nominations," beginning on page 10765 with the name of Charles R. Burke, and ending on page 10767 with the name of Walter P. Woznick.

The nominations of Richard C. Jacobi and 376 others for appointment in the Navy, which were confirmed today, appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for November 24, 1947, under the caption "Nominations," beginning on page 10764 with the name of Richard C. Jacobi, and ending on page 10765 with the name of Mae E. Young.

The nominations of the following-named (civilian college graduates) to be ensigns in the Supply Corps of the Navy were confirmed today:

Joseph R. Bow	John L. Perschy
Donald L. B. Combs	George R. Pippin
Edward L. Jennings, Jr.	Robert G. Pistner
	Jackson LeR. Schultz
Everett E. Karraker	Wayne S. Upton
Howard "K" Parker	

The following-named (civilian college graduates) to be ensigns in the Civil Engineer Corps of the Navy:

Robertson W. Buck
Lawrence M. White

IN THE MARINE CORPS

APPOINTMENT TO PERMANENT GRADE IN THE MARINE CORPS

To be major generals

Harry Schmidt	Ralph J. Mitchell
Keller E. Rockey	Pedro A. del Valle
Allen H. Turnage	Thomas E. Watson
Samuel L. Howard	LeRoy P. Hunt
Clifton B. Cates	Lemuel C. Shepherd, Jr.
Leo D. Hermle	

To be brigadier generals

Alfred H. Noble	Omar T. Pfeiffer
Graves B. Erskine	William E. Riley
Louis E. Woods	Merwin H. Silverthorn
Franklin A. Hart	Ray A. Robinson
Field Harris	Gerald C. Thomas
William J. Wallace	Henry D. Linscott
Oliver P. Smith	Dudley S. Brown
Robert Blake	Robert H. Pepper
William A. Worton	William P. T. Hill
William T. Clement	Andrew E. Creesy
Louis R. Jones	Leonard E. Rea
John T. Walker	Merritt B. Curtis

The following-named officers for appointment in the United States Marine Corps in the ranks hereinafter stated, in accordance with the provisions of Public Law 347, Seventy-ninth Congress:

To be lieutenant colonel

Spencer S. Berger

To be majors

James B. Maguire, Jr.
John H. Papurca
Spencer H. Pratt

To be captains

Robert H. Boyle	Junius M. Lowder, Jr.
George J. Brookes, Jr.	Richard L. Nickerson
James H. Crutchfield	Gerald D. Schmidt
Stanley S. Hughes	

To be first lieutenants

Van Daley Bell, Jr.	Herbert C. Reed
William M. Derby, Jr.	Albert H. Risner
Neil Dimond	Paul W. Seabaugh
William G. Graeber, Jr.	Ray W. Settle
	Henry K. Shaw
Joseph N. Irick	Gordon N. Smith
Edward E. Kaufer	Lyle S. Stephenson
Richard H. Kern	James B. Talley
Francis R. Kraince	Elwood C. Veregge
Billie E. Loos	James F. Williams
Doane W. McElravy	Robert P. Wray

To be second lieutenants

John C. Alexander	Jack R. Kearney
James C. Alison	Charles F. King, Jr.
John R. Barnard	William E. Lipscomb
James C. Barr	Frederick C. McLaughlin
Donald M. Blomgren	
Charles M. Darracott	Richard R. Miller
LeRoy M. Duffy	Kenny C. Palmer
Robert M. H. DuPuy	Bertram H. Pryor
James D. Feltman	Kenneth R. Snyder
Leo Gumienny	William E. Sweeney
Jack R. Hansen	Roma T. Taylor, Jr.
William A. Harris	Jay J. Thomas, Jr.
Neil E. Heffernan	William L. Tipton, Jr.
Sidney H. Hilliard, Jr.	Robert A. Underwood
Thomas J. Holt	James G. Webster

To be commissioned warrant officers

Robert L. Dickey	Charles R. Jackson
Cecil M. Dietz	Douglas K. Morton
Frank E. Herbert	August Olaguez
Charles A. Holmes	John D. Rogers

To be a first lieutenant in the Regular Marine Corps

Joel L. Neuman

To be second lieutenants in the Marine Corps

John H. Affleck	David A. Lowe
Michael M. Ameen, Jr.	Karl D. Morrison
John A. Buck	Robert L. Nelson
Esten C. Carper, Jr.	Jack J. Petska
Michael F. Castro	Jerome N. Pieti
Donald A. Chiappetti	Robert C. Sebilian
William J. Davis	Carl H. Strandberg
Frank Y. Dill	Donald B. Thomas
Donald L. Evans, Jr.	Paul R. Uffelman
Philip Hanna, Jr.	Richmond Vanden Heuvel
Melvin G. Hector	
Kenneth W. Henry	Robert E. Walton
Edward G. Jernigan	Justin H. Wenger

To be second lieutenants

Michael M. Spark
Richard M. Bickford

HOUSE OF REPRESENTATIVES

MONDAY, DECEMBER 8, 1947

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, our Father, we bring our sins and our virtues into Thy revealing light and pray Thee to skill us in those purposes which make for a world of love, of contentment and peace. Be not far away, but continue to create within us the finest conceptions of duty and responsibility. Grant unto us the understanding that the law of goodness is mightier than the rule of intellect. Help us to endeavor uprightly to give to our thoughts a logic that is made superior by our integrity and personal characters. In these most urgent hours, let us show forth a zeal to create a new and better order for stricken humanity. O by the sacrament of human sympathy lead us on and on, ever in harmony with Thy holy will. In the name of Christ we pray. Amen.

The Journal of the proceedings of Friday, December 5, 1947, was read and approved.

CALENDAR WEDNESDAY

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday of this week may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. HALLECK]?

There was no objection.

EXTENSION OF REMARKS

Mr. SMITH of Wisconsin asked and was granted permission to extend his remarks in the RECORD in three instances and include extraneous matter.

Mr. ARNOLD asked and was granted permission to extend his remarks in the RECORD in two instances, in one to include an article from the United States News and in the other an article from Nation's Business.

Mr. ROBERTSON asked and was granted permission to extend his remarks in the RECORD and include a statement by Mr. Donald R. Richberg in the New York Times of Sunday.

Mr. DEVITT asked and was granted permission to extend his remarks in the Appendix of the RECORD in three instances, in one to include an article from the St. Paul Pioneer Press, in another a column from the St. Paul Pioneer Press, and in the third an address delivered by the President of the Philippines, His Excellency Manuel Roxas.

Mr. FARRINGTON asked and was given permission to extend his remarks in the RECORD in two instances, in one to include an article from the Reader's Digest and in the other a statement from the Legislative Reference Service of the Library of Congress.

Mr. KEATING asked and was given permission to extend his remarks in the Appendix of the RECORD regarding a joint resolution he is introducing today.

Mr. TOLLEFSON asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter.

Mr. SMITH of Ohio asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter.

Mr. BRADLEY asked and was given permission to extend his remarks in the RECORD and include two resolutions.

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks in the RECORD and include a radio address.

Mr. PACE asked and was given permission to extend his remarks in the RECORD and include an article published in the Dixie Business, a manufacturing paper.

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD and include certain resolutions.

Mr. MURDOCK asked and was given permission to extend his remarks in the Appendix and include a statement from a constituent.

Mr. THOMAS of Texas asked and was given permission to extend his remarks in the RECORD.

Mr. BOGGS of Louisiana asked and was given permission to extend his remarks in the RECORD and include an address by Governor Davis, of Louisiana.

Mr. HOLIFIELD asked and was given permission to extend his remarks in the RECORD and include a portion of the President's address.

Mr. HAYS asked and was given permission to extend his remarks in the Appendix of the RECORD on two subjects, in one to include an address by President Conant, of Harvard, and in the other an editorial published in the Washington Post.

Mr. HEFFERNAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include a letter by the late Wendell Phillips Dodge, Jr. I am advised by the Public Printer that it exceeds the limit established by the Joint Committee on Printing and that it will cost $177.50.

The SPEAKER. Notwithstanding the excess, without objection, the extension may be made.

There was no objection.

Mr. DAVIS of Georgia asked and was given permission to extend his remarks in the RECORD and include a letter and an editorial.

Mr. HÉBERT (at the request of Mr. LARCADE) was given permission to extend his remarks in the RECORD and include a newspaper article.

COST-OF-LIVING TAX RELIEF

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, today I am introducing a bill to increase personal net income-tax exemptions for a single person from $500 to $1,000 and of a married person to $2,000 because it seems probable that the additional foreign-aid bill is going to pass without any effective provision to check its inflationary effects.

I am introducing this bill to express my conviction that there must be an easing of the cost of living. This is one way to help. One ought not to be taxed just to live. It costs more than $500 for the average person just to live today.

Everyone pays some unseen taxes in whatever he buys as well as in the extra excise taxes on such things as electric light bills and movie tickets.

Everyone pays higher prices for food because of the foreign-aid program. The Government is the big and insistent bidder for scarce items. People with small incomes should not be taxed twice—once in the higher prices for what they need to eat and again with a Federal income tax as soon as their net income exceeds $500.

There are other forms of tax relief that may be needed. I am not opposed to a proper general revision of the tax structure, but I want to express my earnest conviction that personal exemptions should be raised as one means of easing the cost to live. I hope this may be included in any tax bill that is reported by the Committee on Ways and Means.

THE MARGARINE TAX

Mr. BUCK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include therein an editorial on the margarine tax published in this morning's Washington Post.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BUCK. Mr. Speaker, as a step in reducing the high cost of living for the benefit of American householders, I introduced several weeks ago a bill to repeal discriminatory taxes on oleomargarine. Under unanimous consent I include with these remarks an editorial on the subject which appeared in the Washington Post this morning:

MARGARINE TAX

Time was when producers of margarine had to struggle against the handicap of consumer prejudice as well as tax discrimination. Wartime butter shortages that forced many butter eaters to turn to margarine did much to dissipate a prejudice that was based partly on ignorance and partly on occasional sampling of inferior kinds of margarine. Soaring prices for butter, now approaching a dollar a pound in some cities, are daily making new friends for the no longer despised, lower-priced substitute.

Secretary of Commerce Harriman, who has been eating margarine instead of butter ever since the war, voiced the sentiment of millions of Americans when he declared that he *couldn't tell the difference between margarine* and butter and was surprised that people would pay a dollar a pound for butter. Since the Secretary of Commerce is one of America's wealthiest men, his favorable opinion of margarine is plainly not based on its comparative cheapness. His endorsement merely provides further evidence that the producers of margarine are winning the battle for acceptance of their product because it has proved its worth.

However, the margarine manufacturers have scored only minor victories so far in their long fight for removal of discriminatory Federal and State taxes and hampering regulations. The Federal tax of 10 cents a pound on colored margarine has heretofore been one of the chief targets of attack. But now that millions of housewives have discovered how easy it is to introduce coloring matter into uncolored margarine we doubt whether this particular tax is very much of a deterrent to an expansion of margarine sales. Much more obstructive are the Federal and State licenses, fees, and other restrictions that have made it unprofitable for many wholesalers and retailers to carry margarine. The revenue obtained from discriminatory excises is negligible; in fact, tax returns would doubtless be greater if margarine production were encouraged by removal of these taxes, whose only purpose is to protect the dairy industry from the competition of a cheaper substitute product.

The inequity of the margarine excises from the viewpoint of the industry is obvious. The consuming public is likewise an interested party, since taxes imposed on margarine are shifted to consumers. Furthermore, to the extent that such taxes hamper the production and distribution of margarine, the consumer pays the higher prices resulting from a restricted supply. Since the Government professes to be concerned about the high cost of living, there appears to be no legitimate excuse for retention of a system of discriminatory excises and license fees that *add to the cost of a wholesome butter substitute*. If Congress were to take the lead in abolishing restrictive Federal taxes on margarine, as Senator FULBRIGHT has suggested, the drive to eliminate similar levies and nuisance regulations imposed by various States would be greatly strengthened.

MERIDIAN FIRE PREVENTION YEAR

Mr. WINSTEAD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WINSTEAD. Mr. Speaker, I take the floor today to call the attention of the Congress and the Nation to an outstanding movement in Meridian, Miss., a project which is known as the Meridian Fire Prevention Year. Even though most of the larger cities of the Nation have observed fire-prevention week, so far as I know, no major city of the United States has ever sponsored fire prevention for 52 weeks, or 365 days. This great adventure in American fire-fighting history will get under way on January 1, 1948, and during the entire year 1948 the fire department personnel and all citizens of the community will be joined in a collective effort to reduce and deter needless blazes.

The statistics recently released by the National Fire Protection Association show a sharp increase in fire losses. The property loss for 1946, on inhabited buildings, amounted to $580,000,000. The complete report for 1947 is, of course, not yet available, but for the first 5 months of 1947, the property loss was $318,436,000; and the estimated property loss for 1947 is $700,000,000. There were approximately 1,700,000 fires of all types in 1946, and 608,000 of these were building fires. The increase for 1947 over 1946 is 25.8 percent. Mr. Percy Bugbee,

the general manager of the National Fire Protection Association, recently stated:

In the face of the country's worst housing shortage, we are burning up enough timber and lumber annually to build 200,000 5-room houses.

In addition to the property losses by fire, Mr. Bugbee stated that last year approximately 11,000 persons were burned to death and more than 20,000 were injured in fires.

In view of the astounding losses in property and lives throughout the Nation by fire each year, I feel that Meridian is to be congratulated in its outstanding efforts for fire prevention. It seems to be that such a project might well be extended to other large cities of our United States.

The Meridian Star had the following article in its issue of November 4, 1947:

A survey of local residents indicates unanimous support of Meridian Fire Prevention Year, a project soon to be officially adopted for 1948.

Original plans for the program were conceived by Fire Chief P. M. Pigford and members of the Meridian Star reportorial staff as the result of an analysis made in connection with 1946 and 1947 fire losses and conditions under which they obtained.

In 1946, for the first time in the city's history, Fire Chief Pigford and other leaders in the department joined in presenting consistent news in re fire prevention. Such news, a review indicates, was carried in columns of the Star from two to three times weekly. At the end of 1946 losses were held to about $45,000, and most of this was covered by insurance.

In 1947, purely as a test in reaction, virtually all fire-prevention publicity was stopped. Losses in Meridian this year to date amount to more than $230,000.

Meridian Fire Prevention Year will be a 365-day effort on the part of the city's fire department and local citizens, not only to seek a major reduction in losses but to consummate the most ambitious education schedule ever adopted by the community.

Maj. Frank L. Jacobs, who said he will officially proclaim the observance, termed the program as "outstanding" and offered to extend every personal-official element of cooperation.

All important fire-prevention organizations in the United States have been advised of the project by Fire Chief Pigford. Many nationally known fire-insurance-company executives are expected to be in Meridian on January 10, when the movement is officially inaugurated.

I commend this worth-while action taken by the city of Meridian, Miss., to cities of the entire country, believing that the execution of a program of this type would result in saving millions of dollars and thousands of lives yearly.

SPECIAL ORDER GRANTED

Mr. FOLGER. Mr. Speaker, I ask unanimous consent to address the House for 45 minutes tomorrow afternoon following the legislative business of the day and any other special orders heretofore entered for that day.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

EXTENSION OF REMARKS

Mr. TWYMAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. LECOMPTE asked and was given permission to extend his remarks in the RECORD and include an article from the National Publisher by the gentleman from Utah [Mr. DAWSON], entitled "Alaska, the Promised Land."

Mr. AUGUST H. ANDRESEN asked and was given permission to extend the remarks he will make in the Committee of the Whole today on the interim-aid bill and include certain tables and extracts.

Mr. TRIMBLE asked and was given permission to extend his remarks in the RECORD.

INTERIM AID BILL, 1947

Mr. EATON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 4604) to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 4604, with Mr. MICHENER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Friday the first section of the bill had been read.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDWIN ARTHUR HALL: Page 1, after line 4, insert:

"The Secretary of Agriculture shall be called upon to select not less than 100 and not more than 500 county agricultural and home demonstration agents wherever available throughout the United States for immediate voluntary service in countries devastated by the recent war and being financed by American aid.

"SEC. 2. The Secretary shall make available said agents for duty along the following general lines:

"(a) To scrutinize, study, and observe agricultural activities in the afore-mentioned areas.

"(b) To work along with departments of agriculture in the official governments of these nations in advisory capacities.

"(c) To make available to them their services, advice, and knowledge to individual farmers to the end that their production of grains and foodstuffs be increased to adequately feed their entire populations.

"(d) To encourage the improvement of farming and husbandry wherever necessary.

"(e) To foster the inherent desire on the part of the farmers of said countries to be self-sustaining and raise sufficient food crops to make their populations eventually independent of outside aid.

"(f) To introduce and improve the arts of homemaking, cooking, dressmaking, and allied subjects.

"SEC. 3. For the purposes of carrying out the work of said agents, there shall be made available funds from whatever appropriations are made by the Congress for official United States aid to Europe.

"SEC. 4. Wherever localities in the United States have been deprived of services of said agents, vacancies shall be filled forthwith by regular authority so as not to impede or hamper agricultural extension work in the United States."

Mr. EDWIN ARTHUR HALL. Mr. Chairman, about a week ago in the December issue of the Farm Journal, Mr. Ray Anderson, an editorial writer and an authority on agriculture, made the suggestion he felt that county agents and home demonstration agents in the United States could do more for Germany and for some of the occupied areas in 2 years than any other group that he knew of. He felt these agents could put European agriculture on its feet within 2 years and that there would be very little difficulty from the standpoint of administrative functions. He is absolutely sound in his conviction that we ought to make the unfortunate peoples of the world self-sufficient from the food-getting standpoint.

May I quote from some of the authorities and some of the various leaders who have endorsed the plan embodied in the Hall amendment. I want to say that the only question I can think of that could be raised against it would be a challenge that we were attempting to put the Department of Agriculture in the relief business. However, that is entirely the opposite case, because 100 to 500 county agents are asked to do this job and to assist in the regular administration of it. I am going to read some of the testimony and some of the approval which has been given by various leaders, including our own distinguished gentleman from Minnesota [Mr. AUGUST H. ANDRESEN]:

I am convinced that the proposal is sound.

The gentleman from Minnesota [Mr. MUNDT], of the Committee on Foreign Affairs, says:

Ray Anderson's stirring article makes sense. What I saw in Germany this summer supports Anderson's position.

Representative CLARENCE CANNON, of Missouri:

One hundred county agents, if given facilities, could do the job, or at least could make appreciable progress.

Representative JOHN TABER, of New York, recently in Europe:

Their methods of farming are crude. They certainly do need some kind of a steer.

D. Howard Doane, Doane Agricultural Service:

Ray Anderson hit the nail square on the head.

Mrs. Niles M. Davies, farm woman, Congers, N. Y.:

Brilliant and down to earth.

Hale Dane, Iowa City, Iowa, farmer:

Your idea makes more sense than any program yet devised.

Robert G. Sproul, president, University of California:

I found it most convincing.

M. L. Wilson, director of extension work, United States Department of Agriculture.

The proposal is excellent.

W. I. Myers, dean of agriculture, Cornell University:

If production supplies could be provided in reasonably adequate amounts, a group of county agents could certainly do a lot.

County agents, home demonstration agents, and farmers, too, are willing to go to Germany to help the work.

I might say in connection with that at a meeting of upstate county agents in New York this idea was endorsed 100 percent and they are absolutely ready to volunteer their services to put farmers in some of these devastated sections on their feet.

I submit to the House that we are here today to write a bill which will be helpful to the people of Europe, to help the downtrodden, to give the hungry nourishment, to clothe the naked and give them shelter. I hope that we can pass this amendment so that these county agricultural agents will be able to give sound advice and suggestions and help to the farmers of Europe. There is no question but what their advice and their aid is needed, and I submit for the consideration of the House that such a program is absolutely necessary.

Some have said that the county agricultural agents are employed in the various localities here in this country and could not be taken off the job. In my amendment it is provided that wherever a vacancy occurs, the vacancy shall be filled by a substitute, by the proper authorities, and under no circumstances would American agriculture be handicapped in any way whatsoever.

I submit this amendment for the approval of the House.

Mr. EATON. Mr. Chairman, while we all know that our county agents are a magnificent group of men and very competent to meet conditions in this country, I object to the amendment on the ground that it is not germane to this bill.

The CHAIRMAN. The Chair did not understand that the gentleman from New Jersey made a point of order. If he attempted to, he was too late, because debate has been entered upon.

Mr. COX. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this proposal is perfectly foolish. There is not a 2-acre farmer in Germany who does not know more about agriculture as it relates to Germany than all our farm agents, taken singly or as a whole, ever dreamed of.

Mr. JARMAN. Mr. Chairman, I move to strike out the last word and rise in opposition to the amendment.

Mr. Chairman, I came in as the amendment offered by the gentleman from New York was being read, and I am not sure that I understand it. If I am mistaken, I would be very glad to have him correct me. As I understood the amendment, it was to send from 100 to 500 county agents to Germany. If that be true, the amendment is entirely ungermane to this bill, because Germany is not under consideration in this bill at all.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I gladly yield to the gentleman from New York.

Mr. EDWIN ARTHUR HALL. I do not mention Germany in the amendment, I mention simply the areas devastated by the war and that are the recipients of American aid.

Mr. JARMAN. Then I am mistaken. I thought Germany was specifically mentioned. I thank the gentleman.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from Texas.

Mr. POAGE. Has the gentleman observed any great benefit brought about by a deaf and dumb county agent in his district? If the county agent in the gentleman's district were deaf and dumb, would he be able to do very much for the farmers?

Mr. JARMAN. There never has been either a deaf or dumb agent in my district.

Mr. POAGE. No. Could any ordinary county agent, from New York, Alabama, or Texas, go to France or Italy and speak the language of the people well enough to be able to carry on the kind of conversation a county agent has to carry on if he is to be worth anything to the people?

Mr. JARMAN. He certainly could not. Furthermore, I am impressed with the fact that the average county agent in the United States, competent though he be, and most of them are very competent, I think, would have to spend so much time learning the way the people farm in the country to which he would go that the aid given by this bill, which is purely a temporary stopgap endeavor, would be over before he ever learned how to be of any real benefit.

Mr. POAGE. In effect, every county agent in America who was sent over there would for the first year or so be deaf and dumb.

Mr. JARMAN. He certainly would.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from Ohio.

Mr. VORYS. If this amendment is adopted, it might be quite well to establish a language school so that these 500 gentlemen could spend the next 3 or 4 months learning the language in order that they could be helpful.

Mr. JARMAN. That is quite correct.

May I say in conclusion that time is the essence of this stopgap bill, and any such amendment as this would undoubtedly delay the program unnecessarily.

Mr. RICH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not know how deaf and dumb some of our county agents would be if they were sent over to Europe to try to teach the people over there to raise foodstuffs for themselves, nor do I know how deaf and dumb a lot of people in this country might be, nor do I know how deaf and dumb a lot of people are all over the world. But I wonder if we know, as a House of Representatives, whether this House knows what it is doing. Can it be said we are deaf and dumb? I do not know whether the deaf and dumb Members—I dare not say they might be here, because I would be expelled, but I wonder sometimes whether we know what we are doing to America. When you consider the fact that this Congress is trying to take all the duties and responsibility of all the nations of the world; when you have a Congress now that wants to get the taxpayers of America to pay for the operation of every government in the world; when you have a $260,000,000,000 debt; when you have given $300,000,000 to Greece and $100,000,000 to Turkey; when you have given over $66,000,000,000 for lend-lease and aid to foreign countries, I wonder where the deaf and dumb people are. When you have a $260,000,000,000 debt, and when this country is just about on the rocks, and you are now proposing to take care of France and Italy over the winter, when everybody over there is striking and not producing, and you are proposing a bill here for $590,000,000, with Greece hollering for more; you gave Great Britain $3,400,000,000 and she hollers for more, when what she got was supposed to last for several years, and you do not know exactly how long this will last them; and if we are going to be good spenders like we have been, I wonder where the deaf and dumb people are. Certainly, they are not all in Europe, Asia, or Africa or South America, nor in America out of Congress.

When Drew Pearson broadcast over the radio requesting food to go to the starving people of Europe, the American people through their pity and generosity gave 265 carloads of food. That was a wonderful thing with just a little bit of effort. Yet it was a great thing. The American people want to help the starving people of the world. There is no doubt about that. We did it that way for years. I want to help just as much as any of you, and I will go down into my pocket to help just as much as anybody will for the starving but when I think of the way we are doing things to take care of the starving people of the world, in such an extravagant way, I wonder where the deaf and dumb people are. Gosh sakes alive, I just feel as if—well, I will not say it. We can feed the starving people of Europe if you let the American people make donations to help the starving people. They have done it before and they will do it again. Let the Red Cross or the Salvation Army help distribute the food to the poor. Give it to the Salvation Army, they will do a good job and the poor will get the food. They will do more with a thousand dollars than the bureaucrats can do with a million dollars. Food will get to the poor and there will be no rake-off or graft or starving people. Anyhow, where are you going to get the money to buy commodities to give to the French and Italians? Do not think that you are so wise that you can tax the people of this country for these great enormous sums of money. Do not think that the American people can stand that. It just cannot go on any longer. Now you have to use a little common sense. Before this session is over, you are going to be asked for $20,000,000,000 for the next 5-year period to be spent for these people to run their governments. This amount in 40 years will be $50,000,000,000. Suppose you have a depression in 1950 or 1951, and you have to scrape up four or five billion dollars out of the Treasury of the United States, a Treasury that is empty. A Nation that is broke. Where are you going to get the money? Why, I have asked that question thousands of times in the last 15 years, and there is nobody around here who has brains enough to tell us where you are going to get the money. All you think of is spend, spend, spend. I want

to warn this Republican-controlled Congress that if you are going to carry on the New Deal tactics of spending that has gone on here the past 15 years, you will be as dead as mackerels after next November. The American people want some common sense in the operation of our Government, our people want less taxes, more food and at lower prices. We do not want higher wages and less food, we want more work, longer hours, more food and commodities that will bring lower prices. That will make America happy and prosperous. We must watch our exporting that robs us of lumber, steel, foods, and so forth; thus a scarcity, thus higher prices. Too much money and too little merchandise make high prices. Wake up, you Congressmen. Make America strong and take care of our own people. As I see this bill, you are leading America to worse conditions, not better. Let charity feed France and Italy. They will and can do it. It did it before and it will do it now. Be wise and economize.

Mr. EATON. Mr. Chairman, I ask unanimous consent that all debate on this amendment do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

Mr. RICH. Mr. Chairman, I object. There are several Members who want to speak on this amendment.

Mr. BUFFETT. Mr. Chairman, I rise in opposition to the amendment, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. BUFFETT. Mr. Chairman, a few days ago my office made a call to the Treasury. We were trying to find out the total amount of obligations guaranteed by the United States Government, in addition to the $260,000,000,000 debt.

Under authority granted by Congress, the Veterans' Administration, the Navy, the various housing authorities, and many other bureaus are regularly guaranteeing large numbers of loans going into the banks of the Nation.

I was interested in ascertaining how much those obligations totaled; how much the United States Treasury had guaranteed.

Our call to the Treasury produced this news, astounding to me, but perhaps not too amazing in view of the reckless spending pathway we are on:

The Treasury of the United States has no knowledge of the amount of outstanding guaranteed obligations under the various financial programs set up by Congress. The Treasury of the United States does not know whether there are five billion, ten billion, or fifty billion, or a hundred billion of obligations guaranteed by the Treasury of the United States under the loan programs now in process.

Mr. Chairman, I wonder how long the treasurer of a corporation would last if his board of directors came to him and said, "We want to know how much paper our corporation has guaranteed," and the treasurer said, "Oh, I don't know. It may be a million or ten million or fifty million. We do not keep track of it."

Yet that is the state of the Treasury of the United States. Our office is told that no record is kept of the amount of obligations guaranteed by the United States Treasury. But the blame for this fantastically reckless situation does not rest with the Treasury alone. It also reflects congressional dereliction.

With this loose accounting recklessness on our own doorstep, yet we go right ahead and appropriate more hundreds of millions for foreign hand-outs. I submit that this action, Mr. Speaker, plays right into Mr. Stalin's hands.

I wonder how long it will be before this House will come out of this spending frenzy, only to find out that this hand-out program is another sucker play for the Communists.

This House voted the British loan 18 months ago. They claimed it would be a bulwark against socialism and communism in Europe. Now we know it was a counterfeit bulwark. Instead it was a stimulant to British socialism and communism.

The regular pattern of "sucker plays" for communism in which this House has long acquiesced should have sharpened our perceptions by this time. A few years ago administration leaders were strongly in favor of unconditional surrender. When it is too late, we learn that unconditional surrender was cleverly promoted by the Communists.

Then we had the Morgenthau vengeance plan. Then, too late again, we learned it was a sucker play for the Communists.

Then we had UNRRA, and its billions went to make communism dominant in many countries of Europe. How long does Congress intend to stupidly respond to the trick decoy moves by the Communists?

If you or I were sitting in the Kremlin, we would say to ourselves, "What can we do next to make the American Government pour its resources across the oceans?" The Communists know that the smart thing for them to do is to needle America. That will, as long as we fall for it, keep us overextended and overexpanded all over the world. That is the sort of self-depletion that weakens us decisively. Then communism can march in all over the world.

No move will profit Russia more than American hand-outs that cause domestic inflation and currency chaos in America.

On Saturday I studied the bond index for the New York Stock Exchange. That bond index, I am told, is the most sensitive barometer of the investment market in this country. Those bond indexes last Saturday made a new low for many years. Investment capital is becoming seriously alarmed at the reckless state of our finances.

So again I ask you, could Russia figure out anything more certain to accelerate world communism than American global spending? I do not believe so.

When Congress pours the wealth of this country across the seas at a time when our own people are desperate over the high cost of living, Congress is doing more for communism than the Russians can do.

Mr. Chairman, this hand-out plunges us deeper into currency chaos. I recognize that so long as Congress is hysterically bamboozled on this subject, our resources will continue to be dissipated on a sham battle.

However, I do hope and pray that when the people in desperation halt this congressional stampede, they will properly assess the responsibility for this tragic bungling.

Mr. VORYS. Mr. Chairman, again I ask that debate on this particular amendment—not this section, but this amendment—now close. I know there are many who did not have a chance to express themselves in general debate, but if it is not on this amendment I feel that debate on the amendment should close.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. BENDER. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. BENDER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, now that the one great problem before the American people has been solved—that is, we have learned the identity of Miss Hush—we can think about the really important business of the country. Everywhere throughout the land, in beauty parlors, stores, shops, and other places, we hear conversations about the high cost of living; in fact, in my own home town on Saturday I heard from several of my constituents who were in quite a large gathering. The story was related that rationing books were already being printed down here in Washington. As a matter of fact, there are rumors, rumors, rumors all over this land regarding rationing, and the high cost of living is occupying the attention of the people everywhere. At the same time that our people are being sold on the Marshall plan—and I admit very frankly that the people throughout the country have been sold a bill of goods on the Marshall plan, they believe the Marshall plan is all right—but at the same time they are against the high cost of living. They are for the Marshall plan but they are against the high cost of living. Now, I ask you, how can you be for the Marshall plan and against the high cost of living at the same time? I am asking my Democratic brethren to answer the question, and I see my friend who is just about to rise; and I ask him, How can he be for the Marshall plan and against the high cost of living?

Mr. McCORMACK. Was the gentleman referring to me?

Mr. BENDER. Yes, I was referring to my good friend, and I regard the gentleman as my friend.

Mr. McCORMACK. The gentleman is afraid, now. He said I was about to rise.

Mr. BENDER. No; afraid, not at all. Who said, "afraid"?

Mr. McCORMACK. The gentleman is afraid of what?

Mr. BENDER. Afraid? I am not afraid.

Mr. McCORMACK. The gentleman used the word "afraid." I was wondering what he was afraid of.

Mr. BENDER. I do not know what the gentleman is talking about. I am just asking him to tell me how he can be

for the Marshall plan and at the same time be against the high cost of living.

Mr. McCORMACK. Who was the Democratic friend the gentleman had in mind whom he said was about to rise?

Mr. BENDER. My good friend, the gentleman from Massachusetts.

Mr. McCORMACK. Then my deductions were correct.

Mr. BENDER. Yes; and as far as I am concerned I love to get into a discussion with my good friend—and we are good friends.

Mr. McCORMACK. Yes, yes.

Mr. BENDER. Go ahead and tell me——

Mr. McCORMACK. The gentleman in bygone years used to take the floor and condemn his own Republican colleagues for not supporting legislation or amending it.

Mr. BENDER. The gentleman, of course, is drawing on his imagination.

Mr. McCORMACK. Oh, I am complimenting the gentleman.

Mr. BENDER. I thank the gentleman very much. I appreciate the spirit in which the compliment is given.

Mr. McCORMACK. Does he want further refreshing of memory?

Mr. BENDER. Now when we were in a minority I did on occasion disagree with my brethren on the Republican side.

Mr. McCORMACK. So I made out my case.

Mr. BENDER. And I even supported the gentleman on one or two occasions.

Mr. McCORMACK. Oh, a little more than one or two.

Mr. BENDER. The gentleman is asking for it. I accept his commendation; but now the question before the House is, How can the gentleman whose party is trying to evade the burning issue of the day by placing responsibility for the high cost of living and high prices on the Republicans, how can the gentleman be against the high cost of living and for the Marshall plan at the same time?

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BENDER. Certainly; I lured the gentleman into this.

Mr. McCORMACK. The gentleman, of course, might investigate established facts and ascertain the reason. For 55 months prior to June 30, 1946, we were in a war. Under the Democratic administration the average cost of living increased 23 percent. That was in nearly 5 years. Within 12 months after controls were taken off the average cost of living increased 24 percent. It went up that much.

Mr. BENDER. My good friend from Massachusetts a few days before the last congressional election said to Mr. Truman: "Now, please, Mr. Truman, take off controls on meat for 60 days."

Mr. McCORMACK. Yes; 60 days.

Mr. BENDER. And the President very graciously and very magnanimously granted his request and took off all controls. And now after 15 years of bungling they point the finger at Republicans.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. KNUTSON. Mr. Chairman, I move to strike out the required number of words.

Mr. Chairman, the situation in Europe, as I get it from those who were over there this summer, is very much analogous to the situation that prevailed in the South after the War Between the States. At that time they had their devastated areas to rebuild, yet I do not recall ever reading in my history books that the Federal Government did anything to help the people of the South back on their feet.

Mr. HOFFMAN. And Great Britain did not either.

Mr. KNUTSON. And Great Britain did not either.

Now we are asked to authorize nearly $600,000,000, which is to be merely a preliminary step, for the relief and rehabilitation of Europe. I am confused as to whether the administration wants this money for relief, or to stop communism. If it is to be relief the best relief we can give Europe is to get off their necks and give them a chance to come back on their own. I have probably visited Europe as many times as most Members of the House. In fact, I was born there. If our purpose is to halt communism, you are not going to do it by this means. If communism could be halted with money, there would not be any communism in Hollywood, where many of the Communists are down to their last yacht, and their last $10,000 automobile. No, it does not work out that way. Communism is a political philosophy that threatens all the world, and especially the United States. By impoverishing ourselves we merely hasten its spread here at home.

But we simple-hearted, simple-minded Americans, will fall for most any plan to raid the Treasury that is proposed, providing it is to help someone abroad. Think of the school children in this country who are not able to attend school because they do not have clothing. Why, a few weeks ago a Dallas newspaper announced that there were 500 school children in that city, who could not go to school for the lack of clothing. Unfortunately, that condition exists all over the country. We have poverty throughout our Nation. The aged on social security are being asked to live on $40, $30, yes, as little as $25 a month. Who are the bleeding hearts to speak for them?

You know, the situation reminds me very much of the Russian noblewoman who drove to the opera one bitterly cold night, encased in sables and ermine. Upon her arrival at the opera she directed her coachman to await her return. The scene was very sad and this noblewoman wept copious tears over the plight of an imaginary heroine. When she returned to her sleigh after the performance was over, she was very much annoyed to find that her coachman had frozen to death during her absence. Are not many of you a whole lot like that Russian noblewoman? You weep tears over the misfortunes of others if they are far enough away, but close your eyes to the misfortunes of your own people.

My friends, I recently returned from Minnesota, and while out there had an opportunity to talk with people from almost every State in the Union, because I was at Rochester, the Nation's medical center. They want to know if Congress has lost its sense of proportion. And I want to say to you Republicans that they are very much disappointed over the way some of you are blindly following the New Deal program of spend and spend, and elect and elect, and unless we give more thought to our own, the shoe will be on the other foot in November.

We have already given to other countries since the close of the war nearly twenty-five billions for relief and rehabilitation. Including the measure now before us the Marshall plan will bring the total to forty or fifty billions. Can we afford it? Indeed, I am thoroughly satisfied in my own mind that to carry out the Marshall plan in its entirety, as advocated by the President and members of his cabinet, would bleed America white and, it may be pertinent to ask, who is to give us a blood transfusion once we have impoverished ourselves to the point where we can no longer help ourselves, much less others?

In the debate had on this measure not enough emphasis has been placed on the fact that European nations now have invested in this country between twenty-three and twenty-six billions of dollars. Would not ordinary caution and horse sense dicate that we require those countries to liquidate their American holdings and use the proceeds for relief and rehabilitation?

As one who was born in Europe, my heart goes out to them and I want to do everything possible to help them get back on their feet, but certainly I will not expect that we should beggar ourselves in doing so.

I am reminded of an incident that happened back in the Cleveland days while our family was yet living on a farm. You will recall that we then had a depression that was known as the Cleveland panic, although I do not believe that Cleveland had anything more to do with bringing it on than did Mr. Hoover in bringing on the depression in the early thirties, which was worldwide, and hit us last.

However, you older Members will recall that there was much distress in the country. It was the time that Coxey and his army marched on Washington demanding work and bread. Want and suffering was general.

Our home was situated on a main traveled highway and many a day my dear mother fed as many as 15 or 20 unfortunates who were aimlessly and hopelessly traveling from one part of the country to another.

One day a man drove into the yard asking for something to eat. He had a pretty good looking horse and harness, covered with a fly net, and his buggy was better than anything we had. Mother asked him why he did not dispose of his outfit before he took to begging, and as I recall, he replied that it was none of her damned business.

Are not the Europeans, with their enormous investments in this country, pretty much in the same situation as that chap? I do think it is our business and we should demand that they first exhaust their own resources before they come here with a tin cup in their hands.

The time has come to put a stop to government by hysteria and emotion.

The people are demanding it and if we do not give heed to that demand there will be a lot of new faces in the Eighty-first Congress. The American people are becoming weary of being played for suckers, and if there is anyone who doubts the accuracy of that statement let him go home for 2 or 3 weeks so that he may bring himself up to date.

Another angle to this program that has been overlooked concerns the right of Congress to vote the people's money to meet foreign demands. I am thoroughly convinced that Congress does not have that right and for this reason, if for no other, I shall vote against the pending measure.

The United States Department of Agriculture reports that food shipments to foreign countries average 31 tons a minute or at an average of 44,640 tons a day. This vast amount does not include the thousands of pounds of food which leaves these shores every 24 hours in the form of packages sent by individuals.

In view of these figures, is it any wonder that the price of food is soaring here at home. Imagine if you can how those prices will skyrocket if Government buyers open a brand new raid on the American larder with the vast sums provided for in this and subsequent relief bills.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last five words.

Mr. Chairman, there are two honest schools of thought on this question, and I do not think where we disagree that we should impugn the honesty of each other's motives, and I do not intend to do so. There are those who believe that we should do nothing for Europe; that Europe take its natural course. Of course, that includes Asia. There are those who believe that the powers of our Government in this world crisis should be used in our national interest, for our own future security, as the only means of securing a decent future world. Broadly speaking, those are the two groups.

To those, like my friends from Minnesota and Ohio and Pennsylvania, who take the opposite view——

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Minnesota.

Mr. KNUTSON. When we become suspicious of the world governments, is it not natural that the world governments are going to soon become suspicious of us?

Mr. McCORMACK. Continuing. I respect the views of my friends who take the position that we should do nothing. That is their honest opinion. Now, we can discuss this question on a high level, those believing that we should do nothing, giving their reasons, and those who believe in affirmative action, giving the reasons which prompt them to make up their judgment and in response to their judgment exercise their conscience by voting for affirmative action on the part of our Government.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield for a correction?

Mr. McCORMACK. I have not started yet. Of course, I yield to my chairman; I have to, as well as to my friend, for a real contribution.

Mr. HOFFMAN. I think the gentleman is misstating the position of those he says will do nothing. I think I am at about the extreme end on that side. But, it is not that we do nothing at all. I am in favor of making appropriations to feed and clothe and provide shelter, but I want that money kept away from the politicians, see! That is the only difference.

Mr. McCORMACK. The gentleman states a position which is in favor of affirmative action.

Mr. HOFFMAN. That is right.

Mr. McCORMACK. So the gentleman falls on my side of the question, and I cannot seriously argue with the gentleman having views as to how he thinks the money should be spent. That is another question. I have no argument with the gentleman on that broad statement.

Mr. HOFFMAN. If the gentleman will yield further, I ask unanimous consent, Mr. Chairman, that the gentleman from Massachusetts be permitted to proceed for 5 additional minutes, because I think this is going to be good.

Mr. McCORMACK. I was going to make that request myself, so I thank the gentleman.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. McCORMACK. Looking at it from the broad angle, as I see it, the United States of America possesses the institutions that it does, and that you and I believe in, because our people believe in God. We cannot get away from that fact, whether one is a Catholic, Protestant, or a Jew; whether one attends the services of his church, as everybody should, although a lot do not; about 70,000,000 Americans do not. We believe in God Himself. Every civilization has a religious origin. There are several civilizations in the world today. There is Islamism, Mohammedanism, and various other creeds. Ours is the Christian or the western civilization. The type of government that recognizes the dignity of the individual exists where the Christian or western civilization exists. When I say the Christian or the western civilization I do not want my state of mind misunderstood. I am referring to Catholics, Protestants, and Jews, who believe in one God.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Why not spend this money through the foreign missions?

Mr. McCORMACK. That is a detail. I am discussing the basic question. If we believe in affirmative use of the powers of our Government under the present conditions, I have no argument with the gentleman. When we come to the matter of operation, he and I can disagree as to details. We can get together on that. I am trying to discuss the fundamental question, that in the light of the world's condition it is of paramount importance first for the national interest of our country, and I base it on that, that our Government take affirmative action and use its powers and prevent the world from being dominated by atheistic or international communism. Mind you, I say "atheistic or international communism." Most people overlook the fact that when the Czars were overthrown and Lenin and Stalin took over, Russia was taken out of the influence of the Christian or western world. The very fact that a good part of the people of Russia might have a religious mind makes no difference. The powers of government are dedicated to an anti-God, anti-Christ origin.

I am not talking religion; I am talking practical facts and the influence of religion upon your life and my life. We cannot get away from it and I do not want to get away from it. We have seen the Christian or the western world whittled down, with Rumania, Bulgaria, Yugoslavia, Albania, and Poland gone. We see what is happening in Austria and Hungary. We see what they are attempting in France, Italy, and everywhere. The question is now, Can we see the whole Christian world obliterated except ourselves, and at the same time think that our national interest would not be affected? I say "No."

Just an illustration, I have here a letter about a Catholic priest. It is a Catholic priest first, but it will be a Protestant minister or Jewish rabbi next. It affects all men of religion. This letter is dated December 1, 1947, from the State Department. It speaks about a young Catholic priest who was captured some months ago by a guerrilla band of Communists in China. This is only one of many illustrations. I would be here speaking of this if it were a minister or a rabbi that was killed. This is an illustration of what is happening, showing the viciousness that is going on in the world today. The letter states:

> The Department has received a telegram from the American Embassy at Nanking which transmits a message from the magistrate of P'uch'eng Hsien to the effect that Father Devine—
>
> He was a priest in the Dominican order—
>
> was killed when the bandits who had seized him attempted to flee from troops who were mobilizing against them. A captured bandit leader stated that the bandits fled late at night, and that Father Devine met his death when he fell into a valley, was injured, and unable to proceed was set upon and killed.

Communism does that.

We might in our society have individuals who have antisocial minds. But you and I do not have minds filled with hate. That being the basis of our way of thinking, our next step is to love our neighbor. We may not love everyone, but we do not hate our neighbors. If we have reasons for not liking a person, we may have our views about that person, but our every thought and mental process that animates and influences our life is the result of a civilization which has its origin in that way of life. Legislation which violates any one of the Ten Commandments can never long survive, because it runs contrary to our principles governing legitimate and proper legislation. I am not trying to give a sermon.

I am talking about something that we should all live up to no matter what our religious convictions are. I am talking about something that we should try to live up to in our own little humble way.

What will happen to this civilization of ours? If Italy goes, is that going to affect us—no matter what our religious convictions may be? If France goes, and if all of Europe goes under the control of the Communists, under Communist regimes, is there anyone in this Chamber who is going to tell me that that will not adversely affect the national interest of America? That to me is the basic problem. What are we going to do—let it happen? If we do nothing, it is going to happen. What hostile move are we making here? By this legislation, we are trying to save human beings and resuscitate the national economy of their country.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts may proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. McCORMACK. I thank the gentleman and am grateful for the generosity of the House.

Mr. Chairman, I took the floor to express frankly the basic considerations which I believe are involved here. Of course there are many details which enter into the matter, but I am talking of the basic questions which influence me. My conscience tells me that I cannot ignore them. Somebody else may disagree with me, and I shall respect their views. No man should vote contrary to his conscience—that is all we can do. If anyone disagrees I respect his views in disagreement. But I am telling you what my conscience tells me I should do. My judgment and my conscience tell me that it is a question either of America or the Soviet Union. The peoples of the world look either to America or to the Soviet Union. No one can argue against anyone who says the money should be appropriated but that the method should be carefully watched. No one can justifiably make an argument against any Member who takes that position. No one can attack any Member for having views on the way the program should be administered if they believe that we should take affirmative action. It is not fair to attack a Member on that ground. We can have our disagreements. I do not care how it is administered in a sense so long as it is administered effectively, as long as our Government takes affirmative action.

The peoples of the world are looking to America, or in other words Washington, or to the Soviet Union, or the Kremlin. Talk about the calculated risk? What about the calculated risk for the Soviet Union? The situation that now exists in the world is not one of our making. It is not because of England or to any other country. It is due to the failure of the representatives of the Soviet Union to approach the consideration of world problems in a spirit of understanding. Those are the things we must consider. Are we going to sit idly by and do nothing? I cannot bring myself to that conclusion. I would rather not sit in this chamber as a Representative if I felt that I had to vote contrary to my conscience just in order to be able to sit here. I cannot bring myself to that conclusion. Being firmly convinced of the situation that confronts the world, the western world, the Christian world, of which we are the main part today—and again I repeat that means Catholic, Protestant, and Jew, so that there will be no misunderstanding—I feel it is the obligation and duty of our Government, within its resources and I concede that argument; we cannot destroy ourselves in order to save the world—but I contend it is our duty and our obligation in this world crisis to use our powers affirmatively, first, for the national interest of our country and for a future decent world, because the national interest of our country is definitely linked up with the preservation of the Christian or western civilization.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. McCORMACK] has again expired.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent that I may speak for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin [Mr. KEEFE]?

There was no objection.

Mr. KEEFE. Mr. Chairman, I greatly enjoyed the remarks of the gentleman from Massachusetts [Mr. McCORMACK]. I have no hesitancy in saying that I, too, am a Christian, and I am in complete agreement with what the gentleman said as to the motivating influence that governs his thought on this very important piece of legislation.

I have just returned from speaking to people in South Dakota yesterday, and I have made a number of speeches throughout the country, while some of my friends were very profitably engaged throughout the world in an examination of world affairs. I think I know pretty well what the people of this country are thinking. It is because of that that I am confused, disturbed, and appalled at the frightening situation that today faces your country and mine. If there ever was a time in the history of this country when real leadership, real statesmanship were called for, that time is now.

Let me fortify that statement with a few facts. We are here discussing a proposal that involves an authorization of an expenditure of $597,000,000. Were that the only problem involved, I would not shudder and shrink at the prospect, but, unfortunately for Members of this Congress and for the people of the Nation, we get the information in small doses. It is perhaps anticipated that the shock would be too great if we could have presented to the Congress a complete picture of the situation that faces the world.

Broadly speaking, we passed a general relief measure that provided for $350,000,000, Public Law No. 84, that was designed to provide for relief to Austria, Greece, Italy, China, and Trieste.

That money is being expended, I presume, for relief of people who are suffering in those areas. We gave $400,000,000 to Greece and Turkey. We are now asked to spend $597,000,000 for France and Italy, and there has been included China along with Austria.

But that tells only part of the story. We are spending today in the occupied countries $600,000,000 which Congress has heretofore appropriated. It is now sought to raise that amount to $1,090,000,000 due to the fact that England is unable longer to carry out her commitment under the bizonal arrangement to take care of the civilian population in her zone of occupation. I have information that has come to me recently that France will soon be unable to carry out her commitment to take care of the civilian population in the French zone of occupation, and Uncle Sam, good old Uncle Sam, may be called upon to take care of that obligation. We are taking care of the civilian population in Japan and we are taking care of the civilian population in Korea.

This little sum of $597,000,000 is clearly an implementation of the first step of the Marshall plan. The Marshall plan for what? The Marshall plan for Europe and Europe alone.

Now, bear this in mind—and I make the prophecy, and you want to know what you are doing; I am not speaking in opposition to this matter but I want you to know what we are doing. You are going to have a Marshall plan for China, and you are going to have a Marshall plant for Korea, and you are going to have a Marshall plan for Japan; and the $20,000,000,000 that is envisoned in the reconstruction program under the Marshall plan for Europe will pale into insignificance when the total program is written upon the pages and brought here to this Congress to pass upon. I tell you, Mr. Chairman, this is serious business, and our country faces a serious problem.

What is the situation? I wish that the administration had the courage to go before the American people and tell them the truth. The American people can take it if they know the truth and the facts. I would like to picture Uncle Sam, may I say to my friend from Massachusetts, as the good Samaritan clothed in white robes going about the highways and byways in a Christ-like character distributing aid and relief, but let me say, idealistic as I may be, that I knew when the Greek-Turkish program was proposed that its real background was far from idealism—I supported that program because I was convinced, and I know the fact to be now, that what we were proposing to do was an implementation of the military strategy of the United States for the protection of our country and not to be put upon the basis of scattering relief to suffering people. On that basis, I say to you, Mr. Chairman, there can be no issue so far as I am concerned. You may argue for days whether there are starving people or undernourished

people in these devastated areas, but on the question as to what is to be my attitude as between my country, its program and policy, as against the program of Stalin, there can be just one answer, and I say it advisedly, and well knowing that many people in my area may not agree with what I say. My answer, in such a situation, is that I shall support my country. It may be unpopular today in some places to take that sort of a position. However, I am convinced as to what the future holds. I feel that my country has at long last stopped the New Deal policy of appeasement of Russia that built up this Soviet Frankenstein dictator. The party that the gentleman from Massachusetts so beautifully exemplifies and defends can be charged with a responsibility for developing that Frankenstein. But, Mr. Chairman, that is water over the dam. There is no need going back to look at those facts except to get inspiration and guidance for the future. We have to deal with a vicious foe. If we are going to stop communism and stop its onward sweep across the face of the earth, we had better do it in the best way we know how.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. VORYS. Mr. Chairman, reserving the right to object, and I shall not object, may I suggest that we have had general debate in a way since November 17 on this bill and I am hoping now that we can proceed to perfect and pass the bill. If we have too many requests for extension of time the committee feels it will be forced to object.

Mr. GAVIN. Mr. Chairman, I think Members of Congress ought to be permitted to express themselves on this matter. It is of grave importance. This is a critical time.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. BUSBEY. Mr. Chairman, reserving the right to object, and I shall not object, I have not objected to previous requests for additional time and I will not object to the request for additional time made by the gentleman from Wisconsin or any other Member; but there are some of us who would like to speak on amendments to this bill who will want more than 5 minutes. I hope the committee will be charitable to those of us who cannot get in at this time and permit us to have an additional 5 minutes.

The CHAIRMAN. The Chair may say that he will be liberal under the rules of the House. The Chair has but one function and that is to enforce the rules.

Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KEEFE. Mr. Chairman, may I say to my colleagues that it would be a simple matter to wait until the next paragraph is read, then ask for time; but unfortunately I am compelled to attend a hearing before the Deficiency Committee of the Appropriations Committee receiving evidence now on a large portion of this program. I feel I must be there. I will not have the opportunity this afternoon to be present here and request permission to speak at a later time. I thank you for your consideration and kindness in allowing me to place in the RECORD some views which I earnestly adhere to.

Mr. Chairman, may I say to my colleague that this communistic thing is a scourge across this earth. I know that my friend from Massachusetts has opposed communism ever since I have been in Congress. It is unfortunate that we find ourselves in the situation, however, that as a result of commitments at Potsdam, Teheran, and Cairo the Soviet Union was given nearly half of China and we appeased them by approval of the seizure of millions and millions of square miles of free territory and millions of free people have been made slaves.

That is water over the dam. We can spout and fume and decry liability for it, but what we have to do is to face the thing that faces us right here and now.

What are we going to do about it? Sure, you can cut down the $597,000,000 that is asked for; sure, you can cut it down to $250,000,000, and go home and say, "We have done a good job. We have saved some money." Sure, we can vote not to give any money or any further aid and relief, and in a few days there will be another bill in here and another program, and it will be going on all through this next session, and we will not have begun to solve any of those problems.

Oh, I wish I knew what the answer was. Oh, I wish I could stand here and say, "Yes, settle the currency problems of these nations over there, stabilize their currencies, stabilize their economies, make them go back to work, make them produce, and you will have the thing all settled." That is as easy as saying "Put into the hearts of men the fundamental principles of the Golden Rule and Christ's Sermon on the Mount." A wonderful thing. We have been trying to do it for 2,000 years of Christian civilization. Just how are you going to do it?

Now, so far as I am concerned, I could talk for an hour on this thing, the program by which this relief is to be actually distributed under the present set-up. We encourage communism rather than to destroy it. I do not believe that the program which envisions turning this property over to the civil government of Italy, for example, and then allowing their Communist labor leaders and their Communist civil-government employees to handle that food as they see fit and to put any price on it that they see fit that America has given them is the answer. I do not see how we can give an answer to the small Italian that comes in and says, "I am hungry; I want food. Uncle Sam has sent boatloads of food, and I want some of it," when the civil government employee says, "You can have food when you pay the price we put upon it and hand us the ration card that we say you shall hand over. You come over to the meeting tonight, Columbo, and we will see that you have a job and we will see that you get the ration cards." In such circumstances who is in the position to influence this hungry Italian—Uncle Sam or the Communist who has the real power to give or deny the relief? I am not talking at random. I have been over this with the people that run this show. They know what the dangers are, and I believe that the amendment which will be offered by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN], or perhaps by my colleague, the gentleman from Wisconsin [Mr. SMITH], has some very sound opinion back of it to see to it that this food which we are giving out of charity actually gets into the hands of those who really need that food.

So, my friends, in our consideration of this whole question let us bear in mind this is just the beginning, and when you take this step you must be prepared to go on. There will be no turning back. You must be prepared as courageous Americans, representing what is supposed to be the greatest free democracy on the face of the earth, to go the whole route. If you stop to turn back in the middle of it you will be worse off than before you started, and the money theretofore expended will have miserably failed to achieve the objective of stopping the sinister march of communism.

Mr. GAVIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I listened with a great deal of interest to my good friend from Massachusetts, and I was greatly impressed by his remarks. I want to say that, in my opinion, all the Members of this Congress will support this $590,000,000 relief bill. However, we want to be assured that the foodstuffs that we send to these war-torn countries of the Old World are going to reach the stomachs of the people for whom it is intended. That is the only argument that is before us, and that is the only satisfaction and guaranty the Members of this House want.

I have heard my friends here say that communism has been brought to a crawl, and that it is only spotty here and there in the few remaining free countries of Europe. In my opinion, communism is on the march everywhere in Europe and we should be on the alert and take a very definite stand on our foreign policies. We will have to take a stand sooner or later, and I would say now is the time to do it.

In recent years we have not been vigilant enough. We, who believe in democracy, have permitted ourselves to become apathetic and indifferent in the protection of those ideals and principles which we so greatly love.

If we are to meet this world challenge, we must rededicate ourselves in this conflict between two major political philosophies.

Americanism is founded upon the faith of the people in and devotion to God. Right as might. Dignity and value of the individual and the importance of his spiritual, cultural, and material progress.

Communism is founded upon the people's fear of and submission to the state. Might as right. Unimportance

of the individual and his progress, except as an instrument of the state.

We must demonstrate to the world that the American principles of representative government and our American system of enterprise and production are without question the finest ever devised by the mind of man and has brought greater happiness, security, freedom, liberty, and opportunity to all of the people.

In this world of chaos, each and every one of us must recognize our responsibilities to do our parts in this program to restore this world to some degree of peace and tranquillity.

According to an article recently appearing in the American Legion magazine of September, by Col. John O. Beaty, stating, and I quote:

These principles have been set forth by many writers, but were restated officially and categorically in Stalin's address to the Eighteenth Party Congress on March 10, 1939, the year the war broke out. According to Stalin, who has never recanted in word or deed, communism is to be maintained through violence and violence is enjoined as a duty even when unnecessary. The program is to be unceasingly continued until all the world falls in blood purges under the hammer and sickle. The basic goal of Stalinist communism is the liquidation of the capitalist democracies, Britain and especially the United States.

Today I would say the greatest drawback for world peace is the conflicting ideology of democracy and communism. We were victors in World War I and we were victors in World War II against the forces of aggression. However, it must be admitted that the world is in more chaotic condition now than ever before, and peace has yet to be restored to the world. Therefore, we must keep this Nation strong as the remaining hope for the liberty-loving people of the world. We must have the strongest national defense we have ever had along with any relief programs we carry one. In the eastern zone of Germany, Poland, down into Czechoslovakia, Hungary, Rumania, and Yugoslavia, everything is behind the iron curtain. We have poured $20,000,000,000 into the European countries since 1945. I could not see what evidence of good it has done. Communism overshadows the entire continent of Europe, and if we ever pull out they will move in. Fear grips the hearts of people everywhere. The only thing we can do now is to offer our aid and assistance to prevent the entire communization of Europe. If Europe is communized, next will be North Africa and China, then I am of the opinion communism would have most of the world's population and most of its natural resources.

This is a cold war, and therefore all of our programs of aid should be carefully and properly administered by efficient, able, clear-thinking, alert Americans to see that the foodstuffs which we will send under this relief program reach the people for whom it is intended.

Let us become alert. Let us make this an all-out war for world recovery; an effort to stifle the tyranny and domination of communistic groups, which are trying to control the entire continent of Europe. So we have a job to do, and I sincerely hope that when we pass this measure we will pass it with such protection as will assure the American people that the relief is going to be afforded to the people who are entitled to it.

Mr. FOAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the Russians know the value of drama. They have used that knowledge to good advantage in western Europe. We know all that the Russians know about human nature, but we seem to hesitate to use our knowledge. The gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] has told you how the Russians were able to lead the people of France to believe that the few shiploads of grain which the Russians sold the French for American dollars represented a magnificent gift. They were able to do this because they were able to get the headlines. We answered with a factual recital of the few tons of grain shipped from the U. S. S. R. as contrasted with the tremendous tonnage shipped from the United States of America, but our figures were listed with the quotations on the New York stock exchange. The Russians are still making more people know of their promises than we are acquainting with our deliveries.

I think that the suggestion of the gentleman from Texas [Mr. GOSSETT] that we use regular paid newspaper and radio advertising is a good one. We could tell our story in every paper and over every radio in the beneficiary countries, without any additional cost because we could and we should pay for the advertising with some of the domestic currency which we are to receive. The idea is good. It is an application of sound business principles to the program. It in nowise detracts from the spirit of charity. As the gentleman from Arkansas [Mr. HAYS] so ably pointed out, it detracts nothing from the unselfish character of a Christmas gift to attach the giver's card. The people of Europe are entitled to know who is supplying the food they eat. They are getting lots of promises from the east. Let's give them some facts about deliveries from the west.

Paid advertisements are good. I am for them, but we must get our story on the front page. To do so, we must make news. We can do so if we will but use the advantages we now hold. As we dispatch grain ships under the program, let our President write a message of greetings to the people of France, to the people of Italy, and the people of Austria. Let us dispatch the *Missouri* and a half dozen more of our great battleships. Let them be accompanied by a fleet of our largest carriers. Let them accompany the grain ships to Le Havre, to Genoa, to Naples, or to Bordeaux. When they arrive, let the planes take off and drop millions of copies of the President's greetings. Let the American Ambassador meet the fleet and read the President's message before microphones, news reels, and reporters.

Such dramatization will cost us nothing. Our ships and our planes must be kept in operation anyway. It will cost us nothing, but it will go a long way toward making every Frenchman and every Italian know that America is actually sending food. It may even make some of these people ask, "Where are the food ships the Communists have promised?"

Mr. BUSBEY. Mr. Chairman, I move to strike out the last three words, and I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois [Mr. BUSBEY]?

There was no objection.

The CHAIRMAN. The gentleman from Illinois is recognized for 10 minutes.

Mr. BUSBEY. Mr. Chairman, the Congress is confronted with the problem at present of giving additional aid to Europe and China. Immediately following this bill we will have another one for over $1,000,000,000 for the occupied areas of Europe. Then we will have another one estimated at $20,000,000,000 referred to as the Marshall plan. Then we will have another, and another, and another—again, again, and again until we will have a bankrupt and ruined nation.

The gentleman from Wisconsin [Mr. KEEFE], who just preceded me, outlined the program to you, I think, very effectively.

The United States has given between sixteen and twenty billions of dollars since VJ-day, without any noticeable improvement in international economic or political stability. Communism has continued its march.

Much of the taxpayers' money has been put into "operation rat hole." It was used to continue and maintain in office Communist regimes in Yugoslavia and Albania, to say nothing of that portion which went to Communist police states such as Poland and Bulgaria.

As Americans we have never placed an embargo on relief for disasters or for humanitarian enterprises. It has been a tradition with us to aid countries suffering from famine, earthquake, or any form of disaster. One example was the American Relief Administration under ex-President Herbert Hoover, which did so much to relieve the distress of the Russian people during the famine of 1922–23.

Never has Congress been so bombarded with propaganda as at the present time by the State Department and the international bankers of Wall Street for the adoption of a bill. We get it from all sides by official speeches, the press, and the radio. They all have the same theme—either vote this aid to Europe or all Europe will go Communist. May I remind you, as I did on the Greek-Turkish loan, that we cannot stop an ideology with money.

Mr. Chairman, it is refreshing, even at this late date, to see the administration finally admitting there is such a thing as a threat of communism. I hereby charge that the State Department and the President of the United States have not been fair, honest, and above board with the American people. Had they been, they would never have agreed on October 15, 1945, to continue to send to Soviet Russia vital materials in short supply in our country in order to build up her economy to fight a war.

The Congress should not be asked by the President to appropriate one penny

until he has made public the complete set of agreements entered into by Molotov and Ribbentrop. I challenge the President to make public these agreements before we vote on this interim-aid bill. I sincerely believe if these agreements were made public now this so-called emergency aid bill which is supposed to stop communism would not have a chance of passage in this Congress. If these agreements are made public before we consider the Marshall plan, I am willing to wager it would be impossible to muster 100 votes in favor of it.

Mr. Chairman, why do I make such drastic charges? Time will not permit me to go into many reasons, but let us take one situation. We have shipped to Communist Russia since VE-day in excess of $333,000,000 of materials we need very badly in the United States—not surpluses but goods in short supply—for which Russia has not paid one cent.

At this point one might ask, "What has this to do with releasing the Molotov-Ribbentrop agreements?" I want every Member of this House to get the impact of my next statement.

I hereby charge that if the State Department would release the complete text of the Molotov-Ribbentrop agreements, with accompanying discussions, both written and oral, subsequent to August 23, 1939, they would disclose, among other things, that Russia agreed to let Nazi Germany use Murmansk as a naval base for Nazi submarines, which in turn was responsible for the sinking of so many of our ships carrying supplies to England.

I cannot find words adequate to express my disgust for an administration having the knowledge of the Nazi-Soviet pact, known as the Molotov-Ribbentrop agreements, giving all this merchandise to Russia without payment of a penny.

In addition, we have permitted Russia, in much the same manner we permitted Japan, to purchase gasoline, oil, and petroleum products from private concerns in this country. We continue to do so up to this very minute, and transport it to Russian ports at the very door of Alaska in American boats that should have been returned to us within 6 months after VJ-day.

There are many other matters in the Molotov-Ribbentrop agreements that would be most shocking to the American people if the State Department dared to release them.

The American people are entitled to and should be permitted to see the complete text and discussions of the agreements so they would know what the territorial and political divisions of Europe were that Soviet Russia demanded which brought about the final break between Hitler and Stalin.

An editorial in the Washington Post of November 20, 1947, stated that the State Department had these files and Prof. William Langer is now preparing a report to be released to the public next year. It was bad enough to hold back the secret agreements made at Yalta and Teheran until the force of events compelled their release. What a shock the American people received then, but, alas, it was too late to do anything about them. If we wait until next year it will be too late. The interim aid and Marshall plan may be law by that time. Why do the administration and the State Department wish to suppress these agreements at this time? Is it because we might learn that Mr. Roosevelt agreed at Yalta and Teheran to give Stalin far more than he had asked of Hitler that caused Hitler to attack Russia June 21, 1941? This information should be released now when it has real value in our deliberations rather than at some indefinite future when it will be of only historical value. These agreements released now would be a contribution to shedding light on the postwar activities of Soviet Russia.

All present indications point to the fact that the President will select the State Department as the administering agency of the $590,000,000 provided for in this bill. Did anyone ever hear of the State Department protesting or objecting to the maladministration, yes, criminal administration, of UNRRA funds, when they were being used to subsidize the satellite governments? The State Department officials abroad must have known the facts. I know of no State Department protest of record.

This is the same State Department that dismissed 10 employees in June of 1947 for security reasons, and in typical State Department appeasement style, permitted them to resign.

Even more revolting to me is the testimony on pages 510 and following in the hearings of the House Committee to Investigate Un-American Activities in the Motion Picture Industry, of the activities of one Charles Page. Mr. Page was a long-time employee of the State Department and was finally dismissed last year. This man, an accomplice of the notorious Communist Gerhart Eisler in the early forties, and suspected of being associated with people attempting to obtain atomic secrets, was Cultural Attaché in our embassy in Paris from 1944 to 1946. The question naturally arises in one's mind as to how many clandestine Pages remain on the pay rolls of our State Department, and if they would administer any aid money the Congress might appropriate.

Mr. Chairman, in view of the past record of the administration, and particularly the State Department, if the people who are advocating this aid to Europe are sincere, and I believe they are, they will accept amendments that will guarantee that this aid will be administered by the American Red Cross or a comparable agency, the Salvation Army, or a committee selected by the governing bodies of the leading churches of all denominations, regardless of race, creed, or color. If this House will vote such amendments, I will be inclined to support the bill.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. COLE of Missouri. Mr. Chairman, I ask unanimous consent that the gentleman may have five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BUSBEY. Mr. Chairman, I thank the gentleman from Missouri [Mr. COLE].

Mr. Chairman, the only way to judge the future is by the past, and every attempt the Democratic Administration has made at handling the relief and the Communist situation has been a complete failure from the time we recognized Soviet Russia in 1933 down through the Stalin-Hitler pact, Teheran, Yalta, Potsdam, and the handling of UNRRA and the Greek-Turkish loan.

Under section 3 of this bill, H. R. 4604, the President, Mr. Truman, is given full authority to select any agency of our Government he so desires to administer the spending of this money. Certainly the past performances of both Mr. Truman and Mr. Roosevelt are enough to make any Member of Congress who is giving proper consideration to the welfare and future security of the United States vote against this bill.

The Herter committee recommended that in view of all the failure in handling relief by the political committees set up by the Democrats that an entirely new organization be established for handling the so-called emergency foreign aid program. The chairman of the House Committee on Foreign Affairs advises us that this suggestion was not incorporated in H. R. 4604 because there was not time. This, I charge, is just the reverse of the committee's attitude when we had the United Nations Relief and Rehabilitation bill under consideration. At that time I offered an amendment to the UNRRA bill which in effect was a substitute bill, directing that the money be spent under the jurisdiction of the American Red Cross, but the Administration, with the Foreign Affairs Committee concurring, would not support it. They insisted that it be spent under a political organization headed by Governor Herbert H. Lehman. The way his committee handled it was not only a failure but scandalous. To this day nearly all of the people in Europe think UNRRA is the name of a town in Soviet Russia. The tragedy of not accepting my amendment was the fact that the previous Congress had appropriated $35,000,000 for foreign relief and specified that is must be spent under the direction and supervision of the Red Cross, which was the only organization with experienced, qualified personnel in the field doing relief work when we were considering establishing UNRRA.

We are now told this $590,000,000 is needed to stop communism. Mr. Chairman, I must remind you again that communism is an ideology and an ideology cannot be stopped with money. The only way to stop such an ideology is with a better ideology and a program to wisely disseminate it to the peoples of the world.

I have been on the lecture platform for over 25 years trying in my humble way to arouse the American people against the menace of communism. If there were one thing in this bill to stop communism, I would be the first to support and vote for its adoption.

Mr. Chairman, there is not a Member of this House, or the President himself, who could testify that if we pass this legislation it will stop communism. The people of the United States have been led

to believe this interim aid bill is to relieve the suffering of the people of France, Austria, Italy, and China. Nothing could be further from the truth. If you want to know the truth about the bill, it is this: The bill is to cover up the blunders of the State Department in Europe, to supply money to France to pay off some debts to Belgium and Brazil, and give President Truman a blank check for $590,000,000 to help build up the New Deal world-wide WPA.

It will permit the Government to continue using the taxpayers' money to go into the markets and bid against our citizens for scarce articles, to pay higher prices, thereby increasing the cost of living which is already far too high. This will create more shortages and furnish the President with additional excuses with which to again attempt to force rationing and controls upon the American people.

The present situation is very similar to conditions that preceded Pearl Harbor when the Democratic administration in Washington sent derogatory, curt notes to Japan and at the same time let Japan buy unheard of quantities of aviation gasoline, oil, scrap iron, and other materials of war. Ever since President Truman made his speech to Congress on March 12 of this year for the Greek-Turkish loan to stop communism we have been carrying on an undeclared war with Russia, while at the same time sending her everything she needs to build up her economy to fight a war. The only difference being that Japan paid for her goods while now our Government uses the taxpayer's money, buys the supplies, and gives them to Russia.

If the administration is sincere in its desire to stop Communism it should at least show good faith by coming before Congress with clean hands, and first dismiss from the pay rolls of the State Department, the Foreign Service, and particularly from our embassies in Europe all the Russia-firsters and incompetents. Nearly all of the people who are responsible for the deplorable condition we find ourselves in today are still in key positions and I do not have faith that they will carry out the intent of this legislation. It is for this reason that I urge support of the Andresen amendment to have the funds provided for in this bill distributed under the supervision of the Red Cross.

Mr. COOLEY. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. VORYS. Mr. Chairman, if the gentleman will yield, I ask unanimous consent that all debate on the pending amendment to section 1 close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. COOLEY. Mr. Chairman, we are talking today about food for starving people. While I am not unmindful of the fact that there is still human distress and suffering in our own land, I am conscious of the fact that some people are certainly not suffering on account of a lack of food.

I have before me a recent copy of Life magazine of November 17, and on page 42 of that nationally famous publication there is a picture and a story of the Foremost Fifty.

On November 5 an interesting social event was held in New York City.

To the plush precincts of the Waldorf-Astoria Hotel, Magazine Publisher B. C. Forbes invited the 50 foremost business leaders of the Nation, selected in a poll of business people.

To honor these business leaders, Mr. Forbes wined and dined them and some 800 people at a cost of $12,000.

A democratic note was injected in the entertainment by the fact that some of the guests wore tuxedos instead of tail coats.

For entertainment other than gastronomic, Mr. Forbes had a young politician named Thomas E. Dewey as a speaker.

Mr. Dewey's elocution was preceded by a dinner of spartan simplicity.

First there were martinis, manhattans, sherry, and highballs, with hot and cold hors d'oeuvres and a mysterious concoction described as a "Taft entree."

This was followed by Key West turtle soup, hearts of celery and olives, Great Lakes whitefish with grapes and almonds—the menu does not make it clear whether the grapes were peeled in the kitchen for the convenience of the guests—cucumber doria, breast of guinea hen on sugar-cured ham, wild rice croquettes and new string beans, pate de foie gras with the white meat of lettuce, red, white, and blue cake and ice cream, rum sabaillon, petit fours and a demitasse. Presumably there was no room left for a full cup of coffee.

After this light snack the guests heard Mr. Dewey, who started off with a quick quip in line with the accepted public speaking technique of saying something jocular before squaring off and reading the prepared manuscript. Said comical Mr. Dewey by way of a greeting to the 50 foremost businessmen of the Nation, "Fellow victims of the New Deal."

This intrigues me more than Mr. Dewey's more formal remarks, in which he claimed credit for the bipartisan foreign policy, and went on record as being in favor of business and businessmen.

But that "fellow victims of the New Deal" is what set me to thinking.

I could see why Dewey felt that he was a victim of the New Deal in view of his spectacular lack of success as a Presidential candidate running against the great leader who gave the people of this country the New Deal they needed so desperately as an antidote to the Republican prosperity of the Hoover regime.

Mr. Dewey is an ambitious young man who wants to get ahead in the world, and it is understandable that he should feel that his talents are wasted on a small job like the governorship of New York State.

Mr. Dewey feels so strongly about the welfare of the country that he is unhappy not to see it in the only hands he feels capable of running it properly—the hands of Thomas E. Dewey.

So I can see why he feels that he is a victim of the New Deal.

But these 50 foremost businessmen.

What has the New Deal done to them? They appear prosperous, well fed, and quite happy in the published photographs taken at the dinner.

In fact, it appears to my unpracticed eye that these gentlemen seem to be wearing tail coats of their own and have not had to rent them for the occasion. None of these businessmen even appear self-conscious in these clawhammer coats.

These men all seem to have pretty good jobs—like bossing the Chase National Bank or running a railroad or the United States Steel Corp.

Some of the others ran automobile factories and air lines or headed big brokerage houses or movie companies.

They seemed to be doing O. K., despite this New Deal which worried the governor so much.

Well, I checked around and got the salary figures of most of these gentlemen. Quite a few of them made more than $100,000 a year, and, in addition to their salaries, many of them got something listed as additional compensation. I presume those are just little sums their companies pass out from time to time to help these fellows keep their budgets balanced when the grocery bills go up or there is a spell of sickness in the family or junior grows out of his snow suit.

Anyhow, the total compensation of these fellows whose salaries I could find out about was $5,640,000.

I figured that would buy a lot of medicine to ease the pain of being a victim of the New Deal.

In fact, if I were all bruised up from being a so-called victim of the New Deal, I could think of no better cure than massaging my bruises with 100,000 nice crisp new $1 bills every year.

To get a better measure of the suffering of these victims of the New Deal, a check of any 50 victims of the "old deal" of the Republicans in the Hoover days of bread lines and bank failures would show that the annual income of the 50 victims of the New Deal was exactly $5,640,000 greater than the annual income in 1931 of any 50 victims of the Republican "old deal."

Perhaps the "Dewey deal" might be better than the "Hoover deal," because Dewey could always charm us with the sly sense of humor he exhibited so amusingly in his chat with his fellow sufferers.

I am attaching a table of salary figures depicting the individual sufferings of the 50 foremost businessmen in the case that any of Mr. Dewey's fellow Republicans in the Congress may want to send individual relief contributions to the suffering 50.

Now if we are going to fuss about sending a little food to the starving people of Europe, I wonder what they will think when this great national magazine circulates throughout Europe and they see the picture of the 50 foremost men dressed in white shirts and cutaway coats, and the picture of this great $12,000 dinner at the Waldorf-Astoria. Even Mr. Dewey, though he sympathizes with these rich and powerful, well-fed,

and puffed-up 50 foremost gentlemen—even he is for this bill that we are now considering. He is a Presidential candidate, and he is for it. Yet he attended a dinner, and his heart was bleeding for these 50 foremost gentlemen whose individual incomes totaled the meager sum of one hundred thousand "simoleons" a year.

The CHAIRMAN. The time of the gentleman from North Carolina has expired. All time has expired on this amendment.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, in view of the fact that the opponents of my amendment have succeeded in causing a delaying action, and in view of the fact that no one knows what is contained in it, I ask unanimous consent that the amendment be again read.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk again read the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. EDWIN ARTHUR HALL].

The amendment was rejected.

The Clerk read as follows:

SEC. 2. It is the purpose of this act to provide immediate aid urgently needed by the peoples of Austria, China, France, and Italy, hereinafter referred to as the recipient countries, to alleviate conditions of hunger and cold and prevent serious economic retrogression which would jeopardize any general economic recovery program based on self-help and cooperation.

Mr. JACKSON of Washington. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. JACKSON of Washington. Mr. Chairman, relief for Europe is necessary both from the standpoint of our humanitarian feelings and our long-range national interest. For that reason, I heartily support the purpose of this bill. But there is one possible point involved in its administration concerning which I have doubts and misgivings. Because of this one possibility of administration contrary to what I believe to be the true intent of the Congress, I feel it important that our legislative desires concerning it be made clear in the RECORD.

What I have reference to is the position of the American merchant marine and American seamen under this bill. Under the provisions of this bill, the great majority of all relief supplies furnished must be bought in the United States. That provision protects American industry and American jobs. But that same provision, strangely enough, is not expressly made applicable to the American merchant marine or to the jobs of American seamen, despite the fact that both of these are of tremendous importance to our Nation's defense and well being.

My view is that, wherever possible, American ships be used to carry these relief cargoes. I do not mean this to be an absolute requirement; but I do feel that, other conditions being equal, American ships should be given preference in lifting these relief cargoes.

Today the American merchant marine is in a weakened condition. While it is larger than in prewar days, it has been steadily and rapidly declining from its recent wartime high. In recent months, 20,000 American citizens have lost their jobs on American ships. During the same period, and particularly in recent weeks, the number of ships flying the American flag and operating in foreign trades has been substantially curtailed. If relief cargoes shipped under this bill are not allocated in fair proportion to these American flag ships, that decline in our American merchant marine will be rapidly accelerated. If American ships are not given a large percentage of these cargoes, the inevitable result of reducing the size of our merchant marine would be contrary to the interests of our national defense, at odds with our desires for the employment of American workingmen, and completely opposed to our long-range congressional policy.

All of you know of the hundreds of millions of dollars which Congress has appropriated in recent years to develop and build the American merchant marine. During the recent war, the tremendous importance of this merchant marine to our national defense was demonstrated. Because of the shortage of merchant ships, which at one time constituted the bottleneck in our war effort, substantial delays were incurred and thousands of additional American boys were required to give their lives. Never again must we permit the American merchant marine to sink to its prewar position. Yet, unless the administration of this relief program insures a large percentage of these cargoes to American bottoms, that will inevitably result. If a fair proportion of these relief cargoes are not carried by American ships, our only alternative would be for the Congress to appropriate additional huge sums to maintain our merchant fleet. On the other hand, if a large proportion of these cargoes go in American bottoms, we will not only save these future appropriations, but we will also insure the maintenance of a healthy American merchant marine, employing and training large numbers of American seamen.

At this time, I do not want to burden the House with an amendment specifying a specific proportion of these cargoes which are to be carried on American ships. But I do feel that we should call to the attention of whoever will administer the provisions of this relief bill that it is the desire of Congress that commodities procured with funds under this bill be carried in American flag vesesis in at least the same proportion as our ships have participated in the European trades for the last 6 months.

Second. I think it important that none of the funds under this bill be allocated for the purchase of ships by foreigners to be used to compete with American vessels. Third. I think that funds appropriated for transportation under this bill, if not used for the transportation of cargoes on American ships, be used only to pay for transportation on ships belonging to the nations receiving relief. My purpose in mentioning the latter thought is to insure that Panamanian and other flag ships operated by people living in this country, but often failing to pay taxes, not be benefited under this statute.

There is one other segment of our American merchant marine whose position under this bill should also be mentioned. That is the foreign freight forwarders. They are not required to meet the competition of foreigners. But there is some question as to whether or not, if the bill were not properly administered, they might be required to meet competition from the Government itself.

Under this bill broad powers are given to the President, or the executive agency which he may designate, to transport and store, or to allocate funds or credits for the transportation and storage of relief cargoes to be furnished under this bill. Such provision is necessary, of course, in order to authorize utilization of appropriations for this purpose. But because of the broad language of the bill, some question has arisen in the minds of several people concerned with the forwarding of relief cargoes as to the scope of this provision. In order that the record may be clear, I should like to point out certain statements which have been made both on the Senate side and by the State Department concerning this provision.

First, let me explain, however, that there are in all port cities groups known as ocean freight forwarders. For many years past, these freight forwarders have been performing the function of meeting cargo as it arrives at the port cities, arranging for its removal from the railroad, preparing ocean bills of lading and consular invoices, contracting for cargo space aboard ships, and generally chaperoning the shipment from the railhead to the ship's hold. Early in the war, the Congress enacted section 217 of the Merchant Marine Act, which recognized these freight forwarders as an integral segment of the American merchant marine and directed the Maritime Commission and other Government departments and agencies to take all necessary steps for the development of this essential part of our maritime industry. Under that section, moreover, it was ordered that Government cargoes, including those under lend-lease, should be handled by private freight forwarders. From the information I have received, these forwarders demonstrated their ability to handle such Government cargoes both much more cheaply and more quickly than the Government agencies had been able to do.

From correspondence between the gentleman from Virginia who has long been interested in our merchant marine and the freight forwarders segment of it, Mr. BLAND, with Senator VANDENBERG and with the State Department, it is completely clear that it is intended under this bill to continue to use private freight forwarders rather than to have these relief cargoes handled by any existing or new Federal agency set up for this purpose. In order that the rec-

ord may be clear, however, and that Members may fully understand and not feel that the bill will put the Government into the forwarding business, I should like to insert at this point copies of the correspondence which I have referred to:

NOVEMBER 21, 1947.

Hon. ARTHUR H. VANDENBERG,
United States Senate,
Washington, D. C.

DEAR SENATOR VANDENBERG: This morning I noted that sections 3 (b) of the foreign-aid bill, approved yesterday by the Senate Foreign Relations Committee, provides that the President, acting through the executive agencies, may transport and store, or provide funds for the transportation and storage of commodities supplied under this bill. Section 3 (c) of the proposed legislation further provides for the transfer of these commodities to any recipient countries.

My interest in these sections is because they indicate that the supplies furnished under this bill might possibly be handled and transported by Government rather than private facilities. While I can understand that certain types of military cargoes may best be handled and transported by Government agencies, I feel that it is imperative to the maintenance of a healthy postwar American merchant marine and its related service industries that transportation of these cargoes generally be handled by private enterprises rather than by Government facilities. I am particularly interested in insuring that these relief cargoes will be forwarded through ordinary forwarding channels rather than by the Army or other domestic or foreign government agencies.

During the war, it was found that lend-lease cargoes could be more cheaply and expeditiously handled by private freight forwarders than by the Government. To insure the use of these private freight forwarding facilities, both during the war and in the postwar period, the Congress passed legislation, usually referred to as the Bland Freight Forwarding Act (section 217 of the Merchant Marine Act of 1936, as amended), which provided that lend-lease and other cargoes should be handled by private forwarders and that all Government agencies should make use of their services for the shipment of water-borne exports. Experience during the war with lend-lease cargoes clearly demonstrated the wisdom of this procedure, as these shipments were handled far more quickly and at a lesser cost by private freight forwarders than they had been when directly handled by Government agencies.

While the wording of section 3 (b) of the foreign-aid bill would permit continuation of the use of private freight forwarders as specified by the Freight Forwarding Act, it also impliedly would permit the use of Government facilities for forwarding relief shipments. I feel sure that you, and the members of your committee did not consider or intend the authorization of this practice. For not only has past experience demonstrated that if this were done under the authority provided by section 3 (b) it would be more expensive to the American taxpayer, but it would also put out of business the private freight forwarders who Congress has previously determined are necessary as an adjunct to a successful postwar foreign commerce and American merchant marine.

In order that there may be no ambiguity arising from this provision, may I ask either that there be included in the bill when it reaches the floor a provision for the use of private facilities for the handling of these cargoes, or if you feel that such a provision would burden the legislation, as statement on the floor and in the committee report to the effect that it is intended that private facilities be used to handle the shipment of these relief cargoes. In my opinion either of these procedures are extremely desirable: they would, I know from past experience, reduce to a minimum the cost which the Government would incur for the transportation of relief supplies and insure the most efficient handling and shipments. They would also be in accord with the congressional policy previously specified in the Freight Forwarding Act.

May I add that the above comments regarding the interim relief bill are also applicable to the long-range program for the shipment of supplies for the recovery of Europe.

I would appreciate your assistance in this matter. Would you let me know what action along these lines you deem to be most feasible?

Yours very sincerely.

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
November 21, 1947.

Hon. S. O. BLAND,
House of Representatives,
Washington, D. C.

MY DEAR CONGRESSMAN BLAND: This will reply to your letter of November 20. I appreciate the spirit in which you have written.

Certainly I completely agree with your basic point of view. Relief supplies to Europe should use private enterprise facilities to the last practicable degree. I make this statement without reservation. I doubt, however, whether the relief law should textually assert this requirement. We are dealing with an emergency situation which may, in some emergent moment, require the use of any transportation facilities (including Government facilities) which may be available. The purpose of the Senate committee in writing this transportation clause into the bill was solely to make sure that the appropriation covers transportation. The fact remains that I completely agree with your viewpoint regarding the actual practice which should be followed to the last practicable degree, and I shall be glad to say so. Furthermore, you are welcome to use this letter if you wish.

With warm personal regards and best wishes.

Cordially and faithfully,
A. H. VANDENBERG.

NOVEMBER 24, 1947.

Hon. ARTHUR H. VANDENBERG,
United States Senate, Washington, D. C.

MY DEAR SENATOR VANDENBERG: Thank you for your letter of November 21, 1947, replying so promptly to my request of the previous day. I am delighted that you agree with my view that private shipping and forwarding facilities should be used to handle foreign relief shipments and that these private enterprises should be used to the last practicable degree. I am particularly pleased with your statement that you are willing to say so, as I think it important to do this in order to insure that the legislative intent on this point is clear.

I agree with you that it is not practicable to put this private enterprise position in the text of the bill. It seems to me, however, that the same result can be achieved by a statement by you from the floor during the discussion on the bill. May I suggest, therefore, either or both of the following means of making clear the legislative intent to use private enterprise facilities in the shipping and forwarding of foreign relief supplies. First would be for you to place our exchange of letters in the RECORD during the debates. Second would be for you to make a brief statement along the following lines:

"Authority is given in this bill for the executive agency involved to transport and store, or to pay for the transportation and storage, of supplies furnished under this legislation. While this authority is broad, it is not intended that Government vessels or Government forwarding services be used except where special circumstances make this necessary. It is contemplated that private vessels and shipping services will be used wherever possible. The provisions of section 217 of the Merchant Marine Act of 1936 are applicable to the shipments of supplies under this bill."

Again my heartiest thanks to you for your thoughts and help on this matter. Please let me know if I can be of assistance on this side of the Congress.

Yours very sincerely.

NOVEMBER 24, 1947.

The honorable the SECRETARY OF STATE,
Department of State, Washington, D. C.

DEAR MR. SECRETARY: During the past weeks serious questions have arisen concerning the transportation and forwarding of relief cargoes to Europe. Objections have been understandably and well raised by shipping and freight forwarding concerns to the thought that under these plans relief cargoes might be handled and carried by Government agencies using Government facilities rather than through the facilities of private enterprise.

It is my opinion, as well as that of others with whom I have talked, that the congressional policy set forth in the Merchant Marine Act of 1936 and subsequent legislation, particularly section 217 of the Merchant Marine Act, require that private shipping and forwarding facilities be used to service these cargoes. In the interim the foreign-relief bill reported last week by the Senate Committee on Foreign Relations, provision was made in section 3 (B) for the President, through the executive agencies, to provide transportation and storage, or to pay for the transportation and storage, of relief cargoes shipped pursuant to this legislation. The broad language of this section, and the implication that Government agencies could directly furnish the transportation and storage, raised serious questions in the mind of people in the maritime and freight-forwarding industry. Because of the importance of this question to the merchant marine and the freight forwarders, I wrote to Senator VANDENBERG, chairman of the Foreign Relations Committee, and to other members of the Senate and House groups dealing with relief legislation, stating that it was my opinion that private-enterprise facilities should be used and that there should be a clarification of the congressional intent as expressed in the language of this section. Senator VANDENBERG has just written to me, stating that he is in complete agreement with my point of view, adding that "relief supplies to Europe should use 'private enterprise' facilities to the last practicable degree." For your information I am enclosing a copy of my letter and Senator VANDENBERG's reply.

It seems to me quite clear that it is the intent of all concerned to use private shipping and freight-forwarding facilities to handle these cargoes both under the interim and long-range European relief programs. In order to remove the possible ambiguity in the broad language of the statute, I suggested to Senator VANDENBERG that an amendment to this effect might be incorporated in the legislation. I am, however, in agreement with the Senator that it would probably be unwise to burden this bill or to take the time of the Congress to put in an amendment of this kind. In order that there may be no doubt, however, that private-enterprise facilities will be used for shipping and forwarding, I believe that a statement from you setting forth that it is the State Department's view that this shall be done will suffice to settle this matter to the satisfaction of all and to remove any need for specific legislative action to accomplish this purpose.

My views on this matter have been discussed with Dr. Radius, of your staff, who has stated that they accord with those of your

Department. As this policy determination has already been made, and as the interim bill is already on the Senate floor, I would appreciate an immediate reply from you. I think that such a reply will be adequate to remove all latent doubts and ambiguities and should be satisfactory both to the industry and to the Members of Congress who have been concerned with this problem.

Yours very sincerely.

DECEMBER 2, 1947.

The Honorable SCHUYLER OTIS BLAND,
House of Representatives.

MY DEAR MR. BLAND: I desire to acknowledge the receipt of your letter of November 24, 1947, with which you enclosed copies of correspondence exchanged with Senator VANDENBERG concerning provision for the use of Government transportation facilities in the interim [illegible] and expressing the view that in the shipment of relief supplies to Europe private facilities should be used.

You may be assured that it is the policy of the Department to make all practicable use of private facilities in the shipping and forwarding of relief supplies.

Sincerely yours,

ROBERT A. LOVETT,
Acting Secretary.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Chairman, if I heard the paragraph read correctly, the purpose was to give some money to help those who in other lands are cold and hungry. I can readily understand the feelings of the gentleman from North Carolina [Mr. COOLEY] when he criticizes those who spend so much money for dinners because those to whom he referred in New York City and spent that money for things they did not need instead of giving some of it to the Democratic National Committee at $100 a throw for a dinner. When he talked about giving money to help somebody get food, clothing, and shelter, I am all for that. My opposition to this bill grows out of the fact that I think we must first take care of our own if we are to remain strong enough to help others. I have learned something from the past. I recall very distinctly a report from a committee from the other body—I think the gentleman from Texas, a Member of the other body, was chairman of it—reported that money that had been appropriated by the Congress, money for which the House had voted, to help the unfortunate was spent for campaign purposes. I recall that subsequently another committee, a committee of the majority party—the minority party now, thank God—reported that money appropriated by Congress to relieve the unfortunate, to buy food and clothing and things like that, was used down in Kentucky to elect a Senator.

Now, that is the thing I do not like. Sure, I want to give money to the poor and needy, and for that I will vote, if you will give it to some charitable organization which will see that the money gets to the place where it belongs. I do not propose, under the guise of helping stop communism or feeding and clothing the unfortunate to vote money in such a way that it can be used either to make war in Europe or elect a New Deal leftist administration here in the United States of America. If we cannot eradicate vote buying in Kansas City let us refrain from making it possible to use Federal funds to buy votes in a presidential campaign.

We might start right here in Washington to take care of our own.

Let me give you an example of poverty and need here in Washington, D. C.

Mrs. Francis Boykin lives at 1619 L Street NW., Washington, D. C., on the third floor, rear. The first floor front of this three-story building is occupied by a liquor store. The liquor store section of the building is in fair condition. From the entrance door to the rooms on the upper floors to the roof, the building is in deplorable condition. The wooden stairways are narrow and several of the steps sag and are loose. The hand rail between the ground floor and the second floor is also loose. The hallways are dark and smelly. Plaster is in bad condition. There was no debris on the stairways or halls. There is no sprinkler system and no fire extinguishers were seen. The building seems to be maintained in violation of any possible fire code.

The Boykin family rent two rooms on the third floor at a weekly rental of $14 per room. A total of $28 per week for the two rooms. The rent for room No. 9, presently the only room being occupied, was last paid for the period to September 27, 1947. The other room is being held for the Boykins, by the landlord, for nonpayment of rent. Only room No. 9 was seen. This room is approximately 10 feet square. The walls are daubed with paint where the plaster is unbroken. There are many places on all walls where large chunks of plaster are missing. The walls, ceiling, floor, windowsills, and furniture are dirty. The room is furnished by the landlord. This furniture consists of two metal beds with sagging springs and soggy, filthy mattresses; a chest of drawers, two tables, and no chairs. Clothes are hung behind a curtain at one end of the room. The entire appearance of the room is one of abject poverty.

One Michael Davis, who occupies the back section of the first floor, is the superintendent for the building and the signer of the rent receipt. Mrs. Boykin gave a Mr. Mangum as the owner and stated that Mr. Mangum lives on the corner of Seventeenth and L Streets NW. Inquiry was made on the four corners of the block and no one with a knowledge of a Mr. Mangum was found.

The Boykin family consist of the mother, approximately 35 years of age, several front teeth missing, and teeth generally in bad condition. She appears intelligent though discouraged. She has an unhealthy pallor to her skin but this may be due to childbirth as the youngest child is just 3 months old. This male infant was in a basket which had been placed on an end table. In contrast to the filthy bedding of the beds, the improvised bassinette was clean. The child's clothing and blankets were also clean. Apparently, the mother does the best she can with the extremely limited facilities available to her. Two other male children of approximately 3 and 4 years and a female infant of less than 2 years were playing in the room. The children were all barefooted. The mother explained that they have no shoes or stockings. All are chubby and in apparent good health. The mother explained that they had no clothes and there were none in evidence in the room. The older child, a girl of 14 years, was in school. Whatever clothing there is for this 14-year-old girl was apparently on her back as there was no other clothing of that size in the room. One child, a 7-year-old boy, is not at home but is being cared for at a church mission.

Other than a single unit electric plate there are no facilities for cooking. A basin of water was boiling on this heater and was being used to heat the baby's bottle. The only food in evidence was a can of fruit juice which was nearly empty. The two boys climb on the bed and pour drinks of the juice into a tumbler and drink it.

The father, Francis Boykin, is a roofer by trade. He does not belong to any union and does only free-lance work. He is a chronic alcoholic and habitual drunkard. At present he is confined in the District jail for alcoholism and is scheduled for release on or about December 17, 1947.

The family receive $141 per month from public assistance.

There was a rent receipt for $56 for room No. 9 covering the period from August 3, to September 27, 1947. Since this is less than the $14 per week quoted, inquiry was made of Mrs. Boykin and Mr. Davis. It was explained that this was the balance for that period and that no rent has been paid since that date. The rent for room No. 10 is in arrears since August 3.

The case to which reference has been made is one which, if the family lived in England, in Germany, in France, or in any other foreign land, would bring tears from the eyes of the one-worlders of the do-gooders.

Right here in Washington, within a very few blocks of the White House itself, not too far from the Chamber where we have given billions of dollars to aid people thousands of miles away, this woman and her children are living under conditions which never should obtain in a land like ours.

Even the author of My Day might have been able to have discovered it. Doubtless, there are similar cases which New Dealers might have been able to find.

I know nothing about the system which permits a situation like this to exist and which never in this land of ours should continue for a single moment after the attention of the proper authorities has been called to it.

Mr. ROBERTSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish to say to my distinguished colleague the gentleman from North Carolina [Mr. COOLEY], after listening to his very interesting discussion of the Dewey dinner party, that under his own beloved President, Mr. Roosevelt, the greatest concentration of wealth in the fewest hands has taken place ever in the history of the Nation.

Mr. Chairman, today we are confronted with one of the most difficult

pieces of legislation that has ever come before this Congress—difficult because we do not know all of the facts.

We have already given, through various governmental agencies, the astounding figure of $66,017,790,335. Against this we have received in what is referred to as reverse lend-lease $7,811,049,000. This can be referred to as relief funds, goods, and other economic aid that have been doled out in various ways. The largest single item went to England.

Now, in this bill we are called upon to give to the governments of three countries of Europe the astounding sum of $590,000,000. We are told by some that it will stop the march of communism. If it will do that, I will vote for it in a moment. No one has assured us that it will do that. The best we can find out about it is that Russia dislikes it. We are told that it will feed the starving millions, who are starving because of war and because of drought conditions.

As Christian, American citizens, we would authorize it for that reason. But we have no knowledge that by that process it will get into the hands of the people who need it. We have reason to believe that an effort has been made to amend this legislation so that businessmen and those scientifically trained will become a part of a program for the sole purpose of distributing these goods when they arrive in the different countries.

If I read the bill correctly, this is not included. In my personal judgment, this is a gross error. Failure to do this leaves the distribution in the hands of unstable governments—governments which may be here today and gone tomorrow and governments which are concerned necessarily with their exchange rate.

We are assuming from the President's message that this is purely a stopgap relief aid, that it is no part of the Marshall plan, that the Marshall plan is strictly and wholly a question of the rehabilitation of certain countries of Europe. I have no right to challenge this. In my own personal mind, I cannot help but feel that this is cutting the pattern in some degree as to what we shall do, if we do anything, with the Marshall plan. It is a preliminary, if you please, to the Marshall plan.

I recognize that the State Department and Mr. Truman want to use this money for diplomatic advantages. They will want to do the same with the Marshall plan, and they will oppose any change there, and I am thoroughly concerned to be of service and help to the President and Mr. Marshall, but I have a vastly greater concern in my capacity as Congressman, and that is the concern of the taxpayers of this Nation, and especially my State.

We hear again and again of the vast number of situations in this country which need attention of a domestic character, and they cannot yield to the fact that we continue to send vast sums abroad and neglect our people at home, especially those who need assistance. And, Mr. Chairman, I am not unmindful of the fact that those abroad are worse off than most of our people at home.

I cannot with good conscience vote for this appropriation unless there are certain important amendments added to it, where I could do it if I thought the finances were going through the proper channels and the goods were getting to the proper people. Certainly the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] made a strong point the other day when he said, if we are going to stop communism, we should get the food into the stomachs of the people who are hungry. It is too much to expect this to occur from any government in Europe listed in this category today.

I think the Herter amendment should be adopted regardless of its length. No group made a greater study than they did. And I think, regardless of what may be said to the contrary, that what we do here today is in substance cutting the pattern for the Marshall plan, and I challenge that again and again we will hear about this stopgap aid when the question of the Marshall plan comes up.

Let us not be led astray. The passage of this proposed legislation today will have a dramatic effect upon the economy of the United States. We will be charged again and again with bearing the responsibilities for the high prices of products. Nothing in all the world will so affect the price of consumers' livelihood as this authorization that this Congress makes today.

Mr. LANE. Mr. Chairman, I move to strike out the last two words.

FRANCE, ITALY, AUSTRIA MUST HAVE INTERIM AID

Mr. Chairman, Monday, December 1, was the dead line set by Secretary of State Marshall for final congressional action on the President's request of $597,000,000 for interim aid to France, Italy, and Austria. A week has passed, and we have not approved this emergency measure. The very word "interim" indicates the urgency of a situation which is well documented by facts. The people of Europe are desperate, and, unless help is forthcoming without delay, they may turn to communism. This is a crisis based on hunger—and it will not wait.

The humanitarian instincts of the American people are too well known and so often demonstrated that they require no verbal proof at this grave moment in world affairs.

The stern fact of the matter is that hunger, unallayed, leads to war and is therefore a threat to our own security. If we do not come to the aid of the people in Europe, they will embrace the illusion of communism as a way out of their difficulties. Once enslaved, they may be used against us. Without friends or allies, we shall stand hopelessly alone.

As Secretary of State George C. Marshall said:

I have gone at some length into the major features of the long-range plan for European reconstruction and the part that the United States can prudently and wisely contribute because I fully realize that the speedy and adequate consideration of the interim-aid program which will be the first item of business presented to you, cannot be dealt with by the Congress without understanding its relationship to the program of long-range reconstruction of Europe.

I would, however, urge upon you the necessity of a speedy decision in regard to the interim-aid program. What is immediately needed is aid to maintain the status quo in food and in the material necessary to keep the wheels turning and people at work.

It will do little good to discuss the merits of a recovery program for Europe, if in the meantime political and economic conditions have deteriorated to a point where such a program could not possibly succeed.

The problem of overseas payment has become particularly acute in the case of Austria, France, and Italy. It is clear that the people of these countries in the absence of immediate assistance will, during the next few months, begin to suffer from a lack of food and other necessities of life, and the whole economic and social life of the people will be seriously affected. Within a short time these countries will have exhausted all of the dollar resources which they can muster to maintain in the flow of essential supplies.

Austria, whose economy is carrying the weight of a military occupation of four powers, has been able to survive in recent months largely through the assistance rendered to her under the United States foreign-relief program. These funds will be exhausted shortly after the beginning of the year. The dollar resources of France will permit her to procure essential food and fuel from abroad only until the end of December. Because of her rapidly dwindling reserves she took steps at the end of August to reduce sharply the placement of contracts for most other imports. Italy's financial situation is even more serious than that of Austria or France. Last June the Italian Government took steps to eliminate the purchase of most of the raw materials and supplies which she required for the operation of her economy. The United States foreign-relief program has been able to provide food and coal until the present time. Funds are not in sight, however, beyond the 1st of December to maintain the flow of these necessary commodities.

In order to meet this emergency, I recommend that you give immediate and urgent consideration to a bill authorizing the appropriation of sufficient funds to provide the supplies necessary to permit the people of these countries to continue to eat, to work, and to survive the winter. This is not a recovery program. It is designed to help provide the essentials of existence to the people of these three countries.

To accomplish this purpose, it is recommended that the Congress authorizing an appropriation of $597,000,000. Of this amount Austria needs $42,000,000, France needs $328,000,000, and Italy needs $227,000,000. These funds should be sufficient to meet the situation until March 31, 1948, before which time we hope that some decision may have been taken by the Congress regarding a broad recovery program. The program of interim aid would be concentrated largely on such items as food, fuel, fertilizer, fibers, seeds, and medical supplies. With such resources as they can make available, the countries should be able themselves to procure other imports needed to prevent economic deterioration. Interim aid should be given to these countries under agreement to make efficient use of the commodities which we would supply. They should also include a provision that the receiving government make known to its people the purpose and source of our supplies and that it would make available full information concerning their distribution and use. The urgency of the situation is so great that I recommend that no new agency be set up to handle this interim program. The time required to organize such an agency, to hire personnel, and establish new procedures would defeat its very purpose. Whatever agency might be created to administer the long-term European recovery program could, of course, take over the operation of interim aid as soon as it comes into existence.

We must not fail to meet this inspiring challenge. We must not permit the free community of Europe to be extinguished. Should this occur, it would be a tragedy for the world. It would impose incalculable burdens upon this country and force serious readjustments in our traditional way of life. One of our important freedoms—freedom of choice in both domestic and foreign affairs—would be drastically curtailed.

Whether we like it or not, we find ourselves, our Nation, in a world position of vast responsibility. We can act for our own good by acting for the world's good.

In these sober words, the Secretary of State has confronted us with a task which we must do without delay. It is part of a foreign-policy program upon whose success or failure the peace and the happiness of the world depend. It is an issue of such grave import that it should be free from the intrigues of domestic politics. To their great credit, we admire the support being given to this policy by two Republican leaders, namely, Chairman ARTHUR H. VANDENBERG, of the Senate Foreign Relations Committee, and Chairman CHARLES A. EATON, of the Committee on Foreign Affairs of the House.

There is some danger, however, that a few Members of Congress may attempt to cripple the effectiveness of the interim-aid program through amendments offered in the name but not the substance of economy. We cannot compromise on need. We cannot ask another generation of Americans and Europeans to pay for our deficiency with their blood.

The Secretary of State, for reasons of diplomacy, could not very well single out Soviet Russia and its expansionist policy, as the force which fosters and thrives on the economic collapse of other nations, but we know this to be the central fact.

Those Members of Congress who toured Europe this past summer and early fall, in order to survey the situation, are almost unanimous in their opinion that interim aid is imperative. Upon what we do now hinges the fate of Europe. Delay or short-sighted economy will wreck the program of long-range recovery.

The Communists know this. They are hopeful that, on the eve of a Presidential election year, some of our Members may be inclined to play politics with this life-or-death measure. I feel certain that the Communists are going to be disappointed. The Members of Congress have acquired a world-conquering march of fascism, we shall match the movement of any other aggressor by countermovement in order to head off war. We, in concert with other peace-loving nations, will act before it is too late.

This we shall do through the medium of the interim-aid bill, as a first and essential step. By constructive methods, helping others to help themselves, we shall halt those who wish to destroy.

With food and fuel and clothing we shall help men to preserve their freedom, and give them strength and hope to pick up the instruments of peace for their own progress and that of the world. In this way we shall confound the Communists, the Fascists, and any other totalitarian forces who would ruin that they might rule.

The time is short. The emergency is acute. An adequate interim-aid appropriation shall be our swift and effective response to Europe's desperate cry for help.

Mr. KEOGH. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEOGH. Mr. Chairman, as one who was privileged to travel with the Select Committee on Foreign Aid, I can attest to the urgency for the speedy enactment of the pending bill. While it includes interim aid only for the named countries—France, Italy, Austria, and China—I should like to express the hope that the Committee on Foreign Affairs will give early consideration to a program of long-range aid. In this latter connection, I urge that the Committee consider the inclusion within such a program of those countries faced with the necessity therefor. It is particularly important, I think, that consideration be given to such valiant allies and sturdy friends as the people of the new but already great Philippine Republic.

Mr. KELLEY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KELLEY. Mr. Chairman, there can be no recovery or reconstruction in western Europe without the reconstruction of the mines in the Ruhr district, providing for full production of coal with the necessary facilities for transporting the coal to the consumer. We must have coal or nothing.

This definite conclusion was arrived at after an intensive study of the conditions in western Europe this summer. After completion of my mission at the International Labor Conference in Geneva, I took the opportunity of visiting Austria, Germany, France, Italy, and England. I shall not dwell upon the state of the people in the countries which I visited; except to say that misery, ruin, and malnutrition are prevalent to a degree which cannot be appreciated unless witnessed. My purpose here is to direct attention to the fact that the vital point of recovery in Europe lies in the reconstruction of the mines in the Ruhr district, which, for some reason, has not been accomplished up to this time. There is a strong indication that our administrators in western Germany may bear a heavy responsibility for this failure.

Western Germany is the key to the recovery of western Europe. I was deeply impressed with the dormant condition of all industry in western Germany. The condition of the Ruhr coal fields is appalling, and after 2 years we have made little headway. There is now in operation a joint arrangement between the United States and Great Britain for control of the coal mines in the Ruhr. Before the war coal production was around 700,000 tons a day. In the past summer it was around 220,000 tons a day, and recently it has gone to 270,000 tons a day, about one-third of what it should be. This 270,000 tons a day was cause for much applause in the offing, but, from my point of view, there is nothing to applaud, for the recovery of western Europe has been retarded greatly by the failure to produce sufficient coal from the Ruhr mines and to transport it to the consumer. There can be no satisfactory operation of these mines with a dual arrangement, a divided authority. Furthermore, the British Coal Control Board at Essen emphatically stated that all coal produced in excess of 250,000 tons a day would have to be stocked, as there were not sufficient facilities for transporting it to the point of consumption.

To continue our policy, practiced for the last 2½ years, of furnishing Europe with the mere means of subsistence will mean our keeping these millions of people alive for generations. What should have been done at the outset was to direct our policy toward recovery, putting these people back on their own feet and getting them off the backs of our taxpayers. Again I reiterate that this cannot be done without full and substantial production of coal from the Ruhr district. This district, by the way, has the largest coal area and the richest coal in Europe. The only way such full production can be accomplished is by turning over the operation of the Ruhr mines to American management. Send to the Ruhr district the most competent engineers, technicians, and administrators possible to obtain in this country. I am sure it can be done. I believe some of our large coal companies would be willing to lend to the Government the necessary personnel. At the present time there is no competent personnel with the United States military government in Germany to aid in the Ruhr recovery. While some people may cheer because production has gone up somewhat in recent months, it is far from adequate and it will not reach the necessary proportions for basic recovery until we establish a different policy.

Coal is basic to the prosperity of any country or area, and it is fundamental that that fact should be considered here. We have overlooked this, and it is time now, although late, for us to recognize the necessity of doing something about it immediately. The British have not made a success of the Ruhr operations. Quite the contrary, for I think their policy has retarded recovery from the very beginning. It should be plain, even to a layman, that the British, who have been unsuccessful in operating their own mines, could not succeed in the Ruhr. There are several reasons for this, one of which is that they permitted the miners in the Ruhr to believe that socialization of the mines was imminent. Besides, while the miners in the Ruhr district are organized, they were not properly managed.

I do not think that we should be easily persuaded by the antagonism of the French to the development of the Ruhr area, for with the reconstruction of the mines, there would naturally follow the reconstruction of the steel industry, providing the material necessary for the rebuilding of the railroad systems, river

facilities, and for construction of homes and business places. The fear of the French, and some other people, is that Germany would proceed immediately with another war machine and the manufacture of the implements of war, but that is a weak argument. Careful supervision by western allies would prevent that.

My recommendation that the United States assume the responsibility for the reconstruction of the Ruhr district seemed to me so sound and so vital that I carried it to the President on my return from abroad. He listened intently and without objection, and he gave me encouraging impression that he felt as I do about it. I realize there are complications in such a step, for the Ruhr lies in the British zone of occupation, and the British feel it is their responsibility. However, I have the feeling that the British would be glad to relinquish their claims to responsibility in this matter in order to direct full attention to their own situation.

One might put forth the argument that coal cannot be produced sufficiently in the Ruhr until the miners are adequately fed and housed. This is true to an extent, but one must bear in mind that recovery in the coal industry means an accompanying recovery in agriculture. For instance, fertilizer could be obtained from the by-product coke plants in the Ruhr, which also should be expanded. I am satisfied that it would not take very long for us, with our own personnel, to do a complete and thorough job in this area, and I do not see why we should hesitate to move in that direction. An adequate production of coal in this area would be of great assistance not only to Germany but to Italy, France, and Austria, because these are natural markets for the Ruhr coal. In addition, it would relieve us of shipping coal to these countries at a price of $24 a ton delivered. We are now in the midst of providing stop-gap relief for these countries, and it seems so unnecessary to me that coal should be included in that relief. Of course it must be now, because production cannot be brought up within a few days; but had it been properly handled in the beginning it would not be necessary to ship coal to Europe.

The Marshall plan should, therefore, encompass and make most clear the necessity for the reconstruction of the Ruhr mines and factories, an objective which I am convinced is of first importance. In fact, I feel that the success of the Marshall plan is in jeopardy unless full production in the Ruhr is accomplished.

Mr. REES. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I am very much surprised and disappointed with respect to the address delivered by the distinguished gentleman from North Carolina [Mr. COOLEY] a few minutes ago. He is, as I understand it, one of the world travelers, one of the Members of the House who has traveled with various committees in Europe not once but two or three different trips he has made to Europe. He has also traveled in the Pacific. He is a man of wide knowledge of world problems. With all of these travels and all the information he should have gathered, he should be able to submit very important information and advice with respect to the problem confronting us today. The problem we are discussing is an extremely serious one, and that is whether or not this country is going to spend some $590,000,000 for certain countries of Europe as provided in the legislation that is before us this afternoon. The bill has been before this House since early last week.

I was very much disappointed to see the distinguished gentleman from North Carolina use the time allotted to him, including the extra 5 minutes, discussing the candidacy of a man whom he says may be a Republican candidate next year. The candidacy of this gentleman does not affect the gentleman from North Carolina at all; yet, he took all of his time to discuss some feature article that appeared in a magazine that does not suggest it has anything to do with the problem at hand. He spent his time describing a big dinner given in New York. Perhaps there should have been no party. I do not know. But that is beside the question. No wonder people say that the Congress is confused when a man of his ability and his understanding of world affairs will use his time in that manner. As I stated, I am extremely disappointed that the gentleman would do that sort of thing. Why has he not, up to this time, taken some time to discuss the important question that is before us? After a Member has traveled abroad as much as the gentleman from North Carolina [Mr. COOLEY] has done, visiting the countries of the world and since this legislation concerns European countries, we should have had before now, the benefit of his first-hand information and knowledge. Let him tell us about his experience, understanding, and knowledge of this very important problem instead of using the time of the House in the way he did this afternoon.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the distinguished majority floor leader, the gentleman from Indiana.

Mr. HALLECK. Of course, without regard to anything that has been said about action on this measure, the truth is that the majority of this House has seen to it that the matter is moving expeditiously but with the care and consideration that should be given a problem of this importance. I wonder if the gentleman will not agree with me that some of the speeches on the Democratic side of the aisle that have been made today would indicate that something almost in the nature of a filibuster is being carried on in connection with the expeditious consideration and action on this measure?

Mr. REES. I do not see how the speech to which I have just referred could in any way expedite or add to the discussion of the problem presently before us. I shall not use the remainder of the 5 minutes allotted me.

Mr. COX. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, there can be no sense in treating this proposal for interim aid to France, Italy, Austria, and China as being something other than what it is. If it is not an investment in national security—then it is a snare and a delusion—a continuation of the insane policies that have already brought us to the brink of ruin.

The bill is an integral part of the Marshall plan—the first step taken in carrying out the long-range program which the plan contemplates, and accepted as such it can be defended.

To the development of Russian power now being used to dominate the world and to enslave all mankind, our country has been the chief contributor. In conferences of the leaders of the Great Powers we lost not only that which we had the right to claim, but gave away much of that which we already had. We yielded to Russia at every point. We danced, and helped compel the rest of the world to dance, to the tune that Stalin called. We now stand in a fair way of losing everything that has not already been given away.

The terrible plight in which the world finds itself has, in the main, been due to the aggressive prosecution of the conspiracy, constructive and otherwise, found in the ranks of the so-called intelligentsia everywhere to impose a modified form of Marxism upon the world. Reform has been the standing order of the day. It is the order of the present hour. We have, to our sorrow, been subjected to much of it.

Mr. Chairman, if this bill is not anti-Communist, if it is not anti-Russian, and if it does not have that meaning to the rest of the world not already stuffed into the greedy maw of Russia, then it is suicidal and had better be thrown into the discard. Treated as a defensive measure to the war that Russia is waging against us, I give the bill my support.

Let the peoples we help be made to know that we do not want a foot of their soil nor a single trade advantage. That all we seek is peace and security for ourselves—peace and security for the world. That we regard communism as a conspiracy against liberty and freedom, and, therefore, we fight communism and the defenders of communism both here at home and abroad.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. COX. I yield to the gentleman from Minnesota.

Mr. KNUTSON. According to Senator BYRD we have given away in one form or another since the end of the war $24,000,000,000; is that true?

Mr. COX. Oh, we have given away billions and billions and billions.

Mr. KNUTSON. We gave nearly $3,000,000,000 to UNRRA, and what did we accomplish through UNRRA?

Mr. COX. Well, UNRRA, I do not think, was a success.

Mr. KNUTSON. All right. Let us go a step further. What did we accomplish through the British loan? Even the English say it was a mistake?

Mr. COX. Well, I think too much of the British loan was used to sustain the government in power and too little used for the reconstruction of her war-wrecked economy. But let me say to my friend, we are trying to save western Europe. If we lose western Europe we

might just as well make ready to take on the yoke that Stalin will impose.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

The Clerk read as follows:

SEC. 3. The President, acting through such departments, agencies, or independent establishments of the Government as he shall direct, may, by allocation of funds to any such departments, agencies, or independent establishments, or by establishing in this country credits subject to the control of the President, available to the government of a recipient country, whenever he finds it in furtherance of the purposes of this act and upon the terms and conditions set forth in this act—

(a) Procure, or allocate funds or establish credits for the procurement of, from any source—

(1) Food, medical supplies, processed and unprocessed materials for clothing, fuel, fertilizer, pesticides, and seed; and

(2) Incentive goods, consisting of commodities not in short supply in the United States, including Government-owned stocks, to be used, distributed, or sold in a recipient country; under a specific agreement previously entered into pursuant to section 5 (g), to increase the production or distribution of locally produced commodities referred to in paragraph (1) of this subsection (a);

(b) Transport and store, or allocate funds or establish credits for transportation and storage of, such commodities;

(c) Transfer such commodities to any recipient country;

(d) Incur and defray expenses, including administrative expenses and expenses for compensation and travel of personnel, for carrying out the purposes of this act.

Mr. VORYS. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. VORYS:

On page 2, line 16, after "seed", insert "required in a recipient country on or after December 1, 1947."

On page 2, line 17, after "goods", insert "required in a recipient country on or after December 1, 1947."

Mr. VORYS. Mr. Chairman, this amendment simply provides that the interim-aid program, if enacted, will proceed from December 1, 1947, as was contemplated when we were called into extra session. If it is not adopted, France, for instance, will be forced to spend from her availabilities for other purposes the sum of over $58,000,000 in the first 21 days of December for relief supplies, so that she will be unable to carry on the rest of her economy as the whole plan contemplated. This amendment will merely have the bill carry out the purposes for which we were called back into session and have the timing agree with the program which has been presented to us. The amendment was adopted unanimously by our committee after it was called to our attention.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I understand the gentleman states that this amendment is necessary, fixing the date as of December 1, to take care of the needs of recipient countries. If I am correctly informed, the program for France will begin on December 1, but the program for Italy will not begin until January 1. Is that correct?

Mr. VORYS. The gentleman is correct as to France. I understood that the procurement for Italy would have to start before January 1.

Mr. AUGUST H. ANDRESEN. That is not the interpretation I have been given not only by the State Department but by the Department of Agriculture. There will be no need in Italy until after January 1. In fact, the report of the committee states that the program for Italy will begin January 1.

Mr. VORYS. The amendment merely refers to supplies, "required in a recipient country on or after December 1st." As the gentleman well knows, this is a matter of no great importance except in this respect: It is important to keep the pipe lines filled and moving, and not have these countries expend their available dollars for things we are going to send them, and thus cripple themselves later for carrying on their general economy. That is the purpose of this amendment.

Mr. AUGUST H. ANDRESEN. Is it the understanding that the program for Italy is to be moved up to December 1?

Mr. VORYS. No, it is not.

The estimated payments by France during the first 20 days of December include $20,210,000 the week of December 1 to 7, $18,490,000 the week of December 8 to 14, and $20,067,000 the week of December 15 to 21.

Those payments will have to come out of the estimated $228,000,000 which the French were expected to finance out of their own resources for other than relief supplies. This merely permits the program to be carried on as it was presented.

Mr. AUGUST H. ANDRESEN. Who gets the money? Does the United States get the money?

Mr. VORYS. Yes, it merely makes it available. As the gentleman knows, this bill is prepared so that no foreign country gets any money. They merely get credits subject to the control of the President, or they get an allocation of supplies.

Mr. AUGUST H. ANDRESEN. There are many provisions in the bill which are very confusing to me, and I have tried to give it very careful study.

Mr. COLE of New York. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. COLE of New York. May I inquire of the gentleman whether in his opinion, he being one of the authors of the bill and one who has given a great deal of thought and study to it, whether the authority contained in section 3 can possibly be construed as authorizing the transfer to any recipient country of any fissionable products which this country has?

Mr. VORYS. No, I think it very clearly cannot be so construed. That was gone into in the other body.

The CHAIRMAN. The question is on the committee amendment offered by the gentleman from Ohio [Mr. VORYS].

The question was taken; and the Chair being in doubt, the Committee divided; and there were—ayes 129, noes 3.

So the amendment was agreed to.

Mr. CASE of South Dakota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota:

On page 2, lines 3 and 6, after the word "such", insert "existing."

And in lines 7, 8, and 9, strike out "or by establishing in this country credits subject to the control of the President, available to the government of a recipient country."

Mr. CASE of South Dakota. Mr. Chairman, there are two parts to this amendment which I believe will commend itself to the sober consideration of the Chamber.

In line 3 and line 6, on page 2, before the words "departments, agencies, or independent establishments," the amendment would insert the word "existing." I offer the amendment at that point to make clear that the authorization created by this act does not authorize the President to create new departments, agencies, or independent establishments of the Government. I am sure that was within the intent of the committee.

The second part of the amendment proposes to strike out the words which appear in lines 7, 8, and 9, which read: "or by establishing in this country credits subject to the control of the President, available to the government of a recipient country."

In that connection I want to point out that what this bill does, if those words remain in the bill, is to authorize the creation of a fund of $590,000,000, which will be available for the President to expend under such credits as he may establish and make available to a recipient country without any requirement whatsoever as to accounting procedure or expenditures in line with established procurement procedure.

We never did that in the war. Never during the war did we create a kitty of $590,000,000 for the President to expend on his own whim. Never during the war did we say he could be the sole judge of what countries should get his money in that amount. Never did we give him such power to place orders with such companies as he desired.

On page 9 of the bill there is a provision that the funds authorized under this act, when allocated to any department, agency, or independent establishment of the Government, shall be available for obligation and expenditures in accordance with the laws governing obligations and expenditures of such department, agency, or independent establishment or organizational unit. That is, if the President should expend this money through an existing agency of the Government, then the money would be subject to the usual accounting practices and laws governing that agency or establishment. But if he sees fit to establish credits for a foreign country, they expressly are made subject to his control alone, and there is no provision for following the ordinary requirements in Government procurement, or the princi-

ples of the Budget and Accounting Act or the audit regulations of the General Accounting Office, or anything of that sort.

If those words remain in the bill, you will have created a kitty of $590,000,000, which is greater than any cash kitty that was ever put at the disposal of a President, without any control over it whatsoever. That violates the spirit of the Budget and Accounting Act. It violates the spirit of the Corporation Control Act, and it violates the principles and precedents of the House as far as making funds available to the executive branch are concerned.

Therefore, I urge that you vote for the amendment and put in the word "existing" at the place indicated, and then strike out the language which would enable the President to ignore the present laws regarding obligations and expenditures.

Mr. OWENS. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. OWENS. You want us to vote separately first on the word "existing" and then the other later?

Mr. CASE of South Dakota. If the gentleman wants to ask for a division of the amendment, of course he can do that. There are two propositions. I offered them together because I thought they tied together.

The CHAIRMAN. The time of the gentleman from South Dakota [Mr. CASE] has expired.

Mr. VORYS. Mr. Chairman, I rise in oppostion to the amendment.

If the committee will turn to section 10 on page 7, the committee will find that the bill provides, as is contemplated by the report and the hearings, that this shall be administered entirely by existing agencies until such time as the Congress shall bring up some new agency. The bill provides that the existing agencies shall administer this bill.

On the matter of striking out the words providing for the establishment of credits subject to the control of the President, precisely the same administration is used under Public No. 84, the relief assistance bill, which we adopted after 3 months' debate last spring; I have heard no complaints made about the procurement system which is in effect under that bill. The procurement part of this bill is patterned on the machinery now existing and functioning satisfactorily, for at least a temporary period, under Public No. 84, the relief assistance bill. In that bill there was a provision for the allocation of supplies and the use of credits, subject to the control of the President, so that all procurement would be under the control of our officials, and there would be no bidding in the markets.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. JUDD. The language the gentleman's amendment would strike out, was adopted by the committee as a limitation on the Senate version which provided that the President could allocate the funds to our own department, agencies, or independent establishments; or by making funds available to the government of a recipient country. We felt that our dollars should not be put into the hands of any foreign power to spend as it wished, here or elsewhere. So we provided that the President cannot allocate funds but can establish credits in this country which will be available to the recipient country but subject to the President's control. That is exactly the way the law reads now.

Mr. CASE of South Dakota. I know, but there is no obligation to accept the version of the other body. Certainly the language pointed out by the gentleman from Ohio does not counteract the exact language of the bill that the President may do this by setting up such credits for a recipient country as he wants.

Mr. VORYS. Not as he wants.

Mr. CASE of South Dakota. Section 10, cited by the gentleman, states that he may delegate to an existing agency any of the powers or authority conferred on him. It does not say he shall; it does not require him to use an existing agency. The language of the bill as now written certainly does permit the President to set up foreign credits and control them as he sees fit.

Mr. VORYS. I might point out to the gentleman that on the bottom of page 7 of the bill occurs this language: "responsibility for administering in the recipient countries the program of assistance provided for in this act shall be vested in the field administrator of the United States foreign-relief program."

Mr. CASE of South Dakota. That may be, but it does nothing about the language which reads "by establishing in this country credits subject to the control of the President, available to the government of a recipient country."

He, under this language, could make the credits available in this country and the administrator over there would not even touch it until after the recipient country had spent the credits.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The question is on the amendment offered by the gentleman from South Dakota.

The question was taken; and on a division (demanded by Mr. VORYS) *there were—ayes 96, noes 70.*

Mr. VORYS. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. CASE of South Dakota and Mr. VORYS.

The Committee again divided; and the tellers reported that there were—yeas 132, noes 117.

So the amendment was agreed to.

Mr. COUDERT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COUDERT: On page 2, line 17 through line 24, inclusive, strike out line 17 from "(2) incentive goods" through line 24, ending with "subsection (a)."

Mr. COUDERT. Mr. Chairman, I am offering this amendment not because it may save money, because I do not know. Nobody can know what the effect of eliminating this paragraph might be on the ultimate expense of this program. I am offering the amendment, however, for a much more important reason. I think that it is necessary in order to keep faith with the American people. Only a few moments ago the distinguished gentleman from Ohio, who is in charge of this bill referred to "relief supplies." The administration and others have been selling this bill from Maine to California for these many weeks as a relief bill to save the starving and warm the cold. Now, in paragraph 1 of that section provision is made for the acquisition for foreign relief of all of the necessary relief goods. Listen to this paragraph, gentlemen:

(1) Food, medical supplies, processed and unprocessed materials for clothing, fuel, fertilizer, pesticides, and seed.

What I move to strike out is an omnibus clause that would permit the administration to buy any known thing under the sun and the moon and the stars, under the euphonious and exotic term "incentive goods."

If the bill passes in this form the administration or its agents who carry out this program, will be able to buy a shiny new automobile for that friend of the administration in some foreign country; he will be able to buy toastmasters and mixmasters, and all kinds and every kind of goods. Now, you do not eat automobiles, you do not put them on your back to keep warm. You do not need this paragraph in a relief bill, and I say in fairness to the American people and to conform with the propaganda and the assertions of the administration in support of this bill, that this provision should be stricken out. The bill would then continue to be, as far as this paragraph is concerned at least, a relief bill in a proper sense.

Mr. JAVITS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in opposition to this amendment and in favor of the provision contained in the bill as written by the Committee on Foreign Affairs. The gentleman from New York argues that we are here "To keep faith with the American people," and I agree with him thoroughly. We are here to keep faith with the American people; but I would assume that the American people sent us here to Congress to use our heads, and I have rarely heard an argument that was more blind to the realities of the situation than that which supports this amendment.

One of the great difficulties in Europe that every Member who has traveled there, who has appeared here on the floor has talked about has been the existence of black markets and the difficulty of getting the farmers of France and Italy in view of unstable currencies and lack of consumer goods, to give up all their grain to the use of the community—especially of the people in the cities. We have that in our report, for example, on Italy. It is conservatively estimated that if you could scratch the bottom of the grain barrel of Italy's farmers you

could get at least half a million tons in collections for this very period we are considering in this bill, and you might even get 1,000,000 tons. We are providing coal under this aid bill. By superhuman effort in work men can mine more coal. That is a question of more than normal activity.

Certainly what we want to do is to encourage the French and Italian farmers to give up their grain and to encourage coal miners to mine coal and to help to restore the productive activity of these countries.

There are two ways of restoring productive activity. One way is with a bayonet. That is the Communist way, and many Members would be up here heatedly arguing that that is not the kind of system we want, and that we ought to spend not only treasure but blood if it were necessary to avoid that kind of a system. But this amendment is leveled against the only other way which democracy knows of getting the job done—by making it worth while in terms of human satisfactions in order to get it done.

All this section says is that incentive goods shall be made available for the purpose—and I emphasize that—for the purpose of producing locally these very relief supplies of food and fuel.

What are incentive goods? Incentive goods are textiles, incentive goods are cigarettes and pots and pans, incentive goods are all the knickknacks and little home items which make life a little happier, which encourage men to work harder.

The only way in which the remotest impression was made upon the German coal miner in the Ruhr to get him to pick up his production somewhat was to give him additional food—incentive goods. The greatest example of recovery in Europe, which is the example of Belgium, is occasioned only by the fact that it is the triumph of incentive goods. In Belgium the government opened the door wide to all kinds of textiles, pots and pans, and radios and appliances which interest people and to get which they are willing to work harder.

The Committee on Foreign Affairs in this bill is trying to use its head. It is trying to get the most self-help out of the countries we are trying to aid, and to see that the least burden falls upon our own economy. If you adopt this amendment you are cutting off the opportunity of keeping faith with the American people by letting us use our heads.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from New York.

Mr. COUDERT. I appreciate the observations of the gentleman as to my blindness. I know full well that my oculist at least would agree with him. I hope the House will not.

Is it not a fact that the gentleman's only defense of this perfectly ridiculous and anomalous provision is that he thinks it will completely make over those European economies that the long-term Marshall plan might be intended to make over? In the meantime, however, the incentive goods, which would include automobiles and every other known form of goods, certainly are not going to be sufficient to make over the economies of these countries and provide inducements for 100,000,000 people to work a little harder so they will have a little something more.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment. I think we should encourage everybody to produce, and provide an incentive for him so that we can get abundant production, in order to save the American citizens. We have an incentive by way of wages in the United States, so that a man who works will earn wages and will be able to buy those goods that go to make up the comforts and luxuries of life for himself and his family. The trouble is that in France and Italy, France in particular, the average laboring man gets about a dollar a day, or 280 francs, so he does not have very much money to buy the incentive goods that are available in the stores in Paris and other communities in France. If he could earn a little more money, he would have the means with which to buy the incentive goods that are available in the different stores in France and also in Italy. Some might try to make you believe that merchandise is not available. I have visited a good many stores in both Paris and Rome, and we found that all kinds of merchandise is available, but the prices are high just as they are in this country.

There is a shortage of labor in France. People there could work a little harder, but I doubt very much that if we were to give them a package of cigarettes or an automobile or radio, something else as an incentive which our American taxpayer should not be required to supply, whether we would get any more work out of them with their present socialistic government. In Italy they have an overabundance of labor. In fact, the French people are trying today to get 200,000 idle Italians into France to work the coal mines, because the French people will not do that kind of work. We would be better off if we provided to give some incentive to the Italian unemployed to go up to France to work, rather than to dish out radios and cartons of cigarettes and washing machines and fur coats and a lot of other incentive items to the people to do some more work, all of which is to be paid for by American taxpayers.

I hope this amendment will be adopted. I am surprised that the committee put it in the bill. The Herter committee, of which I was a member, did not recommend incentive goods. It was urged upon us to recommend the giving of incentive goods to these different countries, but we did not agree on that point. We mentioned it in our report.

Where incentive goods are necessary maybe in Germany because the value of the currency there has depreciated to such an extent that cigarettes are far more valuable as currency than the marks that are being issued. Germany is not involved in this legislation. Therefore when it comes to France and Italy, who are the two main beneficiaries of the provisions of this bill, they certainly do not need incentive goods to be provided at the expense of American taxpayers.

Mr. HERTER. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. HERTER. There was a recommendation made after our report was written with regard to incentive goods. That recommendation was circulated to all members of the committee. It was put in the report, as a recommendation, but only one member objected to it, and that is the gentleman now in the well of the House. Every other member of the committee was in favor of leaving incentive goods in the bill.

Mr. AUGUST H. ANDRESEN. I have no desire to question the chairman of the special committee. In fairness, we must keep the record straight. The committee did not reach any agreement on incentive goods, and, to prove my point, I quote from page 7, section C, paragraph 5 of the report which states as follows:

> It is the committee's view that consideration should be given to suggestions which have been made to it that the Corporation should also be permitted to use a small specified portion of its authorized capital to provide incentive goods.

It will be noted that the committee simply stated that consideration should be given to the idea, and therefore no specific recommendation was made. Furthermore, the idea was to be considered in connection with the corporation recommended by the committee, which proposal is not embodied in the bill before the House.

I am glad to have that correction. I have not changed my opinion, because we did not reach any agreement as members of the Herter committee. In spite of my opposition and writing an amendment to it so that the Members would know that it was simply recommended to the committee, the clerk who prepared the report left my amendment out and tried to correct it afterward. I believe the gentleman will also concede that that is correct.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. COLE of Missouri. I fully agree with the gentleman that starving people should not need any incentive to alleviate their suffering.

Mr. AUGUST H. ANDRESEN. Let us do this—if the people over there are hungry, and if they need incentives, let us give them an extra loaf of bread. Let us give them a pound of lard. Let us give them some flour, or let us give them some other of these vital commodities which are provided for here, so that they can do better by their families, and in that way do more work and produce more goods.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. JUDD. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, one of the great concerns that Members have quite properly expressed is that we do not denude America of commodities like grain, which are in short supply, and thereby increase the price of such commodities for American consumers. The whole purpose of this section is to husband as carefully as we

can the commodities in short supply here in America. In France and Italy, there are farmers who are not willing to sell their grain for the only thing they can usually get for it, depreciated currency. They are hoarding it in their basements or under the floor, or more frequently are hoarding it in too numerous or too fat hogs and cattle, because they do not want to sell their grain for paper francs and lira, which won't buy much now and which they fear will go down even further.

But they will sell it for commodities they need or want. They will bring out their wheat and exchange it for something the family wants.

When we have something in long supply here, like tobacco, we could use this money to buy and send tobacco for sale to farmers over there, thereby bringing into circulation thousands of bushels of wheat. Then we would not have to send so much of our wheat, and increase the price of flour for the consumers in your home town. Inasmuch as we are going to spend a certain amount of money anyway, is it not wise to spend as much as feasible of it for commodities that we have plenty of, if sending such commodities over there will liberate such essential foodstuffs as they have and are holding back, which are in short supply here?

The gentleman from New York spoke about the possibility of sending automobiles. If he will look in line 18, it specifies, "Commodities not in short supply in the United States." Automobiles are in short supply in the United States. Obviously, they could not be sent over. The authority applies only to those commodities where our production has caught up with our domestic demand or there is already a surplus on hand here. To spend some of the money for the type of commodity for which the farmers of recipient countries are willing to trade their grain or hogs or their cattle or butter, when they will not sell their commodities for a currency that is depreciated and that they do not have any confidence in, in one sense bolsters their economy and their currency. Secondly, it releases the goods they have hoarded so that it can get from the farms into the cities where the hungry people are; but, above all, it protects our own price levels in this country by not exporting a single unnecessary bushel of our own commodities in short supply.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to my friend from Minnesota.

Mr. AUGUST H. ANDRESEN. Will the gentleman name some of the incentive items that are in abundant supply in this country, excepting tobacco?

Mr. JUDD. There are not very many. So the program will not be extensive. But wherever there is a commodity in abundant supply and which they want, why not use it?

Mr. AUGUST H. ANDRESEN. Well, radios are in abundant supply. Would you say we should tax the American people to buy radios to send to France and Italy?

Mr. JUDD. If the cost in taxes to the American people is the same whether we send wheat or radios, and if the radios will produce the wheat over there, I would send the radios, in order to keep our wheat here. We are short on wheat. If we are long on radios, and sending the radios will release the wheat over there, certainly we should send the radios.

Mr. AUGUST H. ANDRESEN. Would it not be better to do something to require the stabilization of the currency in both France and Italy, so that the farmers would have confidence in their currency and bring in their wheat?

Mr. JUDD. That would be wonderful but just how do you require stabilization? When the governments of France or Italy has to pay its bills and the taxes are not adequate, the only way it can get it is by running the printing presses. They cannot stabilize until they have help in increasing the supply of commodities to be bought. It is not a case of stabilize first and then we will help. We have to help in order for them to be able to stabilize. What is the use in letting the patient die before you administer remedial treatment? I approve this provision, not because I don't want stabilization, but precisely because I do want it.

Mr. OWENS. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. OWENS. Is it not rather childish for us to say we have to send tobacco and pots and pans and textiles over to the people of Europe to have them give the grain and other foods, that they have in abundance, to their own folks who are supposed to be needing it there?

Mr. JUDD. Well, you know that human nature is the same in Europe as it is here. The only way governments can get these supplies is either by providing incentives, under the kind of system that you and I want, the system based on individual freedom, or by exercising compulsion, that is, go out and seize them. If we want to force those governments into becoming police states, then we would need only to follow your advice. I do not want to force them into police states. With appeals to patriotism and humanitarian motives, a great deal comes in, but there are still people in every country who will not turn over their hard goods for currency in which they have little or no confidence.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. JUDD] has expired.

Mr. KNUTSON. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota [Mr. KNUTSON]?

There was no objection.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield, of course, to my colleague from Minnesota.

Mr. KNUTSON. I wonder if my good friend, who is an eminent doctor, will tell the House just how many calories there are in a small portable radio.

Mr. JUDD. There are no calories in a small portable radio, but if a small portable radio produces 50 bushels or even 50 pounds of wheat, that is a lot of calories.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. BUFFETT. Whether this bill is for the purpose of buying these radios, or buying this wheat does not the bill itself represent the forcible seizure of the savings of the American people if they do not voluntarily care to give?

Mr. JUDD. Whoever intends to vote against the bill should vote against this provision because the whole bill could conceivably come under the gentleman's definition. Every time the gentleman votes for a tax bill he votes to take money away from the American people against the will of many of them. If I go down the street, meet your wife, seize her purse and take money out of it they can put me in jail; but if I vote to pass a tax bill which takes the same money out of her purse, they do not send me to jail. All taxes, in a sense, are legalized seizure.

Mr. BUFFETT. But there are legitimate costs of government. They should be met. Does not the gentleman recognize that there is a limit to Government spending beyond this field?

Mr. JUDD. Yes; and national defense comes high in the list of legitimate costs. If the Government of the United States and the people of the United States think it is in our own national interests to help free peoples stay free against the awful onslaught that is being made against them, and if we are going to mobilize our own resources for that purpose, I want to mobilize them in the most intelligent and effective way we can, in order to get the maximum benefit for our own security; and I want to see it done with the least dislocation of our own economy. That means using as little as we can of the commodities in short supply.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to my friend and colleague.

Mr. O'HARA. I would like for the gentleman to speak about goods in short supply and the provision of the bill dealing with them. Who decides what goods are in short supply?

Mr. JUDD. Since we adopted the Case amendment the section reads:

> The President acting through such existing departments, agencies, or independent establishments of the Government as he shall direct, may, by allocation of funds to any such departments, agencies, or independent establishments—

And so forth. They would have control of purchase for export, and determine what goods are in short supply. I am sure the gentleman will agree that the Department of Agriculture is not going to buy and export any more wheat or other things in short supply in this country than it can help.

Mr. O'HARA. Does the gentleman know how many thousands of short supply articles there are in this country being purchased and exported by the Government now under its aid program and under individual export program?

Mr. JUDD. Yes, and this provision for incentive goods is set up precisely to restrict the export of articles in short

supply, to correct the thing the gentleman is complaining about.

Mr. O'HARA. Mr. Chairman, will the gentleman yield further?

Mr. JUDD. I yield.

Mr. O'HARA. We have had a short supply control program in the hands of the President. Why has it not been controlled so far?

Mr. JUDD. This subsection states even more specifically the intent of Congress that he should reduce the drain on goods in short supply, and provides a means for that end.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. VORYS. The bill passed by the other body contains the words at this point "and other commodities," taking in almost everything.

Mr. JUDD. Yes; that is right.

Mr. VORYS. The amendment proposed by the gentleman from New York leaves in the words "incentive goods" but strikes out all of the limiting language which the committee had provided, and therefore leaves it as wide as proposed in the other body. It was the purpose of our committee not only to provide incentive goods but to say what we meant by it and to show that they must not be in short supply in this country.

Mr. JUDD. Yes; our purpose was not to expand but to limit the power of agencies to buy and export commodities in short supply.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. DONDERO. It is just a little bit discouraging to me while we are considering this bill to know that in France today there are 2,000,000 men walking the streets on strike, which is costing France some $40,000,000 a day. They have been on strike 20 days; that is $800,000,000; while we are considering a bill of less than $100,000,000.

Mr. JUDD. Of course it is discouraging, but that is in my judgment an urgent reason why we should pass this bill. There are also in France some 36,000,000 other people fighting against the efforts of the 2,000,000. We have got to uphold and strengthen the hands of the 36,000,000. The worse the situation is, the more help they need, and the more we need to give, if we can. The worse the disease the more drastic, usually, the remedy.

Mrs. DOUGLAS. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mrs. DOUGLAS. The gentleman did not mean to leave the impression that there is enough grain in Europe at the moment?

Mr. JUDD. No, indeed.

Mrs. DOUGLAS. If we could get every ounce of grain there by sending enough incentive goods to France, there still would not be grain enough to feed themselves. What the gentleman meant to say was that we hope by this amendment to scrape the bottom and get every last bushel of grain off the farms into the markets.

Mr. JUDD. Of course there will not be enough for their needs. The object is to bring out every single bushel of grain, every hog, every cow, every chicken, every egg, every pound of butter that we can and get them into the general food supply of the country. By equalizing the distribution, we can reduce the needs for our food supplies.

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

Mr. KNUTSON. Mr. Chairman, I ask unanimous consent that the gentleman from Minnesota may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

Mr. VORYS. Mr. Chairman, I object.

Mr. COOLEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from New York.

Mr. COUDERT. Mr. Chairman, in drafting my amendment on this beautiful little white sheet of paper—the sponsor of the bill is quite correct—I did not accurately state what was in my mind. I did leave in a couple of words I meant to take out of the bill. I therefore ask unanimous consent that the form of my amendment be altered to conform with my purpose which is to strike out the entire paragraph relating to incentive goods.

The CHAIRMAN. The Clerk will report the amendment as now proposed.

The Clerk read as follows:

Amendment offered by Mr. COUDERT: On page 2, line 17, through line 24, inclusive, strike out all of lines 17 through 24.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Chairman, I was a member of the Herter committee, the members of which were appointed by the Speaker of the House. The committee was composed of 19 men. It was never my opportunity or pleasure to work with more sincere men than the members of this committee. The committee was made up of Democrats and Republicans, but, above all, the committee was composed of Americans and they went to Europe for a serious purpose.

After a careful survey of the situation in the European countries, and after we had visited many of the countries of Europe, I, personally, having visited 12 countries, and having conferred with the high officials of all of the foreign governments we visited and with our own officials, including our military and civilian personnel, in the places we visited, we came back and submitted to this body as your own special committee a report. I did not know until a moment ago that the report was not in all respects unanimous. I find now that of the 19 men, 1 objected to one part of the report. I refer to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN], who is now in opposition to this provision in the committee's recommendation.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Pennsylvania.

Mr. RICH. The gentleman's committee did not submit one report; it submitted eight reports.

Mr. COOLEY. That is true. The committee did a very complete job. It probably will submit additional reports as time goes on.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The gentleman knows that our committee never had any meeting on the subject. A memorandum was sent around. I do not know whether the gentleman ever saw it or not.

Mr. COOLEY. I am perfectly willing to agree that the gentleman does not favor this part of the report, but I heard no other member of the Herter committee object to it.

Mr. AUGUST H. ANDRESEN. Does the gentleman agree that there was only a memorandum sent around?

Mr. COOLEY. Yes.

Mr. AUGUST H. ANDRESEN. Did the gentleman see the memorandum?

Mr. COOLEY. Yes; I agree with it 100 percent and I am giving it the benefit of my full support. I went before the Foreign Affairs Committee and asked the Foreign Affairs Committee to approve this very provision in the bill. Now, I would like to read what the Herter committee said.

Mr. AUGUST H. ANDRESEN. Will the gentleman also read the memoranda that was attached to it correcting the error that had been made?

Mr. COOLEY. I read everything that is material to the provision.

Mr. AUGUST H. ANDRESEN. I know the gentleman is interested in being fair.

Mr. COOLEY. Here is what the Herter committee, headed by the gentleman from New Jersey [Mr. EATON] had to say after they had visited all parts of Europe, and certainly over Italy and France and Austria:

It is the committee's view that the corporation should also be permitted to use a small, specified portion of its authorized capital to provide incentive goods, other than food, fuel, and fertilizer to certain countries which are not in a position immediately to finance the purchase of such commodities either commercially or through the Export-Import Bank or the International Bank for Reconstruction and Development. One of the chief impediments to increasing European production of vitally needed commodities is the lack of consumers' goods which can serve as incentives to labor to work harder on the job and reduce absenteeism and to farmers to raise more food and deliver more of their produce to market. The extent to which European production of food and fuel can be increased by providing at reasonable prices incentive commodities, such as tobacco and cigarettes, shoes, clothing, and other consumers' goods to miners, key factory workers, and farmers in selected food-producing regions is the extent to which we can reduce the drain on our own resources of food and fuel.

Now, not only did the Herter committee approve that unanimously except for Mr. AUGUST H. ANDRESEN'S objection, of which I was not advised, but your Committee on Foreign Affairs—and I submit there is no finer committee on Capitol Hill than the Committee on Foreign Affairs—has included this provision in the bill.

Now, what would be the sense in having a select committee and sending them out on a mission of this kind and having that committee come back to the House almost in unanimous accord and then have the House defeat this very important provision?

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Arizona.

Mr. MURDOCK. Do I understand that by voting down the amendment before us and retaining the language in the bill that these incentive goods will be able to meet the emergency in Europe and save us from a drain of wheat and other vital products and thus stabilize our own prices?

Mr. COOLEY. I agree with the gentleman's observation.

I would like to say this, as the gentleman from Minnesota, Dr. JUDD, has so well pointed out, in some parts of Europe, certainly in Italy and in France, the workers are not given much incentive to produce and put their products on the market. It is easy to stand here and say, "Why should we give incentives to starving people? Well, the fact is that the farmers of France are producing; they are working. All this talk about the people of France sitting down and folding their hands waiting for us to bring them food is a lot of bunk. They are working, and they can actually teach us something about agriculture, even though they are going about it in the fashion of peasants. But the fact is when they have produce ready for market what can they receive for it in exchange? Only a basketful of francs of doubtless value, and they cannot eat francs. They cannot wear francs. They cannot smoke francs, and if you could make some incentive commodities available, then when they went down into the mines or out into the fields and they wanted to go to town and make some purchases of incentive goods there, it is only reasonable to suppose that they would bring their produce to market. I can say this without reflecting too greatly on the French. I think that one of the greatest troubles of France today is that the Government since liberation has been timid and afraid to force measures to make the people aware of their problem and bring about a fair and equitable distribution of food.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. HERTER].

Mr. HERTER. Mr. Chairman, there has been some controversy here as to just what the Herter committee recommended on this matter. I want to get it straightened out for the record. After we had had our last meeting here and the report was being printed, it was found that this particular item that is being referred to now had been left out. It had not been discussed in the committee. I circularized a suggested recommendation to the members of the committee, who had at that point scattered, and all the members of the committee approved of it with the exception of the gentleman from Minnesota, who had every right to object to it. As a result of that, there being a misprint in the report itself, an erratum was attached to every one of the reports that was sent out to the press or that had been distributed calling attention to that fact. Therefore, both gentlemen were correct in the statements they made.

I want to say just a word in regard to the merits of this amendment. The first time I ever heard of incentive goods being used to bring out production was from Mr. Lewis Brown, who is chairman of the Johns-Manville Co., and a very distinguished member of the Republican Party. He urged to us before we even went to Europe that we study the question of incentive goods because, in his opinion, with the currency's loss of value in country after country, and the fact that the production of the countries had been unable to produce the type of things that money could buy and which gave a man an inducement to work, the question of providing incentive goods would probably be the strongest inducement that could be brought out for increasing production and for bringing from the farmer the last measure of grain that could be brought into the city.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. HERTER. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I agree with what Mr. Brown had to say, but he made his statement with respect to restoring coal production and the industries of Germany rather than have that apply to France and Italy.

Mr. HERTER. That is quite true, but he also made that apply to the industries of England. He spoke about the coal production in England and the fact that after a man had worked 3 days he was able to acquire only the rationed goods that he was allowed, and thereafter his money was no good, so he took long leaves of absence and thereby curtailed production. He even recommended that special stores be set up in the coal regions with incentive goods, including nylon stockings, and so on, to increase production.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. JONKMAN].

Mr. JONKMAN. Mr. Chairman, this is not the first experience we have had with incentive goods. In the Greco-Turkish bill we included $85,000,000 for incentive goods. My objection to it at that time was that it was a duplication, the theory being that we had already provided the money which the Greek government would pay out in drachma for industrial and agricultural reconstruction, but there was nothing for the Greek laborers to do with those drachmas, so we gave them another $85,000,000 to make them work, by giving them consumers goods to buy for their drachmas when we might have given them the $85,000,000 incentive goods in the first place and saved half the money.

In the present situation there is no provision for the money; in other words, the agency will have to use money it has received for instance for wheat, and it will have to be certain that it can pry loose more indigenous wheat with the incentive money that it uses, than what the American wheat would represent. This would of course ease up on our own short supply.

Something has been said here about cigarettes. You could purchase an awful lot of wheat with a carton of cigarettes in parts of Europe if you could put this relief plan in the hands of a smart operator. But the point is that this is going to be handled by governments. You are going to hand this money over to the governments of France and Italy, and for just what purpose are they going to use it? Are they going to be able to pry loose any additional materials?

The situation here is similar to that of a man on a desert island with a barrel of gold but nothing else. If you had a little stuff to offer him you could pry loose a lot of that gold.

It does seem to me the proposal in the bill has merit provided it is diligently applied and that it is handled in a business-like way, but if we are going to leave it to the governments it is questionable whether it will work out that way. For after all, what most of these bills do is just provide additional revenue for the governments we are helping. If it seeps down to the people, all good and well, but unless the governments let it seep down, you are not going to help an individual who is destitute and needs food in any way whatsoever.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. REES].

Mr. REES. Mr. Chairman, the amendment is to strike the word "incentives" from the bill.

The reasoning for the use of incentives is difficult to understand. The bill states funds are to be allocated to furnish the people of France, Italy, and Austria with food, medical supplies, clothing, fuel, fertilizer and seed. Then it states further they are to be provided with incentive goods to increase production or distribution of locally produced commodities. It is explained these goods may or may not be goods that will directly increase production, but particularly to induce those who have supplies of their own to release them, bring them out of hoarding, to supply people of their own country.

This is, indeed, an odd situation. I have the highest respect for the membership of this committee. That is the reason I hesitate to support the amendment—although I am going to do so.

I wonder what you really mean by incentives. What things are you going to give to the heads of these governments to trade to the farmers for the wheat or other food they have on hand. One member said we would let them have pots and pans and other utensils. The only other item specified you are going to trade is tobacco. Liquor would probably be another incentive. But what about farm machinery, for example? Is that to be an incentive? What about refrigerators and other electrical gadgets? Radios have been mentioned. This is a strange way to handle the situation. We furnish food and other necessities and then agree to send these extras to be used to sort of bribe those people to furnish necessities to their own people. Not only that, but we deliver these extra things, not to the people, but to government officials and let them distribute them as they see fit.

You propose in this bill to hand over these extra gadgets and supplies, the kind and amount we do not know, and hand them over to the Government heads and let them have full control as to what shall be done with them. We say "We are handing them over to you to be used so your people will loosen up a little and help take care of your neighbors." You say it is because the governments are too weak to get it done in any other way. As I said it is a strange proposal. What about automobiles, trucks, farm machinery. Are they classed as incentives?

I yield to the gentleman from Iowa [Mr. GWYNNE].

Mr. GWYNNE of Iowa. When we furnished relief to our own people in this country, did we furnish them with incentive goods?

Mr. REES. Why, certainly not. We furnished them relief but we did not go out and coax them by giving radios and tobacco and things like that in order to get them to produce food or anything of that kind. There was a time when our people traded with the Indians and gave them things to get along with them, but I never heard of trading with people in foreign countries in that way. If the sponsors of this legislation can justify this proposal I shall be glad to hear it. I do have the highest regard for the membership of this committee, which makes me hesitate to comment. I shall vote to strike "incentives" from the bill.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. GWINN]..

Mr. GWINN of New York. Mr. Chairman, I believe almost accidentally, certainly innocently, we have some truth here that has been brought out in the last few minutes. They do have rye and oats and barley and wheat in France and Italy. Listen to these figures which I just received. Perhaps you may know of them or have seen them, but they were a surprise to me. This is an analysis of the food situation in the 16 European countries interested in the Marshall plan. It is furnished by the Bevin committee, and is to be found in volume 2 of their report. Their production of wheat and rye is 95 percent of the 1934 or 1938 production. On barley and oats it is 103 percent of the 1934 or 1938 production. On potatoes it is 92 percent.

The trouble is that in Brittany the farmer is going around in rags because the people in Paris are striking and will not manufacture the pots and pans and pants for the folks in Brittany—the incentive goods referred to just now. Therefore, in order to get the folks in Brittany to send their wheat and oats and rye to Paris, we are asked to tax our people to send pots and pans as an incentive under section 2 of this bill to induce the farmers to send wheat to Paris. Gentlemen, it simply means that we are asked to finance their OPA. France is in the hands of their planners. They fix a ceiling on wheat and the farmers refuse to send the wheat to Paris. They fix the value of the franc so low the farmers will not exchange wheat for francs. But it is acknowledged they have the wheat in Brittany. They are hungry in Paris, so Paris planners ask Washington planners to come through. They have no intention of giving up their OPA in most of Europe. They are not going to accept freedom, freedom of enterprise, political freedom. They say to our planners at home, "You believed in the OPA over there, did you not? Well, send us help over here to salvage our OPA. We are devoted over in Europe to the idea of management and control of the world economy. Do not let us down. Send us some inducements, for God's sake, and save government management; save the police state that is already operating, and which we intend to keep on operating.'

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Pennsylvania [Mr. RICH] for 2½ minutes.

Mr. RICH. Mr. Chairman, a few moments ago you heard that we should stabilize the currency of France in order that they might be able to do business.

About a year ago our time was very much taken up talking about the Bretton Woods agreement; about a stabilization fund that would be necessary in order to stabilize the finances of those countries. Now, where is that stabilization fund that we spent months and months talking about? We paid in millions to do the job—now you are at it again. Where is the agreement that you made a year ago with those nations, trying to get the plans of the United Nations set up so that all nations of the Western Hemisphere and the world would have some part to play in taking care of the needs of those countries over there in stabilizing their currency and market? Why do you not have the UN function? You have been working for 2½ years under laws set up during the war, and here you are, fumbling around. You have fumbled the ball. The New Deal is still in power. The first thing you know you will lose this game. You will lose it because you start one thing and you only get a little way on the road and the first thing you know somebody stumbles and falls down and then you start on something else. The way the Congress has been going the last 2 or 3 years you would wreck anything. If you do not wreck America, then I am badly mistaken. You should get down to brass tacks and let the people of Europe alone. Give them a little encouragement, but stop monkeying and trying to tell them what kind of a government they must have over there. The more we tell those people that we are going to demand the form of government they must have over there the more they will condemn America for meddling in their business. I am sick and tired of it myself and I think the rest of the people of this country are beginning to feel about the same way. If you will do some of the things that have been suggested in trying to help the people by letting the people of America make donations to the people of France and Italy in order that they may feed the poor of their own countries the job would be done through our charitable organizations, as it has been done before. I am sure you would succeed. Let the Salvation Army or some of the charitable organizations feed the starving. They could do a better job than the Congress. They could do it at one-tenth the cost and 10 times better. Are you for America or against her? I feel that too many of our legislators forget our own people, in order to get on this propaganda wagon for some foreign countries. With a $260,000,000,000 debt what right have you to take $860,000,000 out of the taxpayers when our people would do it without adding this $860,000,000 to our national debt. Where are you going to get the money? Be wise and economize.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

The Chair recognizes the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I am in favor of the amendment to strike out subparagraph 2 on page 2 of this bill. Here is a piece of cold-blooded economic chicanery, wrapped up in a robe of fine fabric. Here is what this language does: It further economically guillotines our own people. Suppose I am running a factory, producing goods, and they are claimed to be not in short supply. Instead of reducing my price on the goods produced in this country to the people here who want to buy them, you give me an outlet by selling those goods to the United States Government to ship over to that country at a substantially high price. You make it possible for me to continue to maintain high prices in this country on that portion of the goods I sell to the people here instead of giving the people of this country the protection or assistance our competitive system is supposed to give them, namely, reasonable prices, good qualities, of sufficient quantity under competitive forces. Here you destroy the competitive force by moving out of this country excess goods, the goods in excess of the market demand. You would have the machinery rigged in such manner that I can continue to run my plant and produce those unwanted goods and absorb people in this country in short supply producing goods not needed, instead of producing goods that are badly needed to win the war in this country against the destructive inflation

that is in progress and in order to promote a goody-goody proposition you propose for some other part of the world. It is a shame and disgrace for the Congress of the United States to sit here and further confuse and befuddle our people with such language as this. It ought to come out of this bill. Under our system the only protection we, as consumers have, is in competition. Here we have the unique situation where the Congress rapidly moves to erase this protection.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The gentleman from Illinois [Mr. CHURCH] is recognized for 2½ minutes.

Mr. CHURCH. Mr. Chairman, I do not care to use my time.

Mr. MURDOCK. Mr. Chairman, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK. Mr. Chairman, not having been on any committee originally considering this complicated matter, I have only the thoughts that come to mind from the discussions pro and con on the amendment offered. I am inclined to oppose this amendment, especially now that I understand that only one member of the committee took the view of the author of the amendment and that virtually the entire committee favored the language in the bill which this amendment would strike out. Yes; I can see possibilities of the misuse of power granted by the language in the bill which the amendment would strike out, but on the other hand, assuming that that language in law would be properly administered, I can see great good coming from the provision which the amendment seeks to strike out. Therefore I shall vote against the amendment.

I notice that the language sought to be stricken refers to "incentive goods, consisting of commodities not in short supply in the United States." Now I can see great advantage in the use of incentive goods in this aid program, and I certainly can see great advantage in using properly such goods that are not in short supply in our country, if thereby we can reduce what short, vital supplies we must send them, and I can also see great advantage of including commodities in Government-owned stocks. Therefore, I favor this provision as it stands in the bill. To me it makes sense.

Much sarcasm has just been expressed and shown by those who think it worse than ridiculous that we should furnish farmers in the war-torn countries incentive goods to induce them to release, barter-like, their wheat and other food supplies to their fellow countrymen who live in the cities. I take it that that is because the country producers want something of real value for their food supplies so greatly needed in the cities, and I also take it that the currencies in those countries are not yet stabilized and that a pricing system does not satisfy the farmer-producer by a payment of inflated currency. Therefore he looks for some other kind of satisfactory payment, such as "incentive commodities." Well, under a free economy, how else would the supporters of this amendment—other than through a sound currency—get the rural people to dispose of as much as possible of their wheat and other foods? Should we have a police state take food away from them by governmental action? Certainly not. That sounds very much like the very thing that we are trying to prevent being set up in any part of western Europe.

It surprises me to see gentlemen who recognize the importance and soundness of free enterprise and free exchange and who are opposed to communistic force now cry out against the use of incentive goods. I should think the matter as proposed here, in case this amendment is voted down, would be in conformity to a sound economic philosophy under free enterprise. Well, that is the way it seems to me. What I want is to draw as little as possible upon America's commodities in short supply and yet accomplish the great purpose and furnish the maximum degree of satisfaction of human needs in the war-torn countries of Europe consistent with the whole aid program. If by disposing of some of our surplus commodities to be used over there as "incentive goods" we can call out of hiding in those countries wheat and other more vitally necessary supplies, and thus save the more serious drain upon our own wheat and vital supplies, I think we ought to do it that way. As I understand the gentleman from Minnesota [Mr. JUDD] and also the gentleman from North Carolina [Mr. COOLEY], that is the philosophy and purpose of the language in the bill which the gentleman's amendment would strike out. I hope the amendment is defeated and the language remains in the bill.

The CHAIRMAN. Is any member of the committee seeking time? If not, all time has expired.

The question is on the Coudert amendment.

The question was taken; and on a division (demanded by Mr. COUDERT) there were—ayes 116, noes 121.

Mr. COUDERT. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. COUDERT and Mr. VORYS.

The Committee again divided; and the tellers reported that there were—ayes 132, noes 145.

So the amendment was rejected.

Mr. BRADLEY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BRADLEY. Mr. Chairman, during the general debate on this bill, I invited the attention of the House to the fact that the provisions of the bill as passed in the other body are so wide that expenditures can be made for practically any purpose under the sun. The provisions of this House bill now under consideration are more specific—sufficiently specific—so as to prevent the purchase of ships, or other types of overseas transport with the relief funds which will be appropriated pursuant to this bill. It is my hope that the House conferees will insist on the retentions of these specific provisions so the executive agencies which may be entrusted with its administration will be restrained from the purchase of American ships with relief funds.

The American merchant marine, its owners, operators, and seamen deserve the protection of their Government. They should not be treated as poor relations and subjected to acts which take their very livelihood away from them. They should be enccuraged to carry American goods rather than being put into a position of having to struggle against their Government to get cargoes originating in the United States, paid for by the people of the United States, and shipped at the expense of the people of the United States. Some Members may think that these comments are unnecessary, but I invite your attention to the fact that there are now nearly one hundred ships operating under the Russian flag which were obtained from this Nation through the expenditures of lease-lend funds. We bought them from ourselves and presented them to Russia under whose flag they now compete with American ships on the high seas.

We do not want a repetition of such conditions.

Mr. CHURCH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CHURCH: On page 2, line 5, after the word "may" insert the words "subject to section 12 (a) of this act."

Mr. CHURCH. Mr. Chairman, I submitted this amendment, which I believe to be a clarifying amendment, to the gentleman from Ohio [Mr. VORYS]. On page 2, line 5, after the word "may", my amendment would insert the words "subject to section 12 (a) of this act." Section 12 (a) of this act is merely the appropriation part of this bill. My purpose is that the allocation of funds shall be limited to the appropriation authorized in this bill.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. CHURCH. I yield to the gentleman from Ohio.

Mr. VORYS. If the gentleman would make his amendment read, "subject to the provisions of section 12 of this act," I would agree, but putting in "section 12 (a)" limits it to these appropriations, and section 12 (c) provides for an advance on such appropriations. I understand there will be considerable discussion of that. If the gentleman merely wants to limit it to the funds authorized under this bill, by making it subject to section 12, I think he would achieve his result, and I at least would have no objection.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. CHURCH. I yield to the gentleman from Minnesota.

Mr. JUDD. Is not all of an act subject to the rest of the act? Section 12 says, "This act." That includes section

3. If we say that section 3 is subject to section 12, does that not also apply to sections 5, 6, 7, 8, 9, 10, and 11 of the act?

Mr. CHURCH. No, I think it leaves ground for confusion, and this amendment is to clarify it. When I refer merely to section 12 (a), which is the appropriation provision, I believe I am correct. The rule waived all points of order. A point of order cannot be made to this provision. If it were clear that the President could allocate funds, those funds coming out of other funds than those contained in this appropriation under section 12 (a), then it would be subject to a point of order if we had not adopted the rule waiving all points of order.

I feel perfectly clear that "section 12 (a)" is correct. If the committee will accept it for the present, I will ask unanimous consent to modify the amendment to read "subject to section 12."

Mr. VORYS. I certainly have no objection. I have not had time to consult the full committee, but it seems to me that if the gentleman's object is to prevent the President from allocating any funds from any source other than funds provided under this act, his amendment, providing "subject to section 12," would simply state what is already in here, and, therefore, I at least would have no objection.

Mr. JUDD. If the gentleman will yield further, I am certainly in sympathy with the purpose of the gentleman's amendment, but I want to make sure that when he says this will be subject to section 12 it does not imply that it will not be subject to other sections, because we have 10 strings in section 5, and I want to be sure that any allocation will be subject to those limitations of the bill.

Mr. CHURCH. I think the gentleman from Ohio [Mr. VORYS] stated it clearly, and I am willing to accept that interpretation.

Mr. VORYS. Would the gentleman agree to this, in order to take care of the point made by the gentleman from Minnesota? I am sure the gentleman from Illinois does not want to remove any of the limitations on the President but wants to make sure that no other funds may be allocated. Would the gentleman modify his amendment to read this way: After the word "funds", insert "provided by section 12 of this act," so that it would refer to the funds. This would limit the President as to funds but make all the rest of it apply, so the section would read:

The President, acting through such departments, agencies, or independent establishments of the Government as he shall direct, may, by allocation of funds provided by section 12 of this act.

Mr. CHURCH. I believe it is the same thing. Therefore, to clarify it, in order to obtain the consent of the gentleman from Ohio and the Committee, I make that unanimous-consent request, Mr. Chairman.

Mr. RAYBURN. Reserving the right to object, Mr. Chairman, I do not know that it is possible to clarify an amendment like this. As far as I am concerned, I have listened to this amendment, I have read section 12, and I have read the language in this section 3. With as much indefiniteness as there is in the mind of the gentleman from Illinois and as there must be in the minds of the gentleman from Ohio and others, I think the proper thing for the gentleman to do is to withdraw this amendment temporarily and have consultation to see just exactly to what extent this amendment goes. I do not know what this amendment does. It applies some part of the act to section 12. As the gentleman from Minnesota said, there are other sections of the bill. It does appear to me that without this language the other sections of the bill would apply anyhow. I am just a little fearful that the Committee is going to accept something here that might make all of us a little bit ridiculous.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. CHURCH. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CHURCH. May I say to the gentleman that there is that doubt in my mind that the province of the Committee on Appropriations may be invaded and that there could be an allocation by the President of funds other than those provided in the appropriation section. That is the only purpose of the amendment, to clarify that. If it may be understood that there are no other funds appropriated, I am satisfied with the language in the bill that I am trying to amend. But it does raise a doubt in my mind that that is the only purpose of my amendment to clarify the meaning.

Mr. RAYBURN. The gentleman is talking about clarifying this, but his amendment, as far as I am concerned, and as I read this, does everything except clarify it. I do not know what the gentleman's amendment means, and he has not convinced me that his own mind is entirely clear on what his amendment means. So I believe that at least temporarily it would be a very good idea from a legislative standpoint and the safe and sane thing to do if the gentleman would lay this amendment aside so that we can look it over and come to some conclusion as to what it means. Of course if the committee wants to accept the amendment, that is all right.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. CHURCH. I yield.

Mr. HOLIFIELD. Do not the words on lines 10 and 11 on the same page refer to the provisions in the act, namely, "upon the terms and conditions set forth in this act"? Is that not a limitation upon the President?

Mr. CHURCH. There is some doubt in my mind about it. It just is not sufficiently clear, and this amendment would clarify it. I hope the committee will accept it.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. CHURCH. I yield.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. CHURCH. Mr. Chairman, I ask unanimous consent to proceed for an additional 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that this amendment may be passed at the present time, and that the gentleman may be permitted to return to the amendment after section 4 has been disposed of.

Mr. CASE of South Dakota. Mr. Chairman, reserving the right to object, it seems to me as part of the legislative history it ought to be clear that the restrictions which would apply to the other funds which the gentleman from Illinois fears might be transferred by the President will be found in other acts, to wit, either in other authorization acts or in other appropriation acts—that is, the provision that funds appropriated in an appropriation bill are provided for the purposes of that act, and those acts would be controlling and would provide the restrictions which would prevent the President from transferring such funds for the purposes of this act. Whatever may be done with reference to the gentleman's amendment, it does not seem to me that his amendment does any harm. But I would not want the legislative history to indicate that the President could, even if nothing were done about this situation, take money appropriated in other bills.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio that the gentleman from Illinois [Mr. CHURCH] may offer his amendment after we have finished with section 4?

There was no objection.

Mr. WILLIAMS. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMS: On page 2, line 16, after the semicolon, insert the following: *"Provided, however,* That no such item procured or purchased hereunder shall be in short supply in the United States, and."

Mr. WILLIAMS. Mr. Chairman, I notice that the same provision was placed on subsection (2) of this section relating to incentive goods which we might send abroad. I thought possibly we could protect the American people by inserting this amendment against suffering from acute shortage of critical materials and commodities.

Throughout the country today there is a very critical shortage of fertilizer and farm machinery. The other day the gentlewoman from Massachusetts [Mrs. ROGERS] cited to the House the critical gas and oil situation in the North and East. I feel we should adopt my amendment in order to show to the American people, as well as to the people of Europe, that the needs of the American people must first be served before we serve the needs of the people of Europe.

Mr. OWENS. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS. I yield.

Mr. OWENS. May I say to the gentleman that I think he is absolutely right; we ought to support that amendment.

Mr. BLOOM. Mr. Chairman, I ask unanimous consent that the amendment again be reported.

There being no objection, the Clerk again reported the amendment offered by the gentleman from Mississippi [Mr. WILLIAMS].

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS. I yield.

Mr. SMITH of Wisconsin. Do you intend by this amendment to preclude the shipment of grains or fertilizer or fuel to Europe?

Mr. WILLIAMS. If we are suffering from a critical shortage in the United States of those items; yes, sir.

Mr. SMITH of Wisconsin. Then the answer is "yes."

Mr. WILLIAMS. Yes, sir.

Mr. SMITH of Wisconsin. I thank the gentleman.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAYBURN. Mr. Chairman, this is another one of these technical amendments offered from the floor on a technical bill, and I feel it is a dangerous operation. The gentleman's intention may be entirely correct, but are we going to say by this amendment that you cannot ship anything to those countries that is in short supply, even though we buy it in another country outside the United States of America? I just do not know what position the committee wants to take about it. They have followed this bill. They ought to know the implications of this amendment. I do not know. I could not because I did not sit through the hearings or the executive sessions on the bill. I think it would be a very good thing if those in charge of this bill would have somebody from the Legislative Reference Service or somebody else stay around here to tell us the implication of amendments that may be offered.

Mr. FULTON. Mr. Chairman, I should like recognition to answer the gentleman.

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 5 minutes.

Mr. FULTON. Mr. Chairman, I will take a short minute to explain this. I rise in opposition to the amendment.

Mr. Chairman, this amendment is offered by the gentleman from Mississippi to the main procurement clause of the bill which states:

> The President * * * may * * * (a) procure or allocate funds or establish credits for the procurement of, from any source (1) food, medical supplies—

And so forth. This particular amendment offered at this particular place, if adopted, would be the equivalent of striking out the enacting clause of the bill.

It also, as the gentleman from Texas amply pointed out, prevents procurement from sources in outside countries if the article or commodity is in short supply in the United States, or if it is in short supply in other countries.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I am glad to yield to the author of the amendment.

Mr. WILLIAMS. I wish to clarify my amendment by asking unanimous consent to amend it.

The amendment I presented reads as follows:

> *Provided, however,* That no such item procured or purchased hereunder shall be in short supply.

I should like to modify it to read:

> Procured or purchased in the continental limits of the United States.

I ask unanimous consent so to do.

Mr. VORYS. Mr. Chairman, reserving the right to object, this is the third amendment in a row that we have had to modify after it had been read at the Clerk's desk. So that we may get the amendments from now on in the shape that the author means I am constrained to object to any amendment of this amendment at the desk.

Mr. OWENS. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. OWENS. I see little difference in whether or not, as the gentleman from Texas said, you can purchase goods elsewhere, because once you purchase them elsewhere we are no longer short in the United States.

Mr. FULTON. That does not necessarily follow because, as the gentleman knows, there are plenty of things that can be purchased elsewhere and sent and which would have no effect on the supply in the United States. Simply because you can get fertilizer, for example, from Chile, and it is short in the United States is no reason why an amendment should be added to the bill that is the equivalent of striking out the enacting clause of the whole bill. These are necessary items and they must be sent to Europe.

The CHAIRMAN. The matter before the House is the request of the gentleman from Mississippi that he be permitted to re-form his amendment. This request has been objected to by the gentleman from Ohio. There is therefore nothing before the Committee but the amendment as originally offered. The question will be, of course, on the amendment without reformation, inasmuch as objection to changing it has been objected to.

Mr. PACE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PACE. Does not the gentleman from Mississippi have the right to offer an amendment to his amendment to perfect it?

The CHAIRMAN. No; and I am advised by the Parliamentarian. I think the Parliamentarian is right. The rules contemplate that when a Member brings an amendment before the House he knows what the amendment is and he stands on the amendment. However, some other Member of the House may offer an amendment to the amendment if so desired.

Mr. PACE. I shall be delighted to serve the gentleman.

Mr. WHITTEN and Mr. JARMAN rose.

The CHAIRMAN. The Chair must first recognize the gentleman from Alabama, a member of the committee.

Mr. JARMAN. Mr. Chairman, as the gentleman from Pennsylvania has so well said, the passage of this amendment would be tantamount to striking cut the enacting clause of this bill. I suggest, therefore, that those Members of this House who are opposed to this bill, who do not wish this country to do what I and your Foreign Affairs Committee and the Foreign Relations Committee of the other body believe it should do in the interest of this country, should vote for this amendment. On the other hand, my opinion is that those who think this bill ought to become law should vote against this amendment.

Now, as to the amendment itself. "Anything that is in short supply in this country." May I say that the time may very well come, Mr. Chairman, if it is not already here, when circumstances will be such in this world that it will be very beneficial to the people of this country to tighten their belts a bit, if necessary, even if it becomes necessary to purchase a few items which are in short supply. I believe, if I interpret the sentiment of the people of the country aright, they wish to do that, if it is necessary. I repeat, if you want to kill this bill, vote for the pending amendment. If you want this bill passed, I think you should vote against it.

Mr. WHITTEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, whether this amendment is the proper approach to defeating this bill or not, I do not know, but it does point up something that deserves comment from Members of this House. We have had admissions from most of the Members who have addressed this body on the pending measure admitting that UNRRA has not worked. We have had nobody come to the defense of the administration of UNRRA; we have had no one come to the defense of the British loan. True, in each instance some good may have been done, but we had admissions from practically all Members who have spoken that something needs to be done to see that the aid this country will give under the terms of this bill be used in the proper manner and in the proper way to meet the purpose intended.

If the United States is going to do for these European nations what we can afford to do, the first thing to do is to take an inventory of what we have. Since the Congress was called back into special session I called on the Department of Commerce, on the Department of Agriculture and on members of the Appropriations Committee to conduct a hearing to see for instance what the fertilizer situation is in this country. I talked to them over the telephone and I wrote them as to what fertilizer would be available next year and as to whether the Department of Commerce was taking the entire output of the Spencer Chemical Co. and the Lion Oil Co. at present. But to this day I have not received a single reply as to what the fertilizer situation is in this country nor an answer to the other question. Yet this committee of splendid membership brings this bill in without a single control on that feature or any information on those important questions. It provides $35,000,000 worth of

fertilizer for foreign shipment, including $14.000,000 of nitrogenous fertilizer. They may take the position we can afford that, but if so they do not know because they did not go into the question, but if you take it up with several companies who supply fertilizer to the American farmers, many of them will tell you that the Department of Commerce at present is taking their entire output. Last year they gave the farmers fertilizer in my section of the country—but when? After the Army paid back the 110,000 tons it had borrowed from commercial producers and sent it overseas, the Government took the 110,000 tons and gave it to UNRRA. It was distributed in foreign countries. The Department of Agriculture, the Executive Offices of the President, and the Department of Commerce said that the American farmers could rely on the Chilean nitrate. The Chilean nitrate came in after most crops had been practically made, too late to do any good.

I know fertilizer would increase the production of the countries in Europe; but who can say whether it will increase their production one-half as much as the same fertilizer in this country with our high-production machinery would increase the food supply? This Committee does not know because the matter was not gone into in the hearings. I do not mean to say that it is not necessary to provide some aid, but I say the Committee on Foreign Affairs should have gone into the question of what we have and what we can afford to do not to mention what is best to do instead of coming in here and giving us the same old stuff when we find the other bills and appropriations, with no controls to speak of, did not work.

We should have taken an inventory and the American people should have been told how much we have, how much we are going to have, and when we are going to have it so that they will know what part if any we can provide for foreign countries. I say to my very good friends on this Committee who are objecting to these amendments on the floor that it ill becomes you to complain of amendments offered to provide protection when you write a bill without a single protection in it based on hearings which give no facts as to the supply of this and other commodities that would be shipped abroad under the terms of this bill. You say you will provide such protection at some time in the future. When are you going to bring in such a bill? You know this Congress will adjourn when the money is appropriated to carry out the terms of this bill and the bill you talk about could not get here until these funds are expended. This is not a question of whether we would stop communism. Of course all are in favor of that. The question is how we are going to try to do it. Now is the time to see that we do it in a way that will be most effective, and not give a blank check to the President, who happens to be a Democrat and for whom I have the highest regard. Of course he does not handle the administration of such a program personally and all of us have seen how those who do handle such administration go about it; all to foreign shipment up to the quota, and what is left over, if any, goes to the people of our own country. That is not the way to do it and the reason I say it is not the way to do it, we all admit that it did not work under UNRRA the first, second, or third time and it did not work with regard to the British loan which we were told would be used to rehabilitate the country yet the British took a big percentage of the loan and spent it for luxury goods and not toward rehabilitating the country. If this Committee does not see fit to put the needed protections in the bill, certainly I am going to vote for amendments offered from the floor if that is the only place we can get it and try to put this protection in it.

I came back several days before our call to try to get this matter of fertilizer investigated prior to a vote on this bill. An investigation is to begin tomorrow of which my colleague the gentleman from Mississippi, TOM ABERNETHY, is a member.

For the information of the Foreign Affairs Committee I submit the information which I have been able to obtain. Apparently they need this information, for their hearings will disclose they did not go into the question of supply at all.

During the war the National Fertilizer Association channeled all sulfate of ammonia into mixed fertilizer through the War Production Board. Some sulfate was used prewar as straight nitrogen fertilizer material and as a side-dressing material. During the war imports of nitrate of soda were limited because of shipping difficulties, and since the war have been allocated to various countries of the world through the international Fertilizer Allocation Board so that imports of Chilean nitrates could not be increased into the United States of America.

The synthetic nitrate-of-soda production produced at Hopewell, Va., which normally went into the Carolinas and nearby areas, for some reason has been greatly decreased or perhaps stopped by this time, which means extreme shortage of side-dressing material in the Carolinas. The production of ammonia solutions which go to the mixed-fertilizer industries known as wet mixers which includes the Big Six and the larger mixers, has been materially increased to mix with superphospate and potash. The small mixers, known in the fertilizer industry as dry mixers, which use straight materials such as sulfate of ammonia, nitrate of soda, and similar products in their mixed goods, have been drastically curtailed in the nitrogen materials which they could obtain.

This has had a tendency to throw the mixed-goods business into the hands of the big mixers and the effect of this is shown in their financial statements. The policy referred to above has worked to the advantage of the big fertilizer mixers and to the disadvantage of the small fertilizer dry mixers, the farmers who use side-dressing material, and the farmers who use straight nitrogen material.

In international allocations a fixed allocation has been maintained and anything which happens to the plants comes out of the amount for domestic users and not out of the export allotments. For example, the Lion Oil Co. was graining ammonium nitrate at Defense, Tex., and Doyline, La. They were requested or perhaps required under their leases to build graining facilities at El Dorado, where the ammonia plant is located. They have erected such facilities and when they thought they would be able to start they shut down the graining plant at Defense, Tex. The graining plant at El Dorado has not yet operated successfully. The result is that the production of ammonium nitrate of the Lion Oil Co. since about August was 50 percent of its capacity, and is not yet successfully operated. Despite this fact export allocations must be made 100 percent which will require most if not all of their production for the next few months and the deficit will fall on the American farmers.

In the case of the Lion Oil Co., they developed shortage of gas at certain periods of the year in their graining facilities and have had to reduce their production. Despite any reduction in production of ammonium nitrate, they are required to complete the bill for export allocation, and any shortage must again be absorbed by American farmers.

There has been a huge demand for methynol, and some increased amounts of liquid ammonia are going into methynol and industrial productions. The Shell Co. in California has had considerable difficulties and, we understand, have had to greatly decrease or eliminate their production, whether from shortage of gas or some other difficulty. The Shell Co. is endeavoring to purchase material elsewhere to take care of its customers, but difficulties such as outlined above and at Hopewell, Va., are not considered in the export allocations, since export allocations are made on a per-ton basis, and the number of tons allocated must be exported regardless of the number of tons of production.

The Army is manufacturing a substantial quantity of ammonium nitrate—quantity unknown—to be shipped to former enemy countries, Germany and Japan. The Army is using its most economical plants to manufacture this production on a theory that it must make the production as cheap as possible for the occupied areas. The result is that about 40 percent of its capacity is not used, which is the high-cost capacity. For example, the Louisiana ordnance plant at Louisiana, Mo., has been shut down, even though graining facilities are nearby to grain this ammonia. In theory, it is being operated by the Bureau of Mines for some experimental work, but actually, I think, very little is being done. It is retaining the production of the Cactus ordnance plant, where we understand the actual production cost of a ton of anhydrous are about $20 per ton. The net result of the Army policy has been to furnish the cheapest production of the Army plants to the occupied areas.

A change in this policy of releasing the cheapest production to the United States farmers and operating the approximately 40 percent idle capacity, even at a somewhat higher cost, to satisfy occupied areas and relieve needs should increase the total nitrogen avail-

able; and while the Army material might cost slightly more for the occupied areas, it would not be denied material to American farmers at any price.

The Krug report shows that approximately 40 percent of the Army capacity is idle and the Harriman report recommends operation of all of these plants at 100 percent of capacity.

There is a shortage of tank cars to ship ammonia solutions for graining purposes and the supply of these cars should be increased. It is understood that the Office of Defense Transportation has placed the construction of such cars in the very lowest priority in the allocation of material for railroad rolling stock, and practically no additional cars have been added to the supply in the last 3 or 4 years. It would be interesting to know what allocations for freight cars and rolling stock have been for foreign shipment.

Several of the big producers of nitrate fertilizers are writing the farmers who have contracted for delivery of fertilizer that the Federal Government at the present is taking their entire output under order of the United States Department of Commerce. As I have said, I have tried for 3 weeks to get an admission or denial of these facts from that Department. They neither affirm nor deny. Of course, after this bill is passed, after the horse is gone, they will give me the information. Doubtless the same situation exists with regard to farm machinery and other commodities.

I think it is high time the Congress got such information before voting on such measures as that before us instead of after. With full information then it is possible to vote intelligently on such measures.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 10 minutes.

Mr. WHEELER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WHEELER. Did the gentleman's request include all amendments to this amendment or subsequent amendments?

The CHAIRMAN. The Chair thinks the gentleman's intention was to include this amendment and all amendments thereto.

Mr. WILLIAMS. He did not say that, Mr. Chairman.

Mr. WHEELER. I object, Mr. Chairman.

The CHAIRMAN. The Chair is advised that there is an amendment in the nature of a substitute for the Williams amendment at the desk. If the request of the gentleman from Ohio were granted, it would cut off all debate on that substitute.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes, reserving 2 minutes for the Committee.

The CHAIRMAN. May the Chair suggest, before the Chair puts that question, that the amendment in the nature of a substitute be read at the Clerk's desk so the House may be fully advised.

The Clerk read as follows:

Amendment offered by Mr. WHEELER as a substitute for the amendment offered by Mr. WILLIAMS: On page 2, line 16, after the semicolon insert "*Provided, however,* That no items procured or purchased in the United States hereunder shall be in short supply in the United States."

Mr. WILLIAMS. Mr. Chairman, in view of the substitute amendment that has been offered and which expresses more clearly what I intended to express in my amendment, I ask unanimous consent that my amendment may be withdrawn.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

Mr. VORYS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. VORYS. Was there not a question pending on the debate on these various amendments?

The CHAIRMAN. First, is there objection to the request of the gentleman from Ohio

Mr. O'HARA. I object to the limitation of time, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi [Mr. WILLIAMS]?

Mr. VORYS. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. VORYS. Is the Wheeler substitute now pending before the committee?

The CHAIRMAN. The question is on the unanimous-consent request of the gentleman from Mississippi. Without objection, the Williams amendment will be withdrawn.

There was no objection.

The CHAIRMAN. The Wheeler amendment is now before the Committee.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and amendments thereto close in 15 minutes, with 2 minutes to be reserved to the committee.

Mr. O'HARA and Mr. RIZLEY objected.

Mr. WHEELER. Mr. Chairman, I ask unanimous consent that my amendment be again reported.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk again read the Wheeler amendment.

Mr. CHAIRMAN. Mr. Chairman, this is merely an attempt to clarify the amendment that was offered by the gentleman from Mississippi [Mr. WILLIAMS], the provisions of which have already been pointed out. All this amendment does is say to the President that goods cannot be bought if they are in short supply in this country, but they must be bought from some place where they are not in short supply. They cannot be bought in this country so long as they are in short supply in this country, whether they be fertilizer, petroleum products, wheat, or what have you.

Mr. MATHEWS. Mr. Chairman, will the gentleman yield?

Mr. WHEELER. I yield to the gentleman from New Jersey.

Mr. MATHEWS. Under this amendment, who determines whether or not the goods are in short supply?

Mr. WHEELER. The same people who determine all the other provisions of the bill.

Mr. MATHEWS. The people who administer it?

Mr. WHEELER. Absolutely.

Mr. MATHEWS. Then what does it mean? It means nothing.

Mrs. DOUGLAS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if we adopt this amendment I really do not see much point in passing the bill. The President in his message to Congress recommended two subjects for this Congress to consider. One was immediate aid to meet the crisis in France, Austria, and Italy and the other was to consider ways and means of checking the rise in the cost of living for our own people here at home.

Even if we had no interim program before us the rising cost of living would have to be faced. Foreign aid is not the cause of the high cost of living today. Prices are high because we scrapped price controls before it was safe to do so.

Our committee has gone very extensively into the effect the interim program will have upon our cost of living, the immediate impact of the interim program, and has begun the study of the long-range impact of the Marshall plan upon the cost of living here at home. We are satisfied that with the protections we have now in the bill, this interim program will not have a drastic effect upon our economy. But if this amendment is introduced into the bill, I ask you fairly, how are we going to determine politically what is in short supply? We hear today that grain is in short supply. We are not in short supply of grain. We are able to meet the needs of our own people and at the same time carry out the provisions of this bill. But the moment it is rumored that we are going to have to send grain to Europe we begin to have gambling on the commodity exchanges. That is a problem that Congress is going to have to meet. If we are going to use the subterfuge that this interim program is the reason for the rising cost of living, we will fail to meet the challenge that confronts us on the international scene, and at the same time we will fail to meet the challenge that confronts us here at home. We have the brains to meet this problem if we will use them. We must take steps immediately after we pass this bill to check gambling on the commodity exchanges, and we must adopt whatever other measures are necessary to stop the rise in living costs.

Now, if we put into this bill that nothing in short supply shall be purchased, every time the price of anything goes up in a store, they will say, "You see, if we did not send aid to Europe, the price would not be going up." Thus, you will begin a hopeless political battle just on the eve of an election which will be based not on facts but on an abundance of misinformation.

Mr. Chairman, either we want to help democracy survive in western Europe or we do not—either we want to take the necessary steps here at home to keep our own economy in order or we do not wish to take those steps. If we write this amendment into the bill, we might just as well all pack up and go home now.

One other point, Mr. Chairman. Unless we do check the rising cost of living in this country, we are going to be too little and too late with aid to Europe, because every percent rise in the cost of living here not only affects our people here at home but also reduces the amount of relief material which the needy nations of Europe can buy with the dollars we appropriate.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Chairman, this amendment is just exactly like the Williams amendment, in that if it is adopted, we might as well give up this whole program, $300,000,000 of which is estimated to be spend for grain which is in short supply in this country. The committee, wrestling over this proposition, and remembering that we are not the Committee on Banking and Currency, and it is not within our province to attempt to devise all of the measures necessary to protect our economy, are offering an amendment which will be a substitute for section 4, the next section of the bill. At this time, I merely want to read the first sentence of it:

> The President shall promulgate regulations controlling the purchase or procurement of supplies under this act designed to minimize (a) the drain upon the national resources of the United States and (b) the impact of such purchases or procurement upon the domestic price level.

We feel that this matter should be considered in connection with the next section. Under the present situation, the Williams amendment effectively hamstrings the whole program which we have in mind. If there had been such an amendment in the relief bill which we passed last spring, there just would not have been any relief bill. Therefore, we hope that this amendment will be defeated.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. FULTON. Is it not true that the question here on this amendment is whether you wish to adopt it and effectively prohibit the purchase of any item in short supply in the United States or the question is whether you wish to take the committee's suggestion and put in proper safeguards under section 4 for the proper purchase of these items so that this program will not have too great an impact upon our economy?

Mr. VORYS. It seems to me that is the issue. But this amendment, if placed where it is now offered, simply would provide that no wheat for bread could go to the hungry people in Europe.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. HALLECK. Will the gentleman agree with me, however, that this amendment definitely recognizes a growing conviction based on true facts that these exports of goods which are in short supply are constantly driving prices higher and higher, and that whatever excuses or alibis may be offered as to the effect of certain other things that may or may not be going on in the country, the truth yet remains that the American people ought to know and understand that these exports are driving prices higher? I agree with the gentleman that the strict application of the amendment would probably mean the complete defeat of this program. Therefore, I question the advisability of the amendment, but I could not refrain from taking this opportunity to point out again the terrific impact upon prices at home as a result of exports to foreign countries.

Mr. VORYS. I certainly agree with what the gentleman says; we cannot dodge that responsibility. The Congress must act concerning that impact, but the way to act is not to paralyze the interim-aid bill by amendments stuck in it here on the floor.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. VORYS] has expired.

Mr. O'HARA. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think the amendment offered by the gentleman from Georgia [Mr. WHEELER] raises the very proper question of whether you are first thinking of the best interests of your own country or whether you are thinking about some other country. When it comes to my thinking, I am going to think in terms of what is best for my own country. I am going to support the amendment offered by the gentleman from Georgia [Mr. WHEELER] and I will tell you why. After Congress adjourned last summer all of us were appealed to by the propaganda agencies for the need of the Marshall plan, and the need of food and the need of clothing for the hungry and starving of Europe. Every one of us knew that when this bill came in it would come in loaded up with all of the problems which we have here, and which include many items other than food.

Mr. WHEELER. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield.

Mr. WHEELER. The distinguished majority leader just finished saying that a strict application of this amendment would mean lower prices. If that is so, then I cannot very well understand his opposing the amendment.

Mr. O'HARA. It is difficult for me to understand. I feel we are faced with the problem, and we all recognize it, that these foreign-aid programs are taken out of sources of short supply and given first preference to the peoples of other lands. Perhaps that has to be done, but I say to you, first let us weigh the effect and the impact of that program upon our economy.

For instance, the gentleman from Mississippi [Mr. WILLIAMS] spoke about fertilizer. Down South that is a matter of life and death. Many items are being shipped out in great quantities which my people cannot buy. Our farmers have to live upon a mechanized farming operation. We cannot get tractors. We cannot get necessary farm machinery. If you gentlemen are interested, I just ask you to call the Secretary of Commerce and ask him the terrific amount of these short items that have gone to foreign lands, and they are listed as short items by the Secretary of Commerce. I might say to you that the Secretary of Commerce has the authority to declare and determine what items are short items. True, they may be taken off or put back on, but amazingly those which he admits are in short supply are still going out all over the world, and we in this country are forced to face that sort of a situation.

Mr. GATHINGS. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield.

Mr. GATHINGS. The gentleman is entirely right. Right now France has twice as many tractors as they had prior to the war, and they are asking for 10 times as many under the so-called Marshall plan.

Mr. O'HARA. I thank the gentleman.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. Yes; I yield to my colleague.

Mr. KNUTSON. Is it true that these countries that are asking for help now have about $23,000,000,000 invested in this country in securities of one form or another?

Mr. O'HARA. I have heard the figure quoted from twenty-three to twenty-six billion.

Our people have sympathy and desire to help in the matter of food items that are needed, but that is not the purpose of this bill. The purpose of this bill is to continue a program and to take from our people, those who are paying the bill in taxation, and deprive them of critical items which are presently in serious short supply.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield.

Mr. WHITTEN. If it is the attitude of our Committee on Foreign Affairs, or the administration, or whoever it may be, can the gentleman conceive of bringing this bill in without any evidence in the hearings of what fertilizer we have, what tractors we have, or any information concerning those matters when the authority rests in the departments downtown to send this full supply over there as they are going with regard to nitrogeneous fertilizers right now?

Mr. O'HARA. Exactly. My answer to the gentleman is that I think it is entirely reckless for us to disregard the welfare of our country in this bill.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. MONRONEY. I move to strike out the last word.

Mr. Chairman, I am in great sympathy with what I believe some men from agricultural States are attempting to do, that is, to retain for their own farmers fertilizer which is badly needed by American crops; but I do not think that this House at this late hour wants to enact an over-all amendment which I agree with the Foreign Affairs Committee would be equivalent and tantamount to striking out the enacting clause.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I am glad to yield to the gentleman from Mississippi.

Mr. WILLIAMS. I merely wish to say that I offered the amendment not for the purpose of sabotaging the bill.

Mr. MONRONEY. I know that was not the gentleman's intention. The gentleman wants to protect the supply of fertilizer in this country.

Mr. WILLIAMS. Not only fertilizer but any other item that may be critical and short.

It is my purpose through this amendment to let the people of the United States and the people of Europe know that if the items have to go either to the people of Europe or to the people of the United States and cannot go to both, they are going to the people of the United States.

Mr. MONRONEY. I cannot quite agree with the gentleman on that way of thinking. I think that some of those specialized items such as fertilizer could possibly be cut out of the bill without doing too much harm to the bill, but the gentleman's amendment would prohibit the export of any item in short supply. Wheat is in short supply; likewise coal and oil, but those things must be shipped to Europe.

The gentleman is particularly interested in fertilizer and is trying to protect it, but I remind the gentleman that many, many other countries not included in this bill have dollar exchanges with which they can buy fertilizer in the American market and keep it away from the American farmer.

The relief the gentleman seeks is to be found in the export control board. It has the power now to stop or reduce the shipment of fertilizer anywhere in the world; and prohibiting relief shipments in this bill will not result in the end he seeks.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. FULTON. If the gentleman from Mississippi does not want to wreck the bill by the equivalent of striking out the enacting clause why does he not then wait until we read section 4 where the committee itself had adopted a very long committee amendment to give just such protection and control to the various elements of the American economy. In that way there would be efficient control but not a knocking of the bottom out of the whole thing.

Mr. MONRONEY. I agree with the gentleman completely.

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. WILLIAMS. I will tell the gentleman the reason I offered this amendment here rather than at section 4. Three or four days ago in his speech to the House in support of this bill the gentleman from Alabama [Mr. JARMAN], who is a member of the committee, stated to me very definitely that there was nothing in this bill—and I took his word for it—there was nothing in this bill to protect the American people against shipping such critical materials abroad when the American people were needing them. That is the reason I offered it here.

Mr. MONRONEY. I think there is a point, though, that the gentleman overlooks. Wheat in America today is a critical material, yet we have got to ship a certain amount abroad to carry out our Nation's foreign policy.

Mr. GATHINGS. Mr. Chairman, will the gentleman yield?

Mr. MONRONEY. I should like to use a little of my own time, but I yield to the gentleman.

Mr. GATHINGS. The gentleman knows that we have just had the largest wheat crop the United States has ever produced.

Mr. MONRONEY. And the gentleman knows very well that almost every bit of that wheat crop has already been sold on the grain market and nearly two-thirds of our exportable portion of it is on its way overseas. There is a shortage of grain in this country today; and the adoption of this amendment as it is written will deny any opportunity of getting it to the people of Europe.

Mr. GATHINGS. Thirty-three and a third to forty percent of the grains produced in this country are being consumed in America.

Mr. MONRONEY. Much grain has been going overseas for months. We are now short in America and this amendment would stop the grain shipments that the bill provides for.

The only reason that we have had debate and hearings on the bill is to furnish the grain to the starving people of Europe. If we cannot ship the grain it will be the same as striking the enacting clause and killing the bill.

Let us face the issue. You cannot do both things. You cannot have an abundant supply in America and still do the job that is necessary to prevent communism from overrunning Italy and France. I think we better face that issue and meet it head on with this amendment. I think the time has come for the Congress to say which way it believes.

Mr. WHEELER. Speaking of the shortage of wheat, why is it that you cannot get from the Department of Commerce any information as to how much of this wheat in Europe is being used for the manufacture of alcoholic beverages?

Mr. MONRONEY. None of it is being used for the manufacture of alcoholic beverages, according to all testimony that I have heard.

Mr. WHEELER. The Department of Commerce is sadly wrong then. I asked for the figures and they told me that they did not have any.

Mr. MONRONEY. That is because none is being used.

Mr. WHEELER. Then they are mistaken.

Mr. MONRONEY. Yes.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 17 minutes, with the last 2 minutes to be reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. WHITTINGTON. Mr. Chairman, reserving the right to object, does that close debate only on the pending amendment?

Mr. VORYS. And all amendments thereto.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. OWENS].

Mr. OWENS. Mr. Chairman, I was very much interested in the remarks of the preceding speaker when he said that two-thirds of our grain had already been shipped overseas, and we are now worrying about whether we are going to have to ship some of the remaining one-third. That really is something to worry about.

I do not want to be a party, and I do not believe anyone in this House wants to be a party, to anything that will make us look ridiculous in the eyes of the people of America. For that reason permit me to call your attention to something here.

In connection with section 3 (a) 2, the same paragraph which we passed upon a few moments ago, we turned down an amendment which would have prohibited the sending of incentive goods which were in short supply. Now just think about that. If we were to leave this first paragraph in as it is without placing a limiting amendment in there, we would have a situation where we cannot send luxuries if they are in short supply, which would be shipped in order to prevail upon the farmers of Europe to release their grain and meat, but we can send goods that constitute our necessities of life. In other words, we can send our wheat and our meat and our fuel and our medical supplies and our lumber. Just think of that. We can send those things, but we cannot send luxuries or incentive goods if they are in short supply. Is that not a ridiculous situation?

How can anyone say that we are striking out the enacting clause by inserting a provision in there that we cannot send those necessities of life over there if they are in short supply? I say to you, Mr. Chairman, and I say it in all sincerity, and as one who has been investigating the housing situation with respect to veterans and others, that all through the Nation our boys are living in shacks along the channels and rivers. Your building contractors and your construction workers are turning out about 50 percent production in order to give the boys housing or, rather, failing to give housing to them. Why do we not give an incentive to those people to work here? Why do we not give them something to encourage them to help our boys? Oh, no, we are going to give the incentive to the people over in Europe so that they may have the pots and pans, and we ask them to please take them and give the food and meat to the people there who are on strike and will not supply them to the farmers and the

coal miners. They will not manufacture the clothes and other items which the farmers of France need, but we are expected to finance their strikes. But at the same time we are going to take from our own people the meat and the medical supplies that we need and send them overseas. I say it is time to think of America first and not to be thinking of all the world. Insofar as we have our builders, our contractors, our workers failing to supply our people with houses, and having gangsters rule our cities, as they do in many of the cities, it is time that we begin to take care of our people before we worry about what is occurring over in Europe, and I say as one Member of Congress I am not going to vote for a bill that is going to make me look ridiculous. I say, let us support this amendment and not be concerned about what is going to be done with the next sentence or the next paragraph. Let that take care of itself.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. OWENS. I yield to the gentleman from Pennsylvania.

Mr. FULTON. Is the gentleman opposed to this interim-aid bill to send aid to Europe at this time?

Mr. OWENS. I voted for the $350,000,000 relief bill. Would that be an answer to the gentleman? And I voted against the reduction of $150,000,000 that most of this House voted for.

Mr. FULTON. If the gentleman is for this bill then he does not want to strike out the enacting clause.

Mr. OWENS. I do not agree with the gentleman as a lawyer. I see nothing to the point. That is just a plain statement with nothing behind it whatsoever; in fact, you state that in the very next section that you are talking about you are going to take care of it. Let us take care of it before we get that far. I say, ladies and gentlemen of the House, let us take care of this section first. If we can, because of a short supply of the incentive goods, refuse to ship such items, then we can put those words in the first paragraph with respect to medical supplies and food, in other words, we can protect the people of America. I say, support this amendment with all your hearts.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. HAND] for 5 minutes.

Mr. HAND. Mr. Chairman, I do not think I will take 5 minutes. Let me preface my brief remarks by saying that I dislike to talk about veterans. Too often the veteran is paraded up and down the floor here for purely political purposes. But I must support this amendment, among other reasons, because of the fact that about 3 o'clock this afternoon I had a telephone message from Mr. William E. Sturm, of my district, who purported to speak for 12 or 13 of the veterans' organizations of southern New Jersey. He informed me that after many veterans, who had been seeking to get decent quarters in which to live for the last year and a half, had finally gotten those quarters, are now unable to get oil to heat them, because they are new customers of the oil company. In effect they asked me, "What is Congress doing, preparing to support a program which will send $22,000,000 worth of petroleum products to France," which, as the gentleman from New York [Mr. BUCK] advised the Committee on Foreign Affairs in his testimony, is still using automobiles for pleasure purposes. I must therefore support the gentleman's amendment, and if the effect is and I do not think it is at all as the gentleman from Pennsylvania [Mr. FULTON] has suggested, that it kills or at least partially kills the bill, that is still all right with me. I will not support the bill without this amendment to prohibit exports of goods in short supply. Charity begins at home.

Last week there appeared on the editorial page of the esteemed Washington Post a pitiful cartoon depicting the prostrate figure of France, bound hand and foot to the railroad tracks facing imminent destruction by the oncoming Russian express, while Congress debated a rescue.

It might be pertinent to inquire how France got on the tracks, and who tied her?

On page 1, of the same edition of the paper, there was reported a threatened strike of 1,200,000 government employees. Now, if I mentioned the strike of the subway workers, or the other strikes involving a couple of million industrial workers that has prostrated French economy for some time, the reply would be that these are strikes inspired by Communists, but what can the reply be when the strikes affect the Government itself?

Parenthetically it is interesting to note the number of Government workers talking about striking. One million two hundred thousand government clerks is more than we can well afford, and it must be a rather extravagant luxury for a country one-third the size of the United States.

Mr. Chairman, I will tell you one reason why France is short of wheat. The French farmer has seen fit to plant 25 percent less wheat than heretofore because more profit can be made from other products. I did not get this figure out of the air, it is taken from official testimony before the Committee on Foreign Affairs on this very bill.

Mr. Chairman, I will tell you one reason why France may be short of dollars.

There are billions of French dollars hoarded in France, or safely deposited in this country.

Mr. Chairman, I will tell you something about oil and gasoline in France, too. Although gasoline is rationed, they are still pleasure driving, while the American people are being asked to stop or curtail their motoring.

Is the Congress aware that there is more livestock in France today than there was at the beginning of World War II?

Is the Congress aware that the military expenses of the French Government is reported to be 24 percent of their entire budget?

Mr. Chairman, France put herself on those railroad tracks and as long as she knows that we will pick her up, she will probably lie there.

To help a prostrate country, which is still driving automobiles for pleasure, we are asked to provide $22,000,000 worth of petroleum products. During 1947 we have continued to supply products to Russia in the present year of 1947, including petroleum, machinery, tractors, and other items in short supply, to the sum of $113,000,000. And are you, as Representatives of the American people, interested in the fact that these petroleum exports are continuing notwithstanding the shortage of gasoline and oil, particularly in the East, which is assuming serious proportions?

Are you quite clear on the fact that aid is being suggested to Austria, notwithstanding the fact that the distinguished chairman of the subcommittee has reported that no such aid was suggested by Austrian authorities during his examination of affairs in that country?

I have examined the 353 pages of the hearings on this bill without finding any substantial evidence of starvation or dire distress. Indeed, witnesses for the administration were very frank in saying that this was not so much a relief bill as it was the first logical step in the $20,000,000,000 Marshall plan.

Are you remembering that in the committee report on this bill there was a table inserted entitled "Index of Industrial Production," which shows that France's production is up to 90 percent of its 1938 effort, and that many of the countries involved in the Marshall plan are exceeding their 1938 production rate?

Great Britain, for example, is producing as much as she did in 1938, and is now building 53 percent of all the ships being constructed in the world. Does this indicate prostration?

Mr. Chairman, I must confess that I am unwilling to continue a program of exports which not only has been largely responsible for our present inflated prices but which has deprived, and in the future will more seriously deprive, our own citizens of the necessities of living to which they are entitled.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, a lot has been said about the committee not having discussed this matter. If the Members will look in the hearings beginning on page 87, they will discover that we spent a great deal of time with the Secretary of Commerce going over these very questions in detail, item by item. And, we had other data before us from our own staff and the Herter committee. The Secretary discussed grain supplies, he discussed coal, he discussed oil, he discussed fertilizer, and he discussed cotton.

Let me read what the Secretary said with respect to oil, the commodity that the gentleman from Pennsylvania was just speaking about. The Secretary of Commerce said:

> The United States import and export of petroleum is approximately in balance, and shipments to Europe are a normal phase of the highly integrated and complex system of international supply.

That is, we send over certain amounts to Europe for which we get approxi-

mately equal amounts of oil from abroad.

Since the world demand for oil exceeds the supply, it is reasonable to assume that any drastic reductions in the flow of oil from the United States would be accompanied by a decrease in receipts from abroad, a necessary adjustment on the part of the international oil companies in order to accomplish equitable distribution of the limited world supply.

However, the Department of Commerce has taken steps to prevent the excessive export of much-needed petroleum products. Export quotas have been established for the fourth quarter of this year which are 40 percent below actual shipments in the previous quarter.

Then he discusses fertilizer, and recognizes that is one of the most acute problems. About $14,000,000 of nitrogen fertilizer is authorized in this bill. He says:

Such requirements represent less than 5 percent of the United States supply, but coming in the months when domestic demand is at a peak, such shipments would create a special problem. However, requirements can be met in part by shipments from other producing countries. Here I would like to emphasize the desirability of obtaining the maximum flexibility in arranging for procurement outside the United States so as to lessen the strain on the United States economy in areas of short supply.

The justification for prompt dispatch of these requirements lies not only in the acute need for larger food production in the recipient countries, but also in the pressure on our own food supplies. Stoppage of fertilizer supplies during the war years resulted in serious depletion of the fertility of the soils of Europe. Each ton of fertilizer available to these countries during the spring months is estimated to make a twelvefold return in farm output. To the extent that interim requirements can be met, we could expect a decreased demand for food next season.

Then, to sum it up, the Secretary of Commerce says:

Although, as I have indicated, there are supply problems in some of the items, based on past experience and, on the analyses which have been made, I feel confident that the requirements can be substantially met. In my judgment, the alternatives to meeting them are such as vastly to outweigh the supply difficulties which they may present.

Mr. Chairman, this seems to me the crux of the question. I do not believe anybody will stand here and pretend this program is not going to cost us anything either in money or sacrifice. Our decision must depend on consideration of the alternatives. Will the temporary shortages and the hardships this bill will inflict upon us cause us more damage in the long run than not to make this effort and allow the nations of Europe and Asia to go down within a few months, as they will as surely as we sit here, if they do not have this help? Then the United States would have to spend many millions and even billions of dollars more than this bill authorizes, in arming us to stand practically alone against a hostile world.

I do not like this bill any better than anybody else does. I too come from a consumer district where people would like to be able to get more food and other necessities at a lower cost. But the alternative to passage of this bill is not that, just defeat it and get lower prices. The alternative is to defeat this bill and stand alone in the world, spend far more on national defense, and ultimately have either higher prices in America or a return to rationing and price control, which I am sure my friends on this side along with myself do not want.

So in the face of the terrible alternatives we face, it seems to me the only thing we can do, from the standpoint of the protection of our country, is to try to get a reasonable balance in distribution of those commodities that are in short supply, export enough if possible to keep those nations free, and at the same time not too much to jeopardize our own domestic economy. Surely to shut off practically all exports, as the amendment provides, would increase rather than decrease the danger to ourselves.

Mr. PLOESER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. PLOESER. Mr. Chairman, today the Nation faces economic problems of tremendous proportions, which affect all our people and our posterity. The Nation is confronted with an economic dilemma, which if not solved properly can cause much injury to the competitive enterprise system.

In our zeal to lead the world in the establishment of peace, we have become paternal. In our desire to outwit Russia, whose actions spell clearly her motives of aggression, we are politically and economically in the danger zone of playing a game of international politics, which can easily fit right into the pattern of her plans. Coupled with the sincere motives and problems, the national administration of our government has allowed preoccupation of their thinking by the election year in the offing. In fact, election-year politics have become a major influence in the projection of the administration's foreign policy. Clouded with the desire for votes next November, our national economy has been pushed toward the edge of an international economic abyss.

If the Truman administration would forget vote-getting for 90 days, it might well be able to sound an international course which would serve both America and the world.

Russia is our antagonist in the battle for the future stability of Europe and the world. Russia represents international communism, which means Moscow dictatorship for all countries and governments falling within the sphere of their aggression and influence. The United States represents the ideology of individual autonomy for all nations and cooperation among sovereign nations for the peace of the world.

Russia's greatest opportunity for fifth column aggression lies in the fertile soil of chaos and also in any economic weakening of the United States of America.

As long as the United States policy abroad provides exports from the United States to Russia, we are playing Russia's game.

As long as United States policy abroad in occupied Germany provides German reparations to Russia, paid for by the United States, we are playing Russia's game.

As long as United States policy abroad provides the type of relief to Europe which inculcates dependence upon the paternalism of any nation, including the United States, instead of the reestablishment of self-reliance and stability in the governments of Europe, we are playing Russia's game

Such policy permits Russia to grow stronger while Europe continues in confusion, and the United States economy is weakened. Such a policy, however inadvertent, fits into the plans for Russian aggression.

Now the facts are these: The United States gave to Russia and Russian satellite countries, during the period of January 1, 1946, to August 31, 1947, in private relief, $65,000,000; to UNRRA, $640,000,000; and through lend-lease, $168,000,000; for a total of $873,000,000 plus. Parenthetically, I might add that the United States of America, since VE-day, has already contributed by furnishing aid to foreign nations and by funds invested in the International Monetary Fund, approximately $57,000,000,000. This amounts to $398 per person in the United States, and that is 13 times our per capita national debt in the year 1917. Each of you, since VE-day, has already contributed on the average of $398.

In Germany our occupation policy in the American zone today has in progress the dismantling of nearly 200 German factories. Our own War Department admits that nearly one-half of these factories were never used in the production of war material of any kind. In the destruction of these factories, many of which are essential to the rehabilitation of the industry of Europe, the administration no longer even claims that they are being destroyed to halt any possible future war production. We are taking these factories apart and are distributing the equipment as reparations. Much of the machinery now being shipped out of the American zone in Germany is being shipped to Russia for reparations, while in the meantime, the American taxpayer is supporting the German economy.

It must be understood that the present bill before the Congress for winter aid to the hungry is not an adoption of the administration's projected foreign policy.

The type of long-range relief we are proposing to Europe is paternal. What Europe needs is to be allowed—yes; even to be incited—to go back to work and produce. What European countries need are demands from the United States to stabilize their currencies and to produce and consume their own production first.

Nothing would defeat communism faster than stabilized economies under governments strong enough to stand on their own feet. In this, the United States and the international bank can be helpful, but we are soon going to realize that there will have to be a return to sound money and free exchange. Our practice and projected policy of international paternalism is rapidly expanding American exports of products in short supply at home, and thereby accelerating our price structure.

Without doing good, the American taxpayer is paying twice: First, in higher price; and, second, in taxes. We export American goods which are in short supply, to be sold in foreign countries at a fixed rate of exchange. This fixed rate is in a greatly overvalued currency. It competes with the goods of that country which is being held for black-market prices. The result is that we are defeating the incentive of production in the very nations we are seeking to help. At the same time this action is running up American prices.

But then let us remember that the American planners had planned an immediate postwar depression for America. Their thinking and planning was radically upset when it did not come. Now they fear a preelection recession. By their proposed foreign policy, commonly known as the Marshall plan, inflation in America would be stepped up by increased exports, and yet I think I could confidently predict that within days after a successful election, the New Deal would forget the Marshall plan, just as it has already virtually forgotten the Truman doctrine and, before that, the Atlantic Charter.

It is my hope that the Congress will have the courage to be realistic in our foreign program, and that American industry and labor will have the courage to work harder and produce more. Only by this means can we maintain stability, and under any program, American stability must be number one on the agenda for both American and foreign aid.

This administration, in the eleventh hour before the Presidential message to the Congress on foreign relief, adopted the political strategem of inclusion of price control and wage control to overcome the injury of the foreign program proposed. I am convinced, in regard to price and wage control, that even the present administration is fully aware of its futility, and is further fully aware of its influence for greater complication of economic matters, both abroad and at home. Recommendation for restoration of such controls is a tongue-in-cheek political flirt, with which they later hope to fool our people by shifting the blame for domestic high prices from themselves—the guilty. For example, the United States produces only 12 percent of the world's food supply. We need every acre of production we can get, and with every acre, it is clear that we cannot feed the world. Price control of food production would work against our own interests of increased production.

Our excess of exports of goods and services has already caused a dangerous price rise, and if the acceleration continues we cannot hope to maintain a stabilized economy at our present rate of production.

America, therefore, is at the crossroads where we must choose between the path of sound economic thinking—however practically harsh it may seem—and the path of economic planning influenced by political chicanery.

It should be made explicit that any vote that may be cast for this bill now before the House in no way causes the Member voting to subscribe to the so-called Marshall plan.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. WHEELER].

The question was taken; and on a division (demanded by Mr. WHEELER and Mr. WILLIAMS) there were—ayes 111, noes 122.

Mr. WHEELER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. VORYS and Mr. WHEELER.

The Committee again divided; and the tellers reported there were—ayes 109, noes 136.

So the amendment was rejected.

Mr. GROSS. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GROSS. Mr. Chairman, there are a good many things we and the country should know about this relief program before we vote away the accumulated savings of our people, raise our taxes, as well as the cost of living. So far as the needs on the other side are concerned, I am informed that one overnight trip from the Ritz Hotel to the diplomatic headquarters was all it took to knock $7,000,000,000 off of the funds requested.

Now, if they did such rapid figuring as this, it is quite possible that they have made some real errors, or maybe they were playing for the highest possible stake and are willing to settle for what they can get, which is downright dishonesty. We have heard a great deal said around here recently about the dishonesty in the distribution of food and relief in Europe. But until we get more honesty in the gathering of these supplies here at home we might as well forget the dishonesty at the other end.

The Secretary of Agriculture, Mr. Anderson, is apparently laying awake at night trying to dream up new schemes of boosting prices here, while the President is crying out against the high cost of living and demanding that rationing and controls be put into effect. It is well known that there is a world-wide shortage of fats and oils, but the Government's program is bound to make them still more scarce. Peanuts, for instance, are one of our most important sources of fats and oils, yet the Secretary started a project to limit the acreage in 1948 and put into effect quota controls.

He is gambling with the taxpayers' money through the Commodity Credit Corporation and tinkering with ways to maintain false prices. The Government has warehouses full of peanuts, prunes, apricots, dried peaches, and raisins.

They have purchased during the year 1947 for no other reason than to deliberately raise the price, 300,000,000 dozen of eggs, 7,746,011 100-pound sacks of potatoes, 23,875,072 bushels of sweetpotatoes, 558,036 gallons of concentrated orange juice, 67,850 bushels of snap beans, 59,450 tons of dried fruits, 26,450 tons of dried prunes, and other foods in large quantities, including 209,000,000 pounds of dried skim milk.

In their efforts to raise prices, they not only removed these large supplies from the market, thus causing prices to spiral, but they actually paid way above the market for much of it. For instance, they bought 255,000 bales of cotton at $13.75 per bale above the market price of that day. They purchased 1,600,000,000 pounds of sugar at 1 cent per pound above the market. This was purchased recently, on October 15. That one purchase alone at a cent a pound above the market cost the taxpayers $16,000,000, and no doubt was reflected in every household in America by an increase in price of sugar. At any rate, they are going out of their way to maintain or increase the price of sugar because the President has asked that marketing quotas be put into effect in 1948. These large supplies of food, now lying around the warehouses all over the country, should be put on the market immediately to stop inflation and bring down prices for the consumer. And certainly the administration would do this if they were sincere in what they are saying about the cost of living and the scarcity of food. Or, instead of asking for money to go into the markets and buy food for foreign relief, which will only create more scarcities here and a general rise in prices, they should release these supplies for relief in Europe. Every American citizen can rightly ask the question: What is the Secretary or the administration gambling for? The answer is simple. It is the farm vote of 1948.

And then they tack onto these false agricultural prices, price and wage control in the hope of grabbing the city vote. With all the double-talk going on within the Administration concerning grain, the demand that bread be saved, that livestock be marketed at lighter weights, and that breweries should close up to save grain, we are shocked and amazed to find that the Secretary of Agriculture now admits that he has purchased all the wheat that we need for our export program up until April 1, 1948. So, through this hidden transaction he caused a lot of speculation and then condemned the speculator. Not only that, but it created a ficticious price on grain which is causing a terrific and unwarranted drain on the housewife's budget.

If the farmers accept the advice of the administration or if Mr. Truman be given the authority which he has requested to enforce marketing of livestock at lighter weights we will find tremendous shortages in our meat supply, our greatest shortage in fats and lard, as well as much higher prices in leather, which will reflect in the price of shoes.

I am not defending the distilleries or breweries, but they are not the dead-end for vast quantities of grain. It simply goes through them and comes out as our best dairy feed. Brewers' and distillers' grains are being used on practically every dairy farm in America, and when that important feed supply is restricted it will greatly reflect in our supplies of milk and dairy products.

So we find that every time the Government solves one problem, they create a dozen new ones.

Think of it. The wheat for this foreign-aid program was purchased last July while the first session of the Eightieth Congress was still in session, before there was any money appropriated for foreign relief, or even asked for. Truman, Anderson, and company purchased this wheat with one or two things in mind. Either they were going to raise the price of wheat in the hope of winning the farm vote for 1948 or they were going to export it for foreign relief, whether the Congress appropriated the money or not, using the Commodity Credit Corporation's fund.

All this proves the extremity to which the administration is willing to go to get the 1948 farm vote. They are willing to go just as far to keep the city people happy for a few months. And all the while they are trying to place the responsibility for high cost of living on somebody else.

The American people are willing to relieve misery and starvation wherever it may be. From the information that has been presented to this House, there are two things that would probably go further in relieving these people at the moment, and at the same time helping them to help themselves, and that is to send them some food immediately, and help them to get their transportation lines cleared up. I believe that the locomotives, freight cars, and equipment going to Russia should have gone into these stricken countries to help them move supplies. I understand there are a million and a quarter tons of coal piled up in the Ruhr, but they have no means of moving it. It might be a good thing to give them a hundred thousand Army trucks that we have standing all over the world to help move this coal.

Surely we should not give Europe dollars to buy anthracite coal at $30 a ton when their miners are refusing to work more than 30 hours a week. And we should not give them money to buy Argentine wheat at $5 a bushel which the Argentine Government commandeered from their people at $1.35 a bushel.

The millions of dollars that we put into Greece admittedly has been misspent and accomplished nothing. The three and one-half billion we gave to England which was to last 5 years is admittedly exhausted and squandered. Now it might be well to go into the record and find out who is thinking up all of these schemes that are draining our finances, our resources, and our energies. We know that lend-lease had its origin in the White House; that it cost us $66,000,000,000 thus far, and that it fulfilled a campaign pledge of full employment and high wages. We know who was the author of the Morgenthau plan and what the object was. It was a plan of revenge and ruthlessness.

As for the Marshall plan upon which we will be asked to act in the near future, I know of no one who is admitting authorship. I have been informed that Secretary Marshall is denying that he has had anything to do with it. Could it be that it is a continuation of lend-lease under a different name, that its object is to guarantee full employment and high wages to win an election and guarantee prosperity through another New Deal administration? Could it be that the administration has sunk to such depth that they are willing to bankrupt us or starve us in order to win that election?

These questions may sound like an indictment of the present administration but in the light of past performance they do present themselves.

The debate so far has not convinced me that this legislation is necessary or wise. My doubt and mistrust in the administration as well as those governments who are to receive this aid grows out of mismanagement, abuse, and misuse of former aid given, such as lend-lease, UNRRA, the Greek loan, as well as the British loan. With these experiences fresh in my mind, realizing what it has cost us and how little it has accomplished, also the extent to which it will raise our already excessive cost of living, I cannot support this bill unless it is amended so as to guarantee that the relief and food goes to the needy.

Mr. Chairman, it gets down to this in the final analysis: In the light of past performances we should scrutinize these things more closely than we have. There is no reason in the world why we should continue the spiraling of prices and rout our own economy to the extent we are unless we can accomplish something at the other end, which we have not yet done.

Mr. Chairman, unless this bill is properly amended to give me a guaranty that this relief will go to those for whom it is intended, I cannot see my way clear to support it. I sincerely hope that will be accomplished, but unless that is done I cannot support the bill.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. PRIEST. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, during the course of debate on this tremendously important bill my own thoughts have returned many times to the proceedings in this chamber exactly 6 years ago today.

As I have reviewed in retrospect that historic and dramatic scene of December 8, 1941, memories of the months and years that followed have crowded into my consciousness.

They are memories shared by all of us and they remind us of an achievement of such magnitude that we wonder, even now, how America did the job that was done between Pearl Harbor and VJ-day. In many ways, it almost seems like something out of a dream.

But the job was done, because Americans of all creeds and faiths and colors and political philosophies, aroused by a challenge to our way of living, united in spirit and purpose and determination, and marched together, all one way, through the trying months of defeat and discouragement to lay the foundation for turning the tide, and then surging on to victory.

We grapple today and we shall grapple in the future with other problems that have grown out of those years of fighting and sacrifice.

There is discouragement in many quarters today and in many respects the road ahead seems beset with giant boulders of obstruction.

But is there anything we face today any more discouraging than those early months of 1942 when we read the tragic story of the march of death?

Do the problems of 1947 require any more courage to keep our chins up than was required during those fateful days when the Allies were driven back in every quarter? When Bataan and Corregidor fell and we were pushed all the way back to Australia in the Pacific, and when Rommel was knocking at the gates of Alexandria.

Mr. Chairman, during those darker days of the war we doubled the productive capacity of this Nation. We poured millions of tons of war munitions across the seas. We trained millions of men, equipped them with the best weapons in the world, and deployed them on fighting fronts around the globe.

Our civilian population cheerfully accepted the restrictions of gas and food rationing, high taxes, and many other things that mean some sacrifice of the luxuries and even the necessities of a normal life.

The home front swung into action behind our military forces and American fighting men on flaming fields of fire around the world fought from island to island, they fought from battleship and submarine, planes and tanks. They opened a new front in Africa to help drive Rommel into the sea. They bombarded southern Europe and landed in Italy. An ever increasing number of bombers and fighters crossed the English channel until the axis had been softened and then on that historic day of June 6, 1944, they stormed the beachheads of Normandy to take the offensive and carry the war to the Reich.

I shall never forget the feeling that swept over me with almost overwhelming force in the early morning hours of that June day a little more than 3 years ago, when Robert St. John, speaking from the New York newsroom of the National Broadcasting Co. said in a voice that trembled with emotion:

> Men and women of the United States, this is a momentous hour in world history. This is the invasion of Hitler's Europe—the zero hour.

On that day, as you well recall, sirens sounded and bells rung across the country, a prearranged signal in many cities and hamlets, for church doors to swing open for prayer, and millions of Americans reverently bowed to ask divine protection for other Americans who were baring their breasts to the bullets and literally walking into burning barrages of unleashed lightning. That was D-day and the beginning of the end.

I shall not attempt in the time I have today, Mr. Chairman, to review the further course of the victorious advance of our armies in both theaters of war.

I have referred thus briefly to the problems of the war years and the spirit in which they were faced and solved by the American people as a basis for suggesting to the House that the present and future problems of peace, or if you wish of a cold war can be solved if undertaken in that same spirit.

Mr. Chairman, I am sure that I share with other members of this body a feeling of great responsibility in these days when at times we feel that we are being moved on by the inexorable tides of destiny.

In the past few days we have heard many members state in one form or another that we are now at one of those crucial periods in world history. I agree that we are and we cannot escape the seriousness of the decisions that we must make, in this special session and in the regular session beginning a few weeks hence.

This time of testing not only is serious because of the possible consequences of what we shall do or fail to do, but I believe it presents the most serious test to the workability of our system of government in all the history of the Nation.

While it is not new in this country to have a situation in which the executive branch of the Government is directed by one political party and the legislative branch by an opposing party, it is safe to say that at no other time under such circumstances have so many destiny-shaping decisions faced the Government of the United States.

Since last January we have had a Republican House and Senate and a Democratic Chief Executive.

In less than a year from today the American people will elect a President, 435 Members of the House, and 32 Members of the Senate.

We are, in short, on the eve of a national election at a time when very grave national and international issues crowd upon us for consideration.

And since Members of the House are human beings, to say nothing of being Democrats and Republicans, it will be extremely difficult, of course, to prevent, at times, purely political considerations from entering into our deliberations on legislative matters.

We do not expect nor desire everybody to see eye to eye on every matter. But I believe, Mr. Chairman, that one of the most noteworthy achievements of the Eightieth Congress in the first session was the fact that on most major foreign-policy matters we were able to maintain a bipartisan policy.

The question now arises as to whether, under circumstances which I have pointed out, we shall be able to continue such unity of purpose and action on matters that transcend in importances the fortunes of any political party.

That question is far more than theoretical. It is a very real question, in the minds of many persons of all political persuasions.

Having fought to a victorious conclusion the shooting war that began 6 years ago today, we presently have before us the question of how to preserve the fruits of victory for freemen. In essence, that matter resolves itself into the question of doing what is necessary to prevent starvation, chaos, anarchy, and communism in western Europe and at the same time to curb and control a dangerous inflation that even now runs rampant across this country and is felt in every household.

Mr. Chairman, I am sure that no one Member of this body has the complete answer to this double-barreled problem. But I believe the answer can be found in the collective intelligence of this body just as the answers were found to the very pressing problems of war.

We cannot find them if the course of our search is charted through purely political fields. And the stakes are too high for us to run the risk of failure.

When we finish the present consideration of interim aid, we only pave the way for still more far-reaching decisions that must be made in the first few months of the new year.

And with the passing of each month we come closer and closer to nominating conventions.

I am fully aware that it is far more difficult to maintain national unity of will and purpose in attacking the problems of peace than it is in days of war. But for whatever it might be worth, I express the fervent hope today that here in the Congress and across the country we may recapture the spirit that prevailed on December 8, 1941, and through all the ordeal of grim and tragic war that followed.

A majority of the present Members of the House were here 6 years ago today when the only choice we had was to accept as a hard fact the war that literally dropped out of the sky on the quiet beaches of Hawaii.

We recall the high tension of that hour when a tired and grim Franklin Roosevelt came before a joint session in this Chamber to speak for 7 minutes and to ask for a declaration of war.

President Roosevelt smiled only once during his appearance here that day. As he was about to leave the chamber, there was a great demonstration on both sides of the aisle. Recognizing this show of solidity, President Roosevelt turned and waved a hand to the gentlemen on the left, and smiled.

Mr. Chairman, the spirit of America on the day after Pearl Harbor lifted all of us far above the petty differences that are rooted in different political parties and philosophies.

Like a cleansing flame, the inferno that blazed at Pearl Harbor burned out the self-interest impulses from our souls.

And if I could have the answer to a prayer today it would be that here in the Congress, and in every home, and every heart we might recapture the spirit that called us to such high purpose and firm resolution 6 years ago today.

Mr. ABERNETHY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ABERNETHY: Page 2, line 15, after the semicolon, insert the following: *"Provided, however,* That no fertilizer shall be procured or allocated hereunder in or from the United States so long as the supply is inadequate to meet the needs of the agricultural producers of the United States as certified by the Secretary of Agriculture."

Mr. ABERNETHY. Mr. Chairman, this is a very important amendment. If the people of this country are interested in food, if the world is interested in food, if you appreciate the food crisis then my amendment will be of interest to you.

This amendment is important to the agricultural industry of this country. It is extremely important to those of you who represent farm areas. It is important to you who represent city districts, where your constituency has so vigorously complained about the cost of food.

In proportion to the need for increased food production, fertilizer is shorter today than ever before.

Fertilizer is essential to the production of food. Without it there would be hunger throughout the world the like of which you have never seen. Our farmers cannot feed the world without fertilizer to maintain production.

The Secretary of Agriculture announced goals a few days ago for agriculture that will require 9,000,000 more acres of land in 1948 than was utilized in the bumper crop produced during the year 1947. Without adequate fertilizer they cannot reach those goals.

War plants capable of producing fertilizer are lying idle in the United States today. Forty percent of the capacity production of all of these plants is as idle as the rug on this floor. With the hue and cry from abroad for food I cannot understand why the members of this committee have not made some effort to put those plants in operation.

I would like to ask any member of this committee to tell me whether or not there was one single, solitary word before their committee with reference to the exact quantity of fertilizer on hand and that which would be produced this fertilizer year? Will you answer that? Well, from pause and silence I assume you will not. Therefore, I assume there was no investigation, no inquiry, and that you have no knowledge of the stocks available or to be made available.

Mr. FULTON. Mr. Chairman, will the gentleman please repeat his question?

Mr. ABERNETHY. I asked if the committee made any inquiry of the quantity of fertilizer stocks and the quantity that would be made available during this fertilizer year.

Mr. VORYS. Mr. Chairman, if the gentleman will yield, if the gentleman had been paying attention when we were just debating this same subject, the gentleman from Minnesota [Mr. JUDD] read Secretary Harriman's statement on fertilizer about 15 minutes ago.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Georgia.

Mr. PACE. The gentleman's statement was as to the effect, not as to the amount of the shortage, but that there would be a critical shortage if this $35,000,000 worth of fertilizer were shipped out of this country.

Mr. JUDD. Fourteen million dollars.

Mr. PACE. I thank the gentleman.

Mr. ABERNETHY. Well, of course, I was paying attention. Now I ask the gentleman to pay attention to me. Listen to this. The word "fertilizer" has no place in this bill. Already this Government has sufficient authority under the War Powers Act to allocate and to prohibit the exportation of fertilizer to Europe. Already the Government is allocating in some instances and prohibiting in others the allocation of fertilizer to Europe. So why put fertilizer in the

bill at all? It is directing the export of fertilizer every month out of the year to Europe, every month. To my thinking too much is being exported; yes, too much. Rather than authorize more exports they should be reduced.

Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ABERNETHY. On tomorrow morning before a subcommittee of the House Committee on Agriculture, of which I am a member, we will begin an investigation into the fertilizer situation. The investigation was scheduled several weeks ago, not today, not since my amendment was offered, not since the amendment offered by the gentleman from Georgia and just debated at length, but several weeks ago. The hearings begin in the morning before the Committee on Agriculture. Realizing the seriousness of the situation, they were scheduled at the instance of the gentleman from Mississippi [Mr. WHITTEN], myself, and others. He, I, and others who have a deep interest in this matter want to get the facts. We want you to have the benefit of them.

We have sent requests all over the country, to the fertilizer industry, to the War Department, which has plants capable of manufacturing fertilizer, to the ODT, whose authority it is to make available tank cars and the rolling stock necessary to transport fertilizer, to the Maritime Commission, whose authority it is to provide the ships necessary to import nitrogen from Chile, and to the Departments of State and Commerce, which have power over international allocations of fertilizer. We have called in everyone interested in the fertilizer industry. We begin hearings in the morning.

I beseech you to adopt this amendment. You cannot lose by so doing. The provision is already in the Senate bill, so give it this safeguard. Let the House bill go to conference with fertilizer stricken out. Give us an opportunity to make a real, honest-to-goodness investigation of the situation. Give us a chance to bring an unbiased report to you or to the conferees. Nothing will be lost by your so doing. I ask you to do that for the good of American agriculture, for the good of the hungry stomachs around the world, and for the good of those of you who live in the cities and contend that your food is so short and so high.

One other thing: Fertilizer is used heavily not only in the South, as was indicated by my friend from Minnesota [Mr. O'HARA], but all up and down the eastern shore, throughout New England, the Midwest, and far West. It is becoming more essential every day to the production of good and bountiful crops. Our farmers bled their land white during the war meeting high-production goals. Their land needs a rest. But the world needs food. The use of fertilizer has expanded year by year throughout the Midwest in the last 7 years. They are using larger and larger and larger quantities. They have found a definite need for it.

I ask you again, adopt this amendment. Give us a chance to do what our committee has proposed to do. You cannot lose by it. The issue can again be considered in conference and the conferees will have the benefit of our findings.

Mr. H. CARL ANDERSEN. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. H. CARL ANDERSEN to the amendment offered by Mr. ABERNETHY: After the word "fertilizer" add the words "farm machinery and petroleum products."

Mr. H. CARL ANDERSEN. Mr. Chairman, I am offering this amendment in behalf of the farmers of this Nation, so that they may have the opportunity to produce the wheat that is so much needed. I also offer this in order to protect thousands of families from suffering from the lack of fuel oil. I know from personal correspondence that today that there are fuel dealers in my congressional district in Minnesota who cannot supply their patrons. There are many GI's among those patrons who cannot secure enough fuel oil to keep their houses warm. I know also from personal experience that it has been practically an impossibility, on my farm at least, to secure the machinery that we should have had the past 6 or 7 years to try to do the job we want to do, and that is, to produce at full capacity. An inflationary market in farm machinery today holds back production all through the great Midwest.

I agree with the gentleman from Mississippi in his anxiety concerning fertilizer. Having worked for 2 years in Alabama, I know that fertilizer is the lifeblood of the South when it comes to producing a crop. You just have to put in so much fertilizer down there per acre or you just do not get a crop.

Out in Minnesota we need desperately the tractors and the farm machinery. Out in that country, where just the other morning, the temperature was 17 below zero, there are plenty of GI's trying to construct new homes who cannot even get onto the lists of the fuel dealers in order to get fuel oil to keep their families warm. Fuel suppliers have cut their quotas to our fuel dealers and our people this winter will suffer if we permit our precious supplies to go abroad.

I voted against the preceding amendment for the simple reason that it was too inclusive. I do not want to prohibit the exportation of wheat, if there are starving people in Europe or China, or anywhere else who we can help. At the same time, I do not want to make it impossible for our own farmers to produce this necessary food. Keep in mind in connection with this interim program that it is impossible for the people in Europe to do any farming before this will take effect, so why not put in a prohibition against the useless sending over there of fertilizer and farm machinery and fuel oil that we so dearly need in this country?

Today, as we are considering this bill a press release from International Falls, Minnesota, tells of hundreds of families there being endangered by the lack of fuel oil for their furnaces. These same press releases say that tomorrow morning far below zero weather is expected.

We have no moral right, Members of the House, to permit the shipping abroad of necessities of life which are in such short supply from the lack of which our own people suffer.

Many of us have protested against the short-sighted policy of the Truman Administration in permitting machinery and petroleum products to go to Russia at this time. We are arming a potential enemy in so doing. Many of us in 1939 also protested to an un-heeding administration against the shipment of scrap iron and fuel oil to Japan.

We must place certain prohibitions directly in this legislation, having little confidence in those in whom this power has in the past been vested.

I sincerely hope that the House will see fit to accept my amendment as well as that of the gentleman from Mississippi. Shall we not protect our own people, at the same time helping those others as far as we can without wrecking our own Nation's economy?

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield.

Mr. SMITH of Ohio. There is strong talk of rationing of petroleum products now, is there not?

Mr. H. CARL ANDERSEN. There absolutely is. A cartoon in today's Washington Star well illustrates that possibility. Remember, families in Minnesota are without fuel today.

Mr. SMITH of Ohio. Then that ought to determine our vote on your amendment.

Mr. H. CARL ANDERSEN. I thank the gentleman.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield.

Mr. REES. While the gentleman is discussing this question of agriculture, it might be well to observe that about 20 percent of the farm lands in France at the present time are devoted to the raising of grapes to produce wine and things like that. It might be better if they raised wheat and other grain.

Mr. H. CARL ANDERSEN. I think our farmers in this country can make far more effective use of this farm machinery than can the farmers in Europe. Let us send them the grain, but let us also give our own farmers an opportunity to produce the food as they will. Let us help our own in order that we can help starving peoples in other lands. Fuel oil under present circumstances should not be shipped from our country. We owe a duty to our own here.

Mr. WHITTINGTON. Mr. Chairman, I rise in support of the amendment offered by my colleague the gentleman from Mississippi [Mr. ABERNETHY].

I think that fertilizer should be stricken from the bill. I say that as a supporter of the legislation. The War Powers Act was extended as far as fertilizer is concerned, and under the terms of that act in order that the Members may have a concrete case, ammonium nitrate, a nitrogenous fertilizer, is manufactured in this country, by TVA, the Spencer Chemical Co. and the Lion Oil Co. in former war plants, that Congress

understood would be operated to manufacture ammonium nitrate. Under the power extended in the War Powers Act, agencies of these countries across the seas have already been allocated 16 percent of the production of those three companies. That was the production for 1946. Two of those companies, Spencer and Lion, are producing far less now than they produced in 1946, so that the allocation already made means that 50 percent of their production for 1947 will be allocated for shipment overseas under legislation we have already passed. Thus there will not be available to the farmers of the United States, where the demand for fertilizer is increasing and the supply is decreasing, as much as was available in 1946, when there was a shortage. There is no good reason, therefore, why fertilizer should not be stricken from this bill, because allocations have already been made, and shipments have already been started across the seas for the current year. Why add to the allocations we have already made.

May I say further that the war plants are now producing as much ammonium nitrate as the three plants that I have indicated. All of the war plants production is going overseas to the occupied and conquered countries. Have we not done enough when we provide for our war plants to be continued to be operated, so that as much can be sent overseas as is being made available to our farmers? The Spencer and Lion plants, instead of producing the same amount of fertilizer that they produced last year, are now producing far less. They are diverting to wood or synthetic alcohol because they can get more for their product by changing their machinery. Spencer is diverting it to ammoniating superphosphate. So that while they have been required to allocate for shipment overseas, they are diverting, and there will not be available as much for your domestic growers as there was last year. I do insist that inasmuch as there is a shortage, inasmuch as the shortage has been admitted during the debate under this section, and inasmuch as we have already provided for allocations that have been made, and which are already on the way overseas, we should not increase those allocations by enabling the United States to buy and furnish fertilizer when they have already allocated to the agencies of those governments more in proportion than our own farmers are receiving this year or at the expense of our farmers. I insist that the word "fertilizer" should be stricken from this bill.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. WHITTINGTON. I am glad to yield to the gentleman.

Mr. ABERNETHY. I call attention of the Members to this pertinent fact, that present plans call for the export of about one-third of United States production to the farmers of Europe and other regions of the world this year.

Mr. WHITTINGTON. That is 30 percent. I so stated. I would like to say this: I have read these hearings and I do not know of any good reason why those German plants and other plants should not be rehabilitated so that fertilizer can be manufactured in Europe for European needs. Nor do I know of any reason why the war plants in the United States, one of them at Cactus, Tex., and the other at Louisiana, Mo., should not be rehabilitated by the War Department so that at least the War Department can provide for the manufacture of fertilizer that may be needed in rehabilitating France and Italy, or, for that matter, making it available to the growers in the United States, just as you have made it available to the occupied and conquered areas.

Mr. ABERNETHY. Will the gentleman yield further?

Mr. WHITTINGTON. I yield.

Mr. ABERNETHY. Is it not true that with this item in this bill as it is, this would be regarded and accepted as an additional allocation over and above the one-third output already allocated?

Mr. WHITTINGTON. Certainly, and that would deprive the American farmers of the already short supply of fertilizer.

I do insist, in all fairness, that without injury to the bill, the word "fertilizer" should be stricken from the bill.

Mr. Chairman, the pending bill is to provide funds largely as grants. I am advised that the countries of Europe in need of fertilizer are able to buy and pay for all of the fertilizer that has been allocated under the extension of the War Powers Act. The allocations are not made to the governments, but to institutions for resale to farmers. The domestic requirements are large, and the domestic supply for ammonium nitrate or nitrogenous fertilizer is small. In fairness, therefore, to the American grower, fertilizer should not be included in the pending bill.

The Spencer Chemical Co. and the Lion Oil Co. have advised their dealers in the District that I represent that they will not be able to supply more than one-third or one-half the amount of ammonium nitrate they supplied in 1946. In fairness, however, this is due to the fact that these two companies have reduced their production of ammonium nitrate. They are diverting it to synthetic alcohol and to other purposes. The farmer is the sufferer.

I repeat that the ordnance plant in Texas and the ordnance plants at Louisiana, Missouri, should be rehabilitated and that these plants should produce ammonium nitrate for use by American growers to relieve the admitted shortage of domestic ammonium nitrate.

I have been advised that no more Chilean nitrate will be available to the cotton growers in the Mississippi Delta than was made available in 1946. There was a shortage then. There will be no more cyanimide available from Canada than in 1946, and there was a shortage then. The taxpayers are dealing generously with the conquered and occupied areas. The war plants are producing as much anhydrous nitrate for shipment to the occupied areas as the TVA, Spencer and Lion are producing in the United States. Spencer has advised my constituents that his company cannot furnish more than one-third the ammonium nitrate furnished in 1946. Lion advises that they hope to furnish substantially one-half.

What I have said with respect to fertilizer applies to oil and mechanical equipment. If tractors are not in the bill, it should be made clear that tractors, as well as oil, are stricken with fertilizer from the bill.

The CHAIRMAN. The time of the gentleman from Mississippi [Mr. WHITTINGTON] has expired.

Mr. VORYS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MICHENER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 4604, had come to no resolution thereon.

VETERANS' LEGISLATION

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am going to press for action on three bills that were not passed during the last session of the Congress. One is increased subsistence allowance for the men taking institutional training—the Mead bill passed by the Committee on Veterans' Affairs unanimously. The men cannot really take their training and keep it up. They are dropping out. Two tried to commit suicide recently in California because they could not meet the expenses of the family.

The other measure is for an increase in subsistence allowance, plus the allowance from the employer, in on-the-job training—the Kearney on-the-job training bill.

The other is the automobile bill, which takes in certain men that should have been included before. That bill is the Mathews bill which did not pass in the last session. The doctors in the hospitals in California tell me the legislation granting automobiles to certain paraplegics and amputees was the finest rehabilitation measure that had ever passed the Congress of the United States. We have argued today and for many days about giving millions of dollars in relief for the countries that our veterans saved. I believe every Member of the House would want these bills passed before we adjourn for the holiday season. All these bills passed unanimously and the Committee on Veterans' Affairs sought tirelessly to secure their passage. The Senate had the vision to pass these bills. So it would be easy to pass them in the House and have them become law. I believe the President would sign them.

The SPEAKER. The time of the gentlewoman from Massachusetts has expired.

EXTENSION OF REMARKS

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent to extend my remarks further in the RECORD, and I have an estimate from the Public Printer that the cost will be $195. Notwithstanding the additional cost, I ask unanimous consent that the extension may be made.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SMITH of Ohio asked and was granted permission to extend his remarks in the RECORD and include an article by Sid J. Hughes, vice president of the Industrial Bank of Commerce of New York.

Mr. JUDD asked and was granted permission to extend his remarks in the Appendix of the RECORD in two instances and in each to include some printed material.

SPECIAL ORDER GRANTED

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that on Monday next I may address the House for 30 minutes, after the regular business of the day and any other special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

HOUR OF MEETING TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

EXTENSION OF REMARKS

Mr. MUNDT asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Sioux Falls Argus-Leader.

Mr. KLEIN asked and was given permssion to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. GORE asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Pittsburgh Post-Gazette.

Mr. MADDEN asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. EBERHARTER asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the St. Louis Post-Dispatch.

Mr. ALBERT asked and was given permission to extend his remarks in the Appendix of the RECORD and include two editorials.

Mrs. SMITH of Maine asked and was given permission to extend her remarks in the Appendix of the RECORD in two instances and to include extraneous matter.

RESIGNATION FROM COMMITTEE

The SPEAKER laid before the House the following communication, which was read:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., December 8, 1947.

Hon. JOSEPH MARTIN,
Speaker, House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: Please accept this as my resignation as a member of the District of Columbia Committee.

Sincerely yours,

F. EDW. HÉBERT.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. AUCHINCLOSS (at the request of Mr. SUNDSTROM), for Saturday and Monday, on account of official business.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 36 minutes p. m.) the House, pursuant to its previous order, adjourned until tomorrow, Tuesday, December 9, 1947, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1137. A letter from the Public Printer, United States Government Printing Office, transmitting a record covering the activities of the United States Government Printing Office during the war and emergency period; to the Committee on House Administration.

1138. A letter from the Attorney General, transmitting a report reciting facts and pertinent provisions of law in the cases of 83 individuals whose deportation has been suspended for more than 6 months; to the Committee on the Judiciary.

1139. A letter from the Secretary of the Interior, transmitting a report of the Migratory Bird Conservation Commission for the fiscal year ended June 30, 1947; to the Committee on Agriculture.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRADLEY:

H. R. 4654. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

By Mr. CASE of South Dakota:

H. R. 4655. A bill to increase the normal tax and surtax exemptions of a single person to $1,000 and of a married person to $2,000; to the Committee on Ways and Means.

By Mr. HEFFERNAN:

H. R. 4656. A bill to amend the Armed Forces Leave Act of 1946 to permit certain payments to be made to the estates of former members of the armed forces; to the Committee on Armed Services.

By Mr. MacKINNON:

H. R. 4657. A bill to amend the National Housing Act, as amended; to the Committee on Banking and Currency.

By Mr. PRICE of Florida:

H. R. 4658. A bill to provide for assistance by the Federal Government in the repair of damage caused by erosion by waves and currents to the shores of the State of Florida and in the prevention of future damage to such shores; to the Committee on Public Works.

By Mr. SIKES:

H. R. 4659. A bill to ratify and confirm amendments to certain contracts for the furnishing of petroleum products to the United States; to the Committee on the Judiciary.

By Mr. THOMAS of Texas:

H. R. 4660. A bill to exempt certain proceeds of life insurance from the Federal estate tax; to the Committee on Ways and Means.

By Mr VAN ZANDT (by request):

H. R. 4661. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs

By Mr. CELLER:

H. R 4662. A bill relative to maximum rents on housing accommodations; to repeal certain provisions of Public Law 129, Eightieth Congress; and for other purposes; to the Committee on Banking and Currency.

By Mr. VINSON:

H. R. 4663. A bill conferring jurisdiction on the United States District Court for the Middle District of Georgia to hear, determine, and render monetary judgment upon the claims of the city of Macon, Ga.; to the Committee on the Judiciary.

By Mr. MILLER of Nebraska:

H. R. 4664. A bill to provide for a National Institute of Industrial Training of Negro Youth; to the Committee on Public Works.

By Mr. PFEIFER:

H. R. 4665. A bill to admit to the United States as nonquota immigrants certain displaced Polish citizens who have rendered service to the United States Army; to the Committee on the Judiciary.

By Mrs. DOUGLAS:

H. R. 4666. A bill to amend the National Housing Act, as amended; to the Committee on Banking and Currency.

By Mr. GRANGER:

H. R. 4667. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

By Mr. PRICE of Illinois:

H. R. 4668. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the committee on Veterans' Affairs.

By Mr. KEATING:

H. J. Res. 270. Joint resolution requesting the President to designate December 7 for annual observance as Gold Star Mothers' Day; to the Committee on the Judiciary.

By Mr. POULSON:

H. Res. 396. Resolution relating to the immediate distribution of foodstuffs abroad through church and eleemosynary institutions; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOGGS of Louisiana:

H. R. 4669. A bill for the relief of Maurice J. Symms; to the Committee on the Judiciary.

By Mr. CORBETT:

H.R. 4670. A bill for the relief of Sister Anna M. Alzbeta Sijarto-Hajdukova (also known as Sister M. Elizabeth); to the Committee on the Judiciary.

By Mrs. DOUGLAS:

H.R. 4671. A bill for the relief of Margo G. Merriman; to the Committee on the Judiciary.

By Mr. MICHENER (by request):

H.R. 4672. A bill for the relief of John Cameron Henry; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

872. By Mr. BRADLEY: Petition of 24 voters of the Eighteenth Congressional District of California, urging legislation establishing a system of universal military training for American young men, as recommended by the President's Advisory Commission on Universal Training; to the Committee on Foreign Affairs.

873. By Mr. CASE of South Dakota: Petition of Mrs. Dewett Olsen and 14 others, of Willow Lake, S. Dak., urging legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

874. Also, petition of Mrs. J. Bernhofson, secretary, and 28 members of the North Ladies Aid, Canton, S. Dak., urging legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

875. Also, petition of Mrs. L. Fossum and 26 others, of Baltic, S. Dak., urging the enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

876. Also, petition of Mrs. W. A. Eitreim and 23 others, of Garretson, S. Dak., urging the enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

877. Also, petition of Mrs. Omar Langloss and 22 others, of Lyons, S. Dak., urging the enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

878. By Mr. GILLIE: Petition of Local No. 915, United Electrical, Radio, and Machine Workers of America, CIO, Fort Wayne, Ind., to (1) raise tax exemptions for working people; (2) put curbs on profiteering; and (3) stabilize prices at lower levels; to the Committee on Ways and Means.

879. By Mr. GRAHAM: Petition of 28 residents of Butler and Beaver Counties, Pa., favoring legislation establishing a system of universal military training; to the Committee on Armed Services.

880. By the SPEAKER: Petition of St. Cloud Townsend Club, No. 1, St. Cloud, Fla., petitioning consideration of their resolution with reference to signing of Discharge Petition No. 7, relative to the Townsend plan; to the Committee on Ways and Means.

881. Also, petition of the James M. Power Regular Democratic Club of the Thirteenth Assembly District, Kings County, N. Y., petitioning consideration of their resolution with reference to requesting appropriation of funds for construction of a motion-picture theater in the Manhattan Beach Veterans' Hospital, Brooklyn, N. Y.; to the Committee on Appropriations.

HOUSE OF REPRESENTATIVES

TUESDAY, DECEMBER 9, 1947

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O merciful and compassionate God, graft in our hearts the love of truth and justice, nourished with the rich abundance of Thy fatherly care. By the memories of our country's glorious past, cleanse the inner temple of Columbia; make us alert to the present challenge of a godless philosophy, pledging ourselves to greater service to Thee, with courage to do and to dare, and, if need be, to sacrifice and to suffer. Thus may the stained arteries of the world be purged of the scrofula which threatens them, and the individual rights of man be enthroned and assured. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. BOGGS of Delaware asked and was given permission to extend his remarks in the Appendix of the RECORD in commemoration of the one hundred and sixtieth anniversary of the ratification of the Federal Constitution by the State of Delaware.

Mr. CURTIS asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address delivered by the Honorable HAROLD KNUTSON, chairman of the Ways and Means Committee, at Hastings, Nebr., on September 18.

ELECTION OF HON. F. EDWARD HÉBERT AS MEMBER OF COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. DOUGHTON. Mr. Speaker, I offer a resolution (H. Res. 397) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That F. EDWARD HÉBERT, of Louisiana, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Un-American Activities.

The resolution was agreed to.

A motion to reconsider was laid on the table.

THE POLICE STATE DESTROYS LIBERTY

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, the police state, regardless of label, whether it be called communism, socialism, New Dealism, or what not, strives to destroy liberty wherever it exists.

That is basic in the Marxian collectivist doctrine.

Marx held that socialism—he used the words "socialism" and "communism" synonymously, although the former more often than the latter—cannot be made to stick in any country unless it is applied universally.

Socialists have so little faith in the merits of their doctrine that they are unwilling to risk it in competition with any degree of freedom anywhere.

The way to prove that the political profit motive—Marx euphemistically called it the dictatorship of the proletariat—would bring greater happiness to mankind than the private profit motive is to destroy all possible controversy relating to the question—just completely wipe from the whole face of the earth all vestige of any right of private property ownership.

Hence, the Communist International, which connotes cooperation between all nationals and political parties everywhere favoring communism.

Hence, the recognition of Communist Russia by the New Deal in 1933, welcoming its agents to our shores, pampering and encouraging them to undermine the faith of our people in the Republic.

Yes, not only did the New Deal receive Stalin's agents with a glad hand, aid and abet them in their sinister cause, but through the gold-purchase program it actually financed their activities, and, indeed, is still doing so, even this very day.

Only a common ideology could sufficiently bind the New Deal to the Union of Soviet Socialist Republics to make possible the widespread and dangerous infiltration of Stalin's subversive agents into almost every nook and cranny of our Nation.

THE LATE I. CLINTON KLINE

Mr. FENTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FENTON. Mr. Speaker, it is with deep regret that I inform the House of the passing of a former Member, the Honorable I. Clinton Kline, of Sunbury, Pa., who answered the final roll call on Tuesday night last in the De Land Hospital, De Land, Fla.

Mr. Kline, who was in his eighty-ninth year, served in Congress from 1920 to 1922, representing the former Pennsylvania congressional district which included Northumberland, Montour, Columbia, and Sullivan Counties.

The Honorable I. Clinton Kline was one of Sunbury's oldest citizens and for more than half a century was a member of the Northumberland County Bar Association. He was unmarried and his closest survivors are a number of nieces and nephews. He was the seventh child of nine born to Harmon G. and Mary Bassett Kline, Clinton being born and reared in Upper August Township, east of Sunbury.

Up until the time of death Mr. Kline was a regular attendant and active member of the Northumberland County Historical Society. He was a member of the board of trustees of the Community Hospital at Sunbury.

While only in Congress for a short period, Mr. Kline won the esteem of his associates for his rhetorical ability, and while elected as a Republican held the high respect of his colleagues on both sides of the aisle.

I know the surviving relatives of this beloved citizen and statesman have the heartfelt sympathy of my colleagues in the House.

SPECIAL ORDER GRANTED

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent that on Thursday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

EXTENSION OF REMARKS

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. SMATHERS asked and was given permission to extend his remarks in the RECORD and include editorials.

Mr. JAVITS asked and was given permission to extend his remarks in the RECORD and include an article entitled "20,000,000 Children Share Europe's Misery and Fear."

TRADE WITH PAKISTAN AND INDIA

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, significantly there came out of India yesterday a report that an accord had been reached between Pakistan and India on the subject of railways, assets, credits, and arms. This augurs well for the future relations between those two Dominions. I stress this point to bring up another situation, namely, the absence of a treaty between our own Government and the Dominion of India. There are great possibilities for trade between our two countries, and there should have been long since appointed a commission to study the situation so that there might evolve from the deliberations of that commission the usual treaty of friendship, commerce, and navigation between the United States and India. If we had, for example, a parliamentary system where we would have a question hour wherein Members can propound questions to members of the Cabinet, I would be privileged then to ask a representative of the State Department if there were any causes that should impede or prevent the consummation of such a treaty. We do not have that privilege in the House, but I do direct a question nonetheless to the responsible members of the State Department to tell the House and the Senate why there has not been long since an effort made to consummate a treaty between the United States and the Dominion of India, which Dominion, aside from Pakistan, has over 300,000,000 people. There are limitless possibilities of trade between our two countries. A trade treaty would facilitate trade both ways. Furthermore, a treaty would cement cultural relations between us. A treaty would symbolize the friendship and cordiality that exist between us. Frequently Indian nationals come to me and complain that as merchants they have no treaty merchant status. They wish to buy our goods and sell Indian products. They can only come to us as visitors. Every 30 days or so they must renew their right to remain here. That is irksome and burdensome. A treaty would endow American merchants in India and Indian merchants in the United States with treaty status and privileges. There is a great awakening in India and a tremendous desire to have their Government trade with us, without let or hindrance. There is a great infiltration into India of western ideas. Reciprocally we could stand a lot of infiltration of India ideas into our land. It would do us a lot of good. A treaty would help in this regard. We should cease looking upon India as a stranger.

CALL OF THE HOUSE

Mr. H. CARL ANDERSEN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. HALLECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 141]

Bender	Harris	Riehlman
Brooks	Hartley	Robsion
Chapman	Hendricks	Rooney
Chiperfield	Hinshaw	Sabath
Clements	Johnson, Calif.	Sadlak
Colmer	Kerr	Sadowski
Cooper	Morrison	Short
Cotton	Murray, Wis.	Simpson, Pa.
Cox	Norrell	Somers
Fellows	Phillips, Calif.	Thomas, N. J.
Foote	Poulson	Wood
Forand	Powell	Zimmerman
Gearhart	Reed, N. Y.	

The SPEAKER. On this roll call 393 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

RELIEF OF THE NAVAJO AND HOPI INDIANS

Mr. WELCH. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4627) to authorize an appropriation for the immediate relief of the Navajo and Hopi Indians, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. RICH. Reserving the right to object, Mr. Speaker, does this bill have a unanimous report from the committee?

Mr. WELCH. The Committee on Public Lands, also the Subcommittee on Indian Affairs, reported the bill unanimously.

Mr. RICH. Has the Committee on Public Lands reported the bill unanimously?

Mr. WELCH. Both the subcommittee and the full committee have reported the bill unanimously.

Mr. SMITH of Ohio. Reserving the right to object, Mr. Speaker, does this mean that we are going to feed the Navajo Indians before we send any more money to the socialist governments of Europe?

Mr. WELCH. The gentleman from Ohio, the Members of this House, and the people of the country are aware of the unfortunate and deplorable condition of the Navajo and Hopi Tribes of Indians, and the fact that they are in immediate need of relief.

Mr. SMITH of Ohio. It is a poor wind that does not blow some good. It took the Marshall plan to call our attention to the poor, starving Navajos. I should like to see the Navajos fed.

Mr. WELCH. Mr. Speaker, the purpose of this bill is to authorize immediate relief to overcome the deplorable and destitute condition prevailing among the Navajo and Hopi Indians.

Distress has been known to exist among the Navajo and Hopi Tribes of Indians for some time in the past. The alarming degree, however, of this distress which cries out for immediate relief was made fully known by the Subcommittee on Indian Affairs after a recent visit to the reservations and careful study which revealed a deplorable condition which was set forth in its painstaking report to the chairman of the Committee on Public Lands.

In the treaty of 1868 between the United States Government and the Navajo Indians, 16,500,000 acres of land were set aside for the Navajo Tribe. This large tract of land consists, in the main, of some of the very poorest land in the West. At that time, according to the United States Army estimates, there were 9,000 Navajo Indians on the reservation. Today there is an estimated Indian population of over 60,000. There are 11,000 Indian families on the reservation. The population is increasing at the rate of 1,200 a year. It is estimated that the average family income is approximately $400 a year. The estimated infant mortality rate is 318 per 1,000, or more than seven times greater than the United States in general. More than half of all Navajos die before they are 5 years old. For the estimated 61,000 people there are no field doctors or nurses; only one school nurse and one full-time dentist. There is 16 times more tuberculosis on the reservation than the national average.

There are 24,000 children of school age on the Navajo Reservation and not over 8,000 have had any schooling, and the average schooling of the 8,000 has been approximately 3 years. Thus, it will be seen that 16,000 Indian children are being denied school facilities, which is an absolute violation of section VI of the

treaty entered into between the United States and the Navajo Indians. The selective-service records of 4,000 Arizona Indians for the period between 1943 and 1945 show that although born and reared in this country, only 12 percent of them could speak English.

It is the unanimous recommendation of the Committee on Public Lands that the primary purpose and first consideration of the appropriation recommended in this bill shall be to use it with other supplemental aid for the relief of hunger and to provide clothing and shelter for the destitute Navajo and Hopi Indians.

The committee intends to recommend such legislation as is necessary in the regular session of Congress in 1948 for a long-range program dealing with the problems of all Indians on Government reservations.

The Committee on Public Lands unanimously recommends immediate favorable consideration of this legislation and urges that the necessary appropriation be made forthwith to meet this deplorable situation.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to take immediate action for the relief of the deplorable conditions now prevailing among the Navajo and Hopi Indians on their reservations.

SEC. 2. In taking such action, the Secretary of the Interior shall—

(1) make available immediately funds in addition to those now available for the relief of the needy children, the blind, the aged, and the disabled among the Navajo and Hopi Indians;

(2) institute immediately a program to expand the medical facilities on the Navajo and Hopi Indian Reservations;

(3) institute immediately construction programs to provide useful employment for needy, able-bodied Navajo and Hopi Indians on their reservations; and

(4) institute immediately a program, with the cooperation of the United States Employment Service, to foster and encourage the employment of Navajo and Hopi Indians in positions off their reservations.

SEC. 3. The Secretary of the Interior is authorized to appoint a staff of not more than 12 persons, and to train such staff in labor-management relations, with special reference to problems peculiar to the employment of Navajo or Hopi Indians. Such staff shall assist in (1) securing employment for Navajo or Hopi Indians in positions off their reservations, (2) informing the Navajo and Hopi Indians of opportunities for such employment and explaining to them problems relating thereto, and (3) interesting local organizations in the welfare of the Navajo and Hopi Indians so employed. Insofar as it is practicable to do so, Navajo and Hopi Indians shall be appointed to such staff.

SEC. 4. There is authorized to be appropriated the sum of $2,000,000 to carry out the immediate purposes of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. WELCH. Mr. Speaker, I ask unanimous consent that all Members be given five legislative days in which to extend their remarks on the numanitarian measure just passed by the House.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BROWN of Ohio asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the Ohio Department of the Disabled American Veterans.

Mr. LECOMPTE asked and was given permission to extend his remarks in the RECORD and include an editorial from the Ottumwa (Iowa) Courier.

Mr. VAN ZANDT asked and was given permission to extend his remarks in the RECORD and include an article from the Missouri-Kansas-Texas Railroad Employees Magazine of November.

Mr. OWENS asked and was given permission to extend his remarks in the RECORD and include an article from the Times-Herald of today.

Mr. FERNANDEZ asked and was given permission to extend his remarks in the RECORD and include a statement made by Mr. Horace M. Albright, president of the United States Potash Co.

INTERIM-AID BILL, 1947

Mr. FULTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the *State of the Union for the further consideration* of the bill (H. R. 4604) to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 4604, with Mr. MICHENER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the Committee was discussing section 3 of the bill and an amendment offered by the gentleman from Mississippi [Mr. ABERNETHY] was pending. To that amendment, an amendment had been offered by the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. BLOOM. Mr. Chairman, I ask unanimous consent that the amendments be read at this time.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. ABERNETHY: Page 2, line 16, after the semicolon, insert the following: "*Provided, however*, That no fertilizer shall be procured or allocated hereunder in or from the United States so long as the supply is inadequate to meet the needs of the agricultural producers of the United States as certified by the Secretary of Agriculture."

Amendment offered by Mr. H. CARL ANDERSEN to the amendment offered by Mr. ABERNETHY: After the word "fertilizer" add the words "farm machinery and petroleum products."

Mr. VORYS. Mr. Chairman, we have already spent considerable time on this amendment. We hope to move forward in the consideration of the bill today. I ask unanimous consent that debate on this amendment and all amendments thereto be limited to 20 minutes, and that the gentleman from Mississippi [Mr. ABERNETHY] may have 5 minutes and the committee 10 minutes.

Mr. H. CARL ANDERSEN. I object, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Chairman, when we adjourned on yesterday afternoon, we had before us what I think is one of the most important issues relating to food. Those of you who represent farm constituencies represent a people who have been called upon to produce during 1948 one of the greatest crops ever for the purpose of feeding, not only the people of the United States and the cities of this country, if you please, but the people of many foreign countries, very nearly the whole world. They cannot possibly meet these goals unless they have two things, and these are adequate supplies of fertilizer and farm implements. We are told that 1 ton of fertilizer produces several tons of food. Europeans are not in position to utilize fertilizer and farm implements as we do. Europeans cannot produce a ton of food with a ton of fertilizer, but the American farmer, from the production goals attained during and since the war, has proven to the world that he can and will produce the food which the world so greatly needs.

Last fall this Congress reduced the soil-conservation appropriations. Whether that was wise or unwise, I will let you answer to yourselves; but I must call your attention to the fact that while the farmers of this country were meeting these tremendous production goals they were bleeding their land white. Unless the soil-conservation program is expanded, unless something is put back in the way of nitrogenous fertilizer, then not only will the farmer suffer but so will the people in the cities who complain of food scarcities and its high cost, as well as the people of Europe who contend that they are so hungry and cold.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield.

Mr. COOLEY. Does the gentleman's amendment embrace production by the plants operated by the War Department?

Mr. ABERNETHY. No; it does not embrace production by plants operated by the War Department, because the Congress is committed to a policy that every single ton of fertilizer produced in the war plants will go to the occupied countries of Germany, Japan, and Korea.

Mr. COOLEY. Yesterday the gentleman said the war plants were idle. What is the situation?

Mr. ABERNETHY. I am sorry, I do not have time to go into that, but I am reliably informed that they are producing at only 60 percent of their capacity. They contend that the cost of production in some plants is too high. Considering the need, I differ with them.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I am delighted to yield.

Mr. DONDERO. Can you give the House any information on whether the fertilizer plants in Europe are operating or could be made available?

Mr. ABERNETHY. I am very glad the gentleman asked that question.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. ABERNETHY. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ABERNETHY. I notified the House on yesterday that this morning the committee, of which I am a member, would begin hearings investigating the fertilizer situation. In answer to the question of the gentleman from Michigan [Mr. DONDERO], we have sent out inquiries to determine what plants in Europe have since the war been put into operation; of the plants in the Marshall plan countries, where we understand there was prewar operation; we have sent out inquiries to determine which, if any, of these plants are now operating and manufacturing fertilizer. The sensible solution of this problem is not to send them our fertilizer year after year but to get their plants into operation.

There was a room full of people at the committee hearing this morning. Farmers, farm leaders from all over the country, agricultural leaders from here and there, people from the War Department who have the authority to operate the war plants, from the State Department, the Department of Commerce, and the ODT, all associated with this problem. We heard four witnesses this morning. I am asking you to adopt this amendment if for no other reason than to just give us a little time to develop the facts and bring them to you. If you will do so, then no harm can come therefrom, for this reason: The Senate passed its bill with the items which we seek to temporarily eliminate. If you leave them in this bill then the Congress will be denied the benefit of the information which my committee is now endeavoring to gather. If you will adopt the amendments offered by myself and the gentleman from Minnesota [Mr. H. CARL ANDERSEN] then the conferees will have full opportunity to peruse and study our report which we will bring to them no later than Saturday. If you vote down the amendments I am afraid our investigation will be of little value.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield.

Mr. JUDD. The committee went into this very carefully, and we were advised in the Krug report and the Harriman report that the difficulty in getting those fertilizer plants in Europe back into operation is lack of coal and lack of power. When we can solve the problem of adequate mining machinery, coal, and power, then we can get those plants back into operation. The Krug report says, "Although European production of nitrate is almost back at prewar levels, the total produced is insufficient."

So we are working on that.

Mr. ABERNETHY. I am glad to have that information. We will have far more for you in about 2 days.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield.

Mr. AUGUST H. ANDRESEN. Would it not be far better to see that people over there produced more coal so that they could manufacture fertilizer for their own use?

Mr. ABERNETHY. That is important, yes.

Mr. CASE of South Dakota. Current strikes are costing them a million tons of coal a week.

Mr. ABERNETHY. I am certain something is costing them a great deal. They certainly are not working as they should be.

Mr. Chairman, I desire to read a few statements and I urge the Members to follow me closely.

The United States is now the world's largest producer of nitrogen. Now, listen, for this is most reliable information:

Present plans call for the export of one-third—one-third—of our production right now. The Government today has the authority under some act—I understand the War Powers Act—to requisition and export fertilizer to Europe. Therefore the fertilizer item has no place in this bill. It could only be construed to increase our exports.

Mr. JARMAN. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield.

Mr. JARMAN. I know the gentleman from Mississippi wishes to be fair.

Mr. ABERNETHY. I certainly do.

Mr. JARMAN. And in order to do so I know he realizes that it is necessary to tell the House that in the 30 percent there is included the production of phosphate.

Mr. ABERNETHY. That is fertilizer also. We could use some of it down my way. Most assuredly that is fertilizer. We could use it all over the country.

Mr. JARMAN. But the gentleman stated a while ago that it was going to foreign countries, Germany, Japan, Korea. The gentleman said that a while ago.

Mr. ABERNETHY. Certainly large quantities of fertilizer is going abroad. Too much. And much too much if we pass this bill.

Mr. JARMAN. If the Government already has the power under another act to allocate that production how could the gentleman get it to use in Mississippi if its export were prohibited in this program?

Mr. ABERNETHY. The gentleman has missed my point. While I have a complaint regarding previous and present exports, what I now complain of is authorizing an increase of the export program as the bill unquestionably proposes.

Mr. Chairman, I do not yield further.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. Please, not now. The statements I am reading from are very important, although I am sure what the gentleman has to say would be important too. I will yield later to my good friend.

I have before me now a letter from one of the large producers of fertilizer of Kansas City, Mo. Listen to what they say in a letter dated December 6:

> We are quite certain that we are not in position to supply even 10 percent of the most urgent demands and needs of our home area.

Heretofore the people in my area have been able to secure a reasonable amount of fertilizer from this company, but none for 1948. They say they are not even able to supply 10 percent of their own local area. Listen to another statement from another large producer whose sales representative dropped into my office this morning and confirmed every word of it. This is their statement:

> Effective immediately we are shipping our entire production of ammonium nitrate under CXN priority shipping order issued by the Department of Commerce. It will take us from 60 to 90 days at our present rate of production to complete these Government shipments. Because of the above it is impossible for us to offer any ammonium nitrate fertilizer for shipment to our domestic market until we have completed shipments against all Government rated orders.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired

Mr. ABERNETHY. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. SMITH of Ohio. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended to five additional minutes.

Mr. VORYS. Mr. Chairman, reserving the right to object, I think the gentleman has already had sufficient time. I do object.

The CHAIRMAN. Objection is heard. The gentleman is recognized for two additional minutes.

Mr. ABERNETHY. The representative of this same company states that beginning the 26th of October every ton of fertilizer they produced up until the 30th day of November went abroad. He also told me that beginning with the 8th day of December, yesterday, the total production of his plant would go beyond the shores of the United States, and that this particular export is on commitments not made for fiscal 1948 but on those made for fiscal 1947. So we are not only going to ship a great quantity of our 1948 production but we are making up that which they claim we did not export in fiscal 1947.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Pennsylvania.

Mr. GROSS. The shipment of these fertilizers over there will work a serious hardship on the South, will it not?

Mr. ABERNETHY. Yes; and it will work a serious hardship on the people of the country who complain of the high cost and shortage of food.

Mr. GROSS. And the whole bill will work a hardship on all of the country, will it not?

Mr. ABERNETHY. I am not speaking as to the whole bill. I have my opinion

about it. I expressed it yesterday, if the gentleman heard my speech. He knows what I said. I am today interested in fertilizer.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Minnesota.

Mr. JUDD. If they do not have fertilizer enough to grow this food for themselves and we have to send more food, will that not be a load upon the American people?

Mr. ABERNETHY. We can grow more food with the fertilizer here than they can grow over there and, after all, they are getting 30 percent of our output now. I think we are being rather liberal in parting with 30 percent. I do not see how they can complain. Now you want to export more. There must come an end someday.

Mr. JUDD. We had testimony to the contrary. It was to the effect their soils were so depleted that a ton of fertilizer over there would increase production a great deal more than the same ton of fertilizer would do here. Today we are using twice as much fertilizer in this country as before the war.

Mr. ABERNETHY. They cannot produce as much per ton of fertilizer as can we. And the gentleman did not have testimony before his committee as to the short stock piles in this country and how they are being depleted. You did not go into that. Now, all I ask is that you give us a chance to do so.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. JARMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the farmers of Alabama also need great amounts of fertilizer. The farmers of Alabama are also confronted with the unfortunate shortage of fertilizer to which reference has been made. The farmers of Alabama have also been misled into believing that shortage of fertilizer results largely, if not entirely, from the relief program.

I yield to no man in my desire to appropriately represent the farmers of my district, but I also want to represent the merchants, the bankers, the professional men, the miners, and the others, and I also want to try as I go along to represent the best interests of my whole country. In doing so, the chances are that I will also be representing the best interests of the farmers. I want to represent my farmers completely, not just from one angle or side. Let us assume they are men with four sides, square men, and the farmers of my district are as square shooters as there are in the world. I do not want to represent just one of those sides. I believe that in voting for this amendment to eliminate fertilizer and farm implements from this bill I would be voting for one of the four sides of that farmer only.

Mr. Chairman, the gentleman who preceded me spoke of the necessity of growing huge crops. I want to discontinue the necessity of growing so much food in this country to send to the soup kitchens in Europe. I prefer to send them some fertilizer and machinery so that they can begin to grow their own food, which will be much cheaper for all concerned. Cheaper in dollars for us and cheaper in the matter of their self-respect. Yes, I want to discontinue the relief load on the farmers, which is another side of the interests of the farmers in my district. Furthermore, I wish to lower their taxes when such is feasible and this cannot occur either so long as this relief load continues, or if it becomes necessary to fortify this continent and maintain for years the tremendous standing army which domination of the rest of the world by communism would make absolutely mandatory. A continuation of sending food year after year would not contribute nearly so much toward the relief of the tax burden as a little fertilizer will. While such a necessity might be profitable to our farmers, this profit would be offset by taxes and furthermore I just do not believe they are that selfish. I also wish to think of the children of those farmers, especially the little boys who are in such grave danger of dying on the battlefields of World War III. That is another of the four sides of the farmers of my district that I wish to represent. I want to do everything I possibly can to prevent domination of the world by communism and the death of their boys in battle. Yes, Mr. Chairman, attention was called by the gentleman from Minnesota yesterday to the fact that Secretary Harriman testified a ton of fertilizer sent to Europe produces twelvefold. I suppose he meant in value. Therefore, I would much prefer to send this $14,000,000 of fertilizer provided in this bill than to have to send next year and again the year after next and thereafter $168,000,000 worth of food that the farmers of my district would have to contribute toward the production of. This is particularly true, my colleagues, when the fact is considered that the fertilizer provided in this bill is 1.6 percent only of the consumption of fertilizer excluding that manufactured in ordnance plants. I believe that the farmers of my district, the farmers of Mississippi, the farmers of the entire United States are willing to sacrifice 1.6 percent of the fertilizer they would otherwise get to continue this program, relieve themselves in the future of the burden that would otherwise be on their shoulders, and contribute toward the safety of their sons.

Now the gentleman referred to his Committee on Agriculture meeting this morning to secure information about war plants, and he asked us to defer action on this matter until they do it, when they have been here since November 17—and they are now meeting on December 9—and he comes here and asks us to defer action on one of the main purposes of the session to permit them to gain some information. I am glad they will do this. I regret that they have not done it before, because I regard it as the duty of that committee, not ours. Of course, they are going to find that the reason 40 percent of the ordnance plants are idle is because it is so expensive to produce fertilizer in those plants that no civilian fertilizer concern would be interested in them, and therefore the other 60 percent would not be in operation but for the fact that their entire output is necessary for use in occupied countries.

I do not wish, however, to await the findings of this committee to clear the record about this fertilizer shortage. I cannot permit the inferences to stand that it results to any great extent from previous relief programs. On the other hand I am advised by those I consider competent to advise me in the premises that this shortage results almost entirely from the tremendous increase in demand, which to illustrate was 1,000 percent in Illinois last year. Farmers have more money, just as everyone is prosperous and they would gladly use a great deal more fertilizer than they have ever used if they could get it. Of course, we think that commercial fertilizer concerns should think more of their old customers than they apparently do and not sell so much to this new demand. However, this is their business and I know of nothing either the Congress or its Agriculture Committee can do about it. Certainly, it has no connection whatever with any relief program.

The statement was repeatedly made yesterday, it was made by at least three gentlemen, that the provision for fertilizer in this bill would be in addition to the allotments heretofore made. I challenge either of these gentlemen to prove that statement, which is simply not true. They have been misled, just as the farmers have been misled into believing that the fertilizer shortage results largely from the relief program. On the other hand this bill merely provides for the allotment to France only from the United States, which was set up by the International Emergency Food Council in June 1946. It merely provides for the amount of fertilizer that France could purchase under that allotment if she had the dollars. It merely provides that this amount of fertilizer be given her. This is the purpose of the bill, gentlemen.

I might add, however, with reference to the allotments of this Food Council, the fact that under them the United States imports more fertilizer than she exports. Consequently, should we fail to carry out the agreement solemnly made by our representative in 1946, the farmers of Alabama, Mississippi, and Georgia would lose instead of gain. I therefore inquire: Who is really representing their best interests?

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. JARMAN. Mr. Chairman, in view of the liberality heretofore gladly indulged in by the Committee, I ask unanimous consent that I may proceed for three additional minutes.

Mr. WHITTEN. Mr. Chairman, reserving the right to object, I assume that the members of the Committee on Foreign Affairs will have the same feeling toward other Members that may want additional time.

The CHAIRMAN. The Chair has no information as to how the members of the Committee on Foreign Affairs feel.

Mr. JARMAN. Mr. Chairman, I withdraw my request.

Mr. D'EWART. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. D'EWART. Mr. Chairman, this is an important amendment. I believe it should be adopted, both as a safeguard for our own economy and, if you please, in order to insure that the other materials which it is proposed to send abroad may be made available in sufficient quantities to permit exports. After all, if we deny fertilizer to our farmers, if we deny them farm machines and parts, how can we expect them to continue to produce the gigantic crops which the administration demands in order to fulfill its enormous foreign commitments and leave a safe balance for home consumption, a large enough balance to hold prices down? Similarly in the case of petroleum products, our farmers and our manufacturers must have all of the fuel oil they need if they are to fulfill the production goals set for them.

Throughout the war and since the war the farmers of this country have labored under great hardships to produce the record-breaking crops which made possible our great war effort and the aid programs of the past few years. Little or no new farm equipment was available, their sons had gone to war, and their usual labor supply was attracted to the coastal centers of war industry, yet the farmers of Montana and the other agricultural States continued to produce. They cannot continue to produce great crops unless they are given new farm machinery and parts. Probably they should have had a large share of the $158,367,229 worth of farm machinery and parts which was shipped abroad last year. Surely it would be unwise to send any more of it out of the country, for the lack of these items will mean less food produced and will certainly result in more inflation.

The same great food production effort of which I speak has seriously depleted the soil of our country in many regions, and continued productivity is dependent to a large extent upon the proper use of fertilizer. The Government has permitted many of our fertilizer plants to close, there is no prospect of an adequate domestic supply, more than 400,000 badly needed tons were shipped out of the country last year, and it is now proposed to ship another $35,000,000 worth. This shipment is to be made at the very season when domestic demand is highest. Our farmers cannot be expected to increase or even maintain high production under these circumstances.

The newspapers every day are filled with dire predictions of a serious petroleum shortage in this country. There is talk of rationing gasoline and fuel oil. Yet we know that we have shipped more than 143,000,000 barrels of petroleum products out of this country last year, and it is now proposed to ship another $36,000,000 of oil in the interim-aid program. This is another essential product which should not be shipped abroad until we have adequate supplies at home.

For these reasons, and because only production and more production will keep food costs from going higher and we cannot have increased production without fertilizer, farm machines and parts, and fuel oil to propel the machines, I will vote in favor of the proposed amendment.

Mr. RIZLEY. Mr. Chairman, I move to strike out the last four words. I ask unanimous consent to proceed for two additional minutes and to revise and extend my remarks.

Mr. JARMAN. I object, Mr. Chairman, to the additional time.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma revising and extending his remarks?

There was no objection.

Mr. RIZLEY. Mr. Chairman, I am terribly sorry that the distinguished gentleman from Alabama, who has taken so much time, and I have not said a word on this bill, deems it necessary to object to me having two additional minutes of time. I always thought that he wanted to be fair, and I am wondering now, in view of the things that he said yesterday and in view of his objection, whether he does want to be fair in the consideration of this bill.

Mr. JARMAN. Indeed, the gentleman is correct, and I wish to be fair, but my objection resulted from the fact that the gentleman from Mississippi from the State of the proponent of this amendment, who spoke 10 minutes on it yesterday and 15 minutes today, objected to my request for three additional minutes when I am a member of the committee and the proponent is not. He did not object finally but raised the question which I considered ridiculous and quite selfish under the circumstances.

Mr. RIZLEY. I refuse to yield further.

Mr. Chairman, this happens to be a very important amendment, not only to the agricultural people of this country who have to have machinery and fertilizer, but I would think that it would be very important to the members of the Committee on Foreign Affairs to see to it that the agricultural people of this country are permitted to produce the foodstuffs that we are to send over there under this bill, and for the life of me I cannot understand the attitude of this committee in seemingly trying to defeat the very purposes for which the bill is supposed to have come before this House, namely, to get food and grain and other things to those people over there during the winter months and hereafter.

I happen to represent one of the great wheat-producing sections of the United States. Grain is one of the important things under this bill. I might say to the distinguished members of the Committee on Foreign Affairs that the farmers in my section of the country and my county—and by the way, they produced 12,000,000 bushels of wheat this year—are unable to get tractors, combines, parts, and all the other things that farmers must have to produce wheat. Many of them are compelled to pay premiums over and above the regular retail prices now. If we continue to send out of the country our necessities, I wonder just how high prices will finally go.

Let us look at this fertilizer situation just a moment. I propounded this question to the members of the Committee on Foreign Affairs when they were before the Committee on Rules. Their report shows that they are sending $1,000,000 worth of fertilizer to Austria. That is part of the Austrian program. On the next page of the report, page 9, Austria in turn is shown to be exporting $2,500,000 worth of fertilizer to Germany. I asked the Committee on Foreign Affairs to explain that. The only explanation they had was that the kind of fertilizer Austria was exporting was different from the kind it was receiving, but no member on the committee knew for sure about that. If any member of the committee can now tell the House exactly the kind of fertilizer Austria is getting in this $1,000,000 allocation and the kind they are exporting to Germany in the sum of $2,500,000 worth of fertilizer, I will yield to him.

Mr. FULTON. Austria under this program, under the bill we are talking about, is getting no fertilizer.

Mr. RIZLEY. I am referring to the interim European aid program, draft legislation and background information, submitted by the Department of State to a joint session of the Senate Committee on Foreign Relations and the House Committee on Foreign Affairs. On page 7 of that report appears a complete break-down of the things Austria is to receive and the things in turn of which Austria now has an exportable surplus.

Mr. FULTON. We are talking of fertilizer from the United States. Austria is getting from Belgium and Switzerland 14,000 short tons of phosphates costing $518,000, and from Germany 14,000 short tons of potash totaling $504,000, making a total of $1,022,000. There is the exact answer, first, phosphate from Belgium and Switzerland, and, second, potash from Germany. That information is from the Committee on Foreign Affairs.

Mr. RIZLEY. All I am going by is the report of this committee on the aid we are sending to Austria, and it also attempts to set out what Austria in turn is able to do for itself in regard to materials sent somewhere else.

Mr. FULTON. I pointed out that Austria is getting nothing from the United States under this program.

Mr. RIZLEY. What is the purpose of this program? Is it actually to have a condition obtain in the United States where prices may go so sky-high that we know not what may happen? We in this country cannot long afford to have higher prices. I represent a great wheat-growing district. You refuse to put any limitation on the amount of items you are going to send out of this country that are in short supply. Wheat may go up to $5 or $6 a bushel if you keep sending it out of this country. There are a lot of people in this country who cannot afford to buy bread with $5 or $6 wheat.

There are a lot of farmers in this country that cannot afford to buy farm equipment if they have to pay premium prices over and above the retail prices. There are a lot of people in this country that cannot afford to buy a lot of these other things that are in short supply. We had better use some common sense in connection with this bill.

Mr. PACE. Mr. Chairman, I rise in support of the amendment of the gentleman from Mississippi and the amendment of the gentleman from Minnesota.

Mr. Chairman, I hope no one will gain the idea that this is a southern problem as to fertilizer. It is not. In 1940 we were consuming 1,766,000 tons of nitrogen, phosphates, and potash, and this year the supply is 3,566,000 tons, or twice as much as in 1940, yet we are facing the most critical need agriculture has ever faced. Why? For the simple reason that throughout the Nation, not only in the South, our lands have been badly depleted. Let me say a word about the fertility of the soil. I think the best illustration is to liken it to your bank account. Put a thousand dollars in the bank and start writing checks on your account without replenishing it. Of course, you will soon exhaust your balance. It does not make any difference where the soil is. It can be the rich black land of Iowa or the fertile fields in the State of Maryland nearby. When you cultivate that land year after year, you are going to gradually decrease the fertility of the soil.

The war came on, and the Department of Agriculture and the War Food Administrator asked for increased production. Give us more, give us more, give us more they urged, and throughout that period there was not only inadequate labor and insufficient farm machinery, but there was a serious deficiency in fertilizer supplies and no opportunity to rest the land and rebuild its fertility with cover crops.

What do we face in the coming year? I want to give you the official statement. The Department of Agriculture on November 21 set national goals for 1948 calling on farmers for top production not greatly different from wartime totals. The goals seek a total of 356,000,000 acres.

Here is what the Secretary of Agriculture has to say about that:

> Today more than ever United States farm production is a key factor in world recovery.

Now listen to this, please:

> If this Nation is to provide a good share of the food needed so desperately by hungry nations abroad, it will mean an inevitably heavy drain on our already-strained soil resources.

You have been drawing on the bank of fertility for six long years. Today by the passage of this bill, you are writing another check on the fertility of our soil. All in the world that those who produce the food and fiber, not only for this Nation, but to feed the hungry people over yonder, are asking you to do is to help preserve the fertility of their soil by making available an adequate supply of nitrogen, phosphoric acid, and potash and assure them a fair price for their crops.

I have here the official figures, and anybody who wants to see them can do so.

Here is what we are objecting to. The Army, your Government is manufacturing 250,000 tons of nitrogen. Every ounce of it is going to three places, Germany, Japan, and Korea. That is quite a liberal contribution considering the condition in the other countries about which you are concerned. But in addition to that, they are also taking for export 61,000 tons of commercial nitrogen. We are objecting to this plan to take even more of our short supply of nitrogen. If the Government insists on exporting more, then they should at least operate to full capacity the ordnance plants at Louisiana, Missouri, and at Morgantown, W. Va.

The farmers of this Nation have a profound interest in maintaining peace throughout the world. Many of their sons are buried on foreign battlefields and they want no more of war. They hate communism and want to see it driven from the face of the earth. They are anxious to help prevent hunger and want wherever it may exist. They are ready and willing to produce the food and fiber to feed and clothe the hungry and ragged people of western Europe. But they know they cannot continue to meet this need and remain strong here at home unless they maintain and preserve the fertility of their soil, are supplied with necessary farm implements and machinery, the petroleum products to operate them, and receive fair prices for their products. They ask no more—we should assure them no less.

Mr. JENSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, only by conserving our soil and water resources can we continue to properly feed ourselves and also help feed other peoples who need our food. Commercial fertilizer is a necessity to successfully accomplish needed production.

The need for aid to Europe, particularly foodstuffs and other products of the soil, is one of the outstanding and urgent problems facing Congress today. That this need is real cannot be doubted. Many individuals, many officials of the executive branch of the United States Government, and many Members of the Congress have brought back disturbing reports of the situation in which the peoples of many foreign countries find themselves.

Most of Europe is looking to America for help in this desperate situation, for until their own agricultural facilities are once more in full production, they cannot produce the food and other crops they need. America is going to help. This makes the problem not only a problem of money or the will to help—it makes it a problem affecting deeply our fundamental productive resources of soil and water. Remember the economy of any nation depends upon its soil.

All of you here in this House, I believe, are well aware of the vast amount of once-productive farm land that we in the United States have destroyed in the past century and a half through the mining of our soil, soil erosion, soil exhaustion, and floods. Millions of acres of farm land have been ruined as far as further economic production is concerned. We are not alone in this. Many of the nations of the world are hurrying along the path toward ultimate, chronic dearth of the essential products of the soil, simply because they, too, are neglecting their agricultural land. Unless this situation is bettered, the world faces a lot of trouble. All around the globe the area of good, producing farm land is dwindling as erosion advances. At the same time the population of the world is steadily increasing. Increasing also are the demands of industry and commerce on the land for raw materials, for new fabricated products such as plastics. All the people of the world are enrolled in this headlong race toward destruction and poverty of resources.

For us in the United States it is extremely important to take heed of the situation. Not only are the people of Europe depending on us for food and other help until they get on their feet again and can resume normal agricultural production, but we will be called upon to help other parts of the world, I have no doubt, before the difficulties of peace all are smoothed out and humanity again is moving steadily forward. But there are more reasons than that for Americans to be alert to the present situation, for we not only want to help feed the world for a time, and no doubt will to the very limit of our ability, but we have also to feed our own people. With weather permitting, and a good price for agriculture products at the market place, the American farmers, if given free rein, will produce enough for all, if they are given a helping hand to conserve their soil.

During the war years farmers of the United States produced, on the average, 143,000,000 tons of foodstuff a year from an annual average acreage of approximately 452,000,000 acres. When one realizes that this was enough food to provide a 3,500-calories-a-day diet for one hundred and sixty to one hundred and seventy million people, the magnitude of the production becomes truly impressive. With this food we fed our own population of approximately 143,000,000 Americans and, in addition, many more millions in foreign lands. However, we cannot continue to mine our soil, so we cannot keep on feeding so many people from so few acres indefinitely. Now the Bureau of the Census tells us that the United States has a population of more than 144,000,000. We are told, also, that 2½ acres per person of productive cropland are needed to provide a normal standard-of-living diet in the United States, and that one-half acre more per person is needed to provide other essentials—products of the soil for clothing, shelter, and other agricultural and industrial uses. This is a total requirement of 3 acres per person, or a total cropland requirement of something over 432,000,000 acres to meet our day-to-day needs at the present population level. However, there is every indication that the population will not remain at its present level, but will increase. The Bureau of the Census estimates that by 1960 the population of the United States will have grown to more than 153,000,000 persons by increase of the birth rate alone. When we add to this the people who may be expected to enter the United States by immigration the problem becomes tremendous.

And here is another consideration: That increase of 153,000,000 by birth rate alone is reached by computations of the Bureau of the Census on the basis of medium birth rate and medium mortality of our people. If we should have high birth rate and low mortality—as we well may—we will approach a native-born population of 159,000,000 persons by 1960, again plus a possible several millions of new citizens via migration.

In the first instance, allowing the necessary 3 acres per person, we will scarcely have enough good cropland to provide our own people with the food and other farm crops they need. If the population goes to the higher extreme—as it may—we will not have enough good, productive cropland to provide each of our people with the products of 3 acres. We might, by use of hybrid seeds and more fertilizer, still be able to feed our own people the 3,500-calories-a-day diet, but certainly we would have little or no food left for the rest of the world. If the population continues to rise—and the Bureau of the Census thinks it will—by 1970, or even sooner, we may no longer be able to provide even our own people with the well-rounded diet provided in the 3,500-calories-a-day standard. We could not do this because we would not have enough good cropland to do it—that is, if we want to keep on eating steaks, chops, bacon, eggs, butter, and fruits like we Americans have generally enjoyed. Of course, we could get along in a fashion on less of these things by eating more corn bread, mush, and cereals, but would not like it.

Our land situation, in fact, is not good enough to warrant complacency. The 1945 census lists our total area of cropland at something over 450,500,000 acres. However, the best information I have been able to get indicates that more than 60,000,000 acres of this area is not suitable for use as cropland; it should be retired to grass or trees. Thus, we find ourselves with something in the neighborhood of only 390,000,000 acres of suitable land in crops. This is not enough alone to feed our present population at the standard to which they are accustomed, and to which we believe they are entitled.

However, there are other lands that could be added to our cropland by drainage, irrigation, and conversion from grass or trees. Development of these areas could add more than 70,000,000 acres of good cropland to our 390,000,000, giving us a total for the United States of around 460,000,000 acres of good productive cropland. This, you see, at 3 acres per person, would be barely enough to supply the food and other needs of our population by 1960 without taking into consideration at all increases by migration. It would be far from enough to take care of our population if the birth-rate continues to climb and mortality rate goes down.

There is one point about that 460,000,000 possible acres of good cropland that we must all understand. That is this: All but about 72,000,000 acres of these 460,000,000 acres are subject to erosion if the land is not farmed properly and protected by soil and water conservation measures.

It is essential that this land be protected if we are to help feed humanity in other parts of the world and also to live up to our obligations to our own people. We dare not export our topsoil. And the way to avoid exporting our topsoil is through the application of soil and water conservation methods on every acre of our cropland and on every acre of our other productive farm land. The prospect which lies before us if we do not protect our good farm land is appalling. It most emphatically does not include a 3,500-calories-a-day diet, or anything like it.

Let us look for a moment at what the good, adequate, well-rounded diet is. Generally we in the United States take that to include a good proportion of meat, milk, dairy products, green and yellow vegetables, and fruits, in addition to certain amounts of cereals and other predominantly starchy foods. Even if conservation practices were in effect on every acre of our farm land needing them right now, and our population continued to increase as Bureau of the Census officials believe it will, we should not have enough cropland to provide this sort of diet. As the population grows, more and more people have to get their food and other essential crops from our 460,000,000 acres of cropland. As a result we will find our diet shifting more and more from the important high-protein foods to cereals and starchy foods which provide little energy of a lasting sort, and few of the vitamins and other needed nutritious elements. We would find steaks, pork chops, and bacon, butter, milk, cheese, and eggs, and the essential vegetables and fruits disappearing from the tables of all but the most wealthy. This must not happen in America.

When we cut down the consumption of meat, when we cut down the consumption of all of these essential foods, we cut down the productivity of the American people and the American Nation, which always brings unreasonably high prices. We cut down the will and the strength to work physically and mentally. We cut down the vital power of initiative which has been such an important factor in development of the American people and the Nation. We cut down our fighting power in armed conflict. Peoples who live predominantly on starchy foods do not have the reserves of energy and strength nor the initiative and inventiveness of peoples who have better balanced, more adequate diets. All of these things make it imperative that we protect this cropland area of 460,000,000 acres because it cannot be stretched or extended. We owe it not only to our children but to ourselves to keep America vigorous, strong, and prosperous.

We must stop erosion on this land. We must stop the mining of the soil. We must stop bad land use and bad water management now.

We must prevent dust bowls and gullies and give to every acre of farm land in the United States the treatment it needs to protect it and make it productive, and we must use it for the crop it is best fitted to produce, for unless we get going on this job, and quickly, we best forget all about exporting food abroad.

These are the reasons that I introduced H. R. 4417, known as the national land policy bill, on July 26 this year. H. R. 4417, you will recall, was designed to provide for a national land policy based on the conservation of our soil and water resources, the orderly development and protection of the Nation's agricultural lands, and for other purposes. Here are some of the important things that H. R. 4417 would do if enacted into law:

First. It would establish a new national land policy, recognizing the conservation of soil and water resources and the orderly development and protection of the Nation's agricultural lands as a basic consideration of American agriculture. Just as a prosperous agriculture is the basic essential to national welfare and prosperity, so productive land is essential to a prosperous agriculture. However, not since pioneer days has the United States Government had a definitely stated and publicly accepted land policy. Today, more than ever before, American farmers must be encouraged and assisted to become stewards of the land and to use it wisely, according to its capabilities for production and according to its needs, rather than to exploit it. This, under H. R. 4417, would be done effectively and primarily with the aid of trained conservation technicians of the Soil Conservation Service working through the farmers' own organizations, the soil-conservation districts. Under the national land policy as established in this bill, annual production goals could be geared to the capabilities of the land, as well as to demand; and land capabilities could be used as a guide for all types of rural improvement. Such a national land policy, based on conservation of soil and water resources, would provide an established basis for adjustments in agricultural credits, taxation, and land tenure.

In the second place, H. R. 4417 would safeguard the interests of the Nation and of the people of the United States in the conservation of America's land and water resources upon which the Nation and the people depend for their wealth, and—in the end—for their very existence.

Third. H. R. 4417 would get the basic conservation job done in time to prevent further large-scale irreparable damage and loss to America's agricultural land, and this is a vital consideration.

Fourth. H. R. 4417 recognizes the urgency and the size of the conservation job. You should know that land damage in the United States still is proceeding at a faster rate than conservation. In other words, our progress is still too slow, although we have a program that is unmistakably proving its worth.

The fifth point is this: This bill recognizes the interrelationship of soil conservation, erosion control, drainage, irrigation, land use, soil fertility maintenance and improvement, control of sedimentation, conservation and proper management of water resources, and flood control on agricultural lands. We must keep in mind that any work to maintain and improve soil fertility is ineffective without corresponding work

of soil and water conservation and erosion control. All of the production problems of agriculture are closely tied up with land use and soil and water conservation, and this must be taken into consideration in national land policy.

For the sixth point, H. R. 4417 would recognize the technical nature of the job ahead. There is no more uniformity in land and water problems than there is in the landscape. Conditions, as we all know, vary with almost every field we cross. Often there are extreme differences between adjoining acres. The soils may be different, or the slope, or the degree of erosion, the amount of rainfall, the availability of plant nutrients. Some of the land on the farm is to be treated as cropland, some as grassland, some as woodland. In some instances engineering measures are required. In others agronomic measures, and so on. It is an out-and-out technical job, requiring sound specialized technical knowledge and experience, and this bill recognizes that.

My seventh point is the provision of this technical assistance to farmers and ranchers in handling their soil- and water-conservation work. Many farmers and ranchers are unprepared by training and experience to analyze their complex land and water problems, or to deal with them effectively alone. Through this bill, technical assistance of the Soil Conservation Service technicians is made available to individual farmers and ranchers through soil-conservation or other qualified districts.

My eighth point is that increased educational work in conservation is necessary and would be provided for under this bill. This would be provided largely through the Federal and State extension services.

My ninth point is that this bill would provide grants-in-aid, but no cash payments, wherever such grants-in-aid are necessary to supplement the contributions of the farmers themselves in dealing effectively with their physical land and water problems.

Tenth. By making this work available through soil-conservation districts and other authorized districts, H. R. 4417 would stimulate self-government, strengthen the soil-conservation districts of the United States, and give more local farmer control of soil-conservation work.

My eleventh point is that this bill would assure a conservation program of technical excellence based on fact-finding surveys, investigations, and research in cooperation with the State agricultural experiment stations, thus bringing to the solution of soil- and water-conservation problems methods and materials best adapted to the areas in which the work is to be done.

The twelfth point is this: H. R. 4417 would provide for rapid completion of a conservation survey of the Nation's farm and ranch lands. This type of analysis provides the factual basis on which present-day soil and water conservation operations are carried out, and it is an important basic factor in the national soil and water conservation program. Therefore, it should be carried out on all of the country's agricultural land.

My next point is—and this is extremely important—that this bill provides for the development and protection of new agricultural land. You will recall that of the 450,000,000 acres now in crop production, approximately 60,000,000 acres should be retired to grassland or woodland use, leaving only 390,000,000 acres of good productive cropland. You will recall, also, that I pointed out that there are 70,000,000 acres that can be added to our good cropland area by drainage, irrigation, clearing, and conversion from grass or trees. Such development must be done in careful, orderly fashion with full regard to the susceptibility of the land to erosion and similar damage, and that is provided for in this bill.

Finally, H. R. 4417 recognizes the desirability of having all technical action programs and grant-in-aid programs involving conservation, drainage, water development, and flood control on farm and ranchlands technically directed by one agency. This would include the technical aspects of irrigation work on the land as well as the development of new agricultural lands. This bill would assign that responsibility to the Soil Conservation Service. In assigning these basic responsibilities to the Soil Conservation Service, the bill recognizes the agency of Government that has pioneered in the development of effective soil conservation measures, as well as in the procedures for getting them applied with full farmer-understanding and without any semblance of regulation. That service, it may be noted, is one of the most efficiently administered agencies of the Federal Government, and I firmly believe that the Soil Conservation Service can be depended upon to administer the work that would be assigned to it under H. R. 4417 as effectively as it has carried out its work to date, which certainly has been commendable, especially when the comparatively small amount of funds this agency has had to use, is considered, which is now being used over 1,900 districts Nation-wide.

There are several other important things about H. R. 4417 that I want to make clear. This bill does not propose that the Soil Conservation Service shall take over any other agency of Government. If this bill becomes law, the Soil Conservation Service will not take over anybody; it will not take over the work of the Army engineers, or of the Bureau of Reclamation, or any other bureau, agency, or department. The sole function of the Soil Conservation Service is to get on with the job of conserving our soil and water resources as rapidly as possible and at a price which can be justified for your dollars expended—to get this done by men schooled in the art and science of soil and water conservation—that is the Soil Conservation Service's sole function. I say this important job must be done by these experienced doctors of the soil; it must not be handed over to a bunch of political quacks.

Neither, under this bill, would the Soil Conservation Service take over the land of any public agency, but it would supply technical aid and grants-in-aid to any public agency whose lands needed conservation work. It would cooperate with these agencies in much the same way it functions now in helping farmers carry out work on their individually owned farm lands.

I have been asked by farmers, and by others as well, "What about AAA? What about the Agricultural Adjustment Agency in the event H. R. 4417 becomes law?" The truth is that this bill says nothing whatever about the AAA program, but the answer is, "No; H. R. 4417 will not destroy the Agricultural Adjustment Agency." The purpose of H. R. 4417 is to get going at a much faster speed on the job of conserving our precious soil and water resources, and to use every instrument available to do the job. I am convinced that a majority of farmers want to keep a strong farm organization, such as the AAA, intact, and I believe that the AAA or the PMA—whatever one cares to call it—should be kept intact to do a number of important jobs. It should be kept intact to disseminate information of interest and value to the farmers of America, to administer commodity loans, to give counsel. The AAA should be maintained to handle necessary incentive payments for proper rotations, fertilizer, or other purposes, that the Congress may see fit to appropriate.

The AAA should be retained and be ready in case of any emergency in peace or war—to step in with needed assistance to farmers, and carry on such activities as might become necessary under emergency conditions, in order to help maintain and preserve a prosperous American agriculture, the only guaranty for a prosperous Nation, as every enlightened American must know. I already have pointed out, no cash payments are proposed in H. R. 4417, only grants-in-aid. Such grants-in-aid would include conservation material, planting stock, seed, the use of equipment, and the like, necessary for the establishment of conservation practices. Such grants-in-aid would be made available when necessary to supplement the contribution of the land owners where the cost of reclaiming the land is greater than the owners can bear, and they shall be made, according to the bill, on the basis of degree of assistance needed to prevent irreparable damage to or loss of the Nation's basic soil and water resources.

I want to make clear another thing—H. R. 4417 does not take away any duties or responsibilities from the Federal and State Extension Services. On the contrary, it adds to the duties and responsibilities of Extension. The eighth point I made in my analysis of the bill, a moment or so ago, you will remember, provided for increased educational work in conservation. Obviously, this is the function of the Extension Service. The Soil Conservation Service is not authorized to carry on a broad program of agricultural education—that is the field of the Extension Service, and the bill clearly provides that the Extension Services are to be used in conservation education of the agricultural public, both in areas which need conservation treatment but which are not now in districts, and in areas now in soil and other conservation districts, preparing the way for conservation action on the land. This is a highly important function. I have already pointed out that the rate of erosion in the

United States still is more rapid than the rate at which we are applying conservation measures to the land. Proper educational work is an extremely important factor in closing up this gap between erosion and conservation. Under this bill, the Extension Services can help to a greater degree to speed up the rate of conservation farming. At present, county extension staffs are too frequently overburdened with the many and varied duties of the broad educational program they already have on hand. County agents often have very little time available to devote to soil and water conservation education among the people of their counties. As a result in many areas this important work has been neglected. In others, it has been undertaken by conservation technicians, at the expense of their own work. Authorization in this bill for the employment of additional extension personnel to carry on conservation education work should quickly overcome the lack in those areas where the work has been neglected. At the same time, it would help in another way to speed up conservation application, by enabling conservation technicians to devote their whole time to that work.

That, after all, is the whole purpose of this bill—to speed up the soil- and water-conservation work. Within the limits prescribed by the personnel available and the many other demands on their time, the Extension Services already have done an excellent job in this field. Given adequate personnel for the work, they can and will contribute very materially in accomplishing what we must accomplish unless we wish to face eventual poverty of resources in the not-too-distant future—establishment of sound conservation measures on farms and ranch lands throughout the United States, especially on our precious 460,000,000 acres of cropland, but also on our vital range and pasture lands.

Some may ask me what all this urgency is about, in view of the amazing agricultural production of the United States during the war. I want to remind you that this peak production in the war years was due to a number of factors on which we cannot count every year or forever. One of the most important factors in the high crop yields which American agriculture attained in order to reach its wartime production of 143,000 000 tons of food per year was the weather and tons of honest sweat. During that whole period the weather was exceptionally favorable to good agricultural production, but we know from sad experience that we cannot depend on the weather to perform so nobly for us year after year. That would be too much to expect of the good Lord. We know that, inevitably, there will be periods of drought and other climatic disturbances which can cut our production way below normal.

Another factor in this high wartime production was what we might call excessive agriculture; farmers plowed up and farmed many millions of acres of land that should not be cultivated. It was necessary, in order to meet an emergency, but that is not sound, normal agriculture, for it is most destructive of the very soil and water resources on which we depend for our very lives. The high production achieved in this way is too much like killing the goose that laid the golden egg. We cannot afford it.

A recent comprehensive study of the erosion situation indicates that our problem farm lands may be divided into three rough groups. The first group consists of about 25 percent of the cropland of the country, which is being damaged at a rapid rate by erosion. This is an area of approximately 110,000,000 acres, located on farms totaling about 260,000,000 acres. The productive capacity of much of this valuable and highly vulnerable land will be permanently damaged, and some 500,000 acres a year will be ruined for further cultivation unless it is placed under a safe conservation farming system in the very near future. To be on the safe side to prevent such unnecessary and irreparable waste conservation treatment should be completed on these 110,000,000 acres no later than 1960.

On the second large area—around one hundred and ten to one hundred and twenty million acres of cropland—erosion is proceeding at a less rapid rate, but it is still serious. This cropland is located on farms totaling from two hundred and fifty and two hundred and eighty million acres. To prevent serious or irreparable damage to these lands conservation treatment must be completed by 1970 at the latest to be safe.

Then there is a third group of land. This group includes some two hundred to two hundred and twenty million acres of cropland on farms which total about 600,000,000 acres in extent. These two hundred to two hundred and twenty million acres are being damaged at a considerably slower rate. While a somewhat longer period of time could be used in treating such land, we are convinced that it would also be more economical to complete the planning and application of basic conservation measures on these lands by 1970. They often are so intimately associated with areas that are being damaged more rapidly that frequently they cannot be economically treated separately.

I have brought this matter before the House at this time because it seems to me to be crystal clear that the problems of the American farmers and ranchers using their land wisely—getting the utmost possible production from it and at the same time maintaining its fertility—are unseparably bound up with the problems which the Congress now faces in the matter of providing food to feed the hungry peoples of the world. We cannot help feed those hungry people, and we will not even be able after a few years to feed our own people adequately, unless we take these protective measures to preserve the Nation's basic productive resources of soil and water.

Today, the United States of America stands as the leading nation of the world. Our greatness is based upon two things—upon the abundance of natural resources which our forefathers found here when they came to the New World, and upon the indomitable free spirit of our people. We should not lose sight of the fact that the spirit of our people is kept indomitable and free only because we have been so richly blessed with resources. Once those resources have dwindled or disappeared, so will our freedom and our American indomitable spirit and strength.

Mr. Chairman, as most of my colleagues know, during the summer recess of Congress, I traveled over a great portion of the United States, especially over the western half of the United States, with two members of the Interior Subcommittee of Appropriations of which I have the honor of being chairman.

Along with the gentleman from Pennsylvania, Congressman IVOR FENTON, and the gentleman from Oklahoma, Congressman GEORGE SCHWABE, we traveled by automobile 9,500 miles for seven solid weeks from early morning until late night, inspecting reclamation and irrigation projects and other Interior Department agency functions in 15 Western States, where water is gold. It was a strenuous but a most enlightening trip, I can assure you. On that trip we saw millions upon millions of acres of rich, fertile soil which has layed barren and worthless ever since God made it. All it needs is water to bring it into profitable production. I sincerely hope, Mr. Chairman, that we will not spend America into bankruptcy before we get many millions of acres of that land into production to help solve our food problem and to insure a more prosperous and balanced economy in the Western States, which will of course help to bolster our whole national economy, also enable us to send safely some food to needy people abroad. There is much to be done in those Western States to conserve our soil and water resources, possibly to a greater degree than in other sections of our country. My bill, H. R. 4417, is so written as to provide doing the things necessary to conserve our soil and water resources in every State of the Union. Let us get this job started now. We are 50 years late already.

Mr. FULTON. Mr. Chairman, because I am stating the position for the Foreign Affairs Committee on this amendment, and may have some questions to answer, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. WHITTEN. Reserving the right to object, I would like to know the attitude of the committee with reference to those others of us who would like to have a little additional time.

Mr. FULTON. I want to answer your questions specifically and to give you the facts and figures on the phosphate, nitrogen, and other fertilizer produced. I want to show the unused plant capacity in the United States, to show what we are exporting and where it is going, and give the whole story so the House will have it. It will take more than 5 minutes.

Mr. WHITTEN. Reserving the right to object, I still renew my request as to the attitude of this committee with regard to others of us who would like to have additional time.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FULTON. I will try to get the gentleman additional time, and full time, so that both sides on this question can be heard.

The House must decide in this bill whether it is going to have a bill set up as the committee deems advisable, after hearings that were very extensive, after hearing Government departments, and after hearing Members who had been in Europe. If you are going to gradually whittle this bill down by taking out necessary products one by one, then you are going to come to the point where you might as well, as we said yesterday, strike out the enacting clause of the bill. You have to estimate the danger there is in France and Italy due to lack of food right at this very minute. We all know it, because we have read the newspaper headlines how the civil unrest is rising and how food production has gone down and how food consumption is just above the starvation point.

Mr. RIZLEY. Mr. Chairman, will the gentlemen yield?

Mr. FULTON. Will the gentleman allow me to make my statement and then I will yield a little later?

Mr. RIZLEY. I am afraid it will be too late.

Mr. FULTON. The question is how much of this program may require a reduction of fertilizer available to the American farmer. The answer to it is specifically: This is only 1.7 percent of United States production of fertilizer exclusive of the ordnance program. The program under this bill will reduce our own consumption of fertilizer only 1.7 percent, considering just its effect on American production. Think of it. The whole amount of this fertilizer that we are talking about in this program is only 1.7 percent outside of what we are producing under the War Department ordnance program for occupation areas. That is a mighty small sacrifice to ask of any group of the public and I am sure the farmers of the country want to do their part. I, myself, have a farm south of Pittsburgh and I have raised farm products, vegetables, and sheep. I know I have been short of fertilizer, but I am willing to give up that 1.7 percent I might otherwise have in order to help people who are starving, and in order to help overcome this crisis that is threatening all of us.

In addition, it can be pointed out that the fertilizer that is in this program is only 1.3 percent of the total American production. Let us see what each country gets.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I cannot yield until I get to the figures, then I will if I have time.

Mr. ABERNETHY. I yielded to the gentleman.

Mr. FULTON. I will yield but let me get my figures in.

Let us see what this proposed fertilizer program is:

Fertilizer provisions under H. R. 4604

FERTILIZER TO BE SUPPLIED UNDER H. R. 4604, AS INCLUDED IN DEPARTMENT OF STATE SCHEDULES

	Short tons	Dollars
By destination:		
To France		
From United States, ammonium nitrate	36,900	2,952,000
From Chile, ammonium nitrate	28,900	2,601,000
From Chile, sodium nitrate	84,700	3,249,200
Total	150,500	8,802,200
To Italy:		
From United States	None	None
From Chile, sodium nitrate	42,000	2,688,000
From North Africa, phosphate rock	440,000	5,588,000
Total	482,000	8,276,000
To Austria.[1]		
From United States	None	None
From Belgium and Switzerland, phosphates	14,000	518,000
From Germany, potash	14,000	504,000
Total	28,000	1,022,000
Grand total	660,500	18,200,200
By source:		
From United States	36,900	2,952,000
From others	623,600	15,248,200
Total	660,500	18,200,200
By type:		
Nitrates	192,500	11,590,200
Phosphates	454,000	6,106,000
Potash	14,000	504,000
Total	660,500	18,200,200

	Short tons of contained nitrogen	Equivalent in ammonium nitrate
Prewar production	284,000	874,000
Present production, exclusive of the ordnance program	689,500	2,120,000
Imports	187,200	576,000
Exports	61,000	187,000
Ordnance program	253,400	784,408
Estimated consumption, 1947–48	815,700	2,500,000
H. R. 4604 exports	11,340	36,900
As percentage of United States production, exclusive of ordnance program		1.7
As percentage of United States consumption		1.3

[1] Austria exports nitrates on a considerable scale.

Let us look at it from the source. We are putting up of ammonium nitrate under this program from the United States only 36,900 short tons, 1.7 percent of our total production of fertilizer. From other countries the recipient countries are getting 623,600 tons.

If we in America will not put up our little share of 1.7 percent from our great supply, how can we ask the others to do it, who are also in short supply?

Now, by types, let us see what we are doing. The total is 192,500 short tons of nitrates, 454,000 short tons of phosphates, and 14,000 short tons of potash, making in all 660,500 short tons from the sources I have given above. The total fertilizer program is only $18,200,000 on this particular program.

Let me show you what the American farmer is getting. The American farmer right now is clear above his consumption for prewar years. We are now using over double what we got in the prewar period. For example, our prewar production in short tons of contained nitrogen was 284,000 tons. The present production is 689,500 tons exclusive of the ordnance program, which is the Army capacity. The imports are 187,200 short tons. Our exports are 61,000 tons. The ordnance program is about a quarter of a million tons, just the way it has been said here. The exact figure is 253,400 tons. The estimated consumption for 1947–48 is 815,700 tons in this country. So you see we are doing about twice as well as we did prewar, and we are only going to give up 1.7 percent of what we have got now. It is a very small sacrifice to ask of anybody in the United States for his own protection.

We have heard considerable argument about farm machinery. I defy any Member on this floor to point out anything in this legislation that authorizes the shipping of farm machinery. That is dragging a red herring across the trail, because there is no such authorization here. I will yield to any Member who can point it out to me. Nobody can do it because there is no farm machinery being sent.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. H. CARL ANDERSEN. There certainly is such authorization. There is authorization to send farm machinery parts out of the country, I may say to the gentleman.

Mr. FULTON. Surely, replacement parts only.

Mr. H. CARL ANDERSEN. Oh, certainly, sure, sure.

Mr. FULTON. But that is a very small amount.

Mr. H. CARL ANDERSEN. Now the gentleman is admitting the authorization.

Mr. FULTON. But not new farm machinery. It is simply to keep going the machines they have. That is economic, certainly.

Mr. H. CARL ANDERSEN. Take the drive chain from Minnesota corn pickers and the corn pickers cannot operate. That is what they are doing.

Mr. FULTON. A point has been brought out by the gentleman from Mississippi [Mr. WHITTEN], and I think it is a very fine point. He says on page 11174 of the RECORD of yesterday that a change in policy of releasing this production has to be made by the administration because right now there is 40 percent of our fertilizer production lying idle in Army hands.

Who is doing that? Why, the current Democratic administration that all these Democrats are complaining about. Their Congressmen are raising the issue that 40 percent of our fertilizer production is lying idle in administration hands. The problem is not to keep from sending any fertilizer at all to Europe, but we should increase production in America and protect the American farmers.

If the Democrats want the extra production let the farmers write to their

Democratic Congressmen here and ask them to see that the administration runs these fertilizer plants at 100 percent capacity and we will get the 1.7 percent extra production that you need, but do not deprive these poor starving people over in Europe of this necessity. Let the Democratic administration take the responsibility of running these plants at only 60 percent capacity.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. ABERNETHY. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. FULTON. Mr. Chairman, may I point out that if you cut out this program of fertilizer that is so small—1.7 percent—from this bill and you continue to send a quarter of a million tons to your former enemies, Japan and Germany, you are certainly not measuring up to the postwar world I thought we would measure up to. Do not cut out your friends when you are sending a quarter of a million tons to your enemies.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. Is it the purpose of this bill to increase the export of fertilizer that has heretofore been exported under the War Powers Act?

Mr. FULTON. It is not. The nitrogen fertilizer provided by this bill simply represents existing allocations that were agreed to in the International Emergency Food Council by all interested United States agencies. It is exactly the same allocation—no increase whatever.

Mr. ABERNETHY. If it is not, why not take it out of the bill then?

Mr. FULTON. We have to have the authorization to send it. We have made the international commitment but we need the authorization.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

The Chair may say that a number of Members are seeking recognition. Some have already spoken on this amendment as well as the pending amendment. The Chair hopes that Members who have spoken on the pending amendment or the amendment to the amendment will not ask to be heard again until the other Members who have not had an opportunity to speak at all on either amendment are recognized.

Mr. H. CARL ANDERSEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. H. CARL ANDERSEN. Does the Chair hold then that because the gentleman from Minnesota now addressing the Chair spoke to a few Members here last night on behalf of his amendment to the amendment the Chair will not recognize the gentleman from Minnesota on behalf of the amendment offered by the gentleman from Mississippi?

The CHAIRMAN. No.

Mr. H. CARL ANDERSEN. That is what the Chair is holding.

The CHAIRMAN. The Chair has not held anything. The Chair has appealed to the fairness and the discretion of the Members of the House; however, recognition in these cases is within the discretion of the Chair. There are 435 Members and every one of them is entitled to, and will, be recognized, unless the Committee decides otherwise. The gentleman from Minnesota will be recognized in due time.

Mr. H. CARL ANDERSEN. And I am sure he will be fair.

The CHAIRMAN. That answers the question the gentleman is asking.

The Chair recognizes the gentleman from Arkansas [Mr. HAYS].

Mr. HAYS. Mr. Chairman, the gentleman from Pennsylvania has answered some of the questions that were in my mind and I am sure all of us who have agricultural constituents have been somewhat disturbed by this problem. I accept as a pleasantry his parting suggestion to the Democrats.

I think the fact that only 1.7 percent of the fertilizer production is going abroad under this program should allay our fears.

I think I know how our farmers feel. Some of them are taking it on the chin and perhaps their sacrifices have been somewhat disproportionate at times. Yet if we are right on the basic proposition that this is to help save our way of life, in which the farmers have a tremendous stake, we cannot go home and say to them that we were unwilling for them to share the total sacrifice. Now, they want to bear their share of the burden and I do not believe, if your assumption is right that only 1.7 percent is exported that we are asking anything unreasonable of our farmers, and I am inclined to go along with the committee on that. Goodness knows, I want to be fair about this thing when our farmers are involved. I want enlightenment, too. If the motion prevails, would we be in the attitude under peacetime and the War Department policy of sending fertilizer to Germany and Japan and withholding a proper amount for France?

Mr. FULTON. That is right.

Mr. HAYS. Is that the position we would be in?

Mr. FULTON. That is exactly what it is.

Mr. HAYS. Does it provide fertilizer for German farmers who have helped wage war against us twice in one generation? I do not want to appeal to feelings, but I am talking about the beneficence of America, if it is to be beneficence, and at the proper time I am going to say something about the need of rehabilitating Germany. The industrial reconstruction of Germany is imperative, but surely we do not want to provide for the German farmers and withhold exports from the French farmers. I know the individualism of the French farmer. He is one of our best hopes against communism.

Mr. JARMAN. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Alabama.

Mr. JARMAN. I will say to the gentleman that if this amendment fails, not only would we continue to send fertilizer to former enemy countries and deny it to our friends, but it would prevent us carrying out our agreement, an agreement made back in June, I believe, to these French, when the International Emergency Food Council in June 1946 provided for exactly this allotment. Now, the statement has been repeatedly made on the floor here yesterday by at least three gentlemen that the fertilizer provided in this bill would be in addition to that allotment.

I challenge any of those gentlemen to prove that, and I tell them that they simply cannot do so. They are entirely mistaken. On the other hand, it is the same allotment that we agreed to, and under that agreement of this International Emergency Food Council we receive more fertilizer by import than we export. Now, if we do not carry it out, do you not see that the farmers in Alabama, Mississippi, and Georgia will lose instead of gain? They will lose, not only in the respects to which I referred, but they will also actually have less fertilizer. I want to represent all four sides of this problem, not just one, but the gentlemen who are in such statesmanlike fashion trying to represent them on only the side of fertilizer are not really appropriately doing so.

Mr. HAYS. That is the point.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. FULTON. Mr. Chairman, I ask unanimous consent that the gentleman be given three additional minutes so that he can speak.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. RIZLEY. Mr. Chairman, as much as I love my friend from Arkansas, I am constrained to object.

Mr. VURSELL. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. Mr. Chairman, after listening to the debates here for the last 3 days with so many speakers so deeply concerned about saving Europe, a foreign citizen or a casual observer sitting in the gallery might wonder whether or not this might be an European Congress instead of the Congress of the United States, elected as the representatives of our people.

With the inflation crisis and a shortage of supplies generally here at home, with the request of the administration for probably $40,000,000,000 to defray our expenses of government for the coming year, with little or no hope in sight for a reduction of the unbearable high wartime taxes and with the high cost of

living, with the national debt of over $250,000,000,000, it would apear it is about time for the Members who have their minds and thoughts across the seas to return their thinking and efforts to the serious problems confronting our own Nation.

And may I suggest to the conservative Republicans and Democrats alike who have, for several years, opposed the course that the famed liberals, radicals, and the administration has taken that has brought us to a crisis at home, and the worse relations we have ever experienced with the world at large, that the time has arrived when we should seriously consider reversing our course before it is too late.

We have tried to save Europe twice in two costly world wars and Europe and the world is in worse condition today, including the United States, than before these two attempts were made.

The liberals, spenders, and do-gooders have failed to achieve their promised objectives after spending $21,000,000,000 to revive Europe since we won the war. They now ask to keep the same doctors and ask for $20,000,000,000 more from the American taxpayers to revive the patient. Their medicine prescribed at Yalta, Potsdam, and Teheran has prevented the patient from normally recovering. It is time to change the medicine and the doctors.

Mr. Chairman, may I suggest to the Members of the House we cannot possibly raise sufficient funds in the billions required to correct the mistakes that the State Department and the administration has made in their agreements at Teheran, Yalta, and Potsdam, and the agreements in the future they seek to write into the Marshall plan. If we do attempt to keep up with them the end result is most likely to be final bankruptcy for our own Nation and its people.

Mr. Chairman, now I want to turn my attention for a minute to the amendment to this emergency aid bill with reference to fertilizer and farm machinery.

Mr. Chairman, several war plants have been making vast amounts of fertilizer, which has been shipped largely to Europe, and some to Japan. One-third of all the fertilizer of the Nation during the past year and more, has been given away and shipped to foreign countries. This bill provides that more fertilizer shall be exported. The Crab Orchard War Plant, at Marion, in southern Illinois, last spring was shipping trainloads of fertilizer to the coast for export to be given away, when 50 miles away in the great fruit belt of southern Illinois farmers were clamoring for fertilizer and could not get it. I contacted the Navy Department and urged them to spare just a few cars for our emergency in that section and could not get it diverted when the railroad side tracks were jammed and blocked with carloads of fertilizer, more than they could transport at that time to the seaports to be shipped overseas. The Secretary of Agriculture is now urging farmers to plant 9,000,000 additional acres for the growing of crops. We are depleting our soil. Those who would include fertilizer in this bill are taking the position of not only shipping away our grain but shipping away our soil and production. The amendment also provides to stop the gift and shipment of farm machinery wherever in short supply so that the farmers of our country who are in desperate shape for farm machinery due to the war may be able to plant and harvest the grain you agree to ship away and give away in this bill.

We are not only giving away the oil of this country when there is an oil shortage everywhere, and the steel of this country when there is a steel shortage everywhere, 38,000,000 tons of coal this year, but we are, in fact, mining the soil by overproduction and giving it away. Serious results throughout the years to our own Nation and our own soil and our production will follow unless fertilizer and farm machinery are stricken from this bill.

Because of the shortage of steel the veterans who won the war cannot get houses in which to live. Housing is so scarce that 2,764,000 married couples are compelled to share living quarters with other persons. To show you how bad this steel shortage is, I have a letter from Ralph Hawn & Son, crossroads blacksmiths in a little town of Boos, Jasper County, Ill., which reads as follows:

> We are writing you in regard to the steel shortage. In our little shop here we serve the farmers. We have not been able to get the small amount of steel we need to make repairs on machinery the farmers bring to us. If you vote to send more steel abroad the shortage will be greater. We cannot repair machinery without steel. There are many parts of machinery the farmer is unable to buy, and we have to make them. We are not telling you how to vote, but we want you to know how the situation is before you vote.
>
> Yours truly,
>
> RALPH HAWN & SON.

So, you see this steel situation is so bad that the little country blacksmith out in the grass roots of the country appeals to us to remember him and the local farmers. He is one of thousands throughout this country who knows how serious conditions are.

I have another letter from Joe Steckler at Mount Carmel, Ill., which I quote, in part:

> DEAR MR. VURSELL: In regard to the Marshall plan, may I say I have a welding and machine shop. I have already laid off some men because of the steel shortage. I have many orders for fuel-oil tanks, gasoline tanks, etc. I am unable to build because of no steel.
>
> I had an order from one firm from Centralia and Salem for 4,000 fuel-oil tanks, but every place no steel.
>
> It appears that I must quit business so that this steel may be sent to foreign countries who may shoot it back at us. I think you Congressmen should soon wake up and think about the people in this country. How much longer can we stand this? High taxes and, not only that, but taking our living away from us and sending it overseas.
>
> MR. VURSELL, I am not much good at writing, but would like to hear from you so I will know you are listening to the people that are back of you. And, for God's sake, think of the people in this country and stop sending steel and farm equipment so much needed here to other countries. I beg to remain,
>
> Very truly yours,
>
> JOE STECKLER.

This letter represents the thinking, the desire, and the need of millions of people whom the Members of this Congress are elected to represent. What hope have they if we fail them in these critical times? We must not fail them. We must make certain that we protect the interest of our own people first, who make up this great Government of ours. I hope both of these amendments to limit the shipment of fertilizer and farm machinery are approved.

Mr. HOEVEN. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, it looks as if we have now gotten to the point where the Committee on Foreign Affairs of the House of Representatives tells us what the agricultural policy shall be in the United States of America.

I happen to be a member of the Committee on Agriculture. I am also a member of the special committee on fertilizer, about which the gentleman from Mississippi [Mr. ABERNETHY] addressed you a few minutes ago. It seems that with fear and trembling the members of the House Committee on Agriculture must await the green light from the State Department. I say to the Members of the House of Representatives that it is high time the Committee on Foreign Affairs of this House started thinking a little bit of the needs of American agriculture and its welfare.

Most Americans are realists. We do not want to rob Peter to pay Paul. In the first committee report of the special committee on fertilizer, issued in February of 1947, we made the following significant statement:

> Fertilizer consumption has increased at the rate of about 1,000,000 tons a year during the war, reaching a peak of more than 14,000,000 tons in 1946, compared to an average of 7,300,000 tons in the years 1935-39, and is responsible for much of the increased food production achieved by American farmers during the war.

There is not anyone present today who will not say that the answer to our economic problem is production, more production, and full production. That is the very thing the American farmer is called upon to do right now. The farmers of America who did such a magnificent job during the war are again being called upon to produce food for the entire world. They are truly generous as evidenced by the fact that when the Friendship Train crossed this continent a few weeks ago the people of my own State of Iowa furnished more corn and cereals and grains than any other State in the Union. In one of the counties of my district, the people, through their churches, raised $13,000 to buy corn and cereals for Friendship Train. And now while everyone is expecting the hungry people of Europe to be fed during the coming winter months, it is proposed to take away from the farmers of America the very tools they need, to wit: fertilizer, farm machinery, and fuel oil. Someone said very aptly on one occasion, "Give us the tools and we will do the job." That is what our farmers are saying today.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. HOEVEN. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. If this is supposed to be an interim-aid bill, why is it so necessary to send fertilizer, farm machinery, and production tools, as far as agriculture is concerned, for a crop that cannot be put in in time to have any effect as far as the effective time of this bill is concerned?

Mr. HOEVEN. I agree with the gentleman. The farmers of America now are planning for the next crop season. They are short on fertilizer. The demand is 20 percent above the supply. Our farmers are asking for farm machinery, for tractors, and for farm-machinery parts. How can they produce food without tools? Everyone knows that our farm operations have become highly mechanized. Our farmers need the oil for their tractors and they need it throughout the planting season and the harvest.

Now let me refer once more to the report of the committee on fertilizer wherein it made a recommendation as follows: "That there be an immediate and careful review of Government export commitments and adjustments to the end that fertilizer requirements of American farmers may be more amply fulfilled." We so recommended in our report last February and the situation has not changed.

So here we are going into a new crop season in need of fertilizer, farm machinery, and fuel oil. With our system of mechanized farming today we need the tools if we are really going to do the job of feeding the people of the whole wide world. Let us not permit ourselves to be caught short.

Mr. GRANT of Alabama. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am aware of the fact that the members of the Foreign Affairs Committee have given much study to this bill and I appreciate their efforts. However, at the same time, the bill covers many subjects and some are subjects to which members of other committees have given long study. The amendment offered by the gentleman from Mississippi, I feel, should have the support of, this House. For the past year, I have served with him on a Fertilizer Subcommittee of the House Agriculture Committee. For the past year, we have gone into all phases of this question.

It just does not make sense for us to ship fertilizer to Germany, regardless of whether it is made in private or Government plants. I have no argument against material made by the Army being shipped abroad, except when it is sent to places where it could be manufactured.

As to Germany, the answer is given that the German plants must be dismantled because they could be used for the production of war material.

When we take this attitude, it seems to me we are just cutting off our nose to spite our face.

I take it that as long as we ship this material to Germany we will be in control of the situation there. If this be true, why cannot we operate these plants under our control and when we withdraw our army of occupation and have no further responsibility for feeding the people there, then dismantle these plants.

The farmers of this Nation have depleted their soil. They are again being called upon to produce food as they did during the war. The best way to aid this production is for us to do everything possible to secure fertilizer for our own farmers. This amendment offers one small hope—let us adopt it.

The amendment will not apply unless the supply of fertilizer here proves inadequate to meet the actual needs of the farmers of this Nation.

Mr. PHILLIPS of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to ask three questions of the committee because under the circumstances I feel that it would be better to ask for them on my own time this morning than to ask some other Member to yield for that purpose.

First of all, in the statement of figures given by the gentleman from Pennsylvania, he recited the tons of fertilizer to be provided from other countries, but he omitted France. It was given in figures on the floor of the House during the past year that as a provision of the division of the occupied area, France was supposed to deliver fertilizer into the British and American areas, and that France had violated that agreement and was not delivering any fertilizer, but instead had been, and I have seen this in other reports, delivering phosphates to Russia in exchange for things France wants from Russia. It seems to me that ought to be explained by the committee in a discussion of the general fertilizer question.

My second question is, and I believe the gentleman from Pennsylvania and the gentleman from Ohio have certainly both stated, and certainly the gentleman from Alabama has definitely stated, that the amount of fertilizer is already determined and that only that much and no more will be shipped. What assurance has this House that there is such a limit? We are dealing with a department in which all of us do not have the most complete confidence.

My third question, which has already been asked, and properly so by the gentleman from Minnesota [Mr. H. CARL ANDERSEN] is, Why is this in the interim-aid bill at all? Why is this part of the bill?

There has been a very determined effort on the part of certain administrative agencies to make it appear that this bill which we are acting upon today is part of the permanent aid program.

I now yield to the gentleman from Minnesota [Mr. JUDD] and then I shall yield to the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. JUDD. If I may answer the last question first, the gentleman knows that the time when fertilizer is put in the soil is during the spring months, at the beginning of the crop season.

Mr. PHILLIPS of California. The gentleman does not know that; in Minnesota perhaps it is, but not in California.

Mr. JUDD. That may be true in California, but in the countries covered in this bill, where they have early springs and early growing seasons, the farmers will have to have fertilizer within the next 4 months if they are going to have a crop next year, and require less food from us. That is the basic reason why it has to be in this bill.

Mr. PHILLIPS of California. That does not answer the question asked by the gentleman from Alabama, why is that not carried in the previous export arrangements that have already been made?

Mr. JUDD. It has already been allocated in accordance with those arrangements. This bill merely provides the dollars with which to buy, mostly elsewhere, the fertilizer already allocated. That brings up your second question of whether or not the agreements will be kept. Phosphates and potash are not under international control, but allocation of nitrates is under the control of the International Emergency Food Council. It has allocated to each country a specified amount of the world's supply, and the United States, as was stated, is supposed to supply to France about 37,000 tons of nitrate, Chile about 80,000 tons, and Canada about 26,000 tons. That is the allocation already made, and we are merely providing here the money to make possible the purchase of the quantities allocated by the international body. I am sure we want to keep our part of the agreement.

Your first question had to do with France. No phosphates or potash will be sent to France from anywhere under this program.

Mr. PHILLIPS of California. My question is, What about fertilizer she did deliver to Russia, which she was supposed to deliver to the other occupied areas?

Mr. JUDD. If it was phosphates or potash to or from France it is not covered in the bill, so I cannot give you the answer to your question. It is my understanding France is manufacturing phosphates. They have a surplus of it there.

Mr. PHILLIPS of California. But France is not delivering the phosphates to the countries she is supposed to deliver them to, but instead to the Russians.

Mr. JUDD. We did not go into that because it was not involved in our bill. If we had done so, the gentleman from Iowa could properly object to our interfering with the work of his committee. We have gone into this question, only insofar as we had to in order to provide the commodities required in this particular bill.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield.

Mr. WHITTINGTON. I maintain that this is a duplication of our international food agreement. That agreement was made some 2 years ago. Shipments are being made, and under that agreement we do not agree to pay for the fertilizer. We agree that the fertilizer may be allocated for export. It is being shipped now and being paid for by the agents that represent the farmers in the Allied countries. This bill would authorize a gift or loan for additional fertilizer. We might as well understand it.

The CHAIRMAN. The time of the gentleman from California [Mr. PHILLIPS] has expired.

Mr. PHILLIPS of California. Thank you, Mr. Chairman, I got an answer to at least one question of the three.

Mr. FULTON. Mr. Chairman, may I rise in opposition to the other amendment? I spoke on the other amendment.

Mr. RICH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RICH. Can a member of the committee speak twice on the same amendment?

The CHAIRMAN. The point of order is made and it is well taken.

Mr. FULTON. I will withdraw the request, Mr. Chairman.

Mr. MANSFIELD. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. FULTON. Mr. Chairman, will the gentleman yield to me to answer the gentleman from California?

Mr. MANSFIELD. I will be delighted to yield.

Mr. FULTON. In answer to the gentleman from California [Mr. PHILLIPS], if the agreement has not been lived up to previously, by passing this bill the committee feels you will prevent France from doing it in the future, because under subsection (h), on page 6, we have this provision:

> The recipient government agrees not to export or permit removal from such country, while need therefor continues, of commodities made available under the authority of this act or commodities of the same character produced locally or imported from outside sources.

So we will restrict France.

I think the gentleman from California [Mr. PHILLIPS] may have brought up a good question on the limitation of authority. Would the gentleman agree to an amendment that provided that procurement from the United States production of fertilizer shall be restricted to an amount not to exceed $3,000,000, which is a very small amount in a $590,000,000 bill?

Mr. MANSFIELD. Mr. Chairman, I have listened with a great deal of interest to this debate on the fertilizer amendment. I have heard several members of the Committee on Agriculture state that they had given this matter a great deal of consideration; that they had various individuals, both in and out of the Government, before their committee, and that this country was facing a crisis insofar as fertilizer supply was concerned. I should like to ask those members of the Committee on Agriculture if they have not been aware of the fact that for the past 2 years a great deal of phosphate from Montana and Idaho has been going to Japan in an effort to rehabilitate the soil of our former enemy. In December of last year it was stated that between five and six hundred thousand tons of Montana-Idaho phosphate would be sent to Japan in 1947, for the rehabilitation of Japanese farms. I would like to also bring out the fact that under the direct orders of General MacArthur the entire phosphate output of the island of Anguar in the Palau Islands, estimated at about 3,000,000 tons, is being shipped to Japan at the present time in Japanese ships. That entire supply will be exhausted within 3 years. So, as far as an enemy country is concerned—and this is important—for the year 1946 we have sent at least between five and six hundred thousand tons of American phosphate from the mainland, and we contemplate sending in the years 1946, 1947, and 1948 1,000,000 tons of phosphate from the island of Anguar in the old Japanese mandates, which are now American possessions. Why should not the phosphates from Idaho, Montana, and Anguar be sent to our friends in Europe rather than be used entirely for the rehabilitation of the soil of our former enemies?

Mr. Chairman, I have listened attentively to all the debate on this measure now before us. I have wondered if this House is really aware of the task ahead. The issue is plain. We are either for or against this bill and the Marshall proposals to follow. Every person in this Chamber is fully aware of the questions involved and the need for meeting them. Everyone knows that the needs expressed in this measure are based on humanitarian, economic, and strategic considerations. Not one of these factors alone but all of them together are tied to this proposal. We know that the success of this interim-aid proposal and the Marshall plan to follow cannot be guaranteed and we know what the alternative is. If we do not go through with the aid and rehabilitation measures are we prepared to lose western Europe by default to Communist minorities; are we prepared to bypass needed relief and assistance to peoples in distress; are we prepared to isolate ourselves and confine our economic production—with attendant surpluses—to ourselves alone; are we prepared, if western Europe falls, to appropriate and spend many more billions in national defense than would be required in these proposals; and are we prepared to give up all hopes of achieving a peace which will be of benefit to all mankind?

These questions are for us to answer and we cannot do so by raising petty issues and making pretty speeches for home consumption. As Members of Congress we are being called on to cast our votes on a question so critical that the success of our future may be decided by what we do.

We cannot save Europe by ourselves but Europe can be helped to save herself. To do this she will need our cooperation and the immediate material aid without which that rehabilitation cannot get under way. We cannot guarantee that this program will be a success but we can logically assume, if we refuse to act, that Europe's economy will fail and her people be ripe for plucking by the Communist minorities in France, Italy, and elsewhere. In undertaking this program we are most certainly taking a calculated risk but not to take it will lead to hunger, chaos, fear, and internal disturbances. Then the real trouble will begin and the really gigantic appropriations will have to be made.

In my opinion, a vote against H. R. 4604 is a vote to lose western Europe to communism by default and a vote against the possibility of achieving a durable and just peace. A vote for this measure is a vote of confidence in the ability of the European democracies to stem communism; a vote for this measure is a vote for humanitarian American principles to distressed peoples; a vote for this measure is a vote for the economic rehabilitation of western Europe—our friends—and, please do not forget, our own continued economic well-being; and a vote for this measure is a vote for the security and national self-interest of the United States. I should like to urge that this committee consider the basic question of whether or not we are going to help western Europe for the reasons I have enumerated. If we are we had better make up our minds and go all the way; if we are not we had better vote for this amendment and had better vote against the bill.

Mr. Chairman, under unanimous consent, I am including with my remarks a newspaper article on phosphate from Montana and Idaho being sent to Japan. This article is from the Montana Standard, of Butte, Mont., and dated December 19, 1946:

FERTILIZER WILL BE SENT TO PACIFIC

SEATTLE, December 18.—Five hundred thousand tons of rock phosphate fertilizer are scheduled for shipment through Puget Sound to Japan and Korea to help rehabilitate soil, Col. Fenton S. Jacobs, commander of the Seattle port of embarkation, said Wednesday.

The shipment is part of the Army's program to encourage production of food in Japan and Korea, thereby to [illegible] the necessity for continuous transport of civilian-relief foodstuffs.

The CHAIRMAN. The time of the gentleman from Montana has expired.

Mr. RICH. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 5 minutes.

Mr. RICH. Mr. Chairman, I wish our friends on the Foreign Affairs Committee were as domestic minded as they are foreign. I wish they were for America more than for Europe. I have come to the conclusion that this bill is a misnamed bill. I understood we were called here in this extra session to take care of the immediate needs of the starving people of France, Italy, and Austria, and to keep down the high price of commodities in this country so that our own people could buy them at reasonable prices and sustain life in America. I have, however, come to the conclusion from information gained since we started this session that we are more interested in taking care of foreign countries than in looking out for our own people.

You may call me an isolationist if you want to, but I want to take care of America first; I want to look after America first. I am not here to wreck America to save any country. I do not care who it is or in what part of the world it may be located. I want to and will aid the starving people in America and elsewhere, but I think we are doing more to hurt our Nation than to do it good.

If this is an aid bill we do not need all the things that presently are in it. You can take the report of the committee it-

self and ascertain that. For instance, the item of coal on page 7 of the report. Under this bill it is proposed to ship coal to Europe in the following amounts: To France, 116,000,000 tons. I saw an item in last night's Evening Star which stated that the coal strike now going on in France will cost France as much coal as all that the United States will send. In other words, Frenchmen are striking over there and not mining coal, and you want our miners to mine coal and send it to France when we cannot get coal for our own people here this winter, and you want to send them coal for nothing and our people have to pay the highest price they ever paid for coal.

Mr. FULTON. Mr. Chairman, will the gentleman yield at that point?

Mr. RICH. I yield to my distinguished colleague from the great State of Pennsylvania.

Mr. FULTON. The gentleman knows from the newspapers that in France and Italy the Communists are leading the strikes for political purposes and are holding in their power the people who are on our side.

You cannot buy people not to become Communists, teach them.

Mr. RICH. Then let us go down to Italy. We are going to furnish Italy 36,000,000 tons of coal, yet we do not have enough coal to keep our own people warm. We give them also this coal for nothing. Gratis if you please. While high prices are here in America.

Austria, you are going to furnish 13,000,000 tons of coal to Austria, yet we do not have enough coal for our own people and charge high prices for what our people get—and look at where the price has gone to and is going, higher, higher, and higher. Now, you fellows are responsible for the high price of coal in this country when you advocate this bill. You are raising the prices of all commodities, wheat, steel, farm equipment, and food.

Mr. LODGE. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to another member of the Foreign Affairs Committee.

Mr. LODGE. I should just like to say that one of the reasons Italy has no coal is because a great deal of her coal was amputated by the peace treaty in which we participated.

Mr. RICH. That is another thing, this State Department of ours, which you fellows are trying to aid and assist—we ought to discharge the whole dog-goned bunch. I think they have done a mighty poor job.

The committee's report, especially page 7, informs us of what we are sending to these countries, little food but much merchandise that we are short of here at home, it just does not look good to me. Then I will go over to page 10 of the report, the index of industrial production. In Austria they say production is 45 percent as much as prewar. In France they are producing 90 percent as much as the industry did prior to the war. In Italy they are producing 75 percent as much as they did before the war. A lot of the countries such as Belgium, Denmark, Iceland, Norway, Sweden, Switzerland, and Great Britain are producing more stuff than they did before the war, and yet you want to rob America to take care of a lot of people over there who are getting on their feet. After a while they are going to give you the biggest kick in the pants you ever got in your life.

You will find that those countries will ship merchandise back here and you are going to pay for everything you get from them. Do not forget about that. You are now giving everything away that you are sending over there. You just do not have any sense at all. Why not put an obligation on them to relieve our own taxpayers. Do you not have any regard for your own people?

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The gentleman must bear in mind that now they are providing for incentive goods, radios, automobiles, mink coats, silver-fox coats for those people over there to produce more coal with.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I would just like to enlighten the gentleman from Minnesota by saying that yesterday it was clearly stated no incentive goods in short supply would be sent over there. It is very unfair to keep reiterating this business about automobiles.

Mr. RICH. Well, the people have already shipped over there 4,000,000 CARE packages. They have shipped over there 27,000,000 other packages to relieve the starving. The American people will take care of the starving in Europe if Congress will attend to its own business and stop doing what our people are willing and able to do.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for two additional minutes.

Mr. FULTON. Mr. Chairman, I join in that request.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. AUGUST H. ANDRESEN. I may say to the gentleman from Pennsylvania that we have a surplus of silver-fox furs in the United States because of imports. We have a surplus in a good many other items that are coming into the United States produced in other countries. Now these can be sent back as incentive goods, which the gentleman referred to.

Mr. RICH. May I say to the gentleman from Minnesota that we have too many foxes in this country already that are looking after some other people's interests and taking away things from the American people.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Nebraska.

Mr. BUFFETT. The statement was made yesterday that automobiles would not be shipped abroad because they are in short supply; but I call attention to the fact that in the first 9 months of this year 400,000 new cars of one kind or another were shipped abroad. That is how they are keeping the short-supply goods in this country.

Mr. RICH. Every item that we are in short supply that is shipped over there increases the cost to the American consumer. We are doing more in Congress by the things we do, including this bill, to increase the cost of merchandise and of food than anything else. The bills that are to come at this session of Congress are responsible for creating the high prices that we have in America. Do not forget that. To you gentlemen who vote for this bill I say, just remember, when your people kick about high prices every one of you who voted for this bill will be responsible. Let the American people realize that your foreign policy is increasing prices in our own country by leaps and bounds.

Mr. FULTON. Mr. Chairman, will the gentleman yield further?

Mr. RICH. I yield to the gentleman from Pennsylvania.

Mr. FULTON. The gentleman has quoted from the report certain production figures, but they were industrial production figures. Actually the things being sent over are food, maintenance supplies, and things of that kind. If you will look at page 11 and also the comment on agricultural production, the gentleman will find it states that—

> Agricultural production is still far below prewar levels, because of shortages of fertilizer and the depletion of the land and the extremely unfavorable weather conditions in western Europe and north Africa over several of the postwar years.

Mr. RICH. I quoted from your own report the index to industrial production in the various countries which you refer to. Those countries are all getting their industries back into production. Certainly all we need to do now is to get those people over there satisfied and keep them from starving to death. If we send them some food we will accomplish that purpose. That is what we were called back here to do. Why do you not do it?

Mr. FULTON. That is what the bill does.

Mr. RICH. Yes; but you are taking in food and everything else. Here is what you should do to increase fertilizer, and I quote from former Congressman Woodrum, who knows what should be done:

FERTILIZER FOR EUROPE AND UNITED STATES FARMERS

There are three primary plant food elements—nitrogen, phosphoric acid, and potash. Although supplies of the other two plant foods are not altogether adequate, western Europe indicates a serious need for more nitrogen fertilizers than it is now able to produce and import.

Under the European recovery program the United States is being requested to supply some of the deficit in Europe's nitrogen requirements over and above the exports already being made by the United States and other exporting countries. (United States scheduled commercial exports 1947–48 are 55,600 metric tons of nitrogen, imports scheduled are 170,300 tons. In addition, the United States Army is producing nitrogen-bearing fertilizer material in Government plants at the rate of 250,000 short tons of nitrogen annually for shipment to the occupied zones—three-fourths to Japan-Korea and one-fourth to Germany.)

Before the recent war United States farmers were using nitrogen in fertilizers at the rate of approximately 370,000 short tons of nitrogen annually. During and since the war United States farmers have increased their use of nitrogen in fertilizers until now they are using it at the rate of 816,000 tons annually. They would use more if they could get it. United States Department of Agriculture experts estimate that United States farmers could profitably use over a million tons of nitrogenous fertilizers during a period of agricultural prosperity such as at present.

Present controls allow Government to requisition supplies of solid nitrogen-bearing fertilizer materials from domestic producers to fulfill our export commitments. Such controls, without comprehensive and tight rationing of balance of nitrogenous fertilizers to United States farmers, tend to become highly discriminatory as to effects upon our farmers if used to divert substantial supplies of nitrogenous fertilizers away from domestic agriculture.

A more practical solution to supplying Europe's nitrogen needs would be just what the Harriman committee recently recommended to the President:

1. Steel and coal to rehabilitate and operate those of Europe's nitrogen plants not now operating for security or war-damage reasons.

2. Full production from United States Government plants.

This would allow United States farmers to continue to use the amount of nitrogen they are now using, with increased production to meet Europe's deficit.

But these steps, to be effective, must be initiated immediately.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. ROBERTSON. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Mississippi [Mr. ABERNETHY] and the amendment to the amendment offered by the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

I am willing to recognize the world responsibility of the United States of America as the leading and most prosperous nation of the world and the humanitarian need of providing some relief and assistance to the war-devastated countries of Europe and to China, but I cannot for a moment reconcile this responsibility with any program of relief which will prostrate our Nation economically and leave it open for attack from either without or within.

As great as are the needs of other peoples in this world, it is my unalterable conviction that it is the duty of this Congress to think first of this great Nation, to do all we can to keep it strong, and to prevent suffering and chaos from descending upon us. Only if we keep this Nation strong can we provide the necessary assistance to all peoples of the world. We cannot wantonly give away things which will tend to weaken us as a Nation.

We have been told on every hand that food and food alone can win the peace. Yet we could, under H. R. 4604, ship abroad fertilizer, farm machinery, and petroleum products which are the machinery of peace, when these products are absolutely essential to the production of food at home.

In my State of North Dakota the farmers have been producing food at record high levels, but they need new machinery and parts if they are to be expected to continue producing food for our tables and for the hungry people of the world. The American farmer has proved that he can produce. Let us make certain that he has adequate machinery to keep producing. Let us embargo all shipments of farm machinery abroad until our farmers have an opportunity to replace worn-out machinery.

We all know that our Nation's oil supply is at a very low ebb. Some estimates have been made indicating that our supply will last at best 12 years. We cannot export this precious resource wantonly; we cannot afford to export a single drum of it today.

Next spring the farmers of my State and the farmers of the entire Midwest, the Northwest, and the Northeast will be taking to the fields; they will need petroleum products. The planting season is short. They cannot delay until from somewhere an adequate supply of petroleum is found. They must plant in season if they are to harvest food. We cannot be caught short of these products next spring.

Today we are suffering from a shortage of oil. I have no knowledge of how this is affecting the farmers and producers of the southern half of the United States, but I do know how it is affecting the comfort and health and welfare of people from my State. Every day I receive wires and letters from frightened people, on farms and in the cities; will there be an adequate supply of oil to heat their homes? And these fears are justified. Existing supplies in North Dakota will not provide for the people of that State of mine. In an oil burner you can use nothing but oil. Without oil you are without heat, and winters are as severe in North Dakota as they are any place where we might be exporting oil.

I can hardly support a bill which will allow the shipment of oil out of this country when there is such a crying need for it at home.

Finally, from the standpoint of national defense, we cannot afford to further dissipate our oil reserves. We must carefully husband our petroleum resources. We must absolutely restrict the shipment of petroleum products from this country immediately.

Mr. WINSTEAD. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, I arise in support of the pending amendment prohibiting the sending of additional fertilizer to foreign countries as long as the supply is inadequate to meet our own needs. The gentleman from Pennsylvania [Mr. FULTON] referred a few moments ago to the fact that fertilizer is being handled under a Democratic administration and suggested that our constituents write us. May I say that for more than a year I have been trying to get something done through the Secretary of Agriculture, the War Department, and Mr. Steelman, assistant to the President. The trouble we have when our constituents take up a problem like this is the fact when some of us try to curb bureaucracy a great number on your side find it is not the place, not the time to adopt any amendments that might curb the bureaucracy that you talk so much about.

I have listened with great interest to the debate here and two main thoughts have been developed. One is stopping the spread of communism in France and Italy, and the other is feeding the hungry people of Europe. I, too, was in Italy and France in 1944. Certainly the needs there are great, but in my opinion these needs have been greatly magnified. I am convinced that if the people of America were told that there was so much abundance here that we were going to distribute billions of dollars to the needy in every State in America, you would find great numbers of people swarming to your cities making the claim just as it is being made in other countries today. Now, I am not opposed to helping France. I am not opposed to helping the people of Europe to prevent the spread of communism, but somebody is responsible for Russia taking over the bread basket of Europe. Somebody is responsible for Russia getting the war plants in Germany. Somebody is responsible for many things that I cannot even discuss here. Now, if we are going to take the fertilizers, and other essentials in short supply from our people in this country, when they need them so badly, what will happen? Read the record of the statements of some of the Members who went to Europe, that the peasants of France are not producing wheat, not because they cannot get fertilizer and the necessary machinery, but because the price is set so low they can make more money in other ways. Yet over that same period of years the American farmers have sacrificed their soil through farming operations, and they have gone along in a patriotic way. But, when the farmers know the truth about what is happening in France and Italy, that the farmers there will not sell their wheat for the paper money offered, our American farmers are not going to take this. Let me say to the gentleman on this committee that the American farmers, knowing that they are being stripped of the only means through which they can produce food and other supplies in this country to give it to a country who will not produce due to the bungling of their own governments and the activity of their own people, and due to the fact that their own peasants will not sell, because they cannot get goods in exchange, will not approve the action you take today.

Mr. JARMAN. Mr. Chairman, will the gentleman yield?

Mr. WINSTEAD. I yield to the gentleman from Alabama.

Mr. JARMAN. Does the gentleman believe it is true that practically all of the shortage of fertilizer in this country results from the relief program?

Mr. WINSTEAD. No; I do not. But, I will say this, that if all of us here would join hands with you and all the members of the Committee on Foreign Affairs and see to it that the ordnance division of the War Department started to produce at maximum production, or turn such plants over to private industry, it would be quite another story. They tell us that it costs $10 more per ton to produce fertilizer to send to Germany and Japan; that that is too much money to spend. But we give away bil-

lions of dollars. Let us spend $10 a ton and put those plants in operation and give the American farmer a little fertilizer. What is $10 a ton for this small amount of fertilizer compared to the great amount we are spending in providing relief all over the world today?

Mr. JARMAN. Of course, I disagree with the gentleman's opinion that it is the business of the Committee on Foreign Affairs to put fertilizer plants in operation.

Mr. WINSTEAD. We are willing to help out. That is the responsibility of all.

Mr. JARMAN. Is the gentleman aware of the fact that in the State of Illinois the demand for nitrogenous fertilizer increased last year 100 percent?

Mr. WINSTEAD. I will say this: Every extra ton they get in Illinois and Iowa increases the need to send the $14,000,000 worth of additional fertilizer you would sent to Europe to sections of our own country whose former supply is now going to Illinois and Iowa. It is time we take care of our own farmers who produce the food we need in America and for this entire world. That is my whole contention. The greatest development of citizenship on earth comes from the soil of the land, and there are a lot of people in this country that do not have anything to give away. You are today increasing inflation in our Nation. By your action you make it more necessary to increase wages and then prices—then wages then prices. We must preserve a strong United States. We are behind European efforts, but there is no one to whom we can turn. Rampant inflation would ruin us. I say take caution. Maintain the highest production of goods here, for more and more production is the only answer to our problem. Take away fertilizer and you aggravate our situation.

Mr. BONNER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, all during the recess of Congress in that part of North Carolina in which I live and have the honor to represent, I advocated aid to the devastated countries of Europe. I believe all the people of America are heartily in accord with sending food to the destitute men, women, and little children in Europe, as has been demonstrated by the Friendship Train which went from coast to coast. As was stated in the papers, the Congress was called together for the express purpose of sending aid during this winter season to the starving people of Europe, yet here we find a type of bill that, in my opinion, does not reach down to the people the American citizens desire to help. This bill sends material and money to Europe to be used by somebody to sell to the people we have in mind.

I am glad that I have been present each day and listened to the debate on this bill. I now realize this is not a relief bill—that is, as it now stands. I have heard members of the committee stand up here and speak the doctrine that scarcity in this country will not increase inflation. That is beyond me to understand. A member of the committee that brought forth this bill stands on this floor and says that by creating scarcity you will not create a higher degree of inflation.

Then there are people on this committee that support the policy of taking away from the American people the things that are in scarce quantity, and which we must have to keep up production, and sending them somewhere else. Yes; the people of the great State I represent want to help other people; they want to give charity; but, Mr. Chairman, I do not think the press of this country has clearly told the people what this bill is.

Now, on the question of fertilizer, in connection with this amendment, the gentleman from Pennsylvania stated that fertilizer and certain materials such as nitrates are going to be sent in only a small percentage to the European countries. I should like to have him or someone else explain to me why in the State of North Carolina, in the years 1944 and 1945, 161,000 tons of solid nitrogenous materials were sold, and in 1947 only 101,524 tons were available for farmers to purchase. The picture there is not in accordance with what the gentleman states here. The farmers by their production played a valiant part in the war victory. They will play an equal part in rehabilitating Europe, if given a chance.

Mr. FULTON. Does the gentleman want an answer? If so, as a member of the committee, I will give him an answer.

Mr. BONNER. Yes; give me the answer why there is no opportunity to purchase when the credit is not in question.

Mr. FULTON. Because you and your State are not being allocated the right amount by this administration. The prewar production of short tons of contained nitrogen was 284,000 tons, and the present production is 689,500. So it is obvious you are not getting your share. That is a domestic problem.

Mr. BONNER. What am I to expect my State to receive of other materials in short quantity if this bill becomes law? Farming implements that are in such short supply?

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. With respect to the allocations, the truth is that there is no Government agency making any allocations in the United States. It is left to the people who manufacture the goods. The only allocation that is being made is for the people abroad.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that the gentleman may be permitted to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mrs. DOUGLAS. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield.

Mrs. DOUGLAS. We have no allocations of fertilizer. It would be interesting if the Department of Agriculture would bring to the House the amount of fertilizer being used for fish ponds and flower gardens at this time when hunger faces the entire world.

Mr. BONNER. I do not think that fish ponds and flower gardens use up any great amount of fertilizer. But since the gentlewoman has risen to question me may I—referring to the statement she made on the floor yesterday, "that the creation of shortages in this country would not bring about further inflation," and also that you were willing to export goods and things that are in short supply in this country to other countries—say that I cannot follow her philosophy or doctrines. While I admit that they are in a destitute condition, yet I maintain we must keep ourselves strong. I think Europe will always be in a destitute condition. We are the ones who have preserved such a society and civilization that for the last 40 years, to my knowledge, they have been getting away from. We must stop the destruction and excessive use of our natural resources—we must preserve something for the generations yet to come.

Mrs. DOUGLAS. Will the gentleman permit me to answer?

Mr. BONNER. Yes.

Mrs. DOUGLAS. The gentleman misinterpreted my remarks.

Mr. BONNER. I was listening very closely to the gentlewoman, and I was shocked at her statement.

Mrs. DOUGLAS. If the gentleman will read my remarks in the RECORD, he will see that I said no such thing. What I said was that even if we had no interim program before us, we would still be faced with the rising cost of living. The impression has been given to many Members on the floor of the House that this interim program and, indeed, the whole foreign-aid program, is the entire cause of the rising cost of living. The increased purchasing power we here create is bound to reflect higher prices.

Mr. BONNER. I trust that the gentlewoman will not take up my entire time.

Mr. Chairman, I want to call to the attention of the committee two very large deals in nitrate fertilizers in North Carolina. In 1944 this specific dealer secured and sold 674 tons of solid nitrogen. In 1947 he received for sale only 303 tons.

Here is another dealer in North Carolina who happens to live in the district of the gentleman from North Carolina [Mr. COOLEY]. In 1944 he had 650 tons. In 1947 he had 237 tons.

Much as I want to do for these people who are suffering in Europe, I am willing to go without my share of the food and without my share of clothing, and so forth, and the people I represent in North Carolina are willing to make great sacrifices, too, but I certainly cannot come here and learn that the program I advocated is not contained in this bill and then return to report that we gave aid to cold, hungry, and destitute people—this bill does not give, it provides for sale. The goods have not been given to the people who are hungry and

starving, but it has been given to somebody to sell to them. Mr. Chairman, I shall vote for the bill but I hope it will be so amended as to give relief as intended. Mr. Chairman, when the Committee rises, I shall ask permission in the House to extend my remarks and include therein a true report of the fertilizer situation in North Carolina.

The matter referred to follows:

SOME FACTS RELATIVE TO NORTH CAROLINA'S SOLID NITROGEN MATERIALS

SITUATION: AGRONOMIC AND ECONOMIC—I. NEED FOR SOLID NITROGEN—II. STATISTICAL DATA AND GRAPHS SHOWING THAT NORTH CAROLINA IS NOT RECEIVING HER PRO RATA SHARE OF SOLID NITROGEN

(Presented to the Subcommittee on Fertilizer Supplies, House Agricultural Committee, Tuesday, December 9, 1947, by R. W. Cummings, North Carolina State College; D. S. Coltrane, North Carolina Department of Agriculture; H. B. Caldwell, North Carolina State Grange; R. Flake Shaw, North Carolina Farm Bureau; W. I. Bissette, North Carolina Board of Agriculture)

Part I

SUBCOMMITTEE ON FERTILIZER SUPPLIES,
COMMITTEE ON AGRICULTURE,
House of Representatives,
United States Congress:

We should like to invite your attention to certain matters relative to the supplies of solid nitrogen materials which are of vital concern to the farmers of the North Carolina area:

1. Nitrogen is a primary limiting factor in the production of nonleguminous crops such as corn, small grains, cotton, and tobacco in North Carolina. The soils have developed under climatic conditions which have not permitted the accumulation of large reserves of soil organic matter. Crops grown on them are dependent to an unusual degree on the nitrogen supplied through direct use of chemical fertilizers.

2. The most efficient methods of fertilization of corn, small grains, and cotton on most of the soils in North Carolina involve the application of a portion of the nitrogen as a side dressing of a separate material after the crop is up.

3. It has been demonstrated clearly both by experiments and widespread practice that these crops in this area make exceptionally efficient use of the nitrogen supplied as a side dressing.

4. The average yield of corn in North Carolina has increased steadily from 22 bushels to 30 bushels per acre during the past 4 years while the acreage has decreased only 7 percent. This increase alone would require approximately 14,000 tons more nitrogen than was used for this purpose previously.

5. At least as great an increase in average yields can be expected during the next 4 years by further extension of knowledge recently developed relative to hybrid corns, improved cultural methods, and improved fertilization practices if the supplies of nitrogen can be obtained.

6. An announced reduction in tobacco acreage of 28 percent in 1948 will take approximately 280,000 acres out of this crop and force the farmers to look for new ways to recover $100,000,000 to $150,000,000 in farm income lost by this curtailment.

7. The increased production of feed crops will, over the next few years, probably be the most significant shift taking place in North Carolina agriculture. This is necessary not only to balance farm operations and improve income to farmers but is required for a sound program of soil conservation.

8. The production of more corn and small grains will inevitably call for more nitrogen supplies. Denying the area more adequate supplies of nitrogen is to deny it the opportunity to help itself adjust to a serious reduction in income and develop a program by which it can hold its place in the national economy.

9. While total nitrogen supplies for the Nation are increasing, the supplies of solid nitrogen materials for side-dressing purposes in North Carolina have decreased sharply since 1944. This results partially from (a) a pattern of allocation during the war period which directed the major portion of imported nitrate of soda to Gulf ports and directed that the North Carolina area be supplied from domestic production, (b) a sharp curtailment in the production of domestic nitrate of soda since the close of the war, and (c) no adequate source to replace the solid nitrogen formerly supplied to the area by domestic nitrate of soda.

10. Solution nitrogen, which can be used for ammoniating superphosphate presents a relatively better supply picture. Consequently, farmers not able to obtain solid nitrogen materials must purchase mixed fertilizers such as 5–10–5, 6–8–6, 7–7–7, 6–14–0, 8–12–0, and 10–10–0 in order to get any nitrogen for side dressing purposes. This not only costs from 2 to 3 times as much per unit of nitrogen as would be the case for separate nitrogen materials but results in a serious waste of phosphoric acid and potash through use where they are not needed.

Part II

Since the agronomic and economic need for solid nitrogen top dressing material has been established, we should now like to make some observations as to what the actual shortage amounts to, and to give you some figures that clearly show that North Carolina farmers are not receiving their proportionate share of the solid nitrogen that is produced and sold in the United States.

First, we should like to call to your attention the figures in table 1. The sale of mixed fertilizers has gone up from less than a million tons prewar to a million and a half tons last year, and yet, North Carolina farmers received in 1946–47, 101,524 tons of solid nitrogen materials compared with 105,662 tons in 1938–39 and 160,792 tons in 1944–45.

During the prewar period 11.6 percent of the total fertilizer tonnage was in the form of solid nitrogen. During the 4 war years, 12.7 percent of the total tonnage was from solid materials; however, during the past 2 years the average was only 7.9 percent of the total.

These facts are well illustrated by graph 1.

North Carolina Is Not Receiving Her Pro Rata Share of Nitrogen Materials

While North Carolina in 1946–47 received 18,797 tons of nitrogen compared with 17,231 tons in 1938–39, an 8 percent increase, the Nation as a whole increased from 181,612 tons to 360,000 tons, a 90 percent increase.

The most significant and distressing figures from a North Carolina viewpoint are those that compare the 1946–47 tonnage with those of 1944–45. In 1944–45 North Carolina farmers received 27,904 tons of nitrogen and last year only 18,797, an actual decrease of 32 percent, whereas the national tonnage increased from 275,497 tons in 1944–45 to 350,000 tons last year, an increase of 27 percent.

The story then is a 27 percent increase for the Nation during the last 2 years and a 32 percent decrease for North Carolina farmers.

If North Carolina had received the same percentage increase as the Nation as a whole, it would have been 35,438 tons, twice as much as we actually received. Gentlemen, there is something wrong which should be righted.

We are not here to say what can be done, but we believe that a Government that can in peacetime direct soda ash to the glass industry or nitrogen to Europe can direct the program so as to give North Carolina farmers their pro rata share of the nitrogen supplies.

North Carolina agriculture is founded on a tobacco economy. The acreage of that crop must be reduced 28 percent. Consequently, our farmers must produce more food, feed, and fiber. This calls for nitrogen in solid form. We cannot profitably use much, if any more, nitrogen solutions.

TABLE 1.—*North Carolina tonnage of mixed fertilizers compared with tonnage of solid nitrogen materials, year by year, 1938–39 to 1946–47*

Year	Mixed fertilizers	Solid nitrogen materials	Percent of nitrogen materials to mixed fertilizers
1938–39	922, 889	105, 662	10. 0
1939–40	785, 808	107, 617	12. 0
1940–41	824, 624	120, 154	12. 5
1941–42	980, 860	69, 000	6. 5
1942–43	1, 064, 689	120, 326	10. 0
1943–44	1, 152, 863	160, 470	12. 0
1944–45	1, 163, 563	160, 792	12 0
1945–46	1, 287, 175	132, 193	9. 3
1946–47	1, 537, 401	101, 524	7. 3

The percentage of solid nitrogen materials compared with mixed fertilizers sold in North Carolina (1) prior to the war, (2) the war period, and (3) postwar:

Three years prior to the war: 11.6 percent of the total.

Four-year war period: 12.7 percent of the total.

Two years postwar: 7.9 percent of the total.

TABLE 2.—*North Carolina nitrogen materials for direct use compared with that of the United States, 1938–39 and 1946–47*

	North Carolina	United States
	Tons	*Tons*
1938–39	17, 231	181, 612
1942–43	19, 320	203, 154
1943–44	26, 934	283, 147
1944–45	27, 904	275, 497
1945–46	22, 514	300, 228
1946–47	18, 797	350, 000

This datum shows that North Carolina got only 8 percent more solid nitrogen in 1946–47 than in 1938–39 and 32 percent less than in 1944–45, whereas from a national level the 1946–47 distribution of such material was 90 percent larger than in 1938–39.

This datum further shows that the national supplies of solid nitrogen materials continue to increase. The 1946–47 supply was 27 percent more than in 1944–45, whereas North Carolina received in 1946–47 32 percent less solid nitrogen.

TABLE 3.—*North Carolina's solid nitrogen material sales*

	Tons
1938–39:	
Nitrate of soda	98, 414
Sulphate of ammonia	3, 948
Calnitro	3, 300
Total	105, 662
1939–40:	
Nitrate of soda	102, 715
Sulphate of ammonia	4, 290
Calnitro	612
Total	107, 617
1940–41:	
Nitrate of soda	117, 169
Sulphate of ammonia	2, 981
Calnitro	4
Total	120, 154
1941–42:	
Nitrate of soda	67, 332
Sulphate of ammonia	1, 968
Total	69, 000

TABLE 3.—*North Carolina's solid nitrogen material sales*—Continued

	Tons
1942–43:	
Nitrate of soda	118,799
Sulphate of ammonia	1,527
Total	120,326
1943–44:	
Nitrate of soda	133,943
Calnitro	23,148
A. N. L compound	2,069
Ammonium nitrate	585
Sulphate of ammonia	390
Cyanamid	330
Total	160,470
1944–45:	
Nitrate of soda	142,153
Calnitro	15,118
Cyanamid	2,592
Ammonium nitrate	609
A. N. L. compound	320
Total	160,792
1945–46:	
Nitrate of soda	101,884
Calnitro	17,663
Cyanamid	10,813
Ammonium nitrate	872
Sulphate of ammonia	820
A. N. L. compound	141
Total	132,193
1946–47:	
Nitrate of soda	60,228
Calnitro	21,194
Cyanamid	13,232
Ammonium nitrate	5,769
Ammonium sulphate	1,071
A. N. L. compound	30
Total	101,524

SOME TYPICAL DEALER RECEIPTS OF SOLID NITROGEN MATERIALS

W. I. BISSETTE, GRIFTON, N. C.

1944: Nitrate of soda, 674 tons.
1945: Nitrate of soda, 629 tons.
1946: Nitrate of soda, 509 tons.
1947: Nitrate of soda, 303 tons; ammonium nitrate, 20 tons; calnitro, 106 tons; total in terms of soda equivalent, 475 tons.

THE JOHNSON CO., RAEFORD, N. C.

1944: Nitrate of soda (equivalent), 650 tons.
1945: Nitrate of soda (equivalent), 570 tons.
1946: Nitrate of soda (equivalent), 356 tons
1947: Nitrate of soda (equivalent), 237 tons.

THE DIXIE GUANO CO., LAURINBURG, N. C.

The amount of nitrogen top dressing material received in 1946 and 1947 was 44 percent of that received in 1938–39.

W. G. CLARK, TARBORO, N. C.

In 1946, Mr. Clark received 70 percent as much nitrogen material as in 1945. In 1947, he received 60 percent of that received in 1946, which means that in 1947 Mr. Clark received 42 percent as much nitrogen as in 1945.

THE JOHNSON COTTON CO., DUNN, N. C.

1940: Nitrate of soda (equivalent), 6,200 tons.
1941: Nitrate of soda (equivalent), 4,965 tons.
1942: Nitrate of soda (equivalent), 3,256 tons.
1943: Nitrate of soda (equivalent), 6,923 tons.
1944: Nitrate of soda (equivalent), 5,221 tons.
1945: Nitrate of soda (equivalent), 4,250 tons.
1946: Nitrate of soda (equivalent), 3,571 tons.
1947: Nitrate of soda (equivalent), 3,280 tons.

Mr. DIRKSEN. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. FULTON. Mr. Chairman, the committee joins in that request.

Mr. HOFFMAN. Mr. Chairman, reserving the right to object, may I ask the gentleman from Pennsylvania [Mr. FULTON] about closing debate on this amendment?

Mr. FULTON. We would like to give you all the time you would like to speak.

Mr. HOFFMAN. I am not talking about myself. I always get all the time I want, but what about the other gentlemen?

Mr. FULTON. While I am at the majority table here, I will always try to go along with the wishes of my colleagues.

Mr. HOFFMAN. I know that the gentleman is very generous about these supplies and I thought you would be about the time.

Mr. FULTON. As long as I am here at the majority table, I shall endeavor to see that everyone who wants to speak gets the opportunity to speak.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, I presume it is long ago in my copybook days that I encountered that old statement, "Charity begins at home." I am wondering, as I have listened to the debate—and I have listened in all kindliness—whether charity ends there also.

If one examines the amendments that were offered today and the pending amendment, the conclusion is inescapable, and it would go something like this: I am for foreign aid provided it requires no incentive goods. I am for foreign aid to check communism and to check hunger and desperation, provided it requires no goods that are in critical supply. I am for foreign aid if it requires no fertilizer. That is what the gentleman from Mississippi [Mr. ABERNETHY] says in his amendment.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I do not yield at the moment because I can anticipate what is in the gentleman's mind and I will prove to him that is what he says by his amendment.

Here is his amendment, and we should reexamine its text carefully:

Provided, however, That no fertilizer shall be produced or allocated hereunder, in or from the United States so long as the supply is inadequate to meet the needs of the agricultural producers of the United States as certified by the Secretary of Agriculture.

Mr. ABERNETHY. That has been corrected. I think the gentleman should understand that.

Mr. DIRKSEN. It is quite all right, because that would not change the tenor of the amendment very much.

Our good friend from Mississippi—and he is my friend and I have an affection for him—says that no fertilizer shall be procured or shall be allocated until the needs of the United States producers are adequately met, as certified by the Secretary of Agriculture.

What are the needs of American farm producers for fertilizer? The very people who are for the amendment testified this morning in this Chamber that we are probably 90 percent shy, or maybe it is more than that. I can get you any figure from any farm group in the country that we ought to be manufacturing millions and millions of pounds of all kinds of fertilizers to meet the need. How long would it take the Secretary of Agriculture to determine what are the adequate needs of American agriculture, and when they have been met? He could not do it in 2 years, because if he reconciled this with his conscience he would have to estimate the need of every farm producer in the United States and then make his certification. In all conscience he could not certify to that amendment and do a good job.

Until he so certifies, no fertilizer shall be shipped under this amendment. So what the gentleman from Mississippi has said by indirection here is that no fertilizer shall be shipped out of the United States. Now, do not fool yourselves about it.

Now, is that the way we are going to play? The fertilizer need, as set out here before the committee, is 660,500 tons. That is the program under this bill. How much from the United States? Approximately 34,000 tons. About 6 percent of that whole amount comes from domestic sources. The rest of it will come from elsewhere. In other words, we will put up about one-sixteenth, and other countries will put up all the rest.

Now, in all conscience, gentlemen, are we going to play that way? Are we going to say to those other sources now, through Mr. ABERNETHY'S amendment, "It will be O. K. if you put up fifteen-sixteenths of the 660,000 tons, but we are not going to put up the remaining one-sixteenth."

Are we going to play that way?

Now, let us get a bit of orientation on this thing. If we are going to follow out the theme of these amendments that were offered yesterday and are being offered today—and I have listened patiently—then in polite language, you are going to eviscerate this bill. Make no mistake about it, that is exactly what is going to happen. In other words, what we are saying to the world is that we are willing to share so long as it requires no sacrifice on our part; we are willing to share so long as first we have met every domestic need; we will share coal with you if we have met our own every need first; we will be glad to send fertilizer after every need of every domestic producer has been met.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. RICH. Does the gentleman mean to imply that all the relief contained in this bill and all that we have already given is only a small portion of the relief that has been given to the world?

Mr. DIRKSEN. The gentleman did not hear me say anything like that.

Mr. RICH. The gentleman said there it represented only one-seventh.

Mr. DIRKSEN. I am sure the gentleman cannot misinterpret what I said. I do not yield further.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield for a question?

Mr. DIRKSEN. I yield.

Mr. HOFFMAN. The gentleman has spoken of things we want to keep here. Unless we do keep them how are we going to make our own old domestic machine work?

Mr. DIRKSEN. We have got to make it work the best we can. We have the substance, the materials, the tools, the manpower, the ingenuity with which to make it work. If we can use some steel, for instance, for the plants they are trying to build under the commercial plant food program we can produce infinitely more fertilizer. We can produce infinitely more fertilizer; but over there under present conditions they simply cannot produce it. They are having difficulty to get vessels to go to north Africa to get the phosphate rock, although that is not involved here. Potash is not involved here. This involves nitrogen that is going to come from Chile and from this country and from Canada.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. ABERNETHY. I am sure the gentleman wants to be fair with what my intention was. I therefore say to the gentleman that in my earlier remarks I pointed out to the committee that the Government now had the authority to export fertilizer under the War Powers Act.

Mr. DIRKSEN. That is the big thing.

Mr. ABERNETHY. And that we were doing it, and that I did not propose by this amendment to stop it.

Mr. DIRKSEN. I must ask the gentleman not to take any more of my time; but let me point out that over one-half of the fertilizer under that Army program goes to Japan and another big portion of it goes to Korea. That was done by agreement, last year.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I am sorry, I cannot yield further.

I have given you the facts. No figures have been cited by anyone to rebut these facts. Let us not put relief on the ground of rationing scarcity. Are we willing to make a sacrifice? Is it going to be a gift without the spirit of the giver?

An amazing thing about this debate to me seems to be that we are generating and developing a peculiar psychosis about wanting to do a lot for these people who are living amidst ruins and in devastation, who are shouting for just a little help. Now, if we can send fertilizer that produces a ton or 2 tons of wheat over there, that is a ton or 2 tons of wheat that we do not have to send; and our wheat is in critical supply. How utterly inefficient such a course would be.

This is a good bill and efficient; and do not approve this amendment, because you are taking the heart out of it and it violates the very purpose for which this bill has been set up.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I cannot yield further.

Mr. Chairman, I have been around the country somewhat in recent weeks. The people of the United States are ahead of Congress on this program. As the gentleman from Iowa [Mr. HOEVEN] said, the people poured tons and tons of food into the Friendship Train. Why? For the very good reason that they wanted to do something They are far ahead of the petty argument that has been made upon this floor.

I feel so deeply and so earnestly about this thing right now; and so let the spirit of the giver go with the gift and let us say to ourselves that surely, although there is going to be scarcity here and we are going to have some things in critical supply, surely the scarcity will be such that there will be some griping, but, after all, if it is to be an aid program to deal with hunger and with cold, and to prevent serious economic retrogression, which would jeopardize any general economic recovery program based on self-help and cooperation, then let us be sure that we write a little spirit into it and be able to tell our people, Yes; we are catching the tenor of what is coming from the great heart of the country, and so we are willing to make some sacrifices to effectuate the durable objectives which cost so much in life and treasure.

I beg you as I have never besought this House before, I implore you as I have never entreated you before, let us not gut this bill, inelegant as the expression is, and let us not reduce the amount. As a distinguished Member of another body said when he used that expression about throwing a 15-foot rope to a man drowning 20 feet from shore, let us not by our actions cut another 5 feet off the rope to make sure that he drowns.

Peace is involved; freedom is involved here. Now do we by anything we write in this bill or anything we take out admit that we are taking steps short of peace? For God's sake, let us not do that.

One day recently I came across an old couplet which I had not seen in years. It may be found in the Vision of Sir Launfal. I am sure so many of you will remember it.

> Not what we give but what we share—
> For the gift without the giver is bare.

We are still at the grim business of winning the war. No war is won until a just peace has been secured.

Mr. WHITTEN. Mr. Chairman, I rise in support of the pending amendment, and I ask unanimous consent to speak for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentlemen from Mississippi?

There was no objection.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that, when the gentleman has concluded his 10-minute address, debate on the pending amendment and all amendments thereto then close.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. H. CARL ANDERSEN. Mr. Chairman, reserving the right to object, am I not going to have the privilege of speaking on behalf of the amendment offered by the gentleman from Mississippi?

The CHAIRMAN. In reply to the gentleman, the Chair may say that that matter is within the discretion of the Committee. A single objection will prevent a unanimous-consent request prevailing.

Is there objection to the request of the gentleman from Ohio?

Mr. H. CARL ANDERSEN. Mr. Chairman, I object.

Mr. WHITTEN. Mr. Chairman, we found out last year just how much interest the distinguished gentleman from Illinois [Mr. DIRKSEN] had in the American farmer, in American agriculture and in the maintenance of the fertility of our own soil. I recall his speech of last spring when the agricultural program was up before this House. He made the sincerest plea at that time to cut the heart out of the agricultural program of the United States, and he almost succeeded. I cannot say that I am surprised that today he makes his fight for incentive payments and fertilizer for foreign governments at our expense—though he served notice last year that he would oppose all AAA payments to American farmers for another year. I do not question his sincerity. I do question the wisdom of following his leadership now as I did when he wanted to "gut" the American farm program last year.

I am not opposed to aiding foreign countries. I do believe we should not destroy ourselves in doing so. We can produce much more food with a ton of fertilizer in this Nation than they can in Europe. Fertilizer will greatly increase production on thin land, but it will produce many more pounds of food on comparatively good land than on thin land.

The point I make is that we should know what we have to share. I know that the executive department acting under the War Powers Act meets our foreign commitments first. If there is any slow down in production it comes out of that supposed to be available for domestic consumption.

If some of it does not get produced until too late to make a crop that belongs to the American farmer. He is the one who must do without.

It was thought that 15 percent of our production of nitrogenous fertilizer would go to foreign countries—yet because of falling off in production we find they got 30 percent of what we actually produced, and the American farmer was left holding the bag—empty bag, if you please. Too, our Department of Commerce is taking out that for foreign shipment first. They, right now, are taking the entire output of several of the major producers, and these companies are writing their farm customers they cannot deliver. Of course, what is manufactured after the crop is made the American farmers can have that.

For one solid year those of us interested in agriculture have been trying to get this situation corrected. For one solid year we tried to get the War Department to increase its output. For one solid year we tried to get the Office of Defense Transportation to make more ammonia cars so that you could make more nitrate fertilizer. We have not succeeded. Those facts are well known to the friends of the farmers on the Committee on Foreign Affairs, and yet we find this committee coming in here on the consideration of this relief bill, and with 358 pages of testimony, not one word about how much fertilizer we are going to have in this country this year or next year; nor any intimation as to when we will have it; not one word about correcting this problem that faces all of us. You will find in all of these hearings—and this is something to be afraid of, gentlemen—witness after witness saying what these foreign countries want and what they ought to have, and if you can find anywhere where the committee went into our ability to let them have it or what we were already doing, I wish you would point it out.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Ohio.

Mr. VORYS. We had the Secretary of Commerce who testified as to availability, and we had the Krug report, both from the gentleman's cabinet, and if the gentleman has not read the pages of their testimony, he better do it before he makes such a wild statement.

Mr. WHITTEN. I have read the pages of this report and the report of the Secretary of Commerce on fertilizer, and it is so general as to be of no value at all, and if the gentleman from Ohio had any knowledge of the fertilizer situation, I do not believe he would have let him get by with it.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Minnesota.

Mr. JUDD. We also had separate studies put out by the Herter committee not on fertilizer alone, but also on coal and petroleum. And, our own staff of experts made a study of this situation as well.

Mr. WHITTEN. Did the gentleman know until yesterday that the Department of Commerce was taking the entire output of nitrate fertilizer from a number of the larger plants for the purpose of foreign commitments and that such companies were writing their American farm customers they could not meet their commitments to the American farmers because the Government was taking their entire output?

Mr. JUDD. Yes, and I will say that a great deal of discussion was had with reference to the War Department opening up our ordnance plants that are capable of manufacturing fertilizer and getting them into full production. But, we did not have authority to do that. We were discussing a relief bill, and the gentleman certainly would have objected if we had put into this bill a matter which rightly belongs in his or other committees.

Mr. WHITTEN. I refuse to yield further, Mr. Chairman.

I would like to say this, that the gentleman has just given the strongest argument for writing this amendment into this bill. Let us write this amendment into this bill. Let us leave it there as long as the present situation on fertilizer exists, and as long as this Government, though it may be headed by Democrats, takes the position that they can take the whole output to meet the foreign commitments and the American farmers can have what is left. Let us write this amendment into this bill, and then we can take it out of the bill when the situation is corrected and a percentage of each month's output is used instead of all during the critical months. We really need to have fertilizer in this country. The gentleman from Minnesota has made the strongest argument I know of in favor of this amendment. Certainly it is high time, if we are going to be called on to help the countries of the world, and I think we should help them, for us first to take an inventory of what we have, and from that we can determine what we can afford to do and what we are willing to do. I say again that in the hearings of this committee practically no attention was given to our ability to provide, because there was no effort really made to find out what we have and, what is more important, when we will have it, because fertilizer in July is no good to make a crop in March, April, and May.

Mr. FULTON. Does the gentleman know that the total amount was 942,912 tons?

Mr. H. CARL ANDERSEN. Mr. Chairman, I ask unanimous consent to proceed for 5 minutes.

The CHAIRMAN. The gentleman from Minnesota does not need to ask unanimous consent for that. The gentleman is recognized for 5 minutes in opposition to the pending pro forma amendment.

Mr. VORYS. Reserving the right to object, Mr. Chairman——

The CHAIRMAN. There is nothing to object to.

Mr. VORYS. I had intended to object to the unusual request of the gentleman from Minnesota, but I now wish to propound this unanimous-consent request.

Mr. H. CARL ANDERSEN. Does this come out of my time?

The CHAIRMAN. It does.

Mr. H. CARL ANDERSEN. I refuse to yield if it comes out of my time.

Mr. VORYS. I am reserving the right to object to his speaking at all. He has already spoken on his amendment.

The CHAIRMAN. I think what the gentleman from Ohio is attempting to do is make a point of order against the gentleman from Minnesota speaking twice on the same amendment.

Mr. VORYS. That is right.

The CHAIRMAN. Of course, there is a lot of difference between a point of order and a unanimous-consent request.

Mr. H. CARL ANDERSEN. I make the point of order that the point of order comes too late, Mr. Chairman.

Mr. VORYS. I was on my feet making the point of order before the gentleman was recognized. I now wish to propound a unanimous-consent request. I have made a point of order that the gentleman cannot be heard.

Mr. H. CARL ANDERSEN. I refuse to yield, Mr. Chairman, for a unanimous-consent request.

The CHAIRMAN. The gentleman from Minnesota is within his parliamentary rights. The gentleman from Ohio had the right to make a point of order. He made it a little late, however.

In order to clarify the situation, the Chair will say that the situation is this: The gentleman from Mississippi [Mr. ABERNETHY] offered an amendment, to which the gentleman from Minnesota [Mr. H. CARL ANDERSEN] offered an amendment. The gentleman from Minnesota proceeded to discuss his amendment to the pending amendment. That would preclude him, apparently, from further discussion of his amendment. However, under the precedents I think the gentleman from Minnesota is entitled to recognition in opposition to the pending pro forma amendment and under the rules of the House he is recognized for that purpose.

Mr. H. CARL ANDERSEN. Mr. Chairman, I am sorry that, for some reason, the acting chairman of the Committee on Foreign Affairs is determined to keep me from discussing my amendment here today. Certainly he is well aware of the fact that my amendment was offered near closing time yesterday afternoon and very few Members were on the floor to listen to my initial explanation of why we should not export farm machinery and petroleum products at this time.

Mr. Chairman, I want to and will vote for this bill in the hope that it will accomplish two things: First, prevent starvation in Europe this winter and, second, help keep communism from taking over Austria, Italy, and France. We must, however, protect our own people from suffering and with the news from Minnesota as it is today, I hope it is not asking too much to seriously consider the fuel-oil situation. It is rather unkind for a distinguished Member to cast reflections as to our efforts here, when he asserted that we, the supporters of Mr. ABERNETHY'S and my amendments, were "cutting the guts" out of this bill.

If, Mr. Chairman, trying to keep sufficient fuel oil in our own country with which to keep children and old people warm, is "cutting the guts" out of this bill, I stand convicted. If, Mr. Chairman, trying to keep farm machinery for our own farmers, is "cutting the guts" out of this bill, I am likewise guilty.

Yesterday, I voted against an amendment which, if adopted, would have kept wheat, which is in short supply, from being exported. Surely, we, the American people can tighten our belts and send a tremendous quantity of food abroad. I only hope, when voting for this bill, that our food will go to those who are hungry. That point disturbs me about this bill. If church organizations could have the distribution of this food under their charge, I could vote with clear conscience for this legislation.

Mr. Chairman, the following news item in yesterday's St. Paul Pioneer

Press illustrates the problem facing Minnesota and the Northwest today. This news item is as follows:

INTERNATIONAL FALLS OUT OF FUEL OIL

INTERNATIONAL FALLS, MINN.—An estimated 500 homes, several churches, and business firms were without a drop of fuel oil here Saturday night when bulk plants ran dry and city officials said there was no hope of relief before this afternoon.

Fuel was rapidly dwindling in another 300 homes using oil and Wayne Judy, president of the city council, expressed fear that business may be shut down throughout the city by Monday morning.

The weather was making conditions worse. At 7 p. m. it was only 10 above and getting colder.

Judy said he wired Governor Youngdahl for help and the Governor replied immediately that he is investigating the situation and promised help as soon as possible.

In Minneapolis H F. Horning, executive secretary of the Northwest Petroleum Association, told the Pioneer Press that two tank cars which were sidetracked in Bemidji have been started for International Falls by Northern Pacific Railroad officials.

Both cars, containing about 48 hours supply of oil, were consigned to International Falls, but delayed for some unknown reason, Horning said.

Meanwhile, he promised a full investigation to discover what the problem in International Falls is and how it can be eased the rest of the winter.

Even when the oil reaches here, it will take several hours before tanks in homes and business houses can be replenished, Judy said.

He added that the relief shipments will be rationed so that everybody gets some.

The council president indicated that the seriousness of the situation didn't become apparent until late Friday when bulk operators found their tanks throughout the city were nearly empty.

"They borrowed from each other as long as possible, hoping shipments on order would reach here. Then the reserves ran out," he explained.

Saturday morning home owners staged a run on kerosene supplies in grocery stores and filling stations, exhausting them within a few hours. Saturday night families doubled up with those who still had some oil. Others kept gas ovens hot and burned wood in combination stoves.

Most families put on several layers of clothing to keep warm.

Judy said the city council is going to take steps to insure against a recurrence of the shortage this winter, even though supplies generally are short in the State.

He estimated that more than 50 percent of International Falls homes are heated by oil. The city's population is about 7,000.

I repeat, Mr. Chairman, that, with 20° below zero weather in Minnesota this morning, I cannot but think that we must guard our own people's interests, much as we would like to send shiploads of oil to Europe if those people need it. When we realize that babies and old people are likely to suffer from the cold in our own country during the extremely severe weather, is it "cutting the guts" out of this bill to offer an amendment to try to stem the exportation of our fuel? Surely let us give all the wealth that we can spare, but why should we take away from the farmers of the Nation the right and the ability through the use of ample fertilizer and of ample farm machinery to produce more wheat. God knows that the average farmer has worked against terrific handicaps since 1941, taking labor and farm machinery into consideration. Why should we take away from the people of America, Mr. Chairman, fuel oil needed to keep themselves warm, by reason of being too liberal with other nations? As you know, thousands of GI's in each and every district throughout the northern belt of this great Nation have built new homes and have put in fuel-oil furnaces. They put in fuel-oil burners because strikes by John L. Lewis' coal miners made them distrustful of an ample coal supply. What are these GI's going to do? What are you going to reply to them when they ask you, as I was asked in this letter which came to me the other day: "What is the matter with the fuel-oil situation?" You Members who vote against this particular amendment cannot in good conscience say that you tried to do anything for them. This particular man from the Kerkhoven Oil Co. writes as follows:

KERKHOVEN OIL CO., INC.,
Kerkhoven, Minn., November 28, 1947.

HON. H. CARL ANDERSEN,
Washington, D. C.

DEAR MR. ANDERSEN: I wish to enlist your help for about 150 families who are depending on fuel oil for heat in their homes.

Our supplier whom we have dealt with for over 23 years has notified us that he has cut down our allocation for this winter 15 percent where he should have increased it 45 percent over last winter, with the increased demand with what our supplier will ship us we will be completely out of fuel by February 1, 1948.

Can you help us so as to compel the petroleum industry to distribute this very essential commodity to the consumers who are willing to pay them their price if they only can get it. If they won't do it I feel it is time Congress does it for them.

This is a serious situation facing the people of the Northwest, who are depending on this commodity for keeping their homes warm during the cold winter.

Please do what you can for the people in this respect and kindly let me hear from you.

Thanking you for anything you may be able to accomplish, I beg to remain,

Sincerely yours,

A. J. NELSON.

Mr. Chairman, how can any dealer help these GI's with heating their new homes if their suppliers cut down on their shipments of oil? This man needs 45 percent more oil than last winter—he gets 15 percent less. No wonder we hear about community after community threatened with cold homes this winter, which has set in in earnest as evidenced by its severity.

Think of these GI's who have asked to be put on any dealer's list to receive fuel oil for their new homes. He will have to tell them: "I am sorry, Jim, I just cannot give it to you. My supplier has not given me ample fuel to go around." The real truth of it is that if we do not put a prohibition here in this bill against the exportation of petroleum products at this time, it will be the fault of the Congress of the United States, because we will not be giving ample consideration to this problem. Yes, Mr. Chairman, even if it does "cut the guts" out of this bill, which it does not in any sense whatsoever, I still would try to first make sure our own children can be kept warm before forsaking our duty and giving away of our substance in these few items, that which we cannot spare. Farmers in my district sometimes cannot even secure a length of pipe with which to repair their well. I wish some of you Members here could know, as I know, what it means to have thirsty livestock waiting for you to haul water to them.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield.

Mr. RICH. You will notice here that the committee's report says there is $22,000,000 worth of petroleum products going to France and $13,000,000 worth of petroleum products going to Italy.

Mr. H. CARL ANDERSEN. The committee report also says the purpose of this bill is to keep the people of France, Italy, and Austria from suffering from hunger and cold. So far as I am concerned, I am going to try to do a little bit here today to make sure, first of all, that the people of our country have sufficient fuel with which to keep warm and not have a condition exist as is revealed in the news release I quoted here. Let us, as I said yesterday, give what we can and do everything we can to help prevent starvation abroad but also let us remember our first duty is to our own.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I refuse to yield. Your committee were so kind and liberal in giving me time that I cannot yield. I am sorry.

Mr. Chairman, in conclusion, is it not ridiculous that the farmers of this great United States of America are not permitted to have ample fertilizer and ample farm machinery, and ample fuel oil and gasoline for their tractors, to do everything they possibly can to try to produce all the crops which our good lands are able to produce? Then we could with additional labor grow millions additional tons of grain and help those this bill seeks to help and those whom our people want to help.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. H. CARL ANDERSEN] has expired.

Mr. McMILLAN of South Carolina. Mr. Chairman, the farmers of my district and the State of South Carolina have experienced great difficulty in raising crops during the past year on account of an extreme shortage of nitrogen and other types of fertilizer. I feel that since we have already committed ourselves in a previous act to send 30 percent of our nitrogen and fertilizer to Europe we should not further delete our resources by including an additional fertilizer allotment in this interim-aid bill.

The farmers of this country are being called on to feed not only the 140,000,000 people of this country but the 400,000,000 people in the European countries. The farmers cannot raise sufficient food for our standing Army and Navy which contains 1,500,000 soldiers, sailors, and marines, and also feed all the world unless they are furnished with proper fertilizer and farm machinery. I, of course, want to do everything possible to assist the people of Europe in getting back on their feet so they can purchase our goods and show they can rebuild their own economy. However, if we break our own economy down by sending beyond our shores essential necessities for our people we will soon be in the same shape

as the European countries find themselves today. I shall vote for this amendment and use all the influence I have to keep additional fertilizer from being sent abroad as long as our farmers are in dire need of fertilizer. It is absolutely useless for our farmers to spend their own labor and employ additional labor at a great expense to cultivate their farms if they do not have sufficient fertilizer to make their crops grow. In the Southern States it is absolutely necessary that we have fertilizer as we cannot depend on our soil to grow crops without certain types of fertilizer.

I do hope the Foreign Affairs Committee will not vote down this amendment as we must begin to think of our own people at home and not become so world-minded that we will permit our own country to become bankrupt.

Mr. FLANNAGAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. VORYS. Will the gentleman yield?

Mr. FLANNAGAN. I yield.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. WILLIAMS. Mr. Chairman, the amendment of the gentleman from Mississippi [Mr. ABERNETHY], now under consideration by the House, is merely a modification of the amendment which I offered yesterday and which was voted down by a very slim majority. I shall certainly support the amendment of the gentleman from Mississippi [Mr. ABERNETHY].

It was my purpose yesterday, as it is the purpose now of the gentleman from Mississippi [Mr. ABERNETHY], to give some protection to the American farmer and the American consumer against having to undergo more critical shortages than already exist in such commodities as fertilizer, farm machinery, petroleum products, and so forth.

If this foreign-aid bill is genuinely in the interest of America's welfare, then, I believe, Mr. Chairman, that it can stand the test of this amendment, because this amendment sees to it that our domestic needs are first taken care of before foreign needs are considered. I can certainly see no objection to according such protection to our American consumers, and I am surprised that the committee did not originally provide such safeguards.

The efforts and accomplishments of the American farmer in producing food and clothing materials during the recent war are unparalleled in history. But at the same time that he was producing far and above normal capacities in order to meet the insatiable wartime demand, he was also draining his soil of its precious fertility. In the years following the war he was called on further to produce food—not only for his people—but also for practically all the rest of the world. Because of this, he has been unable to follow normal and necessary fertility conserving practices on his land for more than 7 years. It should be obvious that he cannot continue to produce in such quantities without returning some of these ingredients back to his soil.

The American farmer needs fertilizer for his soil now more than at any time in history. There is today a definite acute shortage of fertilizer in the United States, and I cannot subscribe to the policy of continuing to export this commodity while our own people are unable to procure it for their own needs.

Furthermore, this measure has been presented to the people as a stop-gap relief bill, designed to furnish immediate relief to the peoples of Europe in order to prevent starvation through the winter. It is further argued that this is not part of the Marshall plan for the rehabilitation of Europe. If this is true, then why the sending of fertilizer and farm machinery? The people of Europe cannot eat or wear fertilizer or farm machinery during this winter. Now, I think we should be frank about this bill and let the American people know that actually it is an integral part of the Marshall plan, and its purpose is as much to rehabilitate as it is to furnish immediate relief.

No nation or people in the history of civilization have been so free in sharing the fruits of their labors as our people. Since the war, we have shipped more than $17,000,000,000 worth of American resources and goods to our less fortunate brethren, most of whom 3 years ago were trying to exterminate every American soldier they could line up in their sights. This represents an outlay of almost $5,000,000 for every county in the United States. I do not believe that any American could or would object to feeding the hungry and starving of Europe, but I think that every American wants to first take care of his home people, and that, Mr. Chairman, is why I shall support the Abernethy amendment which would allow only surplus fertilizer to be sent under this program, and would provide protection for the American farmer against further shortages. The amendment merely puts first things first, Mr. Chairman, and should certainly be adopted.

Mr. FLANNAGAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have before us one of the most important pieces of legislation that has ever come before this body and, in my opinion, it is time to quit demagoging and do some straight thinking.

I want to say another thing. I think I am sufficiently well known among the farmers and farm leaders of America not to be forced to resort to cheap publicity in order to stand in their favor.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. FLANNAGAN. I do not yield.

Mr. ABERNETHY. Is the gentleman directing his remarks to me?

Mr. FLANNAGAN. I am not yielding. The gentleman has had his say.

Mr. ABERNETHY. Well, maybe my publicity will not be as cheap as yours.

Mr. FLANNAGAN. Well, to say the least, I am talking sense and, moreover, I know that those who are supposed to represent the farmers of America here today have not spoken the sentiments of my farmers.

Now, let us look at this proposition. I do not believe I could vote for this measure if you placed it solely upon the ground of relief. If it were purely a relief bill I think I would be here advocating an amendment that would give relief to the millions who are dying in sections of India and China for lack of food where, I understand, the food situation is a great deal worse than in western Europe. Why, I do not believe that western Europe is going through the suffering that my people went through during the reconstruction days. I am voting for this measure as a defense measure. I want to preserve democracy, and that is what my farmers want to do. They are not so selfish as to withhold their support to a measure designed primarily to protect democracy here and to strengthen democracy in western Europe simply because their support calls for a little sacrifice. If we are going to protect our own democracy why should not my farmers contribute their part to the protection? If we have to make sacrifices in order to protect our democracy, why should not my farmers, along with other Americans, make sacrifices? The American farmers never have and never will ask to be relieved of the sacrifices incident to the protection of democracy.

I do not believe that those who are speaking for the farmers here today are helping the cause of agriculture. I believe you have rendered the farmers of America a disservice, because I believe that the farmers of America believe in democracy. I know they do. They want to protect democracy. I do not know of a better way to protect democracy here at home than to go to the rescue of the 16 western powers in Europe who are struggling to preserve their democracy; and, as the representative of a great farming district, I ask you to vote down this amendment.

The CHAIRMAN. The time of the gentleman from Virginia has expired; all time has expired.

The question is on the Andersen amendment to the Abernethy amendment.

The question was taken; and on a division (demanded by Mr. VORYS) there were—ayes 107, noes 145.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question recurs on the Abernethy amendment.

Mr. KNUTSON. Mr. Chairman, I ask unanimous consent that the amendment may be again read by the Clerk.

The CHAIRMAN. Without objection, the Clerk will again read the amendment.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. ABERNETHY: Page 2, line 16, after the semicolon, insert the following: "*Provided, however,* That no fertilizer shall be procured or allocated hereunder in or from the United States so long as the supply is inadequate to meet the needs of the agricultural producers of the United States as certified by the Secretary of Agriculture."

The CHAIRMAN. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. ABERNETHY) there were—ayes 107, noes 135.

Mr. ABERNETHY. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

Mr. HARNESS of Indiana. Mr. Chairman, I must oppose this measure authorizing emergency relief to European nations. I assure you I have been driven to this conclusion with the greatest reluctance, knowing as I do that acute suffering and privation do actually exist in many areas. I am not unmindful of the fact that the American people are always quick to share generously with any people in distress; and that all of us are eager now to help in every reasonable way to relieve suffering.

Nevertheless, I am forced to conclude that this measure is wrong in principle; that it cannot accomplish its ostensible aims; that it is saddled with the risk of mismanagement; that it is the prelude to further long-range costly and dangerous involvements; and finally, that it inevitably increases the dangers of inflation and regimentation here at home.

I frankly doubt that we have any constitutional authority to allocate gifts of public funds, raised by taxes upon the American people, to foreign governments. It is no answer to say that we have so appropriated taxpayers' money for such purposes repeatedly since the lend-lease program was launched before the war. The fact that the Constitution has been habitually violated or ignored in the name of emergency does not justify a continuation of the practice. Our basic law fortunately has provided effective safeguards to a healthy, productive economy under free government. We cannot destroy those safeguards without jeopardizing our entire heritage.

Most advocates of this measure admit that its aims are primarily political and only incidentally to feed hungry people. The plan is not to send relief directly to the people in need, but to those European governments which administration leaders say we must save from immediate collapse. This is in effect financial aid to these governments, since they will market our contributions and use the proceeds as they see fit.

But nowhere in this measure do we find effective limitations upon these governments for the use of our supplies or the proceeds they may realize. Moreover, this measure makes no effort to employ the wealth of beneficiary countries now available right here in the United States. We know these nations now hold some $20,000,000,000 of securities and dollar deposits in this country. If we ever expect these countries to help themselves toward recovery I think we ought at least to inquire to what extent they are willing and able to use their own readily available resources to relieve their immediate physical needs.

But we do not attempt to apply realism and common sense here. In fact, it is taken for granted that this so-called aid is to be a weapon in ideological warfare. But American wealth and resources in the staggering total of more than $66,000,000,000 have gone into aid to other nations since the inception of lend-lease in 1940, with the idea that we could buy victory, security, and peace. Mind you, that figure includes no part of our own actual costs of prosecuting the war, but merely our own net contributions to others. Since the end of hostilities alone more than $20,000,000,000 worth of our wealth and resources have been poured out through loans and grants for relief and rehabilitation.

The record of the way in which these tremendous contributions have been dissipated, the chaos confronting us today, preclude any hope that this current gift or the long-range program to which it is the prelude, will achieve any better results.

And make no mistake about it, this is merely the entering wedge, the preliminary commitment which will make it difficult if not impossible to deny authority for the ambitious long-range Marshall plan, which would cost us at least another $20,000,000,000 over the next few years.

Before we authorize the dissipation of another dollar's worth of American resources and energies we ought to face squarely up to hard, unpleasant facts of the international situation. Let us definitely determine if we are irrevocably involved in a cold war against a hostile ideology, as the advocates of these measures warn. Let us estimate our chances of winning such a war by means short of hostilities. Let us see what we can do about changing managements to insure against more of the same kind of blunders by which this and the preceding administrations brought us to our present sorry predicament. Let us be sure we have corrected the glaring weaknesses and inconsistencies which are still contributing to chaos and strengthening the very forces we are supposedly arrayed against.

And by all means let us not delude ourselves about the price we shall pay in this conflict. I know we are reminded that buying resistance to totalitarianism in Europe now is cheaper than fighting a war tomorrow. Granting for the moment that that may be true, let us make it as clear to the American people as we possibly can, how terrifically costly such insurance is going to be.

Inflation is already driving all prices and costs upward at an alarming rate because domestic production simply is not meeting pent-up purchasing power and demand. But shortages and high prices on the home front are due in large part to the fact that the administration has been exporting tremendous quantities of the very goods and commodities our own people need and want. We certainly cannot hope to avoid even more serious shortages and increasing inflation at home if we go on draining off a large portion of our production for world relief and recovery as this program proposes.

That inevitably leaves us only one alternative: To assume again the controls we tolerated during the war emergency. In other words, if we are to save Europe from totalitarianism by this method, we submit to totalitarianism, or what Mr. Truman just 2 months ago described as the "police state," ourselves.

It is ironical that European nations wallow in economic stagnation today, 2 years after the end of hostilities, largely because they are still struggling along under just such police state controls. It behooves us to ponder this question prayerfully: Can we honestly hope to lift this totalitarian yoke from the peoples of Europe by placing a similar yoke again upon our own necks?

There is, of course, always an effective alternative at hand. I feel sure the American people can and will meet the acute relief needs through voluntary organization and contribution. Many church and charitable organizations have already pointed the way to get our bounty directly to the people where it will do the most good, both in meeting immediate need and in making friends for America. The Friendship Trains leave no doubt of our peoples' will to help. And equally important, aid thus offered voluntarily cannot possibly involve us further in ideological warfare.

Mr. RIVERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RIVERS: On page 3, line 2, after the word "commodities", insert the following: *"Provided, however,* That commodities furnished under the terms of this act shall be carried on United States flag vessels or on vessels documented under the laws of the recipient nations as of the date of the passage of this act unless the aforementioned vessels are not available or the rates therefor are unreasonable."

Mr. RIVERS. Mr. Chairman, I ask unanimous consent to be recognized for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS. Mr. Chairman, this amendment does one thing. It makes it a requisite that the goods procured under the provisions of this bill be carried in American vessels or the vessels of the recipient nations unless those vessels are not available or the prices therefor unreasonable. Believe me when I tell you that we have had an alarming amount of tonnage being laid up in the very recent months. Very recently over 200 American-flag ships have been sent to the bone yard. Those of you who profess the cause of labor—and certainly I do—know that many, many thousands of seamen and officers of all classes and of all categories have been put on relief. The members of the Maritime Commission, or certain representatives of their organization, tell me that the picture is anything but bright because of the nations who have gotten ships since VE-day and VJ-day and putting them under flags of other registries operating out of New York, sending our seamen on relief rolls, consequently hurting our shippers, operators, seamen, and the American taxpayers. Whereas on VE-day we carried about 100 percent of our own goods, we are down now to 50 percent, competing with the ships we built, Victorys and Libertys given to these countries, and running our boys out of business. We are

now headed for a prewar condition of carrying only 30 percent of our commodities in American-flag ships.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield.

Mr. RICHARDS. The gentleman's amendment does not make it compulsory that American ships be used, does it?

Mr. RIVERS. Of course it does not.

Mr. RICHARDS. It allows ships of recipient countries to be used.

Mr. RIVERS. That is right, sir.

Mr. RICHARDS. It suggests American ships but allows others outside of the United States to be used if, in the opinion of the authorities, that becomes necessary.

Mr. RIVERS. That is right.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I am very sympathetic to the gentleman's amendment. Let me ask this practical question: Here we are proposing to put in the hands of other countries American dollars that they may use as tokens to buy our goods with, because they are short on dollars. The amendment, as sympathetic as I am with it, would say to the administrators of this act, "Do not use the other fellow's ships and pay him dollars for the use of them, but use our own ships, at our own expense, to transfer the equivalent of dollars to the other fellow." Now, if we could get dollars in his hands by hiring his ships that partially accomplishes the objective of this bill, as much as the gentleman and I might be opposed to the laying of our ships aside and keeping away from work the American citizens. Now, there is the practical thing we are up against, and all through this bill we have got the most contrariwise economic forces that this House has considered since I have been a Member of it.

Mr. RIVERS. To answer my friend from Michigan, may I say that he is exactly 100 percent wrong, and I will tell him why. My amendment says "recipient nations." We are giving to only three nations. You cannot give 5 cents worth of this material to anybody but Austria, France, and Italy. I have never heard of an Austrian merchant marine, although they may have one. But I know that we have given France ships and we have given Italy ships. We have given them the coal to operate them and we have given them the oil to operate them. In spite of all that, I say, let them come and get the materials if they want to, and I do not preclude them from taking a percentage of the shipments, but let us once in a while cast a favorable glance at the American merchant marine. The American flag fluttered and fell at Pearl Harbor. Do not let the American flag flutter and fall on our American merchant marine, because these ships are definitely going to the boneyard.

You are paying for this. All I ask is that you send this material in American ships wherever possible. What is wrong with that? I do not know how anybody could try harder than I to get this before the Committee on Foreign Affairs. I asked them to accept it. You can write it or anybody can write it, but I think it is a good proposition. We will not have a merchant marine because there is no other business of that kind in the world. The only merchant marine business in the world is what you paid for, the American taxpayers. That is all that is left. We pay for all the traffic on the oceans today. Is it wrong to carry a little of this material in our own ships?

Mr. CRAWFORD. If I understood the gentleman to our left correctly, he inquired as to whether or not the gentleman's amendment proposed that American ships first be used. I may be mistaken, but I understood the gentleman to reply that that is what he was proposing, that American ships first be used and, in the discretion of the administrators, that the ships of the recipient countries be used second.

Mr. RIVERS. No. The reason I put the American-flag ship first was because I thought of the American-flag ship before I thought of the foreign ship. If the gentleman wants to change it around, that suits me.

Mr. CRAWFORD. No, I was simply illustrating the point on which I was talking.

Mr. RIVERS. You have to put one or the other in that order. If you want to put it one-two or two-one, that is all right with me. I just happened to think of the American-flag ship first.

You say it is too expensive. Do you know that a certain nation, the recipient of ships under our Santa Claus agreements—we have so many of them I cannot keep track of them—but, under the various Santa Claus agreements to which we have subscribed, one of the nations took our ships. We gave them some Victorys and some Libertys. You, who built the ships, know that we had two categories of ships in this war. One was the Liberty. That was the first category. The Liberty made about 9 knots and the Victory made about 12 or 13 knots. One country, characteristically looking the gift-horse in the mouth, said, "We do not want the Libertys, we want the Victorys." They got them, and then what did they do? They went down to another country and registered the ships under that foreign flag and brought them up here to New York competing with our boys and ran them out of business. I just do not care about that kind of business.

I spent 7 years on the Committee on Naval Affairs and I believe I know a ship from a truck. I honestly and conscientiously do. I tell you we are pursuing a stupid, crazy policy.

To show you this is not a pipe dream—you know I would not have that, anyhow; you know that—back in 1934 an identical amendment was passed by the Congress, when the Reconstruction Finance Corporation was sending stuff across. That was passed and approved March 5, 1934. It appears on page 502 of the United States Statutes of the Seventy-third Congress. A majority of the language in my amendment is taken bodily from that, so there is certainly ample precedent.

You who represent the great ports of this Nation, go out and look at the ships that were there when VE- and VJ-days came and went. I tried to sell this proposition to the Committee on Foreign Affairs but because of my inability, or for whatever reason, I could not do it. I leave it to you. Surely I want to go along with the Committee on Foreign Affairs. I am glad to see my friend from South Carolina as one of the ranking members of the committee. He sees the reasonableness of this amendment. I leave it to you. It was your money that paid for these ships. They are yours. If we do not have any merchant marine it will be a sad day in this country.

Mr. CRAWFORD. Mr. Chairman, I move to strike out the last word.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. MUNDT. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close in 15 minutes, not including the time of the gentleman who now has the floor.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

Mr. BOGGS of Louisiana. I object, Mr. Chairman.

Mr. CRAWFORD. Mr. Chairman, I have taken this time to try to analyze this picture a little bit and not so much to oppose the amendment. Here we are proposing to ship goods of the United States to other countries in response to the call of the dollar credit that we first extend to those people as these dollars are placed back in this, our market. In other words, we are trying to give them dollars with which to buy our goods. Then the proposal is that we ship those goods in ships belonging to the United States only, or to the recipient countries, if I understand the amendment correctly. I should like to ask my friend, the gentleman from South Carolina [Mr. RIVERS] if a recipient country uses its ship with which to haul goods from American shores, will that country not pay its seamen in its local currency?

Mr. RIVERS. If I understand the world situation properly, the currency of no nation other than ours is worth the paper it is written on.

Mr. CRAWFORD. That is not the question I am asking. I will come to that.

Mr. RIVERS. So far as that is concerned, I agree with the gentleman.

Mr. CRAWFORD. Will not the Italian or French ship operators pay their seamen in Italian lira or French francs?

Mr. RIVERS. I assume they will, but if they could get American dollars, they would use those first.

Mr. CRAWFORD. However, shipping in foreign bottoms to me would be a much sounder proposal than to support this whole proposition of sending these incentive goods about which we talked yesterday, because the shipping operations are creating a market place to spend local currencies and thereby get rid of the pressure of local currency. Now, that is one approach to this problem from the standpoint of giving employment to people of other countries who can be paid in terms of their own local currency. But suppose these goods are shipped in American registered ships? What currency do we use to pay the seamen? Why, we pay them in

American dollars, and then the American seamen come back into this market and bid in this market for goods and thus push prices upward. It is a terrible thing for us to have to admit, but that is about the way this situation would work out. Suppose we do not ship the goods in American ships. So long as we are furnishing the world with goods, what do you suppose will happen to the American merchant marine? Why, it will be sent to the boneyard, as our friend from South Carolina has pointed out. That is exactly what would happen. Just a few days ago I was in southern waters in the vicinity of Beaumont, Tex., and I saw where we are stacking them up there by the dozens, substantially new oil tankers, if you please, dozens of them being sent to the boneyard. Have you heard of any scarcity of fuel oil and gasoline and petroleum products as a result of the shortage of steel with which to build tankers? You certainly have if you have been listening to the radio and reading the newspapers in the last few days. So why not use some of those tankers that are rusting away in southern waters so that they can move fuel oil and gasoline to New England and the Atlantic and Pacific coast cities? But the point is this—you come back to this inevitable result to give away what we have to other countries. Our idea is to give them dollars with which to come and buy our goods and services. The philosophy of this country at the present time is to pour our substance into the hands of other countries, regardless of what it does to the American merchant marine or some of our other operations. It is one of those contrary economic forces I was talking about a while ago when the gentleman kindly yielded to me. That is what we are up against on this. Now, do we want to go all out and give everything we have to other countries or do we want to hold back a little now and then? I think the general move is in the direction of giving all we have to other countries.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. CRAWFORD] has expired.

Mr. BOGGS of Louisiana. Mr. Chairman, I rise in support of the amendment.

Mr. MUNDT. Will the gentleman yield?

Mr. BOGGS of Louisiana. I yield.

Mr. MUNDT. I wonder if we cannot come to some agreement as to time for debate on this amendment. I see four gentlemen standing. I ask unanimous consent that all debate on this amendment and all amendments thereto close in 16 minutes.

Mr. HOFFMAN. Reserving the right to object, on the next amendment may I have my daily allowance of 5 minutes?

Mr. MUNDT. Yes. We will take care of you on the next amendment.

Mr. KEE. Mr. Chairman, reserving the right to object, I may want some time or I may not. Will the gentleman add about 3 minutes to that for me?

Mr. MUNDT. I will amend the request, Mr. Chairman, to make it 19 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. BOGGS of Louisiana. Mr. Chairman, unless members of the Foreign Affairs Committee can point out some valid reasons for opposing the amendment offered by the distinguished gentleman from South Carolina [Mr. RIVERS], I shall most certainly support it. It is a logical amendment. It is an amendment drafted for the best interests of our country.

The facts as brought out by the gentleman from South Carolina [Mr. RIVERS] point out the neglect which is overtaking our merchant marine. I believe it is well known to practically all Members of this Congress. We just have to think back a few years to the aftermath of the First World War. After we had made a stupendous effort to build a magnificent American merchant marine we then saw it fall into decay and the American flag leave the seven seas. We see what is happening now, and it makes us realize the importance of recognizing the American merchant marine.

The American merchant marine is the lifeblood of the Army, the Navy, and the Air Forces in time of war. If we are going to pursue the course which we pursued after the First World War, we may again be called upon to make a superhuman effort to restore our American merchant marine. This amendment is reasonable. It is not exclusive. It does not say that these goods must be carried in American bottoms, but it does give some preference to American bottoms. I can imagine nothing of more importance at this time than the preservation of the ships of this Nation and the maintenance of the men who man those ships.

The gentleman from South Carolina [Mr. RIVERS] has correctly stated the fact that we have withdrawn from the manpower of the merchant marine thousands and thousands of men and officers. That has come about for numerous reasons. First, we have transferred millions of tons of shipping; secondly, we have transferred from American registry to Central American registry thousands of American ships. If we do not correct this tendency, if we do not face the facts of our merchant marine, the time may come again when we will have to spend billions of dollars out of the American Treasury to try to recoup.

I certainly hope that the members of the committee will support this very constructive amendment.

I yield back the remainder of my time, Mr. Chairman.

The CHAIRMAN. The gentleman from Maryland [Mr. SASSCER] is recognized for 3½ minutes.

Mr. SASSCER. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, our merchant marine through the history of our country has been one of its most important factors of defense. Not only in America but throughout the history of the world the strength of nations has been measured by their merchant marine, and their strength upon the seas. In time of war the merchant marine in America has been treated as a strong, favored child with the food and supply lines of our troops dependent upon it. In time of peace it has been treated as a step-child. After the First World War it was allowed to disintegrate.

As I understand, the background of this amendment was the announced intention of taking some 800 or 900 American ships and turning them over to foreign countries to haul these supplies that are to be sent across the seas. It has been stated that this will not affect ships now afloat because the ones to be turned over will be taken out of the graveyard. When they are taken out of the graveyard with the merchant marine now in difficulty it will mean that an equal number of ships will go into the graveyard with the incident loss of commerce, loss of employment, loss to the American economy, and loss to one of the vital defenses of America.

The purpose of this legislation according to the debate is severalfold; primarily to stabilize the world and keep peace. A strong America is one of the greatest stabilizing influences for peace in the world. If our merchant marine is allowed to disintegrate America becomes weak.

In the discussion the other day much was said about the administration of this relief. We cannot go into these particular countries and actually administer it, but it is vitally important for us to see what is going on. If we cut the cord here in America and lose contact with the goods as soon as it leaves our shore there is less opportunity for our people abroad who are charged with the obligation to see that it is used for the purposes for which it is sent and to observe the distribution and see that it is properly applied. I hope the amendment is adopted.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

The gentleman from Maryland [Mr. MEADE] is recognized for 3 minutes.

Mr. MEADE of Maryland. Mr. Chairman, I rise in support of the amendment that the supplies made available for foreign relief under the bill now under consideration shall be carried abroad in ships flying the American flag, manned by American merchant seamen and sailing under the United States Maritime Commission's rules and regulations. I do not take this position because I come from Baltimore city, the Nation's leading foreign trade port in volume of cargo handled, ranking even ahead of New York, but because I want to make sure that the money spent for foreign relief is not wasted. I want these supplies shipped on our own ships. I want it delivered into the hands of those delegated to handle these supplies and I want to be sure that it is not left to rot on the docks of any foreign country as was done with supplies shipped to Greece during the past summer. I want to be sure it is not sold into the black market before it reaches the people for whom it is sent.

Why talk about getting these supplies to Europe as quickly as possible? Can we do better than the United States lines and the American export lines are doing in delivering the food from the Friendship Trains to France in 10 days and to Italy in about 14 days? Of course not and, I am sure there will be plenty of American merchant ships available long before any of the supplies covered by this bill are ready for shipment. I intend to support the amendment and I can see no valid reason why any American should object to sending American supplies overseas in American ships.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. KEE] for 3 minutes.

Mr. KEE. Mr. Chairman, I have always had the greatest respect and regard for my distinguished friend and colleague from North Carolina who has proposed this amendment. While the amendment proposed by him is more or less innocuous, because of that very fact it will not accomplish the purpose for which it is intended and will merely encumber the bill.

This question of carrying the goods provided for in this bill in American bottoms was presented in the other body where a similar measure was adopted the other day. The matter was brought up by Senator MAGNUSON and it was discussed by Senator MAGNUSON and Senator VANDENBERG. I would like to read what Senator VANDENBERG said in reply to an objection raised by Senator MAGNUSON to the fact that the bill contained no clause compelling these goods to be carried in American bottoms. Mr. VANDENBERG said:

> I have no objection to stating categorically my hope and expectation that American bottoms will be used in the transportation of relief commodities to the maximum practicable degree. I do not think it is possible to start writing specific percentages into the bill or specific exceptions in connection with the requirements, because we might defeat our own purposes. In the final analysis our purpose is not to protect the American merchant marine or to protect American petroleum. Our purpose is to help free citizens to remain free during a winter when their starvation might drive them into virtual slavery.

Mr. LODGE. Mr. Chairman, will the gentleman yield?

Mr. KEE. I yield to the gentleman from Connecticut.

Mr. LODGE. May I say to the gentleman that in my opinion the reason the transportation clause was put in this bill was to make sure that the appropriation covered transportation. I know that in connection with the long-range plan the whole question of shipping and freight forwarding will be fully explored. There is no one who is more anxious to have a vital, vigorous merchant marine than I am. As an ex-naval officer I am also alert to the importance of American merchant shipping as a link in our national defense. But I do not believe this is the place to do it. The gentleman from Virginia, Congressman BLAND, in a letter to Senator VANDENBERG said:

> I agree with you that it is not practicable to put this private-enterprise position in the bill.

The place to go into that is on the long-range plan. With respect to this aid we should obtain our ships wherever we can do so most expediently, most efficiently, and at the least cost to the American taxpayer. I therefore request that the amendment be voted down.

Mr. KEE. I thank the gentleman for his contribution.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

The Chair recognizes the gentleman from South Carolina [Mr. BRYSON].

Mr. BRYSON. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, in rising to support the amendment offered by the distinguished gentleman from South Carolina, my colleague, Congressman RIVERS, I see no reason whatever for any objections to the amendment.

It seems to me since we are providing the assistance set out in this foreign-aid program we should surely reserve the right to make deliveries thereof in our own ships. We have, as you know, countless numbers of fine ships adaptable to the use of the merchant marine. We have many skilled sailors ready and willing to fly our country's flag, and thus to carry the food, clothing, and other assistance to the several ports of consignment. By providing for the delivery of these goods in our ships, under our flag, and by our citizens, we will have personal knowledge of where the goods go, who receives them, and under what conditions. I concur in the provisions of the amendment and urge its adoption.

The general purposes of this stopgap aid bill are twofold. We, of course, desire to alleviate suffering and to stop the pangs of hunger, but at the same time we are not unmindful of the fact that the matter of national security and self preservation is of first importance. I believe that we can justify granting aid in reasonable amounts for humanitarian purposes, but the greatest cause for action in my judgment is for national security. There can be no question but that communism is seeking to engulf the entire world.

The other night while rereading Chief Justice Marshall's Life of George Washington, I came upon these words of admonition:

> Let me conjure you, in the name of our common country, as you value your own honor, as you respect the rights of humanity, and as you regard the military and national character of America, to express your utmost horror and detestation of the man who wishes, under any specious pretences, to overturn the liberties of our country, and who wickedly attempts to open the floodgates of civil discord, and deluge our rising empire in blood.

Already there is indisputable evidence that Communists are actually engaged in our own country in a persistent effort to overthrow our friendly democratic Government even by force and violence if necessary. The greatest threat to world peace and security today is communism.

Congress by passing this foreign-aid bill by an overwhelming majority without regard for political alinements is showing to the world that we are determined to prevent the further spread of communism and to stamp out these subversive forces in our country. We cannot afford to sit supinely by and allow the last remaining friendly nations, who stand in the breach, to be exterminated by the spread of communism. Time is of the essence. It is already later than we think.

Right-thinking people all over our country are commending the courageous acts upon the part of the Un-American Activities Committee in its recent exposure of communistic propaganda which has been disseminated through the motion-picture industry.

Although the membership of the Communist Party in the United States is relatively small, it is estimated that for every party member there are 10 sympathizers or fellow travelers. The question comes to mind: Do these sympathizers actually know what the aims of the Communist Party are? Or have they been deceived by the calculated misrepresentations of the party? The publicly avowed goal of the Communist Party is a society in which everyone would contribute to the common good according to his abilities and receive according to his needs. That general principle has a certain superficial glamor and may be responsible for bringing certain unsuspecting persons into the clutches of the insidious workers of the Communist Party. Let us make it clear to everyone in this country of ours that the Communists regard revolution and, following that, a dictatorship as the necessary means of transition to that promised society. The Bolshevik revolution took place in 1917. Now, 30 years later, the dictatorship which followed is still very much in existence. Nor is there any indication that the Union of Soviet Socialist Republics is to be freed from the yoke of totalitarianism at any time in the foreseeable future.

It is imperative that everyone should be aware of the ways in which communism operates in this country. The methods of Communist infiltration have been described at length on the floor of both Houses of the Congress. I shall not attempt to restate what has already been so ably expounded by my colleagues. It seems desirable, therefore, that there should be established in the law a clearer definition of communism as a protection for all of us.

Making the practice of communism a treasonable act in the United States seems to me to be a logical part of our system of national defense. Certainly every government has the right to protect itself against a threat to its very existence. We, as the duly elected representatives of the people, owe it to them and to ourselves to do all that is in our power to make sure that our democracy does not perish. And there can be no doubt that the Communists do constitute a threat to our Government. To be sure, the Communist Party as it is constituted in the United States today camouflages its commitment to support and advance the interests of the

Soviet Union under cover of legitimate domestic issues. For this reason it is all the more dangerous. We cannot combat this very real threat to our Nation by saying, "Naughty, naughty!" It is now time to bring out the rod and apply it where it will do the most good. We came perilously near to losing the recent war because we did "too little, too late." We must not allow ourselves to be guilty of that same laxity now that we are trying to win the peace.

It has been pointed out that the definition of treason in the United States Constitution is an extremely narrow one, based on our eighteenth century experience with attempts by the British Crown to suppress all criticism or dissent. It goes to great lengths to protect the individual while risking the security of the state. We may eventually find it necessary to amend this part of the Constitution. But narrow though the definition may be, it is still wide enough to include those who advocate the overthrow of the Government of the United States. Let me read you the language of article III, section 3 of the Constitution:

> Treason against the United States, shall consist only in levying war against them, or in adhering to their enemies, giving them aid and comfort.

"Adhering to their enemies, giving them aid and comfort." Does this not describe exactly what our Communist friends are doing? Certainly by no stretch of the imagination can we convince ourselves that overthrowing our form of government, by force or violence if necessary, is a friendly act. Is not a person who advocates overthrow of our Government by that very fact an enemy of the United States?

There have been very few cases of treason in the United States. Let us look at some of the cases in which convictions for treason were obtained during the war years. There was Max Stephan, a Detroit restaurant operator, who gave food, money, shelter, and entertainment to a Nazi aviator who had escaped from a Canadian internment camp. Stephan was convicted of treason and hanged. That conviction and sentence were eminently just. But was what Max Stephan did any worse, or even as bad, as the things which are being done in this country today by men and women who adhere to the tenets of the Communist Party? Was the shelter and concealment of a single escaped prisoner of war worse than plotting to overthrow our Federal Government?

Let us take another case—this time those persons who aided the Nazi saboteurs who landed from submarines on the coasts of Florida and Long Island in June 1942. Walter Froehling and Otto Wergin were sentenced to death and their wives to 25 years' imprisonment. Again justice was done. But again let me ask—was their crime any worse than the crimes which the Communists are committing today—and every day—in our labor unions, and even in our Government?

It is heartening to note that several agencies of the Government are screening and constantly discharging and rejecting many civilian employees by reason of the fact that they are considered bad security risks. There is no place in our country for a divided loyalty. One cannot serve both God and mammon.

In May of 1945 orders were given to occupation troops in Germany to arrest seven United States citizens under indictment for treason. These seven persons had all served the Nazis by making propaganda broadcasts beamed to North America. We all agree that what they did was abhorrent and disgusting. But again I ask were the lies they told any worse than the lies which are being served up to well-meaning but misguided American citizens today? After all, very few people knew about or paid any attention to these broadcasts. But how about the worker in the factory who is urged to join a strike? What of the Communist-inspired organizer or agitator who feeds the worker with tales of exploitation by management, of social injustice, while his true aim is to create unrest and industrial turmoil so that the Communists may take over? Which is the greater crime? It is my sincere belief that the crimes being committed in this country today by Communists are worse than any of the crimes for which convictions for treason were obtained during the war.

In summing up my remarks let me again call to your attention the need for a clearer definition of communism. Let us make it plain to every person in this country what we mean by communism. This will serve two very useful purposes. First, it will furnish a guide by which people can judge whether or not an organization or policy is inimical to the American way of life. Secondly, it will provide a safeguard for those persons who, for one reason or another, may be falsely charged with being Communists or Communist sympathizers. And in making the practice of communism in the United States a treasonable act, we are, in a sense, merely reaffirming our faith in democracy as a way of life by demonstrating that we care enough about it to take positive action to defend it from its enemies. We have engaged in two great World Wars, which have cost millions of lives and billions of dollars, in order to preserve our democracy. We must not allow a few unscrupulous persons to render these sacrifices vain.

Let us, therefore, give ear to and heed the admonitions of our first President quoted herein above.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland [Mr. GARMATZ].

Mr. GARMATZ. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, an efficient merchant marine requires efficient, specially trained personnel. Between 1939 and 1946 over 5,600 vessels were constructed under the merchant-marine program. At the end of the war we possessed about 56,000,000 dead-weight tons of ocean-going ships, approximately 60 percent of the total world tonnage. In order to man these ships, many men who had retired from the sea returned to sea again, and training schools were established at Government expense to train men to man these ships.

At present we are operating about 28 percent of the world tonnage, with the result that thousands of trained seamen and shipyard workers are forced to seek other employment.

It is now proposed to further deplete the ranks of these trained men by turning our ships over to foreign governments for operation by foreign crews, who will be paid with money we are lending their governments. Every Liberty ship we lend, lease, or give to a foreign government means another American ship will be laid up, throwing 40 more seamen out of employment, 8 of whom are officers who require Government licenses obtained only after 3 years of service at sea for the lowest grade up to 7 years or more service at sea during peacetime. The wages paid American seamen are spent in this country.

The proposal to give our ships to other nations and let them haul the cargo, thereby effecting a saving, may have its appeal, but this is due entirely to a misconception. The saving—less than 2 percent of the total relief—must be compared to the long-range damage to our merchant marine, to our economy, to our national defense, and our position in world affairs, if we are weak upon the seas. These facts must be weighed against the very small saving.

Before the war 75 percent of the shipping facilities of the world were located in the 16 countries to whom we propose to give relief under our long-range foreign-aid program. The recovery of their shipbuilding is vitally necessary to their economy. They do not have any need now for ships of 5,000 gross tons or over. This would be the Liberty-ship type. Their present fleets of such vessels is over a million tons more than their 1938 capacity. Their need is for smaller and light-draft vessels, suitable for their small harbors and coastal trade.

In World War I we spent $3,000,000,000 building up our merchant marine, which by 1939 had diminished to about 22 percent of the world tonnage.

In World War II we spent $14,000,000,000 building up our merchant marine.

There is no doubt but that during the next few years these countries will be building ships with American steel, to their full capacity, and if we also transfer to them any considerable number of our ships, they will then be in command of the seas and we will be in the unenviable position of being unable to compete in world trade and weak in our second line of defense—the American merchant marine.

Mr. RIVERS. Mr. Chairman, I ask unanimous consent to proceed for 1 minute to explain my amendment more fully at this time.

Mr. MUNDT. Mr. Chairman, a point of order. The gentleman has explained his amendment once, and, under the rules of the House, he cannot do so again.

Mr. RIVERS. You can do anything here by unanimous consent.

The CHAIRMAN. The gentleman's point of order is well taken.

The question is on the amendment offered by the gentleman from South Carolina [Mr. RIVERS].

The question was taken; and on a divison (demanded by Mr. RIVERS) there were—ayes 50, noes 61.

So the amendment was rejected.

The Clerk read as follows:

SEC. 4. No more than 25 percent of the amount herein authorized shall be used for the procurement of commodities outside the United States and its Territories and possessions unless such commodities can be bought and delivered abroad at delivered costs less than comparable delivered costs of the same exports from the United States and its Territories and possessions. The procurement of petroleum and petroleum products shall, to the maximum extent practicable, be made from petroleum sources outside of the United States and its Territories and possessions, and wherever practicable such petroleum and petroleum products shall be delivered to the recipient country by the most economical route from the source of supply.

Mr. VORYS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VORYS: Page 3, line 9, after "SEC 4.", strike out all on lines 9 through 21 and insert the following:

'The President shall promulgate regulations controlling the purchase or procurement of supplies under this act designed to minimize (a) the drain upon the natural resources of the United States and (b) the impact of such purchase or procurement upon the domestic price level: *Provided*—

"(1) that procurement may be from foreign sources whenever the cost delivered to the recipient country will be less than the cost delivered from the United States;

"(2) that not more than 25 percent of the funds made available under the authority of this act may be used to procure commodities abroad at delivered cost not more than 10 percent higher than from the United States, its Territories and possessions, provided that the President shall find that such commodities are in short supply or not readily available in the United States;

"(3) that the President shall, in making a finding of short supply in the United States, consider (a) the drain upon natural resources or (b) the effect of the necessary procurement upon domestic prices;

"(4) that the procurement of petroleum shall, to the maximum extent practicable, be made from petroleum sources outside of the United States and its Territories and possessions; and wherever practicable such petroleum and petroleum products shall be delivered to the recipient country by the most economical route from the source of supply."

Mr. VORYS. Mr. Chairman, this is a rather long amendment; it is an attempt on the part of the committee to reduce the impact of the foreign-aid program on our economy, especially with respect to offshore purchases. I read you the first paragraph yesterday, and I want to read that paragraph again in full because it applies to the whole program, both United States purchases and offshore purchases, that is, purchases outside of the United States.

The first paragraph is as follows:

The President shall promulgate regulations controlling the purchase or procurement of supplies under this act designed to minimize (a) the drain upon the natural resources of the United States and (b) the impact of such purchases or procurement upon the domestic price level: *Provided,*

Then come the provisos:

(1) that procurement may be from foreign sources whenever the cost delivered to the recipient country will be less than the cost delivered from the United States;

In that way we reduce the impact in this country upon scarce supplies.

(2) that not more than 25 percent of the funds made available under the authority of this act may be used to procure commodities abroad at delivered cost not more than 10 percent higher than from the United States, its Territories and possessions, provided that the President shall find that such commodities are in short supply or not readily available in the United States;

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Indiana.

Mr. HALLECK. Here is a thought that occurs to me: We all recognize that the purchases for export out of short supplies in this country tend to drive prices upward, with that adverse effect upon our economy. If any commodity to be a part of this program is to be in short supply in this country, obviously all of the supply that is presently here or to be here would find domestic purchasers. Why under that circumstance should there be any 25-percent limitation at all? Why not get those commodities that are in short supply from other countries where they may be available, thus avoiding the additional pressure on prices in this country and at the same time assuring to the domestic producer the full market for all that he has to sell, because the proviso would apply only where the commodity is in short supply.

Mr. VORYS. The gentleman raises a question, and just the opposite of his view has been presented to the committee. There are two views. Why not buy everything outside of the United States and thus avoid any impact on our economy? The other view, held with great sincerity and fervor by Members of the House, is, why not buy everything here, because then we would not be spending any of our money outside the United States.

We found, however, that the 25 percent which we mentioned will take care of any possible purchases outside the United States, and by putting a 10-percent over-all limit on those purchases, that not more than 10 percent over the United States price can be paid, we keep control there. In this way we are able to make all of the purchases that we can make outside of the United States, but at the same time we reduce the impact on our economy to the greatest extent.

This is a compromise amendment, representing the resolving of divergent views, but it will, we believe, do two things: Reduce the drain on the natural resources of the United States and reduce the impact of procurement upon the domestic price level, because 100 percent of the amount can be spent outside the United States.

Mr. HALLECK. I do not so read the amendment. I think the 25-percent limitation still applies. No matter what the finding of short supply should be, and no matter what we might be able to procure for this program in foreign countries, we would still be limited by the 25-percent proposition.

I wish to suggest only this thing further: Obviously this country, being in the process of giving commodities away, would not go buy them some place else if we had plenty of them to give away out of our own supply. But recognizing as we do, as has been demonstrated here by argument on amendment after amendment, that this program contemplates the export of things that are in short supply, then it just seems to me to be common sense, as long as that situation prevails. to acquire those supplies from sources outside the country, thus avoiding the very drain on our resources to which the gentleman has referred.

Mr. VORYS. Let me point out that all of the money can be spent outside of the United States; 75 percent at a cost below the delivered cost of comparable American commodities, and 25 percent at a cost 10 percent higher than comparable American commodities. This gives the administration great leeway in reducing the impact of the program on our economy. I hope the amendment will be adopted.

Mr. CASE of South Dakota. Mr. Chairman, I offer an amendment to the committee amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment to the amendment offered by Mr. VORYS offered by Mr. CASE of South Dakota: At the end of subparagraph (2) of the committee amendment strike out the semicolon and insert a colon and the following: "*Provided,* That no part of the funds herein authorized shall be available for expenditure in the procurement of commodities at a price higher than those at which like commodities have been offered and sold in the market of purchase on the day of purchase"

Mr. CASE of South Dakota. Mr. Chairman, there is no Member of the House of Representatives and no Member of the Congress but is bothered by the problem of the rising cost of living today. There has been no mention of the foreign-aid program in any comprehensive statement by anyone that has not recognized that what we do in taking scarce items and sending them abroad has some bearing on the cost of living here at home.

If we pass this bill and authorize a program of buying scarce items and sending them abroad without some specific step being taken to minimize the effect of this program upon supplies of scarce items at home, the cost of living probably will be so much greater when we come back here in January than it is now that every Member of the Congress will be doubly anxious to get back here so that he will avoid having to answer questions and making explanations at home.

The language of the amendment which I have offered is very simple. To the paragraph in the committee amendment which deals with the procurement and prices, it would add this language, but does not strike anything out of the committee amendment:

Provided, That no part of the funds herein authorized shall be available for expenditure in the procurement of commodities at a price higher than those at which like commodities have been offered and sold in the market of purchase on the day of purchase.

What it says is that the Government will not go into the market and bid up the price. The Government can come in and buy whatever is offered at the going price that day, at the price that has been offered and taken, but it may not come in and offer something above the market, and thereby bid up the price. That does not prevent the Government from buying. It simply says effectively that the Government will buy at the prevailing price.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. HALLECK. The gentleman knows I am one of those who has been quite annoyed, to say the least, at the actions of the Government in its buying operations. My information is that on many occasions they went in and bid above the market price and bought in great quantities in a short time. The inevitable effect of that was to force prices upward. Now you cannot blame that on speculation or on the board of trade. Therefore, I am in sympathy, as the gentleman knows, with the principle of his amendment. I cannot see any reason why the Government cannot go in and buy its requirements just like other people go in and buy their requirements at the going market price. If we do that, and it seems to me that it is strange that it is necessary to write it into the law, then we will be alleviating in some measure the conditions brought about by operations and actions that have tended to drive prices higher.

Mr. CASE of South Dakota. I appreciate the statement of the distinguished majority leader.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. JENSEN. If your amendment is made law, can the Government then go in and buy poultry, for instance, which today is selling for 10 or 12 cents below the Steagall support price? Can the Government go in and buy poultry at the price the Government is supposed to pay for poultry, or must the Government pay the same price as the dealers are paying today?

Mr. CASE of South Dakota. Of course the Government can and it would do that under the funds available to the Commodity Credit Corporation. I sincerely hope that the funds appropriated for foreign relief are not to be funds diverted to the Commodity Credit Corporation. On the other hand, stocks which the Commodity Credit Corporation has, and which it can sell at less than the money involved in it, could be purchased by the relief administration.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. VORYS. The gentleman by his amendment has attempted to limit it to the market price all over the world, thereby effectively nullifying the 25-per-cent-offshore-purchase provision in the amendment.

Mr. CASE of South Dakota. Does the gentleman from Ohio mean that when the Government of the United States goes abroad to purchase, it is going to buy above the price in that market place? That is the only interpretation you can put upon what the gentleman has said, for this says, "Sold in the market of purchase on the day of purchase." Certainly the gentleman from Ohio is not going to advocate that this 25-percent money will be used to pay more than is necessary in that market.

I urge the adoption of the amendment to the committee amendment.

The CHAIRMAN. The time of the gentleman from South Dakota [Mr. CASE] has expired.

Mr. JUDD. Mr. Chairman, I offer a substitute for the amendment offered by the gentleman from South Dakota.

The CHAIRMAN. That would not be in order. That is an amendment in the third degree.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time merely to advise the Committee of the Whole that the Committee on Foreign Affairs has an amendment to cover this point; which I believe does the job more thoroughly and comprehensively than the amendment offered by the gentleman from South Dakota [Mr. CASE]. We are all after the same objective. It was not offered at this point because I believe it should have been offered later in the bill on page 9, line 15, in the section which deals with how the funds are to be expended.

May I read the committee amendment which, if the Case amendment is defeated, will be introduced at the proper time:

Provided, That no funds appropriated under authorization of this act shall be used by any procurement agency of the United States Government for the purchase within the United States, its Territories and possessions, of any supplies other than supplies procured by or in the possession of the Commodity Credit Corporation, pursuant to the act of July 1, 1941 (55 Stat. 498, as amended), at prices higher than the market price prevailing at the time of the purchase in the area wherein the purchase is made.

This is designed to take care of the problem the gentleman discussed plus that of supplies which the Commodity Credit Corporation has purchased at higher than the prevailing market rates under the law that is cited, the act authorizing the agricultural price-support program. The Commodity Credit Corporation today has dried eggs, chickens, perhaps potatoes, and other surplus commodities which, under the language of the bill, as it was originally written, could not be used in this program, because they were purchased above the market price under the price-support program. This amendment would cover future purchases and make it impossible for the Government to buy above the prevailing market price in the area of purchase on the day of purchase, except where the Commodity Credit Corporation is compelled to buy above the market price because of existing law.

I think, therefore, Mr. Chairman, it would be advisable to vote down the Case amendment and put this in later at the proper place in the bill as a committee amendment. Although they are both designed to do exactly the same thing, my amendment covers one aspect of the problem, which the gentleman's amendment does not cover.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. JAVITS. Is it not a fact that the committee amendment just read by the gentleman is the only practical amendment, because if you try to apply the market-price formula to overseas purchases you just will be unable to buy overseas, due to the difficulty of ascertaining overseas market prices on the commodities involved?

Mr. JUDD. Yes; I think this amendment covers the question adequately. It does not interfere with the committee amendment which the gentleman from Ohio [Mr. VORYS] presented, which is to permit purchase abroad up to 25 percent of those commodities that are in short supply here, and to purchase them abroad even at higher prices, but not more than 10 percent higher than here, in order to husband our own limited supplies. If prices abroad are lower than here, then all the money could be spent abroad. I believe this amendment, as worked out by the committee with experts who are conversant with our grain and other markets, is the best way to handle the matter, for it will not interfere with our foreign purchase program, it should limit to the minimum the pressure on the cost of living here at home, it will allow the Commodity Credit Corporation to use the stocks it already owns, and not interfere with its purchasing at higher-than-market prices if and when existing price-support legislation requires it.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. CASE of South Dakota. Will this proposed amendment define the word "prevailing"? That was the problem I ran up against. I used the word "prevailing" in the first draft or two I had, and then I found that I could not ascertain what the prevailing price was. The prevailing price might be the bid of the Government. In my amendment I specifically state that there must have been an offer and a sale. That defines the established price.

Mr. JUDD. I may say to the gentleman that we ran up against the same problem. At one time we considered specifying that it could not buy at higher than the closing price on the preceding day. We consulted with people who have given a great deal of attention to our commodity markets, including the distinguished gentleman from Michigan [Mr. CRAWFORD], and we were advised that there are recognized formulas, something like the Dow-Jones average for the stock market, that would be used to determine the prevailing price.

Mr. CASE of South Dakota. But the prevailing price cannot be determined until there have been sales and until all the sales of the day have been made. Under the gentleman's amendment, then, the Government will come in and make its bid on the average for the sales of the day.

Mr. JUDD. No; the prevailing price would be the price that prevailed at the time of purchase. As I understand it, the Government could not come in, for example, and bid a cent above what the last sale was.

I think the amendment offered by the gentleman from South Dakota should be defeated. Then we can vote on this committee amendment at the right time.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. CRAWFORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CRAWFORD. May I inquire of the Chair whether or not it would be proper to offer a substitute for the committee amendment at this time?

The CHAIRMAN. The Chair is of the opinion that it would be in order.

Mr. CRAWFORD. Mr. Chairman, I offer a substitute for the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAWFORD as a substitute for the committee amendment:

Page 3, line 9, strike out the words "not more than" and the figure "25" and insert in lieu thereof the words "twenty-five."

Page 3, line 10, strike out the word "shall" and substitute in lieu thereof the word "may."

Page 3, line 12, strike out the word "unless" and substitute in lieu thereof the word "if."

The section as amended will read as follows:

"SEC. 4. Twenty-five percent of the amount herein authorized may be used for the procurement of commodities outside of the United States and its Territories and possessions if such commodities can be bought and delivered abroad at delivered costs less than comparable delivered costs of the same exports from the United States and its Territories and possessions. The procurement of petroleum and petroleum products shall, to the maximum extent practicable, be made from petroleum sources outside of the United States and its Territories and possessions; and wherever practicable such petroleum and petroleum products shall be delivered to the recipient country by the most economical route from the source of supply."

Mr. CASE of South Dakota. Mr. Chairman, I reserve a point of order against the amendment and make a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CASE of South Dakota. Is the amendment offered as a substitute for the committee amendment?

The CHAIRMAN. It is.

Mr. CASE of South Dakota. Mr. Chairman, I withdraw the reservation of a point of order.

The CHAIRMAN. The gentleman from Michigan is recognized for 5 minutes in support of his amendment.

Mr. CRAWFORD. Mr. Chairman, this substitute which I offer leaves the bill before you, H. R. 4604, exactly as it is arranged in lines 15 to 21 on page 3, with respect to petroleum. It changes the language in lines 9 to 15. It does this simple thing: Instead of making it mandatory that no more than 5 percent may be spent outside this country, it leaves the proposition on a permissive basis where 25 percent of the amount herein authorized may be used for the procurement, and so forth; but to the extent the 25 percent is used goods may be bought and delivered abroad at delivered prices less than the comparable cost of the same exports from the United States and its Territories.

My language does away with the 10-percent premium which may be paid for the goods in the amendment just now offered by the committee. I see no reason at all why we should go into foreign markets and bid up the price 10 percent or a greater or less percent. Certainly this type of goods is very likely to be produced at a considerably lower price than we produce similar goods in the United States, owing to the food supply in Latin America, for instance. Why should we go into Latin America to buy foodstuffs to ship under this proposal and pay these Latin-American countries a higher price than those goods cost here in the United States under the present scarcity and high cost program basis?

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Indiana.

Mr. HALLECK. Assuming that they were bought here at home and that resulted in an increase to the domestic consumers, including everybody in the country, who had to buy at some given higher percentage, would this not far overbalance anything up to 10 percent that might be paid in these foreign countries?

Mr. CRAWFORD. I disagree with the gentleman for this reason, and that is the point I am going to develop: When you turn dollars loose in Argentina, Brazil, or any other country, those dollars immediately reverberate back to the American market. They come in here and start buying goods. You may delay the transaction 25 or 30 minutes, perhaps by sheer accident you might delay it 24 hours, but whether you buy the goods directly in the United States with American dollars or buy the goods in Brazil or anywhere in these Latin-American countries with American dollars those American dollars outstanding have to come back here to find a home. They come in here and call for goods. There is no way you can beat this machine. The dollars come back here for redemption. Do not kid yourselves about sending these dollars to some country across the waters instead of spending them here, because they will be spent here within a very short time and the impact on increased prices here would go on just the same.

Mr. HALLECK. Mr. Chairman, will the gentleman yield further?

Mr. CRAWFORD. I yield to the gentleman from Indiana.

Mr. HALLECK. First of all let me say that we have a law on the books that authorizes export control. I have complained at the fact it has not been used. It is presently hoped by many of us that that provision can be strengthened and that it will be applied. The purpose of that is to prevent the very thing that the gentleman is talking about, which is the use of dollars in this country to buy goods in short supply to go to countries that are not in the need category.

Mr. CRAWFORD. If I believed the export prohibition would be exercised I would have faith in its efficacy; but here we are proposing nearly $600 000.000 worth of goods to be exported. We know this Congress will have before it within a few days another proposal for us to export another ten, fifteen, seventeen, or perhaps twenty-two billion dollars' worth of goods. This Congress moves in the direction of passing laws which forces the President of the United States to ship goods out of this country. We are not setting the brakes against the exporting of goods.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment, all amendments thereto and the substitute conclude in 25 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. HOFFMAN. Mr. Chairman, reserving the right to object, do I get the 5 minutes you promised me on the next amendment?

Mr. VORYS. Sure.

Mr. HOFFMAN. I thank the gentleman.

Mr. HAND. Mr. Chairman, reserving the right to object, may I inquire of the chairman of the committee whether he means the committee amendment or the Case amendment to the committee amendment?

Mr. VORYS. The committee amendment, the Case amendment to the committee amendment, and the Crawford substitute. My request would apply to all three of them.

Mr. HAND. Then I will have to object, Mr. Chairman.

Mr. BURKE. Mr. Chairman, I move to strike out the last four words.

Mr. Chairman, I shall vote for this bill not because I like to do so but because it seems to me the best of the alternatives under the present situation in this post-World War II period.

We as a people are faced with almost the identical situation in which the British people found themselves in the post-Napoleonic period.

The 20 years of turmoil and war on the Continent had exhausted the wealth of the population. All of the major nations except England had been invaded and marched over. England had a navy, a strait, and a channel as a first line of defense.

We similarly have a navy, an air force, and an ocean, but the difference in communication, speed, and modes of travel nullify largely the greater distance.

We have never been an isolationist nation in fact and practice. We have made mistakes both of commission and omission, to be sure, in foreign policy at times as to specific commitments.

Do you recall Citizen Genet and the X-Y-Z papers, the unpleasantness with

the Barbary States, our early attitude toward the Latin-American countries and the resultant Monroe Doctrine, Commodore Perry and Japan, Alaska, Cleveland and Venezuela, the open door in China, Hawaii, the Philippines, Panama, and now the Pacific islands?

If I am not mistaken, the Thirteen Original Colonies did a consummate job by 1853 on this continent. With reasonable restraint we have followed a rational national interest and tried to bring a better way of life to the peoples whose lives we have touched. We, of course, have not been perfect, but perhaps we have been practical and humane.

The press of the populations from the East on western Europe is nothing new. Heretofore the peoples of western Europe have themselves been able to deal with the successive invasions of the Huns, the Saracens, and the Turks, and for the far greater part, western Europe must do so again. If they want communism, we cannot stop it. I do not believe they do.

We have no permanent interest of occupancy there. There is a limit beyond which we cannot and must not go. If we permit ourselves to be drawn into a series of European civil wars, we shall be there indefinitely with consequent ruinous effects on our American civilization.

If what we do results in bringing about a situation in our own country not unlike that with which Europe is confronted, it will be a national tragedy—a case of the drowning man pulling down his rescuer.

The great immediate questions involve our interest in western Europe and the Near East. The Orient is important, of course, but does not pose a similar threat to our security and civilization. It is twice as far away.

What is the degree of immediate interest we have in western Europe and the Near East? What is there at stake and how shall we meet it? Do we recognize there are imponderables in the situation that we or any other nation cannot control?

Must we get into situations from which we cannot extricate ourselves? In this modern period a nation can so rapidly spread over the world as to bankrupt itself at home or otherwise impose an intolerable burden of taxation on its people. England spread over the world by slow stages of conquest and development.

How far we can go in the relief and rehabilitation of western Europe is the greatest problem of our time—and for us as a people largely because of the backwash later here as a result of it.

Pyrrhic economic victories are no less exhaustive and destructive than military ones. There is no time and place for provincial politics. The situation calls for vision, realism, and sound reconstruction policies and practices.

I hope this Congress and Government will move intelligently and deliberately even though the world is on fire politically and economically. Crises create crises and sometimes the only way they may be stopped is by goal-line stands.

The people of America must soon decide whether they want to go the way of the bees or that of the birds. This legislation is part of the process of finding out.

EXPANSION OF THE CURRENCY AND RISING PRICES

Mr. RANKIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the present program of attempting to prevent inflation by fixing prices is just as silly as a drunk man trying to hold a one-foot lid down on a five-foot pot of boiling soup, with it spouting up all around him.

Prices in a free economy are governed by two things, the volume of the Nation's currency multiplied by the velocity of its circulation.

Not a single leader in either House has called attention to the fact that inflation of prices is caused by an inflation of currency.

On March 31, 1917 we had $4,172,945,914 in circulation, or $40.49 per capita.

On October 31, 1920, at the peak of high prices, we had $5,698,214,612, or $53.13 per capita in circulation.

Today, that is, on October 31, 1947, we had $28,551,870,056 in circulation, or $196.99 per capita.

Until the Congress of the United States is willing and ready to take action to take back the powers vested in it by the Constitution to "coin money and regulate the value thereof", to assume control over the Federal Reserve System, that is inflating this currency expansion, or inflation on the country, prices in this country will continue to rise.

Did you know that where they are attempting to hold down prices in this country, prices are higher in our own money in foreign countries than they are here? Why can the President of Argentina sell wheat at more than $5 a bushel in American money?

Why are automobiles being shipped to South America, where the sellers can get $1,000 or $2,000 more apiece in our own money than they can here?

Because we attempt to put a ceiling price on them. When you attempt to put a ceiling on the price and permit this inflation of currency through the Federal Reserve System to continue, you merely drive the goods into foreign markets, or into black markets at home.

The gentleman from Michigan [Mr. CRAWFORD] said a while ago that those dollars come back here and buy our goods. Yes, and take them to foreign countries and sell them sometimes for twice or three times as much, in our own money, as they paid for them here.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Nebraska.

Mr. BUFFETT. Is it not likewise true that the sellers of these goods in other countries would not sell them for 30 minutes unless they could come and pick the things they want here with the dollars they get?

Mr. RANKIN. You are getting ready to turn this money or these goods over to foreign governments. I am wondering at what price they are going to sell these goods to the people who are crying for them. This is going to plunge us further into uncontrolled inflation and, if it keeps on, it is going to wreck this country. So I am saying to you today that if you want to control inflation, to put a stop to the inflation of prices, you must take over the control of the issuance of our currency.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. CRAWFORD. Will the gentleman read from the statement he has in his hand the number of Federal Reserve bank notes outstanding?

Mr. RANKIN. The number of Federal Reserve bank notes that were in circulation on October 31, amounted to $24,283,461,535.

Mr. CRAWFORD. That is what the gentleman was referring to when he was speaking about inflated currency?

Mr. RANKIN. Yes, sir.

Mr. CRAWFORD. Now may I ask the gentleman if he agrees with me in this, that there is a remedy for this proposition that we are discussing provided that we have the nerve to go ahead with it, if, as we hand these dollars to the people of these countries with which to buy goods that are scarce in this country, we desire to prevent scarce goods being bought here with the dollars that we give to these other countries, then let us block our currency and release these dollars to other countries on the condition that when those dollars come back to the United States they may be used to purchase such goods as we specify. When you block your currency, then you make effective the thing that you are attempting to do. But you will say, "We must not block our currency." Well, that will be your next move.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. CRAWFORD. Mr. Chairman, I ask unanimous consent that the gentleman from Mississippi may be permitted to proceed for five additional minutes.

Mr. VORYS. Mr. Chairman, reserving the right to object, I ask unanimous consent that debate on the so-called Case and Crawford amendments to the committee amendment close in 15 minutes.

Mr. RANKIN. Then, Mr. Chairman, I wish that the request of the gentleman from Michigan would be withdrawn so that other gentlemen may have an opportunity to speak.

My answer to the gentleman's question is contained in my original statement. We are going to have to control the issuance of our currency if we are to keep prices within reach of American consumers.

Mr. CASE of South Dakota. Mr. Chairman, reserving the right to object, this may be a personal matter, but I happen to have a plane reservation for 4 o'clock, and I would appreciate very much if in some way a vote could be taken on my amendment in time for me to board that plane.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that debate on the Case amendment close in 10 minutes, 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. OWENS].

Mr. OWENS. Mr. Chairman, I have the greatest respect for the members of the Committee on Foreign Affairs. I like them. Sometimes, though, I just wonder what is clicking in their minds, because each time some amendment is suggested which is very good, they say "Well, wait a few moments. We are going to have another amendment to take the place of that particular paragraph." I do not understand why those paragraphs were not put in ahead of the paragraphs that they have in the bill, or at least placed somewhere in the original bill, so that we would be saved all that trouble. For that reason, I have checked through these hearings here before the Foreign Affairs Committee with reference to foreign aid, and I have outlined several of the remarks of some of the gentlemen I admire, particularly my colleague the gentleman from Illinois [Mr. DIRKSEN], who addressed the committee so eloquently today. Mr. DIRKSEN said:

> The problem before us today is a moral problem.

Then he says also:

> When I think of that pressure, I think of what Lenin said, that whoever controls Germany today controls Europe.

He said further:

> If there is a spark of humanity in us this load is going to be on the backs of the American taxpayers for a long time to come.

Therefore, first he puts the question to us, a moral problem. Then he starts saying this:

> We have arrived at the point where the days of soft talk are over. We are playing for keeps.

He said several times, "We are playing for keeps." He says also, "We must be aggressive." He mentions what the Russians are doing. He implies that this is not the Communist position, this is the Soviet position. He says:

> The Soviet physicians and surgeons have developed an interesting technique, the technique of ice-water enemas. Ask your family doctor what it will do. It will make you foreswear your God, king, and country before you get through.

He said they are doing that to the people over there, and that is how they—the Soviets—gain control.

Before I comment further on that, let me comment on Mr. BUCK's appearance before the committee and on some of the things that he said and what was said to him.

Our worthy colleague the gentleman from New York [Mr. BUCK] said:

> I do not think the French Government has the courage to tackle its own problem, and it is easier politically for them to sit back and let us do the job rather than for it to jump in and do it itself.

The gentleman from New York [Mr. BLOOM] said:

> Yes; but we are the patient in this case. It is not France. We are not thinking of France any more than we are thinking of ourselves. * * * Now, we are not sick but still we are the patient.

All I have to say about that is that I am not patient, but right now I am sick. I am just sick and tired of listening to the things that are proposed to us. We have had the same thing for almost 15 years. When we Republicans came down here, at least the Republicans who were elected to the Eightieth Congress, we came down here to balance this budget. We came here to reduce expenditures of government, to cut down these appropriations, to reduce the number of bureaus that we have. We came here to get rid of a large number of Federal employees that are such a drain upon the country. We said we would reduce the tax burden. I, as a member of the Committee on Education and Labor, have listened to pleas for Federal aid for education. As a member of the Housing Committee I have tried to get housing for our people. I say let us give those aids to the people of this country if we are going to go into our purse, before we give aid to the other countries. Do not give away food, medicine, fuel, and fertilizer which is in short supply, thereby creating further shortages and increased costs.

The gentleman from Illinois [Mr. DIRKSEN] and others are worried about what Russia is going to do. They said we must do something. All we have to do is to take this money and build up our research department, build up our air force to make it greater than any in the world, build up our Navy, build up the moral courage of our people. Let us follow the suggestion of the gentleman from Illinois [Mr. DIRKSEN] with respect to Germany. Let us also remember the words of one of our great forebears—I believe it was Samuel Adams—who said:

> If a man has the power to chain down a wolf, he is a madman if he lets him go loose without drawing his fangs and paring his nails.

We have the power to chain down the wolf or to chasten the wild bear. We are just as much madmen if we continue to rear the cubs of the bear. Let us act accordingly. I say vote for the amendment the gentleman from South Dakota [Mr. CASE] has submitted, and then when the bill is finally submitted to the House vote against it, because it no longer is worthy of passage. Furthermore, it is merely the forerunner of a much greater evil.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. OWENS] has expired.

Mr. MATHEWS. Mr. Chairman, I hope to be able to vote for this bill, H. R. 4604, for aid to certain bereft European countries, with, I trust, certain amendments.

Since this is an out-and-out gift of the wealth of the American people, already harassed by shortages and high prices themselves, my decision has been made only after considerable thought and, I must confess, with some reluctance. It was not an easy decision. And its difficulty has been increased by the astoundingly diverse views proclaimed about it.

There are as many different reasons urged for passing this bill as for amending and changing it. We have been asked to pass it through human kindness, trembling fear, thankfulness, shame, duty, self-sacrifice, self-interest, and absolute necessity. The bill is advocated as a humanitarian act, as an aid in stopping communism, as an out-and-out war measure.

What kind of war measure? To get us into war, or to keep us out of war? If I believed for an instant that it would get us into war I would certainly not vote for it. But I do not see how this bill alone can do that, unless, as has been intimated, it is merely part of a vast money-goods offensive. Such a program might well bring about that result, and bring it after the United States had so weakened its own economy through the program that our chances of winning the war would be greatly jeopardized.

I cannot vote for it on the basis of a measure to keep us out of war, because, particularly if followed up by this vast money-goods offensive, it would not only fail in that purpose, but would be more likely to get us into war. Proponents of the keep-us-out-of-war idea have no proof to offer for their contention.

On the other hand, there is overwhelming concrete evidence that instead of buying peace, prosperity, and happiness for the peoples of the world, a vast foreign spending program will, in the end, buy them, including ourselves, only misery, poverty, and suffering. The evidence I offer is history.

I believe it was Daniel Webster who said he had only one lamp to guide his feet and that was the light of experience.

I do not question the sincerity of many of the proponents of the theory that you can buy peace and freedom, but I certainly dispute their judgment. That judgment is based upon an optimism bolstered by a hope that is negative by experience. Unfortunately, today, anybody who believes in something that will not work can claim the title of idealist, with the right to stigmatize anyone who disagrees with him as a narrow-minded Tory reactionary. Yet this does not alter history nor change the course of reason.

There is no weight to an argument that something will happen if we do a certain thing when experience has demonstrated that each time we did it before, what happened was exactly the reverse. Man has never progressed by disregarding the lessons of experience. On the contrary, what real progress he has made has been by intelligently utilizing that experience.

So, since the present proposition is by no means a novel one, let us see what has happened in recent attempts to buy peace, democracy, and various kinds of freedoms for the world, or to acquire these things through international ideological wars.

When World War I broke out in Europe, we were implored to be neutral in thought as well as act. This did not last long. Soon we began to ship goods and war material to the allies with whom we sympathized. The reason given for this change of attitude was that they were fighting our war for us, and that if we only gave them quantities of money and goods they would win, and we would

thus buy our way out of the shooting. Thus Woodrow Wilson "kept us out of war." That was 1916. In 1917, we were in it up to our ears. And unprepared, of course, for what sense was there to prepare for a war we were being kept out of? The men followed the money and the goods. Many of the men never came back. Neither did most of the money and the goods.

That policy is exactly the policy now advocated by many proponents of this bill.

The war we then entered, so we were told, was a war "to make the world safe for democracy"; a "war to end wars." That it did not make the world safe for democracy nor end wars is a matter of neither speculation nor argument. It is a matter of recorded fact.

Again, from 1939 to 1941, we pursued the same policy. We became the arsenal of democracy. This time we did not lend the money or transfer the goods under an agreement to repay. Previous experience had shown the futility of even making believe we would get anything back. This time it was lend-lease.

But the same old argument was advanced. Great Britain, France and Russia were fighting our war for us and if we only poured billions of dollars of the wealth of the American people into the breach, we could buy our way out of the shooting. Russia was then a great defender of democracy, a gallant ally of the United States, a shield from enemy bullets which would otherwise find their resting place in the bodies of young Americans. This time we spent vastly more, and interestingly enough got considerably less for what we spent.

And again we got into war and almost as wholly unprepared as before. Again we were fighting to preserve democracy throughout the world, so we were told. But this time we were doing more than that. We were guaranteeing to the peoples of the world the great "four freedoms," two of which were freedom from want and freedom from fear. And did they get them?

It was at least 20 years after World War I before anyone spoke of another war. But the sounds of the guns of World War II had hardly ceased to echo before the newspapers, the magazines, the radio commentators and "must-hate-somebody" politicians were talking about another one. And, strange to say, the one they are talking about is with one of the alleged saviors of democracy, our erstwhile gallant ally, Communist Russia.

After the expenditure of an inconceivable amount of wealth and the sacrifice of innumerable lives to provide freedom from want and freedom from fear, I challenge anyone to point out a time in his own life's span when want and fear were so rampant throughout the entire world as they are now.

Twice in a quarter of a century should be enough. But not so.

Last year when the British and Greek-Turkish so-called loans were being debated, the same old argument was again given us. We were told if we gave Great Britain $3,750,000,000 she would save Greece. When she could not, we were told that if we would help Greece and Turkey with goods, military supplies and advice to the extent of $400,000,000, they would stop the spread of communism in Europe for us. Hardly had the money been appropriated, when the cry arose to send troops to Greece. As yet, this has not happened. But if we continue on this same course—it can scarcely be dignified by the name of policy—that we followed in World War I, World War II, and are now following, what else but a hopeless hope, repudiated by the plain lessons of experience, can support this same discredited argument?

Now, as to stopping communism, either permanently or for 3 months by the present bill: The President wants to spend $597,000 000. The moment anyone suggests cutting a dollar from this figure, the cry goes up that we cannot stop communism at bargain prices. So we may well ask by what magic will $597,000,000 stop communism, but five hundred and ninety million or some lesser figure will not? Is there any human being who can figure out in dollars and cents how much it will take to guarantee the stopping of communism or any other mental concept or ideology in any of the countries of Europe or in any other country in the world, including the United States of America? Is there anybody who can tell exactly how much we can afford to give without destroying our own economy? Is there anyone in the House who knows precisely how hard you can hit a pane of glass without breaking it?

Advocates of unlimited foreign spending proceed upon the theory that the more we give the people of other countries, the better they will like us, but cannot explain why the more we do give them, the less they do like us.

Mr. Chairman, somewhere there must be a limit to this sort of spending. That limit, narrow or breathlessly extensive, cannot be an arbitrary one. It must be calculated and adjusted from time to time by consideration of at least two factors. The first factor is how much do other countries really need to help them improve their own condition? And the second factor is how much can we give without the deterioration of our own condition?

I do not share the apparent international theory that the United States has sinned against the other nations of the world by being more successful, prosperous, and fortunate than they, and that our atonement for this sin must be to drag ourselves down to whatever low level up to which we can drag them so that we may all be equally badly off. Doing such a thing may be beautiful world democracy, but I am not for it.

Since the very basis of giving anything is the hope that through it other nations will be in better position to help themselves, it seems utter folly for this House to make any commitment for a time longer than 6 months or 1 year in advance. If there is no improvement, or there is actually a deterioration, in the conditions in foreign countries in that period of time, a third factor necessarily intervenes, and that is the question of whether it is wise to give any more at all, even though the foreign nations need it and we can afford to give it, because it would appear that the program has indeed become "Operation Rathole."

The rank fallacy inherent in any program projected years in advance, designed for the improvement of conditions in foreign countries and justified only by that hope, should be obvious for two reasons. First, such program must necessarily be predicated entirely upon pure speculation as to the extent of those improvements over the years, and takes into consideration no actual changes during that time upon which only any sensible program could be worked out; and, secondly, the moment the foreign nations know large gifts from the United States are in the bag for years to come, this knowledge will induce either less effort upon their part to help themselves or more effort to disguise the fact that they have reached the point where they actually need less or even no help.

Because of the fact that, despite the statements on the floor of this House that a vote for H. R. 4604 is in no way a commitment to any further action or plan, other statements have been made that this bill is nothing but the first step in some long-range program, I feel it to be absolutely necessary, Mr. Chairman, for me to make these remarks, and to state emphatically that my vote for this bill is by no stretch of anybody's imagination to be construed as such a commitment. If I vote for this bill, it will be for this bill alone.

And I further announce unequivocally I am voting for it solely as a means to relieve some of the suffering in the aided nations, and in the hope that it will help them to again become self-supporting; and in no way as a war measure—either to keep us out of or get us into any war with anybody at any time.

Mr. Chairman, I shall look with apprehension at every subsequent measure for giving away more of the wealth of our citizens, no matter what passionate and plausible pleas be made for it.

This Congress alone has the constitutional power to declare war, but I shall remember that twice before Democratic administrations, either deliberately or through their blunders, have maneuvered the American Nation into such a position that there was nothing left for its Congress but to acknowledge the existence of a state of war. The Congress did not, after due deliberation, announce its voluntary decision to enter war. It merely, after discussion, gave formal confirmation of a fait accompli.

And I shall try to remember, Mr. Chairman, that the abject fear of not squandering enough of our wealth to save that which we have already spent should not overcome a calm and courageous consideration of whether to write off the existing loss, rather than completely destroy the vitality of our Nation, so that it cannot successfully meet the supreme test we have impoverished ourselves to avoid without having avoided it.

Mr. JAVITS. Mr. Chairman, I move to strike out the last word.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. CASE of South Dakota. Mr. Chairman, I have been consulting with the gentleman from Ohio [Mr. VORYS], and the gentleman from Minnesota [Mr. JUDD], and other members of the Committee on Foreign Affairs. It is with their agreement that I am about to propound a unanimous-consent request. That is, that the language which I offered as an amendment to the committee amendment be withdrawn, and that the language which has been prepared by the Committee on Foreign Affairs and read by the gentleman from Minnesota [Mr. JUDD] be substituted therefor.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota [Mr. CASE]?

Mr. AUGUST H. ANDRESEN. Reserving the right to object, I think we ought to hear what the amendment is.

Mr. CASE of South Dakota. Then I will couple with that the request that the Clerk report the amendment as modified.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota, as modified: Strike the semicolon, insert a colon and the following words: "*Provided*, That no funds appropriated under authorization of this act shall be used by any procurement agency of the United States Government for the purchase within the United States and its Territories and possessions, of any supplies other than supplies procured or in the possession of the Commodity Credit Corporation pursuant to act of July 1, 1941 (55 Stat. 493), as amended, at prices higher than the market price prevailing at the time of the purchase in the area wherein the purchase is made."

Mr. CASE of South Dakota. Mr. Chairman, I think it should read "strike out the semicolon" rather than "period," because the amendment is offered at the end of subparagraph 2.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. JENSEN. Mr. Chairman, will the gentleman yield in order that I may ask the gentleman from South Dakota a question?

Mr. JAVITS. I yield.

Mr. JENSEN. Does this amendment as it is now worded take care of the situation which I brought out relative to poultry?

Mr. CASE of South Dakota. Yes; I am sure it does, although the relief funds are not for the purchase of poultry, but it would apply to eggs under the Commodity Credit program.

Mr. MUNDT. If the gentleman will yield, I might say that it would take care of the program under the Steagall and the LaFollette-Taft amendments.

Mr. BLOOM. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. BLOOM. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BLOOM. What happened to the Crawford amendment?

The CHAIRMAN. The Crawford amendment is still pending.

Mr. BLOOM. This amendment, now, is merely a compromise between the Vorys amendment and the Case amendment. Is that the idea?

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. VORYS. The situation is that by unanimous consent the committee amendment, prepared in the Committee on Foreign Affairs this morning on this subject, has been accepted by the gentleman from South Dakota [Mr. CASE] and, as modified, is now pending. The vote when debate ceases will occur first on that amendment as modified. After that vote has been taken the Crawford substitute for the committee amendment will still be pending. If I am in error I trust the Chair will correct me.

The CHAIRMAN. The gentleman is correct.

Mr. JAVITS. The matter before the Committee, therefore, now, is only the Crawford amendment. What the Crawford amendment proposes to do, in simple language, is to say that we shall not buy overseas to the extent of 25 percent of the amount appropriated unless we can buy cheaper. Now, that is a shot directed at a target which we would be much interested in if it were germane to our problem in the country—but in fact it is not. What we are concerned with is the writing of a provision which will counter inflationary forces in the United States. The committee amendment proposes to do that, and this is the important point—it was not emphasized in the argument of the gentleman from Michigan—the committee amendment applies only to items which are in short supply in the United States; and those items we want bought overseas whether they are cheaper or not, provided that we are in a position to get them without paying our shirts for them. As a result the committee wrote in a limitation that they would not pay in excess of 10 percent more than the United States price. Certainly every Member of the House will agree that for items in short supply—I emphasize that—we should go overseas and buy what we can, paying what is in this case a very slight premium because insofar as we can—and after all, this bill does not represent all the purchasing power in the United States—and within the purchasing power afforded by this bill we are trying to curb inflationary forces in the United States.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. MUNDT. It should be pointed out that under no circumstances can we pay over 10 percent more than the going price for merchandise overseas. If you adopt the Crawford amendment the sky is the limit.

Mr. JAVITS. The committee amendment is designed to protect the United States economy especially on goods in short supply and to try to fight inflation.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Michigan.

Mr. DONDERO. If you fix the ceiling at 10 percent above the American price you are presupposing that the wage scale in the country in which the goods are produced, and the standard of living, is the same as the American standard of living; and that is not so.

Mr. JAVITS. The gentleman again is introducing a factor with which we are not dealing here; it is not a question of tariffs or comparability with the American standard of living, but we are concerned in this particular bill with inflationary forces which we wish to do as much as possible to restrain.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. MUNDT. I might point out to the gentleman from Michigan that what we are interested in specifically is, for instance, such restrictions as prohibiting the payment of $5 a bushel for Argentine wheat.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. CRAWFORD. What the gentleman is arguing here is that we are supposed and we are urged to go out and pay 10 percent more than the other fellow's market of the taxpayers' money put up by those who buy bonds and pay taxes in the United States; and we have had enough of that in the last 15 years.

Mr. JAVITS. I am proposing that the Committee of the Whole, with its eyes open, do the best it can in this bill to avoid the pressure of inflationary forces on our domestic economy.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I rise in opposition to the Case amendment.

The CHAIRMAN. All debate is closed.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. AUGUST H. ANDRESEN. It is my understanding that the Chair was going to recognize Members who were on their feet at the time the acting chairman of the committee asked to have debate limited. I was on my feet at the time seeking recognition.

The CHAIRMAN. Without objection, the Chair will recognize the gentleman from Minnesota.

Mr. VORYS. Mr. Chairman, reserving the right to object, the purpose of the 10-minute limitation was because the gentleman from South Dakota [Mr. CASE] wanted to catch a train and we desired to vote on his amendment before. By unanimous agreement the vote now takes place on that amendment. I shall have to object to any further debate on the Case amendment as modified. There is no limitation of time on the Crawford amendment.

The CHAIRMAN. The Chair must abide by the agreement.

The question is on the Case amendment as modified.

The amendment was agreed to.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I rise in support of the Crawford amendment.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. If it is not taken out of my time.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that the gentleman may have 5 minutes and that then debate close in 5 minutes after he has concluded.

The CHAIRMAN (Mr. MICHENER). On the Crawford amendment?

Mr. VORYS. On the Crawford amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio [Mr. VORYS]?

There was no objection.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, the Crawford amendment is one that permits purchasing agencies of the United States Government to go outside of the United States and buy up to 25 percent of the commodities provided the cost is not greater than it is in the United States.

We should clearly understand the issue before the House so far as this amendment is concerned and the philosophy under which the committee and the administration is proceeding in the bill. It seems to be the idea on the part of the administration that it is the obligation of the American people to underwrite the relief needs of the entire world. That is what they are proposing to do not only in the bill now before the House, but also in the over-all Marshall program.

Mr. Chairman, our country is not strong enough nor do we have resources enough to go out over the world and underwrite the needs of every country that is short of dollars. At the present time the world is asking for approximately 10,000,000 tons of food more than is available. They do not have the dollars with which to buy the food. So it is proposed that we take our dollars and go out over the world, buy the food that is available in other countries at a price fixed in the Case amendment, which is 10 percent above our price, and furnish the rest of the world with food.

The Crawford amendment provides that we can buy 25 percent of the supplies in other countries provided the price is not in excess of the price in the United States. His amendment should be adopted because it definitely places a limitation on what we can purchase outside of the country. I feel that the people of the United States will do what we can to provide relief for the destitute countries of the world. But they do not want to go beyond what we can do within our own resources.

I did not get time to discuss the Case amendment before the debate was closed. I would like to point out that on January 20 of this year the Commodity Credit Corporation went into the market at Kansas City and announced the purchase of $40,000,000 worth of wheat in one day. They purchased all of this wheat in the cash market. Here is a chart of the Commodity Credit Corporation showing the purchase announced on January 20. It shows that they purchased around 19,000,000 bushels of wheat on that day, or about $40,000,000 worth. What happened? They bought it around $2.08 a bushel, and then they stayed out of the market, but the speculators got in after that. The Commodity Credit Corporation kept on buying flour from the flour mills of this country, but the CCC had dried up all sources of supply of wheat in the terminal markets, and the millers went out and had to bid up the price, and the price went up $1 a bushel in 4 weeks' time. They did the same thing just recently when they bought around 40,000,000 bushels of wheat within 20 days' time, driving the price from $2.80 up to $3.12 a bushel. The Commodity Credit Corporation, or the Government, is the dominating factor in our market today. They will go into the market and purchase tremendous quantities, dry up the immediate source of supply so the miller will have to go out and find a source of wheat, and they drive the price up, with the help of the speculators, and one of these days I hope to show who some of these speculators are on the market.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Under these circumstances, why on earth does our committee sit here and beg and plead and urge us to support a 10-percent premium in these other markets? What do we pay the Argentine for wheat, for example?

Mr. AUGUST H. ANDRESEN. The price today is between $5.30 and $5.60.

Mr. CRAWFORD. And what is it to our farmers in this country?

Mr. AUGUST H. ANDRESEN. About $3.12.

Mr. CRAWFORD. Two dollars a bushel difference on wheat. You cannot justify that.

Mr. AUGUST H. ANDRESEN. We are not helping the farmer of the Argentine, which happens to be the only source of supply, because the farmer in the Argentine only gets $1.35 a bushel from his government, and the government sells his wheat for between $5.30 and $5.60. So, we are financing the Government of the Argentine. By adopting the amendment offered by the gentleman from Michigan [Mr. CRAWFORD] we will drive the price that Mr. Peron gets for the wheat down to around the price level in the United States without paying him a premium for it.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Indiana.

Mr. HALLECK. Under the committee amendment there could not be that difference in the price for Argentine wheat, because it would be limited to 10 percent.

Mr. AUGUST H. ANDRESEN. That is true in that respect under the original provisions of the bill.

Mr. HALLECK. The question that arises in my mind is simply this: Wheat is short in this country, and we all know that the price is high and it has an effect on the cost of living, but would the gentleman agree with me that it might well be that we might pay a 10-percent premium to get Argentine wheat, if we could get it at a premium no more than 10 percent.

Mr. AUGUST H. ANDRESEN. I do not feel that we should go outside of the United States to get anything to give away, and that happens to be true for wheat. Now, if we start in with a policy of going out to fill these relief needs of the world, and go out and buy these vital commodities to fill the relief needs of the world, then we should pursue the policy advocated by the committee. I do not feel that we should do so. I think that we should confine our activities and energies to giving what we can out of the United States without destroying our own economy rather than to finance the entire world.

Mr. MUNDT. Mr. Chairman, I rise in opposition to the Crawford substitute amendment.

Mr. Chairman, I think that we should keep in mind that we are dealing now with the anti-inflationary effects of this program. Insofar as possible, your committee and you want to reduce the inflationary impact of this $600,000,000 purchasing power upon our domestic economy. That is the purpose of the amendment now before you.

The difficulty with the Crawford amendment is that in striking out one aspect of our committee amendment it strikes out also the safeguards against inflation. I call your attention to the committee amendment, which will be lost if the Crawford amendment is adopted. We provided that—

> The President shall promulgate regulations controlling the purchase or procurement of supplies under this act designed to minimize the drain upon the natural resources of the United States and the impact of such purchase or procurement upon the domestic price level.

I can see how in normal times the philosophy of my good friend from Minnesota [Mr. AUGUST H. ANDRESEN], who says that the Government should not buy anything outside the United States, might be sound and good economy, but now when we are living in an era of shortages, to insist that we buy from those shortages and intensify the pressure of inflation and the upward price spiral in order to buy in our shortage area is not good economics, when we can buy abroad instead, sometimes at prices which are cheaper and never at prices which are more than 10 percent higher than our domestic price level. If we raised the price of bread even 1 cent in this country, we would be squandering more of the people's money, 10 times over, than we would by paying 10 percent extra for wheat in the Argentine.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Does the gentleman feel we should go out through the world and buy these commodities to give them away?

Mr. MUNDT. I have just gotten through saying what I believe, but I will repeat it again, and then I cannot yield any further. In normal times, I would see some wisdom in making it purely an American-purchase program, but when our shelves are nearly bare and our barrels are almost empty and when to intensify the pressure upon our short sup-

ply would force prices skyward, I do not believe that is good American economics. As our distinguished majority leader has pointed out, our interest is to curtail the inflationary effects of this vast Government purchasing program. That was the purpose of the committee amendment which we just adopted in lieu of the original Case amendment, which provides that the Government shall not pay beyond prevailing market prices except insofar as it is necessary to do so in conformity with price-support legislation. This is another part of that same program. The gentleman from Minnesota, Dr. JUDD, and I joined forces in committee to develop these two amendments and now that we have accepted our amendment regulating the price the Government can pay domestically, we should adopt this other committee amendment to round out the protection. I think we should defeat the Crawford amendment and give our approval to the committee amendment presented by the gentleman from Ohio [Mr. VORYS].

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield to the gentleman from Minnesota.

Mr. JUDD. Inasmuch as under the program we have to buy wheat somewhere, is it not better to buy it abroad if we can, rather than buy it here and thereby increase the price levels for our own consumers and the strain on our own economy?

Mr. MUNDT. Certainly, it seems to me as long as any product is in short supply, in this country, if we can purchase it abroad it is much more logical to do so than to intensify our own shortages and force prices up on all the laboring people and consumers of America.

Mr. RIZLEY. Mr. Chairman, will the gentleman yield?

Mr. MUNDT. I yield to the gentleman from Oklahoma.

Mr. RIZLEY. Assuming we follow the gentleman's philosophy and pay a premium to the other countries for their wheat, what is to keep them from coming in here and bidding against everyone here on wheat? There is no price control on wheat. That certainly would have an impact that would cause wheat to go up.

Mr. MUNDT. What would prevent it is the export-control program. We have to assume the President is going to administer it properly. I have declared myself that if the President does not administer it properly we should have an export-control agency responsibile directly to the Congress.

Mr. Chairman, I ask for the rejection of the Crawford amendment and the approval of our committee amendment, which is designed to work in conjunction with the other committee amendment which we have just adopted in lieu of the one proposed by my colleague the gentleman from South Dakota [Mr. CASE].

The CHAIRMAN. The question is on the Crawford substitute for the Vorys amendment.

The question was taken; and on a division (demanded by Mr. CRAWFORD) there were—ayes 40, noes 85.

So the substitute amendment was rejected.

Mr. HAND. Mr. Chairman, I offer an amendment to the committee amendment.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that debate on this particular amendment close in 10 minutes.

Mr. HOFFMAN. Mr. Chairman, reserving the right to object, may I talk before 5 o'clock?

Mr. VORYS. Mr. Chairman, I ask unanimous consent that debate on this amendment close in 10 minutes, with 5 minutes for the sponsor of the amendment and 5 minutes for the committee, and that immediately after that our colleague from Michigan may speak.

Mr. HOFFMAN. That is before we adjourn.

Mr. VORYS. Before we adjourn.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. HAND: At the end of subparagraph 4, section 4, strike out the period and insert a semicolon and the following: *"Provided further,* That no gasoline, Diesel oil, bunker oil, nor lubricating oil shall be moved or transported from the United States to a foreign country unless the Secretary of Commerce shall certify to the President in writing that any such movement or transportation of gasoline, Diesel oil, or lubricating oil will not impair the national defense, endanger the national security, nor impair the civilian use of gasoline, Diesel oil, bunker oil, or lubricating oil by the people of the United States; and that the Secretary of Commerce make a monthly report of such petroleum products exported, to the President pro tempore of the Senate and the Speaker of the House."

Mr. HAND. Mr. Chairman, I have listened to the various amendments which have been offered and have observed their fate. I am very sorry that we were not able to adopt the amendment offered by the gentleman from Mississippi with respect to fertilizer, which I think was quite important, and the amendment offered by the gentleman from South Carolina concerning American shipping, which I think was worthy of better consideration. Notwithstanding the fate which was visited on those early amendments, I am taking the liberty and a few moments of the time of the Committee to again suggest that the shortage of oil and gasoline, particularly on the eastern seaboard and in the Middle West, while not due entirely of course to this foreign program, but due also to the 10 percent increase in domestic demand, has reached such proportions that there are going to be a great many hundreds of thousands of people in this country who will actually suffer, not from the want of pleasure riding in automobiles, but because of the need for fuel oil to heat their homes this winter. Therefore I have offered an amendment which it seems to me is extremely mild and extremely reasonable.

The amendment simply provides that, if you are going to export oil, which is in exceedingly tight supply, that before you can export it the Secretary of Commerce, whom I am sure we will trust in a duty so difficult and so important, must certify to the President that the oil which is about to be exported will not interfere with the national defense or the national security, or use by the Army and Navy, or with the normal civilian use of petroleum products in this country. It is as simple as that. All we have to do is have the Secretary of Commerce put his O. K. on the export, and then this amendment has nothing further to do with prohibiting or in any way restraining that export. But if a responsible Cabinet officer says that the export of that oil would impair our national security, who in this House would want that oil to be exported under any circumstances?

Mr. Chairman, I would like to take about 30 seconds to tell you that this is not a novel approach. On July 21, 1947, in this House the Committee on Merchant Marine and Fisheries, being impressed at that time with the fact that petroleum products were in very short supply, unanimously reported, after considerable discussion and considerable preparation, a bill the identical language of which I have incorporated in this proposed amendment. That bill was passed by the House of Representatives on July 22, 1947. It failed to pass the Senate, due to the late time at which it was considered here. It was presented by the chairman of our committee, the gentleman from Ohio [Mr. WEICHEL].

I am not asking the House to give a new or novel approach to this situation. I am asking the House to reaffirm, by this amendment, the language of a bill which they passed unanimously on July 22, 1947. I think the gentleman from California, who I am advised has put in subsection 4 in the present bill, has done a pretty careful job, but I am not satisfied that it is quite good enough to take care of the needs of the American people at this particular time. So I see no harm in again affirming what this House did on July 22. That is, that we must not export oil which would impair the national security nor prevent normal civlian use.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. HAND. I yield.

Mr. JUDD. The Secretary of Commerce, who as I understand under your amendment would have the power of decision, said to us in his testimony before the committee that the import and export of petroleum for the United States are practically in balance, and that a decrease in shipments to Europe from the United States would merely mean a decrease in shipments into the United States from other areas, because the people who are now getting it from us would then have to get it from those areas.

Mr. HAND. If the gentleman will permit me, that still would not be an argument against this amendment, because if, in the opinion of the Secretary of Commerce, it is all right to export this oil, let him say so. Then it is all right. It is an additional safeguard.

Mr. JUDD. But it would not increase the oil supply in the United States.

Mr. HAND. No; but it will probably increase the amount which will remain

in the United States. Let the Secretary take the responsibility.

Mr. JUDD. If less goes out, then less comes in.

Mr. HAND. That may be, but let us see.

Mr. JUDD. That is his testimony. That is what he told us.

Mr. HAND. I do not agree, and I will not take the responsibility of voting for any measure which will reduce the already short supply of oil and gasoline in this country.

The CHAIRMAN. The time of the gentleman from New Jersey [Mr. HAND] has expired.

The CHAIRMAN. All time has expired.

The question is on the Hand amendment.

The question was taken; and on a division (demanded by Mr. HAND) there were—ayes 66, noes 89.

Mr. HAND. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. HAND and Mr. JACKSON of California.

The committee again divided, and the tellers reported that there were—ayes 88, noes 95.

So the amendment was rejected.

The CHAIRMAN. The question is on the committee amendment as amended.

The committee amendment as amended was agreed to.

The CHAIRMAN. Under a previous order issued by unanimous consent, the Clerk will read the Church amendment.

The Clerk read as follows:

Amendment offered by Mr. CHURCH: On page 2, line 5, after the word "funds" insert the words "herein authorized."

Mr. CHURCH. Mr. Chairman, I yield to the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Chairman, the committee has no objection to this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. CHURCH].

The amendment was agreed to.

The Clerk read as follows:

SEC. 5. Before any commodities or credits are made available to any recipient country under the authority of this act, an agreement shall be entered into, subject to the limitations and provisions of this act, between such country and the United States containing an undertaking by such country—

(a) to make efficient use of any commodities made available under the authority of this act and to take insofar as possible the economic measures necessary to increase its ability to achieve a self-sustaining economy;

(b) that when commodities made available under the authority of this act are not made available on terms of repayment in dollars, they shall be made available only upon condition that the government of the recipient country agrees that when it sells such commodities for local currency (1) the amounts of such local currency will be deposited by it in a special account; (2) such account will be used within such country until June 30, 1948, for the purpose of paying local currency expenses of the United States incident to the furnishing of interim aid to such country under this act, and for such other purposes as may be mutually agreed to between such recipient country and the Government of the United States; (3) any unencumbered balance remaining in such account on June 30, 1948, will be disposed of within such country for such purposes as the Government of the United States, pursuant to act or joint resolution of the Congress, may determine;

(c) to give full and continuous publicity by all available media (including government press and radio) within such country, so as to inform the ultimate consumers, as to the purpose, source, character, and amounts of commodities made available under the authority of this act;

(d) to furnish promptly, upon request of the President, information concerning the production, use, distribution, importation, and exportation of any commodities of the character covered in this act;

(e) to make available to its people at reasonable prices, consistent with economic conditions in the recipient country, such commodities as it may sell under the terms of this act;

(f) to make all possible efforts to secure the maximum production and distribution of locally produced commodities, and not to permit any measures to be taken involving sale, distribution, or use of any commodities of the character covered in this act which would reduce the locally produced supply of such commodities or the utilization of foreign sources of supply other than the United States;

(g) to enter into specific agreements providing for such use, distribution, and sale of each classification of incentive goods, made available to it under the authority of this act, as will increase the production or distribution of locally produced commodities referred to in paragraph (1) of section 3 (a);

(h) not to export or permit removal from such country, while need therefor continues, of commodities made available under the authority of this act or commodities of the same character produced locally or imported from outside sources;

(i) to permit representatives of the Government of the United States to observe, advise, and report on the distribution among the people of such country of commodities made available under the authority of this act;

(j) to permit representatives of the press and radio of the United States to observe and report on the distribution among the people of such country of commodities made available under the authority of this act.

The CHAIRMAN. Pursuant to a unanimous-consent request recently agreed to in the Committee, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 5 minutes.

Mr. HOFFMAN. Mr. Chairman, I just wonder how sincere some of the Republicans are in the thought just expressed that if we pass this bill the legislation will be administered in the spirit and to accomplish the purposes for which it is written. The reason I ask that is this: I think it was in either April or May of this year the Congress passed a bill appropriating several hundred million dollars to aid Greece and Turkey. We were told that money was desperately needed to combat communism in those countries. I recall that under an Executive order issued by the President the State Department took half a million dollars out of that fund and gave it to an agency headed by Mr. Luckman, the soft-soap man, who told us, and he spent either two or three hundred thousand dollars, that we should not eat eggs—I do not know whether that was on Tuesday or Thursday, but anyway on the other day we should not eat meat. He switched our egg day to the meat day and the meat day to the egg day and neither the Greeks nor the Turks got more eggs or meat for the dollars he spent. What was the use of appropriating money as we did in that case to help the Greeks and the Turks get food, and have the State Department give it to Luckman to tell us that we must not eat eggs on a certain day and must not eat meat on another day. All we ever did, most of the folks, anyway, was to switch the menu.

The gentleman from Illinois [Mr. DIRKSEN], always very eloquent and always persuasive, was talking here earlier in the day and his argument ran along the line—he was opposing an amendment—that even though there was a scarcity, in that case of fertilizer, in this country, we should still ship it abroad; that even though there was a scarcity of farm machinery we should send it out of the country; and so on all down the line, grain and everything else.

That argument called to mind the thought, in my mind, anyway, that even though there was a shortage we will say of tires and of gasoline and of oil, the gentleman from Illinois would still buy himself an automobile. He would not go anywhere but he would still buy it. His situation would in that event be like the one this country will be in if we follow the theory of this bill.

Without oil, gas, and tires the gentleman from Illinois [Mr. DIRKSEN] would not get very far with his automobile. Without the means of production, America will not get very far in aiding anyone. Without the essentials upon which our strength depends, America will become anemic.

If we are going to strip America, if we are going to take away from our farmers their machinery, their fertilizer, everything they must have; if we are going to take away from the veterans in my congressional district, in all other districts, as the administration is doing, the cement which they wish to buy in the open market to use to build their homes, we as a Nation will be flat on our back. We will not encourage young men to enlist in the Army and in the Navy to train for the defense of their country.

You may have noted in the papers that we are now more than a thousand students short up at West Point and we are more than a thousand short down at the Academy where they want men to train for the Navy. Why is it? Is it because we are treating our veterans unfairly? Is it because all over this country of ours the veterans who have money, who want to buy in the open market, cannot do it? Is it because, using tax dollars, the administration hikes the price, increases the scarcity of everything they need? Are they and other millions getting a little bit discouraged? Are they a little depressed as to the future which will confront them?

I have heard a great deal here about isolationists, of whom I am one and always have been one. I call to your attention the fact that there are isolationists and isolationists. They might be divided into two groups. Some of us believe that we should put our country first. I am not questioning the patriotism or the loyalty of any Member of this House or of anyone else. We will assume we are all on an equal footing as to patriotism. We just have different ways, as the gen-

tleman from Massachusetts [Mr. McCORMACK] suggested the other day, of carrying out our desire to help our country.

I belong to that group which we might say wears wooden shoes and overalls and walks around in the dirt sometimes and gets a few calluses on their hands and feet, or perhaps a little grease and a little grime on their hands. I belong to that group the members of which, lacking a "higher education" and association with kings, princes, queens, and princesses, believe that we have to keep our country strong all the time. We are just common folks. We live close to the soil. We still believe it is necessary to work. We work, we think we should save—many of us could, without dying, get along without another picture with a Red tinge from Hollywood. Some of us would rather visit and drink a glass of beer—though I do not drink—with a hired man, with Jersey Joe Walcott, than kiss the hand or the foot of an English lord, a Paris beauty, or even a Churchill.

I oppose the thought of that group which wears striped pants and a long-tailed coat and drinks champagne and which thinks so little of this country of ours that they do not believe it can stand on its own feet unless we have the British Navy to protect us; unless we do something to help this country, that country, or some other country which stands between us and destruction.

Despite my inferiority complex, I really feel sorry for those who see the black night of the Dark Ages snuffing out the light of the advanced civilization which we have been carrying into the world by relying upon the advice of Washington, the principles enunciated in our Constitution which, because of our acceptance of them, have made us the hope of the world.

Poor old Uncle Sam—so weak he cannot exist unless he purchases a peace, and yet, in the opinion of these same international isolationists who see the interests of all other countries first, so strong that he can give unlimited aid to all other nations. Do you see the point I am trying to make?

I remember being in the Committee on Rules just a few days ago when I heard the gentleman from Ohio [Mr. BROWN] say something to the gentleman from New York [Mr. BLOOM] about England, the British Empire, being weak. The gentleman from New York agreed with him that the Empire was weak—so weak the New York gentleman thought that it could not live without our aid.

Then the gentleman from Ohio [Mr. BROWN] said to the gentleman from New York, "Suppose we give away so much and so weaken ourselves that we are in a like condition—as weak as the British Empire?" He said, "Then who is going to take care of us?" And the gentleman from New York [Mr. BLOOM] said, "The Lord." In my judgment we are right down to taking care of ourselves because I am sure that the Lord is not going to be guilty of any unfair labor practice or of any other unfair practice. If He did not take care of Great Britain, He is not going out of His way to discriminate in our behalf to take care of America. The duty of protecting ourselves rests first upon us and not upon somebody else. The Lord helps those who help themselves.

The gentleman from New York [Mr. BLOOM] is a powerful individual in the international world. It is my understanding that he owns, or at least once owned, the rug upon which the King and Queen of England walked when they visited the Capitol rotunda; that he was decorated on one occasion by Mussolini. But I do not believe that he has a pipe line to the ear of the Almighty. But, if he has, I beseech him, in behalf of millions of Americans, to make his plea for direct relief to the needy and the unfortunate in the Old World.

Because I do believe in prayer and in Divine guidance, my prayers, while asking the Lord to help others, have, ever since my childhood days, carried the plea that the Lord would make me a good boy, and, later, a good man; that he would guide and protect my country. Following through, I intend to do my utmost to aid my country so that in the end it may help less fortunate nations.

Mr. MUNDT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MUNDT: On page 4, section 5, paragraph B, strike out the language beginning on line 8 up to and including the figure 2 on line 14 and substitute the following language changing the numbered subsections to No. 1 and No. 2 to conform with the amended language. The language to be substituted reads as follows: "To make, when any commodity which is not furnished on terms of repayment in dollars is made available under this act, a commensurate deposit in the currency of such country in a special account."

Mr. MUNDT. Mr. Chairman, this amendment goes to the fundamental philosophy of this bill. May I point out that probably most of you are completely unaware of the fact that a significant change has been made between the language of the bill which has come from the Senate and the way it has been reported by our committee. I think first of all you are certainly entitled to know about that change and what it signifies. I am going to give you an opportunity at least to vote to put the bill back in conformity with the Senate language. The Senate bill proposes, and I have the Senate language here, and may I say that the Senate bill uses language which the State Department suggested, and which the Herter committee approved of, that "when any commodity not furnished on terms of repayment in dollars is made available under this act, a commensurate deposit in the currency of such country is to be made in a special account."

In other words, under this legislation as it passed the Senate, it was not a give-away proposition. Each country was required to pay in its local currency for the supplies made available. I like that philosophy. I like that philosophy because it makes these Governments share in some of these responsibilities. I am happy that the State Department recommended that. I am happy that the Senate wrote the legislation in that way and I am happy to have heard the chairman of the Herter committee say that it is a proposal which they approve. I deplore the fact that in our eagerness to be of assistance, the House committee went too far over my objections, because you will see on page 4 of the bill instead of requiring the recipient countries to pay in their local currency, we simply give the supplies away. Our bill says on page 4, line 8, that when commodities made available under the authority of this act are not made available on terms of repayment in dollars they shall be made available only upon condition that the Government of the recipient country agrees that when it sells such commodities for local currency it shall make a deposit in a special joint account.

Do you see the difference? Under the House language the recipient government can give away every single dime of all these supplies, and nothing need be deposited in the joint account. Under the Senate language the recipient government must make payments in its local currency. It is all deposited in the joint account. I prefer the Senate version.

Now, what is the difference? Fundamentally, there are several differences. In the first place, the Senate language, which I propose to restore, enables our dollars to do double duty. Those governments are not bankrupt. They have money in their local currency. Is there any reason in the world why they should not pay with the money that they have in their local currencies, for the supplies that we are making available? By compelling them to pay we render them a service, because we take out of the stream of currency the money which they have to freeze in this joint account, thus reducing the amount of money available for inflationary purposes in the country, and helping to reduce prices by having a deflationary effect upon the country.

Those of my colleagues who will oppose this resolution will say in the first place, "Oh, we should not expect the governments to pay us out of their local currencies, because they will have to tax the people to get it, or if they do not tax the people then they will have to run the printing presses to print the money." I want to have them tax the people. I do not think you will have stable systems of economy until you have sound systems of taxation. It is important that we try to restore economic stability over there.

As to the second part of the argument that they are going to run the printing presses to print the money, may I submit to you that unless these bilateral contracts prohibit the use of printing presses to print money indiscriminately, the whole program is going to collapse. We are going to have to write into these bilateral contracts stipulations prohibiting them from engaging in the indiscriminate use of printing-press money.

There is one other advantage in the amendment which I propose. That is, it puts into a joint account the local currencies which those countries pay for these supplies. This money can be spent locally on any program which is jointly acceptable to that government and ours. It may be a program of information which is so badly needed. It may be used to purchase radio time to tell those people about the part America is playing in building this peace of ours. It may be to buy advertisements in the newspapers,

or it may be used, if necessary, to purchase some free supplies to make available to folks in bread lines, if there are those unable to purchase them in their local markets. It may be used, as the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] has spoken of, to buy articles and supplies which the people cannot buy themselves. These local funds can be spent to supply indigents with food, together with all the benefit of American publicity and advertising about free food, hot lunches, and so forth that they may get. I submit to you it is just good economy and sound sense, when a local government has money in its own currency, to require it to spend it in payment for the supplies we make available; and I recommend that you will follow the Senate in this connection.

The CHAIRMAN. The time of the gentleman from South Dakota [Mr. MUNDT] has expired.

Mr. FULTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this particular amendment was offered and fully considered in the Foreign Affairs Committee and voted down. The committee felt that this was changing the basis of the relief assistance. The main point of it is this: Do you want a bill that is a relief bill, or do you want a bill that is a sale to those countries in their own currencies?

The difference between the bill which we on the committee have offered and this amendment is that we permit the recipient country where their people are so poor they cannot pay for the food to give it away. That is what I believe the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] has asked for or will ask in some of the amendments that he is offering. He wants the relief done through the Red Cross and charitable institutions.

If you do as the gentleman from South Dakota suggests you will then cut all the charity out of this bill. If you do as the gentleman from South Dakota suggests you have then changed the bill from a relief measure to a sale to them in their own local currency. How then can you impose all the conditions that we insist on and still follow the goods right through into the hands of the purchaser, and have them marked so that it appears they are United States goods in the hands of the consumers. How can you do it if you are turning this into a straight sale? I say that you cannot.

We people who have worked in preparing this bill, worked previously on Public Law 84, which was the $350,000,000 relief bill. Do you all know that that bill had this same language which the committee has written in this section of the pending bill? We say to the recipient countries: If you sell it, if you can sell it, then you put the money into an account subject to our joint control and we will use it for the children, we will use it again for further charities and relief. We will have a revolving fund so that when we once put the money in it can be used again, say, for church relief or other relief. If you put up to these governments that they are going to have to pay in full immediately in their own currencies, they are going to have to tax in addition. To balance their budgets these governments are going to have to tax to get the money when they cannot collect from their people, or they are going to have to start the printing presses, as France had to do a little while ago. You are going to have to increase taxes as the only sound alternative.

I disagree with the gentleman from South Dakota when he says about the recipient governments: "I want to have them tax the people." I do not want to be the country that goes in and runs a foreign government and says they have to tax their people more. What kind of relief is that? How would you feel if you were an Italian or French citizen and your children were starving and needing food and shelter and somebody came in and said: "We will give it to you. This stuff is coming to you from the United States out of kindness, but you pay 100 percent for every bit of it." You cannot do that. That is not aid, that is a sale. If you want the printing presses to run, vote for the Mundt amendment because they are going to have to get the money from some place. As the gentleman says, the other alternative is to tax the people, but many of them cannot pay. That is why I disagree so strongly with his statement that he wants to tax these people. I do not.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish merely to say that this amendment was brought up several times by the gentleman from South Dakota during the deliberations of the committee and was voted down each time by an overwhelming majority, because, first, as the gentleman from Pennsylvania remarked, the provision as we have written it in this bill is already in Public Law 84 and has worked well. The gentleman from South Dakota says that these governments have money and should pay for the goods, but as a matter of fact they do not have enough money unless they print it or sell the goods. The people have francs or lira in excess of the supply of goods available, but the Government does not. If we force them when they receive these goods, and before they can sell them, to get a commensurate amount of francs or lira and deposit them in a special account, they must run the printing presses and thereby increase the money in circulation and the inflationary pressures on their economy. Our objective is the opposite.

I may say that under Public Law 84, about 20 percent of the goods furnished from that $350,000,000 bill has been given away to people who could not pay. Eighty percent has been sold. Now, that is the real test, how it worked in actual operation. When people can pay for these goods, they ought to pay. That takes the currency out of circulation, puts it in this special account, and if after paying the local expenses of administration we did nothing but burn up the currency, it would be helpful to their inflationary situation. To those people who cannot pay, the goods that we have sent over are distributed by the Government through its regular relief system.

It seems to me a third major objection to the gentleman's amendment is this: If we make them pay in their money for every bit of goods we send over, then it is their goods, not ours. How can we in good conscience come along and lay down 10 conditions as to how they shall use or distribute goods which now belong to them? Inasmuch as the money they can pay for the goods cannot be converted into dollars and therefore is of no value to us, I think we would be genuinely short-sighted to charge them for the goods as soon as delivered, have them put the money in a special account, and then try to tell them how they shall use the goods which they have already bought and paid for.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from South Dakota.

Mr. MUNDT. I think you should make it clear they are not paying the money to us. They are paying it to a joint account which they share in to spend.

Mr. JUDD. That is right. But the point is, when they have paid for all the goods we send over, then the goods are theirs. I do not see how we can then keep in the bill these restrictions which you and I want. Having bought the commodities, how can we tell them how they are to be used? Their having to provide currency to pay in full merely increases the inflationary forces within their own economy.

Mr. MASON. Will the gentleman yield for a parliamentary inquiry?

Mr. JUDD. I yield to the gentleman from Illinois.

Mr. MASON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MASON. Mr. Chairman, is it parliamentary and proper here in the House for a Member to get up and say, "I disagree violently with Mr. Smith," instead of saying, "I disagree violently with the gentleman from South Dakota [Mr. Smith]"?

The CHAIRMAN. If the strict construction of the rules are followed then the Chair would say that the gentleman from Illinois has stated the correct way of addressing the Chair; however, there is so much liberality, and of necessity so, in these modern times that we pursue the best course, keeping within reasonable limits of the technical rules.

Mr. MASON. Mr. Chairman, I have a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MASON. Is it proper on the floor of this House under the rules of the House for two gentlemen to say, "I disagree with you and you and you" and not even address the Chair? You were guilty of that, sir.

The CHAIRMAN. Technically speaking, one Member cannot refer to another Member in the second person; however, we often do those things. The gentleman from Illinois is a good parliamentarian and really knows the answers.

Mr. BLOOM. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from South Dakota.

Mr. Chairman, the amendment offered by the gentleman from South Dakota is something that just will not do what he intends doing. When you start to sell these goods to the people of France or Italy or wherever you send the goods you will have a lot of money that you will not know what to do with when you get it. I have heard it said on the floor in debate that there would be an opportunity to dispose of some of these goods to the poor people over there who do not have the money to pay for the goods. Now, that was said because the bill as it stands today without this amendment will allow that to be done.

The committee that will have charge of the disposition of these goods will have the opportunity of disposing of some of these goods to the unfortunate people who do not have the money to pay for them. Are you going to place these countries in the position that they are supposed to pay for all the goods we send to them? As has already been stated, you will start them to printing money in order to put that money to the credit of both countries, the recipient country and the United States; then after you get all of this money I do not think it will be worth anything. You will have to make some disposition of it at that time.

Mr. Chairman, the amendment should be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota [Mr. MUNDT].

The amendment was rejected.

Mr. GATHINGS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GATHINGS: Page 4, strike out lines 8 to 25, inclusive, and insert in lieu thereof the following:

"(b) to reimburse the United States for all commodities made available to it under the authority of this act, on the basis of the fair value of such commodities, such reimbursement to be in one or more of the following forms as the President may deem appropriate: (1) repayment in dollars, (2) furnishing commodities, in short supply in the United States, which may be needed to insure the national security of the United States; or (3) making available to the United States bases for military or other purposes."

Mr. GATHINGS. Mr. Chairman, this is a little new idea that I am bringing in here late in the afternoon, but I want to say to you that it only provides a method of repayment for the fair value of these commodities that will be made available, and that will be done in three ways. They could either pay us back in dollars or they could furnish us with strategic materials that are in short supply in America, or else they could furnish us military or civilian bases. Now, what is wrong with that?

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from New York.

Mr. JAVITS. The gentleman asks what is wrong with that?

Mr. GATHINGS. Yes.

Mr. JAVITS. I would like to have the gentleman put himself in the position of Mr. Molotov and decide for himself how much fun he would have, with 300,000,000 people on the verge of starvation in Europe, if the United States was giving him certain military bases as the price of humanitarian aid.

Mr. GATHINGS. I will say this to Mr. Molotov, that our duty is to look after America. We need some of these bases. I visited Newfoundland just a few months ago. We acquired five bases along the eastern seaboard in exchange for 50 old-age destroyers, and that was the best deal that America ever made, in my judgment. It would be well to make some more such trades. We are making those bases better and stronger all the time, and we need more like them scattered throughout the world. I do not see why these folks should get these commodities and not pay for them. My amendment is a method by which they could pay for the commodities and credits, and they, each of them, are well able to do it.

I voted for UNRRA, and we were told at that time that we were going to get back some strategic minerals and materials for stock piling purposes. I voted for foreign-aid funds year in and year out and we should have gotten value received for all this money. Those who were in charge of the legislation on the floor said, "Oh, yes, we are going to be paid back." Well, we were not paid back one red copper cent, except the Finns, who repaid their World War I loan. Then we came along and cancelled World War II loans. Now we have embarked on a program of continuing to give away these billions of dollars. We have appropriated $19,000,000,000 since the last shot was fired in World War II. Do these people appreciate it? Oh, no. You can stop them on the streets of France or Italy or Austria, and you can say to a man you talk with, "We are over here to investigate your food needs. We want to help you. We want to give you some food." Why, he would look at you and think that there was something wrong with you. There is nothing wrong with us. They would say, "If that is the situation, go on back home." That is the attitude as I saw it over there in many European countries. When we arrived at the airports of the various countries they handed us a slip of paper which said, "Here is your itinerary. At 9:30 o'clock tomorrow morning be at a certain place, at 10:30 you are to be at this office, and at 11:30 be at another place, and you are to eat lunch at 1 o'clock, and at 2 o'clock you were holding a meeting, and at 6 o'clock you are to dress for dinner." If it had not been for the fact that the Food and Agricultural Committee of this House did a little night work we would never have gotten any information. We went out at night and talked to the folks that could talk English, and learned something about what the facts are. I do not know what the other committees did, but I want to say to you that we did find out that the situation over there was not as desperate as it has been pictured.

I ask you to support this amendment and let us look after the exchequer of this country.

Mr. BUCK. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from New York.

Mr. BUCK. As I heard the gentleman's amendment read, it had no time limitation. Would the gentleman comment on that point?

Mr. GATHINGS. No; there is no time limitation.

Mr. BUCK. Suppose they pay these things back a hundred years from now.

Mr. GATHINGS. If you read section 5 you will find that before any commodity or credits are made available, the President shall see to it that certain things be done. Under my amendment one of three methods should be used for repayment. The American taxpayer has to assure the Government of the United States that he will repay any loan or advance that is made to him. I see no reason why we should require less of foreign governments. Mr. Chairman, I trust that the amendment will be agreed to.

Mr. KEE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, may I ask the gentleman from Arkansas if his amendment strikes out lines 8 to 25, inclusive, on page 4?

Mr. GATHINGS. Yes. It strikes out paragraph (b) from line 8 through line 25 and substitutes the language as read in the amendment.

Mr. KEE. Mr. Chairman, this amendment provides simply a sale of these goods to the people we are trying to aid and to the countries we are trying to help. This is emergency legislation for the purpose of saving the people of those countries who are cold and hungry from personal distress, and it is also for the purpose of saving the governments of the countries not only from the infiltration of unfortunate political ideologies but from actual invasion. It is to save the economies of the countries named in the bill.

If they had the money, the gold with which to purchase the goods they require and which we propose to send them through this measure, it would be unnecessary for the measure ever to be considered by this Congress. As we all know, however, they are without the gold and they are without the money to purchase the commodities they require. We are therefore stepping in to adjust the economies of those distressed nations to encourage their resistance to outside pressure, to sustain their morale, and to save them from being absolutely taken over by a strong and aggressive nation.

The proposed amendment is obviously 100 percent inconsistent with the purposes of the bill. The basis of the measure is that the United States shall provide assistance to the three recipient countries. There is no assistance if the recipient countries are required to pay for the assistance either in dollars or in commodities which are in short supply in the United States. The need for the act is caused by the basic fact that the recipient countries do not have dollars nor do they have the goods necessary to their economy.

To get supplies from the recipient countries which are in short supply in the United States and which may be critical to our national defense would involve us in a long session of protracted negotiation before any assistance could

be available. The proposed legislation is designed only to provide assistance for a very limited period of time; to require as a condition before receiving assistance that long-drawn-out negotiations must be entered into with respect to the production, specification, and shipment of certain types of goods would delay the rendering of assistance and thereby defeat the basic objective of the proposed legislation. We are opposed to the amendment. We ask that it be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas [Mr. GATHINGS].

The amendment was rejected.

Mr. HALLECK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have taken this time to suggest that if we do not finish the bill this evening, and it now seems quite apparent that we will not, it is my plan to have the House meet at 11 o'clock tomorrow morning.

I think we will all agree that this bill has been carefully debated and that careful consideration has been given to each of its provisions as we have progressed thus far in the reading of the bill. I understand there are other important amendments to be offered that will undoubtedly require some considerable time in debate. However, I express the hope that we can conclude consideration of the measure tomorrow evening.

It must be recognized that the measure we pass here in the House will go to conference, and it will be necessary for the conferees to adjust the differences between the Senate and House bills.

Moreover, there are some other measurs that may be reported from committees dealing with matters involved in the call for this special session which will require careful consideration on the floor. We will also have a deficiency appropriation bill to provide the funds to pay for this legislation, if it is adopted. There will also be other matters in the deficiency appropriation bill having to do, as I understand it, with relief for the Navajo Indians as authorized in the bill which passed the House today.

Of course the Members, particularly from the West, who have a distance to travel are desirous that we conclude our work so as to have time to get home for Christmas. If we handle the matters which come before us expeditiously, it is my view that we should try to conclude this session on the 18th or 19th, which is the latter part of next week.

I thought it might be helpful for all of us in planning our personal affairs, and in furthering the consideration of this bill and of the other measures which might come before us to make this statement regarding the legislative situation.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Pennsylvania.

Mr. RICH. Why not add the names of the other European countries in this bill and increase the amount and then we would have the Marshall plan already adopted.

Mr. HALLECK. Mr. Chairman, I do not know whether the gentleman is serious or not. He frequently is facetious in his inimitable way, and of course we all love him the more when he does that. However, I think it is quite well understood by everybody that there is no commitment expressed or implied in the consideration of this measure or in its enactment if it is enacted into law.

Mr. GOFF. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in spite of disagreement as to details, it seems plain that the House will approve this authorization for further aid to Europe. In spite of some very substantial misgivings, it is my intention to vote for the bill. It is further evidence to the world of the altruistic spirit of the American people and is affirmative action to halt communism.

Let us have no illusions as to the gravity of the world situation nor as to the unfortunate position in which this country has been placed. As things stand now, the apparent result of all our sacrifices in World War II has been to make the world safe for Russia. Our Nation played a major part in the elimination of the threat of Germany on the west, and the dominant role in crushing Japan, the Soviet's rival in Asia. Our policy in China has thrown that vast country open for the Communist advance. The present favorable position of this new apostle of tyranny is the direct result of the mishandling of our foreign affairs by the national administration.

The foreign-aid bill is being pushed through at the insistence of that administration, which continues to pile up a record of bungling every international crisis. I shall vote for the bill, because it presents at least some hope, however doubtful, of saving the friends we have in Europe. God knows we have too few friends left.

Let me demonstrate to you the reckless way we make enemies. At the insistence of the administration, the United States delegates to the United Nations succeeded in their efforts to secure the approval of the partition of Palestine. By an unnatural joinder with Russia, the administration forced an international decision based on a highly controversial premise and on rights of doubtful legal basis. The administration committed our representatives on the United Nations Council to this dangerous international course for reasons of domestic political expediency. Whatever our sympathies for a particular group may be, this was no time to let emotion or political expediency determine our action. I may not qualify as an expert or the Middle East, but I served there for 16 months and claim at least some basis for personal observation.

The Arabs are serious in their objections to what we have done, for there is no belief so deeply rooted as one based on religious conviction, and there is no opposition so bitter and lasting as that founded on religious fervor. We must have bases in the Middle East if we are to hold the line against Russia's aggression. We cannot now obtain nor hold those points of vantage in the vast hostile hinterland outside Greece and Turkey, which stretches more than half way around the Mediterranean and across the heart of Asia. The practical effect has been to nullify the aid we granted this spring to Greece and Turkey.

Surely by this time we should have learned that Russia agrees to nothing unless it is for Russia's advantage. Russia, as a member of the United Nations, has now a pretext for the entry of Red army troops into Palestine.

We have touched off a fire in the Middle East which may spread to the whole world. We have staked the full prestige of the United Nations on an action that may wreck the entire structure of peace. The vast struggle with communism that faces us now is too serious for futile gestures of sympathy.

The truth is that we have, in this one unwary act, thrown away the most strategic crossroads in the world. We have done that in the name of humanity, but we have gravely injured America. Today what is bad for America is bad for all mankind. We have served a few people at the cost of the safety and security of the whole world.

If we pass the present bill, the Congress will have done its part in this new grapple with the Soviet bear. Then let the administration justify by performance a trust which past failures have not earned.

Mr. TOLLEFSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I desire to speak in behalf of the provision in this bill which provides assistance for China. Upon Secretary Marshall's return last spring from Europe, he made the statement "The doctors deliberate while the patient sinks." He had reference to the matter of aid for Europe. The statement is equally pertinent to the Chinese situation. That China needs help desperately cannot be denied by any informed person—and it needs that help immediately if it is to withstand the onslaughts of those forces which seek to destroy it. Secretary Marshall, in his appearance before the Foreign Affairs Committee, recognized China's need and the importance of it. He stated that his Department was working on a long-range program beginning in April 1948. But that may be too late. We must act now. As my distinguished colleague, the gentleman from Minnesota [Mr. JUDD] has stated, the situation in China may even now be so desperate that it cannot be retrieved. But to do nothing now would be tantamount to letting the situation go by default to those who oppose us in our efforts to establish peace. Such abandonment by us would result in a serious threat to our security in the Pacific.

We have an obligation to our allies in China, and in supplying interim aid now it would be a recognition of that obligation. But we would also be acting in our own self-interest. China is of great importance to this hemisphere and to western civilization. Its potential influence and impact upon our future economic life is immeasurable.

My reference to our obligations stems from the fact that we made certain lend-lease commitments to China upon which that nation depended. But we failed to keep all of our commitments and suspended them. We did so at a time when

there were those who said we must not suspend our commitments to Russia, and we thereby left China in the hole, so to speak.

For a period of many years, and until approximately 2 years ago, Americans have seen clearly the tremendous advantage to our country in having a strong, friendly, and independent China. All of us remember our open-door policy. We recall the Nine Power Pact. Great men such as Charles Evans Hughes and Elihu Root and many others saw clearly that peace in the Pacific depended in large measure upon a sovereign and independent China. Cordell Hull, likewise, recognized the value of such a policy.

If we also believe that policy to be sound, then we must act, and act quickly, to aid China. To wait longer may be too late. The patient might well expire in the meantime.

Mr. KEATING. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. KEATING: Page 6, line 18, after the subsection (j) add a new subsection reading as follows:

"(k) To release from custody and repatriate, within 6 months hereafter, all foreign nationals heretofore captured and held as prisoners of war and to furnish, within 30 days hereafter, a schedule indicating the dates on which fixed numbers will be so released. Nothing herein contained shall require a commitment or undertaking to release any person held for trial or after conviction for any offense committed against the laws of the country where held, since his capture as a prisoner of war."

Mr. VORYS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. VORYS. I make the point of order against the amendment that it is not germane to this bill, since it deals with an entirely foreign subject, relates to international law and the laws of war, and cannot conceivably be germane to this type of legislation.

The CHAIRMAN. The Chair listened very carefully to the reading of the amendment and is satisfied and is now ready to rule. However, if the gentleman from New York [Mr. KEATING] desires to be heard on the point of order, the Chair will be glad to hear him.

Mr. KEATING. Mr. Chairman, I am ready to allow the Chair to rule and have a substitute amendment to offer if the Chair should rule adversely.

The CHAIRMAN. The Chair rules that the amendment is clearly out of order because it is not germane to anything dealt with in the bill.

The Chair therefore sustains the point of order.

Mr. KEATING. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Substitute amendment offered by Mr. Keating: Page 6, line 18, after subsection (j) add a new subsection reading as follows:

"(k) to release from custody and repatriate, within 6 months hereafter, all foreign nationals heretofore captured and held as prisoners of war and heretofore or hereafter employed in the production, planting, harvesting, sale, distribution or use either of any of the commodities made available under the authority of this act or commodities of the same character produced locally or imported from outside sources and to furnish, within 30 days hereafter, a schedule indicating the dates on which fixed numbers will be so released. Nothing herein contained shall require a commitment or undertaking to release any person held for trial or after conviction for any offense committed against the laws of the country where held, since his capture as a prisoner of war."

Mr. VORYS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. VORYS. The amendment presently submitted is subject to the same infirmities as the original amendment. I submit that merely weaving in something about the use of prisoners for production of some of the relief supplies that are referred to in this bill does not make the amendment germane any more than if the fact would appear that those same prisoners might have eaten some of those supplies. The amendment, I submit, is subject to the same infirmity. It simply has nothing to do with this bill but deals with the matter of release of prisoners and therefore is out of order.

The CHAIRMAN. Does the gentleman from New York desire to be heard on the point of order?

Mr. KEATING. I do, Mr. Chairman.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. KEATING. Mr. Chairman, all of the subsections covered here, (a) to (j), deal with commodities made available under authority of this act, or commodities produced in the foreign country which are, one might say, competitive with the commodities sent from this country.

The amendment, in my opinion, is now made germane to the issue because it deals with those who are handling the commodities furnished under the provisions of this act and is just as much germane as two or three of the other subsections which are involved in this omnibus measure.

We are here endeavoring to establish a number of undertakings which these foreign countries are to enter into, covering various transactions with relation to these commodities, and this is simply another of the same general character.

The CHAIRMAN. The Chair is ready to rule.

The gentleman from New York, the proponent of the amendment, has suggested that this is just as germane as some other subsections of the bill. In that statement the Chair is in hearty accord, but the rule provides that points of order are waived against everything in the pending bill.

The purpose of the pending amendment was set forth in the gentleman's original amendment, which was declared to be not germane. The same purpose obtains at this time in the second amendment, and the Chair is constrained to believe that the purpose of this amendment is not to further or to help the bill in question, but by adding something that is incidental and not of substance so far as the purpose of the bill is concerned. The distinguished gentleman from New York attempts by language to change the context from the plain, evident purpose of his amendment. Regardless of merit the Chair finds that the amendment is not germane.

Mr. KEATING. Mr. Chairman, I have another amendment which I offer.

The Clerk read as follows:

Amendment offered by Mr. KEATING: On page 5, line 17, after the word "commodities", insert "and for that purpose to release from custody and repatriate, within 6 months thereafter, all foreign nationals heretofore captured and held as prisoners of war and heretofore or hereafter employed in the production, planting, harvesting, sale, distribution, or use either of any of the commodities made available under the authority of this act or commodities of the same character produced locally or imported from outside sources and to furnish within 30 days thereafter a schedule indicating the date on which fixed numbers will be so released."

Mr. VORYS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. VORYS. Mr. Chairman, the amendment is still subject to the same infirmities its predecessors were. What the gentleman has done is to stick it in the middle of the section which has to do with increasing maximum production in the country, and the way it reads now, in order to require maximum production, they must release all of the prisoners who are working on production. It is fantastic the way it fits in, and it is perfectly obvious that in its present context it is, as the Chairman has ruled with reference to its immediate predecessor, merely an attempt to make something germane that relates to prisoners, which is not germane to this legislation.

Mr. KEATING. Mr. Chairman, may I be heard?

The CHAIRMAN. Yes.

Mr. KEATING. Mr. Chairman, I call the particular attention of the Chair to the fact that the beginning of this amendment says "for that purpose." It is inserted at an entirely different place from the one where the other amendment was attempted to be inserted.

Under subsection (f), one of the commitments which the foreign nations must make is to exert all possible efforts to secure the maximum production and distribution of locally produced commodities.

Mr. Chairman, we are here concerned with four different countries. One of them is Austria, a former enemy country. Another is France, perhaps now holding Austrian prisoners of war.

My point is that it does increase the likelihood of a more effective production and distribution of locally produced commodities if these countries employ self-help rather than serf help. At least so far as Austria is concerned, she may have nationals now prisoners in France—let us take those two instances—it will be to the advantage of Austria in producing and distributing these commodities to have her prisoners of war released by France.

Furthermore, Mr. Chairman, we are not concerned on the argument of this point of order with the merits of the proposed amendment. I shall endeavor to go into that at the proper time if the Chair permits by overruling this point

of order. We are only concerned now with the question whether the release of war prisoners can have any conceivable connection with increase of production and distribution of locally produced commodities in any of these countries. In my judgment, this amendment is germane to this section of the bill.

The CHAIRMAN. The Chair is ready to rule.

The gentleman from New York has offered three amendments.

The first amendment makes it clear that the purposes of the three had nothing whatever to do with the bill in question. The second amendment attempted to make that purpose germane by making the purpose incidental to the main purpose of the bill now under consideration. That has been held to be out of order for the reason stated. The third amendment has the same frailty and defect and clearly shows on its face that its purpose is not to aid and help in carrying out the provisions and the intent of this bill, but has the express purpose of releasing and repatriating this particular group of persons.

The Chair is again constrained, much as he dislikes to rule against his colleague, to hold that while his argument is ingenious, his logic is not sound. A shifting of words does not make the amendment germane. The point of order is sustained.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am taking this time to address the acting chairman of the committee about an amendment that I have at the Speaker's desk. This amendment proposes to provide for a distribution of a portion of the food that is sent to France, Italy, and Austria through the Red Cross and through charitable and church organizations.

Now, I would like to speak on that amendment when the House convenes tomorrow, hoping that the membership will be here so that it will not be necessary to make a second explanation of all of the provisions of the amendment. The hour is getting late, and I am wondering if I could reach an understanding with the gentleman from Ohio [Mr. VORYS] to have my amendment read tonight and then permission to go on with my discussion of it tomorrow in the hope that we can expedite action on it and limit debate tomorrow.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I will be glad to yield.

Mr. VORYS. My sole purpose is to use, as well as we can, the remaining time this evening. I was wondering, before I answer the question, if I could inquire whether there are not other amendments to section 5 pending on the Clerk's desk or in the bosom of our Members which could be brought up at this time and disposed of, and then the gentleman could speak on his amendment and introduce it tomorrow. I have no objection to the general procedure the gentleman suggests, but I thought that we might go along with the bill a little further tonight.

Mr. AUGUST H. ANDRESEN. If there are other amendments, certainly I would like to see them considered.

The CHAIRMAN. There is one additional amendment on the desk to section 5 other than the Andresen amendment.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. HALLECK. Is that the Redden amendment?

The CHAIRMAN. Yes.

Mr. HALLECK. The gentleman from North Carolina [Mr. REDDEN] suggested to me that another Member who was to assist him in the presentation of that amendment is not present and he did not want it to come up this evening. Might I make this inquiry, if there is anyone who wants to talk, who has a pro forma amendment? Does the gentleman from Texas have an amendment?

Mr. GOSSETT. Yes; I have an amendment.

Mr. HALLECK. To which section?

Mr. GOSSETT. Section 5.

Mr. AUGUST H. ANDRESEN. If the gentleman desires to speak on his amendment, I will yield the floor.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I was going to make the observation that certainly my friend would never make a suggestion that would interfere with the Chairman at this time to grant anyone recognition.

Mr. AUGUST H. ANDRESEN. Certainly not, and I do not want to disrupt any of the usual and customary procedures.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Minnesota.

Mr. JUDD. After the somewhat derogatory remarks that have been made about the Committee on Foreign Affairs the last few days, the gentleman will agree that if we consent to his request we are certainly putting him and the advocates of an amendment to which we are opposed, in a most favorable position to get the amendment adopted, are we not? I just want to get it into the RECORD that once in a while we do something that is proper.

Mr. AUGUST H. ANDRESEN. I can say to the gentleman, who is my very distinguished and able colleague from Minnesota, that I have the highest regard for him and the members of his committee, all of them, with no one excluded, and I appreciate any consideration they may show me.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that the gentleman's proposed amendment may be read for the information of the Committee of the Whole at this time and may be called up tomorrow by the gentleman from Minnesota for action.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. AUGUST H. ANDRESEN: Page 6, line 18, strike out the period and insert a semicolon; and after line 18 insert the following indented paragraph:

"(k) to insure that, notwithstanding any other provision of this act, the following conditions are fulfilled in the case of food made available to Austria, France, and Italy, under the authority of this act: (1) Not more than 33⅓ percent of such food shall be sold; (2) the proceeds from such sales, or as much as is required, shall be used only for paying local expenses of processing and distributing food made available under the authority of this act; and (3) all food made available to it under the authority of this act which is not sold shall be distributed among needy persons in low-income groups in such countries, without cost to such persons, except the surrender of coupons for rationed food, through the Red Cross and through such other relief, charitable, and church organizations as may be approved by the field administrator referred to in section 10 of this act."

Mr. VORYS. Mr. Chairman, I reserve all points of order against the amendment.

The CHAIRMAN. In order that things may be understood, the understanding of the Chair is that the Andresen amendment has been read for information, that all points of order have been reserved, and that the Andresen amendment will be the first order of business when the Committee resumes it session tomorrow. Is that correct?

Mr. VORYS. That is not quite my understanding.

The CHAIRMAN. What is the gentleman's understanding?

Mr. VORYS. My understanding is that the amendment was read for information, points of order were reserved, and the amendment could be called up tomorrow by the gentleman from Minnesota. However, if he so desires, it is agreeable to me, at least, that it shall be the first order of business.

The CHAIRMAN. Of course, the gentleman can offer it at this time as a matter of right if he so desires.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I ask unanimous consent that when the Committee of the Whole resumes its session tomorrow I may be permitted to discuss my amendment for 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

Mr. RIVERS. Reserving the right to object, Mr. Chairman, may I propound a question to the gentleman from Ohio? I think the Committee of the Whole should understand this matter of when Mr. ANDRESEN's amendment comes up, because, as I understand it, we have not yet completed the consideration of section 5 and section 6, and the amendment to be offered by the gentleman from Minnesota is proposed to come under section 7.

Mr. VORYS. Mr. Chairman, I have no objection to the statement the Chair made that this should be the first order of business tomorrow, but I am constrained to object at this time to any extension of debate, on behalf of my brethren who are not here. I certainly shall make no such objection tomorrow. But all points of order against the

amendment have been reserved, and it is quite possible if a point of order against the amendment were sustained that the gentleman would not have any time at all to speak on his amendment. Therefore, I reluctantly object to any agreement as to time being made this evening.

Mr. AUGUST H. ANDRESEN. If the gentleman feels that he must object to my request, I will withdraw it.

Mr. VORYS. I would have to object to any arrangement as to time for the gentleman to speak being made at this time.

The CHAIRMAN. The gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] withdraws his request to have 15 minutes of time to speak on his amendment tomorrow. Therefore, as the matter now stands, the gentleman from Minnesota is to be permitted in his discretion to call up his amendment at the beginning of the session of the Committee tomorrow. If any points of order are made against the bill they must be made before debate proceeds on the amendment.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word in order to try to clear up this situation. As I understand the situation, the amendment offered by the gentleman from Minnesota was for the information of the House, as the Chairman has stated. It is not pending before the Committee at this time, and therefore there is no formal action other than for information. The gentleman from Ohio has reserved points of order which while he had to do so, was not really necessary because the time to raise a point against an amendment is when the amendment is formally offered. Is my understanding of the rule correct, Mr. Chairman?

The CHAIRMAN. The Chair understood from what the gentleman from Ohio said that the understanding was that the Andresen amendment would be taken up first on tomorrow, subject to points of order. Then the gentleman from Minnesota attempted to get 15 minutes' additional time, but failed to do so.

Mr. McCORMACK. My understanding is that a unanimous-consent request that it would be the first order of business was not made because if that were the case I would be compelled to object, although I hope the gentleman from Minnesota is recognized first because the right of recognition rests with the Chairman, and I would never agree to a unanimous-consent request which takes away from the Chairman of the Committee, no matter who may be the occupant of the chair, the right to recognize Members in Committee of the Whole. My understanding of the situation is that the amendment was simply read for the information of the House and that the Chairman of the Committee of the Whole House on the State of the Union has reserved for himself the right of recognition, which is a matter of fundamental importance. I am sure that the Chairman will recognize the gentleman from Minnesota first if the situation permits him to do so. But there is a distinction between that and taking away from the Chairman, whoever he is—and in this case the distinguished gentleman from Michigan—the right of recognition.

The CHAIRMAN. As the Chair understands the rule, the presiding officer in the Committee is in a dual capacity. First, he is selected to be the presiding officer during the consideration of the bill. But by accepting such appointment he does not lose his right to vote and object as any other Member. That is, his district is not deprived of its rights by virtue of the Chairman selection. That being true, the Chair not making any objection, I cannot see how the rights of the Chair are infringed upon if the Committee, by unanimous consent, wants to provide that a certain individual may speak at a certain hour during the Committee consideration. If the Chair is agreeable and all Members are agreeable.

Mr. McCORMACK. But this is in Committee of the Whole. What the Chair states is correct. Every other Member has a right to object. It is my understanding that the unanimous-consent request was not directly put in Committee of the Whole, that the gentleman be recognized as the first order of business tomorrow. I hope the gentleman is; but if that unanimous-consent request were made, I would object, from any source.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. AUGUST H. ANDRESEN. I can assure the gentleman that anything I have said was not intended to take over the prerogatives of the Presiding Officer.

Mr. McCORMACK. I understand.

Mr. AUGUST H. ANDRESEN. All I wanted to make sure was that my amendment would be read for information and that no further reading of the bill would take place today and that when we convene tomorrow in Committee of the Whole then we could go ahead and the Chair could recognize whomever he chose, at that time for consideration of the amendment.

Mr. McCORMACK. In the hopes that you would be the first one.

Mr. AUGUST H. ANDRESEN. Well, at some time.

Mr. McCORMACK. The gentleman and I understand one another.

The CHAIRMAN. The Chair believes this can be settled by agreeing that the last statement made by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN], which has the approbation of the gentleman from Massachusetts [Mr. McCORMACK], is what the committee has agreed to.

Mr. TRIMBLE. Mr. Chairman, I regret that it will be impossible for me to be present tomorrow. If I were present I would vote for this bill.

Mr. Chairman, in my humble judgment no greater emergency has ever faced a Congress of the United States. We are still at war. The peace treaties have not been signed. No longer do we hear the rumble of guns or the whir of planes, nor do we have daily casualty lists to remind us of the tragedy of war. But nevertheless we are still in it.

The composite heart of the world longs for peace above anything else. The world wants peace. However, the shooting has stopped and, in our eagerness to go back to our old ways of living, we forget the price that we paid to win the beachheads for peace which we have secured throughout the world. These beachheads cost us in the neighborhood of $300,000,000,000, and what is of infinitely more value, the lives of 300,000 of our finest young people and the wounding and maiming of countless thousands more. When we, the Congress, asked them to hit the beaches and fly the planes loaded with bombs and to man the ships that carried troops and provisions and the submarines that protected them, they did not hesitate. They hit those beaches, flew those planes, and manned those ships, and they never asked what it would cost or whether or not they could afford it. Sometimes they were hungry. Often they were cold.

Now we are called upon here in the relative safety of this Congress to decide whether or not we will continue to sacrifice to hold those beachheads for peace until such time as the peoples of the world who have suffered so much can get on their feet to help the United Nations keep the peace. When I get discouraged about the apparent inability of the United Nations to function, I think of our own great country and the difficulties that faced our forebears from the original Thirteen Colonies as they struggled to form a government. They had many difficult problems to solve. Delegates were disappointed and chagrined. I think, too, that after the Constitution was finally drafted and submitted to the Colonies that they would not all ratify it. It is not difficult, then, for us to understand how nations with different languages and divergent beliefs find it difficult to get together in an organization to work out the problems of the world. Jealousies and misunderstandings are a natural result. This great Nation of ours was born on travail, and it suffered a great fratricidal strife, but out of each travail it has become stronger. If we can bear with the human weaknesses and shortcomings of our fellow men who have suffered far greater hardships with this war than we have and get them to their feet, I think we can and will arrive at a just and lasting peace.

Mr. VORYS. Mr. Chairman, if it is in order at this time and not in violation of any agreements or understandings, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MICHENER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 4604, had come to no resolution thereon.

HOUR OF MEETING TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. HALLECK]?

There was no objection.

EXTENSION OF REMARKS

Mr. H. CARL ANDERSEN (at the request of Mr. MURRAY of Wisconsin) was granted permission to extend the remarks he made in Committee of the Whole by including certain letters.

Mr. REEVES (at the request of Mr. KEATING) was granted permission to extend his remarks in the Appendix of the RECORD and include certain extraneous material.

Mr. LANE asked and was granted permission to extend his remarks in the RECORD and include a letter from Hon. Thomas Dorgan, clerk of the civil court of Boston.

Mr. KLEIN asked and was granted permission to extend his remarks in the RECORD and include an editorial.

Mr. BONNER. Mr. Speaker, in conjunction with the amendment offered to the bill today in Committee of the Whole dealing with fertilizer, I ask unanimous consent to revise and extend my remarks and include certain facts on the fertilizer condition in North Carolina.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. MANSFIELD asked and was granted permission to revise and extend the remarks he made in Committee of the Whole and to include a newspaper article from the Montana Standard of December 16, 1946, having to do with the shipments of phosphate from this country to Japan and Korea.

Mr. MACKINNON asked and was granted permission to extend his remarks in the RECORD and include several telegrams.

VACATING SPECIAL ORDER

Mr. JAVITS. Mr. Speaker, I ask unanimous consent that the special order I have for tomorrow may be vacated.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

SPECIAL ORDER TRANSFERRED

Mr. FOLGER. Mr. Speaker, I ask unanimous consent that the special order I had for today may be transferred to Thursday of this week.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. FOLGER]?

There was no objection.

EXTENSION OF REMARKS

Mr. HAVENNER asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address by Professor Cross, of the University of California.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. DAVIS of Tennessee, for the balance of the week, on account of official business.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 25 minutes p. m.) the House, pursuant to its previous order, adjourned until tomorrow, Wednesday, December 10, 1947, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1140. A letter from the Acting Secretary of Agriculture, transmitting a recommendation for enactment of the amendments contained in Senate bill 1530 and recommending further that the language of the bill be changed to provide that the amendments become effective with respect to the farm-acreage allotments established for the 1948–49 marketing year; to the Committee on Agriculture.

1141. A letter from the Acting Secretary of the Navy, transmitting a list of institutions and organizations which have requested donations from the Navy Department; to the Committee on Armed Services.

1142. A letter from the Administrator, Housing and Home Finance Agency, transmitting the Fifth Annual Report of the National Housing Agency for the calendar year 1946; to the Committee on Banking and Currency.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARRETT:

H. R. 4673. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

By Mr. CROW:

H. R. 4674. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

By Mr. FLETCHER:

H R. 4675. A bill to amend the National Housing Act, as amended; to the Committee on Banking and Currency.

By Mr. KLEIN:

H. R. 4676. A bill to authorize the Secretary of the Army to grant free lease for 99 years to Building T-99, Governors Island, N. Y., to the Roman Catholic archbishop of New York; to the Committee on Armed Services.

By Mr. BAKEWELL:

H. R. 4677. A bill relative to maximum rents on housing accommodations; to modify certain provisions of Public Law 129, Eightieth Congress; and for other purposes; to the Committee on Banking and Currency.

By Mr. CLASON:

H. R. 4678. A bill to amend the act approved March 14, 1936, entitled "An act to provide for vacations for Government employees, and for other purposes," as amended; to the Committee on Post Office and Civil Service.

H. R. 4679. A bill to extend for 2 years the period in which first-class letter mail matter may be transmitted free of postage by members of the armed forces; to the Committee on Armed Services.

By Mr. D'EWART (by request):

H. R. 4680. A bill to encourage sales of wheat and rye during 1947 and 1948; to the Committee on Ways and Means.

By Mr. MITCHELL:

H. R. 4681. A bill to repeal the tax on oleomargarine; to the Committee on Agriculture.

By Mr. CAMP:

H. R. 4682. A bill to amend the Federal Tort Claims Act to increase the time within which claims under such act may be presented to Federal agencies or prosecuted in the United States district courts; to the Committee on the Judiciary.

By Mr. RAMEY:

H. R 4683 A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

By Mr. RANKIN:

H. R. 4684. A bill making an additional appropriation to carry out the provisions of the Rural Electrification Act of 1936, as amended, for the fiscal year ending June 30, 1948; to the Committee on Appropriations.

By Mr. SADOWSKI:

H R. 4685. A bill to provide free postage for gift packages of food and clothing mailed to certain foreign countries; to the Committee on Post Office and Civil Service.

By Mr. GRANGER:

H. J. Res. 271. Joint resolution to authorize the Regional Agricultural Credit Corporation of Washington, D. C., to make loans to fur farmers, and for other purposes; to the Committee on Agriculture.

By Mr. MURRAY of Wisconsin:

H. J. Res. 272. Joint resolution to authorize the Regional Agricultural Credit Corporation of Washington, D. C., to make loans to fur farmers, and for other purposes; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. BRADLEY introduced a bill (H. R. 4686) to authorize the Postmaster General to lease to the Continental Northern Corp. the subsurface of the land on which is situated the United States post office at Long Beach, Calif., for the purpose of removing oil and other hydrocarbon substances therefrom, which was referred to the Committee on Post Office and Civil Service.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

882. By Mr. CASE of South Dakota: Petition of Mrs. E. Peterson, Wood Lake Ladies Aid, Astoria, S. Dak., and 14 other members, urging the enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

883. Also, petition of Mrs. Thomas Haugen, president of Skoger Ladies Aid, Strool, S. Dak., and 18 other members, urging the enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

884. Also, petition of Mrs. Henry Berger and 34 others, of Webster, S. Dak., and vicinity, urging enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

885. Also, petition of Mrs. W. A. Emerson and 14 others, of Toronto, S. Dak., urging enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

886. Also, petition of Mrs. John Overskii and others, of Nunda, S. Dak., urging the enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

887. By Mr. HART: Petition of Local Union No. 612 of the United Brotherhood of Carpenters and Joiners, of West New York, N. J.,

favoring general election days being declared national building trades holidays; to the Committee on Education and Labor.

888. Also, petition of the Catholic Central Society and Catholic Women's Union, New Jersey branches, relative to legislation pertaining to inflation; to the Committee on Banking and Currency.

889. By the SPEAKER: Petition of Charles E. Brown, Lake Worth, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

890. Also, petition of A. F. Horton, Oviedo, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

891. Also, petition of Miss Marie A. Wood, Hialeah, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

892. Also, petition of Mrs. Fannie R. Shearer, West Palm Beach, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

893. Also, petition of American Hellenic Parliamentary Group, Athens, Greece, petitioning consideration of their resolution with reference to seventh anniversary of Pearl Harbor day; to the Committee on Foreign Affairs.

894. Also, petition of Victory Townsend Club, No. 13, of St. Petersburg, Fla., petitioning consideration of their resolution with reference to signing of Discharge Petition No. 7, relative to the Townsend plan; to the Committee on Ways and Means.

SENATE

WEDNESDAY, DECEMBER 10, 1947

(Legislative day of Thursday, December 4, 1947)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Peter Marshall, D. D., offered the following prayer:

It is good, O Lord, that it is not custom that brings us again into this sacred moment of prayer, but our deep sense of need.

Forgive us all that we talk too much and think too little. Forgive us all that we worry so often and pray so seldom. Most of all, O Lord, forgive us that, so helpless without Thee, we are yet so unwilling to seek Thy help.

Give us grace to seek Thee with the whole heart, that seeking Thee we may find Thee, and finding Thee may love Thee, and loving Thee may keep Thy commandments and do Thy will. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. WHITE, and by unanimous consent, the reading of the Journal of the legislative proceedings of Monday, December 8, 1947, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed a bill (H. R. 4627) to authorize an appropriation for the immediate relief of the Navajo and Hopi Indians, and for other purposes, in which it requested the concurrence of the Senate.

INTERIM EUROPEAN AID PROGRAM

The PRESIDENT pro tempore. The Chair wishes to make a statement to the Senate. On Monday a recess was taken until today on the theory that the Senate would today receive from the House of Representatives Senate bill 1774, which is the interim relief bill, and it was the general understanding that no business would be transacted today except that the Senate would receive the report and proceed to a conference with the House.

The House has not yet acted on the bill. It is expected it will act in the course of the afternoon. It seems to the Chair needless to hold the Senate in continuous session today, or to ask Senators to return tomorrow for the mere purpose of joining in the conference action; but in order to accomplish the desired result and still relieve Senators of the necessity of attendance, the Chair suggests that the following order be entered:

Ordered, That notwithstanding the adjournment or recess of the Senate today, the Secretary of the Senate be, and he is hereby, authorized to receive a message from the House of Representatives on the bill (S. 1774) to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis; that the Senate disagree to any amendment or amendments of the House to the said bill, and either ask for a conference or agree to a conference thereon, and that the President pro tempore be authorized to appoint the conferees on the part of the Senate.

The Chair may say there is ample precedent for action of this sort, the most recent precedent in the Senate being on April 11, 1938, there being precedent also in the House of Representatives on August 4, 1939, and September 19, 1940.

Is there objection to the order? The Chair hears none, and the order is made.

The PRESIDENT pro tempore thereupon appointed Mr. VANDENBERG, Mr. CAPPER, Mr. WHITE, Mr. CONNALLY, and Mr. GEORGE conferees on the part of the Senate.

UNITED STATES PUBLIC RELATIONS IN WESTERN EUROPE—INDIVIDUAL VIEWS OF SENATOR LODGE

Mr. LODGE. Mr. President, due to the fact that the subcommittee of the Committee on Foreign Relations on the information program was appointed so late in the last session, I was unable to make the trip with the members of the committee, but followed a prearranged personal plan and visited western Europe and Greece individually. For this reason, I submit herewith my individual views on the subject of United States public relations in western Europe, and ask unanimous consent that they be printed in the RECORD.

There being no objection, Mr. LODGE's individual views were ordered to be printed in the RECORD, as follows:

UNITED STATES PUBLIC RELATIONS IN WESTERN EUROPE—INDIVIDUAL VIEWS OF SENATOR LODGE

Unless the United States promptly takes two forthright steps, we run the risk of having a sort of Marshall plan in reverse.

This means (1) that the suicidal separatist and nationalist tendencies of Europe will be enhanced instead of discouraged. It means (2) that the working out of the Marshall plan will resemble that famous American political campaign in which one candidate spends most of the money and the other candidate receives most of the votes. It need hardly be said that in such a case the Americans would be the money spenders and the Communists the vote getters.

Such a development would be far worse than doing nothing and letting the present desperate situation take its course. Indeed, such a development would be an utter tragedy. The tragedy can, however, be avoided and the Marshall plan can measure up to the highest hopes which we all have for it if (1) we develop clear-cut ideas regarding our hopes for Europe and our aims for ourselves, and (2) we develop means which are at once tactful and effective for presenting those ideas to the great masses of population in Europe. We are doing neither of these things at present. The foreign information program, as presently conceived, is utterly inadequate for such a purpose. Its conception is so limited that even were its appropriations far greater, it could never be more than a drop in the bucket.

What follows here attempts to outline a modern, effective, and far-reaching public-relations policy which will in fact present America and her aspirations to the world. The world can then take us or leave us. It is confidently hoped that once our hopes and aims are known that they will be embraced with enthusiasm.

Background for these ideas lies in recent travel to Europe, to many trips in other days, to military service in the Mediterranean and European theaters, to years of newspaper training and political activity, and to schooling abroad.

It is clear to me that in western Europe we are losing the battle for men's minds. Wide circulation is given to statements about America which are both fantastic and insulting. Moreover, these statements are also widely believed. Here are two illustrations which, unhappily, are perfectly typical:

(a) A French physician, wealthy and of good reputation in his community, made this shocking statement: "Of course, we realize that medical science is way ahead in America of what it is in France, but then we also know that you have all those underprivileged people over there on whom your doctors constantly experiment."

(b) A deputy of one of the conservative French political parties, a substantial landholder and of considerable private means, told me: "We know that you Americans are trying to build up Germany industrially faster than you want to build up France. We can tell from General Clay's speeches that this is so. The reason you do this is because you intend to have a war with Russia and you want to get Germany into shape as your ally." I asked him why he thought we wanted to fight Russia and he made this astonishing reply: "Because Russia has taken away so much of your export trade."

This shows how the lies which the Communists are spreading about America are being repeated so often that, after a while, they are believed. This is not to say that there is no friendship for us in France. Notwithstanding some popular reports, the presence of the United States military forces

has, by and large, left a good and grateful memory; the French people are sophisticated and wise enough not to judge the many by the unfortunate actions of the few. But as long as so many American spokesmen maintain an inert and indifferent silence, the Communists cannot help but gain and we cannot help but lose. We are in a debate, but the Russians are doing all the debating.

I stated earlier my feeling that a Government information program, despite good intentions, ample funds, and efficient organization, is utterly inadequate as an instrument of debate. To elaborate:

While the war was in progress, there was but one message to proclaim—win the war. At that time the great obstacle to overcome was the physical task of getting this message abroad. Now that hostilities have ended, the physical transmission of the message raises no particular problem. The real task today is to devise a continuing message for world-wide publication which will effectively meet the need of changing situations. For example, during the German occupation of France the people there would listen eagerly to the foreign short-wave broadcasts because these transmissions furnished the only means of keeping in touch with patriotic French activities and the news of the outside world. Now that the shooting war is over, however, the people listen to their own broadcasting stations. Why should they bother with short wave, except, perhaps, for special events? How many radio listeners in the United States regularly tune in short-wave programs from abroad in preference to their local stations?

Our problem, then, is not to find a broadcasting station to which people abroad will listen. We must rather preoccupy ourselves with the task of thinking out our message and then of getting it into those media—whatever they may be—which the people in western Europe normally use.

In the case of the French (and I believe this holds good for other countries as well), all information having its origin in an embassy or government bureau is automatically suspect. The French people remember instinctively how the German Embassy in Paris was wont to issue an incredible amount of so-called information. Their reaction to information of this sort is no different than if the situation were reversed and the French Consul in a city like Detroit, for example, issued press releases and statements to the newspapers and tried to get the people to listen to broadcasts from Paris or Marseilles. The impression it would make on mass American public opinion would be nil—yet, for some reason, our approach to the problem so far has been to assume that the ordinary Frenchman would react enthusiastically to such tactics.

It is all very well to talk of the Voice of America in the abstract, but we must remember that the true voice of America in the eyes of the world is the President of the United States, and, only to a slightly lesser degree, the Secretary of State. The President does not require his own private broadcasting station. The world radio and the world press are largely open to him. Moreover, the President's personal representatives abroad—the Ambassadors and Ministers—can get his views into the foreign press quite often if they are alert and energetic and if they devote a substantial amount of their time to going about the country saying things and doing things. An almost unlimited and to date virtually unexplored horizon exists in every country for this type of activity. We must be realistic and face the fact that our Government information services are limited in their appeal and reach chiefly a minority of intellectuals. Our motion pictures get into schools and local chambers of commerce, but there again the mass mind, where public opinion is made, is not reached at all.

I have heard the suggestion that everything will be all right if we get rid of the amateurs in our Government information services and instead people the staffs with expert press agents. This assertion completely misunderstands the nature and importance of the problem. What candidate for political office would leave the basic strategy of his campaign in the hands of a public-relations man? Of course, press agents and public-relations men perform very useful and desirable functions indeed, but they are not—and certainly do not pretend to be—policy makers and it is not fair to treat them as such.

I submit the following recommendations which I believe will prove helpful in dealing with this problem:

1. Recognizing that there is a world debate going on and that the world is a welter of propaganda, we must insist upon having men in our Foreign Service who have training or experience in publicity methods and in public speaking. Whether we like it or not, we are the spokesman for one of the two principal sides to the debate. It is true that the United States is well served in the conduct of its foreign relations by men of real ability whose experience in the fields of military science, economic and orthodox diplomacy are of the greatest value to us in these troubled times. But we simultaneously suffer from a lack of men whose experience has been in the field of public opinion—for example, in journalism and politics. If we are to be successful in the battle for men's minds, we must have personnel who are really politically minded. We need men whose life has been spent in the exercise of the arts of persuasion in the field of public affairs. We must have men and women who are able to talk to, mix with, and understand all groups, just as we who hold elective office must do every day. We have learned a great many new things in the past few years, and it is time we started developing some system for getting Americans who are skilled in debate and in politics into the day-to-day conduct of our foreign relations.

2. Americans who have had close and friendly associations with foreign countries should be used wherever possible to give speeches, to head missions, and to make as many contacts as possible. Mastery of the particular foreign language is an added attribute of almost indispensable value. A few such men would be more effective than a host of so-called information programs, useful as such programs may be in a strictly limited sense. Reference is made, of course, to western Europe, although I am quite prepared to believe that some really politically minded men could get a great deal accomplished behind the iron curtain—often without benefit of publicity.

3. We should make funds available in order to enable the United States to buy time on foreign broadcasts and to buy space in foreign publications for the effective propagation of our messages, our music, our news broadcasts, and all our radio features.

4. Instead of being content to let our educational films be seen by school children and local chambers of commerce, study should be given to the proposal that Hollywood "block-book" these Government films along with their own. The result would be that our films would get into the larger theaters before the mass audiences where they would have their most effective force.

5. The President and the Secretary of State should coordinate their public pronouncements and activities. I am informed by veteran newspapermen that on the day when Secretary Marshall made his speech at Harvard outlining the Marshall plan, President Truman gave out an interview denouncing the Russian outrages in Hungary. He thereby took the front page away from the Secretary of State.

6. Those American activities abroad which are of a benevolent nature should receive every possible encouragement—for example, medical or educational missions. We tend to underestimate sometimes the tremendous good done our prestige abroad by the activities of American doctors, nurses, and teachers. Roberts College in the Near East is a case in point.

7. Within the State Department itself, there is evident considerable room for improvement in the matter of public relations generally. An article which appeared in the New York Times on October 27, 1947, by the noted and careful reporter, James Reston, describes the situation vividly. (See appendix A.)

8. Washington news items having primary interest abroad ought to be released abroad. If we are giving 30 old ships to Italy, the story should be released in Rome where it will have a real punch, instead of in Washington. The net result of releasing such a story in Washington is that the wire services will send simply a few hundred words to the local Italian press and all the timely drama which a local release could generate is utterly lost. I appreciate that this suggested practice would require overcoming some bureaucratic prejudices in Washington, but it should be done and would cost nothing more than an exercise of common sense.

9. Very few Europeans have ever seen a real American newspaper. All they ever see are the little sheets of political opinion. We should, therefore, give very serious consideration to the proposition of translating the Paris Herald into French or the Rome American into Italian. Were the Paris Herald published in French, it might well reach a circulation figure of about 200,000. Granted that it would be read by many who are pro-American anyway, yet it would be worth while if it could be done without violence to the principle of keeping the United States press free and independent of the United States Government.

10. If newsprint could be made available to the foreign press, much of its anti-American tone could be diminished. In France, for example, it was reported to me that the government agency which allocates newsprint is far from generous to those newspapers which fail to hew to the anti-American line. This has the rather extraordinary result that one can find Communist dogma and propaganda in newspapers which are about as pro-Russian as the Chicago Tribune. It is small wonder that the French reader is often caught completely off guard.

11. Foreign-born American citizens might be carefully selected with a view to having them tell the people of their native countries, via transcribed talks or interviews, about the United States, what it stands for and what it has meant to them in their own lives. (For further elaboration of this suggestion, see appendix B.)

12. The Congress should make funds available which would enable American officials abroad to secure the news first-hand. It is not reasonable to expect our consuls or vice consuls to be able to afford expensive overseas subscriptions to American newspapers and well-known periodicals. We cannot expect our Foreign Service personnel to keep in touch with developments and thinking here at home if we do not provide them the means.

13. Our people abroad should be alert and get the United States into all fairs and expositions possible. (See appendix C.)

14. All too often, there is no coordination whatsoever of speeches by American officials. It is not sufficient merely to coordinate the remarks of American diplomats. Any statements made by admirals, generals, or other appointed officials should be carefully coordinated. We cannot have a military government officer making a speech in Austria, for example, which is doing incalculable harm

to the American position in France. This officer's remarks may be well suited to the situation in Austria, but there is no reason why our diplomacy cannot be intelligent enough to achieve its objectives in both Austria and France. One should not be required to exclude the other.

15. We are contemplating the spending of billions of dollars abroad under the so-called Marshall plan to supply the material needs of Europe. We should not be miserly about spending a few millions to appeal in an understanding manner to the minds and souls of the people over there. If the reports about what other nations spend are only half true, we can still spend many millions without equaling their outlay. Poor though some of them may be, they know that their reputation abroad is the last thing on which to economize. (See appendix D.)

We cannot expect our public relations with other nations to be effective so long as we think of public relations as being a minor and semiclerical activity. We must realize that our No. 1 public relations man in the international field is the President of the United States and that the Secretary of State and the American Ambassador in each country are close seconds. Unlike actual wartime, public relations at this particular time are on a par in importance with strategy and with economics. In fact, in political war they are the armor in which strategy and economics are clothed. In this foreshortened world, what we used to think of as diplomatic relations has in many vital respects become public relations.

We cannot expect to win the war of ideas if we have no ideas. The most lavish appropriations, the most powerful broadcasting stations, the most skillful and eye-arresting typography, and the most zealous publicity men are of scant avail if all that they propagate is the notion that we want to get Europe back to the industrial level of 1938. We must not merely patch up the old geographical crazy quilt. People in Europe today are yearning for a new order on their distressed continent and shudder at the thought that we may once again merely rebuild the same old row of tenement houses—that firetrap which has caused so many world conflagrations. We must remember that the Communist idea is one which leaves no one indifferent. This should make us realize that we, in common with Europe, are possessors of an idea which is equally compelling but which, unlike communism, is beneficial and constructive. Men in Europe have discussed it for centuries. Two dictators have tried to impose it on Europe by force. We in America now have the opportunity to promote, through the use of our economic aid, the voluntary achievement of a united Europe as a means for enhancing the dignity of the individual. We can promote this goal, which is so fervently desired by the overwhelming mass of ordinary people in Europe, inspired by the thought that Lafayette promoted and helped the birth of the United States of America. If we do so, we not only improve the chance of lasting peace for ourselves and the world; we also hold aloft a torch which cannot only rival but easily surpass communism as a brightly shining attraction to all the weary people in Europe, young and old, who are looking for a way out of their misery.

[From the New York Times]

APPENDIX A

INADEQUATE PUBLIC RELATIONS HAMPER STATE DEPARTMENT—MARSHALL PLAN GOOD EXAMPLE OF HOW NATION IS LEFT IN DARK ON FOREIGN POLICY

(By James Reston)

WASHINGTON, October 27.—The serious foreign-policy issue, or crisis, now before the American people is accompanied, as usual, by a public-relations crisis at the State Department.

The two generally go together, not because there is a plot to conceal the facts at the State Department, but because the people who have the facts there are too busy dealing with the crisis to deal with the public; and those who are not too busy to deal with the public do not have the facts.

The situation today with respect to a Marshall plan is a case in point. The officials at the State Department say that their foreign policy rests primarily on a Marshall plan, and they concede that it will rise or fall on the extent to which the American people understand and support it.

But, so far as one can discover, there is no public relations plan at the State Department to deal with it, and it is still extremely difficult for reporters at the Department to find out what the State Department thinks about the Paris proposals for European aid.

There is an elaborate organization within the State Department for dealing with the press. There is an Office of the Assistant Secretary of State for Public Affairs, which is not filled; there is an Office of Public Affairs under Francis Russell, which does everything from sampling public opinion to answering letters about who was the Secretary of State under Jackson; there is a special assistant to the Secretary of State for press relations, Michael J. McDermott and Mr. McDermott has several assistants, Lincoln White and Roger Tubby among others.

Mr. McDermott's office is primarily responsible for the Department's contact with the public through the press and radio, but under the present system of operation he and his assistants, while they are skilled at the presentation of information, have no information on a Marshall plan to give.

The theory has always been in the past that Mr. McDermott should not worry about informing himself on basic questions and explaining the background of those questions to the reporter. Instead, he was supposed to serve primarily as a liaison officer between the reporter and the State Department expert on the subject in the news.

This system worked all right in the days when the United States wasn't deeply involved in world affairs, but it does not seem to work now, because the day-to-day State Department reporters, who must get out most of the basic information on subjects like the Marshall plan, are constantly caught between experts who are unavailable and press officers who are available but not informed.

This system has worked well before, notably at the San Francisco Conference, where John Dickey, now president of Dartmouth, ran a daily seminar for influential members of civic, social, cultural, and industrial organizations. But nobody here would argue that it is a substitute for a steady flow of reliable, factual, explanatory information from the Department of State through the press and radio to the public.

The problem of Government press relations on foreign policy especially has been a subject for criticism here for years. On the very day when the Marshall proposal was announced at Harvard, when the State Department was hoping to focus public attention on this vast new development in our affairs, the President called a press conference and blanketed the announcement with two declarations—one that the Communist coup in Hungary was an outrage and the other that Mr. TAFT was partly responsible for high prices.

Today the main threat to the Marshall plan lies in a number of arguments that are slowly being built up in this country against it: First, that it will help socialism in Europe; second, that it will merely build up foreign competitors for our own industries; third, that it will ruin the economy of the United States; and fourth, that it will enormously increase prices at home.

The State Department has factual information that is relevant to all these charges, and from time to time somebody makes an argument against them, but there is no carefully planned attempt to get the facts together on these points, and as a result, the arguments make progress to the detriment of the administration's policy.

In order to deal with the problem, men like Under Secretary of State Robert A. Lovett take time out, as Mr. Lovett did last Saturday, and try to explain the problem to a few reporters; and experts like Charles H. Bonesteel, who is in charge of the State Department's studies of the Paris report on the Marshall proposal, hold explanatory press conferences.

But Mr. Lovett is far too busy to make a general practice of such things, and though Mr. Bonesteel has the facts, he is not skilled at presenting them to reporters, and on the one occasion when he did hold a conference he was not informed about what he was permitted to disclose.

The problem, therefore, as many reporters here see it, is to get a capable Assistant Secretary of State for Public Affairs and give him full responsibility for doing the job. And what is equally important, to let him know what is going on, so that one man with adequate authority, adequate information, adequate time, and an adequate staff is finally assigned to the important task of informing the people.

APPENDIX B

SUGGESTIONS FOR BRINGING A CORRECT PICTURE OF THE AMERICAN WAY OF LIFE TO EUROPE

(By H. Marxov)

From countless letters I deduct that the peoples of Europe are ever so eager to have a true picture of the present United States, because they are, so to speak, squeezed in-between two trends of thought: that of communism, and the other, generally termed "American."

It is most important that such an information be given them that they be able not only to understand what the American way of life stands for in terms of everyday existence here, but that the average citizen also may give thought to the possibilities such a form of life might give to his own country in the near future and under existing conditions there.

The winter of 1947–48 will be a decisive one in the history of Europe. Hunger, sickness, and cold are unavoidable and there is no doubt that certain elements will use this tragic state of affairs to undermine the position of America, to call upon all lower instincts so that the entire continent may be filled with hate—the "have-not" against the "have-too-much."

In order to partly, and, as I believe, effectively, offset such a design, I have the following proposition to make, which I can only outline with a few words today, the manifold details of execution to be explained at a later date.

General propaganda has, of late, lost a great deal of its former value—an acknowledged fact, the reasons for which need not be discussed here and now. In order to regain widespread interest, a new approach must be tried, and we see real opportunities if, under a caption of "What I have learned to love (or, to admire) in America," former citizens of European countries were to address themselves directly to the lands and the groups of their own origin, in their specific dialects, in their very personal way of speaking and thinking—thus coming quite close to those with whom they are familiar in every respect, as no outsider could ever be. The plan would call for men and women from all countries, all walks of life to make

recorded talks, as simple, and as direct as if a conversation between them were taking place. They would relate whatever of American customs, habits, ideologies, and thoughts had most impressed them—without being insincere, stress would be laid on the constructive and positive side of things—without creating an unrealistic picture of conditions here, yet they would primarily dwell on such items that are typically American, have helped to make the country great, sometimes bringing forth certain suggestions which could be developed by their former fellow citizens.

There are great numbers of institutions in the United States completely unknown abroad, and, some of them, easily applicable anywhere—I confine myself to the sole example of the Legal Aid Society—alongside of which ever so many factors of daily life here can be placed in practically every field. The speakers should not have resided in America longer than 25 years, nor less than 7 or 8—reports further back than the early twenties cannot live up to present conditions, while, on the other hand, anyone more recently arrived than 1939–40 would lack the necessary experience.

I believe that such speakers could be found, that the majority would donate their services. The records, so procured, should be sent overseas after contacts have been established with the big radio corporations and other authorities. They can then be used according to the specific conditions to be encountered, the different groups to be contacted. It will be important to take into consideration that, for instance, in most rural communities in central and western Europe the population gathers on the village square after church on Sundays—any record played to them there would be the topic of general comment throughout the entire day, in all bars and homes, whereas if commercial or city groups—workers, employees, etc.—were to be aimed at, this must be done around 8 p. m., the principal time when these people have a quiet moment in their homes before retiring.

Records are quite cheap, they have the great advantage that they can be used repeatedly. As there are no commercials in Europe, the assistance of any one broadcasting corporation would suffice to arrange for a brief insertion of some of the talks if public reaction warrants it.

Fan mail and writing in is not nearly as customary as it is here, but a few words in that direction would encourage listeners to voice their appreciation or disapproval—that, in itself, would be entirely new and an immediately visible step in the direction of democratically doing things together.

There are limitless possibilities within the framework of this plan. There is so little expenditure involved, it might be tried right away—and the time for every positive effort in Europe is now. Nothing should be left undone to prove to the people, envisaging so tragic a winter, that they are not forgotten and that democracy is worth while waiting for.

APPENDIX C

UNITED STATES CULTURAL EXHIBIT AT PRAGUE WAS A NEGRO LYNCHING DISPLAY

(By William Attwood)

PRAGUE, September 5.—A striking example of how American apathy, ignorance, and stinginess is helping communism win the battle of ideas in eastern Europe was provided last month at the Congress of the World Federation of Democratic Youth, which met for 10 days in Prague.

At this jamboree more than 13,000 young people, mostly from European countries, held parades, sang, danced, swapped stories, and listened to speeches praising peace and international understanding. Most of the delegations put up national exhibits, like a world's fair in miniature, but none staged as elaborate a show as did the 500 colorfully costumed Soviet youths, who arrived with two ballets, a full orchestra, and a troupe of Mongol dancers that were the hit of the congress.

In sorry contrast to the Russian splurge, the United States Government made no effort to exploit this rare opportunity for publicizing the advantages of American democracy and for counteracting the wave of Communist propaganda that daily swamps eastern Europe.

As a result, the only representatives of the American way of life at this congress were less than 200 Communist-led youths whose only display was a jerry-built exhibit advertising the fact that a lot of Negroes are lynched every year in America.

It was inevitable that many delegates from the Soviet-dominated countries who saw this exhibit shook their heads and agreed that all the terrible things the Communists told them about America must be true, because here the Americans admitted it themselves.

The attitude of the State Department in high-hatting this festival and letting a handful of Communists become America's press agents is typical of a short-sighted United States policy which is ready to spend millions fighting communism with guns for the Greeks but which balks at anything which smacks of cultural relations.

Also typical is the squeamishness of American officials at participating in left-wing festivals even though these provide the best opportunities for meeting the ideological opposition on its own grounds.

Such mistakes seem incredible to western-minded Czech leaders who say that Americans are wizards at selling tooth paste to each other but greenhorns at selling democracy to other people. One of these Czechs who does all he can to promote Western ideas in his country exclaimed last week: "Why the hell didn't you put on a good show at this youth congress? I was hoping for a big American turn-out and then look at the delegation you send us—70 missionaries, 70 fellow travelers and a chiropodist. If you would have just sent over a swing band or a couple of good baseball teams I'd have umpired the game myself and we'd have stolen the show from the Russians."

America's failure at this congress is repeated every day in a smaller scale in eastern Europe. Each morning the sympathy and affection which millions of people feel for the United States is being chiseled away by clever Communist press propaganda that consistently hammers at the same anti-American themes. Inevitably the Goebbels technique—that a lie repeated long enough will eventually be accepted as the truth—is winning more and more reluctant converts to the Communist way of thinking.

To millions of Europeans who hate and dread Germany who are proud of their Socialist economies and who are heartily sick and tired of anything which smacks of fascism, imperialism, and war the Communist press proclaims: "Americans are pro-German; they want to build up German economy. Americans are imperialists; they are sending weapons and troops to Greece. Americans are Fascists; their FBI is persecuting Communists and progressives in Washington. Americans are tools of Wall Street; they want to destroy our socialism with dollar diplomacy. Americans are warmongers; one of their generals urged a preventive war against Russia.

A hard-hitting American information campaign beamed at Europe could puncture much of this propaganda and show it up for what it is. As a young Czech Socialist pointed out: "If the United States isn't trying to build up German imperialism why doesn't your Government come out and tell us so? All we know is what we read in the papers."

Here in Czechoslovakia the people do not get a clear-cut exposition of the American point of view. Yet instead of doing anything about this the American Congress in June slashed the budget of the United States Information Service—the one official agency competent to state America's case in Europe.

Today the efforts of the understaffed USIS teams on the Continent to meet the demands of information-starved Europeans are gallant but pitiful. In comparison with the efforts made by other nations America's official information agency is a makeshift adjunct of its embassy staffs which can do little more than publish meager mimeographed bulletins and distribute a few reels of documentary films on request.

It seems inconceivable that the public-relations section of the wealthiest nation in the world should be struggling along on inadequate funds but it is a fact. The annual USIS budget in Czechoslovakia is now $31,000, a sum which includes the salaries of its two American and eight Czech employees.

This figure compares with a total of 60,000 pounds ($240,000) spent each year by the British to foster British ideas and culture in Czechoslovakia. Soviet expenditure for this kind of work is unknown but the Czech Communist Party is always there to carry the torch. Thanks to British (and French) efforts, of course, western democracy is at least getting a hearing in eastern Europe.

British books and magazines are made available to universities, libraries, and editors. Professors and students are exchanged. British film units and lecturers travel around the country under the auspices of the British Council, whose representatives maintain offices, exhibits, and reading rooms in four Czech cities.

But America's voice is almost unheard. The USIS with its present funds, is totally unable to meet the widespread demand for American books and publications, to make it possible for Americans to lecture at Czech universities or to support effectively the numerous Czech-American friendship societies now languishing throughout the country.

A British Embassy spokesman explained his government's relatively huge expenditure for cultural relations here in this way: "We consider Czechoslovakia the key to all central and eastern Europe. We feel that it is vitally important to our foreign policy to maintain the closest possible relations with the people of this country."

British publicity efforts in other eastern European nations, though not as ambitious as in Czechoslovakia, are still invariably four or five times as impressive as those of the United States.

Any program to combat communism effectively on the ideological front is going to cost money. The decision which Americans must make is whether, in addition to sending guns to the Greeks, it is worth while to try to keep America's old friends of Europe and make new ones for America's brand of democracy. It is not an easy decision to make in this time of international tension, but a lot of Americans must know that the best way to get people to buy your product is not to threaten them with a club (or refuse them credit) but to show them that what you have to sell is a whole lot better than the stuff in the store across the street.

[From the Washington Daily News of November 26, 1947]

APPENDIX D

NOT GETTING OUR MONEY'S WORTH

Bill Newton, Scripps-Howard staff writer, in a dispatch today concludes the summing up of his observations on a 7,000-mile trip around the farthest reaches of Communist expansion, from Korea to Trieste.

He thinks we are losing the propaganda war to Russia by default. The excuse he most frequently heard in foreign outposts, where our idea war seems most ineffective, was that economies had been forced on the State Department by Congress. Even so, Mr. Newton doubts that the American people are getting their $3,000,000 worth. In a few places the Information Service is doing good work, but in most cities it is doing little more than issuing texts of speeches by the President and Government officials in English, which the people can't read, and [illegible] innocuous little reports about life in America.

For the most part, the State Department has only itself to blame for the reduced appropriation for its informative service and the Voice of America. Last summer in an eleventh-hour drive, Secretary Marshall, General Eisenhower, and others pleaded the urgent need of this operation to combat the distortions of Russian propaganda abroad. But congressional opposition seemed crystallized and adamant on the idea that fellow travelers and pro-Russian employees had wormed their way into these services, and the appropriation was cut.

STATEHOOD FOR HAWAII

Mr. IVES. Mr. President, on November 24 at my request there was inserted in the RECORD a letter to the New York Herald Tribune from Dr. Nicholas Murray Butler, former president of Columbia University, strenuously opposing the admission of the Territory of Hawaii into the Union as a State. Undoubtedly every Senator knows that since that date Dr. Butler has passed away.

It is not my purpose this morning to offer a eulogy on so great an American. However, I may say that in his passing the Nation has suffered the loss of one of its greatest educators, who was also most active and effective in his effort to help in the establishment of international peace.

For many years, as president of Columbia University, from which position he retired in 1945, Dr. Butler had perhaps more to do than anyone else in laying the groundwork for the great progress which has been made since early in this century in the field of education. All will recall his work for international peace. As president for 20 years of the Carnegie Endowment for International Peace, he stood foremost in this great undertaking.

When Dr. Butler passed away, not only the United States, but the world, as well, lost an outstanding citizen and leader.

Knowing Dr. Butler as I did, and appreciating his great qualities, I have always recognized that he possessed the quality of fairness. It is with that in mind that I rise today.

As a result of my insertion in the RECORD of Dr. Butler's letter to the New York Herald Tribune, to which I have referred, some controversy has arisen. The Delegate from the Territory of Hawaii, Hon. JOSEPH R. FARRINGTON, has written me, replying to the letter of Dr. Butler. I know that Dr. Butler would want all the facts in the case presented, and I know that Delegate FARRINGTON would like to have his letter inserted in the RECORD. Under these circumstances, I consider it entirely in order at this time to ask unanimous consent that there be printed in the RECORD the letter from Delegate FARRINGTON.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DECEMBER 2, 1947.

Senator IRVING M. IVES,
Senate Office Building,
Washington, D. C.

DEAR SENATOR IVES: This letter is written in reply to the objections raised by Dr. Nicholas Murray Butler, president emeritus of Columbia University, to statehood for Hawaii in the letter appearing in the Appendix of the CONGRESSIONAL RECORD on page A4301, at your request.

Dr. Butler's objections completely disregard the historical background of this question and misrepresent the facts.

To give Hawaii a semi-independent status, as proposed by Dr. Butler, as an alternative to statehood is unthinkable from the standpoint of the people of the Territory. They prize their American citizenship above everything else and voted two to one in favor of statehood in a plebiscite. The adoption of Dr. Butler's proposal would turn back the clock to a form of European colonialism so completely discredited that the people of the Pacific want none of it, and would work irreparable harm to the position of the United States in the Pacific. It would be nothing less than tragic.

His statement that the background of Hawaii "in population, in language, and in economic life it is distinctly a foreign land" is untrue.

The Hawaiian islands were discovered by a British explorer in 1778. Within a few years American whaling ships from New England became the principal visitors. By 1820 American missionaries from New England were established in Hawaii. They continued to be a prominent influence in the islands throughout the rest of the century. Their descendants today are among the leading people of the islands.

The people of Hawaii early in the nineteenth century became Christians in the American tradition. By 1840 they had established a system of compulsory free public school education patterned after that of the State of New York, and the monarchy had adopted a constitution modeled after that of the State of Massachusetts. Both of these reforms were initiated by American missionaries led by William Richards, of Plainfield, Mass.

By 1854 the proposal that Hawaii be admitted to the American Union as a State was being seriously discussed by officials of Hawaii and the United States. Only the death of the ruling monarch caused the termination of these discussions. The common interests of the United States and Hawaii found expression in 1876 in the adoption of a treaty of reciprocity under which the United States received coaling rights at Pearl Harbor in exchange for the admission to this country, free of duty, of all sugar produced in Hawaii.

FoHowing the voluntary annexation of Hawaii to this country in 1898, a committee consisting principally of Members of the Senate and the House was appointed to recommend a form of government for Hawaii. The committee decided that Hawaii should become a Territory of the United States and an integral part thereof chiefly because the people of the islands were found to be in fact American in their interests and their way of life. That Congress in 1900 envisioned the admission of Hawaii to the Union in the future as a State is plainly evident from the fact that both the Senate and the House rejected amendments to the Organic Act calculated to deny Hawaii statehood in the future.

Citizens of the Republic of Hawaii became citizens of the United States by this act and in the same pattern as the people of every other American territory. At that time Oklahoma, Arizona, and New Mexico were still Territories. The implications of this action were [illegible] the people of Hawaii then and throughout all the intervening years have been led to believe that once they met the requirements of statehood they would be admitted to the Union. This belief has been further fortified by the planks and platforms of both major political parties, the utterances of many public officials, and the results of investigations carried on by Congress over a long period of years.

The geographical position of Hawaii does not constitute a valid objection to statehood. It did not prevent Congress from incorporating Hawaii into the Union as an "integral part thereof" at the time of annexation. Nor was this argument used successfully against the admission of any of the new States of the West. Their distance from the Thirteen Original Colonies in terms of the facilities for transportation and communication then available was certainly far greater than is Hawaii today. The objection to admitting Hawaii to the Union as a State because of its distance from the mainland ignores the results of modern scientific advancement.

The geographical position of Hawaii is in itself an argument for statehood. These islands constitute the most strategically situated land area in the world. They have an area of more than 6,000 square miles, greater than that of Connecticut and Rhode Island combined, extend over a distance of 350 miles, and lie on the main route of trade and travel to the Far East and the South Pacific. An examination of the normal trade routes of the Pacific will show that travel from the Pacific coast comes to a focus at Hawaii. It has long been recognized by our military men as this country's natural frontier and outpost in the Pacific. The men and materials with which the war in the Pacific was won were funneled through Hawaii. It was from this base that the Pacific war was fought.

Hawaii is the spearhead of American influence in the Pacific. It is the lighthouse of American democracy in this area.

It is a modern American community, consistently paying into the Federal Treasury more than 12 to 14 States, maintaining its government on an efficient basis in every field, and sustaining its population of more than half a million persons at a high standard with industrialized agriculture enterprises that are a tribute to American ingenuity.

The record of the Larcade subcommittee of the House Committee on Territories which investigated statehood for Hawaii in 1946, and of the hearings of the House Public Lands Committee on this subject in 1947 contain ample evidence in support of this point of view.

More than 85 percent of the people of Hawaii are American citizens. With few exceptions they were born in this country. The percentage of foreign-born citizens in Hawaii is far less than in many States, and the percentage of aliens far below that in New York City.

Dr. Butler's objections to statehood for Hawaii have been presented repeatedly during the past 2 years to committees of Congress concerned with this question and to the country generally through the newspapers. Early in 1946 he addressed a letter on this subject to the House Committee on Territories of the Seventy-ninth Congress. The Larcade subcommittee nevertheless recommended, after an exhaustive investigation, immediate consideration of the legislation to admit Hawaii to the Union as a State.

His point of view was brought to the attention also of the House Committee on Public Lands this spring. This committee began in March of this year the fourth major investigation of this subject. Representative DEAN TAYLOR, of New York, a member

of the committee, presented for the record a letter from Dr. Butler similar to the one you presented to the Senate. However, the Public Lands Committee proceeded, after extensive hearings and with the active concurrence of Representatives DEAN TAYLOR and JAY LEFEVRE, of New York, to report the bill providing statehood for Hawaii by a unanimous vote. The House subsequently passed the bill, 196 to 133.

It should be clear from the foregoing that Dr. Butler's objections to statehood for Hawaii have already received extended and careful consideration.

We of Hawaii know only one allegiance and that is to this country. The war proved this. We are Americans in our thinking, our speech, our way of life, and our aspirations. We ask only for the same privileges of citizenship enjoyed by all other Americans that can only be realized with statehood, and believe the record shows that we are fully prepared to assume the responsibilities involved.

Yours sincerely,

J. R. FARRINGTON,
Delegate From Hawaii.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

DONATIONS BY NAVY DEPARTMENT TO NONPROFIT INSTITUTIONS AND ORGANIZATIONS

A letter from the Acting Secretary of the Navy, reporting, pursuant to law, a list of institutions and organizations, all nonprofit and eligible, which have requested donations from the Navy Department, to the Committee on Armed Services.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938

A letter from the Acting Secretary of Agriculture, favoring the enactment of Senate bill 1530, to amend the provisions of the Agricultural Adjustment Act of 1938, as amended, relating to minimum farm acreage allotments and increases in small tobacco acreage allotments, with certain amendments; to the Committee on Agriculture and Forestry.

REPORT OF NATIONAL HOUSING AGENCY

A letter from the Administrator of the Housing and Home Finance Agency, Washington, D. C., transmitting, pursuant to law, the fifth annual report of the National Housing Agency for the calendar year 1946 (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF UNITED STATES CIVIL SERVICE COMMISSION OF OPERATIONS UNDER SECTION 11 OF ADMINISTRATIVE PROCEDURE ACT

A letter from the Commissioners of the United States Civil Service Commission, transmitting, pursuant to law, a report of the Commission's operations under section 11 of the Administrative Procedure Act for the period ended September 30, 1947 (with an accompanying report); to the Committee on Civil Service.

STATISTICS OF NATIONAL GAS COMPANIES IN UNITED STATES

A letter from the Acting Chairman of the Federal Power Commission, transmitting, for the information of the Senate, a copy of its newly issued Statistics of National Gas Companies in United States (with an accompanying document); to the Committee on Interstate and Foreign Commerce.

REPORTS OF INSTITUTIONS, ORGANIZATIONS, ETC., EXEMPTED FROM TAXATION

A letter from the President of the Board of Commissioners of the District of Columbia, transmitting, pursuant to law, a report listing the institutions or organizations whose real property was specifically exempted from taxation by special acts of Congress (with an accompanying report); to the Committee on the District of Columbia.

A letter from the President of the Board of Commissioners of the District of Columbia, transmitting, pursuant to law, copies of reports of every institution, organization, corporation, or association, other than the United States Government, government of the District of Columbia, and foreign governments, owning property exempt under the provisions of law (with accompanying papers); to the Committee on the District of Columbia.

COPIES OF LAWS PASSED BY LEGISLATURE OF HAWAII

A letter from the Governor of the Territory of Hawaii, transmitting, pursuant to law, a copy of the laws passed by the Legislature of the Territory of Hawaii, regular session of 1947 (with accompanying papers); to the Committee on Public Lands.

PETITIONS

Petitions, etc., were laid before the Senate by the President pro tempore and referred as indicated:

A resolution adopted by the National Fourth (Ivy) Division Association, Veterans of World Wars I and II, San Francisco, Calif., favoring the enactment of legislation providing universal military training; to the Committee on Armed Services.

A resolution adopted by the executive board of the Colorado State Federation of Labor, in executive session, Denver, Colo., endorsing the work, policies, and plans of the Bureau of Reclamation in its development of the natural resources of the United States; to the Committee on Public Lands.

A resolution adopted by the fifty-third annual convention of the New York State Federation of Women's Clubs, at Rochester, N. Y., relating to atomic energy; to the Joint Committee on Atomic Energy.

RESOLUTIONS REPORTED FROM THE COMMITTEE ON RULES AND ADMINISTRATION

Mr. BROOKS. Mr. President, from the Committee on Rules and Administration I ask unanimous consent to report favorably without amendment and have immediately considered, four short resolutions which were considered and unanimously agreed to by the Rules and Administration Committee. I was requested by the committee to report the resolutions at this session of the Senate.

The PRESIDENT pro tempore. The Chair might inquire of the Senator whether there is anything of a controversial nature involved in any of the resolutions, in view of the general agreement which was had that no controversial matter should be considered today.

Mr. BROOKS. There was no controversy among the members of the committee respecting the resolutions, and I anticipate none on the floor of the Senate.

The PRESIDENT pro tempore. Without objection, the request of the Senator from Illinois is granted.

FUNERAL EXPENSES OF THE LATE SENATOR BILBO

Mr. BROOKS. From the Committee on Rules and Administration, I report favorably Senate Resolution 166, and ask for its immediate consideration.

There being no objection, the resolution (S. Res. 166) submitted by Mr. EASTLAND on November 20, 1947, was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed by the President pro tempore in arranging for and attending the funeral of Hon. Theodore G. Bilbo, late a Senator from the State of Mississippi, on vouchers to be approved by the Committee on Rules and Administration.

MAZIE KNOX BETTINGHAUS

Mr. BROOKS. From the Committee on Rules and Administration, I report favorably Senate Resolution 173, and ask for its immediate consideration.

There being no objection, the resolution (S. Res. 173) submitted by Mr. BROOKS on December 4, 1947, was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Mazie Knox Bettinghaus, widow of Harry W. Bettinghaus, late an employee of the Senate, a sum equal to 6 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

PRINTING OF COMPILATION ENTITLED "THE EUROPEAN RECOVERY PROGRAM—BASIC DOCUMENTS AND BACKGROUND INFORMATION"

Mr. BROOKS. From the Committee on Rules and Administration, I report favorably Senate Resolution 167, and ask for its immediate consideration.

There being no objection, the resolution (S. Res. 167) submitted by Mr. VANDENBERG on November 20, 1947, was considered and agreed to, as follows:

Resolved, That the compilation entitled "The European Recovery Program—Basic Documents and Background Information," prepared by the staffs of Senate Foreign Relations Committee and House Foreign Affairs Committee, be printed, with illustrations, as a Senate document and that 1,000 additional copies be printed for the use of the Committee on Foreign Relations of the Senate.

ADDITIONAL EXPENDITURES BY COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. BROOKS. From the Committee on Rules and Administration, I report favorably Senate Resolution 172, and ask for its immediate consideration.

There being no objection, the resolution (S. Res. 172), submitted by Mr. TAFT on November 28, 1947, was considered and agreed to, as follows:

Resolved, That the Committee on Labor and Public Welfare is hereby authorized to expend from the contingent fund of the Senate, during the Eightieth Congress, $8,000 in addition to the amount, and for the same purposes, specified in section 134 (a) of the Legislative Reorganization Act approved August 2, 1946.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. LANGER, from the Committee on Civil Service:

Jesse M. Donaldson, of Illinois, to be Postmaster General; and

Paul Aiken, of Kansas, to be Second Assistant Postmaster General.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and by unanimous consent, the second time, and referred as follows:

By Mr. LANGER (for himself and Mr. CHAVEZ):

S. 1848. A bill to increase the rates of compensation of employees of the Government; and

S. 1849. A bill to adjust compensation for postmasters and employees of the postal service; to the Committee on Civil Service.

By Mr. WHITE (by request):

S. 1850. A bill to redefine the units and establish the standards of electrical and photometric measurements;

S. 1851. A bill to provide basic authority for certain functions and activities of the Weather Bureau, and for other purposes;

S. 1852. A bill to provide for the acceptance and use of funds for support of the national weather service supplementing the funds appropriated for the operation of the Weather Bureau of the Department of Commerce;

S. 1853. A bill to authorize the Coast Guard to establish, maintain, and operate aids to navigation;

S. 1854 A bill to provide basic authority for the performance of certain functions and activities of the Department of Commerce, and for other purposes; and

S. 1855. A bill to allow service credit for certain enlisted men of the Coast Guard who acted as policemen and guards at the Ivigtut Cryolite Mine, Greenland, during 1940 and 1941; to the Committee on Interstate and Foreign Commerce.

By Mr. SALTONSTALL (for himself, Mr. LODGE, Mr. MILLIKIN, Mr. JOHNSON of Colorado, Mr. CAIN, and Mr. MAGNUSON):

S. 1856. A bill to provide for the utilization as national cemeteries of surplus Army Department-owned military real property at Fort Devens, Mass.; Fort Logan, Colo.; and Fort Lewis, Wash.; to the Committee on Public Lands.

By Mr. HOLLAND (for himself and Mr. PEPPER):

S. 1857. A bill to ratify and confirm amendments to certain contracts for the furnishing of petroleum products to the United States; to the Committee on Banking and Currency.

(Mr. BRIDGES introduced Senate Joint Resolution 163, to provide for reciprocity between the United States and Soviet Russia in the matter of the issuance of visas, and for other purposes, which was referred to the Committee on Foreign Relations, and appears under a separate heading.)

VISA ARRANGEMENTS BETWEEN THE UNITED STATES AND RUSSIA

Mr. BRIDGES. Mr. President, I ask unanimous consent to introduce for appropriate reference a joint resolution to provide for reciprocity between the United States and Soviet Russia in the matter of the issuance of visas, and for other purposes. I think the joint resolution is very timely, and I hope the distinguished chairman of the Foreign Relations Committee may give it an early hearing, after the first of the year.

There being no objection, the joint resolution (S. J. Res. 163) to provide for reciprocity between the United States and Soviet Russia in the matter of the issuance of visas, and for other purposes, introduced by Mr. BRIDGES, was received, read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Resolved, etc., That the Secretary of State shall take immediate action to cancel such visas and take such other necessary steps so that from and after the thirtieth day following the date of enactment of this joint resolution the number of nationals, accredited officials (and their staffs), and citizens of Soviet Russia residing in or visiting the United States shall not exceed, respectively, the number of nationals, accredited officials (and their staffs), and citizens of the United States residing in or visiting Soviet Russia; and the Secretary of State shall take similar action with respect to any country which the President determines to be controlled or dominated by Soviet Russia.

SEC. 2. Notwithstanding any other provision of law, the President shall cause to be instituted such policies, and shall cause the appropriate officers and agencies of the United States to take such action, with regard to the granting of visas, the accrediting of Government officials and their staffs, and deportations, as may be necessary to carry out the provisions of section 1 and to effect complete and continuing reciprocity in kind and numbers between the United States and Soviet Russia and between the United States and each country which the President determines to be controlled or dominated by Soviet Russia, with respect to immigration matters, including continuing reciprocity in treatment, courtesies, and privileges after admission into the respective countries.

SEC. 3. As used in this joint resolution—

(a) The terms "citizens of Soviet Russia" and "citizens of any country which the President determines to be controlled or dominated by Soviet Russia" shall not apply to any person who (1) entered the United States on an immigration visa prior to December 7, 1941; (2) has continuously resided in the United States since such entry; and (3) in the opinion of the Director of the Federal Bureau of Investigation, which opinion shall be based on full and complete investigation, is not an agent of Soviet Russia or of any country which the President has determined to be controlled or dominated by Soviet Russia.

(b) The term "United States" shall include the several States and Territories, the District of Columbia, the Canal Zone, and the insular possessions of the United States.

HOUSE BILL REFERRED

The bill (H. R. 4627) to authorize an appropriation for the immediate relief of the Navajo and Hopi Indians, and for other purposes, was read twice by its title and referred to the Committee on Public Lands.

REPORT TO THE PEOPLE, PART 4—ADDRESS BY SENATOR O'DANIEL

[Mr. O'DANIEL asked and obtained leave to have printed in the RECORD a radio address constituting his fourth report to the people, broadcast on September 25, 1947, which appears in the Appendix.]

RENTALS CHARGED BY THE GOVERNMENT

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD a letter addressed by him to Senator GURNEY, under date of December 10, 1947, relative to rentals charged by the Government for certain housing facilities, which appears in the Appendix.]

THE REAL STRUGGLE: THE BATTLE OF IDEAS—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address entitled "The Real Struggle: The Battle of Ideas," delivered by him before the Association of Oldest Inhabitants of the District of Columbia, December 9, 1947, which appears in the Appendix.]

ECONOMY IN GOVERNMENT—ARTICLE BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an article entitled "Economy in Government," published in the November 22, 1947, issue of the magazine, Commercial West, which appears in the Appendix.]

THE ATOMIC-ENERGY ISSUE IN THE UNITED NATIONS—ADDRESS BY WARREN R. AUSTIN

[Mr. BYRD asked and obtained leave to have printed in the RECORD an address on the subject, "The Atomic Energy Issue in the United Nations," delivered by Hon. Warren R. Austin, before the Public Forum Committee, Richmond Council on Adult Education, Richmond, Va., December 8, 1947, which appears in the Appendix.]

THE CITIZEN IN TODAY'S WORLD—ADDRESS BY DR. MALCOLM W. DAVIS

[Mr. JOHNSTON of South Carolina asked and obtained leave to have printed in the RECORD an address entitled "The Citizen in Today's World," delivered by Dr. Malcolm W. Davis of the Carnegie Foundation for International Peace at the 1947 session of the South Carolina Conference of Social Work, November 5, 1947, which appears in the Appendix.]

AMERICAN RAILROADS—ARTICLE BY ELEANOR ROOSEVELT

[Mr. HOEY asked and obtained leave to have printed in the RECORD an article regarding American railroads, by Mrs. Eleanor Roosevelt, from the New York World-Telegram of December 3, 1947, which appears in the Appendix.]

INFLATION: THE CAUSE AND THE REMEDY—STATEMENT BY J. K. WELLS

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD a statement entitled "Inflation: The Cause and the Remedy" by J. K. Wells, which appears in the Appendix.]

EXPORTATIONS TO RUSSIA—EDITORIAL FROM THE NEW HAMPSHIRE MORNING UNION

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an editorial entitled "An Insane Policy," published in the New Hampshire Morning Union (Manchester, N. H.), of December 1, 1947, which appears in the Appendix.]

NATIONAL SECURITY—ADDRESS BY ALF M. LANDON

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an address on the subject of national security, delivered by Alf M. Landon, on December 9, 1947, before the Kiwanis Club, of Chicago, Ill., which appears in the Appendix.]

RIGHTS OF CERTAIN MINORITIES

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an abstract of A Statement on the Denial of Human Rights to Minorities in the Case of Citizens of Negro Descent in the United States of America, prepared by Dr. W. E. B. DuBois and others,

and presented to the United Nations on October 23, 1947, which appears in the Appendix.]

RECESS TO FRIDAY

Mr. WHITE. Mr. President, in view of the statement by the President pro tempore, I now move that the Senate stand in recess until Friday next at 12 o'clock noon.

The motion was agreed to; and (at 12 o'clock and 17 minutes p. m.), the Senate took a recess until Friday, December 12, 1947, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 10 (legislative day of December 4), 1947:

UNITED STATES MARSHAL

Arthur J. B. Cartier, of Massachusetts, to be United States marshal for the district of Massachusetts, vice J. Henry Goguen, term expired.

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

MEDICAL SERVICE CORPS

To be captain

First Lt. Charles S. Gersoni, Medical Service Corps (temporary lieutenant colonel), with rank from October 27, 1947.

ARMY NURSE CORPS

To be first lieutenants

*Second Lt. Mary Magdalene Matlavage, Army Nurse Corps (temporary first lieutenant), with rank from October 26, 1947.

*Second Lt. June Florence Berryman, Army Nurse Corps (temporary first lieutenant), with rank from October 30, 1947.

Second Lt. Clara Mary Sullivan, Army Nurse Corps (temporary first lieutenant), with rank from November 20, 1947.

Second Lt. Regina Claire O'Donnell, Army Nurse Corps (temporary first lieutenant), with rank from December 1, 1947.

WOMEN'S MEDICAL SPECIALIST CORPS

To be first lieutenant

Second Lt. Myrtle May Bates, Physical Therapist Section, Women's Medical Specialist Corps (temporary first lieutenant), with rank from December 5, 1947.

NOTE.—Those officers whose names are preceded by the symbol (*) were promoted during the recess of the Senate.

IN THE NAVY

Vice Adm. John L. McCrea, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving as Deputy Commander in Chief, Pacific Fleet.

Rear Adm. Arthur C. Miles, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving as Chief of the Material Division, Office of the Under Secretary of the Navy.

IN THE MARINE CORPS

Maj. Gen. Clifton B. Cates to be the Commandant of the Marine Corps with the rank of general for a period of 4 years from the 1st day of January 1948.

Maj. Gen. Thomas E. Watson to have the grade, rank, pay, and allowances of a lieutenant general in the Marine Corps while serving as Commanding General, Fleet Marine Force, Pacific.

IN THE NAVY

The following-named (Naval ROTC) to be ensigns in the Navy:

Charles W. Hallagan, June 4, 1948.
Thomas M. Hopkins, June 4, 1948.
Edward F. Krueger, June 4, 1948.
Joseph J. Paulis, Jr., June 4, 1948.

The following-named (Naval ROTC) to be ensigns in the Supply Corps of the Navy:

Warren W. Barker, June 4, 1948.
George A. Murphy, June 4, 1948.

The following-named (civilian college graduates) to be lieutenants (junior grade) in the Medical Corps of the Navy:

Leon A. Adams
Thomas A. Anderson
Robert J. Audet
Charles E. Bancroft
Paul E. Barber
Jack Barrow
Frederick B Becker
Paul B. Bender
Jack C. Berger
Richard C. Bishop
Walter L. Blackadar, Jr.
Billy R. Blackburn
Russell S. Boles
Murdock S. Bowman
Thomas A. Boyd
Curdon L. Bradt
Byron L. Brown
John B. Bryan
Robert G. Busboom
John L. Butler
Dee W. Call
David B. Carmichael
Herman E. Carr. Jr.
William S. Carter
James P Clarke
Dayton A. A. Cooper
Robert R. Cooper, Jr
Earl E. Correll
John C. Country
Elgin C. Cowart, Jr.
Donald R. Cruse
Alfred O. Davies
Delbert R. Dickson
Milan Diklich, Jr.
David G. Doane
William C. Drennan
Arthur B. Dubois
Merlin K. Duval, Jr.
George S. Ellis
Jerome C. Evanson
Richard S. Farr
John S. Featherston
John C. Filkins
Donald R. Fitch
Gregory E Flynn
Ralph V. Ford
Richard Foulk
Nathaniel E. Fowler
George R. Frempter
Robert E. Fultz
Paul J. Fuzy
Aubrey D. Gantt
Charles R. Gardipee, Jr.
Thomas H. Garth
Albin Gedarovich
Albert B. Giknis
Paul J. Goodwin
Orville M. Graves, Jr.
James W. Greer
Donald W. Grimes
Lawrence K. Groves
John S. Guerrant
James R. Hamilton
Paul K. Hamilton, Jr.
Duke E. Hanna
John W. Hanni
Richard H. Hardin
Kenneth L. Hardy
Byron F. Harper, Jr.
Wiley H. Harrison
Edward G. Haskell, Jr.
Earl A. Hathaway
Milford D. Hayden
John S. Hayes
Edwin A. Henck
Ray A. Henn
Carl M. Herbert, Jr.
John T. Hicks, Jr.
Raymond W. Hillyard
Harland V. Hippensteel, Jr.
Robert R. Hirst
Bert J. Hoeflich
Richard F. Hoffman
John W. Hollowell
Alden V. Holmes
Roy W. Holmes
Charles C. Houghton, Jr.
Marion B. Howorth, Jr.
James B. Hutcheson
William Ingram, Jr.
Harry S. Irvine, Jr.
Lyle F. Jacobson
Paul A. Jarand
Alvin C. Jensen
Ralph A. Jessar
Morton Johan
Harold G. Johnson
Lawrence W. Johnson
Robert L. Justice
John A. King
William E. King, Jr.
Lindsay J. Kirkham
Robert J. Kleinhenz
Martin Koeck, III
Donald R Koerner
Walter P. Kosar
Michael J. Langan
William E. Larsen
Thomas B. Lebherz
John R. Lee, Jr.
Harvey L. Lehman, Jr.
Oliver S. Leinart, Jr.
Thomas H. Lewis
Robert H. Lister
Richard E. Luehrs
Dennis P. McCarthy
Francis C. McMains
Charles D. McMillan
Dan C. McNamara
Gordon B. Magill
Joseph K. Maloy
Isaac V. Manly
James H. Manly, Jr.
"C" "L" Manning, Jr.
Francis Marshall
Allen L. Miller
Lewis C. Mills
William D. Misbach
Charles W. Moffett
Robert P. Moore
James F. Morrell
Samuel L. Moschella
Thomas J. Murphy
Lincoln D. Nelson
Claude R. Nichols, Jr.
Donald J. Nollet
Leon L. North
Robert W. O'Brien
Donald O'Hanian
James S. O'Hare
Jack S. Oney
Joseph Oshman
William C. Owsley
William F. Park
William T. Patton
Donald F. Percy
Samuel R. Penn
James C. Peterson
Charles A. S. Phillips
Leonard V. Phillips
William H. Plesscher
John R. Pollock, Jr.
Jack W. Pou
James M. Poynter
Lyle H. Prenzler
Elmer M. Purcell, Jr.
John W. Reece
Walter D. Reese
Robert N. Reynolds
Stanley T. Robinson
Matthew P. Romeo
Robert C. Rossberg
Albert G. Rowe
Paul W. Scanlon
Peter W. Schneider
Morgan E. Scott
Martin A. Seidell
Robert R Sexton
Edwin P. Shanks
Daniel M Shook
Harrison "H" Shoulders, Jr.
Thomas A. Sinclair
Ronald B. Slater
Edward M. Smith, Jr.
Jullien L. Smith
David J Stahl
Carl C. Stanford
Marshall K. Steele, Jr.
Marshall P. Stonestreet
Fred Sutliff
John E. Sweeney
Richard E. Symmonds
Lloyd McC. Taylor
George V. Teter, Jr.
George W. Thoma, Jr.
Clayton L. Thomas
Edwin M. Tomlin
Willard W. Tornow
Lockland V. Tyler, Jr.
Frank H. Voelz
John S. Walker
Herbert L. Walter
Stephen H. Ware, Jr.
Charles J. Watkins
Alan D. Watson
Lorrain E. Watters
Robert N. Webster.
John P Welborn
Peter F. Wells, II
John F. Wetegrove
James E. Whiteside
Frederick G. F. Wiegand
Harry K. Wieman
Stewart A. Wilber
Chester A. Williams, Jr.
Robert G. W. Williams, Jr.
James "K" VanA. Willson
Frank W Winters
Edwin P. Woodward
Wayne "L" Wright, Jr.
Louis C. Zang
Edwin R. Zartman
George G. Zorn, Jr.

Robert F. Hause (civilian college graduate to be ensign in the Civil Engineer Corps of the Navy

The following-named (civilian college graduates) to be lieutenants (junior grade) in the Civil Engineer Corps of the Navy:

James E. Delehanty, Jr.
Albert W. Draves, Jr.
William A. Mueller
Francis B. Peacock
Robert T. Sinnott
Charles L. Souder

The following-named (civilian college graduates) to be lieutenants (junior grade) in the Dental Corps of the Navy:

Richard M. Batchelder
Theodore M. Behrman
Gordon G. Bennett
Lambert A. Benson
Paul W. Boudreaux
Floyd G. Dixon
Floyd G. Evans
Edward S. Flynn
Spencer A. Gedestad
Charles E. Gleason
Frank E. Grogman
Melvin L. Hermsmeyer
Everard F. Jones
Frank J. Kratochvil, Jr.
Donald E. Parry
James H. Snyder
Meyers Thornton
George Ulrich
Curtis J. Vague
John R. Waggner
Harvey P. Webre
Howard T. Williamson

The following-named to be ensigns in the Nurse Corps of the Navy:

Mary F. Barrett
Elaine H. Baumann
Bettie L. Beach
Eleanor C. Beste
Anna Birardi
Virginia I. Brown
Ann M. Chamblin
Shirley A. Dobbs
Ethel C. A. Eusenbio
Grace E. Hall
Imogene Hathaway
Annie V. Hopple
Mary E. Howard
Dorothea M. Johnson
Mary L. Kleckner
Floy G. Mangold
Ruby L. Morden
Lola M. Paulie
Wanda E. Pizorka
Marie Poljanac
Mary M. Rhodes
Annette Rutkosky
Nellie J. Smoogen
Alice M. Taraskas
Irene D. Walker

HOUSE OF REPRESENTATIVES

WEDNESDAY, DECEMBER 10, 1947

The House met at 11 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Father Almighty, Thou who art light eternal, shine upon us with that radiance that leads us through the depths of our understanding. Forgive our weakness and our follies and give us the secret of overcoming all things that

baffle and bewilder us. Grant that the lesser lures of today may cease to hold us and that in Thy sight we may find that goal toward which humankind is ever striving. Day by day draw us into the bonds of a blessed friendship, for no one can call Thee Father without having man as brother.

Bless our honored and beloved Speaker and all others upon whom an expectant Republic has placed great responsibilities. In all things help us to "fear God and keep His commandments, for this is the whole duty of man." In the name of our Redeemer we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

SPECIAL ORDER GRANTED

Mr. JAVITS. Mr. Speaker, I ask unanimous consent that on tomorrow, after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. O'HARA asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. SUNDSTROM asked and was given permission to extend his remarks in the RECORD in two instances, in one to include a progress report to members of the Joint Committee on Housing from the Honorable RALPH A. GAMBLE, chairman, delivered at a dinner meeting on December 8, and the other to include a letter from Mr. Thomas F. Flanagan, publicity director of the New Jersey Affiliated Postal Employees Legislative Committee.

THE FUEL-OIL SITUATION IN THE NORTHWEST

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include an article from a newspaper.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Speaker, the headline in a St. Paul newspaper this morning states: "Fuel-oil rationing studied as crisis gains in Northwest." Many Members here yesterday did not know the serious situation that prevails today in the Northwest when they refused to vote for my amendment which would have prohibited the exportation of petroleum products from this Nation. Our own people, my friends, are going to go cold this winter unless something very drastic is done about the matter.

Mr. O'HARA. Mr. Speaker, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Minnesota.

Mr. O'HARA. I noticed in the press last night that the weather up there is between 20° and 30° below zero.

Mr. H. CARL ANDERSEN. It is between 20 and 30 below in the northern part of Minnesota, and 500 homes in that one particular town that I referred to yesterday have been absolutely without fuel oil. That condition has prevailed for several days and will become worse unless Congress acts speedily.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Georgia.

Mr. PACE. If food is the keynote to recovery in Europe, as stated by the authorities, how is it estimated that the farmers can produce this food unless they have the necessary farm machinery and materials to do it with?

Mr. H. CARL ANDERSEN. They cannot. The gentleman is absolutely right.

The article I refer to is as follows:

FUEL OIL RATIONING STUDIED AS CRISIS GAINS IN NORTHWEST—SHORTAGE BECOMES CRITICAL

(By Gareth Hiebert)

Rationing of fuel oil to Northwest consumers is definitely being considered to keep many people from being cold this winter, it was revealed Sunday night by H. F. Horning, of Minneapolis, executive secretary of the Northwest Petroleum Association.

"The critical shortage in International Falls over the week end should serve as good warning to other communities that unless people learn to conserve fuel oil this incident will be repeated many times over before spring," he declared.

Horning said it has been the hope of the oil industry that consumers could be supplied without enforced rationing.

NATION-WIDE RATIONING

"That hope is rapidly dwindling and some quarters feel that rationing is the only way to keep people from being cold," he added.

Meanwhile, it was learned from another source that a master rationing plan already has been set up in Washington by Government and oil industry officials for the entire Nation. This would include gasoline.

The same source said it was the consensus that all other forms of conservation should be tried first, however.

In this respect Horning said he does not know exactly what happened in International Falls, but added that even if the shortage resulted from something not directly connected with the general shortage throughout the Northwest it was still a symptom of a serious situation.

"Home owners will have to shut down their thermostats, close off unused rooms, if they want to stay warm this year," the secretary said.

He pointed out that there just isn't enough fuel oil to sell and people have got to realize that now while there may still be time.

The shortage stems from the fact that demand since the end of the war has far surpassed the construction of tank cars, pipe lines, and refining equipment.

One petroleum industry official estimated Sunday night that for every two new tank cars put into operation one is wearing out.

EXTENSION OF REMARKS

Mr. AUGUST H. ANDRESEN asked and was given permission to revise and extend the remarks he intends to make in Committee of the Whole today and include therein certain extraneous matter.

Mr. THOMAS of New Jersey asked and was given permission to extend his remarks in the RECORD in connection with the Josephson case in the circuit court of appeals and include an article which appeared in the New York Times this morning.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. BECKWORTH asked and was given permission to extend his remarks in the RECORD.

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. FOOTE asked and was given permission to extend his remarks in the RECORD and include an article by his colleague the gentleman from Connecticut [Mr. LODGE] which appeared in the Bridgeport Life of December 7, entitled "Eliminate Juvenile Delinquency."

CALL OF THE HOUSE

Mr. O'HARA. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. ARENDS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 142]

Bell	Hinshaw	Reed, Ill.
Brooks	Jackson, Wash.	Reed, N. Y.
Buckley	Keogh	Sabath
Clements	Kersten	Sadowski
Cooper	Landis	Shafer
Coudert	McDonough	Sheppard
Davis, Tenn.	Meade, Ky.	Smathers
Dawson, Ill.	Morrison, La.	Smith, Ohio
Gearhart	Nicholson	Somers
Harris	O'Toole	Trimble
Hart	Owens	Vail
Hartley	Powell	West
Havenner	Price, Fla.	Wood
Hendricks	Rabin	Zimmerman

The SPEAKER. On this roll call 386 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. HORAN asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks in the RECORD and include an address delivered before an Ohio Republican audience in Columbus, Ohio, by Frank Gannett.

Mr. McGARVEY asked and was given permission to extend his remarks in the RECORD and include an article on anti-inflation by J. A. Livingston, economist.

Mr. WEICHEL asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. BAKEWELL asked and was given permission to extend his remarks in the RECORD and include a resolution.

Mr. GILLIE asked and was given permission to extend his remarks in the RECORD and include a report and recommendations of the subcommittee on the foot-and-mouth-disease program.

Mr. TIBBOTT asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. PHILBIN asked and was given permission to extend his remarks in the

RECORD and include two newspaper articles.

Mr. CHELF asked and was given permission to extend his remarks in the RECORD and include two letters.

Mr. BRYSON asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mrs. DOUGLAS asked and was given permission to extend her remarks in the RECORD in five instances and include in each extraneous matter.

Mr. LARCADE asked and was given permission to extend his remarks in the RECORD in five instances and include in each newspaper articles.

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the St. Louis Post-Dispatch.

Mr. RAINS asked and was given permission to extend his remarks in the RECORD in two instances, to include in one an editorial and in the other an address delivered by Senator SPARKMAN.

Mr. KEFAUVER asked and was given permission to extend his remarks in the RECORD in two instances, to include in one an editorial and in the other an address he recently delivered.

Mr. STEVENSON asked and was given permission to extend his remarks in the RECORD and include two letters from constituents

Mr. BREHM asked and was granted permission to extend his remarks in the Appendix of the RECORD.

SPECIAL ORDER GRANTED

Mr. SIKES. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

INTERIM AID BILL, 1947

Mr. VORYS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 4604) to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 4604, with Mr. MICHENER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the Clerk had read through section 5 of the bill.

Are there further amendments to section 5?

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. AUGUST H. ANDRESEN: Page 6, line 18, strike out the period and insert a semicolon; and after line 18 insert the following indented paragraph:

"(k) to insure that, notwithstanding any other provision of this act, the following conditions are fulfilled in the case of food made available to Austria, France, and Italy, under the authority of this act: (1) Not more than 33⅓ percent of such food shall be sold; (2) the proceeds from such sales, or as much as is required, shall be used only for paying local expenses of processing and distributing food made available under the authority of this act; and (3) all food made available to it under the authority of this act which is not sold shall be distributed among needy persons in low-income groups in such countries, without cost to such persons, except the surrender of coupons for rationed food, through the Red Cross and through such other relief, charitable, and church organizations as may be approved by the field administrator referred to in section 10 of this act."

Mr. VORYS. Mr. Chairman, I make the point of order against the amendment that it is not germane to the bill H. R. 4604, which, as its title indicates, is "to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries." The entire structure of the bill provides for aid furnished by this Government to governments of other countries. The section of the bill in question, section 5, provides for agreements that the recipient countries are required to make before any of the aid is supplied. This amendment would provide a new subsection, subsection (K), by which the foreign country is not only required to insure the distribution of the bulk of the products through private organizations selected by an American representative, but each of the foreign countries is required to make an undertaking that the other countries insure that these private organizations selected by the American representative carry out the distribution. Therefore, the purpose of the amendment is foreign to this entire bill and is not germane.

Mr. RANKIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RANKIN. Is it not a fact that all points of order were waived under the rule?

The CHAIRMAN. Points of order were waived against the bill as it was reported by the Committee on Foreign Affairs. The rule, therefore, is applicable only to those provisions appearing in the bill as reported and not against amendments proposed on the floor.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, may I be heard on the point of order?

Mr. Chairman, I am very much surprised at the acting chairman of the committee raising a point of order against this humane amendment which I have offered to the bill. In my opinion, the title of the bill is a rather far-fetched reason for claiming that this amendment is not germane to the provisions of the bill. The title of the bill reads as follows:

To promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries.

The country was told that this special session of Congress was called to deal with a crisis, particularly in France and Italy. It was stated by administration officials and others that the need for this food was causing a crisis in those countries and that Congress had to legislate to give food to starving and hungry people of those countries.

Section 2 of the bill provides as follows:

It is the purpose of this act to provide immediate aid urgently needed by the peoples of Austria, China, France, and Italy, hereinafter referred to as the recipient countries—

For what?—

to alleviate conditions of hunger and cold and prevent serious economic retrogression which would jeopardize any general economic recovery program based on self-help and cooperation.

I call the particular attention of the Chairman to the fact that this deals with food and hungry people, and this legislation has at least as one of its objectives providing food for hungry people in addition to providing raw materials and other commodities to prevent economic retrogression in particular countries that are to be the recipients of the beneficence of the American people.

Referring in particular to section 5, to which my amendment is offered, I call the attention of the Chairman that it relates to the distribution of commodities. I quote from the section:

Before any commodities—

And that means food, Mr. Chairman—

Before any commodities or credits are made available to any recipient country under the authority of this act, an agreement shall be entered into, subject to the limitations and provisions of this act, between such country and the United States containing an undertaking by such country—

What kind of an undertaking?—

to make efficient use of any commodities—

And that is food, and there are $281,000,000 worth of it in this bill—

to make efficient use of any commodities made available under the authority of this act and to take insofar as possible the economic measures necessary to increase its ability to achieve a self-sustaining economy.

Then subparagraph (b) reads:

That when such commodities—

And here you deal with food again—

made available under the authority of this act are not made available on terms of repayment in dollars—

That is where we are not to be repaid, and I think it is generally conceded that the entire authorization is a gift to the recipient countries, but in cases where arrangements are not made with those recipient countries to repay in dollars—

they shall be made available only upon condition that the government of the recipient country agrees that when it sells such commodities for local currency (1) the amounts of such local currency will be deposited by it in a special account; (2) such account will be used within such country until June 30, 1948, for the purpose of paying local currency expenses of the United States incident to the furnishing of interim aid to such country under this act, and for such other pur-

poses as may be mutually agreed to between such recipient country and the Government of the United States.

Now, if the United States can enter into an agreement with any foreign country to sell commodities at a certain price or to collect the currency of that recipient country and put it into a particular fund and direct that part of it can be spent by the United States in the other country, but the other part can be spent for any other purpose, it seems rather strange that an agreement cannot be entered into between the United States Government and the foreign country that they will have to disburse the food in a certain manner, to people who are, as section 2 states, hungry, and who are, in my opinion, in some cases, starving because of the inability to secure food through the regular and normal channels of trade or through the black market.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. Yes; I yield.

Mr. RANKIN. In other words, this is a limitation and, in my opinion, is clearly in order.

Mr. AUGUST H. ANDRESEN. That is true. It is not only a limitation but it goes further, because it provides that no country is to be the beneficiary of what is provided for in this act unless it enters into an agreement with the United States Government to make efficient distribution of the food, to take care of hungry people, and to provide for the spending of the money that the government collects when it sells the food to their people.

Subparagraph (c) of the bill on page 5 provides: "To give full and continuous publicity by all available media" about what is done with the food; the source and the character and the amount of commodities made available under authority of this act.

Subparagraph (e): "To make available to its people at reasonable prices, consistent with economic conditions in the recipient country, such commodities as it may sell under the terms of this act." That has to be in the contract between our Government and the government of the recipient country, to make available to its people at reasonable prices, consistent with economic conditions, and that takes care of the low-income groups; but our Government can go so far as to specify what the food should be sold for by the government over there, that is given to them as a gift from the American people.

In subparagraph (f) it states: "To make all possible efforts to secure the maximum production and distribution of locally produced commodities," that is food; and to see to it that the food we send over as a gift is utilized in the proper manner.

Then we have subparagraph (g) that goes to the core of my amendment. You will recall the committee yesterday adopted an amendment relative to incentive goods. Incentive goods was the luxury item that was provided so that our Government could make arrangements with those foreign governments to give away luxury items to people as an incentive to do more work and produce more food.

The Government today can enter into agreements to give away those luxury or incentive goods to workers in the respective countries for nothing if they so desire without any further authorization in order to get those people to do more work. It seems to me it is very clear that if the Government can employ methods and means to distribute luxury goods in France, Italy, and Austria, they surely have the power to state how the food can be distributed to the people who do not have the money with which to buy it.

My amendment, Mr. Chairman, proposes that two-thirds of the food that is provided by this bill for France, Italy, and Austria, to be distributed by the Red Cross and the charitable organizations in those countries selected by the Commissioner provided in section 10 of this act to administer the provisions of the bill. It would be rather difficult for me to figure out in any manner how the point of order could be sustained when it is so clearly pointed out within the paragraphs of section 5 of the bill and the general intent of the act, and this amendment be held to be not germane, for the reason that our Government has no power to direct how the food is to be distributed within the respective countries. With this argument, Mr. Chairman, I submit the case to the ruling of the Chair.

Mr. VORYS. If I may be permitted a word further, Mr. Chairman.

The CHAIRMAN. The Chair wants light.

Mr. VORYS. The gentleman from Minnesota has discussed the merits of his amendment on the point of order and it is quite possible that some persons might think this is a good way to distribute charity in foreign countries.

The point I am making is that this system of distribution through private organizations selected by one American citizen in foreign countries is not germane to this bill but is utterly foreign. Let me call the attention of the Chair to the fact that this amendment further requires each recipient country in its individual agreement—and I quote:

(k) To insure that notwithstanding any other provision of this act the following conditions are observed in the case of food made available to Austria, France, and Italy under the authority of this act.

So that under this amendment if adopted—and we have to consider that if it is germane it may be part of the bill—under this amendment if the President finds under section 6 of the bill that Austria or France was not having private organizations distribute food he would then be required to terminate relief to Italy, because each of the countries which is to be a recipient has to make an agreement as to other countries under this subsection (k) as amended.

Let me point out further that if this amendment is held to be germane, then amendments to the amendment would, of course, be germane, and amendments which would attempt to specify other organizations than the Red Cross would then be in order. It would then be perfectly germane for this House to consider amendments to the effect that instead of leaving the selection of these relief, charitable, and church organizations to the administrator the House would attempt to specify and would say, for instance, that the Daughters of I Will Arise, this church, that church—for instance, my church, the Methodist Church, should be the exclusive distributing agent, or some other church, or that the Jewish synagogues should be the only means of distributing the relief.

The consideration of what this amendment would make germane from now on if it in itself is germane to this legislation shows that it has nothing to do with the bill which provides for, as the title says, aid to certain foreign countries, a bill wholly concerned with action by governments.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, may I add a word?

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, the chairman of the committee in charge of this bill was very unkind when he stated I was trying to argue the merits of the amendment.

The CHAIRMAN. The Chair is not interested in the merits of the amendment at this time.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I have tried to keep away from the merits of the amendment and discuss only the purpose of it and also to show that it is germane to this bill.

I would like to call the attention of the Chair to the authority contained in section 10 of the bill. Section 10 states:

In accordance with the direction of the President, the responsibility for administering in the recipient countries the program of assistance provided for in this act shall be vested in the field administrator of the United States foreign-relief program appointed pursuant to section 4 of the joint resolution of May 31, 1947.

Then it goes on to say:

The field administrator may, when he finds it essential to the purposes of this act, utilize for observation the services of a limited number of other persons, who shall be investigated and approved by the field administrator.

Mr. Chairman, the purpose of the field administrator provided in this act is to supervise the program. It is up to him to see that the program for the distribution of food is carried out in accordance with the agreement entered into between the Government of the United States and the governments of these recipient countries. That field administrator will not only work in Italy or France or Austria, but he will have staffs in each country. We already have a staff in Italy that is supervising the relief program and seeing to the proper distribution of food.

I also wish to call the attention of the Chair to the reference made in the selection of the Red Cross or some other organization, as contained in my amendment. It is up to the Administrator to approve the agency. The reason that was put in the amendment was because we wanted to get a reliable agency. It is quite possible that the Methodist Church, to which the gentleman belongs,

is the only reliable agency; it may be that the Friends Society is the only reliable agency; it may be that the Red Cross will not be able to carry on the program; but certainly giving discretionary power to the representative of the United States Government, the Administrator appointed by the President to look after this program, will put us in a position to select a competent charitable or church organization, or several of them, to dispense this relief as provided in my amendment to the hungry people, and in that part of the bill at least that is brought here before the House for consideration.

Mr. MORRIS. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Oklahoma.

Mr. MORRIS. Does the gentleman agree with me that section 2, on page 1 of the bill, which reads as follows: "It is the purpose of this act to provide immediate aid urgently needed by the peoples of Austria, China, France, and Italy, hereinafter referred to as the recipient countries" defines the word "countries" in the title of the bill, and the word "countries" as used in the title of the bill means the peoples of those countries, *according to the definition of the bill* itself?

Mr. AUGUST H. ANDRESEN. The gentleman is quite right. The bill speaks for itself. The countries themselves, I may say, are not hungry; it is the people within the countries who are hungry and who need the food.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Mississippi.

Mr. RANKIN. I call attention to the fact that the National Red Cross is chartered by the Government of the United States, and we have relied on it. It is a pity that we did not rely on it to distribute UNRRA funds. I think many of the Christian women and children who died in Europe would not have starved if we had done so. But, again I call attention to the fact that there is not one of these governments that we have any assurance will last 60 days. They can change governments overnight in Austria, in France, or in Italy. Now, suppose we should find one of those countries in the hands of a Communist government. Are we going to shut the door in the face of the Red Cross, a nationally chartered organization, and say, "You must give this money to the head of that government that is dedicated to the destruction of this Government?" So, I say the gentleman's amendment is clearly in order; it is a limitation. It is certainly germane to the bill, and complies with the Holman rule, which is the rule the gentleman from Ohio attempts to quote.

Mr. AUGUST H. ANDRESEN. I thank the gentleman.

Mr. VORYS. Mr. Chairman, one more point. The gentleman mentioned the discretionary power which the field administrator might have. Under this amendment, the field administrator has no discretion as to whether two-thirds of this shall be distributed through private organizations, because the amendment provides that two-thirds of this "shall be distributed through the Red Cross and such other relief organizations," so that the type of distribution under this amendment is not discretionary. It is mandatory that it shall be through private nongovernmental organizations.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, on that point subsection (b), on page 4, states:

> That when commodities made available under the authority of this act are not made available on terms of repayment in dollars, they shall be made available only upon condition that the Government of the recipient country agrees that when it sells such commodities for local currency—

It shall do so and so. Here the bill specifies how the Government shall deal with it. It states there "when it sells." Now, it can distribute in some other manner which I am trying to provide in my amendment, but it states there that when it sells it for local currency, that local currency is to be used in a certain manner. So I do not feel that the gentleman's last point is well taken or any of the other points, as far as that is concerned.

The CHAIRMAN. As the House must realize, this is a very difficult question to rule on. It is one of those things where one's sentiments and feelings might dictate other action than one in strict conformity to the rules of the House and the interpretation of those rules, that is, the precedents.

Reference has been made to the Holman rule. That applies, of course, to general appropriation bills, and has no reference here.

This is a bill to provide relief for specified foreign countries. A specific method is provided for administering that relief. That method proposed requires an agreement between the governments involved. The bill provides that the recipient governments must administer the relief in their respective jurisdictions.

Section 5, the section which is attempted to be amended, reads:

> Before any commodities or credits are made available to any recipient country under the authority of this act, an agreement shall be entered into, subject to the limitations and provisions of this act, between such country and the United States containing an undertaking by such country—

To do certain things. The gentleman from Minnesota has read paragraphs (a), (b), (c), (d), (e), (f), (g), (h), (i), and (j) of section 5. His amendment adds another subsection, (k), and creates a new plan of distribution, including participation by the Red Cross. Is this amendment germane to this section under the rules and precedents of the House? Part of the amendment undoubtedly is germane, but the amendment goes further and provides for distribution in a method and a manner not contemplated in section 5 or in the bill. The Red Cross is designated in the amendment as a proper agency to distribute the aid. The personal view of the Chair is that he would like to see the Red Cross in the picture, were it practical or possible. However, legislation must be formulated pursuant to the rules of the House. The fact that the Red Cross is chartered by the Government has no more effect here than if it were any other organization or corporation that is chartered by the Government.

At the request of the Chair, the very capable Parliamentarian has presented the applicable precedents. The first precedent to which the attention of the Chair has been called is section 2954 of Cannon's Precedents, where a point of order was made against a similar amendment. The syllabus of that section reads as follows:

> To a provision authorizing distribution through the Red Cross an amendment providing for distribution through the Salvation Army was held not germane.

The ruling was made on a point of order made by Mr. Marvin Jones, then a Member of Congress and now chief justice of the United States Court of Claims. The precedents continue:

> On March 3, 1932, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (S. J. Res. 110), authorizing the distribution of Government wheat by the American Red Cross for the relief of distress.

The Chair will not read further. In short, the Chairman held that in a relief bill, as in the bill now before the Committee, an amendment authorizing that the wheat be distributed to the needy through the Salvation Army or any agency, other than the one provided in the bill, was not germane.

The same point of order was again before the House and on a kindred amendment, in the consideration of House Joint Resolution 266, during the Seventy-ninth Congress. That was another foreign relief bill, and is precedent pertinent to the instant case.

At that time the gentleman from Mississippi [Mr. RANKIN], who has also spoken today, offered an amendment, the purpose of which was to change the method of distribution and provide that the Red Cross perform a function in the distribution of the relief. The eminent parliamentary authority, the gentleman from Missouri, the compiler of Cannon's Precedents, made a point of order that the amendment was not germane. To this point of order the gentleman from Mississippi replied in part:

> Mr. Chairman, * * * I want to send the Red Cross to feed these people instead of sending an aggregation of bureaucrats to exploit people all over the world.

In sustaining the point of order the Chairman said:

> The effect of the amendment offered by the gentleman from Mississippi [Mr. RANKIN] would be to substitute the American Red Cross for the organization that is provided for in House Joint Resolution 266 * * *. The Chair believes the amendment is not germane and consequently sustains the point of order.

The present occupant of the Chair feels constrained to adhere to these established precedents. Therefore, the point of order is sustained.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to proceed for 10 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN]?

Mr. VORYS. Reserving the right to object, Mr. Chairman, and I shall not

object because I told the gentleman last night I would make no objection to his request for an extension of time. But I do want to serve notice that, in accordance with the statement of the leadership yesterday afternoon, we have got to finish this bill, and the committee will be disposed to object to long extension of time from now on.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN]?

There was no objection.

Mr. BREHM. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield

Mr. BREHM. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BREHM. Mr. Chairman, isolationism died forever in the middle of the Atlantic Ocean when Mr. Churchill apparently induced Mr. Roosevelt that America should again hop into Europe's war a second time.

Anyone who brands as isolationists, those of us who are simply attempting to keep our own economy sound, in order that we might lead the world to a better day, is simply trying to confuse the issue. We, as a Nation, are too warm-hearted, and I may say gullible, for anyone to brand us as isolationists and make it stick.

No one is more willing to share his goods with hungry destitute friendly people than I am. However, when magnified relief needs are used to camouflage the real purpose of perpetuating a political party in power, as well as the granting of military loans, and I am asked to swallow it under the guise of helping cold, hungry, and homeless people, then that is laying it on just a little too thick.

I refuse to subject those whom I am honestly and conscientiously trying to represent to further and continued hardships of high taxes and high prices under the false premise that it is necessary to win the peace, when I am convinced that it is the highway to war.

No one has yet explained to me how we intend to defeat communism if this administration continues to send supplies and materials to the breeding ground of communism. This will only increase its potency for begetting a more powerful war machine.

It has been reportedly stated that Russia could take over the whole of Europe within 24 hours, and also that Russia and her satellites have over 5,000,000 men under arms who could move at a moment's notice. Now if that be true then I wish someone would explain how the passage of this bill or any bill proposing any method short of total war, might deter Russia from moving, providing she decided so to do.

Anyone who is so naive as to believe that the so-called Marshall plan or plans will destroy communism is ignoring historical facts. Communism can only be uprooted and destroyed by righteous indignation and an uprising of the people against it. If we are going to lull nations to sleep on the false premise that by sending American dollars and American relief supplies to their country, communism will be destroyed, then they will deliberately sit back and wait for it to happen. Only when they know that their salvation and the salvation of their country depends upon their taking action, will they act, just as France is now acting to throw out the Communists.

If one is sincere he does not choke a person with one hand and attempt to administer artificial respiration with the other. Either this administration is for or against communism, and it should be consistent and not follow a program of appeasement one time and then later pretend to be tough, just because political expediency seems to indicate that it would be popular at the time.

The nations of Europe which need financial help should be granted that help so far as possible through loans from the World Bank as well as from private sources, rather than out of taxes collected from the American public. They have assets and resources. Let them use this collateral to help themselves.

Mr. Chairman, I feel that if and until a program is offered, the administration of which I know will put food into the stomachs, and clothing on the backs of hungry and cold men, women, and children, as well as bind up the wounds of the afflicted, that I just cannot permanently commit my people to such a nebulous hypothesis.

If the success of our present or any proposed foreign policy requires a regimented and planned economy in America, then it just cannot be an American foreign policy, bipartisan or otherwise.

I cannot help but feel in the final analysis that instead of thanking us for what we have done, that the nations involved will follow the pattern set after World War I, and only condemn us for not having done more. This bill was certainly not drafted with the idea in view of how to win friends and influence people for America.

Mr. Chairman, for these reasons and many more which I could cite, based on experience and bitter disappointment of the past, I just cannot support this program and still keep faith with those who sent me to Congress.

Mr. VORYS. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, this proposal has been disposed of on a point of order as it was the duty of the Chairman to do. But, let me point out a couple of things. The gentleman who has just spoken traveled in Europe and has stated that he saw no signs of starvation, which would be one sign that the relief is being distributed fairly over there. We have here at the Committee desk, and there is in the hearings, evidence that France, Italy, and Austria have relief systems now by which they are distributing fairly to the indigent and to the widows and the orphans. The proposal has been made that the Red Cross should deliver such food. I checked with Mr. Basil O'Connor, the head of the American Red Cross, and he told me yesterday, after taking it up with his staff, that neither the American Red Cross nor the league of National Red Cross Societies of the world nor the International Committee of the Red Cross were equipped to do this. He said it would be impossible for them to do this job in the next 5 months.

Herbert Hoover, who knows something about relief—the greatest expert on this planet on the matter of relief—and who distributed relief after World War I, said what? Distribute it through private organizations? No; through the governments organized over there, such as they were, down to the municipalities. We have the evidence here at this table. Here is what Herbert Hoover said in 1943, in talking about postwar relief:

> Fighting famine is a gigantic economic and governmental operation handled by experts and not welfare work of benevolent handing out food hit or miss to bread lines. There must be no waste, no inefficiency. * * * To do this a large part of the purchase, the overseas transportation, and the distribution must be in the hands of governments.

That was Herbert Hoover, the greatest humanitarian and food expert and relief expert known on this planet. He would be against the proposal which was attempted to be made here today and in favor of the administration provided in the committee bill.

I think we have saved a lot of time by disposing of this amendment on a point of order, and I hope we can go on to another part of the bill. I wanted to point out to the Committee of the Whole that relief is being distributed fairly to poor people under systems in effect in all the countries in Europe to receive aid under the provisions of this bill.

Mr. RICHARDS. Mr. Chairman, I move to strike out the last three words, and ask unanimous consent to proceed for three additional minutes.

Mr. JOHNSON of Oklahoma. Reserving the right to object, Mr. Chairman, it seems to me that all through this whole debate the members of the committee, who are always recognized first under the rules of the House, have spoken on this matter for 4 or 5 days, but they very conscientiously object every time a nonmember of the committee tries to get an additional 3 minutes. The other day quite a colloquy occurred here when the gentleman from Alabama [Mr. JARMAN] was speaking on what the attitude of the committee was. I am going to do this on my own. The rest of the afternoon, if the committee does not give the nonmembers of that committee an additional 3 minutes when they ask for it, I am going to object every time a member of the committee does, because they are talking more than everybody else, anyway.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

Mr. JOHNSON of Oklahoma. I am going to object if someone over here on either side does not tell us what their attitude is. I think that is due us in fairness to the rest of the Members.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

Mr. JOHNSON of Oklahoma. I object, Mr. Chairman.

Mr. RICHARDS. Mr. Chairman, I am a member of the Committee on Foreign Affairs and I have not heretofore

spoken in general debate or in the consideration of this bill under the 5-minute rule, but I cannot sit here and let go without challenge some of the statements made by my good friend the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN]. He ended his remarks just now by saying that he intended to offer another amendment, although that might be ruled out of order, too, to the effect that a picture of the American flag should be placed on every article going abroad.

This bill already provides for full advertisement as to where this aid comes from. In section 7 of the bill it is provided:

All commodities made available under the authority of this act or the containers of such commodities shall, to the extent practicable, be marked, stamped, branded, or labeled in a conspicuous place as legibly, indelibly, and permanently as the nature of such commodities or containers will permit.

That is plain; anybody can understand that.

I do not know whether or not the gentleman from Minnesota is in favor of this bill. He has never said whether or not he is in favor of this bill. All he has said in proposing his Red Cross amendment, which was ruled out of order, is that he is not in favor of the method of distribution. He proposes to turn over about $400,000,000 to the Red Cross and other charitable organizations for distribution, notwithstanding the fact that he and I are agreed, along with other members of the Herter committee who traveled together over there this summer, that the people who receive relief supplies from America should work if they are able to work; yet his proposition is an incentive not to work.

This bill seeks to insure that the people in the recipient countries will work and earn their local currency, and then pay for the supplies we send over there, not in American dollars, but in local currency.

That is not the end of the thing, of course. Whatever you do about permanent relief or the Marshall plan or temporary aid, we should make the money provided in this bill go as far as possible. This bill provides that this money will, in effect, become a revolving fund, and that the United States and the recipient countries, after it has collected its local currency, may get together in an agreement as to what will be done with the proceeds.

The gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] says that the poor people will not get any relief out of this thing. As a matter of fact, not only the working people will get relief, but the people who are unable to work or cannot get work, will get relief because the currency taken in from the sale of these relief commodities by agreement with the recipient countries, may be used to provide direct relief for the unemployed needy. It may even be used to establish a soup kitchen. Who is there to say here, whether he be Democrat or Republican, that an Austrian or Frenchman or an Italian who can work should not work to get this relief? As a matter of fact, everybody knows that one reason why people are not working over there is because there is no incentive to work. There is no incentive to save money when there is no stability of the currency. There is no incentive to work and get a wage when you cannot buy anything with it. Why can you not buy anything with it? Because there is great scarcity there.

This bill not only provides relief for the suffering but it attempts to relieve the scarcity of things that the people must have to live and want to buy. When you relieve the scarcity of goods, you are not only providing temporary relief but you are also starting those countries on the road to recovery by encouraging the people to work and produce.

It would be a great mistake to adopt the dole idea in this bill. It would get us nowhere toward an economically sound Europe.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. AUGUST H. ANDRESEN. Can the gentleman assure us that such a provision will be written into the agreement, that part of this money would be used to help hungry people?

Mr. RICHARDS. I think I can. Twenty percent of the relief money already sent to Europe has been used for that purpose, and the same rules will apply under this bill.

Mr. AUGUST H. ANDRESEN. They should have that written in there so they can take care of these people.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. REDDEN. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. REDDEN: On page 6, after line 18, insert the following section:

"SEC. 6. The President pro tempore of the Senate and the Speaker of the House of Representatives, acting jointly, are authorized, in their discretion, to create such special joint committees of the two Houses as they may deem appropriate for the purpose of observing and advising, in recipient countries, as to the distribution among the people of such countries of commodities made available under the authority of this act, each such committee to consist of three Members of the Senate appointed by the President pro tempore of the Senate, and three Members of the House of Representatives appointed by the Speaker of the House of Representatives. Committees so appointed shall observe and advise on such distribution in recipient countries at such times as may be necessary to keep fully informed, and shall report to the Senate and the House of Representatives, not less frequently than quarterly, on their activities pursuant to this section."

And renumber sections 6 to 17, inclusive, of the bill as section 7 to 18.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that debate on this amendment close in 15 minutes, 10 minutes to be granted to the proponents and 5 minutes for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. COX. Mr. Chairman, I want to be heard on this amendment.

Mr. JOHNSON of Oklahoma. I object, Mr. Chairman; I want to speak on this amendment, too.

Mr. REDDEN. Mr. Chairman, I shall take only a moment or two to explain this amendment, because it needs little explanation.

You probably observe that the authority proposed by this amendment is to authorize the Speaker of the House and the President of the Senate, acting jointly, to appoint a committee of three from each body to investigate and report on conditions in the recipient countries, in the event those two officials of those bodies determine in their discretion that the need has arisen. In other words, if you approve this amendment it still has to be determined by them in their discretion that the necessity exists before it can be done. I do not know that it will be necessary. I am hopeful that it will not be, but I call to your attention this fact, that the individual Members of Congress are going to be held respensible to the people back home for the carrying out of the provisions of this act. Everybody is not for this bill, by any means. I think a majority of the American people are behind it, but there are many just as loyal as some who will vote for it who oppose it. So for that reason there is considerable argument in this country about whether we should pass this legislation at all or not. Frankly, I think we should, not just merely as an act of charity, but based upon an investment in security.

The very fact that this amendment is in the bill, the very fact that the Speaker of the House and the President of the Senate may in their discretion call an investigation of all that has transpired in this matter will, in my opinion, be a deterrent, a warning to those recipient governments that they had better handle it with care. Certainly this amendment can do no harm, and as far as I am concerned I am willing to risk the judgment and discretion of the Speaker of the House and the President of the Senate in any matters in which the interests of America are involved.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. REDDEN. I yield.

Mr. DONDERO. Might not your amendment place the lawmaking or legislative branch of the Government in the executive branch of the Government or the law-enforcing branch of the Government?

Mr. REDDEN. I think not. If that is true, certainly there is plenty of precedent for it right here on the books. I believe it was only last July that this body pased a resolution setting up a committee to go all over Europe, and I understand there were so many went that they had signs "American Hot Dogs" on the stands, so that they would know where to eat.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. REDDEN. I yield.

Mr. HOFFMAN. Do you not remember that we gave one President a revolving fund of a couple of million dollars and there was no accounting? Does not the gentleman think this will be a little discriminatory to put that on the President now?

Mr. REDDEN. Of course, this is not the President. This is the President pro tempore of the Senate and the Speaker who are to appoint this committee.

Mr. HOFFMAN. But they are going to ride herd on the executive branch,

You are putting the legislative branch over the executive branch.

Mr. REDDEN. Well, does the gentleman feel it would be improper for the Members of this body to know of their own investigation and from their own efforts whether this matter has been properly administered?

Mr. HOFFMAN. No. I think we should; but the policy of the administration, as I get it in these committee hearings, is to tell us that it is none of our business how they spend the money after we appropriate it.

Mr. REDDEN. That may be true, but all of us are not bound by the policies of any particular committee.

With that, Mr. Chairman, I hope this amendment will be approved, to authorize the Speaker of the House and the President of the Senate to set up such committees in the event they, in their wisdom and judgment, feel they are necessary.

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. REDDEN] has expired.

Mr. COX. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this is not an effort to weaken the bill. I think the amendment is meritorious and that the committee would be acting wisely in adopting it.

There are a great many of us who entertain misgivings about the bill. We are troubled by the thought that it may not be administered in the manner wished by the Congress. The experience that comes to us from the way relief moneys have heretofore been expended is the basis for our doubts and for our misgivings as regards the administration of the present bill. What is here proposed is that the interest of the Congress be extended to the point of distribution of the fund which is provided. Can any exception be taken to that? Is it wise that Congress should follow through on this proposal? I have heretofore taken a critical attitude as regards visitations that Members of Congress have made abroad. I now entertain the feeling that they are investments made by the Congress that have paid handsome dividends.

I appeal to the membership of the committee to give careful and very sympathetic consideration to the proposal now made because all you are doing is simply setting up a committee in the discretion of the presiding officer of this House and of the other body, which shall observe and report to the agency which is the author of the relief which you propose to carry to the suffering people of other parts of the world.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. COX. I yield.

Mr. RAYBURN. If that were all this agreement did, maybe so, but this amendment states that the Speaker of the House—of course, the author of the amendment has the President pro tempore of the Senate in ahead of the Speaker of the House, which is not exactly according to protocol, but anyhow, this amendment reads:

> Authorized to create such special joint committee of the two Houses as they may deem appropriate for the purpose of observing and of advising in recipient countries as to the distribution among the people of such countries of the commodities made available under the authority of this act.

The question that arises in my mind—in the first place, I do not know, of course, who would want to serve on a committee like that—but the question that arises in my mind is whether we are going to inaugurate the theory in our legislation that after we pass an act we are going to follow it all the way down the line in its execution and administration. That is a thing that seems to me is a very wide departure from our usual way of legislating.

Mr. COX. Let me say to the gentleman in response to his question that if Congress had in many instances heretofore provided for the following through on the administration of laws it passed the affairs of this country would be in very much better shape than they now are. Let me also say a word with regard to the provision of the bill which gives discretion to the presiding officers of the two bodies.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. COX. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Chairman, the amendment might be improved if you would strike out the word "discretion" but as drawn it is not objectionable to me.

Mr. Chairman, I wish here to emphasize the worthiness of the address made by the gentleman from South Carolina a few moments ago. It is entitled to further consideration. I also want to applaud the committee handling this bill for its tolerance and patience. It has been agreeable to the committee that there should be full debate on the bill and there has been no effort on the part of the committee to drive it through the House without full debate.

Mr. Chairman, no objection can be offered to this amendment other than that in the opinion of certain Members perhaps it may be unnecessary; but it is my conviction that it strengthens the bill. I should be very much more comfortable and better satisfied in giving the bill my support if the amendment is adopted.

Mr. JARMAN. Mr. Chairman, will the gentleman yield?

Mr. COX. I yield to the gentleman from Alabama.

Mr. JARMAN. I appreciate very much the complimentary references which the gentleman made about the committee.

Mr. COX. The committee has earned them.

Mr. JARMAN. I think so too but unfortunately many do not agree with us. I call his attention to the fact that other Members of this body will not permit members of our committee to speak. They do not wish the information we have gained. I especially call attention to the fact that the gentleman from Oklahoma [Mr. JOHNSON] objected to the gentleman from South Carolina speaking two additional minutes. The latter is a member of the committee who was replying to one who is not a member of the committee who had been permitted to speak 15 minutes without objection from the committee.

Mr. COX. That is not the right attitude. Let us not quarrel with one another. We want to do the right thing. Our country and the world is in distress. Things are not satisfactory. We are trying to do something to help. I wish the committee might find it agreeable not to resist the amendment which has been offered.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. MILLER of Connecticut. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this is the first time I have participated in this debate. A week ago when I read the committee report and went through the hearings I thought I had a fair understanding of what this interim-aid program was all about and I certainly intended to vote for the appropriation requested to carry out the program until we had time to study the so-called long-range Marshall program. But I must confess that as the debate has gone along I have become more confused and I wonder if I know as much about the bill now as I thought I did a week ago. Many of the conflicting statements are made by members of the Foreign Affairs Committee. Members of that committee have offered amendments which I think have added to the confusion. I have in mind the amendment offered by the gentleman from South Dakota yesterday which seemed important.

I take this time primarily to ask two direct questions so that I might fully reply to my mail and clear up a little of the confusion in my own mind.

On page 4, in subsection (b) we find language reading:

> That when commodities made available under the authority of this act are not made available on terms of repayment in dollars, they shall be made available only upon condition that the government of the recipient country agrees that they shall be made available in dollars—

And so forth. Has the committee had any testimony or does it have any idea how much of this will come back in payment in dollars of the over-all appropriation?

Mr. VORYS. The committee made provision that some of it might be paid off in dollars, but there was no testimony that gave the committee much hope that a substantial part of it is going to come back in dollars.

Mr. MILLER of Connecticut. That is what I want to get. This will be expended for relief. No repayment is intended or expected?

Mr. VORYS. No repayment other than the provision for deposit of local currency to be disposed of as the Congress shall provide in that country. While the Congress would have control of that, there was no evidence that the Congress would require that the local currency be sent back to this country. That was not the purpose of the program.

Mr. MILLER of Connecticut. It is the Committee's understanding that most of the food—I understand $281,000,000 worth of food is provided for in

this bill—will be sold through the regular trade channels of those countries, or how much do we distribute free and how much is it anticipated will be sold?

Mr. VORYS. In Italy 20 percent is to be distributed on the relief basis and 80 percent sold. It is the understanding that probably all the food will be sold and that relief will be furnished through payments in local currencies to the indigent persons so that they can get their rations. That is the way it is handled by France. The Italian distribution will no doubt proceed about the way it is now, with 20 percent going for relief distribution.

Mr. MILLER of Connecticut. If that formula is followed there will be roughly about $200,000,000 in foreign currencies in those three countries when this program has been terminated. Is it approximately that sum, or am I wrong?

Mr. VORYS. It might be much more. It might be 80 percent of the whole amount; it might be $400,000,000.

Mr. MILLER of Connecticut. I was speaking of the food item alone. Now, must that foreign currency be spent for relief and rehabilitation purposes in those countries, or is there any truth to the statement made on the floor of this House that in some way that currency is going to be used or transferred into dollars, and the French Government will pay off its indebtedness to Belgium and the South American Countries? What will become, in the final analysis, of the approximately $200,000,000 in foreign currency?

Mr. VORYS. The gentleman will find on page 4 of the bill this language:

> Any unencumbered balance remaining in such account on June 30, 1948, will be disposed of within such country for such purposes as the Government of the United States, pursuant to act or joint resolution of the Congress, may determine.

The Select Committee on Foreign Aid has recommended that such amounts be spent for rehabilitation of the country and building it up so that it will no longer need relief. Congress has not yet determined what will be done with that balance, but certainly it will not be used to pay dollar obligations.

Mr. MILLER of Connecticut. In other words, that information will come to us at some later date.

We have been told throughout this debate that we must make sure that we spend enough to do the job the way it should be done. It has been said that it is foolish to throw a 15-foot rope to a drowning man 20 feet away from shore. I might add that it is very foolish to throw any length of rope to a drowning man unless one end is securely fastened to the shore. We must keep our own economy sound if we are to render aid to other nations.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I move to strike out the last word.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I think oftentimes in this House we all have fallen into the habit of saying that debate never changes any one's mind. I know that when I came over here Monday that I intended to support this bill. After carefully studying it and after listening to 3½ days' debate I have now come to the conclusion that I am going to vote against it. I voted last summer for the Greek-Turkish loan because I told you then I felt that it would accomplish its announced objective, and that was stopping communism. After reading this bill, so far as I am concerned, it being our intention and so stated in the enacting clause of the bill, that that is what we wish to do, it does not do me any good unless I feel that it will do that one thing. In the Greek-Turkish loan, we knew that the articles, commodities, and implements that went to the governments of Greece and Turkey would be used directly against the Communist guerrillas.

I do know this, and I think I can speak with some authority. I do not have to take the word of anyone on the Committee on Foreign Affairs, because one of these countries, namely, France, I know like the palm of my hand. For 2 years I spent a lot of your money, millions and millions of it, that belonged to you and the taxpayers of this country, as a member of the Foreign Claims Commission. I know what the French officials think, I know what the French peasants think, and I know what the French nobility think. I think I know a little about what will happen to this aid if it is distributed as proposed under this bill. It will not accomplish what we think it will, because we will also be feeding in France roughly the 30, 35, or 40 percent of the French people who are Communists. This is entirely a different situation from what we did when we provided relief for Greece and Turkey.

I am against this bill also because I do not think you can provide the relief under this bill without contributing greatly to inflation. Any man who votes for this bill is going to have to be ready to vote for stringent and tough controls, such as price control and consumer rationing. I do not know that the temper of this country or this Congress is ready for that, and if we do not do that our people will be faced with ever-rising prices.

One other observation: My friend from Oklahoma [Mr. RIZLEY] said that if wheat goes to $6 a bushel there are a lot of people that cannot buy bread at that price. I say that at $3.07 a bushel there are many people in this country that cannot buy bread today. I am going to read extracts from two letters I received yesterday. One of them was from a girl in Oklahoma who was in my high-school graduating class. She is a widow with three children. She has no job and she is sick. She says, "I don't know where my next meal will come from."

I also have received this card, and I hope the gentleman from Illinois [Mr. DIRKSEN], who pleaded so eloquently yesterday, will listen to this. This is from people 74 and 68 years old, in the State of Oklahoma, former teachers. They say:

> My wife and I stood in the rain and cheered a food train for Europe, but only to see ourselves on the verge of dire, sad need and want here at home.

They were glad, as the gentleman from Illinois [Mr. DIRKSEN] pointed out to you, that this food was going over there, but they wonder what is going to happen to them down in the State of Oklahoma. They wonder what their Congress up here is doing when it can appropriate millions and millions to go overseas but leave them in want here at home.

The gentleman from Michigan [Mr. HOFFMAN] gave us an illustration the other day. He told us about a woman down here, one block from the Statler Hotel, in Washington, D. C., with seven children that need clothing and food.

There are many Members of this House who, when they get in a plane and fly to Italy or fly to other parts of Europe, find there is a lot of glamor to it. They can meet some ambassadors, they can meet some French officials, and they get all disturbed about hungry people. But there is no glamor in going down into this little room one block from the Statler Hotel right here under our noses in official Washington. But it needs attention just the same.

I am not going to vote for this bill primarily because it will not achieve its announced objective. You cannot take 100 percent of commodities and send it overseas and let the French Government give 40 percent of it to the very forces they are trying to defeat, and then give the remaining 60 percent to non-Communists. It cannot be done. It is foolish on the face of it. It is not analogous to the situation when we sent commodities over to Greece and Turkey, because they took the implements we sent there and shot them at the guerrillas or used them to feed their own soldiers so they could fight the Communist guerrillas. I say that in France neither Schuman nor anyone else can divide what we send over there, because the Communist Party is a recognized party. You look at the members of the Chamber of Deputies and you will see that there are a lot of people in France who are Communists. Are we going to send this wheat over there that our own people need, are we going to send this wheat over there and give 35 percent of it to the Communists and let the other 65 percent non-Communists then get their share and hope thereby to defeat communism?

I was astounded at my colleague the gentleman from Oklahoma [Mr. MONRONEY] when he said that of this year's wheat crop we had already earmarked two-thirds to go to Europe. I do not know that that statement is true, but if it is, we ought to get one-third of it back, stop it out in the Atlantic, and bring it back and feed our own people here at home.

Mr. KNUTSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there is a great deal of merit in what the preceding speaker said. The relief bill now under consideration is highly inflationary because there is no provision for placing ceilings on prices we are to pay for foods and grains bought for export. We must not deceive ourselves. Nearly every dollar we appropriate will be spent in this country, hence will tend to further increase prices here at home. We know that the policy of the

administration heretofore has been to go into the market and buy grain, paying a bonus of 10 cents above the market. When the millers, in order to get grain for milling, had to meet the Government price, the Government immediately jumped the price another 10 cents a bushel. That is the reason, or at least one of the reasons why we are having these spiraling prices. I would like to have the attention of the gentleman from Ohio [Mr. VORYS], who is handling the bill. The gentleman and his committee should bring in an amendment fixing a ceiling on wheat bought for export. If you do not do it, you are going to see wheat go to $4, $5, and even $6. If it is hard for people of small means to live now, in the name of common sense, what is it going to be when this huge sum, $570,000,000, is spent in open competition with buyers for domestic consumption? Then prices will start soaring again. We do not know—we might have eight-dollar or ten-dollar-a-bushel wheat. God forbid; prices are much too high now. If the Committee on Foreign Affairs does not bring in an amendment fixing the ceiling price on the things the administration buys and sends abroad, you are merely opening the door wide to the greatest era of inflation that we have had since the Civil War.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. ARENDS. I wonder if the gentleman happens to be acquainted with certain testimony brought out yesterday before a Senate committee.

In questioning Mr. Fisher, of the Commerce Department, who was a witness in support of the administration's control and rationing bill offered by Secretary Harriman, Senator COOPER, Republican, Kentucky, demanded to know whether the administration could enforce individual rationing under the terms of such a bill. Mr. Fisher replied that the administration could do so. He also admitted that since the Government is already able to buy food through the CCC the additional authority to shut off other purchasers would enable the Government to buy up entire crops and to fix the price on them.

Chairman COOPER also asked Mr. Fisher if the proposed bill would enable the President to compel a farmer to sell his produce. Mr. Fisher said that it would but that the administration would not object to a congressional limitation on such power. I feel the attention of the citizens of this country should be called to this testimony in order to emphasize to what extremes this administration would go if granted powers the President has asked for.

Mr. KNUTSON. I would not be for doing anything like that. That is communism—unadulterated communism. I understand that France is buying wheat in Argentina and paying more than $5 a bushel. If we go into Argentina we will have to meet her price. But if we have a statutory ceiling beyond which we will not go you are going to do more to stop inflation than anything else that this Congress can do. I plead with you to act before it is too late, because we are at the brink of a precipice, the bottom of which no one has any conception of.

I yield to the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. When the gentleman speaks of placing a ceiling price on wheat, he means that the ceiling price should be placed on wheat which the Government purchases for foreign shipment?

Mr. KNUTSON. Precisely. I thought that was understood. I am sorry if I did not make myself clear.

Mr. SMITH of Ohio. You would not fix a ceiling price on domestic supplies?

Mr. KNUTSON. No. That must be taken care of separately. We cannot legislate domestic prices. That has been tried before many times and always failed.

Mr. BUFFETT. If foreign prices are causing inflation, then the price-fixing that ought to be done in this country is on that part of our production which is going to foreign countries.

Mr. KNUTSON. Exactly. I am going to again plead with the gentleman from Ohio and his colleagues on the Committee on Foreign Affairs to bring in an amendment which will do much to take the curse off this legislation.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. VORYS. The Committee on Foreign Affairs has been criticized for invading the province of other committees. It certainly does not want to invade the province of the Committee on Banking and Currency, which is wrestling with the problem of price controls right now. There will be amendments which will make it clear that this bill does not give the President any power along that line. But I do not think this bill should go into price fixing.

Mr. KNUTSON. I am merely addressing myself to exports and not to domestic consumption. I can see no objection to placing a ceiling on exports. In fact, we will have runaway inflation unless a ceiling is placed on the price of wheat and other foods that are bought for export.

We are in general agreement that high food prices here at home are altogether due to the terrific competition in the home market. Add to the sums already spent by foreign governments for American grains the $750,000,000 this bill authorizes and it may send the price of wheat and other grains, meats, and eggs to levels now undreamed of. The hour is late, but there is yet time to avert a catastrophe.

Mr. KIRWAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, about 6 years ago, in 1941, I believe, I called the attention of the Congress to the fact that the most essential economic need in the United States was scrap. Three years afterward, the gentleman from Texas, Judge Sumners, inserted those remarks again in the RECORD. I want to call the attention of the House today to the fact that I am for this bill now before us because I think it is going to do more for America, if properly administered, than it will do for Europe. The most essential need today in the United States is not wheat but scrap, because, and this is important, there is only a 30-day supply of scrap in the United States.

Like many other Congressmen, I have just returned from an investigation trip to Europe. I told the press on my return that it was a junkman's paradise over there because of the huge amounts of scrap I saw lying around.

I do not care who the man is traveling back and forth across the United States but I can tell you that when he passes a freight train going from the West to the East he will find three or four carloads of scrap on it, consigned, most likely, to the Bethlehem Steel Co. The same story will hold for the trains going west. You do not have to take my word for it; just go in the market and try to buy some.

In Germany I did not see one steam shovel, one crane, or one bulldozer. If Germany had this equipment she would have a chance to recover. Not only do I make this statement but I say further there is no American officer who has seen a steam shovel, a crane, or a bulldozer.

If this relief is properly administered, with a few acetylene torches the Europeans can start to work on that junkman's paradise over there and ship that scrap back here. It is not expensive to get that scrap back to this country. Ship it to the Bethlehem Steel Co. on the seaboard, and that will make it half as cheap as the price you are paying for scrap today. Furthermore, you will not be cluttering up the railroads of the Nation shipping scrap back and forth. Let me give you a few examples of the scrap shortage in this country—and particularly in my area—today. The Youngstown Sheet & Tube Co. has a 2-month supply of scrap. The Sharon Steel Co. in western Pennsylvania has a 1-month supply. I repeat, this scrap is more essential than wheat. On most of the little farms they raise wheat, but you cannot make steel and that is the one thing that the whole Nation is calling for today.

I repeat, when we send this money over there, some of it should be applied to this scrap. I have seen Germans employed at 145 marks a month, not doing any constructive work. But if you send a few torches over there and a few bulldozers and cranes you will accomplish something. There is no difference in the American zone today than in any other zone. Instead of being able to point to the rest of the world today, two and one-half years after the war, and saying "This is what we Americans did" we have to admit that there is not a bit of difference between the American zone and any other zone. We are shipping food over there. I would like to see an amendment put into this bill, if we are going to put any amendments in the measure, that when we give food we also give some machinery and some torches, in order to see to it that the most vital thing needed in this country today, scrap, will be shipped back to this country. If we do that, every dollar we send to European countries will do us much more good than the money we are giving them.

There are many ways to help Germany and the other nations and at the same time help ourselves. I am not one to come down here in the well of this House and say that we will give to everybody. Very little we will give unless we see something coming back. We are giving this money over there for what? To try

to stop communism, to bring about economic rehabilitation, to aid people in distress, and to insure our own security. The majority of the Nation today is shouting for conscription; shouting for somebody to do something to build up our Army of 950 000. There are only 200,000 in the National Guard when there should be 600,000. In this respect France and many other of the countries of Europe are much better off in that way than we are today. I hope when this bill is finally rounded up there will be an amendment placed in there for the money that we send over there to bring back something of value to us as well as to the other nations.

This call for scrap should be heeded—and heeded now.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. VORYS. Mr. Chairman, I understand there are 15 amendments at the desk. Our leader has urged that we conclude this bill. I therefore ask unanimous consent that all debate on the Redden amendment close in 10 minutes, the last 2 to be reserved for the chairman of the committee.

Mr. CRAWFORD. Mr. Chairman, reserving the right to object, I see four Members on their feet wanting to speak to this amendment.

Mr. VORYS. Mr. Chairman, I modify my request to 15 minutes, the last two to be reserved to the committee.

Mr. PHILLIPS of California. Mr. Chairman, reserving the right to object, I ask the same question as before: How many are there who desire to be heard on the amendment, Mr. Chairman?

Mr. VORYS. I see four Members seeking recognition.

Mr. Chairman, I move that all debate on the Redden amendment close in 15 minutes.

The motion was agreed to.

The CHAIRMAN. The following Members were on their feet seeking recognition: Messrs. PHILLIPS of California, CRAWFORD, MILLER of Nebraska, and KEEFE. They will be recognized for 3½ minutes each, and 2 minutes will be reserved to the committee.

Mr. KEEFE. Mr. Chairman, you can eliminate me from the list.

Mr. MILLER of Nebraska. Mr. Chairman, inasmuch as I have not had any opportunity to speak at all on the bill during the last 3 days I do not care for just 3 minutes at this time. You can take my name off.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CRAWFORD] for 5 minutes.

Mr. CRAWFORD. Mr. Chairman, I first want to join with my friend the gentleman from Ohio [Mr. KIRWAN] in asking for more scrap iron. Through the years 1936, 1937, 1938, 1939, and 1940, I pleaded with the Ways and Means Committee to take the necessary steps to stop the exportation of scrap iron from this country to Japan. Industrially, scrap iron is one of our greatest needs today. I would not agree with the gentleman, however, that there are no heavy pieces of machinery in Europe with which to condition that scrap iron for shipment back to the United States, because there must be literally billions of dollars of heavy equipment to do the job; so I would not go along with him in sending equipment from here for that purpose to Europe. I do join with him, however, in having Europe send to us one of the greatest industrial needs we have, namely scrap iron, for which we could pay them dollars. In that way we would be getting something instead of nothing for the relief we send them. We need the scrap iron badly now, but we will need it worse next week and next month.

Secondly, I am very much in favor of this amendment. I wish to join the gentleman from Georgia [Mr. COX] and the others who are promoting this amendment, because I believe sincerely that before the administration of this act goes very far you will be praying for someone to go over there who can ascertain what is happening to report back to the people of this country. By that time our people will be sufficiently tired and weary of carrying this kind of financial burden, paying for it in the form of advancing costs of living which will certainly move in the direction of completely destroying the buying power of our people in the months to come.

The gentleman from Connecticut [Mr. MILLER] raised a question awhile ago to which I would like to add: I am satisfied that before this debate is over, proposals will be made from this floor for us to enter into outright blocking of currencies. That, as I indicated yesterday afternoon, would be your next move. Now, let us take the questions raised by the gentleman from Connecticut with respect to the handling of these local currencies. A movement is well under way for the creation of a United States Government agency to be furnished appropriations with which to purchase these foreign currencies. A movement is well under way to trade great masses of agricultural goods in this country for the practically worthless local currencies of other countries. That currency so traded will be thrown in the hands of this Federal agency to carry along from year to year and to be financed with more dollars through appropriations to the Federal agency to handle these blocked currencies. We travel the same road through improvising, through doing one thing now to get us out of a mess we created yesterday, and doing another thing tomorrow to get us out of a mess we create today, exactly as Germany and other western European countries did when they began to move away from long-established orthodox economic principles in the years from 1920 to 1940. We now travel their road. The operations under this bill will move us further down the line than all other operations heretofore; and this because we are reaching the point where these things are accumulating very rapidly, and the last straw will break the camel's back. That is why I am in favor of this amendment, so that as these situations develop more seriously in the coming 12 months, the leaders of the House and Senate, the Speaker and President pro tempore, may select a committee based upon their analysis of the situation at that time, send them to Europe, get a direct report, bring it back to the Congress, and enable those who are running for office during the next election to get some facts to a suffering and inquiring citizenry.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Did I understand the gentleman to say that he had asked the Ways and Means Committee to place an embargo on the exportation of scrap iron?

Mr. CRAWFORD. Yes.

Mr. KNUTSON. The Ways and Means Committee would not have authority to act.

Mr. CRAWFORD. I thought the Ways and Means Committee handled tariffs and imports and exports back in 1935 to 1940 and before the Reorganization Act.

Mr. KNUTSON. We do not have anythink to do with quotas. They are established by the administration under the War Powers Act.

Mr. CRAWFORD. I understand that.

Mr. KNUTSON. The President has the power.

Mr. CRAWFORD. This is going back prior to 1940.

Mr. Chairman, we have a situation now where we are sending millions of dollars to aid the Philippines. We gave to the Philippine Government surplus material in the way of great earth-moving equipment, shovels, caterpillar tractors and so forth which the Philippine Government has not been able to use and it is now pleading with this Government to permit the Philippine Government to sell that equipment back to the people of this country who are standing ready and bidding for the equipment at 40, 45, or 50 percent of the original price. Our Government will not permit the equipment to come back for our contractors to use. I can see no sense to forcing the Filipinos to keep the equipment for which there is a need and demand in this country.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS of California. Mr. Chairman, I rise in support of the amendment. I doubt very much if the author of the amendment himself, when he stated yesterday that he was going to introduce it, had any idea that it was as important an amendment as it has become this morning. It has become so by the action of the Committee on Foreign Affairs in making a point of order against the amendment introduced by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN]. I do not question the decision of the chairman, but I do point out that by that decision and by the point of order made this morning we have for the first time a clear picture before us of what is involved in the bill we have been discussing for 2 days last week and for more than 2 days this week.

The people of the United States are very anxious that food shall be taken to the distressed people of Europe and the Orient. That is the reason for the wholehearted support of the so-called Friendship Train. I believe if you could ask every one of the people of the United States about this bill, 99 out of 100 would undoubtedly say that it is his or her belief this bill would provide food for the starving people of Europe and for that reason they want it supported. It would

be, in my opinion, a matter of intense surprise to them that, as evidenced by the point of order this morning and by the ruling of the Chair, this is a bill to put money in the hands of the State Department to support the governments of Europe and not primarily to take food to the people of Europe.

Now, I did not understand under the amendment offered by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] nor my interpretation of it, that Mr. Basil O'Connor, mentioned by the gentleman from Ohio [Mr. VORYS] had to go to a grain mill and get a package of flour and take it in his hands and hand it to some poor person in Europe who needed food. I did understand that some reputable agency of the United States, in which the people of the United States and this Congress have confidence, would be responsible for assuring us that the food was actually getting to these people.

It is a curious thing that this very matter was brought up after World War I, when a distinguished member of the party which is now the minority party of this House was the President of the United States. The same proposal was made to him. Woodrow Wilson was the President, and when it was proposed to him that we should take food and help from the United States and hand it to another government to distribute, or to somebody in another government to distribute, his answer was in effect, No; the United States will distribute it and see that it reaches the people that we want it to reach; not, said he, because we want the credit as a nation, but because only in that way can we be sure of the effectiveness of it, and only in that way will it help write the peace.

Now, I think, therefore, that the amendment offered by the gentleman from North Carolina [Mr. REDDEN] in view of the curious situation produced by the committee itself this morning, is essential; that we should provide some means of saying through this House that the intent, not of this Congress, but of the people of the United States is carried out, and that the food gets to the people who need help and not merely to support some government of Europe.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield to the gentleman from Ohio.

Mr. VORYS. Was the gentleman present when I read the direct quotations from his fellow Californian, Herbert Hoover, approving the method of relief provided by this bill and disapproving the method provided by the Andresen amendment?

Mr. PHILLIPS of California. I was present. I have the honor of being acquainted with Mr. Hoover. I should like to ask Mr. Hoover himself if he really said that in connection with what we are presently discussing or as a general statement regarding certain conditions in the bill.

Mr. VORYS. The testimony of Mr. Hoover on the relief bill this spring is at the committee desk.

Mr. PHILLIPS of California. I take the gentleman's word that Mr. Hoover said that. I observe he did not say it about this bill.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. PHILLIPS of California. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I will say to the gentleman that in all of the countries that we visited in the devastated areas there was one name that stood out, an American name, and that was Herbert Hoover, who directed relief over there after World War I and saw to it that the hungry men and women and children were fed.

Mr. PHILLIPS of California. The relief under President Wilson's plan, administered by Mr. Hoover, followed the line, in my opinion, of the amendment offered by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

The CHAIRMAN. The time of the gentleman from California has expired.

The Chair recognizes the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Chairman, the Redden amendment has a laudable purpose. The only objection is that it is a case of "Officer, call a policeman." As far as legislative power to follow this through is concerned, we already have a select Committee on Foreign Aid, of which the gentleman from Georgia is a member, for the very purpose of studying the administration of such aid. Under the reorganization bill the standing committees of both Houses are given responsibility for following the administration of any act which is put through. If, on the other hand, this is an attempt to invade the province of the Executive and to attempt to execute foreign aid, of course, it would be an unconstitutional proposition.

I therefore hope that the amendment will be defeated.

Mr. COX. Mr. Chairman, if the gentleman will yield, does the gentleman not agree with me that the functions of the Committee on Foreign Aid have practically ended?

Mr. VORYS. I certainly do not.

Mr. COX. And it was never contemplated that it would follow through on the pending bill; never.

The CHAIRMAN. The time of the gentleman from Ohio has expired. All time has expired.

The question is on the amendment offered by the gentleman from North Carolina [Mr. REDDEN].

The question was taken; and on a division (demanded by Mr. VORYS) there were—ayes 84, noes 47.

So the amendment was agreed to.

Mr. MILLER of Nebraska. Mr. Chairman, I have been distressed by statements on the floor of the House, that this short-term relief bill is just the beginning of the long-range Marshall plan, which would require some 16 or 20 billion dollars of our products or the taxpayers' money.

I have been distressed by the statement made by the gentleman from Georgia [Mr. Cox], that in spite of the more than $2,000,000,000 we have poured into France and the other billions of dollars to other countries that we now have no friends. They refer to us as Uncle Shylock. There are disgruntled people in all of these countries who have no appreciation of the sacrifices that the American people have made and are making to help relieve the distress in Europe and Asia. It convinces me that we cannot buy friends.

Today an amendment to the bill was defeated, which would have prevented the shipping of fertilizer, farm machinery and oil to the countries under this short-term aid bill. As I understand the bill it is for a 4-month duration. How can fertilizer, farm machinery, and oil assist them, if it is truly a short-term aid bill designed to furnish food, medicine and clothing?

It should be remembered that the farmers of our Nation have been doing a heroic job in producing food that will feed not only our own people, but the starving and needy in other countries as well. They have been depleting their soil in raising these huge crops. They need fertilizer. They need to replace their old worn out machinery. And they need oil to keep the tractor going. Administration forces defeated the amendment. It makes me feel this short-aid program is in fact a part of the Marshall plan.

I am wondering if the administration intends to continue to deplete the resources of our country by an ever-increasing export program. The President has asked for powers to control exports. Mr. Chairman, the President now has that power and has had it for the past several years. He has not seen fit to use it. We are exporting at the rate of more than $19,000,000,000 a year, to the world. Our imports amount to about $8,000,000,000. This means that our trade is out of balance to the tune of $11,000,000,000. Put in more simple terms it means that the fires of inflation are being fed.

The gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] in his remarks on December 5 pointed out that we sent, in the fiscal year ending June 30, 1946, 17,300,000 tons of food to countries in need—a large share of it to western Europe. In the last fiscal year ending June 30, 1947, we sent 19,200,000 tons. In other words, it would take 9,219 trains of 52 cars each, to haul this food. In addition to this, the American people sent packages of food and clothing in the amount of 600,000,000 pounds to needy people in foreign countries. The American people have shown in this way and by the Friendship Train that they are more than willing to take care of the people over there, but they do not feel that they should take care of the governments.

The Department of Commerce is complaining that their funds have been so curtailed by Congress they have a backlog of some 60,000 applications to export American products to the world. Mr. Chairman, I wish we had given them no funds. Perhaps they would not be in a position to process as many applications as they have. Certainly if we are to grant another 60,000 export licenses, then we can expect a further unbalancing of our import-export program.

I believe the people of my district want me to support legislation which would provide food, clothing, and medicine to those in need, to the best of our ability.

I would like to do that. But if the sponsor of this legislation continue to resist amendments which will make the bill just a relief bill and one that will really help the needy, then I will have to vote against the bill. As I presently understand the Marshall plan it will not have my support.

Evidence has been presented by Members visiting Europe that the farmers of France and Italy are holding back their grain and meat. They do not deliver it, and if they did, there would be no hunger or suffering from the lack of food. We propose, in this bill, to give them an incentive to bring their goods in to market. I presume that incentive is a package of cigarettes or a radio, because there are few other things in our country that are now in a surplus category.

Mr. Chairman, as this bill is written, it will not promote good will. It will not make the poor people, whom we want to help, our friends. I say this because the food and relief under this bill must go through the present Government machinery in the countries getting the aid. This means they will sell the food at black-market prices to the hungry. If this is to be the means of distribution, it would be well for us to keep our American-flag label off the supplies because it can bring nothing but scorn and hatefulness for our country. The people just do not understand the method of distribution and why they must pay exorbitant prices for food, medicine, and clothing when our own people have indicated that they wanted it to be presented as an outright gift. Ample evidence has been presented to the effect that but a small percentage of this fund will actually reach the needy. That is not what the American people have been told about the bill. It is the same old story—propaganda and downright dishonest efforts on the part of the administration to mislead the people at home.

Mr. Chairman, I would like to vote for a relief bill which would give assurance that those who are hungry and need food and clothing will get assistance without paying black-market prices to the present Government machinery that has been operating our relief program in the past. There are many sincere Members of Congress who would like to vote for a real, honest relief bill. I hope the committee handling this measure will make it such a bill.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I merely want to answer the question raised by my good friend and colleague, the gentleman from Nebraska. If he will look on page 3 of the bill, section 5, it says that "Before any commodities or credits are made available to any recipient country under the authority of this act an agreement shall be entered into, subject to the limitations and provisions of this act, between such country and the United States, containing an undertaking by such country" to carry out each of 10 carefully drawn conditions.

The country must agree to each of the 10 limitations and provisions before any commodities or credits are made available. I do not know how we could write it any tighter. I am sure the General Accounting Office would not honor any checks that were made out under the authority of this bill if the conditions of the bill had not been fulfilled.

If there is some way you can make sure that the provisions will be fulfilled other than by writing it in plain language in the law, I do not know what it is. The Congress cannot carry out the administration of acts of Congress, but the policy the administration must follow is laid down in unmistakably clear language.

Furthermore we have had 6 months of experience under precisely this same sort of program. No serious complaints have been raised against it at all, as there were—and they were justifiable complaints—under the UNRRA program. This is a totally different set-up. There has not been any complaint at all, so far as the committee has been able to find out, that any of the governments involved in the original assistance act have not been living up faithfully to the pledges they made. These 10 conditions are almost verbatim the provisions and limitations that were in that act, Public Law 84, which we passed last May.

I now yield to the gentleman from Nebraska [Mr. MILLER].

Mr. MILLER of Nebraska. I think that the countries will agree to the conditions, but what assurance do you have that they will carry them out?

Mr. JUDD. The assurance we have that they will carry them out is on page 6, section 6:

> The President shall promptly terminate the provision of aid under this act for any country whenever he determines (a) that such country is not adhering to the terms of its agreement entered into in accordance with section 5 of this act; or (b) whenever he finds, by reason of changed conditions, that the provision of aid under this act is no longer necessary or desirable.

Now, we have our experts over there under Dick Allen, who was formerly administrator of the Red Cross. They have all been cleared by the FBI. They will be on the job. Not only do our American officials have to be there and able to observe and report, but also representatives of the American press and radio. It is required that they be allowed to observe freely. I do not know what more you can write in to make sure that we have a careful check on how the program is being administered. If and when word comes back that it is not being administered properly, as you can be sure the American press representatives, if not our officials, will send word back if it is not being administered properly, then the President has a mandate to terminate immediately any aid under this act.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. MUNDT. Not only can they observe but we also provide that they shall advise, so that they will advise the foreign governments on these matters, and if their advice is not followed there is a mandate on the President to stop the aid.

Mr. BUFFETT. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. BUFFETT. Will this appropriation be subject to the same price-control and rationing requirements that were in the bill this spring?

Mr. JUDD. Do you mean that the countries themselves have to agree?

Mr. BUFFETT. To price control and rationing.

Mr. JUDD. Well, what the bill states is that they must make efficient use of any commodities made available under authority of this act, and to take, insofar as possible, economic measures necessary to increase their ability to achieve a self-sustaining economy. That is one requirement. Another is that they have to agree to make available to their people, at reasonable prices, consistent with economic conditions in the country, such commodities as they sell under the terms of this act. In the effort to get equitable distribution and reasonable prices it is probable that they will continue the rationing systems that each of the governments now has.

Mr. BUFFETT. Then it is the feeling of the Foreign Affairs Committee that they must continue these price-control and rationing programs?

Mr. JUDD. Not that they must. If they can devise a better way to get equitable distribution, then that is within their province. We will have people over there consulting with them and reporting. I do not think we should say to them, "You must discontinue the rationing system that you now have or the price-control system that you have in operation." But they have to agree to get equitable distribution and at reasonable prices. I may say that I expect to offer an amendment, when the proper time comes, which I hope will make even more certain that our aid gets to those who need it most.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. JUDD] has expired.

Mr. GWINN of New York. Mr. Chairman, I offer an amendment which is at the desk.

The Clerk read as follows:

> Amendment offered by Mr. GWINN of New York: On page 6, after line 18, insert:
> "(k) In case wheat is to be purchased for the purposes of this act, the price paid shall not exceed $4 per bushel."

Mr. VORYS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. VORYS. The amendment is not germane to the section of the bill. This section of the bill has to do with agreements to be made by foreign countries. Obviously, the foreign countries could not make an agreement as to what price should be paid for wheat in the United States.

The CHAIRMAN. Does the gentleman from New York desire to be heard on the point of order?

Mr. GWINN of New York. I do, Mr. Chairman.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. GWINN of New York. I think it is quite so that the more appropriate place to have offered this amendment would have been to an earlier section; but it seems perfectly clear that if we are to make contracts abroad for the disposition of a commodity we can provide what that commodity shall be and at what price it shall be procured. We simply

cannot make an agreement about the resale of a commodity in France, for example, unless we have wheat, if that be the commodity, at $3 a bushel on which to make a contract.

The CHAIRMAN. Is that all the gentleman desires to say.

Mr. GWINN of New York. Yes.

The CHAIRMAN. It would seem to the Chair that this amendment might be germane to section 4, but section 5 provides:

> Before any commodities or credits are made available to any recipient country under the authority of this act, an agreement shall be entered into, subject to the limitations and provisions of this act.

Clearly, there could be no agreement entered into with a foreign nation as to the price that America was to pay its farmers for wheat.

The Chair sustains the point of order.

Mr. GWINN of New York. Mr. Chairman, I ask unanimous consent to return to section 4 for the purpose of offering an amendment at the end of section 4, page 3, line 21.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. CRAWFORD. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The gentleman is recognized for 5 minutes if he so desires.

Mr. VORYS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. VORYS. On what theory is the recognition made? Is it a striking out of the last word?

The CHAIRMAN. The Chair would advise the gentleman from Ohio that the gentleman from New York was recognized before he offered the amendment.

Mr. GWINN of New York. Mr. Chairman, in the morning press an item was carried under a four-column spread reading: "Ration authority requested on principal foods, gas, oil—moves to cripple relief beaten."

That was put forward by the President. Now, if we must come to the point in America where we must have OPA again thrust upon us; if we have come to the point where we cannot out of our economy, out of our surpluses, find sufficient food to send to the hungry abroad; if we have reached the place where we must establish a compulsory police state to manage our own economy in order to feed those in France particularly who are now suffering from scarcity caused by the same type of price-control management, then it seems to me we are doing the most foolish thing that could be done.

Simply stated, the farmers of Brittany refuse to sell their wheat in Paris because the Polit Bureau and other compulsory agencies of France say to the farmers that they must ship their wheat to Paris at a Government price, and the farmers say, "No; we will not ship." The farmers say in addition: "We will not plant wheat." So they planted 1,000,000 acres less this year than they did last year. All that we do by this amendment is to say to the United States Government that we will put the price fixing where it belongs. That is, on the Government itself. If you are going to buy wheat in this market then you cannot buy it at a greater figure than the market itself, which is now approximately $3 a bushel. It limits the Government only. It does not fix prices in the objectionable sense that we are so wise here that we can tell what the prices of everything should be. If we have a surplus, if we can spare wheat, Mr. Chairman, then that wheat will come out at $3 a bushel. If we cannot spare the wheat it will not come out. If prices go to $4 or $5 a bushel, then the United States Government and this Congress will not be responsible for the Government itself being a party to the inflationary processes by which we push wheat up to $4 or $5 a bushel.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. GWINN of New York. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I notice particularly that the gentleman made the observation we have come to the time where these controls must be reinstated. If the gentleman will permit, I want to say emphatically and categorically we have not come to that time, the people of the United States are not going to accept those controls, and if this Congress is fool enough to vote them the industry of this country and the consumers and producers will go into the black market and outlaw them in that manner. We might as well make up our minds of that fact now.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. GWINN of New York. I yield to the gentleman from North Carolina.

Mr. COOLEY. The gentleman stated a moment ago that Great Britain had wheat in sufficient quantities to ship to Paris and that it was refusing to ship to Paris because of somebody over there.

Mr. GWINN of New York. I said Brittany. That is, the farmers in north France do have the wheat, but the farmers in north France will not send the wheat to Paris at the price which the government insists upon the farmers taking.

Mr. COOLEY. I thought the gentleman said Great Britain.

Mr. GWINN of New York. I said Brittany.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. COOLEY. Mr. Chairman, I move to strike out the last two words, and I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. VORYS. Mr. Chairman, I object.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. MUNDT. Mr. Chairman, reserving the right to object, I wonder if we cannot have an agreement on time. I am not going to object to this request, but I think we should proceed with consideration of this bill. Practically everyone has had an opportunity to speak in general debate. I wonder if we cannot agree that, at the conclusion of the gentleman's statement, the Clerk may read the next paragraph.

Mr. JUDD. Mr. Chairman, I object to that. I have another committee amendment.

The CHAIRMAN. Objection is heard.

Mr. COOLEY. Mr. Chairman, I did not hear any objection.

Mr. MUNDT. Mr. Chairman, I did not object. The gentleman was objecting to my request.

The CHAIRMAN. There was an objection down there to something.

Mr. VORYS. Mr. Chairman, reserving the right to object, we have had general debate for 4 or 5 days on this bill. I served notice the first thing this morning I felt it was my unpleasant duty, in order to get us out of the trenches by Christmas, to object to further extensions of time. I regret that I must exercise that duty at this time. I therefore object.

The CHAIRMAN. The gentleman from North Carolina is recognized for 5 minutes.

Mr. COOLEY. Mr. Chairman, at this very moment over in Arlington Cemetery, with appropriate religious and military ceremonies, 13 American heroes are being reinterred. Around 13 open graves fathers, mothers, wives, children, and loved ones are gathered to touch again the lives and to commune again with the spirits of these 13 men who gave their all in the cause of freedom. I think that their loved ones know why they died and why they gave their all. It was because of their supreme devotion to the ideals of this democracy. Those boys went to war for something that they thought was high and holy, something exalted, something above all of the sordid things of life. They fought and they bled and they died to make men free. They did that job in a magnificent fashion. They are not unknown soldiers. Not so long ago they lived and they laughed and they loved this country of ours. If they gave their all to liberate the people of the world it does seem to me that we should be willing to make this contribution and by doing so keep faith with those who have paid such a precious price.

I do not want to be sentimental about this thing, but I am just as sincere as I have ever been in supporting this bill. One of my colleagues here on Monday chided me because I had not taken the floor to tell this House about some of the things that I had seen and observed overseas. I have not imposed upon the House, but I want to say to my friend from Kansas that it would take me much longer than 10 or 15 minutes to tell you what I have seen and observed in Europe and in Asia. I wish that I had the time to tell you.

Briefly, I have seen great and proud empires crushed. I have seen the devastation of Europe, and I have seen the devastation of the islands of the Pacific. I have walked on those sacred and blood-drenched islands where American heroes died. I went to the top of Mount Surabachi and looked down on the blood-drenched isle of Iwo Jima and I thought of how our boys had walked ashore over the dead bodies of their fallen comrades to place the Stars and Stripes on the

loftiest peak on that island. Yes; I saw the cold, gray ashes of Nagasaki and Hiroshima and the devastation of Yokohama and Tokyo. When I thought of the great contribution of sweat and blood and tears that was given unstintingly by American manhood, I came back from Europe and I came back from Asia with one great picture in my mind. I might say to the gentleman from Kansas that I saw the flag of my country in far-flung places, in strange lands, in Tokyo, in Berlin, and in Vienna, and on all of the islands of the Pacific, and I saw it waving in the gentle breeze above acres upon acres of little white crosses that marked the last resting place of American heroes.

When you tell me to turn my back upon the sufferings of humanity in other parts of the world, I am conscious of the fact that you are asking me to turn my back upon the little white crosses on the graves of the sons of America who gave their all to make men free; yes, free to starve, if you must depend upon the generosity of some of the Members who have spoken here in opposition to this measure—a measure which seeks only to provide food for hungry and starving people. Yes, I have seen the torture chambers created by Hitler at Dachau and Nordhausen, and I have seen men and women who loved liberty die of starvation because of the cruel arts of war. I do not hesitate to tell my people back home that I will vote for this bill, and I would vote for it if it far exceeded the amount specified. I do not think we should be niggardly about it. I think we should be just as generous as the resources of our Nation will permit. I think we will break faith with those who won the great and gallant victories if we now, at this late hour, turn our backs upon their last resting place and let the liberated people of the world stew in their own juice while we wrap the cloak of self-sufficiency around us and think that we can live here in a rich and powerful land far removed from human distress.

We are dealing with a serious matter. We should lift ourselves above the prejudice of partisan politics. I am grateful that I had an opportunity to travel in Europe and in Asia with men of both parties, men whom I know went there on a serious mission, to see and to observe and to know at first hand what the facts were.

I think that in passing this bill we ought to let the heroes of America, the GI's of America, who gave up their homes and their firesides and their loved ones, know that we value the victories they won. We either value them or we do not value them. We are either going to permit the people of the world to become enslaved again or we are going to help them maintain themselves in a state of freedom.

I deem it a great honor to have been assigned to committees authorized and directed to investigate the situation in Europe and in other parts of the world, and I was glad to have the privilege of visiting the war-torn areas of the world. Upon our recent return from Europe, our committee, commonly known as the Herter committee, filed several written reports which I assume the membership of this House has had an opportunity to read. No eloquent words which I could employ could more adequately describe the distressing situation which we found to exist in some of the countries we visited. The fact that each of the reports of our committee was unanimous is a very significant thing. No more sincere men could have been assigned to the difficult task that was given to our committee by the unanimous vote of the membership of this House. The Members of the Herter committee went to Europe with a sincerity of purpose. Each member of the committee worked diligently and, upon the return of the committee, a rather full and complete account was given in the reports to which I have referred. Had I taken the time of the House to have discussed in detail the situation which we observed, I am sure that my speech would have been, in many respects, a reiteration of at least three or four speeches which have heretofore been made by very able and distinguished Members of this House who saw and observed the very same things that I saw and who likewise talked with the very same people with whom I talked.

Stripped of all humanitarian considerations, this bill is a rather small investment in national security. Only in a small degree is it keeping faith with those who have really suffered in freedom's great cause. I shall vote for it with no regrets other than the regrets I have on account of the long delay in its passage. If we withhold this aid, freemen will again be enslaved, our national security will be imperiled, and the glory of the victories won at great cost will be lost.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on section 5 close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JUDD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JUDD: On page 4, line 17, after "of", strike out "interim."

Mr. JUDD. Mr. Chairman, this is merely a clerical amendment. The word "interim" was supposed to be stricken out wherever it occurred in the original bill, and it was overlooked at this particular point.

The amendment was agreed to.

Mr. JUDD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JUDD: On page 5, line 14, after the semicolon, insert "and, where necessary, to distribute to indigent and needy persons their fair share of all available food supplies."

Mr. JUDD. Mr. Chairman, this amendment is an attempt to do what it did not prove feasible to do under the amendment offered by my colleague from Minnesota [Mr. AUGUST H. ANDRESEN] this morning and ruled out of order. It is to make sure that the food and other commodities made available under this act go in proper proportion to needy people who are not able to pay for them. This is to make such a commitment a part of the agreement our Government enters into with a recipient country before such country receives any of these goods.

Subsection (e) to which this is an amendment provides that the recipient government must agree "to make available to its people at reasonable prices, consistent with economic conditions in the recipient country, such commodities as it may sell under the terms of this act."

My amendment adds that it must also agree to distribute to indigent and needy persons their fair share of all available food supplies. That means its locally grown food supplies as well as any that it receives from the United States or elsewhere.

Personally, I do not believe the amendment is actually necessary, first because I cannot conceive that any government, when it knows it depends for its very existence on the good will of the people, would fail to make every provision possible for getting food to those who are indigent, and needy, the ones who are most easily stirred up into unrest, riots, and disorder; and second, because we already have the test of experience under this program. Without such a mandate there have been no complaints about the food previously provided being unfairly distributed.

My colleague the gentleman from Minnesota reported, when he came home from Europe, that he had not seen anybody hungry, which indicates that there has been an equitable distribution. As was stated here this morning, in Italy about 20 percent of our previous shipments was distributed free and about 80 percent was sold because there was purchasing power to buy that 80 percent.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. AUGUST H. ANDRESEN. Of course the gentleman knows that I did not say I did not see any hungry people.

Mr. JUDD. The gentleman is correct. I should have said starving people.

Mr. AUGUST H. ANDRESEN. I did not see any starving people and nobody else saw any starving people. I want to ask the gentleman whether his amendment provides for free distribution of this food to indigent people or just a fair distribution to the indigent.

Mr. JUDD. It provides for distribution to indigent and needy persons of their fair share of all available supplies.

Mr. AUGUST H. ANDRESEN. Well, then, they will have to pay for it, will they not?

Mr. JUDD. No; it will be distributed free to those who cannot pay.

Mr. AUGUST H. ANDRESEN. Will the gentleman add the words "without cost" to his amendment?

Mr. JUDD. I shall be glad to make it read "to distribute free" if the gentleman wishes that, in order to make it perfectly clear.

Mr. VORYS. There would be an objection to that, because the amendment as drafted requires them to distribute it. But there may be some who are indigent who can pay in part, and you do not want to change the system which they have now whereby they furnish them with money so they can buy their rationed share. You do not want to get the free end of it involved in the situa-

tion where the whole distribution, as in France, is based in giving indigent people money under social-security and relief provisions, and thus permitting them to buy their rationed share. I believe the amendment makes sure that the needy people will get the food.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. AUGUST H. ANDRESEN. The gentleman, if he visited Italy——

Mr. JUDD. I did.

Mr. AUGUST H. ANDRESEN. If the gentleman visited Italy and France, he knows that the ration system has broken down, and the only thing they do ration is bread, fats, and oils, and sugar. You can go to the black market there in the streets of Paris and of Rome and buy any of those items that you want.

Mr. JUDD. That is so, and that is one of the reasons why we should not distribute free as much as the gentleman's original amendment made mandatory, namely two-thirds, because the surest way to increase the black market the gentleman complains about is to pour in free, for example, a great deal of high-grade wheat or flour. The people have never been accustomed to such high-grade flour, and they immediately go out and sell it in the black market and then buy cheaper food supplies for themselves. It just floods the black market with goods if you give more away than is necessary. Furthermore, it does not sop up purchasing power and reduce inflationary pressures.

Mr. AUGUST H. ANDRESEN. I did have a provision in my amendment that they required the recipient to surrender a ration stamp for all the rationed food.

Mr. JUDD. One reason why there is merit in adopting this amendment is to allay any fears as to what might happen if the government in one of these countries should be taken over by the Communists, or in areas or cities where Communist officials might be in the majority. If this amendment is in the agreement and then any Communist-controlled local government does not distribute fairly to indigent people, usually the neediest, and give only to the party members or to those who can pay, then the next section, section 6, would become operative and the President would be under a mandate to terminate promptly all aid to such countries under this act. This amendment, in addition to requiring that aid go to those who need it most, would make it clear that it will not be possible for the aid program to go ahead in any area or in any country which might be seized by Communists and which would not carry out the agreement committing it to this and other provisions of the bill.

Mr. Chairman, I hope the amendment will be accepted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. JUDD].

Mr. KEE. Mr. Chairman, I ask unanimous consent that the amendment may be read again.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk again read the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. JUDD].

The amendment was agreed to.

Mr. RIVERS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RIVERS: On page 6, line 19, add a new section (k), as follows: "That as a condition precedent to the application for or acceptance of the assistance provided in this act, the recipient governments enumerated herein must first certify that no part or portion of the aid so received will be allocated or distributed by persons or organizations embracing or formerly embracing communism."

Mr. RIVERS. Mr. Chairman, this amendment very properly follows the amendment offered by the gentleman from Minnesota [Mr. JUDD]. He says he wants to see that the people entitled to this aid get their appropriate part. Where there is a situation dominated by Communists they will not scare away those entitled to the aid. This amendment says it will not be allocated or distributed by the people so embracing this philosophy which, as the gentleman from Georgia made abundantly clear in the debate on the rule, that among other things and more than anything else, this measure is to stop communism. Two ideologies remain in the world today, Christianity and communism. This is one of the things to stop communism.

My amendment does not say that if some poor unfortunate fellow who did not understand the error of his ways and went along with the Communists to get some bread would be stopped from getting this food. My amendment says that those boys who allocate this food and distribute it shall not be Communists—past or present.

The gentleman from Ohio [Mr. JENKINS] stated here that one member of De Gasperi's government had spent the last 18 years of his life in jail because he was a Communist. I understand Schuman has got some of those people also. I say, don't let those people sit in the councils of those governments whenever this aid is allocated or distributed. Let the pure democracies distribute it.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield.

Mr. VORYS. Does not the gentleman's amendment provide that it cannot be distributed by organizations that profess communism?

Mr. RIVERS. Yes, or persons; either one. Name them and you can take your pick.

Mr. BUSBEY. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield.

Mr. BUSBEY. If the gentleman's amendment is not adopted, will it not mean that, for instance, if a country is 35 percent Communist, those 35 percent will be able to participate in this food-relief program as well as those who are not Communists?

Mr. RIVERS. Why, of course. Now, I have done a little traveling, too. I have traveled Asia and Europe and all about. Whenever I was in China, it was an old Chinese joke that UNRRA was the biggest joke ever participated in by the United States. Remember UNRRA when you give this stuff away. Remember the terrible mismanagement under UNRRA. This is an effort to try to prevent any such thing as transpired under UNRRA.

Mr. JARMAN. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. Of course, I am compelled to yield to my friend from Alabama.

Mr. JARMAN. As I understood the amendment—and I just want to ask the gentleman whether he agrees with me or not—it seems to me that in view of the fact that time is of the essence of this matter, this being purely a stopgap proposition, that the investigation which his amendment would require of all the officials and of all of the people in those countries would defeat the purpose of the bill. That is, it would be too late.

Mr. RIVERS. No. Everybody in those governments knows the make-up of the personnel of the government. De Gasperi has his government and he knows who is in it. If they have any Communists, I would say, "Brother, you are not giving away 5 cents of this food. Furthermore, you are not going to sit down and allocate it. If you have some people who, unfortunately, have embraced communism who are hungry, they can have some of the food, but they do not distribute it."

Mr. JARMAN. But the gentleman should not overlook the fact that officials in small towns, down through the country, will have a hand in this, and it seems to me it is almost impossible for Mr. Schuman, for instance, to follow out and investigate every man in all these little towns in time for the legislation to serve its laudable purpose.

Mr. RIVERS. Oh, no. The simplest thing in the world is to carry out my amendment.

The CHAIRMAN. The time of the gentleman from South Carolina [Mr. RIVERS] has expired.

The question is on the amendment offered by the gentleman from South Carolina.

The question was taken; and on a division (demanded by Mr. RIVERS) there were—ayes 70, noes 46.

Mr. KEE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. KEE and Mr. RIVERS.

The Committee again divided, and the tellers reported that there were—ayes 109, noes 57.

So the amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. REES].

Mr. REES. I will not impose upon the time of the Committee at this late hour. I will use only 2 or 3 minutes. I shall ask for 5 minutes a little later to offer an amendment to this bill. However, I feel I should take this time to keep at least some of the record straight.

The distinguished gentleman from North Carolina [Mr. COOLEY] seemed to criticize me because I suggested that since he is a world traveler, having been in Europe several times after the war was over and also all over the Pacific area, that he should after 3 days' debate

use his time talking about a big dinner in New York for a man who might become a candidate for the Presidency. My only observation was, and he knows it, that since he had gone on so many trips and was so familiar with world conditions that it would have been so much more helpful at that time for him to give this Congress the benefit of his wide experience as applied to this very important legislation, rather than worry himself about some story he read in a magazine.

Now he tells this committee how nonpartisan we must be in considering this legislation. I agree with that statement. I know of no partisanship except as he, himself, injected it the other day. Again, I say my only suggestion was my disappointment in hearing him blast a man who may be a candidate for the Presidency instead of imparting some of the funds of knowledge he acquired in his travels abroad.

Let me say to the gentleman from North Carolina, I do not believe there is a Member of this House who would say one word against the expenditure in this legislation, or any part of it, if he believed the spending of it would save one human life, or if it would help to prevent another world catastrophe. But I cannot understand why there should be any objection from him or anybody else to a Member who wants to offer amendments on the floor of the House with respect to this legislation. If someone feels as though he can amend the bill and make it a better one, he should not be criticized for doing so. Amendments offered from both sides of the aisle, many of them by Members who were in the armed forces in Europe or in the Pacific during the heat of the war, are submitted with the intent of making improvement in dealing with this complicated problem.

I do not think therefore it is quite fair for anyone to take the floor and express the view that because a Member of this House offers any suggestion with regard to this legislation he appears not to want to help the people abroad or that he does not want to do the thing that is right and fair for his own country. Everyone here has just as much sympathy as he has for people of war-stricken areas of the world. And, above all things, we bow our heads in reverence and humiliation in honor of those boys who gave their last full measure of devotion in the belief that by reason of their sacrifice, this Nation and the whole world would be a better place in which to live.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. REES. The gentleman has already had the floor. I am through.

The Clerk read as follows:

SEC. 6. The President shall promptly terminate the provision of aid under this act for any country whenever he determines (a) that such country is not adhering to the terms of its agreement entered into in accordance with section 5 of this act; or (b) whenever he finds, by reason of changed conditions, that the provision of aid under this act is no longer necessary or desirable.

Mr. FISHER. Mr. Chairman, I have an amendment at the Clerk's desk to section 6.

The CHAIRMAN. May the Chair suggest that when Members send amendments to the desk that does not mean that the amendments will be offered unless they are called up when the proper time arrives. Many amendments are sent up that are never called up.

The Clerk read as follows:

Amendment offered by Mr. FISHER: On page 6, line 25, substitute a semicolon for the period and add the following: "or (c) whenever he finds that the government of such country is dominated by the Communist Party or by the Union of Soviet Socialist Republics."

Mr. FISHER. Mr. Chairman, I will take just 1 minute. Section 6, which provides for the contingencies under which aid shall be terminated, now reads as follows:

SEC. 6. The President shall promptly terminate the provision of aid under this act for any country whenever he determines (a) that such country is not adhering to the terms of its agreement entered into in accordance with section 5 of this act; or (b) whenever he finds, by reason of changed conditions, that the provision of aid under this act is no longer necessary or desirable.

If the pending amendment is adopted, the following contingency will also be included:

or (c) whenever he finds that the government of such country is dominated by the Communist Party or by the Union of Soviet Socialist Republics.

The proposed amendment is self-explanatory.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the gentleman from Georgia.

Mr. COX. It appears to me that this is an amendment that no one can afford to resist. I wonder if the Committee on Foreign Affairs will not accept the amendment and eliminate long discussion?

Mr. FISHER. I earnestly hope so.

Mr. JARMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is, of course, one of those amendments which on the surface and in the headlines is very attractive and very appealing. It is such an amendment, however, as I regard as dangerous to be written into legislation on this floor. I merely illustrate the fact by calling attention to the invitation it extends to the Communists in the countries concerned to speed up their efforts to dominate those countries in order to stop this relief program on stopping of which Moscow is so bent. I am very strongly of the opinion that the amendment would serve the purpose of directly and positively defeating the laudable purpose which the gentleman has in mind and, of course, it would defeat the Marshall plan. I realize we are not all for the Marshall plan, but many of us are. It would defeat the Marshall plan, in my opinion, before we ever discussed it on the floor of the House.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. According to the press, Under Secretary of State Lovett, when testifying before a committee in the other body, responded to the question regarding communism, and he stated that when the governments of those countries became communistically controlled, that no further relief would be sent to those countries. Now, in the light of that statement why should the gentleman object to the amendment offered by the gentleman from Texas.

Mr. JARMAN. Because of the fact that my recollection is that Secretary Lovett made that statement to our committee, and that statement appears in both the hearings on this side and the other side, and there is no use in stimulating the Communists, as I have indicated, by adding it to this bill. It is already in the hearings. The intention is well known or well ascertainable, and I see no reason to deliberately try to defeat our purpose, appealing delightful and beautiful though the sentiment may appear.

Mr. MILLER of Nebraska. The gentleman should not have any objections to spelling it out in the legislation, then, if it has already been testified to by the State Department.

Mr. JARMAN. That is the reason I do not want to spell it out, because it is already in evidence.

Mr. FISHER. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield to the gentleman from Texas.

Mr. FISHER. Of course, the object of the amendment is not to encourage the Communists to take over.

Mr. JARMAN. I know that.

Mr. FISHER. It is to encourage those who are in control to see that they do not take over.

Mr. JARMAN. I know that is the gentleman's idea, but I expressed the opinion that I did not think that would be the result. I realize the object is laudable indeed.

Mr. FISHER. It should be an incentive to these countries to keep their own houses in order in order that they may qualify for assistance. That is the purpose of the amendment and in my judgment it will have that effect. It expresses the purpose of this country to provide no aid to Communist-dominated countries.

Mr. JARMAN. As I say, I realize the gentleman's purpose is quite laudable, but I just do not believe it will accomplish what he has in mind.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. FISHER].

The question was taken; and on a division (demanded by Mr. FULTON) there were—ayes 78, noes 37.

So the amendment was agreed to.

The Clerk read as follows:

SEC. 7. All commodities made available under the authority of this act or the containers of such commodities shall, to the extent practicable, be marked, stamped, branded, or labeled in a conspicuous place as legibly, indelibly, and permanently as the nature of such commodities or containers will permit, in such manner as to indicate to the people of the country of destination that such commodities have been furnished or made available by the United States.

Mr. MEADE of Maryland. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MEADE of Maryland: On page 7, line 8, after the words

"United States" and before the period, insert "of America."

Mr. MEADE of Maryland. Mr. Chairman, this amendment is merely clarifying. It is just to make it perfectly clear that this aid is coming from the United States of America and not from the United States of any other place, such as the Soviet Union.

Mr. VORYS. If the gentleman will yield, the gentleman spoke to me about this amendment. He wants to make it clear that this aid does not come, for instance, from the U. S. S. R. As far as I have been able to learn, the committee has no objection to the amendment. I hope it will be adopted.

Mr. HUBER. Mr. Chairman, will the gentleman yield?

Mr. MEADE of Maryland. I yield to the gentleman from Ohio.

Mr. HUBER. There might be some advantage in limiting the relief supply to alphabet vegetable soup and using only those sections of the alphabet "U. S. A."

Mr. MEADE of Maryland. I think that would be a splendid suggestion.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. MEADE].

The amendment was agreed to.

The Clerk read as follows:

SEC. 8. Wherever reference is made, in this act, to commodities made available under the authority of this act, such reference shall be deemed to include commodities procured with credits made available to a recipient country under the authority of this act.

SEC. 9. The President shall take appropriate steps to encourage other countries to make available to recipient countries such aid as they may be able to furnish.

SEC. 10. The President may, from time to time, promulgate such rules and regulations as he may find necessary and proper to carry out any of the provisions of this act; and he may delegate to the Secretary of State or any other head of a department or agency of the Government any of the powers or authority conferred on him under this act. In accordance with the direction of the President, the responsibility for administering in the recipient countries the program of assistance provided for in this act shall be vested in the field administrator of the United States foreign relief program appointed pursuant to section 4 of the joint resolution of May 31, 1947 (Public Law 84, 80th Cong.). No citizen or resident of the United States shall serve under this act as a United States representative, observer, or adviser until such person has been investigated as to loyalty and security by the Federal Bureau of Investigation. The field administrator may, when he finds it essential to the purposes of this act, utilize for observation the services of a limited number of other persons, who shall be investigated and approved by the field administrator.

Mr. ELLSWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ELLSWORTH: On page 7, line 19, strike out the semicolon and insert a colon and the following:

"*Provided*, That nothing in this act shall be deemed to authorize the issuance of any proclamations, orders, rules, or regulations in any way controlling production or prices or allocating deliveries of any commodity within the United States."

In line 20 strike out the words "and he" and insert in lieu thereof the word "he."

Mr. ELLSWORTH. Mr. Chairman, by way of explaining my amendment, I want to again read the first three lines of section 10. They read as follows:

The President may, from time to time, promulgate such rules and regulations as he may find necessary and proper to carry out any of the provisions of this act.

You will notice there is no limitation whatever placed upon the President of the United States in those three lines, and my amendment simply limits his right under those three lines to matters pertaining directly to the bill. Unless my amendment is adopted, the President will have very broad powers including, I believe, the power to institute a program of price control and rationing.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield.

Mr. VORYS. The gentleman's amendment provides a limitation similar to one which was put on by way of precaution in the other body. It seems to me that it is perfectly clear that this bill should have exactly the effect that the gentleman's amendment provides, and that is not to give any power as to price control or allocation in this country. I have had no opportunity to consult the full committee, but I am certain that the committee would agree with the gentleman in his view. Therefore, I hope the amendment will be adopted without further debate.

Mr. ELLSWORTH. With that statement, for which I thank the gentleman, I will yield back the balance of my time and merely say that the adoption of this amendment does not in any way affect the bill, but it does provide protection against an OPA coming on us when we did not intend to vote for one.

Mr. VORYS. Mr. Chairman, if the gentleman will yield further, as I said before, it is not the object of the Committee on Foreign Affairs to invade the province of the Committee on Banking and Currency, which is dealing with these matters. This amendment makes it doubly certain that no such invasion is being made.

Mr. ELLSWORTH. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. ELLSWORTH].

The amendment was agreed to.

Mr. AUCHINCLOSS. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, the legislation now being considered by the Committee of the Whole House on the State of the Union, H. R. 4604, is of the greatest importance because it affects the future of every man, woman, and child in this country in our relationships with the world of tomorrow. This legislation is one of the opening steps in a program which launches our country on a road of international relationships, a path to which we are more or less unaccustomed. The passage of this act is additional definite and final acknowledgment that the United States of America is no longer a Nation unto itself, but is ready to assume the responsibilities of peace and the well-being of people all over the world.

This is undoubtedly the normal result of our development over the years. Our free enterprise system based on a love for liberty and freedom, with equal opportunity for all, has proved itself to be the best and soundest Government in a world that is torn asunder by strife, hate, intrigue, and the devastation of war. The importance of what we do here today cannot be overemphasized and for that very reason this legislation cannot be considered on its merits alone but must be considered in the light of what has happened in the past and what is planned for the future.

On May 6, 1947, during the consideration of the President's proposal to advance $400,000,000 for the aid of Greece and Turkey in their fight against communism, I made some remarks in which I stated that I would support the proposal but that my support was not inspired with very much enthusiasm. The bulk of my remarks on that occasion was devoted to a resolution, introduced by the distinguished and extremely able gentleman from Massachusetts, CHRISTIAN A. HERTER, known as House Resolution 173, Eightieth Congress, in which it was proposed that a select committee be appointed by the Speaker of the House to investigate the whole foreign relief program together with an appraisal of the resources of our country and our ability to partake in any such program. I may say, Mr. Chairman, that I was the only one in the entire Congress who spoke on this resolution, either pro or con, and I hope I may be forgiven the pride which I have in this fact. This pride is based largely on subsequent events, since this resolution, in substantially the form introduced by the gentleman from Massachusetts [Mr. HERTER], was finally adopted, the committee was appointed, and we have before us today the workmanlike report of the so-called Herter committee on conditions at home and abroad and we will soon be asked to consider permanent legislation on world relief based on this report endorsed by the Herter committee.

I am no longer impressed with the cry of emergency. Legislation on domestic and foreign affairs for the past 15 years has been based largely on the sharp cries of emergency. It is a well-known fact that in days gone by the most effective policy of the New Deal in securing the enactment of legislation was a plea from the White House that an emergency was upon us which would brook no delay and that legislation should be adopted to overcome it without any undue debate. I hope that this cry "Wolf, wolf" will no longer be heard or heeded by the Congress and that we get down to earth in the deliberate consideration of these tremendous questions which face our country.

In a recent speech at Harvard University the Secretary of State, George C. Marshall, made a general suggestion for aid to Europe which was immediately called the Marshall Plan. The policy which he promulgated on this occasion was no more than an idea based on the general proposition that the United States of America should and would help those nations who helped themselves in their own rehabilitation. Immediately nations all over the world questioned the State Department as to just what formula was necessary for them to adopt in order to merit American aid and the British Government started things going

by calling a conference in Paris and asking the nations to submit their figures. The State Department had no answers because they themselves did not know what the Secretary of State had in mind. It was merely his idea and the exposition of this totally unbaked suggestion started false hopes all over the world, which to say the least was a serious diplomatic blunder. To this very date neither the President nor Secretary of State Marshall has described just what is meant by the Marshall plan nor have they submitted to the Congress just with what and how our country would aid others.

The measure which we are considering today, and which I will vote for, is nothing more or less than a stop-gap measure and is justifiable only in order to tide over these poor stricken people in the world facing the threat of totalitarianism until their next harvest. In the meantime something must be done by this country in the adoption of a sound, definite, stable, and solvent foreign policy and at long last put an end to stopgap emergency legislation which makes our foreign policy look like a patchwork quilt.

It is my personal view, Mr. Chairman, that it is a great mistake for us not to have coupled, at the same time with this emergency aid, the outlines, if not the definite plan, of a relief foreign policy, but it was decided to take two bites of the cherry, and I hope that those bites will come so close together as to resemble one big bite in the settlement of the whole problem.

There is one feature of this legislation which I am most delighted to support and that is the provision in the House bill for aid to China, even if it is a very small amount. Of all the nations in the world China, during the years gone by, has been a faithful and loyal ally of the United States, in spite of the fact that our policy toward China presents a pretty sorry picture. We have made many promises to the Chinese Government which we have failed to keep, and yet China has remained loyal to the cause of freedom in the belief that the United States of America would not fail her. When the whole history of World War II is written and the diplomatic story is thoroughly told in the years to come, the intrigue and double-crossing by the leadership of our Government in its dealings with China during World War II will certainly be a bad black blot on the principles of honesty and Christianity on which our Nation was founded. One need not be versed in the niceties of international relationships or international diplomacy to recognize the fact that today, in this balanced world situation where there are only two powerful nations in existence—one representing communistic despotism and the other representing the freedom of democracy—China holds the balance of power. China, if unified, today would be self-sufficient; China today has the will to live; China today is hard at work; China today is fighting a rear-guard action against communism, and China today is looking with beseeching eyes toward the United States of America in the hope that we may come to her aid so she may not have to fall prey to the domination of communism. All that China wants from us is the matériel and the financial help to conquer communism, and for our own good we must not fail her. If what is now left of the Chinese Government has to capitulate to communism it will be a simple matter for Russia to dominate the Philippines, Hawaii, and Japan, and control the entire trade of the Far East. With that secure, the Communists can then devote their entire attention to the domination of all of Europe. It is a great pity, if not a serious blunder, that the Secretary of State has failed, as well as the President of the United States, to recognize this simple fact.

It has been stated that the present Chinese Government is corrupt and irresponsible. This may be true, but I submit, Mr. Chairman, that the choice is between this government and communism. If we chose communism, which, of course, is unthinkable, it would be a complete reversal of our policy in all other parts of the world. Furthermore, I have heard it stated by those who know that the present Chinese Government which we recognize is a great improvement over all previous governments in China, and that surely is something to be grateful for.

I would point out one other thing, Mr. Chairman, that as far as I can learn, and I have asked a great many questions concerning it, the greatest American authority in Far Eastern matters has not been consulted by our Government concerning our problems in the Far East. General Douglas MacArthur has lived there a long time. He led our armies to extraordinary victories and has accomplished something which is almost unbelievable in the restoration and the rejuvenation of Japanese economic and spiritual rights. And, I repeat, I am well informed that his suggestions and advice as to our responsibilities, as well as our policy, in the Far East have never been sought. The short-sightedness of such a policy must be too evident to all; it is a disservice to the welfare of our country.

I trust the House will act promptly on this measure in order that our attention may be speedily given to the recommendations of the Herter committee. The time is short; the necessity for prompt action is at hand, because the march of communistic Russia is pressing onward and can only be combated by giving heart and encouragement to those valiant souls all over the world who love freedom and who are looking to this great Nation of ours for salvation. It is our Christian duty; it is our high privilege to be liberal with our bounty in accordance with our ability, and to act quickly. However, the United States must be strong if we are to be of any help in the world. God give us strength to act wisely and in the interest of peace and freedom.

The Clerk read as follows:

SEC. 11. There shall be established and maintained, out of the funds authorized under this act, a National Food Conservation Committee, composed of representatives of business, labor, agriculture, and consumers, appointed by the President to serve, on a voluntary basis, for the purpose of advising on ways and means to conserve foods and foodstuffs, to avoid inflationary pressures on domestic food prices and food supplies, and generally to facilitate the purposes and objectives of this act.

Mr. SADOWSKI. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. SADOWSKI: On page 8, line 12, after section 11, insert "(a)."

On page 8, line 21, insert as follows:

"(b) That, subject to such rules and regulations as the Postmaster General may prescribe, a package not exceeding 44 pounds in weight, containing food and/or clothing, intended as a gift for relief purposes and not for resale, may be sent by parcel post free of postage for delivery in a foreign country if such package is addressed to an individual, or an organization (not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual) which is engaged in the relief of economic distress in such foreign country;

"(b) This act shall be applicable with respect to parcels sent to any country that was ravaged by war and where the people are needy and destitute, regardless of whether they were allies or enemy nations.

"(c) The Postmaster General shall, at the close of each quarter of each fiscal year, submit to the department, agency, or instrumentality of the Government of the United States charged with the duty of administering relief in foreign countries the cost to the Post Office Department of transmitting during such quarter packages of food and clothing under the first section 11 (b) of this act. The Post Office Department shall thereupon be reimbursed by such department, agency, or instrumentality for such cost out of any funds available to such department, agency, or instrumentality for the relief of economic distress in, or for rehabilitation of foreign countries."

Mr. VORYS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. VORYS. Mr. Chairman, the amendment which has been added either as a new section or as an amendment to section 11, which has just been read, is not germane to this bill, in that it has to do with the postal rates and the Post Office Department. While I have only had an opportunity to hear the amendment read, it goes far afield in many particulars, but its general purpose is not germane to this bill and certainly not to this section of the bill.

The CHAIRMAN. Does the gentleman from Michigan desire to be heard on the point of order?

Mr. SADOWSKI. I do, Mr. Chairman. I think this amendment is germane. It has to do with relief. It provides that a certain amount of this money that is being appropriated in this bill will be set aside to pay the postage on some of these relief packages that are going to Europe, being sent by private individuals, without charge to the United States Government or to the United States Treasury. It certainly is in line with relief if we will assume these postal charges that the people who send packages have to pay. It certainly would fall in line with the objectives of this bill.

Mr. JARMAN. Mr. Chairman, is it in order for me to rise against the point of order?

The CHAIRMAN. Certainly. The Chair will recognize any Member who can throw any light on the question raised by the point of order.

Mr. JARMAN. The gentleman from Alabama does not know whether he can throw any light on the subject, but he wants to try, just briefly.

I am impressed that this bill, which is, among other things, for the purpose of promoting the general welfare and the

national interest and the foreign policy of this Government, and which proposes to do so largely by supplying relief to certain European countries, that relief which would be provided under the gentleman's amendment by this method of free postage certainly makes it germane, because it is also relief.

Another point: As I recall the gentleman's amendment it provided that the Post Office Department be reimbursed for the funds it would lose by this postage from the authorization herein. Therefore, it seems to me that makes it directly germane since it pertains to the use of the funds authorized to be appropriated.

The CHAIRMAN. Does the gentleman from Michigan desire to be heard further on the point of order?

Mr. SADOWSKI. No, Mr. Chairman; I believe the point of order has been well presented by the gentleman from Alabama.

Mr. VORYS. Mr. Chairman, one more point has been called to my attention. The gentleman's amendment applies to all the countries of the world. I think it names a number of countries. The present legislation, however, applies to only four foreign countries. This is another reason why it is clearly not germane to this legislation, although the purpose may be meritorious and the proposition could be taken up in separate legislation, as has been proposed.

Mr. BLOOM. If the gentleman will yield, I might point out the fact that under the amendment the money is paid out of this bill to cover the postal charges.

Mr. SADOWSKI. According to the gentleman's reasoning, then, I would be barred from offering an amendment to extend the number of recipient countries under this bill. I do not believe I would be so barred. I could offer such an amendment. I think the gentleman's reasoning is wrong.

The CHAIRMAN. Is there anything further on the point of order? If not, the Chair is prepared to rule.

This bill deals with three designated countries and provides a specific sum of money to furnish this relief to the countries mentioned. If therefore the gentleman's amendment were adopted covering all nations in the world it might deplete the amount of money intended for the three nations mentioned. Again, the gentleman's amendment is in effect an amendment to the postal laws of the United States and has had no committee consideration. The Committee on Foreign Affairs has no jurisdiction over the post office. Again, the section to which the amendment is offered deals with the establishment and maintenance of the funds authorized under the act, and so forth.

The Chair feels that the amendment is not germane to the particular section to which offered even though it might be germane to some other section of the bill.

For these reasons the Chair is compelled to hold that in the Chair's opinion the point of order is well taken. The point of order is sustained.

Mr. SADOWSKI. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am sorry the Chair has seen fit to rule against this amendment. While many Members are thinking in terms of this hocus-pocus political relief bill which extends sympathy to the pangs of hunger in the Frenchman's stomach, but at the same time ignores the pleas of a million orphan children in Poland, there are at the same time thousands of American citizens who have a real concept of relief. They are thinking in terms of American relief and Christian relief. They are doing a great job of giving charitable relief and have been doing it for a number of years. They have been sending packages of clothes and food to the people who needed these supplies, to those who were actually in need. Many millions of packages have gone out this way from our citizens to the people of Europe. These were the real friendship packages. These packages that have gone out have not cost the taxpayers of the United States any money.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. SADOWSKI. I yield to the gentleman from Georgia.

Mr. COX. If the gentleman's amendment had been held in order and had been adopted by the committee, it would, in my opinion, have had the effect of bringing out of the closets, storage rooms, and package rooms in this country millions and millions of dollars worth of clothing that could be used for protecting the naked people of Europe against the cold of the coming winter and would have resulted in the development of a finer friendship and a better appreciation of America.

Mr. SADOWSKI. The gentleman is absolutely right. The main thing about this program, Mr. Chairman, is that it has not cost the Treasury of the United States one dollar. Here is a program that comes from the hearts of the people of the United States to the poor, needy people of Europe. It has cost the senders approximately $44,000,000 so far this year to send these packages. There are $44,000,000 that has been given by big-hearted, generous Americans, people with big hearts who have paid this money out of their own pockets for postage and it seems to me the least we could do is to cover the expense of the postage.

Mr. Chairman, the country that received most of these packages was Germany. Germany received 121,000,000 pounds of food and clothing. The next country was Italy, which received 45,000,000 pounds of food and clothing. Poland received 34,000,000 pounds of food and clothing, France 11,000,000 pounds, Hungary 10,000,000 pounds, and so on down the line. Every country has received some packages.

Mr. JARMAN. Mr. Chairman, will the gentleman yield?

Mr. SADOWSKI. I yield to the gentleman from Alabama.

Mr. JARMAN. The gentleman referred to the fact that the passage of his amendment would not cost the country anything. Is it not true that instead of costing the country anything it would save the country a great deal in relief expense because the need for relief in these countries would be reduced by the amount of packages this amendment would have covered?

Mr. SADOWSKI. That is right. The kind of goods and supplies that are being sent to Europe in these packages is the kind of supplies and goods that the people desperately need. These people write letters pleading for these things—shoes, old clothes, underwear, and blankets. Our folks are sending things that they can afford to send, including old clothes that would otherwise be cast away. They are sending help to their relatives and friends in Europe. They are not sending trinkets and junk that is worthless and would have no value to those people.

Under the program outlined in the pending bill, Lord knows what they are going to get. Under my gift-package program they will get exactly what they need—medicines, food supplies, and clothing.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. SADOWSKI. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I introduced a bill on the opening day of this session to accomplish what the gentleman proposes to do by his amendment. I am sorry the amendment was ruled out of order. In the first 9 months of this year over 600,000,000 pounds of packages were sent out. The postage on the packages cost more than the food.

Mr. SADOWSKI. Yes. It cost 14 cents a pound to send out one of these packages. A 44-pound package would cost over $6.

Nearly all churches are sponsoring and collecting food and clothing for the needy people of Europe. The Catholic Church, the Quakers, the Lutherans, the Jewish, and practically all Protestant church groups are engaged in a sincere program of relief and charity. Two hundred and fifty million dollars appropriated to cover the shipping costs for these people, and charitable organizations would do more good than $6,000,000,000 wasted on this program in this bill.

Postage paid on volume of parcel post sent to countries in Europe during fiscal year 1947

Country	Volume (pounds)	Postage paid
Albania	469,563	$65,738.82
Austria	7,806,671	1,092,933.94
Belgium	1,717,961	240,514.54
Bulgaria	340,762	47,706.68
Czechoslovakia	8,480,636	1,187,289.04
Denmark	3,140,300	439,642.00
Estonia	16,732	2,342.48
Finland	7,034,170	984,783.80
France	11,760,022	1,646,403.08
Germany	121,520,814	17,012,913.96
Great Britain	26,454,637	3,703,649.18
Greece	8,310,279	1,163,439.06
Hungary	10,477,101	1,466,794.14
Ireland	3,496,937	489,571.18
Italy	45,750,084	6,405,011.76
Latvia	54,334	7,606.76
Lithuania	97,022	13,583.08
Netherlands	6,755,488	945,768.32
Norway	4,455,186	623,726.04
Poland	34,403,665	4,816,513.10
Portugal	203,878	28,542.92
Rumania	1,226,482	171,707.48
Spain	389,033	54,467.42
Sweden	2,251,139	315,159.46
Switzerland	1,281,180	179,365.20
Turkey	48,909	6,855.66
U. S. S. R.	1,489,232	208,492.48
Yugoslavia	8,048,170	1,126,743.80
Total	317,480,467	44,447,265.38

Volume (in pounds), by months, of parcel post dispatched to civilians in countries in Europe during the fiscal year 1947

Country	July 1946	August 1946	September 1946	October 1946	November 1946	December 1946	January 1947	February 1947	March 1947	April 1947	May 1947	June 1947	Total
Albania	36,670	19,618	19,316		88,453	49,464	22,563	34,719	42,236	74,937	26,275	55,312	409,563
Austria	262,035	527,587	324,420	87,500	1,054,475	951,466	450,544	826,334	911,266	839,840	870,299	700,905	7,806,671
Belgium	193,579	147,458	69,590	104,870	193,593	234,570	148,254	120,148	134,376	123,058	136,857	110,808	1,717,961
Bulgaria	10,770	40,293			73,690	24,753	63,827	19,753	26,298	34,226	47,152		340,762
Czechoslovakia	739,702	845,168	492,626	805,720	1,059,637	1,201,351	506,558	463,337	738,266	420,576	596,503	540,632	8,480,636
Denmark	168,720	200,269	110,099	169,911	289,069	525,281	386,647	245,519	237,761	285,618	240,918	279,918	3,140,300
Estonia	575	1,171	427	1,096	1,723	1,252	835	960	900	2,112	1,976	3,105	16,732
Finland	303,495	295,838	453,938	381,270	1,011,050	1,201,373	259,531	518,360	489,874		1,563,845	454,986	7,034,170
France	1,197,254	1,046,247	618,528	401,782	1,422,031	1,567,488	639,593	1,048,021	968,821	914,319	977,525	958,413	11,760,022
Germany	2,688,005	5,194,920	4,390,395	5,086,310	7,751,990	17,261,890	8,856,211	12,605,657	14,881,187	15,001,319	14,561,092	12,604,428	121,520,814
Great Britain	2,015,081	1,422,283	770,150	337,379	3,223,450	4,569,306	1,007,237	2,363,365	3,103,435	2,080,084	2,[illegible]	2,[illegible]	26,454,637
Greece	401,820	1,178,300	495,467	356,280	1,065,506	667,147	875,050	738,821	510,653	624,576	[illegible]	[illegible]	8,310,279
Hungary	2,940,760	440,170	970,060		1,959,281	710,336	576,944	493,478	502,975	886,547	[illegible]	[illegible]	10,477,101
Ireland	256,250	193,171	145,593		492,240	139,516	518,810	234,447	312,403	288,526	463,706	411,975	3,496,937
Italy	2,621,972	6,346,851	2,112,840		6,507,258	8,848,958	2,206,007	2,066,437	4,909,832	3,091,144	4,255,126	2,183,659	45,750,084
Latvia	2,306	2,856	1,878	4,578	4,632	5,325	2,456	3,780	3,988	6,740	9,430	6,365	54,334
Lithuania	4,096	7,008	2,865	5,469	8,201	7,626	3,162	6,686	5,447	8,109	19,992	18,361	97,022
Netherlands	765,127	513,627	319,195	526,270	677,836	959,445	606,508	448,150	565,285	434,310	571,005	367,730	6,755,488
Norway	470,126	314,359	238,198	234,655	306,465	1,362,663	244,317	259,700	159,698	352,050	242,456	270,490	4,455,186
Poland	2,091,137	2,239,444	2,548,544	4,161,880	3,740,919	3,174,096	3,962,119	2,574,335	1,797,737	4,488,251	1,529,283	2,086,820	34,403,665
Portugal	12,844	13,817	9,664	15,546	18,281	18,603	18,675	21,959	20,005	19,261	14,944	20,279	203,878
Rumania	55,180	137,025			167,802	43,650	212,220	75,720	144,175	141,160	249,550		1,226,482
Spain	25,263	15,275	21,250	11,194	36,952	34,886	23,579	57,880	40,681	53,726	31,884	36,483	389,053
Sweden	85,783	86,782	53,020	94,071	279,848	265,096	136,810	199,716	172,238	301,746	361,407	214,672	2,251,139
Switzerland	87,711	105,223	70,910	47,982	161,189	125,421	101,330	117,106	132,072	108,820	118,079	105,337	1,281,180
Turkey	2,467	4,084	2,246	1,612	3,718	4,549	3,198	2,622	6,530	4,444	7,413	5,506	48,969
U. S. S. R.	74,280	117,480	61,709	112,636	105,818	112,613	85,507	141,128	145,220	199,879	189,278	143,594	1,489,232
Yugoslavia	598,720	429,275	696,395		1,221,857	881,483	608,419	546,359	563,835	1,005,864	523,586	972,377	8,048,170
Total	18,158,378	21,886,129	15,006,522	12,948,711	32,936,564	45,049,607	22,527,001	26,834,997	31,527,194	33,063,042	31,233,704	26,308,618	317,480,467

Volume (in pounds), by months, of parcel post dispatched to civilians in countries in Europe during the fiscal year 1948

Country	July 1947	August 1947	September 1947	October 1947	Total	Postage collected
Albania	66,036	59,336	56,804	164,835	347,011	$48,581.54
Austria	928,056	690,670	651,707	1,129,924	3,620,266	506,837.24
Belgium	126,667	97,622	92,170	182,256	498,715	69,820.10
Bulgaria	63,086	46,494	32,643	48,136	190,959	26,734.26
Czechoslovakia	534,190	468,579	625,592	861,014	2,489,375	348,512.50
Denmark	209,767	337,530	291,641	480,723	1,319,661	184,752.54
Estonia	2,087				2,087	292.18
Finland	501,967	360,791	186,762	1,269,530	2,319,050	324,667.00
France	659,597	813,564	750,224	1,292,581	3,524,966	493,495.24
Germany	19,516,469	17,117,249	15,778,965	21,856,058	74,268,841	10,397,637.74
Great Britain	2,870,758	2,421,501	2,763,474	4,828,654	12,884,387	1,733,814.18
Greece	622,155	393,627	244,354	656,754	1,917,490	268,448.60
Hungary	681,387	549,342	492,025	817,198	2,539,952	355,593.28
Ireland	291,325	368,660	240,416	396,420	1,296,821	181,554.94
Italy	4,146,287	2,701,036	2,844,716	3,759,625	13,451,664	1,883,232.96
Latvia	13,446	13,088	42,710	15,117	84,361	11,810.54
Lithuania	7,707				7,707	1,078.98
Netherlands	438,280	503,180	357,170	649,878	1,954,508	273,631.12
Norway	205,533	271,314	149,043	336,202	962,792	134,790.88
Poland	1,255,687	2,653,147	1,826,833	2,061,389	7,797,056	1,091,587.84
Portugal	32,044	24,322	20,553	15,853	93,372	13,072.08
Rumania	401,055	258,250	152,400	135,227	947,022	132,583.08
Spain	42,246	20,730	40,529	30,413	152,018	21,282.52
Sweden	303,725	196,777	197,892	255,055	953,449	133,482.86
Switzerland	72,238	99,498	85,706	124,005	381,447	53,402.58
Turkey	3,515	4,411	5,113	5,625	18,664	2,612.96
U. S. S. R.	130,546	108,009	122,027	196,937	558,419	78,178.66
Yugoslavia	765,774	715,220	623,433	989,153	3,093,600	433,104.00
Total	34,394,400	31,518,456	28,734,512	42,568,711	137,175,060	19,204,592.40

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. KEATING. Mr. Chairman, I am very sympathetic with the general objective sought to be achieved by the gentleman from Michigan and regret that, due to the parliamentary situation, it is not possible to incorporate in this bill a provision along the general lines he suggests.

For some months I have been endeavoring to convince the President and the Postmaster General that steps should be taken to increase the maximum weight limitations on voluntary shipments of relief goods to Italy, Vatican City, France, and Eire, and to decrease the postage on such shipments to all countries. So far as weight limits are concerned, I am happy to state that following the representations which I made to the President, and his prompt referral of the matter to the Postmaster General, the limitation on shipments to Italy and Vatican City was increased from 11 to 22 pounds, thus relieving the unfair discrimination which had theretofore existed. I have been informed, furthermore, that negotiations are in progress with the Government of France to obtain its approval of a like increase there.

There is clear provision under title 5, section 372 of the United States Code, authorizing the Postmaster General, with the consent of the President, by administrative action, to reduce the postage on these foreign shipments. This section reads as follows:

> The Postmaster General, by and with the advice and consent of the President * * * may reduce or increase the rates of postage or other charges on mail matter conveyed between the United States and foreign countries.

It takes time to pass a law on this subject. The need is great. Voluntary aid should be encouraged. All of this assistance afforded to the stricken peoples across the seas by their relatives and friends in this country reduces the expenditure of public funds. Certainly a comparatively small postage subsidy, if necessary, is the most economical method which can be devised for our Government to extend its aid.

I should welcome the intervention by the gentleman from Michigan with the executive branch to convince them that action should be taken immediately to reduce the sometimes prohibitive postage charges on shipments of food, clothing, medical supplies and other necessaries, which our families in this country of modest income, with close ties abroad, desire to make.

Since I have not yet succeeded in accomplishing this objective with the Postmaster General, and I should not want to be understood to ascribe to him any lack of interest in this proposal, I have introduced H. R. 4616, to force the reduction by one-half of the postage charges on individual relief shipments. I have in preparation additional legislation to encourage this commendable practice, born of the love, sympathy, and Christian charity of our own people.

I have sought an early hearing on this measure and venture to suggest to the gentleman from Michigan and my other colleagues, who may be interested in this same problem, that they appear before the committee in support either of this legislation or any other bills which may serve this purpose.

Mr. KEEFE. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I indicated the other day that I was becoming quite confused with respect to the pending legislation. As the debate proceeds I am becoming more and more confused. If we keep on at the pace we are going in the matter of amendments with respect to this piece of legislation, we may as well close the books so far as this legislation is concerned. Some will hope that perhaps the conference will eliminate most of the amendments if the bill ultimately passes. Perhaps it is all right for the Members of the House of Representatives to say, "Oh, well, we will satisfy our own little feeling in the matter and we will adopt

an amendment against communism or some other thing and write it into this bill in the hopes and expectations that the conferees will ultimately take it out or that the Committee on Appropriations will ultimately see that the country is taken care of."

I appreciate the spirit in which the Members are approaching the task of trying to legislate. Let me say this to you, as I said the other day, that we must make up our minds whether we are going to be for this program or against it. That is all there is to it. Anybody that thinks that he or she can salve his or her conscience because of the adoption in this House of a lot of little petty and meaningless and innocuous amendments and then vote for the bill with the idea that "I thought I was doing something that would be protecting the interests of America" will wake up when this bill finally comes back from the conference in a form quite different in its provisions. You will then be required to vote for or against the bill substantially in the form presented to the House by the Foreign Affairs Committee.

The membership of this House ought to be able to stand up courageously and face the great, tremendous issue that is involved. I am not going to find fault with anybody on the position which he takes, provided it is done with some degree of intelligence. The thing that is facing me right now is this: You adopt an amendment which says that no part of these funds shall be expended in the interest of a Communist or one who has been a Communist. Why, that indicates to me that the Members of Congress just do not know what this bill is about and how it is to be handled. It makes us look silly. I do not want to see any part of this go to Communists. But, my colleagues, if we go into this program, we must do so determined to uphold the arm of our Government as against Stalin. Then we adopt another amendment which says we are going to have a joint committee to go over and investigate and see how this program is handled over there on the ground. Everybody knows that under the program as it is presently operating, under the $350,000,000 general relief program—Public Law 84—we turn this material over to the civil government of the country that is involved. That government is required to adopt the rationing program and the control program that this country demands. We wrote that very language into Public Law 84 as a protection to the people of this country to see to it that there would be an equitable distribution of this food in the nations that we are seeking to help.

Now then, after having done that, after we say to these countries, "You must distribute this food in a program of rationing and price controls subject to our direction and approval," we say "that is not enough; we are going to send a congressional committee over there now to further investigate and tell the country that has charge of that distribution how they shall handle the proposition."

Oh, the intent is wonderful, it is proper, but this thing is going out to the world. What we are doing here today is going out to the Nation. What are they going to think of the intelligence of a body that acts today in a way absolutely contrary to the way we acted when we passed this relief bill, Public Law 84? I do not know what the answer is, but I want to tell you this: You must not depend entirely upon the Committee on Appropriations to protect the people of America and protect this Congress. The Appropriations Committee of course will try to do the job you chart for them. Many Members seem to feel that the Appropriations Committee can resolve many of these difficulties. I want you to know that, in my opinion, your Committee on Appropriations is going to have a difficult time getting a bill in such shape as to effectively implement this legislation. You must either be for or against the principle involved. You must be prepared to follow through—you must either do the job or quit. I shall have more to say later.

Mr. MURRAY of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MURRAY of Wisconsin: On page 8, line 12, strike out section 11 in its entirety.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 10 minutes, 5 minutes for the gentleman from Wisconsin and 5 minutes for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Chairman, I was under the impression that most of us represent some 250,000 to 300,000 people. The time I am here I am going to try to represent them.

I offered this amendment because to me this section of the bill is a step in the wrong direction. Here we have injected into this bill section 11, and it is going to start us on another rejuvenated OPA. Do you know that so many people in our Government have been over in foreign lands so long watching dictators operate that their fingers are getting itchy and they want to set themselves up as little dictators here within the United States. The time has come when we have to meet that issue. This administration has the control, it has the power, and it has the money at this very hour. There is not a man here today who would deny that with the money and the authority that is in the hands of this administration he cannot control prices. Any time the administration wishes to assume the responsibility that goes along with the power and money something can be done about prices. They are afraid of the responsibility of controlling prices, regardless of whether they are low prices or high prices. They have control of prices, and there is no use of their trying to pass it on to somebody else.

Then this committee wants to start up another institution, another bureaucracy. We have the Committee on Banking and Currency with hearings going on at the present time. We are supposed to have a Steagall amendment. It is not being lived up to at this hour. People come in here, and I have heard them day after day, telling about how they had to have this food to send across, yet you have not paid the farmers of the Midwest but 50 to 60 percent of parity at this hour for chickens, according to the law. The administration has not even paid them for the poultry they produced last year, in that particular branch of agriculture. So I say that we should not be appropriating any money to the State Department to start up any new agency. I come from the fresh-water country; evidently one has to be a salt-water man to know what is going on in the world. The State Department is taking over the Department of Agriculture. If you do not want a Department of Agriculture, quit appropriating any money at all. If this committee is going to take over all the functions of all the other committees, then I guess the rest of us might just as well close up shop, too, because this is the opening wedge. Mr. Luckman has done enough harm already. All the blah, blah, blah, about saving 100,000,000 bushels of wheat. He does not know whether he helped save 100,000,000 or 100 bushels, and no Member on the floor can say what he saved. Everyone knows his program was, to say the least, silly; after 4 weeks' reign soap was 30 cents per pound and chickens 15 cents per pound.

You are putting handcuffs and a strait-jacket on the American farmer today. Nobody in this administration has said they want to put handcuffs on the profiteers of this country. You have not heard a word about that from any of the top officials. They want to put them on labor and they want to put them on the farmer, and yet this is the administration that was going to chase the money changers out of the temple. If anyone wishes to support this back-door pathway to a rejuvenated OPA this will be it.

Mr. JAVITS. Mr. Chairman, the argument of the gentleman from Wisconsin would be an impressive one if it were directed to the provisions of the bill which he seeks to strike out. But unfortunately it is not, as a reading of the provision will very clearly indicate. This provision of the bill for which I am very happy to say I am responsible, says there shall be established a national food conservation committee on a voluntary basis. This committee is to be composed of business, labor, agriculture, and consumer representatives—and is to be voluntary. There is nothing in it about manacling anybody, farmers or anyone else. There is nothing in it about creating a new Government agency or a new control agency or a new OPA or anything at all like that. Now what does this provision seek to do? I think the gentleman who proposed this amendment who represents a farming district is, and I am sure unwittingly—because I know him and have very high regard for him—putting us city people in the position of being like Gulliver who is tied down by a lot of bonds and straps and cannot get up from the ground or move himself even though he is a giant. The only thing we can do now, to help ourselves is to protect ourselves against inflationary prices of food. I might say

to the gentleman that I believe that millions of farmers in this country themselves think that food costs have gone out of reason, and that they themselves would be infinitely better off if the inflationary spiral was stopped here and now. What the proponent of this amendment says to us is that we cannot get off the ground ourselves, that we cannot even help ourselves, voluntarily. The whole point about this Luckman committee, is epitomized in Mr. Luckman's letter of resignation of November 20, 1947, to the President. He says, and I quote:

It is clear beyond question, however, that the urgent need for the utmost conservation of food will not cease with the completion of our emergency program. Conservation will be an imperative necessity for a considerable period of time.

And the statesmanlike act which follows that statement is that Mr. Luckman resigns and says his agency is going out of business and somehow or other we can look after conservation through other Government departments.

The Committee on Foreign Affairs has tried to do something really constructive in this bill in response to the gentlemen who support our private economic system, and who say, "We want no controls. We will look after ourselves. Just give the great heart of the American people an opportunity and they will deliver like nothing on earth that you ever saw." This section seeks to give the great heart of the American people such an opportunity. It rejects any implication, which I reject and I believe that the gentleman from Wisconsin would reject, that the farmers of the country do not want us to have a conservation program, but want us to bring about more and more and more the spiralling of food prices which threatens to destroy our salaries in the cities and to destroy people with fixed incomes.

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. MURRAY of Wisconsin. I wish to say to my distinguished colleague from New York that so far as I am concerned, I am willing to put the old strait-jacket on the farmers any time that the rest of the people of the United States want to get into that same strait-jacket. But I am tired, because I have seen the strait-jacket put on the farmer when it is not put on the people of New York or other cities who make their profits making millionaires of themselves out of the sweat and toil of the rural people of this Nation.

Mr. JAVITS. There are no people in my district who are making millions. The people in my district are doing without—day after day after day—because their incomes will often not permit them to buy what they have a right to be able to buy. I think that I, for them, have a right to resent any such statement as that made here. It is just the case that people in my district with incomes of $50 and $60 a week, and even more, cannot buy the kind of foods and household items today that they normally would buy because of the inflationary runaway price spiral.

Now just one other point. If the gentleman pressing this amendment were to be consistent he would bring in a bill tomorrow to prevent farmers from having cooperatives. If you are going to try to prevent the city people from doing something about the inflationary spiral through their own voluntary efforts, then you certainly ought to prevent the farm people from entering arrangements and getting together and organizing their marketing.

Mr. MURRAY of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. MURRAY of Wisconsin. I will be glad to answer that at another time and I will not worry about being put on a spot either. But why try to deceive us here today? Why try to deceive any of us who have kept track of this all these years into believing that this committee can bring in a little amendment and that it is going to do something except for one group of people? Stop and realize who has the power and who has the authority and who has the money and who put 150 percent of parity on a certain vegetable oil north of the Mason and Dixon's line, if you please, after OPA was dead and after all the pallbearers had taken off their white gloves and all the mourners had gone home.

Mr. JAVITS. The gentleman's argument is confusing the point that we city people of the United States have a right by voluntary action to protect ourselves as to the price of what we eat and what we buy in an effort to bring prices down, just as well as the farmers in cooperatives and other activities have a right to get together and try to organize their marketing.

The CHAIRMAN. The time of the gentleman from New York has expired.

All time has expired.

Mr. RANKIN. May we have the amendment again reported, Mr. Chairman?

There being no objection, the Clerk again reported the amendment offered by Mr. MURRAY of Wisconsin.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken; and on a division (demanded by Mr. MURRAY of Wisconsin) there were—ayes 47, noes 180.

So the amendment was rejected.

Mr. KUNKEL. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. KUNKEL: On page 8, after line 20, insert a new section, as follows:

"SEC. 6. (a) Before any commodities are made available to any recipient country other than China under the authority of this act, the agreement entered into between such country and the United States pursuant to section 5 of this act shall contain an undertaking by such country—

"(1) that when commodities made available under the authority of this act are made available on terms of repayment in dollars, such country will use (in the manner and to the extent provided in such agreement and permitted by the law of such country) the assets in the United States belonging to nationals of such country as collateral to secure the making of such repayment; and

"(2) that when commodities are made available under the authority of this act, they shall be made available on terms of repayment in dollars to the extent of the known value (as determined by the Secretary of the Treasury) of assets in the United States belonging to nationals of such country.

"(b) For the purposes of this section and upon request by a recipient country, each officer and agency of the United States is authorized and directed to furnish (through the Secretary of the Treasury) to the Government of France any information acquired or possessed by such officer or agency with respect to the identity of each French national who holds assets in the United States and the character, locations, and amounts of such assets. Insofar as possible such information shall be furnished in such detail as may be necessary in order to comply with the request; but, except to the extent necessary in order to comply with the request, shall not disclose the affairs of any person.

"(c) The President shall promptly terminate the provision of aid under this act for any country whenever he determines that such country is not adhering to the terms included in its agreement in accordance with this section.

"(d) For the purposes of this section—

"(1) The term 'national' of a country means an individual who is a citizen or subject of such country, or a corporation or association organized under the laws of such country.

"(2) The term 'person' means an individual, partnership, corporation, or association."

And renumber the remaining sections of the bill accordingly.

Mr. MALONEY. Mr. Chairman, will the gentleman yield?

Mr. KUNKEL. I yield to the gentleman from Pennsylvania.

Mr. MALONEY. The members of the committee are very sympathetic to this amendment. We feel, however, that it should not be placed in this bill but should be taken up in the Herter bill. Hearings on the Herter bill will start Monday morning.

We would suggest that the gentleman withdraw this amendment and submit it at the hearings on Monday.

Mr. KUNKEL. I should like to have this go into the interim-aid bill. Until we can have a clearer picture of what will happen in France and Italy, and whether effective democratic governments will receive popular support, these nations should exhaust their own resources before receiving free aid. Having studied this question most carefully I find there are a number of difficulties due to the fact that we have to refer to dollars even as merely a unit of measurement in the present amendment and due to the further fact that this bill does not contemplate any dollar advances, nor for that matter any attempted repayment at all. There are several policy questions involved also. The problem should be studied from all angles.

Can the gentleman from Pennsylvania assure me that this matter will be considered in connection with the Herter bill establishing the Government corporation?

Mr. MALONEY. We would suggest that the gentleman from Pennsylvania attend the hearings as a witness and submit his amendment at that time.

Mr. KUNKEL. The hearings in respect to the Herter bill establishing a government corporation?

Mr. MALONEY. We will see that the gentleman is given a full opportunity to present his views at the time of the hearing on the Herter bill.

Mr. KUNKEL. And that this matter will receive consideration by the committee at that time?

Mr. MALONEY. That is right.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. KUNKEL. I yield.

Mr. AUGUST H. ANDRESEN. I think the gentleman's amendment is very appropriate and in order to this bill, because the bill on page 4 provides for repayment in dollars from these different countries. Here you have in France possibly $3,000,000,000 of gold buried, and hundreds of millions of dollars' worth of securities held by French citizens in the United States. It occurs to me we ought to have it as part of this bill, and I hope the gentleman will give us an opportunity to vote on it.

Mr. KUNKEL. The difficulty with that is the complicated nature of the problem. It involves the mobilizing of the assets of the various nationals who are subject to the laws of their respective countries. Conceivably it may serve as a precedent for future action in respect to nationals of other countries. Consequently I welcome suggestions as to ways and means. I would not want to jeopardize the principle involved in this bill by offering it as an amendment, now that I am given assurance that this matter will be given serious consideration within the next few days. With the help of the legislative counsel, I have redrafted this particular amendment four times within the past 2 days. I am not completely satisfied with it even yet.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. KUNKEL. I yield.

Mr. VORYS. A further reason for deferring consideration to next Monday, as the gentleman from Pennsylvania [Mr. MALONEY] suggests, and as he has already assured his colleague will be done, is the fact that the Supreme Court on December 8 denied the Government the right to hold property of foreign nationals unless the owner of the property is found to be an enemy or an ally of an enemy. That court decision should be considered by the committee before we put such a principle as that contained in this amendment into legislation. I, therefore, am very happy about the arrangement between our two colleagues from Pennsylvania.

Mr. KUNKEL. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read as follows:

SEC. 12. (a) There is hereby authorized to be appropriated not to exceed $590,000,000, out of any money in the Treasury not otherwise appropriated, to carry out the provisions and accomplish the purposes of this act. This act, however, shall not imply any present or future obligation to give aid to any foreign country, nor shall it imply or guarantee the availability of any specific commodities.

(b) Funds authorized under this act, when allocated to any department, agency, or independent establishment of the Government, shall be available for obligation and expenditure in accordance with the laws governing obligations and expenditures of such department, agency, or independent establishment or organizational unit thereof concerned, and without regard to sections 3709 and 3648 of the Revised Statutes, as amended (41 U. S. C. 5; 31 U. S. C. 529).

(c) Notwithstanding the provisions of any other law, the Reconstruction Finance Corporation is authorized and directed, until such time as an appropriation shall be made pursuant to this section, to make advances, not to exceed in the aggregate $150,000,000, to carry out the provisions of this act, in such manner and in such amounts as the President shall determine. From appropriations authorized under this section, there shall be repaid to the Reconstruction Finance Corporation the advances made by it under the authority contained herein.

Mr. JONKMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONKMAN: On page 8, line 22, after the words "not to exceed", strike out "$590,000,000" and insert "$290,000,000."

Mr. JONKMAN. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. JONKMAN. Mr. Chairman, in support of my amendment to reduce the authorization in this bill by $300,000,000, I submit the following facts:

The authorization was fixed by the administration at $597,000,000. Since that time it was found that the Italian grain crop was underestimated by the State Department by 1,000,000 metric tons. This is 37,000,000 bushels, and at $3 a bushel would come to $111,000,000.

Next, it was found that Italy's export olive crop had been underestimated in the amount of $13,000,000. Certainly, where the need is found not to exist we cannot say, "Give it to them anyway," so that $124,000,000 must come out.

Then there were included in the proposed administration figures $20,000,000 owed by France on account to Belgium and Brazil. We certainly are not paying the debts of foreign nations under the guise of relief. So that must come off.

In the matter of France, it was found that her grain crop was larger than anticipated by at least $17,000,000. Certainly this should be deducted from the administration figures.

The last three amounts totaling $50,000,000 have already been allowed as cuts by the committee. The $111,000,000 was not so treated. We also were informed that so much wheat was not available in the United States; that only one-third of the amount could be spared. So we gave them that one-third or $37,000,000 we had, although not needed, and cut $74,000,000 off. A few days later we restored one-half of this, or $37,000,000 of wheat not needed and which we do not have, and this, with the $60,000,000 for China, brought us within $10,000,000 of our starting point.

So we have a total of $161,000,000 cuts about which there should be no dispute and which could never be justified by anyone as a basis for giving away our taxpayers' money.

I further have called the attention of the House that according to the March 31 report on UNRRA there were still $1,088,000,000 unshipped as of March 31, 1947. UNRRA funds have been used at the rate of $70,000,000 a month. If the administration report is correct, and UNRRA holds out at the rate that it has in the past, there would be $420,000,000 available after the 1st of January 1948.

Now, I know this fund is an international fund, and not under our direct control. But Italy has had UNRRA funds before, and I see no good reason why it could not be applied for other needy countries, especially Austria, for the first 3 months of 1948. I dare say that we have, in the final analysis, contributed 90 percent instead of 72 percent, as often said, of this fund. With the division of East and West through the iron curtain, the free countries should be able to husband this resource instead of letting it go to pot and then just come back to the American taxpayer for more.

However, instead of $400,000,000, assume that we utilize only $100,000,000 of this fund in 1948. This will ease the interim aid bill so we can cut it another $100,000,000, bringing the justifiable cuts to $261,000,000.

I further called your attention to the fact that according to the balance sheet furnished the Congress in the hearings on the interim aid bill, that as of November 1 there were still $204,000,000 available from the $350,000,000 post-UNRRA aid bill.

The President's report on the post-UNRRA $350,000,000 aid bill showed that as of September 30, 1947, only $72,000,000 had been shipped. This means that for August and September we had shipped $36,000,000 a month, and the report furnished to the Congress by the State Department as of October 31, showed $128,000,000 had been shipped, which means that in October we shipped $56,000,000.

Assuming that we continue shipments at the same rate in November and December as in October, it would mean that on the 1st of January there will still be $100,000,000 available from the post-UNRRA residual relief, or so-called $350,000,000 aid bill.

This then warrants another cut of $100,000,000 in the interim aid bill, justifying a cut of $361,000,000 altogether so far.

So, Mr. Chairman, I have already justified a cut of $61,000,000 more than my amendment calls for. But that is not all.

On Friday last I further called attention to the fact that the administration's authorization of $597,000,000 included $38,000,000 for cotton, and $35,000,000 for petroleum, which is for manufacturing purposes and not for human relief aid. This amounts to $73,000,000. Adding this to the last figure of $361,000,000, justifies a cut of $434,000,000.

I further called attention to the fact that the amount proposed by the administration contained $184,000,000 for coal, of which $111,000,000 is for manufacturing purposes. Inasmuch as this is not for relief, I think this should be deducted, and we have come to the total of $545,000,000.

These three items, cotton, coal, and petroleum for industrial uses, amounting to $184,000,000, should not be forced as a gift from the American taxpayer. This sum should be borrowed from the World Bank. Or if the World Bank is failing us, it should be borrowed from the Export-Import Bank, unless we wish to tie ourselves up now to the long-range Marshall plan lock, stock, and barrel without debating it or knowing anything about it.

In addition to all this, it is claimed by the State Department that contributions were made to the $350,000,000 post-UNRRA aid bill by Australia for $12,800,000, Canada $20,000,000, Denmark $4,000,000, Norway $3,000,000, and the United Kingdom $40,000,000, a total of about $80,000,000.

I want to say frankly that I do not wholly believe this. I think it is exaggerated propaganda. For no mention is made of it in the reports we have received either from the President, or the State Department on the so-called $350,000,000 aid bill. However, if these amounts have been contributed, they should be accounted for. The American taxpayer should be relieved to that extent.

So if we add this $80,000,000 to the available funds already accounted for; we have justified cuts for $625,000,000. In other words, we have wiped out the entire amount in this bill. You can take any of these amounts to justify the $300,000,000 cut.

For, Mr. Chairman, there is really no excuse for this bill. If the United States finances were handled by financiers in these tremendous foreign expenditures, instead of by diplomats and politicians, there would have been no need of a special session on this legislation. The administration should have sufficient funds to carry it through March 31 without the provisions of this interim aid bill or any part of it.

Just a word about China. Its proponent says that the inclusion of $60,000,000 for China was mainly to bolster morale by, for instance, stabilizing China's currency. For this purpose it would be only a drop in the bucket, and if we want to bolster China's morale we would do far better to change our foreign policy by giving China $60,000,000 worth of our surplus war material. This should especially commend itself if we think the world situation is one of a cold war, or a hot war, whatever these terms may mean.

Mr. Chairman, we have heard much of calculated risks with reference to war and loss of our freedom by forces from without. Have we calculated the risks from within? The administration is hopelessly divided on whether our foreign aid program has impact on high prices and inflation. President Truman and others say it has not. Secretaries Harriman and Lovett and others say it has a substantial impact on high prices and inflation. If it has such impact, it has the same impact on our freedom and the threat of substituting the police state. That impact became a reality when President Truman asked for reinstatement of price controls, rationing, and so forth.

Our danger of slavery is far more imminent from that source than from war.

Mr. Chairman, Congress will be in continuous session until the middle of next year. Before we grant the entire funds asked for in this short-range Marshall plan, we should demand a composite balance sheet as to how long the present funds will last. We should also have a better picture of the needs than we have before us now.

I hope the amendment will be adopted.

Mr. SMITH of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Wisconsin: On page 8, line 22, strike out "$590,000,000" and substitute therefor "$500,000,000."

The CHAIRMAN. Is the gentleman from Wisconsin offering this as a substitute for the pending amendment, or is it an amendment?

Mr. SMITH of Wisconsin. A straight amendment.

Mr. JONKMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JONKMAN. Is the gentleman offering another amendment or a substitute?

The CHAIRMAN. He is offering an amendment to the amendment.

Mr. JONKMAN. I think my amendment should be voted on.

The CHAIRMAN. According to the parliamentarian, an amendment to the amendment is in order.

Mr. SMITH of Wisconsin. Mr. Chairman, I am asking that the amount carried in the bill be reduced by $90,000,000. Of course, that is a small amount when we consider that we are talking in terms of a half billion dollars. I believe we ought to stop for just a moment and realize that this is the third blank check authorization the State Department is now playing with, so far as relief is concerned. First, we had the UNRRA bill, and money is still being expended for UNRRA. No. 2, we had the foreign-relief bill for $350,000,000, which we passed last spring. Now you are being asked to give another blank check for the same purposes. At the present time there is available for human relief purposes more than $1,000,000,000 from UNRRA appropriations. The European relief bill was passed last spring. As of November 1, 1947, we were informed that there is $204,000,000 available. Now we are asked for another $590,000,000. As I have said, the State Department already has two blank check accounts. Actually, there is no need for this legislation.

There has been a lot of talk about just what this bill does. I have heard some Members say on the floor this afternoon that this is a relief bill for human needs and for food. I am amazed at that statement, because food is a minor portion of it. It is also a rehabilitation bill, rehabilitation of the economy of these countries. When we consider that food is a minor part of this bill, I believe that the people of this country ought to know just what the fact is. Strangely enough, there has been no focusing of attention to that end. While we are concerned about the rising cost of living and while we worry about inflation, yet we are asked to come in here again, twice in 1 year, and make an appropriation, which is a blank check for a reduced standard of living in this country—and make no mistake about that.

I know there are those who feel that this amount should be increased considerably over $590,000,000. But I ask you again, are we going to stand for this kind of business? We ought to consider that even $90,000,000 is a lot of money in anybody's language. What justification is there for me offering a reduction here or suggesting a reduction of $90,000,000? There is just as much justification for that amount as there is for the amount of $597,000,000. Our own staff of experts were unable to decipher the justification that came to us from the Department of State with regard to this matter. Here again blank-check legislation is being offered to the House.

If we are going to do something for the starving people in Europe, certainly a reduction of $90,000,000 in this amount will not deprive them of what we intend that they should have. There is no Member in this body who is not in favor of doing something for the needy and hungry people in Europe, not only in Europe, but in our own country as well. I trust that there will be considerable support for the amount which I have suggested.

I also want to call attention to the fact, as my distinguished colleague, the gentleman from Wisconsin [Mr. KEEFE] said yesterday, that we are just beginning to get the picture as to what is ahead. We have Mr. Peter Edson, of the Washington News, last night stating that $10,000,000,000 more is asked for Britain just as a start. We have not heard the requests and the amounts that are going to come in for Korea and China and Japan.

Mr. SHAFER. Mr. Chairman, if the gentleman will yield, may I say that the body of Harry Hopkins is dead, but his spirit lingers on.

Mr. RANKIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RANKIN. Mr. Chairman, the gentleman from Michigan [Mr. JONKMAN] offered an amendment and spoke on it for 5 minutes. I understood the gentleman from Wisconsin [Mr. SMITH] then offered a different amendment. I want to know whether it is offered as a substitute for the Jonkman amendment or not.

The CHAIRMAN. The Chair would advise the gentleman from Mississippi that the gentleman from Michigan [Mr. JONKMAN] offered an amendment. The gentleman from Wisconsin [Mr. SMITH] offered an amendment to that amendment. Now a substitute would be in order if anyone desired to offer it.

Mr. MERROW. Mr. Chairman, I offer a substitute amendment for the Jonkman amendment which is at the desk.

Mr. BLOOM. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BLOOM. Did I understand the Chair to say that the Merrow amendment is a substitute for the Jonkman amendment or a substitute for the amendment to the Jonkman amendment.

The CHAIRMAN. The statement of the gentleman from New Hampshire [Mr. MERROW] was that he was offering a substitute for the Jonkman amendment. The procedure then would be to first perfect the Jonkman amendment, to which an amendment has been offered. After that is done, then the vote will be between the Jonkman amendment as perfected, and the substitute offered by the gentleman from New Hampshire [Mr. MERROW].

Mr. BLOOM. I do not see how you can skip over the Smith amendment, because the Smith amendment is between the Jonkman amendment and the Merrow amendment.

The CHAIRMAN. The Chair intended to say that the Jonkman amendment is pending; that the Smith amendment to the Jonkman amendment is pending. The Smith amendment will be disposed of before any vote comes on the substitute for the Jonkman amendment.

Mr. JONKMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. JONKMAN. The gentleman from Wisconsin [Mr. SMITH] offered an independent amendment and not an amendment to my amendment. I think the gentleman will so state. My amendment should be voted on. That is why I asked what the situation was. The gentleman's amendment was not an amendment to my amendment, but an independent amendment.

The CHAIRMAN. The present occupant of the chair was momentarily out of the Chamber at the time the amendment was offered. The Chair has been advised by the Parliamentarian that the situation is just as I have stated it. However, I now ask the gentleman from Wisconsin [Mr. SMITH] whether or not he offered an amendment to the Jonkman amendment or an independent amendment.

Mr. SMITH of Wisconsin. An independent amendment, Mr. Chairman.

The CHAIRMAN. If that is true, then the Jonkman amendment will be disposed of first. Then the amendment offered by the gentleman from Wisconsin [Mr. SMITH] will be pending. The substitute amendment offered by the gentleman from New Hampshire [Mr. MERROW] will now be reported by the Clerk.

The Clerk read as follows:

Amendment offered by Mr. MERROW, as a substitute for the Jonkman amendment: Page 8, line 22, after the word "exceed", strike out "$590,000,000" and insert "$661,000,000."

Mr. MERROW. Mr. Chairman, the purpose of offering the substitute amendment is to replace the funds which we took out of the $597,000,000 proposed aid to France, Italy, and Austria. The committee decided that in aid $60,000,000 should be allocated to China. The committee also decided to replace $16,000,000 for Austria, funds under Public Law 84 which were set aside for the children's fund but were counted on as available for Austria in the first estimates. The funds for Austria and the allocation for China make a total of $76,000,000. If you add $76,000,000 to the $597,000,000 which was originally proposed, you get $673,000,000. We made a reduction of $12,000,000 against the Italian fats-and-oil requirement because of the unanticipated increase in olive-oil production.

Mr. WILSON of Indiana. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WILSON of Indiana. Is this amendment in order until the Jonkman amendment is disposed of?

The CHAIRMAN. This is a substitute for the Jonkman amendment.

Mr. MERROW. The $12,000,000 reduction from the Italy estimates subtracted from the $673,000,000 gives $661,000,000. My amendment restores the original estimates of $597,000,000 in aid to Europe plus aid to China.

In the first place when the requests from western Europe were made they amounted to $1,119,000,000. After careful screening the figure $597,000,000 was arrived at, making a reduction of $512,000,000. Now we have proceeded with further cuts. I am inclined to think that if we keep on cutting we had better pick up our playthings, move out of Europe as a world power, settle back in our complacency and wait for an atomic attack.

In the last few weeks, as everyone knows, there has been a concerted drive on the part of the Communists in France and Italy directed from Moscow to force the United States out of western Europe. This is their objective.

I have often stated that there should be two principles in a realistic foreign policy for the United States. The first is that we should spend whatever is necessary to sustain the governments that are friendly to us. In other words, we will spend what is necessary to rehabilitate the nations of western Europe which are fighting communism. I have often said that I am willing, if it requires it, to vote to spend fifteen, twenty, or twenty-five billions of dollars for this purpose; and I am happy to say that I am for the Marshall plan whatever it costs with one reservation, that we should immediately increase the armed strength of the United States to protect our investment.

Proceeding on these two principles, I think we shall be able to make our will felt in this rapidly moving world. Keeping this in mind, let us analyze for a moment the tremendous psychological effect of the quick passage of this legislation. I was in France and Italy shortly after the announcement came that the President had called a special session of Congress. There was renewed hope and renewed courage because it seemed from that announcement as though the United States was going to stay in western Europe; that the United States was going to help those governments that were friendly to us. The people took on new hope. Now we talk about cutting off millions here and millions there. If we continue to cut, we will not have any interim aid bill.

The passage of this bill will have a tremendous psychological effect on those countries who are at the moment so bravely resisting the movement of the Red tide to the English Channel and the Mediterranean Sea. Let us be realistic about this situation. This is the beginning of a program in western Europe to prevent us from being forced off that area.

Mr. BLOOM. Mr. Chairman, will the gentleman yield?

Mr. MERROW. I yield to the gentleman from New York.

Mr. BLOOM. As I understand the gentleman, his substitute amendment does nothing more than to place in this bill the $597,000,000 that was passed by the Senate by such a large vote.

Mr. MERROW. Yes.

Mr. BLOOM. And the $60,000,000 that we have in the bill for China?

Mr. MERROW. That is right.

Mr. BLOOM. And the $3,000,000 that was allocated wrongly to the children's fund.

Mr. MERROW. Yes. But it is $4,000,000.

Mr. BLOOM. Yes.

The CHAIRMAN. The time of the gentleman from New Hampshire has expired.

Mr. MERROW. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New Hampshire?

Mr. VORYS. Mr. Chairman, reserving the right to object, we now have three amendments pending. You can take your pick. We are getting along with the bill. I suggest that we limit debate on these three amendments to an hour, including the time already taken.

Mr. WILSON of Indiana. Mr. Chairman, I object.

Mr. SHORT. Mr. Chairman, reserving the right to object, how much time is left?

The CHAIRMAN. On the bill?

Mr. SHORT. On the three pending amendments.

The CHAIRMAN. No time has been fixed. We are attempting to fix time now.

Mr. SHORT. No time has been set.

Mr. RANKIN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. RANKIN. Mr. Chairman, there are only two amendments really pending. The Smith amendment is out of order because it was not offered as a substitute and is not before the House.

The CHAIRMAN. The gentleman from Mississippi is correct. The Smith amendment was offered, according to the RECORD, as an amendment to the Jonkman amendment, but the gentleman has stated he did not so intend. If that is the case, as the matter now stands, we will dispose of the Jonkman amendment and the Merrow amendment, whereupon the gentleman from Wisconsin [Mr. SMITH] will undoubtedly offer his amendment.

Mr. VORYS. Mr. Chairman, further reserving the right to object, we have before us speeches made on the three amendments, two of which are to be voted on. I thought the third one was also pending. But, in any event, I am hoping that by spending an hour on the amendments we may be able to finish this bill tonight. I therefore ask unanimous consent that all debate on the pending amendments end at 20 minutes to 5.

Mr. SHAFER. Mr. Chairman, I object.

Mr. JARMAN. Mr. Chairman, I ask unanimous consent, in view of the fact that the gentleman from Michigan had 10 minutes, that the gentleman from New Hampshire may have five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. WILSON of Indiana. Mr. Chairman, I objected to the unanimous consent previously. The country is being sunk fast enough as it is.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

Mr. WILSON of Indiana. Mr. Chairman, I object.

Mr. MERROW. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. MERROW. Mr. Chairman, first I want to yield to the gentleman from Iowa [Mr. JENSEN] who had a question.

Mr. JENSEN. In the event of the program which the gentleman has outlined for the over-all long-range foreign aid, which will cost billions upon billions of dollars, what plan does the gentleman have to pay this great debt that we are incurring and how much does the gentleman recommend that we raise our income tax in order to support it to keep from having a terrible fiscal deficit again?

Mr. MERROW. The gentleman has a variety of questions. I will simply say this, that I never heard anybody ask when we were involved in the war, the question, Can the United States of America afford to win the war? We had to win. We exerted the energy and the effort and we appropriated the money. Now we are in a long protracted struggle to win the peace. I do not know how long it is going to take and I do not know how much money it is going to require, $20,000,000,000 or thirty or fifty is small in comparison to the $350,000,000,000 we spent to win the war, to say nothing of the tremendous sacrifices in life that had to be made.

There is a western front against the communistic movement. It begins in our section of Germany and extends through France and Italy, and what we are endeavoring to do in this interim-aid bill is to hold this western front against the onslaught of a power which is obviously hostile to us. Yet, when we are trying to do this we argue about the appropriation of a few million dollars.

I wish that in voting for this the vote would commit me to the Marshall plan. If we succeed in rehabilitating the economies of the countries friendly to us, if, in plain language, we succeed in keeping the Soviet Union from acquiring bases on the Atlantic and Mediterranean, we will have won a singular victory.

Suppose the program that is being backed by Moscow succeeds. Suppose France falls; suppose Italy falls, then we are out of Europe, and we are in a situation where our security is at stake and we may be attacked. In both France and Italy we have governments friendly to us, and if we pass an adequate aid bill the psychological effect in western Europe would be so great that we will have won an outstanding psychological and an ideological victory.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on this section close in 1 hour.

Mr. SHAFER. I object, Mr. Chairman.

Mr. PHILLIPS of Tennessee. I object, Mr. Chairman.

Mr. VORYS. Mr. Chairman, I move that all debate on this section close in 1 hour.

The CHAIRMAN. Does the gentleman move that all debate on this section and all amendments thereto close in 1 hour?

Mr. VORYS. Yes, Mr. Chairman.

Could we be notified, Mr. Chairman, how many amendments are pending to this section?

The CHAIRMAN. The Clerk advises the Chair that there are nine more besides the three on the desk.

Mr. VORYS. I withdraw my motion, Mr. Chairman.

Mr. SHORT. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed for five additional minutes and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SHORT. Mr. Chairman, no one of us has a monopoly on wisdom or virtue. All of us are possessed with humanitarian impulses. It is highly doubtful that each of us has a grain of common sense. Some of us are more concrete than abstract; certain ones can face immediate needs; others can see only distant distress. Strange, but some people cannot see the forest because of the trees. It is much easier and more comfortable to give away other people's money than it is to jar loose a little of our own.

We are wrestling with a mighty issue and a knotty problem. On the whole the debate on this bill is far below par. One has grown faint and became nauseated at the slobbering sentiment and slushy sentimentality that has been dished out. It is noble to be kind; it is pitiful to become maudlin.

O judgment, thou are fled to brutish beasts,
and men have lost their reason.

There are times when one must be cruel to be kind. Friendship that must be purchased is not to be trusted. One does not make a friend by lending him money.

Neither a borrower nor a lender be:
For loan oft loses both itself and friend,
And borrowing dulls the edge of husbandry.

The more you give people, the more they want, and they will curse you for not giving them more.

The French are a great people. They love freedom and live beautifully. They are tolerant and kind, and I seriously doubt if our gifts will increase their gratitude for us.

Mr. Chairman, I had earnestly hoped and prayed that I could vote to give some assistance to certain peoples on the outer perimeter of Europe—aid which they needed to tide them over this winter. The ones I have in mind would not accept it as mendicants but as our equals in a neighborly and friendly spirit.

The bill before us is neither a relief bill nor a war measure. When it is passed I dare say that only a small fraction of each dollar will get to the people who need it. We have no assurance of an honest or competent administration of these funds. The bill is a blanket delegation of powers, "run riot," a blank check for the President to use in any agency or through any organization that he might establish. There is no limit to the number of personnel or to the expense of political parasites to be appointed. Next year is an election year.

Obviously the funds cannot take care of all the people, and those who do not receive help will be more antagonistic toward us than ever. Instead of creating good will, this measure is most likely to promote ill will. If the funds fall into the hands of politicians to deal on the black market, the very people whom we aim to help will rise up to curse us.

We are called upon to take care of Frenchmen in the cities when their own brothers in the country will not feed them. Can we solve that family quarrel or should we keep our long nose out of their business and tend to our own knitting? Why should any American be blackmailed or highjacked into giving something to any man because he threatened to join the Communist Party? If, walking down the street, Mr. X approaches me and says, "Give me a thousand dollars or I will become a Communist." My answer would be, "Join the Communists, I will keep my thousand dollars, and then you and your tribe try to take it away from me." We had better be armed.

Mr. Chairman, instead of bleeding ourselves white and giving away all that we have, we had better build up our own defenses, keep ourselves strong, and let the whole world know we will defend America unto the death. If this bill, sir, is to be used as an excuse or mask to saddle upon us bureaucratic controls and to commit us to the Marshall plan it would get nowhere, but that is exactly what it does.

Proponents of the measure will say that the bill specifically states that a vote for it will not commit us to future aid to Europe, but every columnist and commentator has advised the American people otherwise, even the distinguished gentleman from Georgia [Mr. COX] bluntly stated that this bill is an integral part of the Marshall plan. I will have none of it, sir.

The President in his message said that our aid to Europe necessitates our giving

him wartime powers and restoring these controls over our daily lives.

Mr. Chairman, it is the same President, my fellow Missourian, who only a few weeks ago told us that these controls were a part and parcel of the police state. In the name of high heaven and common sense, where are we headed for? Have we all gone crazy? Are men in high places dumb or dishonest?

A few days ago on the floor of this House, one of the members of the Committee on Foreign Affairs, sponsoring this bill, said, in the CONGRESSIONAL RECORD, Friday, December 5, 1947, page 11079:

> All of us know that Russia does not have available for use one-fifth of the resources of our country.

Mr. Chairman, this is simply not so. It is an erroneous statement and I marvel that a man such as the gentleman from New York [Mr. JAVITS], who possesses a keen mind, a pleasing personality, backed by wide travel and broad knowledge, could make such a statement. Certainly, he is not ignorant and I do not believe he is dishonest, but I am puzzled at such a remark. I repeat what he said:

> All of us know that Russia does not have available for use one-fifth of the resources of our country.

I am one who knows very differently, because I am from Missouri, and have been shown. I do not know whether the gentleman from New York has been in Russia or not, but I was there in 1931. Russia is larger than the United States in both territory and population. We have 3,000,000 square miles in continental United States; Russia has 8,000,000 square miles or nearly three times as much territory. In fact, it is closer from Washington, D. C., to Leningrad than it is from Leningrad to Vladivostok. We have 140,000,000 people in the United States; Russia has between one hundred and ninety to two hundred millions. In both area and population we are greatly excelled.

There are millions of acres of forest in Siberia that have never heard the sound of a woodsman's ax, and there are mineral deposits never yet exploited.

The world, and particularly Europe, and the gentleman from New York, must get over the idea that Uncle Sam is the great rich uncle and that our resources are unlimited. They are not inexhaustible. The truth of the matter is we have pumped many of our oil wells dry. We furnished 70 percent of all the oil to the Allies in the recent global conflict. We have dug out the lead and zinc from my district and the districts around me, the copper from Montana and Arizona, and the iron ore is not what it once was on the Mesabi Range in Minnesota. We have hewn many of our forests, and the conservation of our soil is a serious problem. Everyone knows that except the gentleman from New York.

It is true that the United States, though not as large in area or population, not as rich in mineral deposits or agricultural products as some other countries, is infinitely superior to any other country on this earth. America occupies about 6 percent of the world's surface and has only 7 percent of the world's population, yet that 7 percent consumed—before the war—three-fourths of the world's silk, 60 percent of the world's rubber, and half the world's coffee.

We have half of the world's telephones, one-third of the world's railroad mileage, one-third of the world's improved highways, 60 percent of the world's life insurance, and 80 percent of the world's automobiles. I want to lift others up, but I do not want to pull Americans down.

Why are we supreme?

First, because of the Christian religion, which places supreme importance upon the individual. The men who founded and have preserved our country were God-fearing men who believed in the supreme importance and dignity of the human soul. Human life in the Orient is the cheapest commodity. Washington, Jefferson, Jackson, Lincoln, and McKinley all believed with Christ that "The soul is a pearl of great price." They believed in the Christianity of Americanism and not in the atheism of communism.

Secondly, our superiority depends not so much upon the numbers of acres and of people as upon our republican form of government. In recent years there has been much loose talk about democracy. We are not a democracy. We are a republic, and the founders of our Government were as anxious and as careful to avoid a pure democracy as they were to avoid a monarchy. Monarchy leads to tyranny, democracy leads to anarchy. For a thousand years the Anglo-Saxon people have fought from Marston-Moor and Runnymede through the Magna Carta, English Bill of Rights, down through the American Revolution, our own Declaration of Independence, Constitution, and Bill of Rights to gain freedom.

The third reason for our preeminence among the sovereign nations of this earth is our fundamental economic philosophy of competition in private enterprise. It is a system without codes, priorities, ceilings, and restrictions. It is a system where ingenuity and industry are rewarded; where a poor newsboy like Edison can become the greatest inventor of his age, reproduce the human voice, and light up the world; it is a system where a penniless mechanic like Henry Ford can put the world on wheels to bridge distances, promote understanding, and add to the comfort of mankind; it is a system where a poor Kentucky boy like Lincoln, born in a log cabin in the backwoods, can rise by sheer merit to the highest position in the gift of a great and free people.

Communists may decry capitalism but it is this America with her economic system of free enterprise that produced the sinews of war which saved the Russians at Stalingrad, which saved Britain, and won for us both wars—in Europe and Asia.

Ladies and gentlemen, while you are voting these millions to foreign nations, bleeding our own country white, making it an easy prey for the godless Red Fascists, remember the advice of Lincoln that if this Nation is every destroyed it will not be from without but from within.

Edwin Markham, years ago, must have felt the same when he wrote:

> I fear the vermin that shall undermine Senate and school and citadel and shrine. I fear the worm of fraud, the fatted worm of ease, and all the crawling progeny of these. I fear the vermin that shall honeycomb the walls and towers of state in unsuspecting hours.

We shall not overlook, nor shall we neglect, the rest of the world but we shall put our own house in order. We shall not dry up the milk of human kindness but we shall exercise hard-headed sense. We shall follow reason as well as emotion and not lose our balance wheel completely. Let us take care of the aged and disabled at home. Let us build up our own defenses against both foreign aggression and weaknesses within. Let us return to Proverbs 6: 6:

> Go to the ant, thou sluggard; consider her ways, and be wise.

In other words, raise our heads, tighten our belts, stop our bickering, go to work and produce more at whatever job we work.

In the words of the Father of our Country:

> Let us raise a standard to which the wise and honest can repair; the event is in the hands of God.

And now:

> Forgive me this my virtue; for in the fatness of these pursy times virtue itself of vice must pardon beg.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. SHORT] has expired.

Mr. KNUTSON. Mr. Chairman, I ask unanimous consent that the gentleman from Missouri may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

Mrs. NORTON. Mr. Chairman, I object.

Mr. RICH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was very much surprised to know that a Member from our side of the House would introduce an amendment to this bill such as the gentleman from New Hampshire introduced, increasing the amount of the appropriation. I think this is probably one of the most serious times in the history of our Nation, at least I know of no time in the history of America when the people were in the difficulties they now are in. During those years that are past, during the time this country was prosperous and getting along with the rest of the world, we tried to let the other nations of the world run their own affairs. Let me warn you, however, that when America becomes suspicious of the other nations of the world, the other nations are going to become suspicious of America. We should not tell other nations what kind of a government they should have, nor should we meddle in their internal affairs.

When I think of the condition of this country today, so serious in my opinion that I do not know how we are going to

take care of it, I am depressed and disheartened. Certainly we are, in my judgment, going to have to have a lot more able people running the affairs of the Government in the next 15 years than we have had in the last 15, if we are to survive under our present form of government.

The statement of the Treasury of December 4 shows an excess of expenditures for this year beginning the 1st of July, an excess of expenditures over receipts of $339,441,082.63. We are that much in the red in government operation this year. Last year we had a small credit balance. Even now we are talking about reducing taxes and want to pass a tax reduction bill before next July. When we think of these things and when we think of all the demands that are being made upon us for the operation of our own Government—$35,000,000,000 a year, five times what it was before the last World War; then when I realize that the gentleman from New Hampshire in spite of all these things wants to increase this bill by almost a hundred million dollars, I shudder. I just wonder where we are headed.

Mr. Chairman, this is too serious to be funny and it is too serious to laugh at. With a deficit of $257,793,211,841 and more on the 4th of December, it will take us 50 years to pay it off. We ought to be paying it off right now at the rate of from five to ten billions a year. That is the only way to recovery; that only makes sense. That is the only way to our national security. If we do not reduce our debt, then we are not fit to be in Washington running the affairs of this Government, and I want no part in the operation of this Government unless we do something like that. I think it is our business and our responsibility to make America strong, not weaken her structure; we have got to make America strong if we want to survive, if we want to continue under the form of government we now have.

Mr. HUBER. Mr. Chairman, I ask unanimous consent that the gentleman from Pennsylvania may proceed for 10 additional minutes.

Mr. RICH. I do not want any more time. When my 5 minutes are up I shall not ask for more. I thank the gentleman.

The trouble with the Congress is that all we think of is spending, spending, and spending, and many of you are thinking about elect, elect, elect. That day should be over. Now, we have already gone through that period by the New Deal. That day should be over for all of us. I do hope with the amount of money we have contributed to these foreign countries, over $66,000,000,000, which we have given through lend-lease, surplus property, direct loans, export and import loans, UNRRA, aid to the Philippines, our occupational forces, international bank loans, war installations and so forth, that we have done our duty to save these foreign countries from the governments that they want to establish themselves. As the gentleman from Missouri said a while ago, if a man tells you if you do not give him a thousand dollars he is going to be a Communist, that is his business and I am sure he will be sick of his decision if he goes Communist. Let him do as he pleases. We can take care of the starving people of Europe and that is what we are supposed to have in the bill, but the bill does not represent that at all. How it camouflages the issue!

You have three nations you are trying to aid. If you were to add the other 9 or 10 that are supposed to be added under the Marshall plan, and then add four or five billion dollars to this bill per year, you would have the Marshall plan almost exactly. You would not need to consider any more legislation.

I hope that when the time comes for the consideration of the Marshall plan the Congress will not obligate our country for three or four billion dollars a year over 4 or 5 years, because if we get into a depression in 1949 or 1950 you cannot make good the promise and you will only wreck the country. You have it about to that point now. With America wrecked, that is what Russia wants. With our Treasury wrecked we are then no good to ourselves nor to the rest of the world. Oh, is it possible we are so foolish, that we are so short-sighted, or that we have no more love for our freedom or for our country than to wreck it financially? Congress, beware!

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. JARMAN. Mr. Chairman, I rise in favor of the Merrow substitute.

Mr. Chairman, the other body passed this legislation 83 to 6 for $597,000,000, the amount which our illustrious Secretary of State with the advice of his associates and assistants both in Washington and in the countries concerned recommended. This recommendation was made after he had enjoyed the benefit of the exhaustive investigation of the Harriman committee and another committee appointed by the President. They stated this is the amount necessary to carry out the purposes of the act.

Your Foreign Affairs Committee in its wisdom has seen fit to reduce that amount. I do not suppose I am making an improper statement when I say the vote in the committee was very close indeed. In reducing the amount, the Foreign Affairs Committee added China with the stipulation that $60,000,000 be used in her behalf; consequently the reduction is $67,000,000 below the amount practically all of the Members of the other body, nearly half the members of our committee, and everyone else concerned except certain Members of this body think is necessary.

When this bill goes to conference what are they going to have to compromise in the matter of differences of amount unless China is eliminated? And you proponents of China bear this in mind. What are they going to compromise if we leave China in? The only compromise they are going to have is between the $590,000,000 and the $597,000,000. There will be nothing else for them to work on, consequently they will have to remove China from this bill.

Mr. Chairman, I realize fully that world conditions change; in fact, we know very well that they have very greatly changed in two of the countries mentioned in this act since the act was introduced, and it may be that the estimate made by General Marshall back yonder is a mistake. But, I say to you that if such be true, the chances are very, very great that the mistake is on the other side of the picture; that the amount necessary is greater than was estimated at that time—because of conditions which have happened since—instead of less. As its author has stated to you, this amendment simply restores the amount originally requested plus the amount placed in the bill by our committee for China. I repeat to our China proponents, they should remember that fact.

Now, Mr. Chairman, in conclusion let me say this: You talk about high taxes and waste. It seems to me that no greater waste could be indulged in than to pass this legislation with an amount too little to accomplish its purpose. Certainly, I agree with the illustrious leader in foreign affairs on the other side of the Capitol in the statement that it would be tragic to throw a 15-foot rope to a man when he is drowning 20 feet from the bank, and that, I am afraid, my colleagues, would be exactly what we would be doing by passing this bill as it came from my committee.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. GWYNNE of Iowa. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I am in favor of the Jonkman amendment. I am one of the Members of this House, and I expect their numbers might be legion, who have considerable difficulty with this bill. I came down here wishing to provide the funds to furnish relief to people that are hungry in Europe. But the trouble I have is this: We do not seem to have one bill before us. We seem to have two bills. We have, first, the bill that is being sold to the country, sold by the greatest propaganda effort on the part of the radio and newspapers and the administration that I have ever seen, and that is to the effect that this is a genuine relief measure.

Now, the other bill is the bill that we are going to pass, which is obviously not a relief measure. I think we are put in the situation of a politician who had two platforms; one to run on and one to stand on after he got elected.

Now, the people of this country are generally in favor of some relief to Europe.

I received the other day, and you all did, a reprint from Fortune magazine, in which there was a statement about the private charitable organization known as CARE, and from that I wish to quote a few sentences:

> Since the end of the war, for instance, private American citizens have sent abroad between $1,500,000,000 and $2,000,000,000 worth of food, clothing, cash, and other forms of aid, an amount nearly equal to the total volume of direct United States Government relief during the same period. In sending this huge volume, moreover, private charity has developed an ingenuity, flexibility, and efficiency that Government might well emulate.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. GWYNNE of Iowa. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Does that not indicate to the gentleman that the great majority of the American people are intensely interested in endeavoring to remedy this situation?

Mr. GWYNNE of Iowa. Oh, certainly. That is just exactly what it does indicate to me, that the American people can always be appealed to on the ground of hunger and suffering. I believe, Mr. Chairman, if the State Department would get out of the way and let the people take care of this thing, they would see that there was less hunger and starvation in Europe than we would under this bill.

Now, so much for that. Obviously, that is not the bill that we have before us and that is not what the State Department had in mind and that is not what the Committee on Foreign Affairs had in mind. They have been very commendably frank. They are putting this thing up as a defense measure.

The point I make is that we then have two duties as Members of this House: First, we should so advise the American people. Second, we should debate the bill on that basis.

They say this is a defense measure because we will keep between us and Russia a barrier which is not communistic; in other words, we will keep the countries of western Europe from going Communist. Just how will you go about doing that? There is one school of thought that maintains that communism is the result of hunger, it comes from empty stomachs. If that be the truth, the method that will get the most relief directly to the people who need it is the one we should adopt. Is that not so?

However, they tell us that is not quite the theory on which the Committee on Foreign Affairs operates. They say, "What we are doing in this bill is trying to bolster up certain governments so that those governments"—leaving the people out of it now—"will stand against communism."

There we have the thing all before us. I just wonder if that philosophy of theirs is really sound. In the first place, how do you know what governments existing today will be in existence 60 days or 6 months from now, and how do you know what governments we will actually bolster up? Of course you and I will not be consulted. It is up to the State Department, and that is what this bill gets down to, now, frankly, is it not? This is a bill whereby we take the taxpayers' money and send it over to the State Department to enter into a gigantic international poker game. It has already been demonstrated by the results obtained by the State Department in the past that their betting and their playing of these cards is not too good.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on the two pending amendments, the Merrow amendment and the Jonkman amendment, close in half an hour.

Mr. RAYBURN. Reserving the right to object, Mr. Chairman, and of course I shall not object, because I do want to get away from here by the 24th of December, what is the plan of the Committee about the time they expect to rise this evening? I am being asked that question all over the place.

Mr. VORYS. Five-thirty.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. AUGUST H. ANDRESEN. Do I correctly understand that the unanimous-consent agreement just reached deals only with the pending amendments?

The CHAIRMAN. The agreement limits debate on the two amendments, the Merrow and the Jonkman amendments. After that vote, the section will be open to further amendment and debate.

Mr. BUCK. What is the status of the Smith amendment, then?

The CHAIRMAN. It has no status at the moment.

Mr. BUCK. It has not been offered?

The CHAIRMAN. It will be reoffered.

The Chair recognizes the gentleman from Wyoming [Mr. BARRETT] for 2½ minutes.

Mr. BARRETT. Mr. Chairman, the administration has sold the American people a bill of goods but the Foreign Affairs Committee and this body is about ready to wrap up an entirely different package than was sold the people of this country. All of us are ready and willing to help the distressed, unfortunate, and starving people of Europe and Asia. We have a tremendous debt of our own, yet we are willing to sacrifice, if necessary, to relieve distress among our allies in the recent war. But what do we find here? We find that out of this $590,000,000 over $100,000,000 will be spent to furnish coal for industries in France and Italy. We are furnishing the industries of Europe $35,000,000 for petroleum, when they are talking about rationing gasoline in this country. And, above all, can you imagine, we are appropriating $20,000,000 of our money to apply on the indebtedness that France owes Brazil and Belgium? Is this a bill for the relief of Brazil?

Now, my friends, these items will not help the suffering people of Europe. So I hope, Mr. Chairman, that the amendment offered by my colleague the gentleman from Wisconsin [Mr. SMITH] will be adopted.

The CHAIRMAN. The time of the gentleman from Wyoming [Mr. BARRETT] has expired.

The Chair recognizes the gentleman from Connecticut [Mr. LODGE].

Mr. LODGE. Mr. Chairman, of one thing we can be sure and that is that if we reduce the amount or fail to pass the bill Communists all over the world will be rejoicing. In a world of uncertainties that much is certain.

My friend the distinguished and eloquent gentleman from Missouri talked about gratitude in connection with this legislation. I should like to suggest to you that this is not a question of gratitude by the recipient countries, although I appreciate the beauty and depth of the quotation from Shakespeare. We should do this for our national security and not let our national security depend upon the gratitude of others.

I should also like to mention the argument of the gentleman from Missouri with respect to the French farmer. The Italian farmer, like the French farmer, does not like to sell his produce at a loss. That is probably a quirk of human nature from which even we are not excluded. And I would also disagree with the gentleman from Missouri that the choice here is between a relief measure on the one hand and a war measure on the other. It seems to me that this is a strategical measure with relief characteristics. I think we would be doing ourselves a real disservice to deprive this measure of all humane considerations. I consider this bill a strategical measure. Furthermore, if I may be permitted to say so, I disagree with the gentleman from Missouri that the best strategy for us to adopt is just to build up our Army, Navy, and Air Force. I think we should do that. But I think our strategical frontiers are not the boundaries of our country. We are involved in the world whether we pass this legislation or not. The question is, Will we be involved for our benefit, for the benefit of world peace, and for the benefit of mankind? We are buying time with this bill, time to consider the Marshall plan. The more we cut out of this bill the less time we have to consider it. Three hundred million dollars, the figure which the gentleman from Michigan wants to cut, is roughly the amount allowed for wheat alone under the bill.

Mr. Chairman, there has been a lot of talk about America and Americanism. I should just like to say that America and Americanism to me does not just mean venture capital; it also means adventure. I believe that this country was founded by men who thought we were embarked on a great adventure. Let us not some day end up friendless and alone, routed and overwhelmed in an apocalypse of our own creation. Then there will be no one left to say to us, "There but for the grace of God go I."

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

The gentleman from Iowa [Mr. MARTIN] is recognized for 2½ minutes.

Mr. MARTIN of Iowa. Mr. Chairman, during this discussion a great deal has been said on the floor about the generosity of Iowa, and we are proud of that generosity. The program IOWA, "Iowa's Own World Aid" program, and the CARE program and the contribution to the Friendship Train make us proud of Iowa's contribution on a voluntary basis; but let me assure you of one thing, the contribution Iowa has made has been strictly on the humanitarian basis. If this bill were on that basis you would find my attitude toward the bill somewhat different than it is. When the members of the Foreign Affairs Committee come out here and say frankly what their object is, namely, a strategic approach, I appreciate their frankness, but I cannot refrain from holding this measure is a tragic blunder on the basis of a military approach. I have had a commission in the Regular Army for

more than 30 years, although I have had only 5 years active military service as an infantry officer and as assistant professor of military science and tactics, and only 8 years experience on the Military Affairs Committee. I do not claim high qualification as a military strategist but I think I do know enough about military strategy to rate this bill as about the worst approach to military strategy that I can imagine. That is my humble judgment. I have the greatest respect for General Marshall as a tactician and as a master of logistics and on the military front he has no peer; but on the economic front if the Marshall plan is a measure of his approach I should like to ask him bluntly what military general or economic general would commit so much of his reserves to the firing line as is contemplated in the Marshall plan unless he visualizes a quick decision and a final decision. In the troubled world of today and in this cold war of prospective long duration we should not commit so much of our economic reserve strength to this cold war battlefront. If this course is followed it will sap our strength to the point of seriously endangering our national security at one of the most critical times in our history. That is why I made my speech last Friday in the general debate that was rather critical of General Marshall and the Marshall plan. My criticism of the Marshall plan and of this bill is based on the sheer logistics of the situation since they have been presented to us as national defense measures. On the other hand I sincerely hope we can get some relief for the unfortunate people of Europe on a humanitarian basis, but until you put this bill and the Marshall plan on that basis I am going to have to oppose it.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, I rise in support of the Merrow amendment and will support the appropriation in the committee bill, of course, if that fails.

A little over two and a half years ago the United Nations met in San Francisco and formed an international organization to try to establish the peace of the world. Fifty-seven nations have agreed to the charter provisions and 80 percent of those nations have voted with us on a majority of the questions. The 16 nations of Europe that were working governmental bodies consistently voted with us on most of those issues. These 16 nations are struggling to maintain constitutional governments. If the United Nations' conception of universal peace through peaceful, multilateral procedure is to be achieved, these nations must be strengthened and maintained in the orbit of free governments. If war is to ensue within 10 or 25 years, these are questions I want to ask the Members of the House:

Are we to stand alone, 140,000,000 free people, against a hostile slave world? If so, then I would like to ask you this question: Are you depending on the atomic bomb? Do you know the source of the fissionable material, where the vital material for the atomic bomb comes from?

Do you know that important sources are under the control of some of these 16 nations or their possessions or their close affiliates?

Do you know that if certain of these 16 nations go into the Russian orbit, along with that political control go valuable material sources which we are now obtaining?

A lot of you gentlemen have said you are against communism. I am against communism too. I am for free constitutional governments in Europe and in America. Before you cast a vote on this subject, before you cut down this appropriation. before you make up your mind on the Marshall plan, have a talk with some of the members of the Atomic Energy Committee of the two legislative bodies, and find out the answers to some of the questions I have asked you today.

Problems in international relations and problems of national security are an indivisible part of the interim-aid bill and the Marshall plan.

Many of these problems cannot be openly discussed in their relative importance to these bills.

It is important that a stable, peaceful growth of constitutional government be encouraged throughout the world. It is of vital importance to the establishment of a functioning United Nations organization. Unless we develop a functioning UNO we cannot solve the atomic threat to civilization, for as Mr. Bernard Baruch and Mr. Warren Austin have warned us many times, any control short of international control is a snare and a delusion.

The national security therefore depends on the establishment of a strong international group of nations, dedicated to the principles of free, constitutional governments, and to cooperation with us in the support of the Baruch proposal. Without the cooperation of the 16 western European nations it seems highly improbable that the atomic threat can be solved. False economy may be the Maginot line for the United States.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. BREHM].

Mr. BREHM. Mr. Chairman, if the successful operation of our present or any proposed foreign policy requires a regimented or planned economy in America, then that is not an American foreign policy, bipartisan or otherwise. If as reported Russia and her satellites have over 5,000,000 men under arms and could move at a moment's notice and take over Europe, then I would like to inquire how the passage of this or any other proposed legislation having as its purpose any method short of declaring total war will deter Russia from moving, provided she decides so to do?

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. BREHM. I yield to the gentleman from Ohio.

Mr. VORYS. I appreciate the gentleman's remarks. I want to say on behalf of the committee that I am committed to the House committee's view, which is that this bill should be $590,000,000, and this happens to be my view. The newspapers say this was adopted by a vote of 15 to 8 in our committee. Of course, all of our Members have the right to present their views. I am opposed to the Jonkman amendment as being too little too late and I am opposed to the Merrow amendment as being too much too soon. In artillery fire you first fire short, then over. It is my hope that the Committee of the Whole will defeat these two amendments and come back to the committee's position.

I thank the gentleman for the interruption.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. LECOMPTE].

Mr. LECOMPTE. Mr. Chairman, it seems to me that this Committee is getting confused about the issues involved in this bill. Of course, I am for this bill. I think I interpret the attitude of the Iowa people correctly in saying that we want to be in on helping to extend aid and comfort and security to Europe. I think the Iowa people have shown by the contributions to the Friendship Train that they are anxious to help with this great cause. We came down here, as I understood, to extend stopgap or immediate relief to the war-stricken nations of western Europe, the aid consisting chiefly of food, clothing, and fuel.

Now, the longer we debate this bill the more it becomes apparent to me that there are a great many other things involved in this bill than immediate aid to the war-stricken people of Europe. I have a friend with whom I talked just after I returned home, who relayed to me a very definite statement. He is a man who came to this country from the extreme southern part of Italy, almost down in the part that is known on the map as the Heel. He came here when he was 24 years of age. He is now 55 or 56 years of age. Three of his boys have served in our armed forces. Most of his life in this country has been spent in the coal mines. This man has been without employment for some time, but up to the middle of September he had sent 90 packages of food and clothing to the people in southern Italy. He is certain that they are in dire distress.

We are going to pass this bill, I have no question in my mind about that, when we finally come to a vote. But, it seems to me that the other issues involved in this bill have not been clearly set out by the Committee on Foreign Affairs to the extent that we can all understand what is in the bill, in addition to immediate aid to Europe.

The CHAIRMAN. All time has expired with the exception of 2½ minutes reserved for the committee. Is anyone seeking recognition for the committee? If not, the question is on the Merrow substitute.

Mr. LECOMPTE. Mr. Chairman, I ask unanimous consent that the substitute amendment be again reported.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. MERROW as a substitute for the Jonkman amendment: On page 8, line 22, after "exceed", strike out "$590,000,000" and insert "$661,000,000."

The CHAIRMAN. The question is on the substitute amendment.

The question was taken; and on a division (demanded by Mr. MERROW) there were—ayes 24, noes 165.

So the substitute amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. JONKMAN].

Mr. RAYBURN. Mr. Chairman, I ask unanimous consent that the Jonkman amendment be again reported.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. JONKMAN: On page 8, line 22, after "not to exceed", strike out "$590,000,000" and insert "$290,000,000."

The CHAIRMAN. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. JONKMAN) there were—ayes 78, noes 171.

So the amendment was rejected.

Mr. SMITH of Wisconsin. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Wisconsin: On page 8, line 22, strike out the figure "$590,000,000" and substitute therefor "$500,000,000."

Mr. BUCK. Mr. Chairman, I rise in support of the amendment.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that debate on this amendment close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. RAYBURN. I object, Mr. Chairman.

Mr. BUCK. Mr. Chairman, every Member of this House who has followed the debate on this measure knows that vast quantities of food exist in the French and Italian countrysides which are not reaching the cities. This was admitted by members of the Foreign Affairs Committee in their arguments against the Coudert amendment. It is confirmed by the recent statement of the President of France that there are more head of livestock in France today than there were before the start of World War II.

Yet nowhere in the debate has information been furnished that the French and Italian governments have taken effective steps to move this food from the country to the city. The course of least resistance has been for these governments to rely upon the United States to make good their shortcomings. Those shortcomings, generally speaking, are represented by the $590,000,000 carried in this bill.

The worst feature of the bill in my opinion is that the food gifts which it authorizes accomplish absolutely nothing in the direction of a permanent solution. This fund will be exhausted by March 31. Prior to that date we will be asked to give more money for April, May, and June. No termination date is in sight.

Our refusal, on the other hand, to grant these countries everything they request will have twofold benefit. By whatever we reduce the amount, the less will be the strain on the American economy. More importantly, however, will be the notice to the French and the Italian governments that we will not wet-nurse them forever and that it is obligatory upon them to take measures which will move food from their rural to their urban areas.

I therefore favor this Smith amendment and I trust that it will be approved overwhelmingly.

Mr. LODGE. Mr. Chairman, will the gentleman yield?

Mr. BUCK. I yield.

Mr. LODGE. I would like to say to the gentleman that the Italian Government and the French Government are both taking very strong measures, and I will be glad to show the gentleman the facts and figures and the material that I have to support that.

Mr. BUCK. Would the gentleman outline briefly what those measures are?

Mr. LODGE. Licenses are withdrawn; convictions are made, and in certain cases certain people are imprisoned for certain offenses. Property is confiscated in order to get it on the open market. I have the facts and figures here, if the gentleman cares to look at them.

Mr. BUCK. It is all punishment? It is no incentive?

Mr. LODGE. That was the reason for the incentive provision being placed in the bill.

Mr. OWENS. Mr. Chairman, will the gentleman yield?

Mr. BUCK. I yield.

Mr. OWENS. I just submitted an amendment to the Clerk, because in view of the fact that section 14 says that the President shall report every quarter of the year, it would go for at least a year, and I thought we should have a termination date. Do you not think so?

Mr. BUCK. There is a termination date.

Mr. OWENS. Not in this bill.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. BUCK. I yield.

Mr. AUGUST H. ANDRESEN. The need for food will be greater after this termination date than it is now.

Mr. BUCK. I agree with the gentleman.

Mr. AUGUST H. ANDRESEN. So that for the months of May and June they will be asking us for larger quantities of food, because they will not have another harvest over there until some time in July or August.

Mr. BUCK. I thank the gentleman for his observation.

The CHAIRMAN. The time of the gentleman from New York [Mr. BUCK] has expired.

Mr. RAYBURN. Mr. Chairman, I will say to the gentleman from Ohio [Mr. VORYS] that I have no objection to the debate closing in five more minutes if I may have 3 minutes, if the gentleman desires to make that request now.

Mr. VORYS. I would like to have 5 minutes myself.

Mr. RAYBURN. Then I would like to have 5 minutes. I am willing to quit on 3 if the gentleman will take 2.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Chairman, I had not intended to impose myself upon the committee. Of course, I have had the urge many times and especially did I have it this afternoon when the gentleman from Missouri [Mr. SHORT] for the first time in my recollection injected some pretty small politics into this debate and said some things that I deeply regret he did say.

You have heard all this talk about our being in a serious situation throughout the length and breadth of the earth, and I agree to that. I did not vote on the Merrow substitute and I did not vote for the Jonkman amendment, but here we are now facing a situation of whether we are going to follow a committee that went deeply into this matter, some advocating less and some advocating more, but finally bringing out $590,000,000. The amendment offered by the gentleman from Wisconsin [Mr. SMITH] cuts $90,000,000 off of that. That may be the difference—I do not know—it may be the difference between whether some sections of this earth that are already in chaos may go further into chaos. We are taking a chance. I believe that in our action today the seeds of peace or war may be sown. We were spending $500,000,000 a day for war in 1945. Can we not afford today to take a chance to do something that might bring peace to the world, maintain peace and order, by spending $590,000,000? I ask you. It is your answer.

Mr. VORYS. Mr. Chairman, I think that is a very fine note on which to have the Committee rise.

The CHAIRMAN. Do I understand the gentleman to move that the Committee do now rise?

Mr. VORYS. Mr. Chairman, I move that the Committee do now rise.

The question was taken; and on a division (demanded by Mr. BUCK) there were—ayes 72, noes 182.

So the Committee refused to rise.

The CHAIRMAN. The question is on the Smith amendment.

The question was taken; and on a division (demanded by Mr. SMITH of Wisconsin) there were—ayes 47, noes 147.

So the amendment was rejected.

Mr. SMITH of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Wisconsin: Page 9, strike out all of lines 12 to 21, inclusive, which is all of subsection (c)

Mr. SMITH of Wisconsin. Mr. Chairman, this provision merely authorizes the RFC, which is apparently defunct already, to advance $150,000,000 to hurry this program along. It is my understanding that the Appropriations Committee is now considering the matter and this bill should be on the President's desk in less than a week.

It seems to me that there is no reason to have this extra authority carried in the bill. This follows the old Greek-Tur

loan provision. We expected a long fight on that bill. There is absolutely no justification for carrying it in this bill at this time.

Mr. VORYS. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Wisconsin [Mr. SMITH].

Mr. Chairman, this provision for the RFC to provide $150,000,000 in order to keep this program going during the month of December, if we ever get this bill through, is exactly the same provision that we used, with a different amount, in the relief assistance bill last spring and in the Greek-Turkish bill. It seems to me it is more appropriate in this bill, and I therefore hope the amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. SMITH].

The amendment was rejected.

Mr. REES. Mr. Chairman, I offer an amendment.

Mr. KNUTSON. Mr. Chairman, it is my understanding that a demand is going to be made for an engrossed copy of the bill, which will hold us here until midnight. I suggest to the gentleman from Pennsylvania that he renew his motion to have the Committee rise and that we all vote for.

The CHAIRMAN. The Chair will state that an amendment has been offered, which is at the Clerk's desk. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. REES: On page 9, after subsection 12 (c), line 21, insert a new subsection (d), as follows:

"(d) No part of the funds authorized herein to be appropriated or to be advanced shall be used to furnish grain to the peoples of Austria, China, France, and Italy as long as grain is used in such countries for the production of distilled spirits for beverage purposes."

Mr. VORYS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. VORYS. Mr. Chairman, this amendment is not germane to this section or to the bill itself.

The CHAIRMAN. Does the gentleman desire to be heard on the point of order?

Mr. REES. Mr. Chairman, in the first instance, I had hoped that the distinguished gentleman from Ohio would not raise a point of order because, in my judgment, the amendment is fair, it can work, and there is no reason why it should not be accepted. I assumed the gentleman from Ohio simply gives as a reason for its not being accepted that it does not belong in this bill. I do not think there is any such limitation in this bill or that the point of order would be good against it.

The CHAIRMAN. The Chair is ready to rule. The Chair has heard the arguments on both sides, has read the part of the bill to which this amendment applies, and feels that it is in order, and overrules the point of order.

Mr. REES. Mr. Chairman, I do not think I should take the time of the committee at this late hour to discuss this amendment. But it just appears to me that it is inconsistent, to say the least, that the United States of America would send grain to foreign countries to be used for food to care for people who are starving and need food, and then permit the government or the people of that country to use our grain or its own grain in the making of distilled liquors. It seems to me that this amendment is fair. I do not see how in the world anyone could oppose an amendment of this kind. I trust that the committee will see fit to accept this amendment. The Committee on Foreign Affairs ought to accept it, and the membership on this floor should support it. If there is one Member who can tell me why this amendment should not be adopted, I would like to hear from him. You have been talking about sharing our grain so those in need may have food. Some have talked about rationing grain for food. It does not make very good sense to say to these people who need the wheat they may use our grain or their own to make distilled spirits, if they want to do so.

The CHAIRMAN. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. REES) there were—ayes 84, noes 104.

So the amendment was rejected.

Mr. VORYS. Mr. Chairman, in explanation of the motion I am about to make, may I say that a number of Members have asked what time the Committee would rise and were told 5:30. In justice to those Members, I feel it my duty to renew the motion, particularly as there is no amendment now pending.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MICHENER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4604) to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. PHILLIPS of California asked and was given permission to extend his remarks in the RECORD and include a speech by the gentleman from Utah [Mr. DAWSON].

Mr. MACKINNON asked and was given permission to extend his remarks in the RECORD and include two editorials.

Mr. MANSFIELD asked and was given permission to extend his remarks in the RECORD and include an article from the Youngstown Vindicator entitled "Last Chance to Save Europe—KIRWAN."

HOUR OF MEETING TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

DEFICIENCY APPROPRIATION BILL

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that it may be in order to consider the deficiency appropriation bill, providing money for foreign aid and other activities of the Government, at any time after it is reported, and that all points of order against the bill or any provisions contained therein be considered as waived.

Mr. MARCANTONIO. Reserving the right to object, Mr. Speaker, I am willing to consent to the first part of the request, but as to waiving points of order, I am not ready to consent to that. I will have to object to that portion of the request.

Mr. HALLECK. I withdraw the request, Mr. Speaker.

EXTENSION OF REMARKS

Mr. SADOWSKI asked and was given permission to revise and extend the remarks he made in Committee of the Whole and include three charts he obtained from the Post Office Department.

Mr. COLE of Missouri asked and was given permission to extend his remarks in the RECORD and include a letter from Mr. Stanley Faul, of Stewartsville, Mo.

Mr. KEOGH asked and was given permission to extend his remarks in the RECORD in three instances.

SPECIAL ORDER GRANTED

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent that I may address the House for 10 minutes today following the disposition of business on the Speaker's desk and the conclusion of special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

EXTENSION OF REMARKS

Mr. DAVIS of Wisconsin asked and was given permission to extend his remarks in the RECORD and include a letter from a constituent.

Mr. CLASON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article by Dr. Howard A. Meyerhoff, professor of geology and geography at Smith College, on Some Social Implications of National Resources. I believe this article will contribute to the debate on the bill now under consideration.

I am informed by the Public Printer that the cost of printing of this article will be $236.67. Notwithstanding the cost, I ask unanimous consent the extension may be made.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

COMMITTEE ON BANKING AND CURRENCY

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may meet tomorrow, notwithstanding that the House may be in session.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

DEFICIENCY APPROPRIATION BILL

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that it may be in order to consider the deficiency appropriation bill providing money for foreign aid and other activities of the Government at any time after it is reported and that all points of order against the bill or any of the provisions contained therein be considered as waived.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

THREATENED AIR LINE PILOTS' STRIKE

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HINSHAW. Mr. Speaker, in the face of a national emergency in American aviation, so serious that a Presidential commission and a congressional board are seeking ways and means of rescue, David L. Bencke, president of the Airline Pilot's Association, has confirmed reports that a strike vote is being called against one of the major air-transport systems.

The threatened strike, involving neither wages nor working conditions, not only unnecessarily imperils the country's security, but promises to work hardship on hundreds of lesser paid employees of the air lines. The issue raised is both inconsequential and juvenile, the air line having merely requested that an employee with a grievance discuss it first with his immediate superior, so that it can be solved at once if possible. If not, he has full recourse through regular channels already provided.

At no time in the history of aviation, have the air lines and the aircraft manufacturing industry reached such a low ebb as that of today. It is this state of emergency which has brought forth the President's Air Policy Commission and the Congressional Aviation Policy Board. Both of these groups are making an intensive study of the present troubles in an effort to find a solution to this vital problem. And yet, we are faced with a situation where an irresponsible union leader now threatens to push the carriers still closer to bankruptcy.

There is no finer nor more capable group of men in any industry than those to be found in the ranks of the air-line pilots. I am personally acquainted with hundreds of them and I value their friendship. Their war record speaks for itself; their safety record is without parallel; and their collective skill has placed American aviation in the forefront of world competition.

It is now time for them to demonstrate their intelligence and to assert their independence by refusing to follow the blind alley pointed out to them by their professed leader. In so doing, they can help us put the air lines and the aircraft manufacturing industry of the United States back on their feet.

To prove the irresponsible folly of their present leadership, I need only point to the current strike vote which demonstrates the acme of triviality and pettiness. Such strikes, resulting in the shutdown of all operations, can mean the ultimate wash-out of the entire industry and the jobs that go with it. How can we expect to provide operating capital for such an insecure industry?

It is not only the pilots' livelihood that is involved, but it is the thousands of ground employees whose very security is threatened by this folly. But, more than that, lack of confidence in the pilots and the air lines will result in a reduction in the number of passengers and, in the end, bankruptcy. Thus, the air lines will become financially unable to take delivery of new and urgently required equipment. Of necessity, this will throw out of employment thousands of workers in the aircraft manufacturing industry. Thus, the lust for power of one man is sufficient to cause tragedy and suffering to thousands of individuals, who were not concerned in the petty causes of the strike which promotes nothing other than the ego of the union leader.

The final step involves the national security itself. Americans realize the vital importance of our aviation industry in the protection of our peace and freedom. With the swift scientific developments of today, its importance will increase rather than diminish, and any person who deliberately causes a break-down in our air production and transportation system at this critical time is doing a disfavor to his country. He is placing his own selfish interests above those of his Nation and his fellowmen.

I have no desire to disassociate management from a proper consideration of its basic responsibilities. But adequate machinery has been established to solve labor disputes and it should not be subordinated to the cause of pettiness and vanity.

A break-down in the essential services by the air lines in the United States today may well mean bankruptcy to many of them as well as to the aircraft-manufacturing industry. And since the resulting chaos would serve to endanger our potential military and naval aviation reserve, it is a situation which creates extreme concern in the Congress.

I have confidence in the skill of the air-line pilots in the air, and I have confidence in their intelligence on the ground. I am certain that they will do whatever is required to clean their own house.

If a strike is actually called I shall be one to recommend to the President that the emergency procedure under the Railway Labor Act be invoked.

The SPEAKER pro tempore (Mr. McDOWELL). Under previous order of the House, the gentleman from California [Mr. HOLIFIELD] is recognized for 10 minutes.

ECONOMIC FACTS: THEIR RELATION TO DOMESTIC INFLATION AND OUR FOREIGN POLICY (MARSHALL PLAN)

Mr. HOLIFIELD. Mr. Speaker, the rising tide of inflation—amounting to a total rise in the cost of living of 23 percent since the OPA was killed in June 1946, and now rising at the rate of 1½ percent per month—is America's most pressing problem. Unless we solve it, we shall face even higher prices, more boom times, and the inevitable aftermath of depression and unemployment.

Unless we solve the problem of domestic inflation, we cannot help to solve the rapidly mounting political and economic crisis in desperate Europe and Asia. The following economic statistics may help us to understand the problem which we cannot evade:

A few interesting economic facts which the wreckers of price control cannot refute

	OPA price, June 1946 [1]	Price increase to October 1947	Percentage increase
12 key foodstuffs	$1	$1.86	86
All [illegible]			
[illegible]	1	1.40	40
[illegible]	1	1.23	23
Textiles			
Wholesale	1	1.57	57
[illegible]	1	1.40	40
Average earning rate in manufacturing	1	1.17	17

[1] Using $1 as a base.

Notwithstanding the philosophy advanced by the Republican, Democratic, and big business antagonists to OPA contained in the National Association of Manufacturers, quote:

If OPA is permanently discontinued, the production of goods will mount rapidly, and through free competition, prices will quickly adjust themselves to levels that consumers are willing to pay.

We find that prices have advanced far beyond wage increases. Your dollar buys far less goods today than it did under OPA.

It is true that production has increased some during the 17 months since the demise of OPA, but prices have advanced faster as noted below:

	Increase in production	Increase in price
	Percent	*Percent*
General manufacturing	9	32
Beef and veal	156	85
Pork	56	100
Butter	22	17
Lumber	13	53

Industry spokesmen have blamed price increases chiefly on wage increases, but let us see what the facts are. The following table gives the percentage of wage increases paid out of the price increases:

	Employees wage increases for the past 29 months	Wholesale price increase
	Percent	*Percent*
Petroleum	2	38
Food	3	57
Textile products	8	39
Lumber	8	72
Meat	2	93
Iron and steel	4	32

And now we come to one of the greatest factors in the unparalleled rise in the

cost of living. The rise in national corporate profits after taxes, is pictured below:

1939 (usually considered a normal prewar year)	$5,000,000,000
1940	7,000,000,000
1941	9,500,000,000
1942	9,500,000,000
WORLD WAR II YEARS	
1943	$11,000,000,000
1944	10,000,000,000
1945	9,000,000,000
1946 (first postwar year, OPA removed)	13,000,000,000
1947 (estimate based on first 6 months)	17,000,000,000

Now, my friends, these statistics are reliable. They come from the Government's Bureau of Labor Statistics, the Census Bureau, the United States News, and the Nation's Business, the two latter publications are conservative, reliable, business magazines. Excess-profits taxes were repealed, price controls were removed, and exorbitant profits and high prices are the result.

During the past 6 years, we have had a cycle of favorable weather and farm-crop years. This year we face droughts not only in the United States but throughout the world. The corn, wheat, barley, rye level of production is sharply down. The result next year—1948—will be hunger to human beings and a reduction of feed-eating animals, that is, beef, pork, poultry, and dairy cows. Prices, if not controlled, are bound to rise. Because of this world shortage of human and animal feed, caused by drought and war dislocation, we face a desperate political crisis in European and Asiatic nations. Millions of people scourged by war and hunger are on the verge of embracing communism in their desperation. Unless we support and encourage constitutional, freedom-loving governments abroad, we face the alternative of becoming the last free island in a communistic world.

The problem is complicated by many factors. I have tried to present briefly, first, our own economic picture; and, second, the foreign economic need and the political threat behind it. What are we going to do about it?

We cannot ignore these economic factors and we cannot dodge the issue of world need for food and the world pressure of desperate people turning to the illusion of communism.

Are we going to try to rehabilitate the 16 western European nations so they can be self-supporting and enter the orbit of constitutional, freedom-loving, nations?

Without them, the United Nations organization will fail and our one great hope for peaceful international solutions will vanish.

If we do help them with food and basic capital goods, it means additional inflationary pressure on our own certain short supply. We are faced with the great gamble of establishing a peaceful, freedom-loving world, or seeing the prize we fought for in World War II lost by default.

Are you willing to submit to certain allocation controls and limited price controls to control inflation at home and meet the challenge abroad?

As your Federal Representative, I must vote on this problem, which faces our postwar world. I shall not temporize or evade my responsibility.

After carefully considering all the information I can obtain, I shall vote for necessary legislation to try to stem the rapidly rising wave of inflation at home. I shall support the Marshall plan, whose purpose is to stem the rising tide of communism in Europe and establish a normal peaceful world.

I must take these positions because I believe that self-restraint and moderate sacrifices on our part now, may mean the difference between universal peace or a Third World War which will bring atomic destruction to civilization.

(Mr. HOLIFIELD asked and was given permission to revise and extend his remarks and include certain tables and statistics.)

ADJOURNMENT

Mr. JUDD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 49 minutes p. m.), under its previous order, the House adjourned until tomorrow, Thursday, December 11, 1947, at 10 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1143. A letter from the Commissioners, United States Civil Service Commission, transmitting its first annual report to the Congress of operations under section II of the Administrative Procedure Act for the period ending September 30, 1947; to the Committee on the Judiciary.

1144. A letter from the Acting Chairman, Federal Power Commission, transmitting a copy of its newly issued Statistics of Natural Gas Companies in the United States; to the Committee on Interstate and Foreign Commerce.

1145. A letter from the Comptroller General of the United States, transmitting volume 4 of the report on the audit of Reconstruction Finance Corporation and affiliated corporations for the fiscal year ended June 30, 1945 (H. Doc. No. 474); to the Committee on Expenditures in the Executive Departments and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOGGS of Louisiana:

H. R. 4687. A bill to amend the National Housing Act, as amended; to the Committee on Banking and Currency.

By Mr. GROSS:

H. R. 4688. A bill to enlarge the Gettysburg National Cemetery; to the Committee on Public Lands.

By Mr. HEDRICK:

H. R. 4689. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

By Mr. BARTLETT:

H. R. 4690. A bill to amend the act of July 30, 1947, permitting vessels of Canadian registry to transport certain merchandise between Hyder, Alaska, and points in the continental United States; to the Committee on Merchant Marine and Fisheries.

H. R. 4691. A bill to authorize the construction, by the Secretary of the Interior, of tourist facilities in the Territory of Alaska; to the Committee on Public Lands.

By Mr. MARTIN of Iowa:

H. R. 4692. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

By Mr. ELSAESSER:

H. R. 4693. A bill to amend the National Labor Relations Act, Public Law 101, Eightieth Congress; to the Committee on Education and Labor.

By Mr. MARCANTONIO:

H. R. 4694. A bill to amend the Railroad Retirement Act of 1937, and subchapter 9 of the Internal Revenue Code, so as to provide full annuities, at compensation of half salary or wages, for persons who have completed 30 years of service, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CLASON:

H. R. 4695. A bill to amend the Railroad Retirement Act of 1937 so as to provide full annuities, at compensation of half salary or wages, for persons who have completed 30 years of service; to the Committee on Interstate and Foreign Commerce.

H. R. 4696. A bill to amend the act approved March 14, 1936, entitled "An act to provide for vacations for Government employees, and for other purposes," as amended; to the Committee on Post Office and Civil Service.

By Mr. JONES of North Carolina:

H. R. 4697. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

By Mr. KENNEDY:

H. R. 4698. A bill to provide for the utilization of surplus military real property, now owned by the Department of the Army, as national cemeteries, when feasible; to the Committee on Public Lands.

H. R. 4699. A bill to authorize the Secretary of Agriculture to make equitable adjustments of claims arising out of the sale of World War II surplus edible commodities; to the Committee on the Judiciary.

By Mr. WOLCOTT:

H. J. Res. 273. Joint resolution to aid in the stabilization of commodity prices, to aid in further stabilizing the economy of the United States, and for other purposes; to the Committee on Banking and Currency.

By Mr. SUNDSTROM:

H. Res. 398. Resolution providing for the payment of 6 months' salary and $250 funeral expenses to the estate of James H. Neale, late an employee of the House; to the Committee on House Administration.

By Mr. HART:

H. Res. 399. Resolution providing for the payment to Genevieve Malone, as guardian to George V. Malone, Jr., son of George V. Malone, late employee of the House, 6 months' salary and an additional sum of $250 toward defraying his funeral expenses; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ENGLE of California:

H. R. 4700. A bill for the relief of John E. Burns; to the Committee on the Judiciary.

By Mr. HINSHAW:

H. R. 4701. A bill for the relief of Mrs. Ma Khin Sein Holguin; to the Committee on the Judiciary.

By Mr. SASSCER:
H. R 4702. A bill for the relief of J. W. Greenwood, Jr.; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

835. By Mr. CASE of South Dakota: Petition of Mrs. Bert A. Ulberg, Sioux Valley Hospital, Sioux Falls, S. Dak., and 34 others, urging the enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

836. Also, petition of Mrs. Adolph Thorstenson and 16 others, of Selby, S. Dak., urging the enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

897. Also, petition of Mrs. Roy Tjoden, Brandt Ladies Aid, Brandt, S. Dak., and 25 others, urging enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

898. Also, petition of Mrs. Alfred Anderson and 14 others, of Worthing, S. Dak., and vicinity, urging the enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

899. Also, petition of Mrs. M. O. Melrum, Capitol, Mont., and 16 members of the Good Hope Ladies Aid, of Camp Crook, S. Dak., urging enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

900. By Mr. HOPE: Petition of Ernest Mount and 58 others, of Kingman, Kans., in support of H. R. 677, a bill to provide pensions for disabled veterans of World War I; to the Committee on Veterans' Affairs.

901. By Mr. JENISON: Petition of the Curtis G. Redden Post, No. 210, of the American Legion, at Danville, Ill., petitioning the Congress to enact legislation providing for universal military training as recommended by the President's Advisory Commission on Universal Training; to the Committee on Armed Services.

902. Also, petition of the American Legion, Department of Illinois, National Defense Commission, Fourth Division, Watseka, Ill., petitioning the Congress to enact legislation providing for universal military training for American young men as recommended by the President's Advisory Commission on Universal Training; to the Committee on Armed Services.

903. By Mr. SMITH of Wisconsin: Petition of New Holstein (Wis.) Post, No. 124, of the American Legion, urging legislation establishing a system of universal military training; to the Committee on Armed Services.

HOUSE OF REPRESENTATIVES

THURSDAY, DECEMBER 11, 1947

The House met at 10 o'clock a. m.

Rev. Edward Gardiner Latch, minister, Metropolitan Memorial Methodist Church, Washington, D. C., offered the following prayer:

Almighty and Eternal God, who art the author and the sustainer of life, without whom no one is strong and no one is good, we pause in Thy presence and unto Thee do we lift up our hearts.

Inspire us with an unflinching devotion to Thee and with an outreaching concern for the good of all Thy children. By Thy spirit make us men who put high principles before low prejudices, wide sympathies before narrow outlooks; men who do justly, who love mercy, and who walk humbly with Thee.

Set our feet with steadfast purpose upon the paths of duty and service. In spite of the discouragements and disillusionments which plague our day, may we gird our hearts to be the champions of justice, the seekers of peace, and the supporters of all that is good.

O God, grant us wisdom, grant us courage that in this hour we fail not man nor Thee. We pray in Jesus' name. Amen.

The Journal of the proceedings of yesterday was read and approved.

EMPLOYMENT OF EXPERTS AND CONSULTANTS ON REORGANIZATION

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4469) entitled "An act to amend the act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof," with Senate amendments, disagree to the Senate amendments, and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. BROWN]? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. HOFFMAN, Mr. BROWN of Ohio, and Mr. MANASCO.

EXTENSION OF REMARKS

Mr. SMITH of Wisconsin asked and was granted permission to extend his remarks in the RECORD.

Mr. FARRINGTON asked and was granted permission to extend his remarks in the RECORD and include an editorial from Mercury.

Mr. ROBERTSON asked and was granted permission to extend his remarks in the RECORD and include some resolutions from the American Legion.

COMMUNIST SYMPATHIZERS IN BRITISH MOVING-PICTURE INDUSTRY

Mr. BRADLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. BRADLEY]?

There was no objection.

Mr. BRADLEY. Mr. Speaker, I have just read in the public press, under a London date line, an article from which these quotations are taken:

> Fifteen British stage and screen personalities * * * offered congratulations today to the American movie men who refused to testify before the House Committee on Un-American Activities investigating communism in Hollywood.
>
> The message was sent in a letter to William Wyler, Hollywood executive and chairman of the Committee for the First Amendment.
>
> The signatories * * * said, "We find ourselves completely at a loss to understand why so many of our fellow artists, technicians, and screen writers have been subjected to an inquisition.
>
> "We extend our sympathy and our congratulations to all of those who refuse to submit themselves to this examination of their private beliefs and opinions."

Mr. Speaker, it is for the benefit of such as these that we shall soon be called upon to make another great advance of public funds—to pay out the hard-earned money of the American taxpayer which we have taken away from the widows and orphans, the old men and old women of the Nation, by what the gentleman from Minnesota [Mr. JUDD] so aptly and so correctly termed "legalized thievery."

Yet, when the time for a new foreign grant comes around, we shall be told that it is essential for the national defense. That is the easiest way to confiscate the money of a liberty-loving people.

THE FOREIGN AFFAIRS COMMITTEE SHOULD MAKE A TOUR OF AMERICA

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. STEVENSON. Mr. Speaker, during the debate on the pending European relief bill we have heard a lot about hungry people abroad, but not much about cold and hungry people here in our own country. I have a letter this morning from a constituent in my home city of La Crosse, Wis. He writes:

> It is with regret that I have to write this letter. But with sickness and sorrow and prices beyond reach some of my friends can get no fuel oil to burn. The dealers were all out and said they could get none.
>
> Living expenses climbing every week—why?
>
> Are we to blame for the war? We ask Congress to help us.

Mr. Speaker, I was astounded yesterday when the Foreign Affairs Committee barred us from even considering the amendment offered by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] to give the Red Cross the right to distribute food in foreign countries—food provided for and furnished by the money we are giving to the governments of those countries under this bill. The people of this country, America, want the Red Cross or some charitable or religious organization to have the responsibility of distributing this relief. They do not want to hand food over to government officials and politicians of foreign countries to be sold to the people at prices set by foreign dictators, making it possible for black markets to flourish, as this bill provides.

Mr. Speaker, if the members of the Foreign Affairs Committee would go with the Red Cross, the Salvation Army, or with any of the many religious and charitable organizations who are doing such a magnificent job distributing food and fuel to the deserving people in our own country, and thus see for themselves how

well and efficiently these organizations are functioning, they would not have barred the Red Cross and other charitable and religious organizations from administering the distribution of our taxpayers' hundreds of millions to the people of Europe, as they did on yesterday.

If you want to know how the people of the United States feel about this thing, I ask you to read two letters from constituents, which will be found in the Appendix of the RECORD on pages A4642 and A4644, telling exactly how the people feel back home.

HENS VERSUS POLITICIANS

Mr. BREHM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BREHM. Mr. Speaker, the lowly chicken hen seems to have grasped the problem as well as the solution for curbing inflation much better than some governmental agencies or foreign nations. Instead of just cackling because she faced a crisis regarding her prestige by having eggs removed from the American table on Thursdays, she increased her production to an all-time high during the month of November. Madam Hen, I salute you. You have something to cackle about. The eggs which you laid have food value; those which humans sometimes lay are so useless. But do not crow; that function is reserved for the rooster; and yet he did not have one thing to do with it except in a biological way. He will, of course, attempt to take credit for it if at all possible. That is politics, you know. Some may accuse you of sitting down on the job, but no one can accuse you of laying down on the job; or can they?

EXTENSION OF REMARKS

Mr. PATMAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include a speech delivered today by Secretary of Agriculture Anderson.

Mr. CANNON asked and was given permission to extend his remarks in the Appendix of the RECORD by including therein addresses delivered by the chairman and retiring chairman and by Senator SMITH at a recent meeting of the National Democratic Committee.

DISABLED VETERAN TAKES THE LOYALTY PLEDGE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a newspaper clipping.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, several days ago Mr. Walter E. Davis, a young veteran, an amputee, who I believe lost a leg in the recent war, refused to take the anti-Communist oath as an employee of the Veterans' Administration. He later found that the Communists were trying to make a goat of him, that they were using his refusal as propaganda throughout the country. So, on yesterday, rather than be made the tool of the Communist forces in this country, he went back, took the oath, and issued this statement:

Since stating my position relative to the loyalty probe and my refusal to sign the loyalty pledge it has been brought to my attention that disloyal groups are attempting to make capital of my actions, the ex-GI said.

For that reason, and only for that reason, I am anxious to have my fellow Americans know my true position. I felt at the time that I was asked to sign the pledge as a Federal employee, and I still feel that the loyalty of anyone who fought and bled for his country should not be questioned.

However, I was unaware of the forces at work to undermine our form of government. In no other way could I, just a plain Joe, have seen how quickly the enemies within our gates could attempt to use me as a tool to agitate and cause unrest.

It is with pleasure that I now welcome the opportunity to sign the loyalty pledge and do anything else that may root out of our Federal Government and make known to our people any among us who are disloyal.

I congratulate this young man for coming out and supporting his Government. The loyalty pledge is not intended to embarrass anyone, and will not embarrass any real American when he understands it.

I am glad to know this young man refuses to let the Reds throughout the country make a tool of him and use him for propaganda purposes in order to undermine this Government.

He rendered a great service by issuing this patriotic statement, and I am sure a great majority of the Members of this House join me in extending to him our heartiest congratulations.

CALL OF THE HOUSE

Mr. PLOESER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. HALLECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 143]

Brooks	Harris	Patterson
Camp	Hart	Powell
Carroll	Hartley	Reed, N. Y.
Case, N. J.	Havenner	Sabath
Celler	Hendricks	Sadowski
Clements	Hinshaw	Short
Cooper	Horan	Smathers
Courtney	Jackson, Wash.	Smith, Ohio
Cox	Johnson, Ind.	Somers
Cravens	Kee	Trimble
Davis, Tenn.	Lea	Vail
Fellows	Lesinski	West
Fogarty	McDonough	Wood
Gearhart	McMillan, S. C.	Youngblood
Hall, Leonard W.	Morrison	Zimmerman
Harless, Ariz.	Norton	
	O'Toole	

The SPEAKER. On this roll call 384 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. VAN ZANDT asked and was given permission to extend his remarks in the Appendix of the RECORD on the subject Why Build Airports?

Mr. AUCHINCLOSS asked and was given permission to extend his remarks in the RECORD and include a speech made by Mr. Lewis H. Brown, chairman of the board of the Johns-Manville Corp.

Mr. DONDERO asked and was given permission to extend his remarks in the RECORD and include an editorial by Hamilton Fish.

Mr. BANTA asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances and include editorials.

Mr. AUGUST H. ANDRESEN asked and was given permission to revise and extend the remarks he will make today in Committee and include certain tables.

Mr. POTTS asked and was given permission to extend his remarks in the Appendix of the RECORD and include a radio address which he made on the subject The Panama Canal and Atomic Aid.

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD and include a statement.

Mr. ALBERT asked and was given permission to extend his remarks in the RECORD and include an editorial from the Washington Post.

Mr. DONOHUE asked and was given permission to extend his remarks in the RECORD and include two editorials from a Worcester newspaper.

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes today at the conclusion of any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

INTERIM-AID BILL, 1947

Mr. VORYS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 4604) to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 4604, with Mr. MICHENER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the House adjourned yesterday the Clerk had read through section 12 of the bill. Are there any further amendments to section 12?

Mr. ANDERSON of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON of California: Page 9, after line 23, insert the following subsection:

"(d) Notwithstanding any other provision of law, any commodity heretofore or hereafter acquired by any agency of the Government under any price-support program shall, to the extent that such commodity is determined to be appropriate for such purpose and in excess of domestic requirements, be utilized in providing aid to recipient countries under this act, and shall be disposed of by

such agency for such purpose at such price as may be determined by such agency, which price may be the equivalent of the domestic market price of a quantity of wheat having a caloric value equal to that of the quantity of the commodity so disposed of."

Mr. ANDERSON of California. Mr. Chairman, this amendment is similar in nature to an amendment offered by Senator KNOWLAND to the Senate foreign-aid bill and adopted by the Senate. It is now a part of that bill.

Mr. Chairman, I believe that the time has come for Congress to assert its authority.

American agriculture today is seriously out of balance. Wheat is at a record high price, with domestic supplies at scarcity levels notwithstanding bumper crops. Other grains have naturally followed the wheat price upward. Those products depending on grain—like livestock and meats—are also in scarce supply and at high price levels.

But there are other foods with burdensome surpluses and distressingly low prices. Citrus fruits—one of the most beneficial food products and containing nutritional qualities essential to a well-balanced diet—are in supply far in excess of demand. Last year nearly 6,000,000 boxes were abandoned because of lack of market or other outlet. It is estimated that this year 15,000,000 boxes will be unable to find a market and will be wasted unless utilized in the foreign-aid program. Prices of oranges are less than 50 percent of parity and are returning the grower far less than his cost of production. Grapefruit prices are still lower than oranges.

Dried fruits are another important product. Because they normally rely on export markets for a large part of their production, and because those export markets are now closed through no fault of the growers, tremendous surpluses of these commodities have accumulated.

Over 125,000 tons of prunes and raisins alone are already in the hands of the Commodity Credit Corporation acquired in price-support programs.

Large surpluses are also in the hands of commercial handlers. Other dried fruits are available in substantial quantities. Prices in that industry are also at distressingly low levels—not more than 60 to 65 percent of parity.

Edible tree nuts are likewise in surplus with walnuts at a price expected to yield less than 60 percent of parity this season. Canned goods—vegetables as well as fruits—are available in large quantities and for many varieties prices are low. Everyone is familiar with the tremendous surpluses that exist in potatoes and sweetpotatoes. And there are other food products; time will not permit the mention of more.

This unbalance in American agriculture, if not the direct result of the foreign-aid program, has been seriously aggravated by it. But such results need not have occurred if the program had been carried out in accordance with the wishes of Congress, heretofore expressed in clear and unmistakable terms.

In the Supplemental Appropriation Act, 1948, passed last July, Congress provided as follows:

SEC. 302. In making expenditures for foodstuffs from funds appropriated in this act for relief abroad, it is the sense of the Congress that preference be given to the purchase, within the United States, of products, which can be purchased with benefit to the national economy, and that such purchases should include articles that are in surplus where possible and practicable.

That was at least an expression of high hope. What attention was given it by those administering the foreign-aid program? None whatever. The wishes of Congress, although stated in terms no one could misunderstand, were ignored.

So I say the time has come for the Congress to assert its authority. It should again state its position in clear and unmistakable terms. But this time it should be in the form of a mandate and not in the form of a hope. And that is the purpose of the amendment I now submit.

There is no reason why the foreign-aid program cannot be administered in a manner consistent with the best interests of American economy, including agriculture. If the time comes when foreign aid cannot be granted without wrecking the American economy, the majority of the American people may well question the propriety of foreign aid. But we are not at that point yet. Certainly we should make at least one effort to carry out a foreign-aid program that will make some attempt to utilize foods that are now available in surplus quantities.

That does not mean that no wheat or other grains should be used. Grain products must necessarily continue to be an important part of the program but they should be supplemented by other foods which we have in overabundant supply. And such supplementary feeding is also highly desirable and important to the people who are being fed. A diet consisting solely of grain cannot be adequate. It lacks elements of nutritional value which can only be supplied by supplemental foods. It takes a properly balanced diet, as well as one in sufficient quantity, to enable a man to do a full day's work. Proper balance is of even greater importance than the number of calories.

This amendment provides that food commodities acquired in carrying out price-support programs shall be utilized in providing aid to recipient countries under this act. Necessarily some discretion must be exercised as to the commodities that are appropriate for such use as well as to the commodities that are available for such use. Presumably that discretion would be exercised by the Secretary of Agriculture, as he is in the best position to determine what is available and what can be appropriately utilized for foreign aid.

To the extent that it is determined that commodities are appropriate for such purpose and in excess of domestic requirements, this amendment requires that such commodities be utilized in the foreign-aid program. In this respect this amendment differs from the Knowland amendment in the Senate bill. In other respects this amendment is similar to the Knowland amendment in that it authorizes the disposition of such commodities at such price as may be determined by the agency which has acquired these commodities under a price-support program. Presumably, that will be the Commodity Credit Corporation; as it is the agency which normally acquires food commodities under a price-support program. As I stated before, it already has acquired considerable quantities of some food commodities and these, as well as others which it may hereafter acquire under price-support programs, will be available for utilization in the foreign-aid program.

The adoption of this amendment will bring the foreign-aid program, in respect to food commodities, in line with the best interests of the American economy as a whole and will provide an effective means to remedy the existing serious unbalance in American agriculture.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield at that point?

Mr. ANDERSON of California. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Will this permit the shipping out of surplus potatoes from the United States so that it will not be necessary to destroy them or burn them or pour kerosene on them?

Mr. ANDERSON of California. If this amendment is adopted and becomes a part of this bill, it will permit the shipping out of this country any surplus crop now held by the Commodity Credit Corporation.

Mr. AUGUST H. ANDRESEN. Including potatoes?

Mr. ANDERSON of California. I presume so, if they are in surplus.

Mr. AUGUST H. ANDRESEN. Good.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman from Ohio.

Mr. VORYS. Would it cover those eggs we heard about?

Mr. ANDERSON of California. It would also cover the dried eggs held in surplus by the Commodity Credit Corporation.

Mr. VORYS. I would be glad to have the gentleman take his full 5 minutes to explain the amendment further, but may I say that the committee has studied this amendment and, since it carries out the principle of substitution of commodities in long supply to reduce the impact on commodities in short supply, as far as I know, there is no objection from the committee to this amendment. I personally am for it and hope it is adopted. I hope the gentleman will take his time, however, to explain the amendment.

Mr. ANDERSON of California. I thank the gentleman for his statement.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman from Pennsylvania.

Mr. FULTON. None of us on the committee is opposed to using all surplus commodities possible in this program. In fact, it was my original suggestion that is incorporated by the committee in the incentive-goods program in this bill. I want to hear exactly how this amendment will affect the prices. The gentleman has in his amendment a price provision I should like to have him explain clearly, because I am one of those Republicans who are not satisfied with the current price levels. We should not have

anything to go into the bill that is going to mean high prices to the consumers or high prices to bail out anybody. I want the gentleman to explain what the element of price is in his amendment, and I will be willing to try to get the gentleman extra time if that is necessary.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman from Mississippi.

Mr. RANKIN. There is one element of food products the gentleman entirely overlooks, and that is the something like 350,000,000 or 400,000,000 bushels of cottonseed produced in the South this year.

Any man who knows the facts will tell you there is as much food value in a bushel of cottonseed as there is in a bushel of wheat. I wonder if the gentleman includes cottonseed in his amendment.

Mr. ANDERSON of California. My amendment applies to no specific product. The determination will be made by the Secretary of Agriculture. My amendment applies directly to those commodities that are held by the Commodity Credit Corporation and have been acquired under price-support programs heretofore enacted into law.

If the gentleman will permit me, I should like to go on and explain the price provisions of my amendment.

I believe the gentleman from Pennsylvania addressed himself to that portion of my amendment which states "and shall be disposed of by such agency for such purpose at such price as may be determined by such agency, which price may be the equivalent of the domestic market price of a quantity of wheat having a caloric value equal to that of the quantity of the commodity so disposed of."

Mr. FULTON. The gentleman is setting a price scale there that will cover all the various surplus commodities. What exactly will a crate of oranges be sold for? What exactly will a crate of grapefruit be sold for? What exactly will the cottonseed per ton be sold for, or the potatoes per ton? What are the price levels? Let us hear them. Can the gentleman tell us definitely at what point that sets the prices of the main commodities in surplus that the gentleman wants to put into this program?

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. FULTON. Mr. Chairman, I ask unanimous consent that the gentleman may be permitted to proceed for five additional minutes, as this is an important amendment having to do with prices.

Mr. VORYS. I object, Mr. Chairman.

Mr. FULTON. Mr. Chairman, I rise in opposition to the amendment.

Now I yield to the gentleman from California to make his explanation.

Mr. ANDERSON of California. I will say to the gentleman that I can explain the pricing provision of this amendment in this way, although I cannot give him the exact prices for a crate of oranges or a pound of cottonseed cake. At the present time we will say that the War Department in purchasing wheat gets 25,000 calories per dollar expended. If it purchases a pound of prunes it gets 16,000 calories. This provision of my amendment will permit the War Department in purchasing food for occupied areas to purchase 25,000 calories of prunes for a dollar. Naturally, the loss will have to be absorbed by the Commodity Credit Corporation, and some way will have to be found by the Congress to make up that loss. You are not going to bail out any of the farmers who are producing these commodities, but you are going to assist the Government in ridding itself of surpluses that are now held by the Government in storage and that have been acquired under price support programs that have heretofore been enacted into law.

Mr. FULTON. I want to use up the surpluses in this program, and I want to use them up at a fair price. How much do you think the losses will be for which Congress will have to bail out the Commodity Credit Corporation? How much do you think the total loss will amount to that Congress will have to put up extra money as a result of the purchase at the particular price that you are proposing?

Mr. ANDERSON of California. That will depend entirely upon how many pounds or tons of these commodities are purchased by the State Department or the War Department to use in relief feeding. But may I point this out to the gentleman. By the use of these surpluses we reduce the drain upon our basic commodities, and the drain on the American taxpayers. In the long run we will make money by doing this, rather than losing additional money.

Mr. FULTON. I want to use these surplus commodities and reduce the drain, but we should not get into a program that is not definite and which will involve us in bailing out the Commodity Credit Corporation for a very large loss, which we will have to make up by appropriations later. So unless you can give some figure on about what this program will cost and that the Congress will have to appropriate in addition to the $590,000,000, then I am going to be against it. If you cannot tell what the prices of the commodities are that you are going to buy and show what they are in dollars and cents, then we should vote against it because it is indefinite. If, however, you would accept an amendment putting this in the discretion of the Department of Agriculture or in the discretion of the President to buy at certain prices, then I will withdraw my objection. But we should not have these things bought at a high level, and then have people come back here and increase this program by millions of dollars in addition to the $590,000,000 without our knowing what it is.

Mr. ANDERSON of California. Of course I might ask the gentleman this question. Can the gentleman tell me what price is going to be paid for the commodities already included in this bill if these surpluses are not used?

Mr. FULTON. That involves also shipping costs and you have made no comment whatever on the cost of shipping these low caloric value foods. The Committee on Foreign Affairs held an investigation last year as to the shipping of potatoes, and as the gentleman from Minnesota should know, it was too expensive to ship them. We could not ship them because it was going to cost the taxpayers too much money under Public Law 84. It was easier to ship high caloric value foods than low caloric value foods because it would cost the taxpayers less money. You should give us what it is going to cost for transporting these lower caloric value foods. My own opinion is that the cost of shipping generally greatly exceeds the value of the commodities in this program.

Mr. ANDERSON of California. I will say to the gentleman that the cost will be much greater if this amendment is not adopted and if these surpluses are not used for feeding starving people abroad than it will be if the amendment is adopted. These surplus crops have already been purchased by the Commodity Credit Corporation and will become a total loss rather than only a partial loss.

Mr. FULTON. If you make it discretionary and take out the price-control feature, then I will be for the gentleman's amendment.

Mr. ANDERSON of California. If the gentleman will refer to my amendment again, he will notice that it is discretionary.

Mr. FULTON. No; they must buy. If they decide to buy low caloric value foods they must buy on the equivalent basis that wheat is bought.

Mr. ANDERSON of California. I beg the gentleman's pardon.

Mr. FULTON. Will the gentleman read his amendment?

Mr. ANDERSON of California. I refer again to that portion of my amendment which says "as may be determined by such agency, which prices may be the equivalent of the domestic market price of a quantity of wheat." It does not say it has to be.

Mr. FULTON. May I say that that is putting the policy of Congress in the bill that these low caloric value foods which cost so much to ship are to be priced along a certain line. You have put the method in.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close in 5 minutes.

Mr. CRAWFORD. Mr. Chairman, I have an amendment which I propose to offer to this amendment, and I do not see how we can close debate on this in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. CRAWFORD. I object.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close in 10 minutes.

Mr. CRAWFORD. I object, Mr. Chairman.

Mr. VORYS. Mr. Chairman, I move that all debate on this amendment close in 10 minutes.

The question was taken; and on a division (demanded by Mr. CRAWFORD) there were—ayes 130, noes 50.

So the motion was agreed to.

Mr. PETERSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think this will probably answer the question raised by the gentleman from Pennsylvania [Mr. FULTON] a few minutes ago. There is in the Anderson amendment a specific provision which provides "that to the extent that such commodity is determined to be appropriate for such purposes and in excess of domestic requirements." In other words, it must be appropriate for this purpose and it must be in excess of domestic requirements.

The amendment is well worked out, very carefully worded to protect all, and it will enable getting rid of certain surpluses when we have them. For instance, beans might be shipped, and other types of things can be shipped that will have caloric value. In our section we have a surplus of citrus, much needed on account of vitamins. The recipient countries have been getting some of their vitamins in potatoes. Wheat, while having caloric values, needs vitamin supplement. This can be secured by using concentrated citrus. But this amendment covers other items that may be surplus. Common sense tells us the proper thing to do, the businesslike thing. The fair thing for our home folks to do is to use surplus wherever possible and not run up the prices of scarce articles. Some dried fruits and vegetables today are also surplus.

Oranges and grapefruit are not paying production cost to the grower today. Last year it is estimated 9,000,000 boxes were never picked. Europe needs these life-giving vitamins.

From the sentiment which I have observed by talking individually to many Members on the floor, I am sure you understand the wisdom of this amendment, and I will therefore take no further time.

I hope the amendment will be adopted.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. PETERSON. I yield.

Mr. RANKIN. Let me say to the gentleman, and to the gentleman from Pennsylvania [Mr. FULTON] that if you ever get the price of agricultural products on a parity with the steel produced in Pittsburgh, the farmers will really be prosperous.

Mr. FULTON. You should hear my steel workers talk about the high price of groceries.

The CHAIRMAN. The time of the gentleman from Florida [Mr. PETERSON] has expired.

Mr. CRAWFORD. Mr. Chairman, I offer an amendment to the amendment.

The CHAIRMAN. The Clerk will report the amendment to the amendment.

Mr. PHILLIPS of California. Mr. Chairman, a point of order. The motion of the gentleman from Ohio covered only the amendment that was pending; not an amendment to be offered to the amendment.

Mr. RANKIN. The gentleman from California is correct. The Chair said "this amendment" but did not say "and amendments thereto." I will ask that the RECORD be read.

Mr. BLOOM. That is right; the limitation was just to this amendment, not to amendments thereto. There is no question about it.

Mr. VORYS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. VORYS. The gentleman has a right to introduce an amendment to an amendment whether it is adopted or not. The gentleman has the right to offer it at this time.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. CRAWFORD to the amendment offered by Mr. ANDERSON of California:

"Any such agency shall reveal annually to the Congress the amount of losses incurred by it as the result of the disposition of commodities hereunder and the Secretary of the Treasury is authorized and directed to cancel notes of such agency held by him in an amount equal to the amount of such losses."

Mr BLOOM. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BLOOM. The gentleman from Michigan offers an amendment to the amendment. The limitation of time was to the amendment pending before the amendment to the amendment was offered. Is not the gentleman from Michigan entitled to 5 minutes?

The CHAIRMAN. The gentleman from Ohio [Mr. VORYS] asked unanimous consent that all debate on the pending Anderson amendment be limited to 10 minutes. There would therefore be 10 minutes on the Anderson amendment, and the timekeeper has a list of the Members who wish to use that time. Now, an amendment has been offered to that amendment and on the amendment to the amendment time for debate has not been limited.

The request of the gentleman from Ohio was not that all debate on this amendment and all amendments thereto be closed; it was on the one amendment. The Chair took particular notice of that.

Mr. FULTON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. FULTON. Mr. Chairman, I make a point of order against the amendment on the ground that it is not germane. It has to do with the transfer of credits and losses from one Government agency to another and has nothing whatever to do with the relief program.

Mr. CRAWFORD. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair does not think it will be necessary.

The Chair holds that the point of order comes too late. Debate has intervened. Business has been transacted.

Mr. FULTON. I was shut off by the ranking minority member of the Foreign Affairs Committee. I was on my feet but yielded to a senior Member.

The CHAIRMAN. When the gentleman yielded he yielded for discussion and debate which automatically cut off his right to make the point of order.

Mr. FULTON. If the Chair please, I did not yield for discussion or debate of this amendment; I yielded for a parliamentary inquiry.

The CHAIRMAN. The gentleman from Pennsylvania did not have anything to yield. He did not have the floor. He had the right to make a point of order. If he did not exercise that right and permitted someone else to intervene, his point of order comes too late now.

The point of order is overruled.

Mr. FULTON. Mr. Chairman, may I have a specific ruling as to whether a parliamentary inquiry made before a point of order makes a point of order out of order?

The CHAIRMAN. A point of order must be made immediately after the reading of the amendment. No business must intervene between the reading of an amendment and the raising of the point of order. A point of order comes too late if a parliamentary inquiry intervenes.

Mr. PHILLIPS of California. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PHILLIPS of California. Would the Chair please rule for my information on whether it is necessary in our procedure to exhaust the 10 minutes time on the amendment on which debate has been limited before other amendments are discussed?

The CHAIRMAN. That is within the discretion of the Chair. It is a matter of recognition.

Mr. RANKIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RANKIN. Is it not the rule that perfecting amendments must be disposed of before the principal amendment?

The CHAIRMAN. There is no question about that. The Chair will see to it that the perfecting amendment is acted upon before the amendment it changes is submitted.

The gentleman from Michigan [Mr. CRAWFORD] is recognized for 5 minutes.

Mr. CRAWFORD. Mr. Chairman, the Commodity Credit Corporation is the agency which buys and holds as inventory, stocks of so-called surplus commodities. If it is the desire of the Members of the House that Government agencies as such, including the Commodity Credit Corporation, should dispose of some of these surpluses in accordance with the amendment offered by the gentleman from California [Mr. ANDERSON], naturally the Commodity Credit Corporation will not likely participate in such transactions unless the legislation authorizes the Secretary of the Treasury to cancel notes running to the Treasury from the Commodity Credit Corporation in the amount of the losses incurred by the Commodity Credit Corporation on the transactions which would come within the scope of the Anderson amendment.

This is simply a completion of your transaction. You have a half-baked or single-entry proposition if you simply endorse the Anderson amendment and do

not complete the other side of the bookkeeping entry. The first thing that the Commodity Credit Corporation will say is, "How do we get rid of the losses that we incur in connection with the sale of these surplus items under the relief program?" If the answer is, "You do not get rid of the loss," then the Commodity Credit Corporation will say, "Then we will not incur the loss, therefore we will not complete the transaction."

This is just a clear-cut case of finishing the job you start under the Anderson amendment. If you do not want the Anderson amendment to prevail, then, certainly, you should vote this amendment down.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Kansas.

Mr. REES. Does the gentleman have any idea how much money the taxpayers have invested in this surplus property we are talking about?

Mr. CRAWFORD. How much we have invested?

Mr. REES. That is right.

Mr. CRAWFORD. We have many millions of dollars in these commodities and we are going to buy more.

Mr. REES. To get the matter clear, this proposal is to spend $590,000 000.

Mr. CRAWFORD. That is correct.

Mr. REES. Under the proposal before us the amount we use from the Commodity Credit Corporation is in addition to the $590,000,000; is that right?

Mr. CRAWFORD. It might be or it might not.

Mr. REES. Is that correct?

Mr. CRAWFORD. Oh, no; not necessarily.

Mr. FULTON. That is correct.

Mr. CRAWFORD. Now, wait a minute. I have the floor. The gentleman from Pennsylvania is getting entirely too rash here in saying to the Congress what he is going to permit in the bill and what he is going to throw out of the bill. The Congress of the United States writes the laws and not the gentleman from Pennsylvania alone.

The Commodity Credit Corporation has these surplus commodities on hand. You will either use them up or let them rot away or dump them. Do you want to use them or let them disintegrate? Of course, we want to use them. If you get them used you do not incur a total loss. If you feed them to people you will be supporting a program that becomes a part of the give-away matter. There is no question about that. You might as well face the realities of the situation. You may lose a hundred million dollars on the stocks that you have on hand, whether you sell on this program or some other program. I do not know what your loss is going to be. I am simply saying you have got to complete the transaction here.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Kansas.

Mr. HOPE. Is this not the situation? The Congress has passed legislation which directs and authorizes the Commodity Credit Corporation to support prices on certain commodities.

Mr. CRAWFORD. Correct.

Mr. HOPE. In pursuance of that policy the Commodity Credit Corporation has purchased these commodities.

Mr. CRAWFORD. Right.

Mr. HOPE. The question is, What disposition will be made of them? Under existing law they cannot sell them at prices which would permit their use for relief purposes in Europe.

Mr. CRAWFORD. Yes.

Mr. HOPE. Under the Anderson amendment they are authorized, if they see fit, to dispose of them for that purpose?

Mr. CRAWFORD. That is correct.

Mr. HOPE. The question is, How is the bookkeeping going to be handled?

Mr. CRAWFORD. That is the point.

Mr. HOPE. The gentleman's amendment will fix the books up so the debits and credits will be in the proper place.

Mr. CRAWFORD. And also facilitate movement of the goods.

Mr. REES. Does your bookkeeping charge that amount against the $590,000 000?

Mr. CRAWFORD. Oh, no. It will be in the general loss of the Commodity Credit Corporation. It will not enter into this figure at all insofar as the bookkeeping is concerned. The CCC will have over-all losses and these will be a part.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. If the gentleman's amendment is adopted, it will charge the loss directly to this act.

Mr. CRAWFORD. Oh, not necessarily, because you do it in the general operation of the Commodity Credit Corporation. The bookkeeping could reflect it is a part of this present bill but I doubt it being so shown in the accounts.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. FULTON. Mr. Chairman, I rise in opposition to the amendment to the amendment.

May I ask the gentleman from Minnesota [Mr. JUDD] as to the amendment that he put in yesterday. Was this not on a similar basis as this amendment, and the amendment to the amendment, but simply left out the price element of it? It was an amendment that permitted the use of surplus commodities in this program, but permitted the use of them with the greater saving to the American taxpayers and letting them be bought at the lowest price.

Mr. JUDD. As to the amendment that was adopted day before yesterday, I talked to the gentleman from California yesterday about it. I think it covered that, but I do not think this amendment does anything in addition to the amendment that we accepted the other day. It provided that the Commodity Credit Corporation could pour into this program any goods that it had bought pursuant to law so-and-so, which was the law that required the Commodity Credit Corporation to buy certain materials in order to maintain support prices. It did not use the words "price support program" but it said the same thing.

Mr. FULTON. But that was at a parity price, at what they were bought for, and did not have in it "which price may be the equivalent of the domestic price of a quantity of wheat having a caloric value equal to that of the quantity of the commodity so disposed of.

Mr. JUDD. That is right. It did not have that in it.

Mr. FULTON. So that the only difference between the amendment that has already been acted on and is in this bill—the only difference between that amendment and these two amendments being put in is this price provision. I cannot see why there is all the steam on these amendments when the committee has already put in the use of these surplus commodities, as far as that can economically be done in this program. If there is anything else, it then comes to a policy of Congress on pegging the price of these other commodities of lower caloric value at the equivalent caloric price of wheat. If you want that in a policy, maybe it better be declared outside of this particular act. I feel that this might go beyond the scope of this particular relief program.

Mr. ANDERSON of California. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from California.

Mr. ANDERSON of California. I just want to say to the gentleman that Congress has heretofore granted these purchasing agencies permissive authority to do the very thing that I seek to do with my amendment. That authority has not been used. If we are going to dispose of these surpluses which the Commodity Credit Corporation has purchased and now holds, we have got to issue a mandate by the Congress not just further permission and tell them that they must be disposed of.

Mr. FULTON. Will the gentleman then accept my suggestion that he eliminate the price element in his amendment?

Mr. ANDERSON of California. Why, that kills the amendment. Certainly I am not going to accept that.

Mr. FULTON. Then what is the difference between the gentleman's amendment and Dr. JUDD's amendment? Only the difference in price, as you now say, because Dr. JUDD's amendment provides for using surplus commodities and using as many as can be used in this program, which has already been adopted by this Congress.

Mr. ANDERSON of California. Yes; but the surpluses will not be purchased.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the distinguished gentleman from California.

Mr. PHILLIPS of California. I think the confusion in the gentleman's mind is that he thinks the provision would increase the price of farm products. As a matter of fact, the desire is to bring the price of these surplus commodities down so that they can be and will be sold by the Commodity Credit Corporation in

competition with wheat. The gentleman asked about the price of a box of oranges. The producer will probably make absolutely nothing. The price at which they would be sold for the citrus concentrate would probably be little more than the costs after leaving the producer. The CCC and the State Department and the War Department refuse to use these surplus commodities, because they say they would have to pay more for them on a caloric basis than they would have to pay for an equivalent amount of wheat. A calorie is a unit of heat. You might feed a man 3,000 calories, and he would starve. The people of Europe actually need these foods in order to have the strength to work for themselves.

Mr. FULTON. Will my good friend from California explain to me then the difference between this amendment to the amendment and Dr. JUDD's amendment for the use of these surplus commodities that is already in?

Mr. PHILLIPS of California. Yes. The difference is very simple, and it is historic. The Congress last spring, in Public Law 84, wrote in a provision similar to Dr. JUDD's amendment, which said that this surplus should be used—whatever the words were—so far as practical, or something like that. As soon as that provision was put in the State Department, the War Department, and the Commodity Credit Corporation said, in effect, "It is not practical, because we would have to take a loss." Therefore the amendment offered by the gentleman from California says that they are required to do it; they are given the authority to do it; they are told to do it. That removes that psychological objection. The gentleman from Michigan [Mr. CRAWFORD] then said, "In order to keep the bookkeeping straight, this is the way it will be done as an accounting procedure," which settles that argument. That is all the difference that I see.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 5 minutes, in addition to the 10 already agreed to.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS of California. Now, may I try to answer the gentleman from Pennsylvania?

Mr. FULTON. Let me read the gentleman the language:

at prices higher than the market price prevailing at the time of the purchase in the area where the purchase is made.

What is the difference?

Mr. PHILLIPS of California. Under the amendment offered by the gentleman from Minnesota [Mr. JUDD] the agencies would not buy. They would argue between themselves as to who had to take a book loss and whether Congress would be satisfied if they used dried peaches or dried eggs or dried milk or any of the things which the CCC has already purchased, instead of wheat. They would not be buying additional supplies under the amendment offered by the gentleman from California [Mr. ANDERSON], they would be using surpluses already bought, and which they were required by another law—the so-called Steagall amendment—to buy. The Anderson amendment saves the Congress money. The Crawford amendment tells the agencies what kind of bookkeeping to use.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. REES].

Mr. REES. Mr. Chairman, the amendment of the gentleman from California [Mr. ANDERSON] provides that, in addition to the relief provided in this bill amounting to $590,000,000, our Government will give to foreign countries surplus commodities now on hand that we have bought in order to support prices.

For example, our Government has surplus goods including 14,000 tons of dried eggs, 30,000 tons of frozen eggs, 60,000 tons of dried fruit, 72,000 tons of raisins, about 60,000 tons of white potatoes, and about 150,000 bushels of sweetpotatoes.

The value of these goods amounts to approximately seventy-five or one hundred million dollars. It is my contention that you should charge these items against the $590,000,000 or else explain to our people that you are not only giving these countries $590,000,000 to buy food and other commodities but you are also giving them, in addition thereto, commodities that cost the Government another $100,000,000. After all, these surplus items have a value. They were paid for with taxpayers' money and could be used by people in this country if they were distributed. I think the people are entitled to know how much money is being spent and the record should show that this legislation provides for spending $590,000,000, plus surplus commodities of approximate value of seventy-five or one hundred million dollars.

I believe the proposal I have outlined is not only fair but helps to keep the record straight. It certainly is fair in light of the fact that a part of the $590,000,000 is going to be used to buy surplus tobacco that will be sent to Europe for what you have described as "incentive" purposes.

I voted to strike "incentives" from the bill because the reasoning is not good. Why should any part of the $590,000,000 of the taxpayers' money be used to furnish tobacco to heads of foreign countries in order to get them to produce and distribute food and supplies to their own people? To me, that does not make sense.

Now, going back to surplus commodities I have mentioned that are in the hands of the Government, and paid for out of the Federal Treasury. I insist the cost of this surplus property that goes to assist people abroad, should be charged to the amount of money appropriated under this bill. There should be no objection for the reason that the committee in charge of the legislation has recommended a limit of $590,000,000. If you do not follow my proposal, no one will know how much is spent, but it could be $75,000,000 or $100,000,000 more. I may be overruled. I still think I am right.

One thing more. There should be a complete account of the amount and kind of goods sent abroad. Also we should know as nearly as can be ascertained, who gets the commodities. One of the greatest criticisms against agencies handling shipments abroad, is that the public is not sufficiently informed in regard to these matters. If these funds are going to be used to provide food and needs of distressed and starving people, and to provide a chance for rehabilitation, and to ward off communism in war-torn countries; then there should be a pretty strict accounting of the whole transaction.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, I favor the Anderson amendment and the Crawford amendment to the amendment. We may have similar language already in the bill, as stated, but I think it does not go far enough. Therefore I favor the stronger provisions now offered.

We have tried heretofore to make it permissive for these agencies, such as the State Department and the War Department, feeding undernourished peoples abroad, to use their discretion in using these surplus materials here which are available and very suitable for food in relief. They appear not to have done so.

I think the Crawford amendment is necessary in order to implement the Anderson amendment. We make it mandatory that the Commodity Credit Corporation shall buy these surplus goods for this program on certain proper conditions. But unless we arrange for that necessary bookkeeping, so that any financial loss that the CCC may suffer shall be otherwise taken care of, I do not believe we can consider the language in the bill effective toward the desired end unless we put in this additional provision so that CCC loss will be taken care of.

As I see it, our object in this legislation is to provide the maximum real aid in food and health-sustaining diet to these distressed peoples with the least deprivation and economic injury to ourselves. Now how can that best be done? I favor the Anderson amendment as one detailed provision of this program which will tend to maximize the benefits to those we want to help and at the same time tend to minimize the deprivations and sacrifices of the American people.

Of course, the Army in feeding peoples under its care must furnish a maximum of calories which its funds will buy. To do this the Army calls upon our supplies of wheat. But we are short of wheat and the extra demand means a very heavy pull, so that we will have to deny our own people in order to divide up. I think it need not be so heavy a drain upon our wheat if other than caloric value may be considered. For that reason I favor the use of surplus fruits and concentrated fruit juices rich

in the necessary vitamin content where there is a surplus in this country.

Furthermore, if we make use of the citrus surplus we will be enabled to use the crushed peels of thousands of tons of oranges, grapefruit, tangerines, and the like after the juice has been extracted; the remainder will be useful as cattle feed and will thus diminish the grain requirement of our dairies. This wholesome substitute in the cattle-feeding program will make a real and substantial reduction in our very scarce and limited supply of grain. Thus, dividing with our hungry neighbors will be a little less of a burden upon our economy and our people than without such a plan.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. HARLESS].

Mr. HARLESS of Arizona. Mr. Chairman, I want to answer the inquiry of the gentleman from Kansas [Mr. REES] in respect to the cost item.

It is my understanding that perishable products are now being held by the Commodity Credit Corporation and that these products will be wasted, possibly dumped, unless a sale can be found for these products which will permit the Commodity Credit Corporation to sell them at a price equal to the purchase price. These products are now in excess supply. It is quite likely that they will not be sold but will be wasted.

If you are going to have products wasted, obviously the Government is going to lose the value of them. One way to save them and to save the Government the cost of them is to adopt these two amendments.

As a matter of fact, I was in Europe this fall and I saw people there who were getting a lot of calories, yet they were starving for the simple reason that they did not have the right kind of food. These amendments are the only items which have been put into this bill which make it mandatory to buy foods that will make a balanced diet. I say it is necessary not only for the starving people of Europe to have a balanced diet but it will be a saving in the long run for us to use the products which we have in excess because we save products instead of wasting them.

During the last crop year we had in Arizona thousands of tons of grapefruit and oranges which were wasted because there was no market for these products. Many of the groves of grapefruit were never picked. It would have cost more to harvest the fruit than the sale price would have brought. By reducing the citrus fruit to concentrated sirups, it is possible to send these products to the starving peoples of Europe without the use of too much shipping space. Citrus juices are not only rich in vitamin content but also hold a high mineral content. Both the vitamins and the minerals are essential for good health. I believe that the War Department, the State Department, and the Department of Agriculture have been unwise by limiting their purchases to wheat. It may be true that they have been able to furnish a high caloric value of food with the small amount of money they had to spend, but under the circumstances that prevail in Europe today people need more than calories. They need citrus juices. Unless we supply these citrus juices to the peoples of Europe, they will contract diseases even though they are eating sufficient calories to maintain life. Tuberculosis, particularly, will become rampant throughout Europe, and from this disease the people may never survive. At this time I want to emphasize upon the afore-mentioned departments of Government the necessity of supplying grapefruit juice and orange juice in concentrated form to the people of Europe to prevent the possible spread of diseases which will be even worse than starvation.

The CHAIRMAN. The time of the gentleman from Arizona [Mr. HARLESS] has expired.

The Chair recognizes the gentleman from Wisconsin [Mr. MURRAY] for 2 minutes.

Mr. MURRAY of Wisconsin. Mr. Chairman, both the Anderson and the Crawford amendments surely make sense. Over in Geneva at the FAO Conference all emphasis was put on wheat. They sat around the table and figured out how much wheat there was in the world, and they all figured they did not have enough. In my humble report to the chairman of the Committee on Agriculture, the gentleman from Kansas [Mr. HOPE], I tried to point out that here in our country we had surpluses that could be used. We should spend our time talking about food and not just talking about wheat. I do not care to get into a discussion of calories, proteins, or fats, but I would like to say to the Foreign Affairs Committee that if they are interested I would be glad to furnish them with bulletins, and they may check up, for example, on peanuts. The gentleman from Georgia [Mr. PACE] will not tell you about it, but we have some 65,000 tons of them. Peanuts have much more protein that wheat. They have the oil, and we are heading for a big loss in the peanut-support program.

I would like to have anyone tell me why we should not use a good vegetable protein like the peanut produces, and furnish this in lieu of something that we do not happen to have. There is no use talking about how many calories there are in wheat if you do not have the wheat. There is no reason in the world why we should not use the surpluses that we do have, because if we do it, we do something to hold down inflation that most people seem to think they should do something about. Wheat is the barometer in the agricultural world just exactly as steel is the barometer in the industrial world and just as gold is in the financial world. When wheat prices go up—all agricultural products have a tendency to go up in price. If wheat prices go down other agricultural prices are weakened.

I hope that both of these amendments will be adopted.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

The Chair recognizes the gentleman from New York [Mr. JAVITS] on the Anderson amendment for 2 minutes.

Mr. JAVITS. Mr. Chairman, I rise in opposition to the Anderson amendment, the Crawford amendment to the Anderson amendment, and all similar amendments, and I address my remarks in this opposition to the friends of the bill; not to the people who are going to vote against it; but to those who intend to vote for it and want to keep it as an integrated whole.

What has happened? We now have prunes, peanuts, cottonseed, and if you open this Pandora's box you will have 20 other special-interest amendments log-rolling in this bill as if it were an old-time tariff measure.

We have adopted an amendment previously which permits the Commodity Credit Corporation to sell its surplus commodities, as an exception to the prevailing market-price provision which is now in the bill, that covers every surplus commodity which the Commodity Credit Corporation has. If we try to dig into all of these special-interest propositions, we are going to load this bill down so that it will be incapable of doing the job for which it is designed.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. HOPE. I simply wanted to point out to the gentleman that this does not add anything to the price-support program. It deals only with commodities upon which there is already a price-support program. The price of cottonseed is already far above parity, so cottonseed, or any other commodity upon which there is a price-support program, will not be considered under these amendments. There will be no action on it under these amendments.

Mr. JAVITS. Is it not a fact that the provision already in the bill states "other than supplies procured by or in the possession of the Commodity Credit Corporation," thus exempting all those surpluses from the prevailing market-price provision of the bill? Let us not load it with "gutting" amendments. All we are trying to do as friends of the bill is to keep it from being written in a way so as to destroy the bill.

The CHAIRMAN. The time of the gentleman from New York has expired. Two minutes' time remain for the committee. Does the committee desire the 2 minutes reserved to it?

Mr. VORYS. So far as the committee is concerned, I understood there were 2 minutes to spare, not necessarily reserved to it. I was hoping the gentleman from Kansas [Mr. HOPE] would answer some of the questions that have been raised.

The CHAIRMAN. Without objection, the 2 minutes reserved by the committee is now yielded to the gentleman from Kansas [Mr. HOPE].

There was no objection.

The CHAIRMAN. The gentleman from Kansas is recognized for 2 minutes.

Mr. HOPE. Mr. Chairman, it seems to me this matter is perfectly clear. It boils down to this—we have a price-support program under the Steagall amendment which passed Congress 4 or 5 years ago. That program is still in effect. It will be in effect until December 31, 1948. Acting under the authority of that program the Commodity Credit Corporation has purchased certain agricultural surpluses. Most of them are perishable and semiperishable commodities, such as eggs, dried milk, dried fruits, fruit juices,

commodities of that type which have a high food value but not a very high caloric value. They will have to be disposed of at a loss if they are sold.

The question is, Do you want to include them under this program at a price which compares with the price of wheat per calorie? That is the only way in which the agency which would administer this program can proceed because it cannot purchase these commodities at the price the Commodity Credit Corporation has to get for them under existing conditions. Now if that is to be done—if instead of wasting these commodities we use them for relief, the question is, Should not the Commodity Credit Corporation have its books cleared so that it will not be charged with the loss which is caused because Congress directed them to dispose of these commodities under this program? That is the Crawford amendment.

Mr. FULTON. Mr. Chairman, will the gentleman yield for one particular question?

Mr. HOPE. I yield.

Mr. FULTON. What is the difference? Because we now have in the bill on page 5 the provision allowing them to buy these articles at prices no higher than the market price prevailing at the time of purchase in the area wherein the purchase is made. We have the provision prohibiting their paying a higher price. If there is going to be any price change by these amendments it is for a higher price, because they could go that high now. I fail to see how these amendments change the proposed price structure.

Mr. HOPE. These amendments authorize and direct the Commodity Credit Corporation and the agency buying these particular perishable products to get together not at the price at which the Commodity Credit Corporation might desire to sell or the price which the Commodity Credit Corporation paid, but at a price which is comparable as far as calories are concerned with the price of wheat.

Mr. FULTON. What real difference would there be between the price they paid, and the price the Commodity Credit Corporation might be able to sell them for at a parity price based on the same calories of wheat? That is the measure of value, is it not?

Mr. HOPE. If they bring prices down to the point where the agency would feel it could purchase them and get the same caloric value it could by spending the same money for wheat, then Commodity Credit would suffer a loss.

Mr. FULTON. I fail to see how these amendments change the situation.

The CHAIRMAN. The time of the gentleman from Kansas has expired; all time has expired on the Anderson amendment and on the Crawford amendment to the Anderson amendment.

The question is on the Crawford amendment to the Anderson amendment.

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the Anderson amendment as amended by the Crawford amendment.

The amendment as amended was agreed to.

Mr. HALLECK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have debated with myself for quite some time as to whether or not I would say anything generally in the consideration of this bill. I have determined that I should.

As you probably already know, I am one of those who is called to the White House conferences with congressional leaders. We were called there on September 29 and there for the first time this matter of aid to the western European countries was presented to us. At that time and in that conference I raised the question of the effect of the foreign-aid program on prices, and I there asserted that inevitably the aid program would force prices even higher. I had the temerity to suggest that if we were to undertake this venture I thought it was unfair for administration spokesmen to be going around the country undertaking to blame the high prices on the Republicans.

It is fair to say that at that time the administration spokesmen from the President down pooh-poohed and belittled the whole matter of prices in connection with this program, and instead of accepting as truth the impact of these exports on prices they sought to blame price rises on speculation on the Board of Trade.

At that meeting the administration proposed that the committees hold hearings. We set up that time table exactly as was asked. It was also understood and agreed that after those hearings we would determine whether or not we would have a special session. Subsequent to that time we were called back to the White House, and with no consultation we were informed that the President had decided to call a special session In statements made at the White House and released to the press by the President the first emphasis was placed on prices. Again I had the temerity to raise the question as to what that might do with the very urgent need for European aid that had been first proposed to us. It seemed to me that aid was being deemphasized and prices were being emphasized. That is the reason I said after that conference that it looked to me like the administration was beginning to play politics with prices.

Mr. Chairman, what has transpired? Every one now recognizes the effect of these tremendous foreign exports on prices. Of course they are driving the prices up. Whose fault is it that we have these tremendous exports? First of all, there have been billions of dollars of exports to governments not in the aid or need category, and during all of the time those exports have been going out of this country the executive branch of the Government has had the power to control them. I charge that the administration should have exercised that power and was at fault in not doing so.

Now, let me ask you another question. Why is it that almost 3 years after the end of the war in Europe it is necessary for us to send tremendous additional quantities of food, fuel, and other things to Europe, as we are told, to keep people from being hungry and cold and to stop Communist aggression? I will tell you why it is. It is because the Democratic New Deal administrations have terribly mismanaged the foreign affairs of the country.

We would not now be called upon to appropriate huge funds for western Europe and China 3 years after the war if New Deal administrations had not made very serious mistakes in our country's foreign relations.

For years these administrations coddled Communists at home and abroad. Bit by bit the facts on how a previous administration pampered and yielded to Soviet Russia in handing over vast territory in eastern Europe to that country are coming to light.

Deals made at Yalta and Teheran and elsewhere now plague us. The Potsdam Conference, too, has its seamy side.

For many long months the recovery of Europe was delayed by the administration's support of the so-called Morgenthau plan to pastoralize Germany.

Every competent observer reports that pursuit of the Morgenthau plan gave the Communists their golden opportunity to stir up trouble in western Europe, because Europe cannot be made strong while the German people and their factories are kept in idleness. Lately we have had a reversal of American policies in Europe—a reversal after the house began to burn down.

The point I am making is that all of the blundering and bungling are now taking their toll in huge loans and grants from the United States—all having the result of boosting prices and increasing discomfort at home.

Now, Mr. Chairman, of course there were other matters that had to do with this situation, and I shall not discuss them at length except to say that unorthodox Government monetary procedures, deficit spending, excessive and punitive taxation, bureaucracy run wild, opposition to decent, sensible settlement of labor-management disputes, and a constant edging, scheming, and manipulating to run everybody from cradle to grave—these are contributing causes to the present high prices.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. COLE of New York. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HALLECK. Now let us get down to the matter before us today. Without regard to what has gone on before or whose fault it may be, my view is that the people of the country generally want, so far as they reasonably can, to avoid starvation and hunger and cold on the part of peoples who are friendly to us. They want to do what they reasonably can to restrain Communist aggression. You know, most of our people do not like communistic aggression anywhere, and they do not like Communists or communism here at home. I feel pretty much that way about it myself, and that is the reason I am going to vote for this bill, leaving, of course, to other Members to determine for themselves whether there is any real need or whether this is the proper or necessary way to proceed.

But I would like to call your attention to something. We are told that this sort of an aid program is necessary to prevent disintegration and collapse abroad in friendly nations, with all that that is said to mean to our security, if that collapse should result in further communistic aggression and conquest. But if we are to take at face value what the President said to us, then is it also not fair to say that there is a considerable risk we are running here at home? Why? Because, one, of ruinous inflation and run-away prices; or, two, resort to those methods of planned economy, regimentation, and control that have done so much to bring these countries of Europe to their knees—to a situation where they call upon us, a great, free, strong people, to give them the aid they say they must have.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. Not now. I would first like to finish what I have to say.

Mr. RANKIN. I was going to ask the gentleman to read into the RECORD those four points that his party adopted yesterday

Mr. HALLECK. I will have something to say about that now. I might say right at this point that if we wrap up in one package all that the President asked for in his message, there would not be 25 votes on the Democratic side for it, and if we sent the bill down there as he asked for it, in its entirety, I think he would run true to form and veto it.

I do not yield any further. I did not yield before to the gentleman from Mississippi.

Mr. RANKIN. I beg the gentleman's pardon. I merely wanted to get that statement issued by the gentleman's party on yesterday into the RECORD.

Mr. HALLECK. My hope is that we can meet such reasonable demands as may be our responsibility abroad and at the same time protect our country at home. My view is that we have to maintain that balance. Everyone with whom I have talked who has supported foreign aid has said, "Oh, of course we recognize that our resources are limited, our capacities are limited." I have not heard anyone urge that we should go to extreme limits and thereby wreck the stability of our own country. We have to keep our country strong.

I have listened to a lot of people who went over to Europe and who came back, and I have done the best I could to find out about the real necessities there. I am trying to balance up this whole operation. That is the reason yesterday I voted for the amendment to cut this amount to $500,000,000. If wisely expended, it seemed to be ample, having regard to our situation here at home.

One thing further, and then I am through: Legislation has now been introduced dealing with the matter of export controls. I understand an amendment will be offered shortly that I hope will be adopted, that will tie the whole matter of exports to countries outside the aid area in with exports to be sent out of this country under the aid program.

The sum total of all that, along with the amendment written by the committee into this bill, places the responsibility on the President of the United States and the executive branch of the Government to maintain the balance necessary for the continuing strength and stability of this great country of ours. A lot of us will be waiting to see what happens.

Mr. ELLIS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. ELLIS. Mr. Chairman, the bill before the Committee today, H. R. 4604, can in no sense be called a relief measure, nor can it in any degree be called a measure to fight communism. The members of the Foreign Affairs Committee who have endeavored to explain and defend this bill have failed in every particular to substantiate such claims. To present this bill to the American people as such, in my opinion, does great injury to our economy and denies the people a true picture of the world situation when honest thinking and talking is so essential to our well-being.

It appears that many of our friends have unknowingly or unwittingly joined the international cabal of counterfeit Americans who apparently are bent on bankrupting the United States of America.

Yesterday, the gentleman from Michigan [Mr. JONKMAN], a member of the Foreign Affairs Committee, made the most devastating attack I have heard on any bill since I have been a member of this House, and his charges can only be interpreted that this measure is a complete fraud. Up to this moment, not one member of this body, to my knowledge, has attempted to disprove his charges. Consequently, it appears that we can accept them as being true.

On this floor on Tuesday, the gentleman from Illinois [Mr. BUSBEY] made a most significant statement, and I am going to quote it in part:

All present indications point to the fact that the President will select the State Department as the administering agency of the $590,000,000 provided for in this (rush foreign spending) bill.

Did anyone ever hear of the State Department protesting or objecting to the maladministration—yes, criminal maladministration—of UNRRA funds when they were being used to subsidize the satellite (Russian) governments? The State Department officials abroad must have known the facts. I know of no State Department protest of record.

And further:

I challenge the President to make public these (Nazi-Red) agreements before we vote on this interim-aid bill. I sincerely believe if these agreements were made public now this so-called emergency aid bill, which is supposed to stop communism, would not have a chance of passage in this Congress.

If these agreements are made public before we consider the Marshall plan, I am willing to wager it would be impossible to muster 100 votes in favor of it.

These remarks refer to the Molotov-Ribbentrop agreements, with the accompanying discussions, both written and oral, subsequent to August 23, 1939, which deals with the Nazi-Red agreement to enter the war against England.

Too much has leaked out already to show that it would rock the world if fully and efficiently told. Why hold it back, then, since the official declaration of the Truman administration is to "save Europe from communism"? These are strong words and, as in the previous case, not one administration supporter has challenged the statement.

I would like to remind the Members of the House and the people of this country that we have just completed one so-called Marshall plan totaling some sixteen or eighteen billions of dollars, and, as the world now knows, the failure of the operation was complete, as far as the rehabilitation of Europe is concerned and the establishment of peace.

Now we are being asked by the admintration to go to the American taxpayer again for untold millions to be delivered to the same hands for another insane spending spree.

I have been a Member of this House for 5 years. When we debated and passed the lend-lease bill, the same world-savers came to this well and told us that that money would be the end and would be the mechanism that would solve all the financial problems of the world. Later, we increased the lending capacity of the Export-Import Bank, and again, we were told by the bleeding hearts that this money was to take care of all contingencies and fix everything. Later we had the World Bank and the Stabilization Fund. Once more, and by the same administration spokesman, we were told that this would be the plan that would rehabilitate everybody and bring peace and happiness to the world. Then came the British loan. Again, the same group came to this well and, with tears streaming down their faces, told us that this final sum was needed to straighten out the financial ills of the world. Then came the Greek-Turkish loan, and again the same bleeding hearts marched to the microphone and told that that was necessary to straighten out all the ills of Europe.

All of this has taken billions out of the pockets of the American taxpayer, billions in merchandise out of the American market and is largely responsible for the present high prices and scarcities.

Now we have a so-called stopgap measure before us which is recognized as the forerunner of the $20,000,000,000 Marshall plan, and we hear that there will be further need for money in Korea, in Japan, in Germany, and that South America is making up her requisition, and that the Central American nations are getting together and making their requisition on America.

Is there any American in his right senses who thinks that we can begin to pay this bill?

The administration has admitted that more than $226,000,000 in lend-lease shipments have gone to Russia since the end of the war, arguing that despite the administration's professed anti-Soviet policy, good faith demanded that previous commitments be honored. This conflicting policy resulted in such general protest that lately the administration has rung down its own iron curtain to preserve secrecy on what is leaving the country.

Four Russian ships, docked in New York at the end of last week, were busy taking on cargo, including locomotives and metal piping, but no official statement could be obtained as to whether these were lend-lease or UNRRA contributions. When the administration joins Russia in concealing such facts from the taxpayers who are called upon to pay the bills, it is time to let light and air into the situation.

Appropriations Committee members of the other body yesterday disclosed that nearly 1,000 B–17 bombers were recently destroyed by United States air forces in Germany at the same time Uncle Sam was furnishing American dollars to Greece and Turkey to purchase second-hand British planes.

This sort of operations just does not make sense. If the State Department continues its foreign operations in this fashion, it certainly should not be given any more funds. Our foreign policy has created nothing but hate, frustration, and despair. When this bill is passed, Joe Stalin will be the happiest man in the Eastern Hemisphere. If the so-called Marshall plan is carried through to its ultimate conclusion, he can sit in his front yard, smoke his pipe, and watch Uncle Sam bleed to death.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last two words.

Mr. HOLIFIELD. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts be permitted to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. McCORMACK. Mr. Chairman, it is most regrettable that the gentleman from Indiana, who is not only a Member of the House but the majority leader in this body, should have taken the floor at this time and made the greater part of the remarks he did make. A better time for political speeches and a preview of the 1948 campaign would have been after this bill had been voted on. The gentleman has simply made a review of a lot of charges and statements that have been rambling around the country for the last several years, rehashed and rehashed, appropriate on some occasions when a political speech is being made but certainly not appropriate on an occasion like this, when we are at least expected to elevate our minds to the position of trying to be statesmen, and when we should think of something more important than the next election.

We gave the majority leader very good attention and courteous attention. The ramblings and the rantings of some on the Republican side do not disturb me and never did. But we are always courteous. I do not care whether you are courteous to me or not. It does not concern me at all, because what is said here will be remembered tomorrow and in the days afterward, and what happens here, the majority leader's taking the floor, will be interpreted in its correct light by the people in the days to come.

The gentleman has made an attack upon the President for calling a special session of Congress. This is only a continuance of the present session of the Congress. When we adjourned, or recessed, which was what it was, there was no provision made in the resolution for the Democratic leaders of the Congress to call the Congress back into session. I do not criticize that because I recognize it was probably taken into consideration that the President had the constitutional power to call the Congress back into session, and that while he is the President of the United States, he is the leader of the Democratic Party. So I do not make this observation as a criticism in any way because there did exist that power in the hands of someone who was a Democrat to call Congress back into session. But the President should not be criticized. However, let us interpret that in answering the observation made by the gentleman from Indiana. In September, there was a meeting of the leaders. The President called that meeting and properly so. If the leaders in Congress, the Republican leaders, who were the only ones who could call us back under the resolution so providing, failed to do so, and the President considered that it was his duty to do so, I do not think anyone could make any criticism of that. If the shoe is on the other foot, we would not offer any criticism. Furthermore, the President called us back under his constitutional powers as President of the United States. Outside of an exercise of the constitutional power of the President, the only way for the Congress to be called back into session was through the majority or the Republican leadership in both branches of the Congress. I am not criticizing the Republican leadership because they did not, in their wisdom, call us back, and I do not think the Republican leadership or any Republican should criticize the President because in the exercise of his judgment and his wisdom he felt that we should be called back in the interests of the people.

We must bear in mind that the words of the majority leader are to be construed differently than if he were not majority leader. A different construction is to be placed upon his remarks because he is the majority leader of his party and the majority leader of the House of Representatives. The majority leader has made some sharp charges about our foreign affairs. What about Mr. Dulles? He certainly played an important part in the conduct of our foreign affairs, and he did so as an American. What about the distinguished Member of the other body who presides over that body? By the way, I believe he has developed into one of the greatest Americans of this generation, and I say that to him as an American. He has been in constant consultation with reference to our foreign affairs. Certainly our foreign affairs have not been conducted from a party angle. All types of thought from both parties and all Americans have contributed and have been participating in our foreign policy. Does the gentleman from Indiana by his remarks indirectly attack Secretary Marshall, who is handling the foreign affairs of our country in the field?

The majority leader said, "I am for this bill," and then he bullyragged. He comes out and says he is for the bill, but in the next breath he said he voted to reduce the amount to $500,000,000. I wonder if he is at heart for the bill. I wonder if he is riding two horses. I wonder if he recognizes that the people of America are far, far ahead in the recognition of the world situation of many Members of this body, and if he is trying to please them and at the same time put some crippling amendments into the bill. I wonder if his remarks are to be construed in the light of the permanent, long-range plan that is coming, rather than this bill. But, in any event, what does he admit? He repudiated the leadership of his own party on the floor by that admission—the leadership of his own party, who are conducting this bill. When a bill comes out of the Foreign Affairs Committee, when we were in control, the chairman of the committee is in charge of the bill and the leaders cooperated with him—the Speaker and myself. They are the ones who are in charge, and that is where the practical work of congressional affairs is carried on. The leadership on the Republican side should have been the gentleman from New Jersey [Mr. EATON], the gentleman from Ohio [Mr. VORYS], and others on that side on the Foreign Affairs Committee; and on our side, the Democratic members. But the gentleman from Indiana, the majority leader, admits he repudiated his own leadership by his vote yesterday—the leadership on his side. What a message that is to the country. When you are in a position of leadership, you have got to assume the responsibility. No matter how hard it is, you have got to do it. A leader cannot repudiate his own committee action. A leader should implement, should consult, a leader should advise; but he should never break with the constituted leadership of his own party in the House when a bill is under consideration, in this case, the Committee on Foreign Affairs; or when the Committee on Banking and Currency brings in a bill, or a bill from the Armed Services Committee, or any other committee. Yet the gentleman from Indiana, as the leader of his party, admits he repudiated his own leadership in charge of this bill. That is important for the people to understand. It is important for the people to understand that we are considering a serious bill concerning the foreign affairs of our Nation, and it is going to have tremendous repercussions—our actions here—for good or evil upon the future of our country and the future of a decent world. The gentleman said he thought long before making his speech. He must have thought long. I wonder whom he consulted. I wonder if he consulted the Republican members on the Foreign Affairs Committee before he made that speech. Those are the thoughts that run through your mind. In any event, there was no real constructive contribution made by the gentleman's remarks, and in my 19 or 20 years of service it is one of the most regrettable speeches I have ever heard made by any Member.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BROWN of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I believe the gentleman from Massachusetts [Mr. McCORMACK] knows and appreciates that I hold him in high esteem. I was very much interested in the regrets he has expressed today as to the statements made by the Republican floor leader, the gentleman from Indiana [Mr. HALLECK]. In all sincerity, I would like to say to my friend the gentleman from Massachusetts [Mr. McCORMACK] that if he regretted the remarks of the gentleman from Indiana [Mr. HALLECK], I far more regret the remarks that he, the gentleman from Massachusetts [Mr. McCORMACK], has made about the gentleman from Indiana [Mr. HALLECK].

Certainly this is not the time or the place for personal attacks.

I have not always agreed with our floor leader in matters of party strategy or leadership or with the votes that he has cast on the floor. He has not always agreed with me, I am sure, but I think every one of us here today can agree that he is a great American and that he spoke as a real American on the floor here today.

I want to concede to the gentleman from Massachusetts [Mr. McCORMACK], the minority whip, the right to disagree with anyone on the floor; and I am sure that he will concede to me the right to disagree with him in the position he has taken. I wish to say to him, and to this House, that when it comes to the time to choose leadership I would far rather choose as my leader a man who will express his honest convictions and stand up for the country he represents in this body than one who openly admits on the floor of the House that he does not do his own thinking, but takes his orders from some other source.

If there has been one thing wrong with the legislative branch of the Government, if there has been one thing wrong with this country, it has been that we have had too many "me too" people, too many rubber stamps, in and out of Congress. I believe the time has come here in this country of ours when every man worthy of his salt should stand up and express his honest convictions, should speak out that which he believes.

Let the American people be told the truth, bitter though it may be, because we are representing the people of America here. We have a responsibility to the rest of the world; but, by the God we worship, we have a responsibility to our own America, too, and I am happy that our Republican floor leader expressed that thought in such well-chosen words. He realizes his responsibility, he realizes the responsibility of the party he represents, to the people of the United States, as well as to the peoples of other nations. That which he has said was entirely in order, and certainly was the God's truth if truth has ever been spoken from the well of the House. So I rise to congratulate the gentleman from Indiana, CHARLES A. HALLECK, the Republican floor leader of this House. I am proud of him.

Mr. JARMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I thoroughly agree with the statement of the Democratic whip and former majority leader that no attention whatever would have been paid to the remarks of the gentleman from Indiana merely as the gentleman from Indiana; but when it comes here at such a critical stage of the consideration of such an important bill as this as the statement of the majority leader——

Mr. HOFFMAN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN. The gentleman is speaking neither to the bill nor any amendment. He is talking politics now.

The CHAIRMAN. The gentleman will proceed in order.

Mr. JARMAN. Mr. Chairman, if the gentleman will be sufficiently fair, as fair as we were on this side while his majority leader and the manager of one of his candidates for President spoke entirely out of order for 15 minutes, I will get to the bill.

Mr. HOFFMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Alabama yield for a parliamentary inquiry?

Mr. JARMAN. I do not yield.

Mr. Chairman, when the majority leader comes at this crucial moment to make a political forum out of this House it surprises and equally disappoints me, just as I am sure it would have impressed even many on his side of the aisle. It seems to me his statement was most inappropriate.

Now, as to the campaign manager for the other candidate for President. Of course, we pay no attention to his remarks, but I could not refrain from smiling when he explained why the gentleman from Indiana defeated him for majority leader. That was most interesting. I understood him to say that Republicans elect majority leaders who will do their duty and not take orders from above.

Mr. Chairman, the gentleman from Indiana made the astounding statement, if I understood him correctly, that the inflation in this country results from New Deal mismanagement of foreign affairs. I will admit, Mr. Chairman, that mistakes have been made in foreign affairs, which is but natural. While the majority of them occurred since January 5, there were a few made before that time also. Mistakes were made in the conduct of the war, as is also natural. However, I am greatly surprised that the gentleman from Indiana has overlooked the fact that we had a price-control law which was scuttled by his party slightly more than a year ago and which it seems to me had something to do with prices being nearly twice as much now as they were the day that program was scuttled. As I recall the gentleman and his Republican colleagues insisted that prices would find their level and soon be lower than under price control. I heard a Member of this body brag shortly thereafter that steers had gone done to approximately $20 per hundredweight. Last night's paper referred to the record price of $39. I agree with the gentleman that the people of this country wish us to pass legislation against the spread of communism. However, and in this I am afraid I am in disagreement with the distinguished gentleman, the people of this country wished this legislation passed without the great delay, the tweedledee and tweedledum of which I have so frequently spoken. They wanted it passed promptly in time for it to fully serve its purpose, and I believe they will particularly resent his conduct as majority leader in coming here on this last day to further delay the matter and perhaps carry it over until tomorrow with a political discussion.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. LEWIS. Mr. Chairman, I ask unanimous consent to revert to section 2 of the bill in order to offer an amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. VORYS. Mr. Chairman, I must reluctantly object.

Mr. LEWIS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEWIS: On page 8, line 24, after the word "Act", at the end of the line, insert a comma, and add the following: "*Provided*, That of this amount not more than $100 shall be expended for such relief in China."

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes, 5 minutes to be reserved to the Committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. LEWIS. Mr. Chairman, it so happens that I was in China in the first week of October of this year. I bring you the statement of every American I met in China, excluding, obviously, the members of our diplomatic staff over there, because they made no statement, and they should not make one, and that is that the Government of China is utterly corrupt and that every dollar that we put through this bill into the hands of the Chinese will go into the pockets of private individuals and will never go for the purpose for which we intend it. Specifically, they told me that large parts of it will go into the pockets of T. V. Soong. Now, if you want to appropriate money for T. V. Soong, who already has a large part of the wealth of China in his accounts, vote against this amendment.

Mr. HUGH D. SCOTT, JR. Mr. Chairman, will the gentleman yield?

Mr. LEWIS. I yield to the gentleman from Pennsylvania.

Mr. HUGH D. SCOTT, JR. I shared the gentleman's experience in also learning some things of interest regarding China, and I would suggest that if we are so anxious to give this money at this time to China, that we investigate a report that one prominent Chinese leader has $18,000,000 in banks outside of China, much of it in this country.

Mr. LEWIS. That is right; in the Chase National Bank and the National City Bank of New York City.

Mr. HUGH D. SCOTT, JR. The gentleman knows what I have reference to.

Mr. LEWIS. Yes.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. LEWIS. I yield to the gentleman from South Carolina.

Mr. RICHARDS. Is it not a fact that Secretary Marshall did not request $1 to be included in this bill for China?

Mr. LEWIS. Well, I hope that is true. I heard it was.

Mr. RICHARDS. And neither has the President requested funds for China in this bill.

Mr. LEWIS. I think that is right.

Mr. RICHARDS. And neither has the other body placed funds in this bill for China.

Mr. LEWIS. That is right.

Mr. RICHARDS. Does the gentleman also know that the Secretary of State has said that China is an entirely different problem and should be handled in a different way?

Mr. LEWIS. That is right; and in my opinion he is right.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. LEWIS. I yield to the gentleman from Pennsylvania.

Mr. FULTON. Does not my good friend from Ohio know that the Secretary of State also said that they were formulating a program to give China at the rate of $20,000,000 a month, and they were considering the necessity of it?

Mr. LEWIS. Well, I do not know about that. I heard something here the other day about $20,000,000 a month, but I think, under present conditions in China, that is money wasted; poured down the sewer.

Mr. FULTON. Does not the gentleman believe the safeguards we have in the bill, to watch the spending of money and to fight communism every place, are necessary?

Mr. LEWIS. They are necessary, but the gentleman does not know China.

Mr. FULTON. I have been there. I spent a year in the Orient.

Mr. LEWIS. When the gentleman says that he says that the safeguards in this bill will prevent the Chinese from doing exactly what they have done with UNRRA funds. They absolutely wasted tens of millions of dollars of UNRRA funds. Much of those funds or what they bought come through the black market into the pockets of high Chinese officials.

Mr. MUNDT. Mr. Chairman, will the gentleman yield?

Mr. LEWIS. I yield to the gentleman from South Dakota.

Mr. MUNDT. I should like to complete the record by adding to the statement made by my colleague from South Carolina, that while the Secretary of State did not ask for any money in this bill, for China, in the hearings before the Senate Committee on Foreign Relations he did say that they needed $20,000,000 a month, so if it were not in this bill we would have another bill coming down here in the first 2 weeks of January.

Mr. HUGH D. SCOTT, JR. Mr. Chairman, will the gentleman yield further?

Mr. LEWIS. I yield.

Mr. HUGH D. SCOTT, JR. I imagine the gentleman would agree with me that if we could come out with a program which would really help China, a program which would really stabilize their currency and would really get the relief to the Chinese people, he would favor it, as I would.

Mr. LEWIS. That is right. I would favor anything that would get the relief to the Chinese people. They need it, and need it as much as the people of Europe need it, but this bill will not do it and this government in China will not do it. That is the considered belief of every American I have talked with out there in China, and on this subject I emphasize that I did not ask nor get the opinion of any official of our Government in China.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, I wonder if the Government of the United States is going to make the same mistake twice in one generation, and get into world war III as we got into World War II, because of failure to appreciate that the greatest bulwark of our own security in the Pacific is to have there an independent, friendly, and, if possible, strong China.

Sometimes one hears people say, "Why should we be so concerned about what happens to China? Why are we always getting so sentimental about the Chinese? What difference does it make to us what kind of government they have in China?"

That attitude is based on the naive assumption that our insistence for 100 years on an independent China came out of some sort of sentimental American altruism for the Chinese. No, indeed. It came out of the most realistic and hardheaded concern for one country only, not China, but the United States of America. Every real statesman we have had in either party for 100 years has realized there were only two possible enemies of America in the Pacific—Japan and Russia—and that neither of them could move against us if in its rear or on its flank was an independent, friendly, and strong China.

During the period prior to Pearl Harbor we forgot that basic policy. We were told by some then, as now, that we must concentrate all our attention and efforts on Europe; we must not scatter our energies and resources to include China. As a result we allowed, even assisted Japan to encroach and expand in China until she thought she had China under her thumb and was secure in her rear. Then where were we attacked? Not in Europe, but by Japan. Hitler never attacked us until Japan had us tied up so we had to fight on both our fronts. After fighting for three and a half years to keep one totalitarian nation from getting control of the manpower, resources, and markets of China—which means of east Asia—we then followed for 2 years, a policy which can only be described as indicating that our leaders think it is not of vital importance to us whether there is an independent China or not. By confusing our paramount interests in the Pacific with an internal purification problem in China, we have all but delivered the resources and the manpower and the markets of China into the hands of another militaristic, totalitarian nation, in this case Russia.

If we do not reverse that policy quickly, if we fail to render assistance to China at this critical moment when she is hanging in the balance, if we fail to at least fulfill the commitments that we entered into to give her certain assistance after the war, as she has fulfilled the commitments she made to us during the war and since the war, if we by default turn China over to the Communists, which means to the Russians, then disaster is ahead.

Let us look for a moment at just what that would mean to us. First, it would mean that Russia through her satellites in China, exactly like her satellites in Yugoslavia, Poland, and elsewhere, would have control of the greatest body of manpower in the world with enormous industry and vitality and resilience. She would have control of China's resources. Manchuria is the Ruhr of Asia. Russia would have control of the economic, social, political, and military development of China. It would certainly not be oriented in our direction as heretofore.

Secondly, if China goes down, as she will if she does not get help—just as Italy and Greece and France will go down if they do not get help—then the efforts of other peoples in Asia to resist the encroachments of communism must be greatly weakened. Chiang Kai-shek discovered the nature of world communism, and the impossibility of getting along with it, in March of 1927 when it tried under the cloak of a coalition to seize power in China. Unfortunately our Government did not wake up until March 1947, just 20 years too late. For 20 years Chiang has fought this creeping tyranny. If he goes down, then communism will spread like wildfire all over Asia.

That brings us to the third catastrophe—Korea and Japan, too, will then go down. We will be asked in a few days for some $200,000,000 more to maintain MacArthur's work in Japan. Mr. Chairman, that money will go down a rat hole if China comes under the Communists. Because neither Japan nor Korea can ever become self-sustaining or secure without access to the materials and markets of China. That cannot be if China is in chaos or under the control of the Communists. Every single man we have out there knows that. For us to spend this money to enable General MacArthur to carry on his amazingly useful and successful work in Japan and then have it all fall as it must if China comes under the control of the Communists, is to pour money down as bad a rat hole as ever existed. We ought to have the courage to stand up before the world and openly break our commitments to the Japanese and Koreans rather than mislead those peoples and continue to bleed the American people to keep General Hodge in Korea and MacArthur in Japan, in a cause that cannot conceivably win if Japan cannot get access to the materials and markets of Asia. She cannot stand alone. We would be left with only two alternatives: Either we must abandon Korea and Japan and the whole western Pacific—50 years of investment of American lives and effort in the Philippines will also go for naught—or we must send each year untold millions of American

dollars to subsidize Japan and Korea and send American boys to defend them.

Most important of all, if China, or even north China and Manchuria, are taken over by Russia, she will have satellites and security all along her Asiatic frontiers. Then she can concentrate on Europe in far bolder and more aggressive pursuit of her avowed purpose of preventing economic rehabilitation there. We got into World War II when Japan thought she had China subdued in her rear. We will get into world war III if and when Russia gets China subdued in her rear. Mr. Chairman, I suspect our best hope of preventing world war III is to keep Russia's attention and strength divided between her Asiatic and her European fronts. That means we must, no matter how belatedly, give aid to China.

Our choice is not between the present Government of China and something better. I wish it were. Our only choice is between the present Chinese Government and the Communists, which is infinitely worse. Let us not make the same tragic mistake twice.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. LEWIS].

The amendment was rejected.

Mr. GOSSETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GOSSETT: On page 9, line 21 after paragraph D, section 12, insert a new paragraph E to section 12 as follows:

"Not less than 1 percent of the money authorized to be appropriated for the aid of any country under this program shall be used for paid advertising bought within such country, which advertising shall simply and factually tell the people of such country what America has done and is doing for them."

Mr. GOSSETT. Mr. Chairman, a college professor, Dale Carnegie, wrote a little book called How To Win Friends and Influence People. After that he became famous. Unless we win friends and influence people by the appropriation to be authorized in this bill, then we have wasted our money.

One thing upon which everybody coming back from Europe agrees is that we have not told the people of Europe the extent or the nature or the reason for the relief we have been extending. I am told that not 1 percent of those people have any idea of what America has done in Europe or why.

This amendment proposes to spend 1 percent of this money for publicity in Europe. That is $10,000 out of each $1,000,000 to pay for something they have to sell—that is, advertising. It can be either space in their newspapers, billboards, or time on the radio to tell them the simple factual message of American aid and relief.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. GOSSETT. I yield briefly.

Mr. POAGE. If we would use the money that we take back from those countries in the sale of goods in their currency, we could use that to pay for this advertising, without any cost to us.

Mr. GOSSETT. That can be done within the provisions of this amendment.

I did not know, for example, until the gentleman from Michigan [Mr. SADOWSKI] told us yesterday, that we had shipped almost $2,000,000,000 in private charity to Europe. I would say on a billboard, for instance, "What has America done? World War I, 200,000 casualties and $50,000,000,000.

"World War II, a million casualties and $360,000,000,000."

"What does America ask in return? Not 1 cent in reparations; not 1 foot in territory." What America is spending on relief, then give the figures.

I would then add: "What does America want? Peace and friendship." We should tell this story so simply and widely that the humblest person would know and understand it.

Unless we tell the people of Europe what we are doing and the extent of our charity, then we have failed. If you contribute to the Red Cross or a church, of course, modesty and propriety preclude you from advertising that fact, but the exact reverse is true in this matter of international charity and good will. Unless the people know what we have done we will not get their good will.

One time a man lived next door to us and he was generally thought to be a skinflint and a hardhearted old shylock, but after he died it was found he had given enormous sums to philanthropy and charity. Nobody knew about it.

Mr. ELLIS. Mr. Chairman, will the gentleman yield?

Mr. GOSSETT. I yield.

Mr. ELLIS. The Appropriations Committee of the other body disclosed yesterday that 1,117 bombers were recently destroyed by the United States air forces in Germany, and at the same time Uncle Sam was furnishing American dollars to Greece and Turkey to purchase second-hand British planes. It looks to me like the management of this thing is up to the management of the American people that had this sale in their hands. So I say the responsibility is in the administration.

Mr. GOSSETT. What I want to do is to correct the errors of the past, and to be sure that the people of Europe know and understand the extent of American philanthropy, American charity, and American good will. If we will spend a few thousand dollars there on the ground, buying paid advertising, we will do more than the millions we have spent through the Voice of America, OWI, and these other propaganda agencies. It is a matter of just a plain business approach to the problem, just like you would sell refrigerators, radios, sewing machines, washing machines, or anything else. Let us use some good hard American business sense in selling the American program abroad. Otherwise, we will have put additional millions down the rathole into which we have already poured millions of dollars.

I hope this amendment will be approved and that even more than I have stipulated here, 1 percent, will be used for this purpose. It gives them American dollars with which they can buy food. It has a twofold purpose. It can sell American good will and American democracy, and give them dollars in exchange, with which they can buy American goods.

The CHAIRMAN. The time of the gentleman from Texas [Mr. GOSSETT] has expired.

Mr. RICHARDS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am sure my good friend from Texas is perfectly honest and sincere in offering this amendment. If it would accomplish the things he thinks it would accomplish, I would support the amendment. As it is, I cannot support it.

The gentleman says it is good hard common sense to provide 1 percent of this money for advertising. That amounts to about $6,000,000. Now, that money is not lire, francs, or drachma; it is American dollars. The gentleman proposes to go into the recipient countries mentioned in the bill and spend American dollars in an advertising campaign. The broadcasting companies and the newspapers could make a Roman holiday out of this thing and get rich. As a matter of fact, we think we have insured proper advertising in the bill already. You will note in subsection (c) of section 5 that the recipient countries must use all available media, including newspapers and radio, to tell the people where this stuff comes from and our purpose in giving it to them, and so forth. Suppose they do not do that, the next step is for the United States to step in through this legislation and get together with the recipient country and say: "You have got to do it, or this relief stops." In subsection (c) of section 5 of this bill we provide for the doing of the things the gentleman from Texas wants done, but in a different and less expensive way. The bill provides for the use of local currencies for advertising purposes. But under this amendment we take $6,000,000 out of this relief program and spend those dollars over there to try to tell the people what our purpose is.

Mr. GOSSETT. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. GOSSETT. This amendment does not say you have to spend American dollars, it merely provides that 1 percent of the amount of money authorized in this bill shall be spent for this purpose. It could mean lira, franc, drachma, or whatever the local currency happened to be. It does not mean dollars. It would be used to buy advertising space in newspapers, radio time on the air, billboard space. That is an important part of this whole program.

Mr. RICHARDS. The authorization for an appropriation through this bill is in terms of dollars, and the gentleman has said through his amendment that we should take 1 percent of the amount of this bill to use for a certain purpose. If that ● not dollars I do not know what dollars mean.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. POAGE. A few days ago I suggested that we take some of the money we will receive in return from the sale of this food in local currency that will be impounded, and that we instruct those governments to spend some of that money to pay for local advertising. In that way we will get results without its being one penny of expense to the American taxpayer.

Mr. RICHARDS. The gentleman is right. In section 5 of this bill we have provided that they can do that very thing.

Mr. GOSSETT. Mr. Chairman, will the gentleman yield further?

Mr. RICHARDS. I yield.

Mr. GOSSETT. Section 5 does not provide that we can do anything. It provides that the Government publicize. I want our Government to publicize.

Mr. RICHARDS. Section 5 provides that certain things must be done, like advertising, and so forth. If those things are not done we can discontinue the aid or we can compel them to do it by exercising our rights under subsection (c) of section 5.

I hope the amendment will be voted down.

Mr. JONKMAN. Mr. Chairman, I move to strike out the last word.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. JONKMAN. I yield.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close at the end of this 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JONKMAN. Mr. Chairman, the objective of the gentleman from Texas is not only laudatory but highly necessary, and that is why the committee has made provision for his objective in this bill. However, I cannot agree with the gentleman from North Carolina when he proposes in his amendment that we use dollars for this purpose. Dollars are at a premium all over the world.

Mr. GOSSETT. Mr. Chairman, will the gentleman yield?

Mr. JONKMAN. Mr. Chairman, I yield to the gentleman from Texas.

Mr. GOSSETT. Section 5 does not provide that we publicize this. It provides that this is binding on their government, not ours. It leaves the publicity up to their government, not ours.

Mr. JONKMAN. I will answer the gentleman in a minute.

Mr. Chairman, our dollars are at a premium. Lira and francs, as far as international aid is concerned, are of no value and no consequence. Everybody all over the world wants dollars; yet the gentleman proposes that we use 1 percent—$10,000 on every million dollars—that we use $6,000,000 of these premium dollars, these precious dollars, when we can do the same thing with lira and with francs and when it will have to be done with lira and with francs.

We must take into consideration that we are dealing with countries, as was brought out yesterday, not with peoples. We are helping governments, not peoples. For this reason it seems to me that the committee has made very ample provision in section 5 (c) in which it is provided that the governments are to give full and continuous publicity by all available media (including government press and radio) within such country, so as to inform the ultimate consumers as to the purpose, source, character, and amounts of commodities made available under the authority of this act.

You cannot ask for any more there.

Section 5 (b) states:

> That when commodities made available under the authority of this act are not made available on terms of repayment in dollars, they shall be made available only upon condition that the government of the recipient country agrees that when it sells such commodities for local currency (1) the amounts of such local currency will be deposited by it in a special account; (2) such account will be used within such country until June 30, 1948, for the purpose of paying local currency expenses of the United States incident to the furnishing of interim aid to such country under this act and for such other purposes as may be mutually agreed to between such recipient country and the Government of the United States.

Under the committee provisions the objective will be accomplished by the voluntary action of the recipient government, preferably upon its initiative, and the United States agency. This will be far more acceptable than that we should demand a kick-back for our own benefit and publicity by directive in the bill.

The difficulty with all of these aid programs has been that they have been built upon a false foundation and that false foundation is that instead of rendering aid directly to the people by our own agents, we render the aid to the governments which in turn pass it on to the people on such terms and conditions as they may see fit.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. JONKMAN. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. The gentleman is stating a very correct premise. The people over there do not know that they are getting the food from the United States, because they have got to pay for it at inflated prices, either in regular channels or through the black market.

Mr. JONKMAN. That is what I mean when I say that our aid programs have been based on false foundations. Ever since the first UNRRA bill, along with others, I have sought to have our aid handled by our agents direct to the recipients. But that is water over the dam. You have to deal with the machinery that you have. You have to deal with these governments. That is why the committee provided for joint action on the part of the United States Government and recipient governments to use the local currency that results from the sale of these products for this purpose. If we cannot entrust that to our local agencies then we will have to do again just what we have been doing all the time, or trying to do—direct what shall be done with this money to the last detail.

Mr. AUGUST H. ANDRESEN. It seems to me that there is provision in the bill providing that our country or our representatives within each of these countries can use some of this money for that purpose; that the French Government, for instance, in selling the food could reimburse the United States for expenses incurred and they could use it for radio and other purposes.

Mr. JONKMAN. I think that is correct.

Mr. Chairman, I want to say that it seems that we refuse to learn by experience. After the First World War we went through this same thing. We spent $7,000,000,000 of public and private loans without getting the European nations anywhere except building boulevards over a period of 6 years, and then we finally woke up and we said, "We must do something in these European countries that is direct or we will never get anywhere." Under the Dawes plan we sent $200,000,000 into Germany; we sent $72,000,000 to Poland under the Dewey plan, and to Hungary $60,000,000 under the Jeremiah Smith plan, and we said, "This is for the production of consumer goods, and nothing else," do not let go of a penny for any other purpose. Those responsible in each individual country did, with their organization, carry out that program. With ridiculously low administrative expense and a few hundred millions they did the job in a few years. I remember distinctly that in the period of 3 years we changed Poland from an importing country to an exporting country with $20,000,000 in the Treasury. That is what we should have done this time if we had learned from the lessons of the past. We have not done so. I say we should not put a directive in this bill to squander this money. It will be squandered without Congress directing it to be squandered. We should not put a directive in this bill spending a part on ourselves. It is not worth the probable criticism and will be agreeably accomplished under the bill, as is.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. GOSSETT. Mr. Chairman, I ask unanimous consent to change the wording of my amendment in one particular. I desire to strike out the words "money authorized to be appropriated for the aid of" and insert "not less than 1 percent of the local currency received from any country under this program shall be used." That cures the objection which the gentleman from South Carolina had to my amendment.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, reserving the right to object, I will not object, but I would like to have somebody answer this question: Does our Government receive any local currency whatsoever?

Mr. VORYS. Yes.

Mr. AUGUST H. ANDRESEN. If they do, I have not read it in the bill. It is my opinion that the currency that the French and Italian Governments receive for the food and other commodities

which they sell will go into a fund and is not turned over to the Government of the United States.

Mr. VORYS. Mr. Chairman, reserving the right to object, I gave notice 2 or 3 days ago that we would have to start objecting to half-baked amendments that did not represent what the Members had in mind, and I am, therefore, constrained to object to any change in this amendment at this time.

The CHAIRMAN. Objection is heard.

The question is on the amendment.

The question was taken; and on a division (demanded by Mr. GOSSETT) there were—ayes 27, noes 58.

So the amendment was rejected.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. AUGUST H. ANDRESEN: Page 8, line 24, strike out the period and substitute a colon and insert.

"*Provided*, That notwithstanding any other provision of this act, none of the funds authorized or made available under this act shall be used or made available for use for the acquisition of wheat, wheat flour, or cereal grain in the United States or the shipment thereof from the United States unless the President shall first—

"(1) survey the requirements of other countries which are dependent upon the United States for a portion of their supplies of such commodities, and

"(2) estimate the quantities of such commodities which will probably be made available to such countries from the United States, and

"(3) determine the total amount of such commodities available for export from the United States, after giving due consideration to the quantity thereof required in this country for food, feed, seed, and industrial uses, and for the needs of other countries dependent upon the United States for supplies of such commodities. In determining the amount of such commodities available for export from the United States the President shall allow for a carry-over of wheat in the United States as of July 1, 1948, of not less than 200,000,000 bushels to protect the economy of the United States from inflationary prices and to insure against a scarcity of bread for domestic consumption during the 12-month period beginning July 1, 1948. "The funds authorized herein shall not be made available or used to acquire a quantity of wheat, wheat flour, and cereal grain in the United States which, after taking into consideration the amount estimated for export to other countries, and the amount needed for domestic consumption in the United States, will leave a carry-over of less than 200,000,000 bushels of wheat on July 1, 1948, unless the official crop report of the United States Department of Agriculture as of May 1, 1948, shows an estimated production of winter wheat in the United States of more than 700,000,000 bushels, and a normal planted acreage of spring wheat."

Mr. AUGUST H. ANDRESEN. Mr. Chairman, the amendment which I have offered to the foreign-aid bill is an attempt on my part to assure the American people that they will have a small supply of wheat on hand for bread in 1948 in the event of a partial wheat-crop failure next year. The amendment provides for a minimum carry-over of 200,000,000 bushels of wheat on July 1, 1948, unless an official determination is made on May 1 showing that the winter wheat crop will be in excess of 700,000,000 bushels, which is 300,000,000 less than production in 1947, and that a normal acreage will be planted to hard spring wheat. The amendment, which is quoted below, requires the President to take into consideration the needs of American consumers for wheat, wheat flour, and cereal grains, and to survey all world needs for these commodities before making commitments to France, Italy, and Austria.

In the legislation before us we are dealing with wheat for France, Italy, and some for Austria, but the other 14 countries of Europe, known as the Marshall countries, that are not included in this bill, are also expecting to receive 6,150,000 tons of wheat from the United States out of our 1947 crop, or approximately 220,000,000 bushels. Then the other countries in the world like South America, Korea, Japan, and other areas are also expecting to get wheat supplies from the United States in an amount of approximately 3,750,000 tons, or 138,000,000 bushels.

People cannot eat dollars. They want bread, and they must have the wheat and other cereal grains with which to make the bread. We must therefore look to the available supply, and most of the available supply is in the United States. So if we are to play fair with the rest of the world, we must divide up the available wheat we have in this country, provide for our own economy in the United States, take care of the needs of the American people, and be fair with everyone.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. VORYS. Since I saw this amendment yesterday I have circulated it as best I could among the members of our committee and have taken it up with our experts. I can say that with the exception of the gentleman from Pennsylvania [Mr. FULTON] I know of no member of the committee who is opposed to the amendment. I personally feel that it carries out a principle which our committee supports, namely, to get our foreign program to availabilities. I regret the amendment did not come up sooner. Our committee does not wish to invade the province of the Committee on Agriculture, but I understand that that committee is in substantial agreement on this amendment. I feel I should make this statement at this time, as far as the gentleman's amendment is concerned.

Mr. AUGUST H. ANDRESEN. I thank the gentleman. In addition to that, let me state I have conferred with several of the men on our side, including the gentleman from Kansas [Mr. HOPE], who represents the largest wheat-growing area in the country, and also the gentleman from Oklahoma [Mr. RIZLEY], as well as several other Members. They feel it will be in the best interests of our country to provide a safe carry-over until we know what kind of a crop is going to be produced for next year. The major portion of our wheat comes from the winter-wheat areas in the Southwest. In 1947 we had over 1,000,000,000 bushels of winter wheat. Winter wheat is now in the process of being produced. As much of it as could be planted was planted and is growing. We hope it will be a big crop. My amendment provides that when the crop report shows that we will have an estimated crop of winter wheat of 700,000,000 bushels, which is 300,000,000 bushels under this year, together with a normal acreage planting of spring wheat, then a part of the 200,000,000 bushels provided in my estimate can be released.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I ask unanimous consent that I may proceed for five additional minutes.

Mr. MANSFIELD. Mr. Chairman, I object.

Mr. AUGUST H. ANDRESEN. Since the gentleman from Montana has objected to my request for additional time, I desire to point out the following facts with reference to my amendment:

First. The population of the United States on February 1, 1948, will be approximately 145,000,000.

Second. The per capita consumption of wheat, according to the United States Department of Agriculture, is 3.6 bushels. This will require around 530,000,000 bushels of wheat for domestic human consumption; 87,500,000 bushels will be required for seed; between 250,000,000 and 325,000,000 will be used for feed, some of which will be wasted; around 5,000,000 bushels will be used in industry. This means that a total of approximately 900,000,000 bushels of wheat will be required for home use out of 1947 supplies. As of December 11, 1947, our wheat supply for the year ending July 1, 1948, has been estimated at 1,490,000,000 bushels. On December 20, the Department of Agriculture reduced the estimate by 42,000,000 bushels. Final passage of my wheat carry-over amendment required a carry-over of 150,000,000 bushels as of July 1, 1948.

Considering our domestic requirements at 900,000,000 bushels, plus the carry-over, it will be necessary for the President to set aside 1,050,000,000 bushels of wheat before making commitments for export. Around 400,000,000 bushels will be available for export. If we are blessed with another record crop more wheat can be exported in 1948, but until the size of the 1948 crop is determined, the carry-over should be maintained to prevent scarcity of bread in the United States and inflationary prices to American consumers.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that debate on this amendment be limited to 20 minutes and that the gentleman from Montana [Mr. MANSFIELD] may have 5 minutes after I have finished my request.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. MANSFIELD. Mr. Chairman, there have been too many peculiar things going on in the Committee of the Whole House for me to stand this much longer. Last night the acting chairman of our committee tried to get the Committee to rise when we were on the verge of voting on the matter of the amount of money for this particular measure. As a matter of fact he insisted on it, and it took the Committee to vote him down. Now he makes the statement that he is speaking for the whole Foreign Affairs Committee

on this amendment. I want it distinctly understood that I never saw this amendment and never heard of it until just now.

Mr. VORYS. I beg the gentleman's pardon. I did not attempt to speak for the whole committee. I said I have attempted to circulate the amendment as best I could and that there was only one objection to my knowledge. I now find that there are more than one. I said that I was speaking my own personal views.

Mr. MANSFIELD. I accept the gentleman's explanation and I want him to know that I have never doubted his integrity. However, no one on the Democratic side of the Foreign Affairs Committee has had this amendment referred to him. We do not know what it is all about. We are confronted with an amendment offered by the gentleman from Minnesota which is not only three or four pages long but entirely too complicated for anyone to understand in the time allotted to us for its consideration. I, for one, do not intend to vote on something I do not understand, and I hope some kind of an understandable explanation can be made to the membership of this House. We have had no time to consider this proposal, but the gentleman from Minnesota gets up here and offers an amendment it would take a Philadelphia lawyer to understand.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. Certainly I yield.

Mr. AUGUST H. ANDRESEN. I know the gentleman always wants to be fair. I have taken some time, that is true. I am interested in this bill. I am sincerely interested. I expect possibly I will vote for it, but let me say to the gentleman I mentioned in my opening speech, that I was going to propose such an amendment.

Mr. MANSFIELD. May I say to the gentleman that this is about the fifth amendment, if I am right, that he has offered? It is also about the tenth time that the gentleman has spoken on this measure.

Mr. AUGUST H. ANDRESEN. This is the second amendment I have offered, I will say to the gentleman. I have spoken on other amendments, and of course the gentleman had that same right.

Mr. MANSFIELD. That is true, but the point is this: I do not like to consider an amendment brought before this body with the statement by the acting chairman that it had been circulated amongst the committee. I never heard of your amendment until it was read about 10 minutes ago. I think there should be a little more comity between both sides of the Foreign Affairs Committee so that we will know on our side what is being discussed and will be in a position to consider some of these matters.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. JUDD. I want to associate myself with the gentleman from Montana. We fought this same battle of commodities in short supply the other day. This amendment would make it impossible to ship any wheat at all until a long, complicated mechanical process had taken place, even wheat already purchased. The wheat for this program has already been bought by the Commodity Credit Corporation and is ready for shipment. If the gentleman from Minnesota would accept an amendment to strike out the prohibition in his amendment on shipment from the United States I might be able to go along with it. There might be justification for prohibiting further acquisition on some possible later program, but his amendment says we cannot ship even that which is bought, until perhaps next May. I cannot go along with that amendment.

Mr. LODGE. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. LODGE. I would like to associate myself with what the gentleman from Montana has stated. We turned down the short-supply amendment. This is nothing but a substitute for it, and I believe we should turn this amendment down, too.

Mr. KEE. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. KEE. I am another member of the committee who desires to associate myself with what the gentleman from Montana has said. This is the first time I have ever heard of this amendment, and I am opposed to it.

Mrs. DOUGLAS. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mrs. DOUGLAS. I want to associate myself with the gentleman from Montana. This is another crippling amendment. We are either going to kill these amendments or we should not vote for the bill at all.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. I would like to associate myself with the gentleman's statement and make it even stronger. I was shown a copy of this amendment and stated that I opposed it and would oppose it on the floor.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. FULTON. I wish to associate myself with the gentleman's position and shall rise in opposition to the amendment as soon as I can be recognized.

Mr. JARMAN. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield.

Mr. JARMAN. I also wish to thoroughly agree with the gentleman from Montana and say that I thought we disposed of the Andresen amendment yesterday afternoon. I never heard of this one until a few minutes ago.

Mr. MANSFIELD. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and I yield back the remainder of my time.

The CHAIRMAN. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. FULTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment is the same thing we have been fighting over on this bill previously. Do you want to strike out the enacting clause because some particular commodity comes in here through a representative and wants to be taken out of the particular application of the bill?

This amendment says that no shipment can be made, as well as the acquisition of wheat, wheat flour, or cereal grain, in the United States. How long does it hold up that shipment? The amendment says, "such as will leave a carry-over of not less than 200,000,000 bushels of wheat on July 1, 1948." Think of it. July 1, 1948. This program is supposed to start on December 1 of this year.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I cannot yield now.

Mr. AUGUST H. ANDRESEN. I am sure the gentleman desires to be fair.

Mr. FULTON. I am sorry, but I do not yield at this time. I will yield as soon as I have made my main point.

Mr. AUGUST H. ANDRESEN. I thank the gentleman.

Mr. FULTON. On July 1, 1948. The program was to have started December 1, 1947, and now it is to start as soon as possible in 1947. We cannot wait until 1948 to make this determination, but under this amendment we would have to. Unless the official crop report of the United States Department of Agriculture as of May 1, 1948, shows an estimated production of winter wheat in the United States of more than 700,000,000 bushels and a normal planted acreage of spring wheat, nothing can be sent. This amendment does not define what a normal planted acreage of spring wheat is. The result will be that somebody will get an injunction against this bill and there will be no relief. It is a good way to strike out the enacting clause.

Let us see what the wheat carry-over has been in the past. The gentleman wants a 200,000,000-bushel carry-over. From 1919 to 1928 the carry-over was 117,000,000 bushels average; from 1932 to 1941 it was 246,000,000; and in 1947 it was only 84,000,000 bushels of carry-over. So if he wants a 200,000,000-bushel carry-over he is going to knock down this program by 116,000,000 bushels. Even in 1946 there was only 100,000,000 bushels carried over.

Let us see what our wheat crop has done. In 1943 we had a spring wheat crop of 17,000,000 bushels. In 1946 we had 19,000,000 bushels, and in 1947 we had 20,000,000 bushels. So we have 3,000,000 more bushels of spring wheat to go on in this country. It is a very selfish attitude that would deny any portion of that to these starving people.

Now, let me take up winter wheat and then I am through. In 1943 we had 38,000,000 bushels of winter wheat in excess in this fine country of ours, 56,000,000 bushels, and yet he still wants to carry over 200,000,000 bushels. And he wants us to wait until all these calculations have been made, at least to May 1, 1948, and in the meantime these children are starving on the streets. I am against it. Now I will yield to the gentleman.

Mr. AUGUST H. ANDRESEN. If the gentleman is as accurate in all his figures as he is in the last one he just quoted—he said 56,000,000 bushels.

Mr. FULTON. It is 56,941,000.

Mr. AUGUST H. ANDRESEN. It was over 1,000,000,000 bushels this year.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. Let me point out where the gentleman was incorrect.

Mr. JAVITS. Mr. Chairman, will the gentleman yield for a question?

Mr. FULTON. I yield.

Mr. JAVITS. The gentleman from Pennsylvania is correct in the figures, but he should have said acres. He misread "acres" for "bushels."

Mr. FULTON. It is acreage. The acreage has increased from 38,000,000 to 56,000,000 in winter wheat, and in spring wheat from 17,000,000 to 20,000,000. Is that not right?

Mr. AUGUST H. ANDRESEN. That is correct; and it is a good thing.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

The gentleman from New York [Mr. JAVITS] is recognized for 4 minutes.

Mr. JAVITS. Mr. Chairman, nobody is mad at anybody. I am not mad at my colleague from Ohio and I do not believe any other member of the Committee is. He has got a terrifically tough job and is doing his best. If his statement were carefully analyzed it would be found that he said only that he had submitted the amendment to such people as he could find. Many of us, obviously, he could not find. We have a perfect right to come in here and express ourselves on this amendment. No one questions that, and, I repeat, there is no dissension; nobody is mad at anybody. The gentleman from Ohio has done the best he could, and I think he has done a fine job.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. Certainly.

Mr. VORYS. I submitted this amendment to those I could. I assumed it was circulated like other amendments. I took it up with our staff and found that they felt it was a workable amendment, and that is what I attempted to state. It is not a subject on which I am a great authority, but I wanted to have the view of the Committee so far as I could. I knew the gentleman from Pennsylvania [Mr. FULTON] was opposed to the amendment.

Mr. JAVITS. I now yield to the gentleman from Pennsylvania.

Mr. FULTON. In reference to the quotation of the staff on the floor of this House, it might be of interest to the House that it was the staff figures I read to show the great increase of wheat. There is no position being taken by the staff of the Foreign Affairs Committee on this amendment or this legislation. All it does is bring in the figures, and not comment on the legislation or be quoted.

Mr. BLOOM. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from New York.

Mr. BLOOM. Does not the gentleman think that the members of the committee, the majority or minority members of the committee, should be consulted once in a while rather than consult with the staff of the committee? We are the ones who have to vote on this thing.

Mr. JAVITS. I have explained my position on it and I think it is fair. In my opinion, the gentleman from Ohio has done the best he could, but many of us disagree with him on this amendment.

Mr. Chairman, the gentleman from Illinois [Mr. DIRKSEN] had this to say in a very eloquent speech he made the other day:

> I beg you as I have never besought this House before, I implore you as I have never entreated you before, let us not gut this bill, inelegant as the expression is, and let us not reduce the amount.

Mr. Chairman, that is exactly what is proposed in this amendment—the bill is being gutted. I am not an expert on wheat carry-overs, but I say that you are setting up the mechanics, the necessity for a computation which could not be made in the time within which the shipment of this wheat is going to do any good. If it cannot do any good, why pass this bill at all? The gentleman from Pennsylvania is right, if you adopt this amendment you are striking the enacting clause, you are gutting the bill. So this is a field day for every enemy of the bill on the floor.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I think we ought to clear up any misunderstanding. All this amendment does is to require that the President take into consideration the needs of all the countries in the world that are depending on us for wheat in fixing his export figures, and also figure what we need for our own use in the next 12 months; then use as a base figure for carry-over 200,000,000 bushels of wheat until we can determine what the size of next year's crop will be.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the gentleman from North Carolina [Mr. BULWINKLE].

Mr. BULWINKLE. Mr. Chairman, I was rather surprised that the acting chairman of the Committee on Foreign Affairs fell under the blandishments of the gentleman from Minnesota, because I heard the gentleman from Ohio say the other day that he did not want the enacting clause stricken out of this bill; he, the acting chairman, now agrees to this vicious amendment. Insofar as wheat or cereal is concerned, I ask the gentleman from Ohio, when could any shipments be made if the pending amendment is adopted?

Let me read a part of the amendment:

> None of the funds authorized or made available under this act shall be used, nor shall any wheat, flour, or cereal grown in the United States or the shipment thereof from the United States be made unless the President shall first have a survey made.

When is the survey to be made? Do you set up an organization to make it? How is it done? There is nothing in this amendment on that. When can a shipment of wheat be made? This amendment is as broad as it could possibly be in order to defeat the purposes of the bill.

Mr. Chairman, I want to say, and I say this in all seriousness, that I have seen many people suffer from hunger. I have seen too much of that to delay the vote on this bill or to delay the aid to those that should have it. If we are going to pass the bill, let us do it now. Let us not play around with this thing and act like children. We cannot wait for a survey. My God, have not surveys enough been made for you to know the suffering in France, in Austria, and in Italy without having to have another survey made? I am against this amendment—it tends to aid in killing the purposes of the bill.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. DEVITT].

Mr. DEVITT. Mr. Chairman, I have the highest possible regard for my friend and colleague the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN]. I did not know until now that he exercises powers of blandishment over the gentleman from Ohio.

In the interest of obtaining much more light and much less heat on the subject, I would like to yield to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] for a dispassionate explanation of his proposal.

Mr. AUGUST H. ANDRESEN. I thank my colleague from Minnesota for giving me this time for that purpose. What I want to do is to see that every country in the world that is depending on us for wheat will be able to get their just share of the wheat that is available from our supplies. Secondly, I want to take care of the needs of the American people so that we can be sure that we will have enough wheat carry-over until we can determine the size of the next crop.

We had a drought down in the Southwest. There have been some rains, it is true, in the last 3 or 4 weeks, and it is to be hoped that we will get another big crop of wheat down there, but unless that crop materializes we will not have enough wheat in this country to take care of the needs of the American people, to say nothing about the hungry people in the rest of the world who are looking to us for wheat.

The Department of Agriculture has all of the facilities on production and availabilities as far as wheat or any other grain is concerned, so that the President will not have to set up a new staff.

This amendment does not prohibit the shipment of wheat outside of the United States. It only requires the President, through the Department of Agriculture, to make the survey of supplies of wheat in the United States and requirements for domestic and foreign needs. They have the figures and they can give him that information and, furthermore, it will only take into consideration their calculation to leave 200,000,000 bushels reserve as of July 1, 1948, in the United States out of the 1947 available supply so that we will be assured that the American people will have bread next year in the event of a short wheat crop in 1948.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Minnesota.

Mr. JUDD. Would the gentleman object to an amendment to strike out "or the shipment thereof?"

Mr. AUGUST H. ANDRESEN. Such an amendment is not necessary. The language in my amendment does not interfere in any manner with shipments of wheat provided for in the bill. According to the report of the committee, shipments of wheat to France and Italy will be less than 80,000,000 bushels for the period covered by the legislation. The 1947 United States wheat crop plus the carry-over is estimated at 1,490,000,000 bushels. My amendment requires that in the making of commitments of wheat for export, domestic requirements be taken into consideration, and in making all caluculations an amount of 200,000,000 bushels of wheat be allowed for a carry-over for July 1, 1948. This carry-over does not in any manner authorize the Secretary of Agriculture or any other Government agency to acquire by purchase or otherwise the 200,000,000 bushels of wheat for the carry-over. The carry-over of wheat is treated as any other carry-over into the new crop year, with a large share of it being on the farms or in the elevators of the United States. It is not the intention of my amendment to have the Government acquire the carry-over. I am against such an operation, as I am opposed to Government purchase of the entire crop.

After making a calculation of 200,000,000 bushels carry-over, we find 1,290,000,000 bushels of wheat for domestic uses and for export.

The amendment further provided that if the official crop report of May 1, issued by the Department of Agriculture on May 10, 1948, shows an estimated winter wheat crop of more than 700,000,000 bushels of wheat, and a normal planting of spring wheat, the carry-over may be reduced, which will permit an additional amount for export.

Surely, we must protect the economy of the United States when it comes to wheat and bread. Therefore, we must ascertain the size of the winter wheat crop of 1948 before we ship all of our wheat out of the country. We will know by May 1 as to the approximate amount of winter wheat that will be produced for use in 1948-49. We must make sure that the American people will have enough bread until a new crop is produced in 1949.

The Department of Agriculture, with all of its grain experts, possesses all necessary production and supply figures for wheat and other grains. It will not be difficult for them to give immediate information on supplies for export and domestic use.

Again I stress, we do not want to leave the American people high and dry. That is the reason why I offered my amendment. I want to stop economic retrogression for the people of the United States, to see that they will have bread, at least, long enough so that we can make another wheat crop, and when we do that, we will also take care of the people in the other countries of the world.

I will say further to the gentleman from Minnesota that the need in May and June in Italy and France and other European countries will be greater than it is now, so it might be well to hang onto a little of this wheat until the first of May so that we can send more over there until they can produce another crop, which will be sometime in July or August, if we can spare it.

I will make a more detailed statement on the wheat situation, which I will place in the RECORD at an early date.

I thank my colleague from Minnesota [Mr. DEVITT] for permitting me to use his time to further explain my amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOPE to the amendment offered by Mr. AUGUST H. ANDRESEN: Strike out the figures "200,000,000" wherever they occur and insert "150,000,000."

Mr. HOPE. Mr. Chairman, I have offered this amendment because I think a carry-over of 150,000,000 bushels is adequate; in fact, I personally think it is probably more than adequate. It depends, of course, on the crop we have next year. There has been some apprehension about the 1948 wheat crop because of the drought in the Southwest, but that drought has now been broken. I was in Kansas over the week end. The crop prospects are much brighter than they have been before. It is not unreasonable to assume that for 1948 we are going to have a crop of 900,000,000 bushels at least. It could be a good deal more than that. We had 1,406,000,000 bushels this year. About 700,000,000 bushels of that was produced in this Southwest territory. If we would have an extremely poor crop and produce 500,000,000 bushels less in that territory this year, we still would have, if we have a good crop elsewhere, 900,000,000 bushels of wheat. We have never used more than 552,000,000 bushels for human consumption. We will want about 75,000,000 or 80,000,000 for seed. That is all we actually have to have to give the people of this country bread. We will feed some. But if we have, in addition to a crop of 900,000,000 bushels, a carry-over of 150,000,000 bushels, that will give us a supply of 1,050,000,000 bushels—enough to take care of any ordinary demands for feed.

If we are concerned about the situation next year, we are adequately protected if we have 150,000,0000 bushels carry-over. I talked to the officials in the Department of Agriculture this morning. They tell me that if they carry out the maximum proposals which have been made for exporting 570,000,000 bushels of wheat and other grain, we will wind up with an expected carry-over of 160,000,000 bushels, so that the figure which is contained in my amendment is 10,000,000 bushels less than the Department officials think we will wind up with on the basis of their present figures. This assumes that 250,000,000 bushels will be feed. Of course, no one knows whether it will be 250,000,000 bushels or more or less. The amount will depend a good deal on the price of wheat and its relationship with the price of corn and other feed grains.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Iowa.

Mr. JENSEN. The Congress will meet in regular session on January 6 and will be in continuous session possibly for 6 or 7 months. If either one of these amendments should be adopted—and I do not know which is the proper figure and am not so concerned about that—and should it be proven that we can spare more of this wheat, then certainly the Congress of the United States can take immediate action. Is not that a fact?

Mr. HOPE. It is true that Congress will be in session.

Mr. JENSEN. We will, and we will take the necessary action.

Mr. HOPE. I do not anticipate there will be any need to take any action if we adopt my amendment, because I think we are going to have at least a 150,000,000-bushel carry-over on the basis of all the information which is available at this time.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Pennsylvania.

Mr. FULTON. If the gentleman's amendment covers 150,000,000 bushels and the gentleman expects us to have more than that carry-over, then the whole amendment is not necessary, because it then becomes a vain thing. But if the same thing happens in 1948 that happened in 1947, are not the gentleman's figures going to be changed, because, according to the figures of the Department, only 84,000,000 bushels of wheat were carried over in 1947, and in 1946 only 100,000,000 bushels? So would not the gentleman be running a risk of defeating part of that program?

Mr. HOPE. I think anyone would agree that a carry-over of 84,000,000 or 100,000,000 bushels is a little small. I think we would not want to get down to a carry-over that low if we can help it. I think 150,000,000 bushels under the circumstances is ample, and I do not think it will interfere with the program covered by this bill. If it gives any assurance to some people that we have enough wheat for domestic consumption, then I see no objection to adopting the Andresen amendment as modified by my amendment. I do not think either one is particularly necessary.

The CHAIRMAN. The time of the gentleman from Kansas has expired. All time has expired on this amendment.

The question is on the amendment offered by the gentleman from Kansas [Mr. HOPE] to the amendment offered by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

The question was taken; and on a division (demanded by Mr. HOPE) there were—ayes 77, noes 61.

So the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] as amended.

The question was taken; and on a division (demanded by Mr. AUGUST H. ANDRESEN) there were—ayes 78, noes 73.

Mr. KEE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. AUGUST H. ANDRESEN and Mr. KEE.

The Committee again divided; and the tellers reported there were—ayes 109 noes 95.

So the amendment as amended was agreed to.

Mr. POAGE. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. POAGE: On page 9, line 21, after paragraph (d) of section 12, insert a new paragraph (e), as follows:

"Not less than 3 percent of the local currency received in any country under the terms of section 5 of this bill shall be used for paid advertising bought within such country. Such advertising shall simply and tactfully tell the people of such countries what America has done and is doing for them."

Mr. VORYS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. VORYS. I believe this is the same amendment that was offered by the gentleman from Texas [Mr. GOSSETT] a little while ago and which has been acted on.

Mr. POAGE. This is a different amendment, Mr. Chairman.

The CHAIRMAN. It is not the same language by any means.

Mr. VORYS. Then, Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 8 minutes, the last 3 to be reserved to the Committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The gentleman from Texas is recognized for 5 minutes.

Mr. POAGE. Mr. Chairman, this amendment is not the same amendment that was previously offered here. It is the amendment I hope will carry out the intent of the plan I suggested to the House on last Monday when I suggested that in my opinion we should provide for paid advertising in foreign lands to express to those people just what we have been doing and that we must also carry out a policy of dramatizing our actions so that the people of those nations might have the whole story brought before them. We need the headlines as well as the ads.

This amendment very specifically does not spend American dollars. It is not the same as the Gossett amendment which provided for the expenditure of 1 percent of the dollars provided by this bill. I hope the Members who are anxious to see that the action of the United States is made plain to these nations will understand this amendment and will not vote against it on any misunderstanding or misapprehension that it is a repetition of an amendment that has already been before the Committee. This amendment avoids every objection which was urged against the Gossett amendment.

This amendment provides for the spending, not of American dollars, but of the impounded currency of foreign nations the money which under section 5 of this bill which is impounded in the beneficiary nations is in their currency. This currency is impounded when those countries sell this food and these supplies that we send to them. Section 5 says to those nations that when they sell American wheat to their own citizens, in France, for instance, that when the French Government collects a million francs that she shall set this aside in a special fund and that we can direct the spending of that fund. This amendment says that the Congress here and now directs France to spend 3 francs out of every hundred she collects on advertising to tell the people of France what America has done. Is there anything unreasonable in that? It does not impose one additional penny of cost on the taxpayers of America. It is not paid out of American dollars, it is paid out of the money those countries receive from the sale of what we give them. For every 3 francs they spend on advertising under this provision they have kept 97 other francs.

I want to impress upon you that I am one Member who intends to vote for this bill and who has voted against reducing the amount of money. I want to see us carry on this aid program. I do not want to weaken or reduce our aid to these people but I do want the people of the world to know who supplied this food.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to my friend from Arkansas.

Mr. HAYS. The gentleman has undertaken to cut out the objections that were raised to the Gossett amendment, the principal one being that the Gossett amendment as drawn would mean a reduction in the total amount of aid provided.

Mr. POAGE. That is right.

Mr. HAYS. Of American funds made available. As the gentleman's amendment is drawn, it simply utilizes a small percentage of the francs or lira that are procured from the sale of these goods for letting the people whom we are benefiting know that it is an act of the American people?

Mr. POAGE. That is exactly right. Now, listen to this if you do not listen to anything more. We have all complained how we have given various administrative agencies powers which we feel these agencies abused. The bill as now written gives the power to do just what the amendment requires. I do not question but what the power is there in the bill, but the bill does not require anybody to exercise this power. All the amendment does is to say to the State Department, to the Army, and to all the others who spend this money, not that "you have the power to require somebody to do advertising" but that "you must do some advertising; that you must tell America's story." We have had the power to tell America's story a good many times, but we have not told it. We have heard lots of criticism ever since this debate started about our failure to tell America's story. Let us not leave it to the discretion of somebody. Let this Congress tell those nations that as we give you a hundred francs worth of food which you will sell to your people you must spend 3 of the francs you get for the food in telling America's story to the people who are benefiting by it. That is all there is in the amendment. If the membership does not adopt this amendment, let no man again complain that America's story was not told as Congress wanted it told.

The only question is, Do you intend to direct the expenditure of a small sum yourself or are you willing to leave the control in administrative hands. For my part I believe Congress should speak for itself.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. VORYS. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Texas [Mr. POAGE].

Mr. Chairman, all of the arguments the gentleman from South Carolina and the gentleman from Michigan made against substantially this same amendment apply here. This is an attempt to load down these deposits in foreign currencies with statutory requirements.

As has been pointed out, the bill already provides under agreement that this sort of thing can be done. This proposal, in my judgment, would cheapen the United States by forcing other countries to furnish money for us to advertise.

Our information program takes advantage of such opportunities when they arise.

I hope that we are now through with this sort of amendment so that we can get on with the bill. I hope that it will not be drawn up in a different percentage or by changing a few words. I trust the Committee will promptly vote down this amendment so that we can get this bill passed.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. POAGE].

The amendment was rejected.

Mr. VORYS. Mr. Chairman, I move that all debate on section 12 and all amendments thereto close in 10 minutes.

The CHAIRMAN (Mr. MICHENER). The question is on the motion offered by the gentleman from Ohio [Mr. VORYS].

The motion was agreed to.

Mr. GWINN of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GWINN of New York: Page 8, section 12, at the end of line 24, strike out the period, insert a semicolon, and add: *"Provided,* That out of this sum prices paid for wheat, corn, barley, rye, or oats shall not exceed the market price of each of said commodities on the effective date of this act."

Mr. GWINN of New York. Mr. Chairman, I should like to ask a distinguished member of the committee, the gentleman from Minnesota [Mr. JUDD], whether or not the wheat for this program has already been bought by the Government, or what percentage of the wheat has

already been bought by the Government to supply the requirements of this act?

Mr. JUDD. When Secretary Anderson was before the Senate Committee on Appropriations he was asked that question, and he answered:

> We have secured the necessary wheat for the export program through the month of March 1948. We are using Commodity Credit money to do that.

Senator BALL then said:

> In other words, you have the grain all ready to ship to cover the interim relief program. All you need now is the authorization of the money.

So the grain that is considered in this bill, according to the Secretary of Agriculture, is already purchased, and, as the gentleman knows, my objection to the Andresen amendment was that it tied up the shipments of that which has already been bought, and it will not be necessary, under the money appropriated in this bill, actually to buy any more wheat, according to the Secretary of Agriculture.

Mr. GWINN of New York. Mr. Chairman, our own Government gambled; they went into the market and bought this wheat knowing that through their propaganda they would whip this Congress into line and get reimbursement by forcing appropriations. Now, if that is true, we ought to notify this country, and particularly the feeders of cattle and the milkers of the cows in the Northeast, that this big buyer, the United States Government, is not hanging over the market like a cloud and cannot push the price of corn and wheat and oats beyond the present danger point. We ought to limit the price the Government can pay for grains according to this amendment. That does not in any sense limit the free market in these commodities. It simply limits what the Government can pay.

Mr. JUDD. Mr. Chairman, if the gentleman will yield further, I hope the gentleman understood clearly that the Secretary only mentions the commodity wheat. He did not mention other grains. He said, "We have procured the necessary wheat for our export program."

Mr. GWINN of New York. Well, wheat is the principal item. What percentage of the item of rough grain does wheat represent?

Mr. JUDD. I do not know the actual amount. We hope they will get as many calories of other grains if they are in short supply of wheat.

Mr. GWINN of New York. It is a mistaken notion that when we send grain abroad, we merely send grain. We send also the equivalent in butter and beef and pork and fats. We take that away from the American people when we take their wheat and corn. The poor people here must go hungry for beef and butter.

The number of our beef, dairy, and pork animals per capita in the United States are very seriously declining. The animal census from 1918 to 1947, which may be called the great period of departure from the freedom of the market place, shows that in 1918 we had 70.5 head of cattle—beef and dairy—for every hundred people. Year by year it declined until in 1923 we had only 60.5 animals per hundred people, in 1933 we had 55.8. In 1947 it is estimated that we have but 52.5. That is a shortage of 30 percent. It is alarming in terms of scarcity and high prices. We should have 21,000,000 more beef and dairy cattle than we now have to be on a healthy basis. Of course, meat will go higher and higher and so will butter and other dairy products if the Government continues to buy and make them more scarce. It is wicked childishness—even foolishness—to talk of artificially fixing the prices of beef and butter. That will not get food. It gets starvation for us. The farmers cannot pay even the present price of wheat and corn to feed their stock, to say nothing of the prices the Government may impose upon the people by buying wheat and corn to ship to France, Italy, Austria, and China. My amendment will stop the Government buying when our supplies become exhausted and no more grain comes out of the free market at present price levels.

Of course, the same disastrous decline in pork production appears. In 1917 we had 56.4 hogs for every 100 people; now we have only 43.8. The price of pork is going up because of the inability of the farmer to feed wheat and corn to hogs even at the present prices.

These debates make it crystal clear that the reason France and Italy are in short supply of the same commodities is due to the same causes, namely that the governments in Paris and in Rome are trying to force the farmer to send grain and meat to the cities under price ceilings which their governments fix. The farmer refuses to ship to the cities at those prices. The farmer refuses the francs and lire at government prices, so they are hoarding both grain and animals on the farms where there is comparative plenty. Besides that the French farmer refuses to plant wheat at the price the Government fixes. French farmers in 1947 left a million acres idle that could have been planted to wheat had France really believed in freedom and practiced it instead of talked about it.

France and Italy like the rest of the world listen to the false siren songs of the politicians in the cities who promise on behalf of the compulsory police state to fix prices and make people deliver. But people do not produce under compulsory conditions. Scarcities follow without a single exception. It is following in our country because we too have been guilty of the mortal sin of OPA with the rest of the world, we too destroyed freedom, the principle on which production rests. There is no effective relief we can give France or Italy until Frenchmen go down to Paris and Italians go down to Rome and politically behead, as they have in the past done physically, their own planning economists who have destroyed again their economy as they have done over and over again in the past. Our aid will feed the politicians but not the poor.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MUNDT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would like to call the attention of the House to two very serious aspects of this amendment. In the first place, as the gentleman from Minnesota has just pointed out, the only portion of this purchase program which has been made is with regard to wheat. This would positively preclude the purchase of rye, barley, oats, and corn for use in this program, because it is entirely conceivable that by the time the program gets going, a good part of that grain might be 1 cent or 2 cents a bushel higher than it is today and consequently the Gwinn amendment would scuttle the whole purchase program, and you might just as well not have this bill provide for any grains except wheat.

For those of us who do not believe in price fixing and who live in the Farm Belt, the Gwinn amendment has a second serious aspect. I suggest you listen to this. This proposes automatically to put a ceiling price on grains. It is an OPA program to place a ceiling on wheat as well as the other grains. It says that the Government cannot buy above the established price on the day this bill passes insofar as these particular farm products are concerned. I am not in favor of a new adventure in OPA which has for its sole purpose a ceiling on farm products. It is interesting to note that it applies to nothing else.

Mr. GWINN of New York. Mr. Chairman, if the gentleman will yield, I am the last man in the House who would put OPA on our economy.

Mr. MUNDT. I know the gentleman is. He would not do it deliberately.

Mr. GWINN of New York. This is not an OPA. It simply limits the Government, the only big buyer in the field, the one that ought to be limited.

Mr. MUNDT. I accept the gentleman's statement that he does not want to put OPA on, but what you have done, as a matter of fact, is tantamount to having an OPA fixed price on farm products which would not permit their value to move up if the rest of our economy moves up during the unpredictable months of the future.

Mr. MANSFIELD. I agree with the gentleman 100 percent. That is just what the effect of this will be, price control on wheat.

Mr. MUNDT. Price control on wheat, corn, oats, rye, and barley.

Mr. Chairman, I ask that we vote on this amendment and reject it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. GWINN].

The amendment was rejected.

Mr. SNYDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. SNYDER: On page 9, line 3, after the word "commodities", insert:
>
> "In addition to the foregoing authorization and the provisions for its administration, there is hereby authorized a sum of $500,000,000 to alleviate conditions of cold and hunger in the United States and provide for each recipient who qualifies under existing legislation for relief the sum of $65 per month.
>
> "This supplemental relief shall be administered by existing agencies for the administration of public relief and the supplemental money hereby authorized may be apportioned to the various States for the purpose set forth, provided, however, that in the allocation of any funds hereby authorized to the States, the States will not be required to match such funds as now provided under existing law."

Mr. VORYS. Mr. Chairman, I make the point of order that the amendment is not germane to this bill. However worthy the subject of relief to American citizens may be, it is foreign to this particular legislation, which has to do with relief and aid to foreign countries. I regret that the Committee on Foreign Affairs cannot take up all the problems of the world and this country. Some Members feel that we take up too many problems, anyway. Certainly, this bill does not have anything to do with relief in the United States. The amendment is not germane.

The CHAIRMAN. Does the gentleman from West Virginia desire to be heard on the point of order?

Mr. SNYDER. I do, Mr. Chairman.

The CHAIRMAN. The Chair will be glad to hear the gentleman.

Mr. SNYDER. Mr. Chairman, this bill attempts to give relief. The title of the bill is broken down into two sections, in reality. The first section of the title is, "To promote world peace and the general welfare, national interest."

The second section is, "and foreign policy of the United States by providing aid to certain foreign countries."

It could in fact read, and does in meaning, "For what purpose? To promote world peace, to promote the general welfare, and to promote the national interest."

The Congress of the United States does not have any constitutional right to legislate on the general welfare except for the general welfare of the people of the United States or the general welfare of the United States itself. I think probably the Committee on Foreign Affairs or those who prepared this bill in order to get this relief for foreign nations put into the title of this bill that general clause, "for the general welfare." Since it has been inserted into the bill it cannot be limited to what the bill itself contains. Going through the bill, I find very little in it, if anything, which would be for the general welfare of the people of the United States. I think the Committee on Foreign Affairs should welcome this amendment because it gives substance to that clause in the title of the bill, "for the general welfare." Since it includes the general welfare, the question is, does this amendment which I am offering actually affect the general welfare of the people of the United States? I have been interested in the debate here. I have listened to the comments of Members who visited their own districts this past summer, and who told about the condition of people, poor people, and people who were hungry. In the past summer, I spent a great deal of time in my district and found aged people receiving $16, $18, and $20 a month. Is it not, then, for the general welfare? Will anyone say it is not for the general welfare of those people that they receive a decent American standard of living? From this small sum of $16, $18, or $20 a month, they try to pay rent, purchase food, and so forth, and with the winter season as we have it here, in addition, they have to pay for their fuel.

One of the objects as set forth in this bill as has been brought out in the debate is to stop communism. It has been contended that communism is bred and springs from want and hunger. If we have people in the United States in that condition, then it meets the objective of the bill in stopping communism. I will say this—these people in the United States who will receive this relief are good, loyal Americans. I do not believe they are Communists, and I do not believe they will be Communists, whether they get this relief or not. They believe in their country and they believe in their form of government. It is to the general welfare that they be given additional assistance. These men and women have made contributions through the active years of their lives in helping to build a strong, progressive economy in this country of ours. Some of them with whom I talked lost sons in World War I and World War II. They have lost grandsons. They have reached a point in their lifetime where, through economic conditions, they are not able to meet the high cost of living.

I do not believe the committee will contend that it is not for the general welfare to give these people relief. I believe if this amendment is adopted and made part of this bill, which is appropriating $500,000,000, the amendment will give $65 a month to our aged people who qualify, and then we can be assured that we will have done a good job.

I have been supporting this bill with misgivings and some reluctance. I would be easier in my mind if I knew that we had provided for our own, and if we so adopt this amendment, proud we may be in the consciousness that we have taken care of our own.

The CHAIRMAN (Mr. MICHENER). The Chair is ready to rule. The gentleman from West Virginia [Mr. SNYDER] has offered an amendment which has just been read by the Clerk. The gentleman from Ohio [Mr. VORYS] makes a point of order against the amendment on the ground that it is not germane to the bill being considered, nor to the section of the bill which it seeks to amend.

The proponent of the amendment relies upon the welfare clause in the Constitution as his authority for claiming that this amendment is germane to this bill. If that philosophy were followed, inasmuch as all legislation introduced is presumed to be in behalf of the welfare of all of the people, therefore, any kind of an amendment which contained any clause that had anything to do with the national welfare would be pertinent and germane. But it is not necessary in the instant case to decide the matter on such general, broad principles. For instance, if the gentleman's amendment is germane, then a bill embodying the Townsend plan, or a veterans' pension bill would be germane, and any other bill that might conceivably be in the general welfare.

The title of the bill reads: "To promote world peace and the general welfare,"—the gentleman from West Virginia relies upon that—and "national interest, and foreign policy of the United States by providing aid to certain foreign countries." I emphasize the words, "by providing aid to certain foreign countries."

That is the gist of the bill, and the amendment offered by the gentleman from West Virginia [Mr. SNYDER] has nothing whatever to do with aid to foreign countries, but deals entirely with domestic conditions. Therefore, the point of order is sustained.

The gentleman from New York [Mr. KEATING] is recognized for 2 minutes.

Mr. KEATING. Mr. Chairman, I rise to propound a unanimous-consent request. I have an amendment to this section, which is on the Clerk's desk, which is correlative to and should be considered with a proposed amendment to section 14. I ask unanimous consent to reserve consideration of this amendment, to be considered in connection with the proposed amendment to section 14, and that the amendment be read at this time for information.

The CHAIRMAN. Is there objection to the request of the gentleman from New York [Mr. KEATING]?

There was no objection.

The Clerk read the amendment, as follows:

Amendment offered by Mr. KEATING: On page 9, line 3, change the period at the end to a comma and insert "nor shall aid continue under this act unless the recipient country immediately requests the Government of the United States to furnish it, through the Secretary of the Treasury, the identity of each of its nationals, including individuals, partnerships, corporations, and associations holding assets in the United States, together with the character, location, and value, if determinable, of all such assets."

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. TABER] for 2 minutes.

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the Appropriations Committee has been working on the appropriation for this bill. I want to read this paragraph from the report of the committee and to ask the gentleman from Minnesota [Mr. JUDD] a question. The paragraph reads:

This bill makes it possible for the Committee on Appropriations and the Congress to provide funds for aid to China just as soon as specific recommendations are presented by the Department of State, which Secretary Marshall has indicated will be before the Congress convenes in regular session in January 1948.

No such recommendations are pending before the committee. The authorization involved for China is $60,000,000. Sixty million dollars taken from the total authorization in this bill leaves $530,000,000. Does the gentleman from Minnesota and the House consider that it would be the duty of the Appropriations Committee to consider only $530,000,000 of that estimate at this time and await such action as may be presented to us by General Marshall later on?

Mr. JUDD. Yes. It would be my judgment that that is the position that should be taken by the Appropriations Committee at this time. As I have discussed with the gentleman previously, General Marshall said that a program was under preparation. This is the colloquy that took place between General Marshall and me on November 12 when

he was before our committee. I asked him:

Will the detailed proposal the Secretary says is under preparation for early submission be submitted in all probability before the Secretary leaves for the Council of Foreign Ministers meeting?

He replied:

I could not answer that right now. I do not think it will be, sir; but it will be submitted by the time Congress reconvenes or earlier.

I asked:

Reconvenes in January?

Secretary Marshall:

In the regular session; yes.

The proposal to include China was submitted in the Committee on Foreign Affairs only after the decision had been completed as to the amount to be authorized for the three European countries. It will be recalled that the committee had voted to reduce to $489,000,000 the amount of $597,000,000 that was in the original bill. Only after all questions as to relief in Europe had been decided by vote of the committee did I offer the amendment to put in $60,000,000 for China. That was considered separately from Europe.

My amendment was in line with Secretary Marshall's own statement that the doctors should not deliberate while the patient was sinking; and inasmuch as he said he did have a proposal for aid to China in preparation, I felt we should make it possible for the Committee on Appropriations to make money available for that proposal just as soon as he submits it. Until he submits it I do not believe the Committee on Appropriations is under obligation to bring in any appropriation for China and in fact should not bring in any appropriation for China. When he submits his proposal, the Committee on Appropriations, and later the House itself, if they approve the proposal, would be authorized under this bill to make funds available at once. If less than $60,000,000 were appropriated for aid to China then the balance certainly would be available for use for other countries listed in the bill.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CASE of South Dakota. Mr. Chairman, I ask unanimous consent notwithstanding the previous agreement as to a limitation of time on this amendment that the gentleman's time be extended 1 minute.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. CASE of South Dakota. What effect does this statement, then, have on the authorization to the Reconstruction Finance Corporation to advance $150,000,000? Will it be understood that the Reconstruction Finance Corporation will withhold from advancing the proportionate amount represented by the China proposal in the report on the bill?

Mr. TABER. I would think that that should follow.

Mr. JUDD. Personally, I do not think that would necessarily follow. I think that would be in the hands of the Reconstruction Finance Corporation acting as the President may determine. At this time the Committee on Appropriations can properly bring in appropriations only for such programs as the Executive has submitted and justified.

Mr. TABER. Was it not contemplated that this $150,000,000 would take care of China as well as the other countries in the interim? And if so, why should they make an allocation to China if there are no estimates before the Appropriations Committee?

Mr. JUDD. I do not think they should make an allocation to China when there are as yet no estimates submitted for the program for China. The figure of $60,000,000 was arrived at by taking the $20,000,000 a month which General Marshall himself suggested would be needed beginning April 1 and multiplying it by three to authorize $20,000,000 a month for January, February, and March. It would therefore seem to me reasonable for the Reconstruction Finance Corporation to reserve out of the $150,000,000 which the Reconstruction Finance Corporation can advance, $20,000,000 to take care of China during January if the proposal for China comes in from the State Department by the first of January. By about the end of January it might be possible to bring in another deficiency appropriation bill.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. KEEFE. Mr. Chairman, I have a unanimous-consent request. I may say to the committee that this is an exceedingly important matter in order to get the RECORD straight before we finally act. I therefore ask unanimous consent that despite any previous agreements in reference to limitation of time the gentleman from New York's time may be extended another 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Wisconsin.

Mr. KEEFE. Is it not a fact, may I ask my chairman, that the country through various forms of publicity has, in his opinion, been sold on the necessity of giving some immediate aid to China which is crystallized in this portion of the Foreign Affairs Committee report, which says:

It was made plain to the committee that the case of China, though different in many ways from that of Europe, is no less urgent and no less important to world peace and to the security of the United States.

Therefore, the Foreign Affairs Committee in effect earmarked $60,000,000 of the $590,000,000 which it has asked to be appropriated for China, and the story has gone out to the country, to the world, and to China that the Congress is going to appropriate $60,000,000 for China because the needs there are immediate and critical.

Now, then, in the gentleman's opinion, if the Appropriations Committee reports an appropriation bill here immediately or as soon as this legislation passes, could we consistently do it on the statement appearing in the report of the Foreign Affairs Committee and in view of the statement now made by the advocate of this aid to China, the gentleman from Minnesota [Mr. JUDD], when there has been absolutely no showing by the State Department that it requested the money or that it wants it or that it has any plan for the utilization or spending of the money? And if the Appropriations Committee brings in an appropriation bill without provision in it for China will not word go out to the country, in the opinion of the Chairman, that the Appropriations Committee has defied the express will on China and has refused to appropriate the money that is necessary for China's relief?

In view of the situation that faces this Congress and the Appropriations Committee, it seems to me that the gentleman from Minnesota [Mr. JUDD] should make it perfectly clear on the RECORD that he, as the sponsor of this, asks and suggests that the Appropriations Committee eliminate from this bill the $60,000,000 for China and that we make no appropriation until the State Department has seen fit to come before the committee and ask for it and justify it. Does the gentleman agree with that?

Mr. JUDD. When the gentleman says "eliminate from this bill" does he mean the bill under present consideration, H. R. 4604, or the bill before the Appropriations Committee?

Mr. KEEFE. Eliminate from the Appropriations Committee bill any estimate for China.

Mr. JUDD. Yes; I thought I had made that clear in my statement. I do not see how the Committee on Appropriations could bring in an appropriation for China, or should, until such justification has been made by the State Department. Let me read what our report says as the reason for our including China in this authorization:

In order to get the maximum benefit, both psychological and economic, the committee believes that such aid as may be worked out for China should be started as soon as determined upon.

This bill makes it possible for the Committee on Appropriations and the Congress to provide funds for aid to China just as soon as specific recommendations presented by the Department of State, which Secretary Marshall has indicated will be before the Congress convenes in regular session in January 1948.

I wrote those paragraphs myself very carefully, and they were approved by the committee, in order that our intent would be clear.

Mr. TABER. I think I ought to say this at this point. I do not believe that either the Congress or the country expects the Committee on Appropriations to bring in any appropriation of any kind unless a program for the use of the funds, one that is intelligent and that will appeal to the Congress, is submitted to the committee.

Mr. JUDD. I am in thorough agreement with that statement.

Mr. TABER. So I do not believe there will be any feeling in the country to the effect that we have neglected any duty

so long as nothing of that kind has been presented to us or is available to us.

Mr. JUDD. I am again in 100-percent agreement with the statement of the chairman of the Appropriations Committee, and there has never been any other thought in my mind, at least, and I am sure that of the committee, with respect to this proposal.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. KEEFE. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. KEEFE. So that there may be no doubt about it, does the gentleman from Minnesota, who was the sponsor of this proposal in the Committee on Foreign Affairs——

Mr. JUDD. One of the sponsors.

Mr. KEEFE. Understand and realize that up to this moment there has been absolutely no justification on the part of the State Department for this money? That is clear, is it not?

Mr. JUDD. That is perfectly clear. I read to the gentleman a while ago that Secretary Marshall said he probably would not have a proposal ready until the beginning of the next session.

Mr. KEEFE. Now then, does the gentleman know and understand that it may be that there will not be any justification submitted at all by the State Department?

Mr. JUDD. Of course, I understand that. But if the State Department, after General Marshall publicly said he would submit a program for China, and the Congress has authorized funds for a program, should choose not to submit a program, then it must take that responsibility before the country.

Mr. KEEFE. Does the gentleman also understand that it may not be possible in any event to have any further deficiency bill before the Congress until at least the 1st of next February?

Mr. JUDD. Yes; I understand that, and that is the reason I said I thought that some of the money under the Reconstruction Finance Corporation authorization, for example, $20,000,000 for 1 month's aid, ought to be set aside.

Mr. KEEFE. Set aside when?

Mr. JUDD. Now, I think the full $60,000,000 for China ought to be reserved by the gentleman's committee and not included in this appropriation bill until a program, which I know the State Department has in mind, is submitted, which they tell me will be early next month.

Mr. KEEFE. Then despite the critical character of the China situation, so that the record may be finally cleared, in the gentleman's opinion we ought not to make the appropriation available until such time as it is justified.

Mr. JUDD. I do not think you can appropriate the people's money for a program which is not yet before you.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. BENDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BENDER: On page 9, strike out lines 12 to 21, inclusive.

Mr. VORYS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. VORYS. That precise amendment was disposed of yesterday in the Committee of the Whole.

The CHAIRMAN. That is correct. The amendment is out of order, and the point of order is sustained.

The Clerk read as follows:

SEC. 13. Personnel employed to carry out the purposes of this act shall not be included in computing limitations on personnel established pursuant to the Federal Employees Pay Act of 1945 (59 Stat. 298), as amended by section 14 of the Federal Employees Pay Act of 1946 (60 Stat. 219).

Mr. COOLEY. Mr. Chairman, I move to strike out the last word.

Mr. VORYS. If the gentleman will yield, I ask unanimous consent, Mr. Chairman, that all debate on this section close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. COOLEY. Mr. Chairman, when I heard the speech of the gentleman from Missouri [Mr. SHORT] yesterday, I thought of something that Shakespeare once said:

All the world's a stage,
And all the men and women merely players.
They have their exits and their entrances;
And one man in his time plays many parts.

On the 25th day of November the gentleman from Missouri [Mr. SHORT], having just returned from an extensive tour of Europe, made a very eloquent speech here on the floor of the House. For 80 minutes he discussed the distressing situation in Europe and in the world. When he had concluded his speech, to which I had listened with great interest, I found that I was in complete accord with the views which he on that occasion expressed.

I was utterly amazed yesterday when he came before this House with a tirade against this bill. I do not suppose there is a man in this body that knows more about the distress of the world and the devastation which has been wrought throughout the world than does the gentleman from Missouri. What caused his change of heart, I do not know. Far be it from me to question his sincerity or impugn his motives, but I think that in fairness to the Members of the House who did not hear his great oration on November 25 you should hear at least a few quotations from that great speech.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. No; I prefer not to yield. I would love to, but I prefer not to.

Mr. JENNINGS. I know it must distress the gentleman's soul not to yield to me.

Mr. COOLEY. In talking about the different countries, the gentleman from Missouri [Mr. SHORT] discussed at length the situation concerning Germany.

Mr. JENNINGS. A point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. JENNINGS. The presumption is that if the distinguished gentleman from Missouri made an eloquent and able speech in this Chamber on the 25th of November, it has long since come to the attention of the intelligent membership of this House, and the gentleman is now guilty of repetition. I just wonder if he notified the gentleman from Missouri that he was going to jump on him here today.

The CHAIRMAN. That is hardly a point of order.

Mr. COOLEY. I have not jumped on the gentleman from Missouri. I wonder if the gentleman from Tennessee has read the speech. I am not going to jump on the gentleman's friend the gentleman from Missouri, DEWEY SHORT. I think just as much of him as does the gentleman.

Mr. JENNINGS. I doubt that.

Mr. COOLEY. He said this about Austria.

Maybe the gentleman from Tennessee had better stay and listen to this if he did not read it.

I wish the gentleman from Missouri were here.

Mr. SHORT. I am here.

Mr. COOLEY. Now that I know he is here, I will say that I think just as much of you, Dewey, as does the gentleman from Tennessee, Judge JENNINGS.

This is what our eloquent friend said on that occasion:

I think that Austria is one of the most critical spots in the world today, and we should by all means lend her assistance because she has shown a firm determination to oppose communism even with the Russians there overshadowing them.

Then he spoke a little about beautiful France. This is what he said about France:

I think we should be very sympathetic and as helpful as we can to France. But we should give France and every other country to whom we give aid to understand that any further aid coming from the United States is really going to our friends and not our enemies.

Then he spoke further, and said this:

We have always given help to the poor and distressed people of this earth, whether it was due to an earthquake in Chile or a typhoon in Japan.

Further, he said:

Since western civilization is hanging in the balance, I am going to do my best to tide these poor and hungry millions of innocent women and children through this coming winter. Many will perish regardless of our decision.

Then Mr. SHORT said further:

I might say to the gentlemen we should help these people, and the important reason for wanting to help them through this winter is to stabilize their governments and stabilize their currencies, so that they have a minimum degree of suffering, not merely from a humanitarian or philanthropic point of view, noble as that is, but I want to do it in mere self-defense.

Further, he said:

If my neighbor's house is on fire a few doors from me, and a wind is blowing my way, I do not care whether I like that neighbor or dislike him. He may be friend, he might be foe, but I am going to do my best to put that fire out before my house is consumed.

The CHAIRMAN. The time of the gentleman has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. I know that some of you will remember this grand quotation:

Communism and nazism are not two different things. They are the head and tail of the same skunk. They are two sides of the same coin. Communism and nazism are totalitarian states.

Then I call your attention to the fact that after this very distinguished and beloved colleague of ours had made his extensive trip to Europe he came back and filed with the Committee on Armed Services an official report and mailed copies of it to all the Members of the House and signed it "DEWEY SHORT. M. C., Chairman." In that report you see the following:

Unfortunately, communism has made rather sizable inroads in Italy. But if well-directed assistance is continued for a reasonable period of time, Italy shows every promise of preventing the spread of communism.

Then further he says:

The committee feels that France, with proper aid, will reestablish herself as one of the great nations of Europe.

Further he says:

Your subcommittee is of the opinion that aid should be immediately furnished to Europe as suggested in this report, not only from a humanitarian and philanthropic point of view, but also because it is essential for our own peace and prosperity.

I do not know why he has had such a change of heart. He addressed the Committee yesterday and said he wanted no part of this, and that he was not afraid of communism. He said if he had to buy them off, he would not be willing to do so. Of course, the gentleman from Missouri [Mr. SHORT] has a perfect right to be inconsistent. He has a perfect right to speak for this bill at one time and then, a few days later, to speak against it. But I leave the matter to the intelligence of Members.

I quote further from Mr. SHORT'S report:

Western Europe has suffered the worst drought in 100 years, which together with the lack of sufficient fertilizer and farm equipment, has made the situation even more acute. With the low potential food availability and the low diet now existing, it is very obvious that the food supply must be augmented from other sources if the people of Germany are to be able to contribute to Europe's economic recovery.

In addition to these economic problems, the ever-present threat of communism continues to be a major barrier to Germany's rehabilitation. It is the opinion of the subcommittee that the German people do not want communism, but unless economic conditions are improved, their will to resist communism will be greatly weakened. Communism thrives on chaos, misery, hunger, and discontent.

At present, communism has made but slight headway in the freely elected Austrian Federal Government. Our efforts should be directed toward preserving the gains Austria has made and to assist her in every way possible in maintaining a government of her own free choice.

In Trieste, your subcommittee was immediately impressed with the tension that prevails in this area. A large Yugoslavian Army is stationed practically at Trieste's door. While the situation there is at present under control, there can be no doubt that this area may well be a powder keg. It demands the most careful observation by the United States, and the present policy of standing firm on previous agreements and treaties should be maintained.

Mr. Chairman, turning again to the speech delivered by the gentleman from Missouri on November 25, I call your attention to this very courageous and statesmanlike utterance:

We are living in dark and perilous days with the destiny of humanity hanging in the balance. Grave as is the difficulty, we shall not shirk it, nor shun our responsibility, but will rather accept it as a glorious opportunity to stand up in the faith of our fathers and meet it squarely—

Oh, how much truth and courage is contained in that brief statement. Our friend goes on to argue—

and that is why it is essential and necessary that we not only feed the stomachs of the hungry people in Europe, but we must feed their minds with ideas, and we must have an informational service which realizes that. Man does not live on bread alone.

Arguing further in behalf of Italy and France, our great orator had this to say:

In Rome we discovered that the Italian people showed a resolution and a determination to get back on their feet. They have gone to work in Italy, and I think that the De Gasperi government, on the whole, is fundamentally honest and also a capable and efficient government. It has the backing of the Vatican.

Pleading for France, the gentleman from Missouri said this:

Having been overrun, plundered, pillaged, and looted twice in our generation, you can imagine the fear. She suffered the humiliation of occupation. Millions of her best men were carried off to slave labor camps and many of them died in concentration camps. Her factories were looted, her banks were robbed. Her people were outraged and mistreated. So I have a great deal of sympathy with France, considering everything through which she has passed. After all, she is one of the great powers of western Europe. She does believe in our western culture and western ways of life. She has made magnificent contributions. There are historical ties, the help she gave us in winning our independence and the help we gave her in both World Wars.

In the speech of November 25 the gentleman clearly indicated that he was greatly concerned over communism. In commenting upon communism and nazism, he said:

Both of them are governments by force, by murder, and by terror. The people do not want it. They must accept it or death. What would you do? It is government by the secret police. The OGPU is no different from the Gestapo. It is government by the firing squad, government by liquidation of all who dare oppose the will of the dictator; it is government by the concentration camp and by slave labor. That is the kind of government it is.

* * * The time for Russian appeasement has long since passed. It should have been stopped long ago. It is futile and useless for us to talk about the mistakes that were made at Teheran and Yalta and at Potsdam. That is water under the bridge and over the dam.

In pleading for the liberty-loving people of Europe and for those who do not want communism, the gentleman said this:

What can they do with a bayonet in their backs, a pistol to their heads? They are in the same position as the Nazis were under Hitler. We can pull out and just leave a vacuum there, but the minute we pull out you can bet your bottom dollar that Russia will move in, and none of us want that.

In pleading for charity, our scholarly friend quoted from the Book of Books:

Recompense to no man evil for evil. Provide things honest in the sight of all men. If it be possible, as much as lieth in you, live peaceably with all men. Dearly beloved, avenge not yourselves, but rather give place unto wrath: for it is written, "Vengeance is mine; I will repay," saith the Lord. Therefore, if thine enemy hunger, feed him; if he thirst, give him drink: for in so doing thou shalt heap coals of fire on his head. Be not overcome of evil, but overcome evil with good. * * * He hath shown thee, O man, what is good. And what does the Lord require of thee but to do justly, and to love mercy, and to walk humbly with thy God?

The gentleman might have added:

Though I speak with the tongues of men and of angels, and have not charity, I am become as sounding brass, or a tinkling cymbal.

And though I have the gift of prophecy and understand all mysteries and all knowledge; and though I have all faith so that I could remove mountains, and have not charity, I am nothing.

I certainly want to agree with my distinguished friend in one and only one statement which he made on the floor yesterday and that is his statement to the effect that the debate on this bill was not up to par. The gentleman made another statement in his speech of November 25 with which I am likewise willing to agree. I think, however, that it was more applicable yesterday than on November 25. On that day he said:

Frankly, I am confused and bewildered.

If you will carefully read the two speeches, I am sure that you, too, will agree that our beloved friend is still confused and bewildered.

Mr. JONKMAN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. JONKMAN. Did the gentleman from Missouri say at that time that he was for giving $111,000,000 that they did not need?

Mr. COOLEY. Certainly the gentleman made no such statement.

Gentlemen, we are making history. The vote will soon be taken. Men of all nations will soon know the verdict which we will here render. The world is waiting for this vote to be taken as it has never before waited for a vote of this House. In this matter we have a grave responsibility.

Mr. RIZLEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman in the closing hours of this debate, just before the bill is to become law, as far as this House is concerned, I am making this statement, so that my own position on this bill will be crystal clear. I shall vote "no" on this bill, because to vote otherwise would be a commitment to a long-range gift program for Europe.

Mr. Chairman, I yield to no one in this House in my desire to lend aid in the way of food, clothing, and medicine to the cold and hungry people of Europe who reside in the countries of France, Italy, and Austria, to the extent that our own economy can stand and to the extent that we will not, by so doing, bring about a condition in this country and in our economy that will cause prices here to so skyrocket that great segments of our own population will be unable to purchase the necessities of life.

We have a lot of people in this country with fixed incomes based upon life savings, pensions, annuities, and so forth, who are hard pressed now to make ends meet, so to speak. Under this bill as it now stands, these people have no protection from inflated prices that are sure to come by continuing a policy of sending from this country the necessities of life that are now in short supply here.

When Congress was called into session to pass emergency legislation for these three countries in Europe, we were told by the press and over the radio, by the President, by the leadership in Congress on both sides, that the legislation would deal with an emergency interim-aid bill—a stopgap or, in the words of the street, a sort of a "quickie" that would get food and clothing and medicine to the people in these three countries during the cold winter months of December, January, and February. That is what I understood the program would be when I left Oklahoma to return here for the emergency session. That is what my people in Oklahoma understood the program would be so far as European aid was concerned at this time.

But instead of that, what do we find? We now have a bill—it has not been labeled as any kind of a plan—it could, in my humble opinion, properly be labeled the "Alice in Wonderland" plan. It dangerously approaches power politics, and power politics has involved America already in devastating wars that have done much toward weakening our own economy, diminished our own natural resources, and have taken a terrific toll of the flower of our American youth.

Before I put the stamp of approval on such a plan, I want it to be unmasked; I want the American people to know that they, through their Congress, are embracing such a plan, and to know all of the many implications and realities that go with such a plan. I am not ready now to commit my constituents to such a plan under the guise of relief.

Is this a part of a long-range plan? The gentleman from Georgia, Congressman Cox, one of the leaders on the Democratic side of the aisle, said so during this debate. In substance, the gentleman from Georgia, GENE COX, in his very frank way said, and I quote: "This is an integral part of the Marshall plan."

The gentleman from Ohio [Mr. VORYS], who is handling this bill on the floor, says in effect and in substance that this is a plan that necessarily must be supplemented and augmented by a further plan of some kind. The gentleman from Minnesota [Mr. JUDD], while not admitting that this is a forerunner of some other plan, did say during the course of the debate that if this bill was just to be considered as a relief measure he would not be for it.

And so let no one attempt to salve his own conscience or attempt to leave the impression with his constituents that when he votes for this bill he is voting for just a relief bill.

I am fully aware that there is a section in the bill which says that this bill shall not be considered as a part of a long-range plan or a Marshall plan or any other plan. Well, you might put a label on the white shirt that the gentleman from Illinois, Congressman DIRKSEN, is wearing, to the effect that "this is a black shirt—not a white shirt," but the shirt would still be white.

Under the guise of relief and a bill to fight communism, this Congress in this bill is committing itself to a policy of furnishing incentive goods to farmers in France and Italy to bribe them, so to speak, into disposing of wheat and other gains that they have so that their own people may have bread. In other words, we are saying to the farmers over there, "If you will sell your wheat so that your own people may have the benefit of it, we Americans will give you something in the way of incentives." Maybe it will be cigarettes, maybe it will be pots and pans that were talked about by the distinguished gentleman from New York [Mr. JAVITS]; maybe it will be farm tractors that are so much in short supply over here; maybe it will be cream separators; or maybe to the women farmers of those countries we will offer silk dresses or a sport-model car. Yes; it is in this bill, and the majority in this House refused to accept an amendment to strike it out, that we are going to send over incentive goods to the farmers in Italy and France in order to get them to sell the things that their own people must have if they are to survive.

Well, somebody says, "I cannot vote for this bill as a relief measure, but I am voting for it in order to stop communism." In my humble opinion, sending fertilizer to France and Italy would have about as much effect in keeping Joe Stalin's hordes out of there as would a dam made out of wheat straw stop the surge of the mighty Mississippi in floodtime.

If the chairman of this committee, the distinguished gentleman from New Jersey, is correct in his statement that the Stalin hordes could march into these countries in Europe in 24 hours, or if some of the more conservative statements are true, made by members of this committee, that it would take Stalin's hordes only 10 days or 2 weeks to overrun the whole of western Europe, then we had better not throw this $590,000,000 into a rat hole; we had better be using it to increase our own military strength; we had better be getting some bases, not only in Europe, but in Asia, so that we will be able to defend America on two fronts.

No, Mr. Chairman, I am not ready today to adopt the Marshall plan or any similar plan, or to vote for the down payment on such a plan. I want to first know something more about our own ability to deliver. I want someone to define and set out definitely, once and for all, to just what extent this great United States of ours, with its 140,000,000 of people, can in the future feed, clothe, and protect the rest of the world. I want someone to come up with the answers as to what the impact is going to be on our own economy here if we continue for a period of 4 or 5 years or more to send billions to aid Europe, most of which is to come out of the things that are now in short supply in this country. I want to know whether to do so it will be necessary to fix and control prices, to ration our own people. I want to have someone come up with a logical answer to the question of how the millions of people—the little people—in our country are going to live and buy the necessities of life on an unrationed and uncontrolled market that is sending these necessities that are in short supply out of this country. I want to know whether we are going to put a limit on the amount of farm machinery that is to go out of this country, and to have some idea of what our farmers are going to have to pay for their own farm machinery if it is to be kept scarce and in short supply. Yes, Mr. Chairman, it is easy enough to say I am against communism or I want to feed hungry people. All real Americans sympathize with people in distress. All true Americans hate and despise communism. But we owe some responsibility to America. If hunger and distress sow the seeds of communism, then it is up to an American Congress to protect our people here from that influence. We need to keep a strong America now more than at any other time in our history. This bill should be recommitted to the committee with instructions to provide for immediate relief to alleviate starvation, and distress, and long-range plans, whatever they may be, given further consideration in line with our ability to perform.

The CHAIRMAN. The time of the gentleman from Oklahoma [Mr. RIZLEY] has expired.

All debate on this section has expired. The Clerk will read.

The Clerk read as follows:

SEC. 14. The President, from time to time, but not less frequently than once every calendar quarter, and until the end of the quarterly period after all operations under the authority of this act have been completed, shall transmit to the Congress a report of operations under this act. Reports provided for under this section shall be transmitted to the Secretary of the Senate or the Clerk of the House of Representatives, if the Senate or the House of Representatives, as the case may be, is not in session.

Mr. KEATING. Mr. Chairman, I offer an amendment which I ask be considered

in connection with my amendment to section 12.

The CHAIRMAN. This is pursuant to the gentleman's consent request a while ago?

Mr. KEATING. That is right.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from New York.

The Clerk read as follows:

Amendment offered by Mr. Keating: Page 10, line 7, after the word "act", insert a new sentence reading as follows: "Included in this report to the Congress shall be a listing of the identity of each national of the recipient countries (meaning thereby individuals, corporations, partnerships, and associations), known to have property or assets in the United States, together with the character, location, and value, if determinable, of such property or assets: *Provided, however,* That the listing should be made only after negotiations between the United States Government and the governments concerned have established satisfactory conditions for (a) protecting any confidentially disclosed assets from confiscatory action; and (b) guaranteeing that such assets either may be held by the United States as security against Export-Import Bank loans or any governmental credits from the United States to such countries, or may be made available as security against loans from the International Bank of Reconstruction and Development, under conditions agreed to by the Government of the United States."

Mr. VORYS. Mr. Chairman, I reserve a point of order against the amendment.

Mr. KEATING. Mr. Chairman, the purpose of this amendment in conjunction with the amendment which was previously read under section 12 is as follows: Under the proposed amendment to section 12 it is to be provided that the aid shall not continue under this program——

Mr. MALONEY. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield.

Mr. MALONEY. Both these amendments are very similar to an amendment offered yesterday by the gentleman from Pennsylvania [Mr. KUNKEL]. At that time I stated that many of the members of our committee were very sympathetic toward these amendments. We do believe, however, that this matter should be brought up at the time we consider the Herter bill. I would like to suggest to the gentleman from New York that he bring it up at that time, and I would request that he withdraw his amendment today.

Mr. KEATING. Do I understand from the gentleman from Pennsylvania that hearings on the so-called Herter bill will commence on Monday?

Mr. MALONEY. That is right.

Mr. KEATING. And that I will be given an opportunity to be heard before that committee on this amendment at that time?

Mr. MALONEY. We will be glad to have the gentleman's advice at that time, I assure him.

Mr. KEATING. I am quite ready to concede that these proposed amendments go somewhat beyond the scope of this emergency relief measure. The purpose of the amendment to section 12 is to provide that the country receiving relief must immediately request our Government, through the Secretary of the Treasury, to furnish the identity of each of the nationals of that particular country who may hold assets in the United States, together with the character, location, and value of such assets.

Then, as complementary to this provision, I seek to amend section 14 to require that the President, in the quarterly report which he must make to Congress of the operations under this Foreign Relief Act, shall include a list of this information requested by, and furnished to, the foreign countries.

The amendment to section 14 has a further proviso, however, that there must be preliminary negotiations between our Government and the particular country concerned, in order to establish conditions for protecting confidentially disclosed assets from confiscatory action by the foreign governments, and also—and this is extremely important—guaranteeing that these assets may be held by the United States as security against any loans or grants made by it or by the Export-Import Bank or the International Bank for Reconstruction and Development.

The primary obligation to meet the needs of the French people lies with French nationals; of Italy, with Italian nationals; of Austria, with Austrian nationals; of China, with Chinese nationals. That is what we would expect any nation to which we might apply for aid to say to us. It is only when and if, as indeed now appears to be the case, the citizens of such beneficiary countries as these are unable to meet the needs of the hungry, the cold, and the sick, and need assistance also to prevent engulfment by stronger foreign powers, whose domination would be a threat to the peace and security of our own people, that we should ask our already overburdened and harassed taxpayers to decrease still further their take-home pay in order to lend a helping hand.

It is for that reason that I consider it imperative as a part of our duty to those who sent us here to see to it, insofar as lies within our power, to assure that proper security be afforded for the advances we are called upon to make, if it is a fact, as is rumored, that wealthy foreign nationals have removed from their own countries and have secreted, invested, deposited or made other disposition of assets in this country running into the millions, and perhaps billions of dollars.

We have already made large advances, both by way of loan and gift, to foreign countries. We will undoubtedly be called upon to do more. I welcome the enlargement of the scope of this amendment to make the substance of its provisions applicable to any and all advances which have heretofore been or may hereafter be made to all countries seeking financial support.

I am happy to hear that many of the members of the Committee on Foreign Affairs look with sympathetic eye upon the inclusion of some provisions such as these in the machinery for the administration of all foreign aid, which is to be the subject of intensive study and hearings starting on Monday. Convinced that my suggestions can be more fruitfully pursued by endeavoring to have amendments to this general effect written into the provisions of the bill authored by the distinguished gentleman from Massachusetts [Mr. HERTER] and encouraged, as I am, by the apparent sympathy displayed by the committee with the objectives which I am seeking to achieve, I am happy to accede to the suggestion made by the gentleman from Pennsylvania and the invitation to appear before his committee on Monday, and therefore withdraw these amendments, Mr. Chairman, at this time.

The CHAIRMAN. Without objection, the two amendments offered by the gentleman from New York [Mr. KEATING] are withdrawn.

There was no objection.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have been a little surprised by the statements that were made in connection with the inquiries about the application of this bill to China, the statements made in connection with the $60,000,000 included in this bill of authorization, and whether the Committee on Appropriations should be expected to bring in a bill providing for the full amount of the authorizations. Apparently some Members feel it is necessary to have an understanding with respect to China if we do not report the full amount. If there is any such understanding or any feeling like that it would require that I vote against the passage of this bill, for, as far as I am concerned, I do not feel on the basis of the justifications we have heard during the past week that I will be in favor of any bill for the total authorization here less the $60,000,000 for China.

The ordinary understanding is what the rules provide: to wit, that an appropriation in excess of an authorization is subject to a point of order but that appropriations in full are never guaranteed by the passage of an authorization. The Appropriations Committee may report an appropriation within the limits of, but may not expand the authorization.

Certainly if we were to be considered bound to report a bill to appropriate the full figure of an authorization there would be no occasion for the Appropriations Committee to hold any hearings or to attempt to keep our expenditures in any kind of relationship. That we do try to do.

For example, at the very time that the Appropriations Committee has been having hearings on estimates to implement the authorizations in this bill and during the very time that this Committee of the Whole has been considering the bill on the floor we have also had estimates before us in the Appropriations Committee for $490,000,000 additional for the occupied areas.

Now, the country in thinking of interim aid or supplemental money has been thinking of this $590,000,000, or whatever it may be, but the problem before the Appropriations Committee today is not merely $590,000,000 less $60,000,000 for China; it is for about a billion dollars, because there are $490,000,000 in estimates for the Army's relief work in occupied areas—Germany, Japan, and Korea. This bill deals only with

the areas of the war-devastated countries, the liberated countries of France, Italy and Austria.

There are things that bother me in the information that has been coming before the committee.

One of the reasons for the dollar exchange that France expects out of this bill is so that France can pay others while we hold the sack.

Now I admire the way France has been meeting her crisis the past week. I am glad to see that she is finding a backbone. France will be proud of her recovery on her own showing of grit and courage. In my opinion, she is showing this because the necessity forces her to show her heroic qualities.

But why should the United States advance the dollars for France to the extent of $28,000,000 to pay for the export of food into the French zone of Germany? How the United States is going to get any credit for the food which France takes into the French zone in Germany to the extent of $28,000,000 I am unable to say.

France is also said to need dollar exchange to pay $30,000,000 in interest payments to Belgium, $10,000,000 to pay to Brazil on a commercial account, $26,000,000 to pay off interest on the French foreign debt, and $10,000,000 to the International Monetary Fund.

So it appears that we are asked to provide France with dollar exchange so that she can square her accounts in these other places. At least in the picture of balances set before us that is a part of the picture.

I just cannot commit myself at this time to vote for this bill with such information if you expect the full authorization as I cannot support such a program. Certainly I do not want to be understood to be committed to report an appropriation bill on that basis.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Wisconsin.

Mr. KEEFE. In view of the statement just made by the gentleman, which is in accord with the facts submitted to the Deficiency Committee, is the gentleman not of the opinion that the idea this is a relief bill has been pretty definitely destroyed and exploded?

Mr. CASE of South Dakota. It has in my mind. It certainly is not a bill for relief of hunger and starvation as commonly understood. And if I were to spend $500,000,000 for national defense, I think I know where it would talk a language that would be more effective and less likely to create misunderstandings of a kind that could lead to war.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on this section close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENNINGS. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I shall vote in favor of this measure because I believe that as it is now written, it will afford some relief to the people of Austria, France, and Italy. I believe the measure will strengthen the governments of those countries as they are now constituted in their fight against the Russian inspired Communists.

Section 6 of the bill has been amended to provide:

> The President shall promptly terminate the provision of aid under this act for any country whenever he finds that the government of such country is dominated by the Communist Party or by the Union of Soviet Socialist Republics.

The bill has been further amended by requiring the President to see to it that not less then 150,000,000 bushels of wheat are kept in this country for the use of our own people to protect them against a shortage of wheat for bread and against a further rise in the price of flour and bread.

Much has been said about the Marshall plan. Neither I nor any other Member of this Congress knows what the Marshall plan, if any, is. I do know there is a limitation beyond which this country cannot safely go. A world program running into the uncounted billions of dollars may mean that from now on the American people are doomed to more and more taxes and less and less bread. We must keep this country strong and we must keep it solvent.

Mrs. ST. GEORGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have listened with the very greatest interest to the debate on this section and on all sections of this bill. It has been confusion, to say the least, and at times I have felt very much like Alice in Wonderland. To begin with, we can take the title of the bill. It reads, "To promote world peace." Then we are told that this bill is going to help us fight communism.

I yield to no one in my desire to fight and to destroy communism, but I am going to vote for this bill because it is a welfare bill and because, as I understand it, it is the only bill before us that is going to help the starving, the suffering, and the poor of Europe. We came down to this special session for that avowed purpose. My people expect us to do something for the people that they honestly and truly believe are in want all over the world, but they do not expect us to tie all sorts of other things into this legislation and to make this in any sense a long-range plan.

Another thing, we have heard many words that have been used without meaning. They have indeed been as sounding brass and tinkling cymbals. We hear a lot about freedom. We hear a lot about the freedom-loving people. I have lived in Europe, I have many friends in Europe, and I have very near and dear relatives in Europe. This talk of freedom in Europe today reminds me of the story of a man who was asked to address a gathering and was given as his subject The Buffalo and the American Way of Life. When he got to his feet he said, "There are no buffalo, and there is no American way of life." There is no freedom in Europe today and there are very few freedom-loving people.

This war did one thing in Europe, it fastened national socialism in one form or another on that continent. There is absolutely no question about that, whether it is typified in the Socialist countries or whether it is typified in dictatorships that lean to the right. Of course, we want to back these people who are fighting communism, but do not let us delude ourselves and delude our people by talking of them as freedom-loving and by comparing them to our democracy. We had better look also to freedom at home. It is very questionable whether people who are working 31 percent of their time for their Government are free. It is a very questionable thing whether the greatest bureaucracy that has ever been created in the world can be considered the fine flower of free government. No indeed, all over the world, at home and abroad, we can say, "Freedom, what crimes are being committed in thy name."

Surely we must fight communism, but above all, in voting for this bill we are helping the poor and the afflicted, nothing more. This bill is not perfect. I wish it could have been amended in many places. It is far from perfect, but it is the best we have, and half a loaf is still better than no bread.

The Clerk read as follows:

> SEC. 15. The personnel, records, and funds provided for the purposes of carrying out this act shall be transferred to the administration of any organization for general foreign aid which Congress may provide.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 10 minutes, with the last 2 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Chairman, there are a number of things about this legislation that I do not like. This bill does not provide for the placing of food by Americans in the hands of the needy people of Europe. It is a grant or a gift to certain governments.

A great portion of this money will not be used by those governments for food, clothing, and medicine. France, for instance, will use several million dollars of her portion to make a payment on her debt to Belgium. She will use more millions to contribute her share to the feeding program in French-occupied Germany. She will even use several million dollars of this in payment of an obligation to one of the South American countries.

This legislation authorizes a gift or a grant to foreign governments, who in turn may sell this food to their own people. It is not a gift of the United States direct to hungry and distressed persons.

I voted for the Wheeler amendment and the Anderson amendment to the Wheeler amendment. If a starving world is to be fed and production is to be sufficient to provide food here at home at reasonable prices, the American farmers must have fertilizer, farm machinery, and petroleum products. The farmers of

America are willing to make some sacrifices in reference to these items, but if no provision is made for domestic needs, the farmers cannot produce the needed amount of food.

I also voted for the Andresen amendment as amended by the Hope amendment because I think this amendment is in the interests of our domestic economy, and does not do violence to the program of foreign relief.

Mr. ROBSION. Mr. Chairman, I ask unanimous consent to extend my remarks in the Appendix of the RECORD on this bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. FULTON. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. FULTON: On page 10, line 12, after the word "the", strike out the word "personnel" and insert in lieu thereof the word "functions."

Mr. FULTON. Mr. Chairman, this is simply a corrective amendment and substitutes a better word.

The amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Chairman, section 15 provides that the functions of this interim act shall be transferred to any organization for foreign aid which Congress may later provide. That is, of course, merely declaratory of what the Congress could do even without this provision. Therefore, to that extent this section looks forward to further activity in this respect. On the other hand, section 12 provides:

This act shall not imply any present or future obligation to give aid to any foreign country, nor shall it imply or guarantee the availability of any specific commodity.

Therefore this act insofar as it is possible to take care of two points of view, does do both, for those who believe that there should be some further plan and also those who do not want to have this act imply any future obligation. Both of these provisions are here.

As for myself, after three emergency aid acts this year and after 2 years since VJ-day of planlessness, I hope that this is the last installment in international planlessness for our country, as well as the first installment in some sort of international planning. I hope it is not just another installment in a policy of emergency aid. The United States has to have some sort of foreign policy for the future, a long-time consistent policy and I hope that we get ready pretty soon to decide what it is going to be.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 16. (a) Clause (1) in the proviso in the first paragraph of the first section of the joint resolution of May 31, 1947 (Public Law 84, 80th Cong.), is amended to read as follows: "(1) to constitute more than 57 percent of the aggregate amount contributed to said fund by all governments, including the United States;".

(b) The amendment made by subsection (a) of this section shall take effect as of May 31, 1947.

Mr. OWENS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OWENS: On page 10, after line 23, insert a new section 17 as follows:

"SEC. 17. This act shall expire not later than June 30, 1948."

And on line 24, change section 17 to section 18.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 10 minutes, with 5 minutes reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. RICH. Reserving the right to object, who is going to get the time?

Mr. VORYS. Five minutes for the gentleman from Illinois [Mr. OWENS] and 5 minutes for the committee.

Mr. RICH. I object. I wanted to ask the gentleman a question, and I would like to have time to do it.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on this section close in 12 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. OWENS. Mr. Chairman, I have suggested this amendment out of the caution which exists in my system concerning an administration which has been in power for the past 15 years, because section 14 provides that the President shall, from time to time, but not less frequently than once every calendar quarter and until the end of the quarterly period after all operations under authority of this act have been completed, transmit to the Congress a report of operations under this act. That is a very questionable paragraph. Inasmuch as the appropriation is supposed to be spent by March 31, I felt that it would be more safe if we were really to provide for a definite ending. For that reason I suggest that it be ended on the fiscal year June 30, 1948, and in that way I feel we are going to be safe. That is why I have introduced the amendment in question.

While I am on my feet I wish to mention a few other things with respect to this bill. I think I have proved before that I believed in giving aid to the war-devastated countries of Europe. I voted for the $350,000,000 appropriation and in fact I voted against the $150,000,000 reduction. At that time I called attention to the fact that I felt we did not have a right to make any such gift because it was not in accordance with our Constitution. That is, unless we should include in the title the fact that it was for our general welfare. While my amendment to show that point in the title was then voted down, I now observe that it is included in the present title.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. OWENS. I would be pleased to yield to the gentleman.

Mr. VORYS. I have attempted to canvass the committee and I hesitate to say this, but so far as I know I have been unable to find any objection to the gentleman's amendment. Personally, I do not object to it.

Mr. BLOOM. Mr. Chairman, will the gentleman yield just for a question?

Mr. OWENS. I yield.

Mr. BLOOM. This section refers to Public Law 84. You do not amend Public Law 84. do you?

Mr. OWENS. No. This is a new section; section 17.

Mr. BLOOM. But you refer to this bill that is under consideration, not to Public, 84?

Mr. OWENS. No. I am referring to this bill.

Mr. BLOOM. I have no objection.

Mr. OWENS. Thank you. I believe that is a good amendment.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. RICH] is recognized for 2 minutes.

Mr. RICH. Mr. Chairman, I would like to direct my question to the acting chairman of the committee. The gentleman said he was not satisfied with this legislation and he hoped we will get a foreign policy. I would like to know whether you expect to have some other manner of distributing and handling this legislation in the future than you have in this bill.

Mr. VORYS. The gentleman brings up a good point that a number of Members have asked. There is pending before the Committee on Foreign Affairs a bill introduced by the gentleman from Massachusetts [Mr. HERTER] representing the views of the Select Committee on Foreign Aid, of which our chairman, the gentleman from New Jersey [Mr. EATON], is also chairman. The bill has to do with the sort of administration that any foreign-aid program should have, including this one, as soon as we decide on it, and hearings are to begin on that bill next Monday.

Mr. RICH. I cannot understand, if you have something that is going to be much better than this terrible monstrosity of a bill that is before us today under the guise of aid for the people of Italy, France, and Austria, why you ever brought this bill in here until you perfected it.

Mr. VORYS. Let me remind the gentleman that the relief assistance bill that we took 3 months to pass last spring has been working pretty well. A lot of us have been over there to see how it is working. This bill uses that machinery until Congress gets time to decide upon new machinery either based on the Herter bill or recommendations the President or other Members of Congress may make to the committee.

Mr. BLOOM. Mr. Chairman, will the gentleman yield?

Mr. RICH. I will yield, but first I want to answer the gentleman. Every time we talk about this foreign-aid program you are all disgusted with what we are doing, yet you want us to swallow this bill. I cannot do it.

I now yield to the gentleman from New York.

Mr. BLOOM. I just wanted this time to say to the gentleman from Ohio that he seems to express the sentiments of the majority of the Foreign Affairs Committee that it is going to have a meeting

on Monday morning at 10 o'clock on the Herter bill. We have not yet finished our conference on this present bill and I think it should be stated that the Foreign Affairs Committee will meet as early next week as it possibly can on the Herter bill and not definitely decide that we are going to meet on Monday morning.

Mr. VORYS. I believe the gentleman from New York was not present at the meeting where it was voted to begin hearings on the Herter bill and any plan the President presented for a permanent organization for foreign aid next Monday at 10 o'clock a. m. That action has been taken by the committee.

Mr. RICH. All of which supports me in maintaining that the Foreign Affairs Committee does not know what they are doing.

Mr. VORYS. Mr. Chairman, I yield back the balance of my time.

Mr. GOSSETT. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I am going to vote for this bill because I hope it will accomplish some of the objectives claimed for it. I am very sorry that the Foreign Affairs Committee has not seen fit to provide adequately for publicizing what this country has done and is doing by way of relief in Europe.

I was interested in the statement by the gentleman from Ohio [Mr. VORYS] that we had been a planless nation in foreign affairs. With that statement I agree. Some of our blunders are inexcusable. It seems to me to be ironic and tragic that we should be fighting communism with the one hand and encouraging it with the other. I refer to what seems to me a stupid, if not a criminal, act on the part of our delegation to the United Nations in the partition of Palestine and in the delivery of that part of the world to Communist influence. By that act alone we have taken a major step toward antagonizing the whole Moslem world, not only 300,000,000 Moslems but a billion other people over whom they exert influence. In this Palestine partition we have played petty partisan politics on the very threshold of what should be an American century. We have jeopardized American leadership by such tactics; we may have signed the death knell of the United Nations. It seems to me it might be well for the Foreign Affairs Committee to investigate the part played by American delegates to the United Nations. Not only was their action in the partition of Palestine a great disservice to the Jews but it was also a very real service to communism in the Far East, the Middle East, and in the Near East.

It is doubtful that all the money we have spent and will spend in Europe can offset the evil we have done in the rest of the world by our meddling with the Palestine question.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. OWENS].

The amendment was agreed to.

The Clerk read as follows:

SEC. 17. If any provisions of this act or the application of such provision to any circumstance shall be held invalid, the validity of the remainder of the act and the applicability of such provision to other circumstances shall not be affected thereby.

Mr. MARCANTONIO. Mr. Chairman, I offer a substitute for the bill.

The Clerk read as follows:

Substitute offered by Mr. MARCANTONIO: Strike out all of the language after the enacting clause and insert the following:

"SECTION 1. It is the purpose of this act to provide immediate emergency aid to the peoples of Europe to alleviate conditions of intolerable hunger and cold and to speed their rehabilitation.

"SEC. 2. The emergency aid shall be administered through agencies of the United Nations. In order to strengthen that organization as an instrument for peace, the United States entrusts the Security Council of the United Nations with the responsibility for designating or establishing the agency or agencies which will properly administer emergency relief and recovery funds appropriated by the Congress of the United States, with the restriction that no part of these funds shall be used for military purposes, and that none of these moneys shall be used for strengthening or recovery of those forces which gave support to fascism.

"SEC. 3. The national sovereignty of all the recipient countries must be fully respected.

"SEC. 4. There is hereby authorized to be appropriated the sum of $1,500,000,000 to carry out the emergency provisions of this act."

Mr. MARCANTONIO. Mr. Chairman, the adoption or rejection of this amendment will determine for all time, as far as this piece of legislation is concerned, whether or not it is a relief proposal or merely the establishment of another political weapon in order to maintain and preserve economic and political systems and governments which have become satellites of our State Department and which the peoples of these countries definitely do not want.

I want to take this occasion, Mr. Chairman, to quote a man for whom this Nation will always have the greatest of respect, Fiorello LaGuardia, who in his inimitable manner clearly defined the issue that is before us when he testified before the Senate committee considering the Greek-Turkish proposal. He was talking at that time about relief, and said:

Now, gentlemen, there are many ways of dealing with this problem: The first, that aid should be given on a national basis. Each rich nation should choose the recipient and make its own conditions. This is the old-fashioned imperialist way. This method of making one country dependent upon another was discarded by the world—I hope forever. That isn't why the United Nations was formed. That is not the spirit of the Atlantic Charter or the San Francisco Charter—not as I understand it.

The second possible arrangement—and look out for this one, please—is for a group of big nations to join together and select recipients of their charity. This arrangement would only be a false front. It is not in keeping with international cooperation. Let us be honest: It is just plain, ordinary, old-time power politics—and the world has had war after war because of power politics.

The third way is to create an international authority operating under the control of the United Nations and meeting the relief needs, without any consideration of race, creed, or political belief, being guided only by the existence of true need. This is what is known as the new way of the United Nations. But it really is not a new way. It is a way brought to this world nearly 2,000 years ago in the teachings of the Prince of Peace. And a wicked world has, to date, refused to learn the lesson.

Now, Mr. Chairman, I submit that the way that is suggested in this bill is the first way that Fiorello LaGuardia described as the imperialist way. My amendment is the third way. It guarantees aid to the peoples of the devastated nations and secures peace and democracy. It strengthens the United Nations, which is mankind's hope for peace. However, we all realize that this is not a relief bill. The debates, the amendments adopted, and Under Secretary Lovett's testimony have removed the mask from this bill. Responsible men have brazenly admitted that this is not a relief bill; that this is a war measure in the so-called cold war; that this is a measure to fight communism.

Let us analyze that alleged objective for a moment. In the name of fighting communism we are fighting in reality democracy and the attempts of the masses of the people of Europe to obtain for themselves bread, land, and peace. In the name of fighting communism we have aided and abetted a Fascist government in Greece. In the name of fighting communism we are still aiding and abetting that government, which only last Saturday issued an order making it a capital punishment offense for anyone in Greece to go out on strike. In the name of fighting communism we are giving support to a minority government in Italy, a government which has not hesitated to devote its entire energies to negate the demands of the Italian people.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MARCANTONIO. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes. I have not said a word on this bill until this minute.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MARCANTONIO. Let us see what is happening in Italy. I know something about Italy. My people come from there. A great number of my constituents are people of Italian origin. First of all, we have used some money appropriated by this Congress for Italy in the past. What has happened? Eighty percent of the aid was sold by the Government. So, who got that food? We did not aid the people in the villages and the peasants. We did not aid the underpaid workers of Milan, Turin, and Florence. We did not aid the Italians in the slum sections of Rome that so many gentlemen who have visited there carefully omitted to see. We aided the people who own the villas, the people who could afford to purchase in the black market, but deep down nothing ever reached the poor people of Italy, the workers, the peasants, and the children.

The people of Italy want what? The peasants of Italy want land; the peasants who have been working for 6 cents a day for centuries. They suffered 22

years of fascism. They joined the resistance movement and they fought the forces of Mussolini. The peasants of Italy joined with our men to overthrow Mussolini, and when they joined to overthrow Mussolini they did so not only to overthrow a Fascist regime, but they sought to overthrow an economic system, a feudal agriculture that had crushed them for centuries into abject poverty. They wanted the big estates divided and they wanted for themselves, the peasants of Italy, a piece of land. That is what they have wanted for centuries. That is what they fought for. That is what they are struggling for today against a government which has given carte blanche to their former Fascist oppressors and is giving protection to their landlord exploiters. We have taken that government and we have made it a satellite of our monopoly capital-controlled State Department. Now, we are asked to continue to aid that government in its efforts to defeat the will of the Italian people.

Just like the Schuman government in France uses American aid against the workers, the De Gasperi government, aided with American money, employs tanks and bayonets and machine guns to destroy the organized effort of the peasants who are fighting for land; and we, a people dating back to Valley Forge, are now asked to give money not to feed those peasants or their children but so that the government of De Gasperi, a minority government, a satellite of our State Department, can use the funds of American taxpayers to destroy the hopes of millions and millions of people living on the Italian Peninsula.

Let us go a step further. Up north, in Turin and Milan, the industries are owned not only by Italian monopoly capital but monopoly capital which has become more and more and more possessed by finance capital right here in Wall Street. The workers of Italy are on strike; they want to get a decent living out of those industries. The government fights them. Therefore, the crux of this policy is to suppress the rights, economic and political, of the workers of France and Italy, the two recently acquired economic colonies of the big trusts of these United States. The De Gasperi government, satellite of the State Department, uses all of its resources to destroy the aspirations of those Italian workers, and we here are asked to pass this legislation to implement that program of defeating the aspirations of Italian workers, the partisans who fought up in northern Italy alongside of our men.

Ah, but you say you are doing this to fight communism. What you are really doing is committing crimes against democracy in order to protect the vested interests of our big trusts in Italy and France. Yesterday a superduper Taft-Hartley law was invoked against the workers of France by our satellite Schuman government. Tomorrow what act of repression against the Italian worker? Again, you say all this, all these crimes against democracy are committed to fight communism. Let us tell the truth. All this is being done to protect the economic expansionism of our monopoly capital. This is an imperialist program.

Fight communism, today it is money, tomorrow it is food, and the next day it is what? War. This is part of the imperialist program which will lead to war and depression. We are placing America gradually more and more on a basis of a war economy again. War and depression can be the only outcome of this program unless the American people resist it. In fighting so-called communism what you are really doing in Greece, China, Italy, and France is aiding and abetting fascism, restoring to power and control collaborationists, hold-over Fascists and neo-Fascists. All this, to perpetuate the rule of our big trusts in Europe and Asia. However, you can pour billions into this program, but you will never stop the forward march of the men and women of Europe toward a better day. They have suffered too much and too long under Hitlerism to supinely accept the rule of Wall Street imperialism. They fought to overthrow Hitlerism for a better day. They will reject your Wall Street imperialism in their struggle to obtain a better day.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all debate on the substitute close in 10 minutes.

Mr. POWELL. I object, Mr. Chairman.

Mr. DIRKSEN. Mr. Chairman, I rise in opposition to the substitute and ask unanimous consent to proceed for three additional minutes.

Mr. BLOOM. Mr. Chairman, I ask unanimous consent that the gentleman from Illinois be permitted to proceed for five additional minutes.

Mr. RAYBURN. Reserving the right to object, Mr. Chairman, a great many of us thought we were going to complete this bill yesterday, and a great many of us have important engagements for later in the day. I do trust that my friend from New York and the gentleman from Illinois will not insist upon any very great extension of time. I also hope that the gentlemen on that side in charge of this bill will close this debate pretty soon. I am not going to object, however, if anybody wants the gentleman to have five additional minutes, but I think we ought to get through some time.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DIRKSEN. Mr. Chairman, let me first express my opposition to the substitute amendment offered by the gentleman from New York. As I listened to him I wondered how the Italian peasants are going to get bread and land when Palmiro Tigliatti, the Communist leader, takes over and puts Italy under the hammer and sickle. I wonder how the French peasant is going to get land if Jacques Duclos and Thorez, Communist leaders, take over and put that country under the hammer and sickle. It will simply be swapping one totalitarian form of government for another, and the peasants in those countries who have been crying for bread and land will be in the same identic and rigid position as the millions of peasants in the Soviet Union who cannot own 1 square foot of land, because the title is vested in a totalitarian government.

But, Mr. Chairman, that is not what I arose to say. I am inclined to address myself to the remarks made by my good friend the gentleman from Oklahoma [Mr. RIZLEY]. He made a bold confession here that he was not going to be for any long-range aid plan. Oh, yes, he is—and so are all of you. The only trouble is that we have been confused by the labels and the tags which are so freely used. The plan that is being served by this bill, and I make no apology for the bill and shall vote for it without confession of any confusion and my bewilderment, is representative of the basic plan that is much older than George Catlett Marshall, our Secretary of State. It symbolizes a plan that is older than anybody in this Chamber. That plan began in 1620, when the first refugees came to this country, the Pilgrims, to find freedom. The mariner on the high seas is not confused as long as he keeps his sextant and his compass. And if we keep the sextant and chart and compass of freedom to square our actions, there will not be such a confession of bewilderment and confusion. Freedom is the purpose of America. That is the cause of America. That is the crucible out of which America was born. We started on this pattern of freedom in 1620. There would have been freedom in 1775 even if there had been no Boston Tea Party because freedom is our destiny. They dipped into Leviticus and found that old phrase: "Proclaim liberty in all the land."

Freedom was the text and pattern in 1787 when the Constitution makers, after reciting the words "perfect union, justice, and tranquillity" then stated at the end of the preamble, "and to secure for ourselves and our posterity the blessings of liberty."

It was the same in 1812 when the liberty of our seamen on the high seas was impaired by impressment. It was liberty that was the lodestone and the beacon light in 1861 when Lincoln, from my own State, came to shepherd the cause of union. It was the same pattern of freedom that we had in 1898. It happened that the individual in question then was not William Hohenzollern or Adolph Hitler. It happened to be General Weyler, who was herding Cuban men, women, and children in concentrados. We have heard of concentration camps in World War II. It was the same pattern of freedom that sent over 200 Members of the Congress into conflict in 1917. It was the same pattern that swept millions of young men into motion 6 years ago last Sunday, when our physical frontiers were violated at Pearl Harbor. The trouble is that we were behind the times, because the moral frontiers of a great and living faith were violated in 1939. But it took 2 years in which to catch up. If there had never been a Pearl Harbor, there still would have been World War II because there could be no deviation from the great and persuasive and compelling course of freedom, which accounts for the very greatness of America.

Who will deny that an anguished concern for freedom finally healed the

cleavages that were so deep in 1939 and 1940 and unified the Nation. Who will deny that concern for freedom—that one thing which is the heart or core of our system of life—kept us in the conflict, evoked the sacrifices which our people made, and accounted for the ultimate victory.

It has been our guiding star. Freedom is the thing which made us great. Without it, we could not have achieved such triumphs in the social, political, economic, and spiritual fields. It is a moral force and not merely some academic proposition. How well and truly the apostle Paul wrote when he said, "Where the spirit of the Lord is, there is liberty." That can be changed about. We might with equal force say, "Where freedom is, there is the spirit of the Lord." And because that is so, America has been ready and willing to aid whenever evil and misfortune has beset weaker and humbler peoples in all corners of the earth. How else do you account for it?

Freedom is the pattern. I disagree with the gracious gentlewoman from New York [Mrs. ST. GEORGE]. The trouble is that we fall into the error of thinking that freedom is an accomplished thing overnight. We have been on the freedom road progressively for more than 1900 years. That started with the blessed event in Bethlehem more than 19 centuries ago, and the course has been upward and onward, even though it has been tortuous and difficult. We have gone through kings and dukes, principalities and earldoms, and empires, and all that sort of thing over a good many years, but constantly the course has been upward, and the great yearning heart of the people of Europe, notwithstanding the observations of the very able and gracious lady from New York, is still swelling for freedom. That it has not been accomplished is not their fault, and it does not impair the vitality and the substance of the desire of those people to reach out into the sunlight of freedom. Call this a relief bill if you will; call it a security bill; I am ready to take every instrumentality, I am ready to take every weapon that is necessary to stand on the positive side of rolling back every force, every vile and evil ideology that threatens the very fundamental cause and purpose of America, without which we might be in a class with an impoverished fourth-rate country of Europe. That is the thing that dictates action on this bill. So I make no apology. I am ready to embrace all weapons in every agency of Government, knowing that if freedom is liquidated in the other corners of the earth, since it is an indivisible fabric, it would threaten freedom and liberty at home, and destroy the very basic purpose and hope and heart throb of America. That is the justification for this bill.

Let me add a closing thought. Not once but a thousand times in the debate which was devoted to this bill the sentiment was echoed and reechoed that one of the basic purposes of this bill was to resist and contain communism. Let us phrase it in a more positive manner. The purpose of this bill is to defend freedom at home and abroad. Yes; that course at times makes strange bedfellows. Yes; that course involves a gamble. Yes; that course demands sacrifice. Yes; that course requires actions which at times seem strange and unjustifiable. Yes; that course at times raises doubts as one observes the liquidation of freedom and the westward thrust of the iron curtain. I know that we shall not be wanting when the time comes, because there is behind us too great and impressive a tradition of sacrifice and struggle as those before us in the life of this Republic kept their rendezvous with freedom.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that debate on the pending amendment and amendments thereto do now close.

Mr. POWELL. Mr. Chairman, I object.

Mr. VORYS. Mr. Chairman, I move that debate on the pending amendment and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. MARCANTONIO].

The amendment was rejected.

Mr. HALLECK. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. HALLECK: At the end of the bill insert the following new section:

"Nothing in this act shall be construed to make inapplicable in the case of commodities procured under the authority of this act the authority to prohibit or curtail exports granted by section 6 of the act of July 2, 1940 (Public Law 703, 76th Cong.), as now in force, or as may be hereafter amended."

Mr. HALLECK. Mr. Chairman, this is the amendment that the chairman of the Committee on Banking and Currency [Mr. WOLCOTT] had devised and expected to offer. He is presently detained in sessions of that committee, engaged in consideration of important matters that must be disposed of at this session of the Congress. I have just conferred with him over the telephone and he desires to have the amendment offered.

My understanding of the amendment is that it is calculated to integrate the export programs of all kinds, coming under governmental control. I have discussed the matter with some members of the Foreign Affairs Committee and they do not see in it anything out of line with the purposes of the legislation.

Mr. VORYS. The Foreign Affairs Committee had this amendment under consideration yesterday morning and approved it as a committee amendment, but intended to express their approval when the gentleman from Michigan [Mr. WOLCOTT] presented it.

The amendment merely makes clear that this bill does not interfere with export control powers of the President and makes it clear that the Foreign Affairs Committee is not invading the province of the Banking and Currency Committee which has important matters concerning controls before it.

Mr. DORN. Mr. Chairman, I rise in opposition to the amendment.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. DORN. I yield.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that debate on this section and all amendments thereto close at the end of the gentleman's remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. POWELL and Mr. SADOWSKI objected.

Mr. PFEIFER. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. PFEIFER. Mr. Chairman, I have listened patiently to the full debate on this very important measure. I was astonished to hear so many Members offer amendments that would absolutely destroy the purpose of the bill. For God's sake, let us dilly daily no longer and rush this bill through to relieve the suffering humanity overseas. France, through Lafayette, has done so much for America when she faced a crisis, and Italy, through her action during the latter part of the war, has sacrified much in aiding the Allied cause.

No one can deny that there is suffering abroad and immediate help is necessary. Party politics has no place in the deliberation of this body on such an important piece of legislation. Help is needed now to help those countries in their fight against starvation, disease, and death. I have been over in Europe only a short time ago and the suffering there was so evident that I doubt if anyone that has seen such conditions would refuse immediate aid. Let us therefore, Mr. Chairman, waste no more time—vote for this bill now so that the suffering humanity abroad may get the help when it is needed, not when it is too late.

Mr. DORN. Mr. Chairman, far be it from me to rise at this late hour to attempt to oppose the passage of this bill or anything like that, but there is one point that has not been mentioned in all of the debate this week on this bill; that on September 18 of this year at Lake Success, N. Y., Andrei Y. Vishinsky, Russia's Deputy Foreign Minister, labeled me as the No. 1 warmonger of the United States. On that same list he put our distinguished chairman of the Foreign Affairs Committee, the gentleman from New Jersey [Mr. EATON]. He also proposed that we be tried by an international court for warmongering. I think this proposal was later taken up by the Political Action Committee of United Nations and defeated.

Vishinsky's reason for placing me on that list was not because of any eloquence on my part for I cannot make an eloquent speech. Why is it that he did not place the able gentleman from Illinois [Mr. DIRKSEN] on that list? He has made numerous speeches here against communism. Why did he not list the able gentleman from Massachusetts [Mr. MCCORMACK] who has made numerous speeches against communism, or the

many other able members of this body who spoke about communism? Why did he pick out a freshman Member of this body? I will tell you why. I studied European psychology when I was in the Army of the United States during the late war. I was in a lot of countries in Europe. I had time to think. Mr. Chairman, what Russia fears today is the thing I mentioned here on May 7, that is, the greatest air force in the history of the world.

Mr. Chairman, if the Members believe that relief bills will stop communism, then they are only kidding themselves. Stalin is the greatest political chess player in the world. He won at Yalta. He won at the other conferences. If I were sitting in the Kremlin today, Mr. Chairman, playing with the future domination of this world, I would favor the United States putting its money into relief bills instead of air power; I would favor their putting money into rat holes in Europe and elsewhere in the world, while at the same time I would be spending, as the Russians are spending today, $13,000,000,000 annually for my air force, submarines, and my army. Thirteen billion dollars in Russia is equivalent to $40,000,000,000 in the United States, because we have a high standard of living while they have slave labor. Their $13,000,000,000 will go further than $40,000,000,000 in this country. In 5 years, if such a policy continues, our resources will have been dissipated on relief and temporary expedients while Russia builds the greatest army, submarine, and air force in the world. Then where will we be? A second-rate power having lost in the international military-preparedness race and then the cold war may become hot and who will call the shots?

Mr. Chairman, Rokosovsky, Zhukov, and Koniev, who are commanding those great Russian armies poised in western Russia today, land that we surrendered at Yalta, are ready to drive to the English Channel in 3 weeks. They place great confidence in their 300 divisions, 44 000 combat planes, and over 200 submarines. Russia is strengthening this force while shouting about warmongers and diverting our attention to relief.

Now, Mr. Chairman, what will stop communism in this world? An air force right here in America, as I stated on May 7, that can fly to any part of the world and return, capable and willing to use the atomic bomb, if necessary, to protect the security of this great country. Air power, Mr. Chairman, is peace power. You get weak and you see what Russia will do. You stay strong and they know that we will defend the liberties of our people. If they know we will fight for our Constitution and we have the ability to defend it, then they will sign up at the United Nations and you will see them cooperate because they respect military power and that alone.

Mr. Chairman, I plead with you this afternoon, let us put first things first. I believe in the policy of a shotgun in one hand and a Bible in the other. That is exactly what founded this Nation, that is what put the Puritans in Massachusetts, that is what made America what it is today. I say, Mr. Chairman, let the world know that we are in favor of Christianity, that we are in favor of justice, but at the same time let us keep our armed forces built up to the point where we can defend the sacred freedoms of the United States of America.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. VORYS. Mr. Chairman, I ask unanimous consent that all Members may have the privilege of inserting their remarks at this point in the RECORD and to revise and extend their remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. KEFAUVER. Mr. Chairman, I think the Members of the House should be congratulated upon the statesmanlike manner in which this legislation has been considered. There have been no partisan disputes. We are today witnessing evidence of a most important and far-reaching change in our national viewpoint. The change is that practically all Members of Congress appreciate the fact that world leadership has inevitably turned to the United States. We cannot escape the power the Stars and Stripes carry all over the world. This change has been taking place for a number of years. Many people in this country did not recognize it after World War I. Now, however, the fact of responsibility and the necessity of leadership is apparent to everyone.

I shall vote for this bill because if this Nation is to work for freedom and peace we must do our best to establish better order in western Europe. From purely a humanitarian viewpoint the people of this country want to prevent hunger and starvation to every extent possible. The bill is justified on that ground, but there are other and important reasons why it should be passed. The forces of communism would fill any power vacuum and will use every means possible to sabotage and take over the Governments of France and Italy. If we fail to pass this bill, our strongholds of possible peace and freedom on the continent of Europe will be lost. We must grant this aid if we are to have the opportunity of joining in a larger mission for world stability, security, and peace.

In the beginning I complimented the committee on the handling of this bill. It will soon be sent to the President for his approval. I hope that action upon the appropriation to implement it may be handled expeditiously. Many people wonder why Congress takes so long. They do not appreciate the steps through which legislation of this kind must pass. Letters I have been receiving indicate impatience with the slowness in getting relief to these countries. The consideration of this bill has enabled everyone to express their views, so let us hope that when the appropriation measure is before Congress that it may be passed without another prolonged and extensive debate.

Mr. VORYS. Mr. Chairman, I move that all debate on the bill H. R. 4604 and all amendments thereto do now close.

The CHAIRMAN. The question is on the motion offered by the gentleman from Ohio [Mr. VORYS] that all debate on the bill and all amendments now pending thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. HALLECK].

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MICHENER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4604) to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries, pursuant to House Resolution 386, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

Mr. KERSTEN of Wisconsin. Mr. Speaker, I have an amendment to change the title of the bill, which I understand is proper.

The SPEAKER. That will come after the passage of the bill.

Mr. KERSTEN of Wisconsin. I should like to inform the membership that this is an important amendment and I should like to speak on it.

The SPEAKER. It is not debatable.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. JOHNSON of Oklahoma. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. JOHNSON of Oklahoma moves that H. R. 4604 be recommitted to the Committee on Foreign Affairs for further study.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

Mr. VORYS. Mr. Speaker, I offer an amendment to the title of the bill.

The Clerk read as follows:

Amendment offered by Mr. VORYS: Amend the title so as to read: "To promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries."

Mr. KERSTEN of Wisconsin. Mr. Speaker, I offer a substitute for the amendment to the title.

The Clerk read as follows:

Amendment offered by Mr. KERSTEN of Wisconsin as a substitute for the amendment offered by Mr. VORYS: Strike out the title and insert the following: "To assist the peoples and governments of certain foreign countries in preventing the spread of communism in such countries, to promote world peace and the freedom of the individual in such countries from domination particularly by any form of the communistic police state, to promote the national interest and foreign policy of the United States by providing aid to such foreign countries."

The SPEAKER. The question is on the substitute amendment offered by the gentleman from Wisconsin.

The substitute amendment was rejected.

The SPEAKER. The question is on the amendment offered by the gentleman from Ohio [Mr. VORYS].

The amendment was agreed to.

Mr. VORYS. Mr. Speaker, pursuant to the provisions of House Resolution 386, I move to take from the Speaker's table the bill S. 1774, and strike out all after the enacting clause of that bill and insert in lieu thereof the text of the bill H. R. 4604, as passed.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Strike out all after the enacting clause of the bill S. 1774 and insert in lieu thereof the provisions of the bill H. R. 4604 as passed.

The motion was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The bill H. R. 4604 was laid on the table.

Mr. VORYS. Mr. Speaker, I move that the House insist upon its amendment to the bill S. 1774 and request a conference with the Senate, and ask that the Speaker appoint managers on the part of the House.

The motion was agreed to.

The Speaker appointed the following conferees: Messrs. EATON, VORYS, MUNDT, BLOOM, and KEE.

The SPEAKER. Without objection, the Senate bill as amended is ordered to be printed.

There was no objection.

EXTENSION OF REMARKS

Mr. BUSBEY asked and was given permission to extend his remarks in the RECORD and include a letter he wrote to Attorney General Thomas C. Clark and an article that appeared in Plain Talk Magazine.

Mr. WOODRUFF asked and was given permission to extend his remarks in the RECORD and include a letter from Curtis P. Nettels, a member of the faculty of Cornell University.

Mr. JACKSON of California asked and was given permission to extend his remarks in the RECORD and include an editorial from the Santa Monica Outlook.

Mr. SARBACHER asked and was given permission to extend his remarks in the RECORD and include an article from the Marine Corps Gazette.

Mr. ANGELL asked and was given permission to extend his remarks in the RECORD and include certain articles.

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the RECORD in two instances and include newspaper articles with each.

Mr. WALTER asked and was given permission to extend his remarks in the RECORD and include an article from today's Journal of Commerce.

Mr. McGREGOR asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. STRATTON (at the request of Mr. BUSBEY) was given permission to extend his remarks in the RECORD and include an article entitled "The Gentleman From Illinois" on the one hundredth anniversary of Abraham Lincoln's coming to the House of Representatives.

Mr. O'HARA. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include certain extraneous matter. I am advised by the Public Printer that this will exceed two pages of the RECORD and will cost $159.75, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

SPECIAL ORDERS GRANTED

Mr. JACKSON of California. Mr. Speaker, I ask unanimous consent that on Monday next, at the conclusion of the legislative program of the day and following any special orders heretofore granted, I may be permitted to address the House on Greece for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JAVITS. Mr. Speaker, I ask unanimous consent that the special order granted me for today be postponed to Tuesday next.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

INTERIM-AID BILL, 1947

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that it may be in order to consider the conference report on the bill S. 1774 at any time after it is filed.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

COMMITTEE ON BANKING AND CURRENCY

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight of Saturday next to file a report on House Joint Resolution 273.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight of Saturday next to file a report on the bill H. R. 4675.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

COMMITTEE ON RULES

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight Saturday next to file reports.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

EXTENSION OF REMARKS

Mr. McCORMACK asked and was given permission to extend his remarks in the RECORD and include a speech made by himself some weeks ago, and also to include two separate items, one an editorial and the other an article.

Mr. JENNINGS asked and was given permission to revise and extend the remarks he made in the Committee of the Whole today and to include a quotation.

LEGISLATIVE PROGRAM AND ADJOURNMENT OVER

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I have discussed with numerous members of the Committee on Foreign Affairs the matter of the conference report and the time when it might be expected to be ready. My information is that the conferees cannot get together until sometime tomorrow morning. In view of the many features of the two bills that are in disagreement, I think it is generally agreed that a conference report could not be ready for action tomorrow. It would seem that at the earliest the conference report may be ready on Monday.

Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. McCORMACK. Mr. Speaker, reserving the right to object, may I suggest that some member of the committee ask unanimous consent that the conferees may have permission to file a conference report if they come to an agreement before midnight on Saturday?

Mr. HALLECK. Yes; I will yield to the gentleman from Ohio [Mr. VORYS] for that purpose.

Mr. VORYS. Mr. Speaker, I ask unanimous consent that if the conferees arrive at an agreement before midnight Saturday night they have permission to file their report.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. SMITH of Virginia. Mr. Speaker, reserving the right to object, I do so merely for the purpose of asking the gentleman from Indiana for what reason did he ask that the Committee on Rules have until midnight Saturday night to file a report?

Mr. HALLECK. I shall be glad to explain. The Committee on Banking and Currency has, by unanimous consent, received permission to file reports on two bills. As the gentleman knows,

we are anxious to conclude the program in time for members to get back home for Christmas. Some of the Members have considerable distance to travel. Moreover, there is a high degree of urgency in connection with all of these matters. If these bills are reported from the Banking and Currency Committee, it will be our plan that the Committee appear before the Committee on Rules and if the Committee on Rules sees fit to grant rules making these measures in order, that they might be taken up early next week.

Mr. SMITH of Virginia. So that the plan is to start on your price control bill on Monday?

Mr. HALLECK. Since the gentleman has raised that question, I will say generally in respect to the program as I can now foresee it, although I am sure the gentleman will understand there are many difficulties in this sort of a situation in undertaking to outline an iron-clad timetable. The Committee on Appropriations has been laboring diligently in the preparation of an appropriation bill which must necessarily be enacted to take care of the various matters that have been considered in this extraordinary session. My hope is that the appropriation bill can be ready not later than Tuesday of next week. Of course if the matters from the Committee on Banking and Currency can be gotten in such shape so that they can be taken up on Monday or on any subsequent day, we certainly want to proceed with them as expeditiously as we can.

It may be possible that we can get some of those matters up for consideration on Monday. I would suggest the Members be here on Monday, because certainly it is to be hoped that the conference report on the foreign-aid bill will be ready for action then.

Mr. McCORMACK. Further reserving the right to object, Mr. Speaker, in connection with the latter observation made by the majority leader, I recognize the difficulty of giving specific plans, and of course the gentleman is in that position, but I wanted to ask the gentleman, for the benefit of the other Members. Next week will be an important week; that is, it will be a busy week. That is correct, is it not?

Mr. HALLECK. I should say so; yes.

Mr. McCORMACK. That is, you intend to take up the appropriation bill and also whatever bills come out of the Committee on Banking and Currency, and the conference report. So it is important for the Members to be here from Monday on.

Mr. HALLECK. Yes. I certainly agree with the gentleman's remarks.

Mr. McCORMACK. The leadership is in the position that you feel you have to call up any of this legislation if it is ready on Monday?

Mr. HALLECK. That is correct.

Mr. McCORMACK. I simply wanted that for the information of the Members so that they would realize they should be here from Monday on.

Mr. HOFFMAN. Mr. Speaker, reserving the right to object, I would like to inquire as to whether the gentleman has any idea, if this conference report comes in Monday there will be a roll call so that a Member can record his opposition to it.

Mr. HALLECK. Of course, the gentleman knows as much about that as I would.

Mr. HOFFMAN. Oh, I would not think so.

Mr. HALLECK. It is within the province of any Member to demand a record vote on any measure.

Mr. HOFFMAN. But he cannot get it unless he can get enough Members to stand up and be counted.

Mr. HALLECK. I am quite sure the gentleman would very seldom find himself in that situation.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. HALLECK]?

There was no objection.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. EBERHARTER] is recognized for 20 minutes.

Mr. EBERHARTER. Mr. Speaker, the chairman of the Committee on Ways and Means last June appointed a so-called Special Tax Study Committee. The membership of this committee consisted almost exclusively of representatives of the National Association of Manufacturers, United States Chamber of Commerce, Association of American Railroads, and tax attorneys representing Wall Street and the petroleum interests. There was one lone representative of the common people—Mr. Matthew Woll, a vice president of the American Federation of Labor.

Immediately after this study group was named—which has also been called the Magill committee, for its chairman, Mr. Roswell Magill, the well-known Wall Street lawyer—I obtained the floor of the House to oppose this dangerous precedent. The gentleman from Minnesota, Chairman KNUTSON, had tipped his hand as to the kind of advisory committee he had created by his failure to obtain advance authority from the Committee on Ways and Means for his coup. I contended that this advisory committee was a needless expense, since the Committee on Ways and Means already has available a staff of experts to assist in the preparation of a tax bill. I warned that there was great danger in allowing the taxing power, so carefully restricted in the Constitution, to the Members of the House of Representatives, to be delegated to, or subverted by, small groups representing their own selfish interests.

How accurate, Mr. Speaker, this warning now seems. I have read the majority report filed by Mr. Magill and eight of his associates, and have also read the minority report filed by Mr. Woll. I must confess that much in each of the reports deals with such technicalities that it is difficult for anyone but a highly skilled tax expert to appreciate their full meaning. The minority report of Mr. Woll, however, does translate many of the Magill recommendations into understandable terms. The prevailing theme of the majority report submitted by Mr. Magill appears to me to be particularly inviting to schemes of tax evasion and avoidance heretofore practiced by many whose ability to pay taxes are greatest. In the language of Mr. Woll in his dissenting report, the four dozen recommendations of Mr. Magill's group also seem to have as their purpose "to attain by indirect and complex methods the result of income-tax cutting for the favored few which they do not dare recommend by an outright reduction in surtax rates."

Just what the revenue effects of the recommendations of the majority report "to improve the operation of the tax structure and to eliminate manifest inequities" might be is not clear from a reading of it. Nor was there a flat statement of the type of tax-reduction bill—as distinguished from a tax-revision bill—which would be favored by the majority of the Magill committee.

Mr. Matthew Woll has now done the American people, the Committee on Ways and Means, and the Congress a further great service in filing, on December 1, a supplemental report. In this supplement Mr. Woll reveals that, in the discussions in meetings of the Magill committee, the assumption was that the technical changes recommended by the majority "would be given first priority after enactment of the across-the-board tax-cut proposals of the gentleman from Minnesota, Representative KNUTSON."

Mr. Speaker, it has been reported in the press that even the Republican leadership is now willing to admit the truth—that the GOP tax-cut plan was not the right kind of tax reduction. President Truman and Democrats in Congress have consistently urged that when the time for tax reduction does arrive high priority should be given to the claims of persons with low income. The proper way to do this is to increase personal exemptions. I am glad to hear that the Republicans are about to see the light. I am also glad to see they are beginning to give attention to the discriminatory advantage now enjoyed by married persons residing in community-property States at the expense of citizens of other States. This is a problem which Democrats in both the House and Senate urged should be considered, before reckless enactment of a so-called across-the-board tax plan. These developments serve to emphasize the soundness of the position of the Secretary of the Treasury that all sections of the Federal tax structure should be reviewed before surplus revenues are dissipated in premature rate reductions.

But the point I want to make now, Mr. Speaker, is that the so-called Magill committee, according to Mr. Matthew Woll, was counting on Congress to enact again the Knutson tax bill, which concentrates $4,000,000,000 of tax reduction largely in the upper brackets. Then first priority would be given to the 50 technical proposals compounded by Mr. Magill's group. That was the plan. Although the Magill committee assured the Ways and Means Committee members that "the revenue cost of our proposals will not be large," no estimates of the revenue loss were supplied. However, Mr. Woll, in his December 1 statement, gives us, for the first time, some specific idea of the cost. His estimate

is an annual revenue loss of $4,410,000,000. Mr. Speaker, I insert at this point in the RECORD a brief two-page statement by Mr. Woll, which contains a breakdown showing how this figure of nearly $4,500,000,000 was computed:

REVENUE REVISION, 1948 TO REMOVE TAX INJUSTICES, TO PERMIT FULL EMPLOYMENT AND PRODUCTION

SUPPLEMENTARY STATEMENT TO MINORITY REPORT OF THE SPECIAL TAX STUDY COMMITTEE TO THE COMMITTEE ON WAYS AND MEANS, UNITED STATES HOUSE OF REPRESENTATIVES, SUBMITTED BY MATTHEW WOLL, DECEMBER 1, 1947

On November 3, I submitted a minority report as a member of the special tax study committee appointed by the Committee on Ways and Means of the United States House of Representatives. In submitting the report, I stated that I was reserving the right to file a supplemental minority statement in the event I considered issuance of such a statement necessary in the light of developments subsequent to October 21, 1947.

During the course of the committee deliberations of the past several months, I attempted to secure definite information with regard to the probable revenue loss that might be occasioned by the adoption of certain proposals that were made from time to time and were finally approved by the committee majority. Since I was unable to secure information on this point from advisers working with the committee, I was not in a position to discuss the possible revenue losses that might result from implementation of the majority's recommendation in my minority report.

During the past several weeks, I have had a study made and herewith present the estimate of revenue losses to be anticipated from the adoption of the majority's recommendation.

Revenue loss from Magill committee recommendations (estimated)

INCOME TAX

Committee Recommendations

Good estimates:	
1. Family income. Treasury family income study	$750,000,000
4. Double taxation of dividend income. Treasury postwar corporation-tax study	900,000,000
8. Intercorporate dividends. Data from 1944 Statistics of Income. Dividends to financial corporations excluded from base	50,000,000
9. Consolidated returns. Data from 1944 statistics of income. Intercorporate dividends and net operating loss for such returns in 1942 excluded from base	50,000,000
Sketchy estimates:	
2. Family and short-term trusts. Assumes that one-fourth of dividend and interest income received by those with incomes over $100,000 will have rate of tax reduced from 70 percent to that of 20 percent. 1944 data used	50,000,000
10. Taxation of capital gains. Assumes that one-eighth of yield of tax on capital gains will be lost	50,000,000
11. Section 102.—guess	40,000,000
13. Stock purchase plans—guess	20,000,000

Revenue loss from Magill committee recommendations (estimated)—Con.

Sketchy estimates—Continued	
24. Employee pension plan provisions. Assumed tax rate of 30 percent applied to present employee contributions of $170,000,000	$50,000,000
29. Depreciation. Assumes that depreciation charges will be doubled. Data from 1944 Statistics of Income	1,500,000,000
Nos. 7, 12, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 25, 26, 27, 28, 30, 31, 32, 33—lump-sum guess	150,000,000
Indefinite recommendations:	
3. Averaging personal incomes. Range $100,000,000 to $2,000,000,000	100,000,000
5. Taxation of small corporations. Assumes that the bracket rate for $25,000–$50,000 is cut from present 53 percent to rate of 30 percent. Data from 1944 Statistics of Income	350,000,000
ESTATE AND GIFT TAX	
1–15. Lump-sum guess	350,000,000
Total revenue loss, annual rate	4,410,000,000

Estimates are based on continuation of present high levels of income and apply to first few years that recommendations are in effect.

Total revenue losses under the three categories as listed above total $4,410,000,000. Since, in the discussions at the committee meetings, the assumption was that these changes approved by the majority would be given first priority after enactment of the across-the-board tax-cut proposals of Representative KNUTSON, a pattern for revenue loss of approximately $8,500,000,000 at present levels of income has been laid out by the committee majority.

I would reemphasize at this time, therefore, in the light of the more definite information now available to me as to the amount of revenue reduction that may be anticipated, that the majority's recommendations are neither practical nor equitable. They are not practical in that they suggest reductions far greater in extent than present or anticipated revenue needs for at least the next 2 or 3 years will permit. They are not equitable because, with few minor exceptions, they propose major tax relief for those in the upper income brackets. It should be borne in mind that after the tax reduction of $8,500,000,000 proposed by Representative KNUTSON and the majority of the Tax Study Committee have been made, the low income groups would still be paying heavy income and excise taxes.

Excise taxes

In view of the constant rise in price levels which is still continuing, the need for reducing the war-imposed excise taxes is in my opinion becoming more urgent. Although it would be difficult to state just what part of the $8,000,000,000 yearly from such taxes contribute to price mark-ups, it is obvious that the consumer at retail must be paying considerably more than the amount of tax.

The taxes on transportation and communication, electrical goods, office equipment, optical goods, and many other articles are discriminatory, bad in their impact on business, and capricious in their effect on consumers.

Now, Mr. Speaker, I want to emphasize that long before this estimate was made Mr. Woll had labeled the Magill majority report as a "concerted effort to legalize and simplify avoidance." With one or two exceptions, the proposals advanced do not have any application to people with incomes below $5,000 a year. So, thanks to the efforts and studies made by Mr. Woll, there is now exposed the plans of the Magill group to provide these tremendous windfalls for the wealthy of Wall Street. Lest we forget, Mr. Magill was one of two nongovernmental witnesses permitted to testify before the Ways and Means Committee on H. R. 1—the original Republican tax-grab bill for the rich. To this $4,000,000,000 reduction in income-tax rates he and his followers, through technical revisions, would add another $4,500,000,000 bonanza for the upper-bracket taxpayers. And from the suggestion for "strengthening the excise-tax structure," it is easy to visualize a Federal general sales tax, as now openly recommended by some Republican members of the Committee on Ways and Means. The plan in simple terms is to impose a general sales tax upon the poor in order to grant income-tax relief for the rich.

Mr. Speaker, full credit should be given Mr. Matthew Woll for exposing this grandiose scheme for what it would be—the biggest double steal in Federal tax history. His lucid analysis of the tax-avoidance and special-relief character of the Magill recommendations has given the Committee on Ways and Means and the Congress fair and adequate warning. No time should be wasted in consideration of the tax program recommended in the Magill report.

Mr. Speaker, I ask unanimous consent to insert in the RECORD at its proper place a short two-page statement by Mr. Matthew Woll.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CURTIS. Mr. Speaker, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Nebraska.

Mr. CURTIS. I am sure the gentleman from Pennsylvania will agree that Matthew Woll is a distinguished citizen of this Republic and that he would not have submitted this report at this time in the form he did to the Congress had not this committee been named by the chairman of the Ways and Means Committee. Is that true?

Mr. EBERHARTER. Mr. Woll was officially named as a member of this so-called special advisory group so that in his capacity as a member of this group he dissented from the findings of a majority and they filed an original minority report and then a supplemental statement.

Mr. CURTIS. Then what fault does the gentleman find with placing Mr. Woll on a committee that permits him to do this?

Mr. EBERHARTER. What fault do I find?

Mr. CURTIS. Yes.

Mr. EBERHARTER. I find fault with it because, as I said in my opening remarks, it was a needless expense in the

first place. It is contrary to the intention of the framers of our Constitution who vested the power to levy taxes in the United States. By the unauthorized action, in the first place, of the chairman of the Ways and Means Committee the gentleman from Minnesota [Mr. KNUTSON] there was a delegated power to this special tax committee, and I say that in exercising this dangerous power they have made recommendations which will befuddle the American public, which will give a four and one-half billion additional tax relief of those mainly in the higher income brackets. That is what I want to get before the Congress and the American people.

Mr. CURTIS. The gentleman has a right to oppose any of these recommendations. I am sure the gentleman did not intend to leave the impression that this advisory committee was given power by the Congress to write a tax law or to impose taxes or repeal taxes.

Mr. EBERHARTER. Oh, absolutely, everybody in the country beyond the sixth and seventh grade knows that the Congress of the United States must act in order to pass a Federal statute.

Mr. CURTIS. That is right. Now, is the gentleman opposed to calling upon the leaders in industry, agriculture, and labor to make their recommendations for the conduct of the affairs of this Government?

Mr. EBERHARTER. I am opposed to the appointment of a selected group, of a certain class of individuals, being given the power to make a study and make recommendations to the Congress of the United States. If the gentleman will permit me, the first objection I had was that every one of the 10 members of this committee was selected in the first instance, without consultation with other members of the Committee on Ways and Means; without consultation with 22 or 23 members. No official action was taken. The members of this so-called tax study group spent money without proper authorization for expenses. Nine out of the ten represented, as I said, The American Association of Railroads, Chambers of Commerce, petroleum interests, and the National Association of Manufacturers. There was only one member who represented the common people, the great majority of the taxpayers of the country, and my warning is borne out. if the gentleman will permit me, by the very nature of their recommendations.

Mr. CURTIS. I am aware that the gentleman disagrees as to who should go on this advisory committee, but that was not my question, whether or not he approved the personnel of this committee. I ask the gentleman if he thinks it was proper for the Congress to call upon the leaders in agriculture and labor and industry to make recommendations on these public questions? Does the gentleman approve of that procedure or not? That is what I want to know.

Mr. EBERHARTER. I have no objection if, in an orderly way, the committee, through the Congress of the United States, takes official action and recommends the appointment of some experts to make the recommendation. Now, the general principle is all right, but that was not followed in this instance. The gentleman knows very well that he was not consulted, and he is a member of the Committee on Ways and Means. He was not consulted before the announcement was made in the newspapers that these gentlemen had been selected to make a special study, to make recommendations to the committee, and to expend money, and that they would be reimbursed, and that was done on the simple announcement, without any action, without the committee members knowing anything about it.

Mr. CURTIS. If the personnel of the committee is as the gentleman feels, he could have rendered a great service to this Republic in exposing their records and their positions, when two of them were serving in the United States Treasury by appointment of the President of the United States.

Mr. EBERHARTER. The exposure of their actions and their records was made within a few days after their unauthorized appointment by the chairman of the Committee on Ways and Means. And, it is in the record.

Mr. CURTIS. They were high officials in the Treasury, appointed by the gentleman's party.

Mr. EBERHARTER. I want to say to the gentleman that neither one of them was with the Government very long.

Mr. CURTIS. But they were appointed by the gentleman's party to high position in the Treasury, were they not?

Mr. EBERHARTER. Yes. I think one lasted about 7 months and then he resigned, and I think the other one lasted about 12 or 13 months, and then he was not in the Government service any more. I am not exactly sure as to the length of time, but I know that the service of one was less than a year, so the very fact that he was appointed, in the first instance, is not a clearance for me.

Mr. CURTIS. I do not know these men that the gentleman criticizes, but I am surprised at the gentleman from Pennsylvania not taking this floor and saying something about these men, when they were not in an advisory capacity, but wielding real power in the Treasury of the United States by virtue of an appointment of his party.

Mr. EBERHARTER. I will say to the gentleman that at that time I was not on the committee and I did not know the gentlemen. These facts did not come to my attention and it was not within my special province to know. I think I am doing my duty now and I did it when they were first appointed by this unauthorized appointment of Mr. KNUTSON. I tried to do my duty and expose them to the general public.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. It is not my intention to go into the question of how these gentlemen were appointed, but for the information of my friend from Nebraska may I say, so that there may be no misunderstanding of my state of mind, that when both of these gentlemen, whom I personally like very much, were Assistant Secretaries of the Treasury they were not connected with the business interests to which the gentleman from Pennsylvania has made reference. That is my distinct understanding, because I was on the Committee on Ways and Means at the time. Whatever their business associations were before that, they were severed at the time they became Assistant Secretaries of the Treasury, and whatever their business associations have been since they became separated from their positions as Assistant Secretaries of the Treasury, they have developed since that time.

Mr. CURTIS. Does the gentleman contend there was anything wrong with their engaging in business or succeeding in it?

Mr. McCORMACK. Does the gentleman want to get me into this?

Mr. CURTIS. The gentleman got into this himself.

Mr. McCORMACK. No, I did not.

Mr. CURTIS. I did not call upon the gentleman, he invited himself in.

Mr. McCORMACK. The gentleman is leaving an erroneous impression.

Mr. EBERHARTER. Mr. Speaker, I believe I have the floor.

Mr. CURTIS. I just asked the gentleman from Massachusetts a question.

The SPEAKER pro tempore (Mr. ARENDS). The gentleman from Pennsylvania refuses to yield any more.

Mr. EBERHARTER. I will be glad to yield to either of the gentleman in turn, but I would like to have you both not talk at once so I may understand which one is talking.

Mr. CURTIS. I have a high regard for the opinion of the gentleman from Massachusetts and I thought the gentleman from Pennsylvania would yield to him.

Mr. EBERHARTER. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. As long as the gentleman wants an answer I will say that no chairman of any committee has the right to appoint a committee—if the gentleman wants an answer drawing me further than I intended to go—without the committee's officially voting for it.

Mr. CURTIS. What is the answer to the question I asked?

Mr. McCORMACK. The chairman of the committee made the mistake of appointing this committee without the Committee on Ways and Means voting to do so, and there is a legislative reorganization act which specifically provides against that practice. Outside of that, that should have been done by committee action, anyway. The gentleman is trying to create the impression that these two gentlemen still had their business associations when they were Assistant Secretaries of the Treasury, and that was the part about which I wanted to disabuse the gentleman's mind, not that he had it in his mind, but I wanted to get the record straight. That is the weak spot. The gentleman pulled me in farther than I intended to go. The gentleman called it up later because you Republicans got smart and had a meeting, and then you called a full meeting of the Committee on Ways and Means and formally voted to do what was done at the outset, and you got out of it; but good luck to you. I know a lot about that, too.

Mr. CURTIS. The gentleman misunderstood my question. I asked him if there was anything wrong about a man's engaging in business and succeeding in it. That was my original question.

Mr. EBERHARTER. The answer to that is obvious.

Mr. McCORMACK. I will answer that question by saying that there is nothing wrong at all about a man's being in business.

Mr. CURTIS. I am delighted to hear the gentleman say that.

Mr. McCORMACK. A man who succeeds in any activity receives my commendation.

Mr. CURTIS. I thank the gentleman.

Mr. EBERHARTER. I thank the gentleman from Nebraska and the gentleman from Massachusetts for putting a little spirit into the subject that I brought up. It is a subject that is very important to the entire country. Whenever a committee makes recommendations to take away four and a half billion dollars in revenue from the Federal Government without showing exactly how it is to be done, by so-called technical revisions, I think the public should know it.

EXTENSION OF REMARKS

Mr. REES asked and was given permission to revise and extend his remarks.

The SPEAKER pro tempore (Mr. ARENDS). Under previous order of the House, the gentleman from North Carolina [Mr. FOLGER] is recognized for 45 minutes.

ON THE ROAD TO PEACE

Mr. FOLGER. Mr. Speaker, I have been greatly disturbed over the pronouncements and some of the speeches and observations made on the floor of the House indicating a disposition to undertake to lead the thought of this country to a preeminent support of Germany as compared with the other countries of all Europe, suggesting this, perhaps, as a way of combating communism, which we all abhor.

Mr. Speaker, I am persuaded that this is the wrong approach and that such suggestions and advice being made and given that we make Germany at once a strong and powerful nation as a bulwark of economic freedom and also peace in Europe and the world, and that we should do this as indicating our opposition to communism, and as a policy for the establishment of economic and other peaceful relations among the European people are absolutely calculated to do more to spread communism in Europe and the world than any other thing that could be brought about.

Mr. Speaker, in nothing I shall say do I intend or purpose to impugn the motives of any man, or express a doubt as to the full patriotism of any. An accusation of this kind would be equivalent, under the circumstances, to charging one with that which amounts to treason. I certainly am far from a thought of that character. I am, however, disturbed and wondering at the things I see and hear.

I am speaking, of course, particularly of a foreign policy that seems to have seized upon us within the last year, a policy that is strange to me. Recently, on the floor of this House, there was delivered a most eloquent address, a lengthy one, on American foreign policy. This was a speech, magnificently delivered, but in my opinion a most dangerous one. I am the more disturbed about it because I believe it reflects current trends in our policies toward Germany, and one which has created in the minds of many people of Europe fears and suspicions as to the real motives of our avowed intentions to help in the reconstruction of a prosperous and stable Europe. In essence, to me alarmingly frank, it was proposed that nothing be left undone to preserve and strengthen Germany's economic power.

Without a doubt, the speech will receive the warm plaudits of the overwhelming majority of Germans. It may be a very useful piece of propaganda for the very people the gentleman thought to discredit. In this observation I am referring to the Communists in Europe, who have a very active propaganda machine which is constantly undertaking to hammer home to the French, to the Belgians, and other European peoples, that the United States is forsaking her wartime allies and is building up some sort of intimate relationship with Germany. I am sure that our State Department categorically would deny this allegation, and I would deny for them that there is in mind such an unthinkable policy or purpose. Is it not logical to believe, however, that we shall find ourselves handicapped just as long as the Communists can point a finger to the type of speech or thought found in the remarks recently made by the gentleman from Illinois?

Admittedly, it is quite fashionable these days to be anticommunistic. Every American opposes communism. Admittedly, the growing influence of communism presents to the American people a very real problem in terms of our future prosperity and peace. But I fear that the formula advanced by the gentleman from Illinois to thwart the inroads of communism is precisely the methods used after World War I, which resulted in the rebuilding of a powerful Germany, resulting in the fiasco of Munich and World War II. Everyone must know that appeasing the Germans has produced more Communists than any other single policy in the world. Our attitude, as many see it, is not only calculated, but destined, to produce in the minds of those Europeans who fought with America, side by side, for a just and lasting peace, a feeling that we are adopting the policy that Germany must remain all powerful, and that this is the road to peace. If we repeat the same discredited formula, then most assuredly the peoples of Europe will turn to Communists for deliverance from Germany.

Dare we refuse to accept the fact that the peoples of Europe, yes, all the way to the right to all the way to the left, have a deep-seated and justified fear of Germany which cannot so easily be wished away? Two and one-half years ago it would have been unthinkable that anyone would declare in a public forum or elsewhere that Germany is the most important bulwark of western civilization. In May 1945 our people would not have been receptive to such talk. The stench of the cremated bodies of the Dachaus and the Buchenwalds was fresh in the nostrils of our troops and even those at home. Many American mothers were still weeping for their boys who were murdered in the Battle of the Bulge. They still inwardly weep and cannot be comforted. At that time—May 1945—very few voices would have dared to declare that the Germans should be our standard bearers in the struggle against communism or any other brand of totalitarianism.

Within these 2½ years strange changes have come about. It would have been, I believe, impossible that such favorable consideration of Germany could have been precipitately projected without the fullest condemnation from the people of America. Even the suggestion that Germany should be so favored would have brought the opposition and condemnation of Americans everywhere.

Some sort of influence or desperation has begun to deaden our recollection and to misguide our policy, which was for the elimination of Germany's power to wage war. Confusion has developed; confusion, not deliberately brought about, I hope, to discredit the Potsdam decisions, and the apparent announcement to the American people that the decisions were unworkable and unrealistic. How does this conform to the essential pattern of the German Firsters after VE-day? Whether it was in denazification, deindustrialization, or decartelization, the black thread of confusion persisted until our original policies became so emasculated that it appeared simple or allowable for someone to say, "Let us rebuild Germany as the bulwark of western civilization." Strangely, this role was assigned to and accepted by "men of parts." The man-made mess in Germany was their best argument. "Look," they said, "the American taxpayer is pouring millions into Germany without any guaranty of reimbursement." "Look," they said, "at western Europe, look what a mess western Europe is in, and this because Germany is being kept in a state of pauperism. Everyone knows that German power is the key to European recovery; everyone knows that this is the way to save our taxpayers money, rehabilitate Europe, and stop Russian communism."

It seems that this argument is now being presented, but they do not tell the whole story. Indeed, there is an economic crisis in western Europe today. And why? For 2½ years Germany's victims have waited for the delivery of German reparations and for coal from the Ruhr to reconstruct their war-torn lands and begin the program of rehabilitation. What have they received? So little that the American taxpayer is now being asked to pour out billions of dollars, ship millions of tons of coal and steel in order to avert catastrophes.

Our taxpayer has not been told that there has been a virtual embargo on deliveries of reparations in factories and other productive capital goods to the victims of German aggression. They had planned the reconstruction of their economy with the expectation that they would receive these capital surpluses from Germany. They had believed that they

would receive coal from the Ruhr, but in 1947 less than 15 percent of German coal will have been exported to her victims. That is probably why they come to us.

The responsibility for this unhappy situation certainly must rest with those who think that it is ordained that the Germans shall monopolize the economic power of Europe. And this policy is apparently used as a way to stop communism.

The Russians fear Germany. They have a right to. I fear Germany. I have a right to. We may drive Russia to Germany; and let it be known that, if occasion arises, Germany will join Russia against the rest of the world. It is interesting that allusion has been made by those who would reestablish Germany with all its power to the fact that the Russians are now playing ball with some of the top military leaders of the defunct German Army; and are even near the point of seeking Germany's friendship, this as a last resort to defend themselves against that which they have feared again at the hands of a powerful German machine.

The Germans have shown a duplicity in foreign policy, and for a long time, one unmatched in the annals of history. To think that Germany can be built up as a powerful, dependable ally of the United States is pure illusion. Have we forgotten the Soviet-Nazi pact of 1939? Have we forgotten that since Bismarck the succeeding leaders of the German general staff, the intellectuals and professionals, have flirted and consorted with the Russian bear The foreign policy of the Germans has always been one of ruthless expediency. I use the word "always" advisedly. The Germans are a clever people and make their alliances on their own conditions and terms. The time may come when they regard a treaty as a scrap of paper. It has been so. They have no particular love for the Americans, the Russians, the British, or the French. Their sole concern is Germany, and what will further the interests of the fatherland will have their undying loyalty and support. I think the Russians know this. But sometimes I wonder whether we do. The experiences of two wars should have taught us this.

Can we risk the security and independence of our Nation with a people who have not hesitated to join up with Russian communism when it suited their aims? In 1918, a great American admitted that we could not rely on this as a bulwark for western civilization, or our own security. Hear what was said on the subject then:

Not content with dominion by force of arms, we find Germany plotting for commercial supremacy, with that insolent disregard for the rights of others, with resort to deception that has characterized all her policies since the reign of Frederick the Great.

For 40 years the Germans have been plotting to realize their dream of Pan-Germanism, eventual world conquest and dominion. For two generations they have been thinking in terms unknown or little understood by an innocent and unsuspecting world—deception and fraud form the background of their most important international relations and undertakings. They have made Germany an inherently dishonest nation.

Well organized and comprehensive espionage and insidious German propaganda have been at work for two generations to plan the success of German victories.

The younger men, schooled from infancy, under the new system, to obey orders in machinelike way, under Prussian leadership, have become so ruthless, so cruel, that the entire civilized world looks on aghast.

These are pronouncements in 1918 by one of our most noted men. He had not then seen World War II.

I quote again:

Now, another conception comes out of the heart of Germany, that threatens the commercial interests of unsuspecting nations, carefully thought out, with characteristic German thoroughness, openly advocating the break-down of all business ethics, relying upon trickery and circumvention to gain their end. This promises to stop at nothing, from national dumping of goods to crushing capital, to false labels and disguise of the origin, and the breaking of contracts that prove disadvantageous to the Germans.

Said he:

Let the manufacturing, the banking interests, and the laboring and professional classes of all nations be warned in time to devise antidotes and counterattacks to the Machiavellian devices of a class gone mad with lust of conquest, deliberately plotting to fatten itself upon the lifeblood of other peoples, even after the war. Let us consider, in making peace, what protection we can give to the commercial existence of the freed nations.

This was in 1918, but there is now and was then a change of mind, and the great German powerhouse, even with its war-making facilities, was rebuilt under the claim that a strong Germany was the best guarantee against communism, and that this Germany would help Europe recover from the devastations of World War I. The formula was adopted and inevitably there came World War II. Is this the formula which we are advocating? How many times must we face the German armies before we learn? Is it not childish for us to think that we can aid Germany in rebuilding a powerful productive machine, without, at the same time, affording them the opportunity, which they seized upon before, to carry along a great war machine to kill and destroy, without mercy, anybody and everybody who might be a threat to their economic supremacy?

If we rebuild the German powerhouse, setting it up as the indispensable mechanism for the economic security of Europe—which in itself is farfetched and untrue—what guaranty would there be that that powerhouse would not be harnessed and for a time serve the vast manpower of the Russians, and later made preeminently a warmaking power and used against us or any other people of the world? If the Russians are trying to curry favor with Germany for a later day, it is probably through fear, but, I think, inadvisedly depended upon in view of the German disposition and its history in forgetting the obligation of a contract.

Today we hear it publicly stated that Germany is the key to revival in Europe. That was precisely the policy adopted by the Allies after World War I. And what followed is too well known to the world. Germany was rebuilt and the American taxpayer was obliged to forget reparations, and even to finance a good portion of this rebuilding.

The rebuilding of Germany's industrial might after World War I did not contribute to European recovery, but on the contrary gave Germany hegemony over her neighbors, and with the result that on the eve of World War II, Germany, through her industrial superiority, obtained by fraud, cartelization, and other harmful practices, was in a position to overrun a good part of Europe.

I think that it is about time that we reversed this policy which brought war and devastation to Europe and the world. This time we should rebuild Germany's neighbors first so that they can maintain their independence.

The new level of industry planned for Germany is adapted to repeat the blunders of 1918, and in that sense we are doing the things we did before; and be assured that the results will be the same.

It is admitted that it was morally wrong for dictators to trample decent people into the dust. It was morally wrong to outrage human decency. No one will disagree with that view. That is why we sacrificed American blood and treasure. That is why it is essential to continue the fight against the policies of those who would now minimize the crimes of the dictators and their supporters in Germany. Yet it is precisely those who have outraged human decency whom we propose to lift to the highest pinnacle of power, seeming to be willing to trust them to be good folks and use their possessions in aiding other nations. What a conception.

It was said that once Germany falls, France and Italy will be easy. Have we forgotten that when Germany was all-powerful France and Italy were trampled under foot by German Armies? A strong and independent France and Italy can never be achieved with any sense of security so long as their economic destinies are tied to German industrial power. When we sever that unnatural connection between Germany and her victims, then there will be a better balance, a greater promise of stability in western Europe, a greater security, and a happier people.

The statement is boldly made that the coal and steel of the German Ruhr, when coupled with Soviet resources, would be an invincible combination. Likely they would, and it would be criminal to overlook the real possibilities. That is why it is important that Germany's steel capacity should be reduced to a peacetime need. And that is why the larger portion of German coal from the Ruhr should be allocated to and among her victims so that they may increase their industrial potential.

The Foreign Economic Administration and others have recognized the danger of a Soviet-German combination. But they knew that if Germany's steel capacity was reduced to 5,000,000 metric tons per year, Germany's industrial power would no longer be a valuable asset for the Russians. This seemingly has been forgotten. But I advocate this as the best way to prevent the extension of Soviet influence in Western Europe,

and to hold in check and prevent the Germans from projecting World War III.

We were told that the Germans are innately religious. What a thought! Indeed, they may be said to be innately religious after a fashion, but their religion is the religion which for generations has glorified war, preached a doctrine of hate, denouncing the brotherhood of man as taught by Christ, which religion, they fancy, makes Germans the master race, and all other peoples her potential slaves.

The statement is made or assurance given that we do not intend to build a level or type of industry which might one day be converted into a war potential. But the new level of industry planned calls for the rebuilding of German industry to the level of 1936, and it is proposed to make Germany the center around which all European economy must revolve. How can any assurance be given that Germany will not turn its industrial might into war power? The contrary has obtained and will again obtain. Are we to return Germany to the status which she enjoyed in 1936—the year when German rearmament was at its peak? In 1936, Germany was already spending most of her income on the development of her war potential; and had then increased, by approximately 500 percent, her investments in heavy industries and war machines.

Can we honestly say, and with assurance, that Germany's victims will be heartened by such a program as is proposed? Is it not known that war potentials cannot be disassociated from heavy industries? We had better look at the reputation of Germany for peace and peaceful pursuits. That reputation is not good. It is even proposed that we encourage the development and expanding of the production of coal, steel, and manufactured goods in Germany to make her self-contained. That means no more than contributing to the ability of Germany to make war. It is advocated that Germany's victims be assured against a resurgent Germany, and on the other hand, proposed that we go all out for the revival of Germany's industrial and war potentials, giving this first place. Again, you cannot disassociate war potentials, as will obtain in Germany, from preference in industrial power. The question is asked, "Where shall we find an equal or greater hope for the success of democracy in Germany than among those who will be the citizens of the Germany of tomorrow?" Undoubtedly we must encourage reeducation of the German people, especially the children, whose minds are still fresh and may be molded along democratic lines. But schoolroom education is not enough, for, if at the same time we scrap our denazification policies and allow the Germans a powerful industrial base, then all the textbooks in the world will not bring democracy to the German people. Look at German history.

At Potsdam, the Big Three indicated that they had learned the lessons of World War I and its aftermath. They formulated a program to reduce Germany's huge industrial war potential so that Germany's economic power would be only as great as her peacetime requirements; meaning again that we had learned that we cannot trust Germany. The surplus capital equipment would have then been allocated to Germany's victims, who had suffered in a thousand ways the ruthlessness of a rebuilt Germany. If the Potsdam conception were followed, Germany would no longer be a source of fear or a bone of contention among the Allies. There would be a greater economic and, hence, political balance in Europe, with a greater promise for a durable peace with security. I would rather say for a just and lasting peace.

It seems to me that this attitude and this terrible mistake would, in the recollection of the American soldiers who are dead and gone, cry out from the ground, and that all Americans would decry the disposition or the thought of a dependency upon a powerful Germany for the establishment of peace and good will among men.

The statement is made that the people of Germany are in constant terror. First, let me say that those responsible for the tragedies, the crimes, the sufferings, and the death of innocent people ought to experience some fear, and even terror, even at night. But it is said that this fear accounts for the reticence of German businessmen to come forth and give their talents to the establishment of business enterprises. What talents did these industrial warlords exhibit? The present trials of German industrialists, including the 14 now to be brought to trial, which I most thoroughly endorse in the name of each mother's son, living and dead, in America, shows their talents. Indeed, they were great planners, men with great vision and initiative. But for what? Read the indictment against the 14. Read the indictment of the I. G. Farben industrialists, and you will see that these men were out to enslave the world, inhumanly and mercilessly; that they did not hesitate to devise the most effective means of torture, and that they did not hesitate to undermine the commercial interests of the world by espionage and deceit. Depend upon the reestablishment of this power, left in the hands of such men, for peace? Not for me.

Witness their great achievements, the German cartel octopus which made the rest of Europe a virtual dumping ground for aspirins and harmonicas, while they in turn received the valuable raw materials and foodstuffs. Witness their insidious attempts to subvert our own war effort, and to gather a huge network of spies who served them loyally and successfully. Were these talented men blameless for the huge crimes perpetrated by German forces? Their own admissions proved conclusively that they were part and parcel of the German conspiracy for world domination. Shall we look to these men as the new leaders of European industry, or the building of a peaceful world? Are these they whom we now suggest be first clothed with power and authority? They are merely one important section of the German population which worked hand in glove with the Nazi murderers.

In heaven's name, why then did we fight this war? If we cannot eliminate from human society these cancers, then we surely have lost the peace. It should not surprise me, however, that in view of the intensive barrage against denazification, some day, as Goering predicted, there will be monuments to him in every town in Germany. I cannot believe, however, that the American people will sit back and condone policies which would whitewash the Germans and let bygones be bygones. Historically, anciently and of modern time, we must have seen, and indeed experienced, the constant attitudes of those in authority in Germany, from the least to the greatest, which has been to exploit and destroy, practicing the doctrine of hate and selfishness as well as ruthlessness, and carrying that to the extent of making war when other people were hoping for a continuation of peace.

But if we are willing to cast aside our recollections of the failure of these war makers to observe morality or decency, it is quite likely that the overwhelming majority of peoples in Europe, so immediately affected, will not develop any sense of security. If they cannot depend upon us to liquidate the material ideological sinews of Germany's war-making power and disposition, then they will seek the answer from others—yes, perhaps the Communists.

Germany's victims will not tolerate a fourth German Reich to which they must pay homage. Neither will Germany's victims be satisfied with paper guaranties of aid that we will give them against the recurrence of a new German threat. First of all, such guaranties entail sacrifices on our part in proportions beyond description. The elimination of Germany's powerful industrial warlords; the whittling down of her huge war potentials, the allocation of a greater part of German coal to her victims, and America's aid and encouragement to the increased industrialization of Germany's victims, is the best guaranty against the possible revival of German aggression. Only Germany's physical neighbors can appreciate the need of such concrete action. Experience has taught them, time and again, that when treaties have been made with Germany, Germany does not hesitate to regard them, when opportunity presents itself, as scraps of paper, something upon which they cannot rely.

It has been said, and I wonder if it is true, that in spite of two German wars, finally won by the Allies, the German population and her industries today are relatively far greater than any of her neighbor victims or others.

These are the cold facts which stare those war-torn, weary people in the face. They cannot be indifferent toward policies which guarantee Germany two and a half billion dollars for the next 2 years, without any indication that these dollars will ever be repaid to our taxpayers. Neither can they nor we be indifferent to the fact that during the 12 months ending June 12, 1947, 3,400,000 tons of foodstuffs were shipped to the occupied zones, while Belgium received only 614,000 tons, France 771,000 tons, and the Netherlands 690,000 tons. They may wonder why this happens. They may even be alarmed by the repeated an-

nounced purposes of America toward the reconstruction and rehabilitation of Germany, coupled with the thought that Germany is again to be the hub of at least Europe.

The growth of communism in Europe is revealed to be a steady growth. Is this surprising so long as Germany's neighbors are kept in a depressed condition, awaiting the rebirth of Germany's powerhouse, which may be utilized, and will be sooner or later, in Germany's becoming again the military power of all that territory?

The Potsdam decisions clearly indicated that Germany should have an average standard of living no greater than that of her neighbors. Yet, now there is the apparent program that these neighbors shall get only what is left. The Foreign Economic Administration stated that Germany is entitled to use no more steel per capita than the average amount consumed in other European countries, exclusive of Britain and Russia. During the decade 1928–37, a fairly prosperous decade, the average European consumption of steel, exclusive of Germany, the United Kingdom, and Russia, was about 157 pounds of crude steel. Based on an approximate population of 65,000,000 persons, Germany could, therefore, get along on approximately 500 tons of ingot steel, or 158 pounds per person. This steel and coal are being withheld from neighbor countries and, instead of any substantial progress being made in their condition after 2½ years, they are substantially prostrate.

It seems to me that instead of the proposal to make Germany the strong and powerful industrial power contemplated, we should see to it that the victims of her ruthlessness, and others affected by a war brought on by Germany, should be given first consideration. I believe we should go back to our original policies and implement them in letter and spirit. Despite our reservoir of good will in Europe, if we are willing to forget the wars that Germany has brought upon a large part of the world, and finally almost the entire world, if we are willing to forget her reputation for decency and morality, we may build up Germany as the modern example of western civilization. Then there is danger that communism may flourish and even prevail.

One prominent man, in a statement made before the Military Affairs Committee of the United States Senate, on June 22, 1945, said:

> What is done with Germany holds the key to whether Russia, Britain, and the United States can continue to get along.

And again, he said:

> Economically, the original settlement proposed breaks once and for all Germany's dominance of Europe.

She should live, but not be allowed to make war. Her war-making potentials should be eliminated; many of her plants and factories shifted east and west to friendly countries. Through provisions for peace to the peoples Germany tried to destroy, through the building up of the United Nations in Europe and overseas, while we reduce Germany's over-all industrial and technical power, peace may be accomplished, and in the meantime the minds of the European countries, now fearful, reassured. Only when such a new emblem is established will it be safe to readmit Germany to the family of nations, and then after we shall have been convinced that her purposes are peaceful. To accept the view that restoration of German industrial dominance in Europe is inevitable, let alone encouraged, is to resign ourselves to the necessity of recurring wars. We might as well begin to put our factories and plants underground.

Rabbi J. G Heller, of Cincinnati, according to news reports, recently stated that nazism has not been eradicated in Germany, and that our present policy there is in serious error.

One of 14 American clergymen who made a 35-day tour of United States zones in Germany and Austria, last summer, reported his trip in these words: "It was my feeling that there is a lack of realization of the depth, difficulty, and age of anti-democratic forces and conditions there." This, he said, was reflected in all avenues and seemed to stem from the central concept of command. He reported that he did not find widespread evidence of a change of heart on the part of the Germans. In this connection, he stated that a high official, on the occasion of this visit, told his party that if the occupying armies were now to be withdrawn, nazism would be in the saddle in Germany within 2 years. This is but giving evidence to the feeling of many that there is no indication of repentance, but sorrow that they lost the war.

I now read an editorial appearing in the Washington Post, November 29, 1947, which is as follows:

DISMANTLEMENT

Back of many of the protests against the dismantlement going on in western Germany is a desire, we feel, to see Germany restored as the economic kingpin of Europe. That isn't, of course, acknowledged. The argument is that to tear down plants in Germany is to hold back recovery in Germany and to keep Europe on an American dole. The argument is plausible until the facts are examined. No destruction of factories is involved in the dismantlement program. All that is taking place is the extraction of excess machinery and its reinstallation in the victor countries by way of reparations. Displaced persons do most of the labor used in the transfer. As Acting Secretary of State Lovett said on Wednesday, removals are restricted to plants put up for the Nazi war machine: i. e., after 1936. That is warrant enough, surely, for dismantlement. To be sure, the plants would not have been employed to turn out munitions as long as Allied controls remain in effect. But to remove them is to remove a specter which otherwise would foment the residual fear of the furor Teutonicus on the part of Germany's neighbors, particularly France.

But a far more persuasive argument for dismantlement is the very argument used against it. It is said that these plants are necessary to the restoration of peacetime work in Germany so that the Germans can get off America's back and contribute to European revival. The fact is that there is ample equipment left for the recovery of Germany—not only to look after herself but also to participate on more than even terms in the economy of Europe. An example is the steel industry. This is now producing at the rate of 3½ million tons a year; under the revised level of industry to be allowed to Germany, it can go up to 12,000,000 tons, and only the capacity above 13,000,000 tons would be dismantled. Isn't that sufficient to enable Germany to revive? As a consistent opponent of Morgenthauism from the outset, we can see no "strangulation" in the new schedule. An allowance of three and a half times the present output and over twice as much as the first allotment after the Potsdam Conference (when the Allies were still under the influence of Morgenthauism)—these are goals which spell growth, not [illegible], what is keeping output so far below the new permissive level is, clearly, not the taking away of plants, but a shortage of food, fuel, and raw materials. This is a shortage common to all Europe. Some of these shortages are not so pronounced among Germany's neighbors as in Germany—as, e. g., Belgium—and the removed tools can therefore be put in operation without delay.

The agitation against dismantlement is producing a variety of results that are inimical to our foreign policy. It is, of course, troubling Germany's neighbors, not only because of their fear of a risen Germany and the seeming sympathy with it of many Americans; but also because we are bound by agreement with them to allocate the spare machinery in reparations. It is being echoed by the Germans who, hearing the argument, repeat it, hoping thereby to escape the due demands upon them. It may encourage General Clay, who thinks of Germany in terms of his island bailiwick, to go slow on removals. And it makes a case for Soviet suspicion. For the protests against dismantlement seem to emanate from persons who see Germany again in terms of the years between—that is to say, as the efficient collaborator with American business, the bulwark against the barbarous and aggressive Slav. Let us beware of going from the extreme of the Morgenthaus to the extreme of the Bourbons, and center our policy on the integration of Germany with the economy of Europe.

We ought not to have another war. The question is how to avoid it.

We cannot expect bickering and strife to contribute to a world or international status that may or can lend itself to a just and lasting peace. It does not seem to me that a flexing of the muscles, an effort or program of impressing our physical prowess, with heralding a preparation to fight, can contribute to a peaceful desire, or to the convincing of others of this disposition on our part.

There is no use to dodge or cover up. We are not making for peace by indulging in hard words, ascribing mean motives to every act, observed by those in other lands. The presentation of truth, the educating of others in the ways of peace and good will, a disposition to tolerance, a firm stand for the right, a friendly attitude in this stand, will more likely fruit in friendly relations. Friends do not fight; therefore, we should cultivate friendship. We are strong, we will remain strong, but we should remember that our strength should lead us to a consideration for the weak. We hope we can say we are morally and spiritually strong.

We can then, with greater assurance, teach others that this strength is to be desired in every nation and among all peoples.

We have need presently to see to the sufficiency of our military strength for purposes of defense, but let us quit boasting about it, in humility retaining

it as no more than a guaranty just till the time when we hope to perfect a sounder and better foundation for lasting peace.

In our present attitudes we seem to be groping. We cannot count in plural the years that have elapsed since the days we fought side by side with Great Britain and Russia in a death struggle to save ourselves and the world from physical, intellectual, and spiritual slavery to the German Nazi forces, saying little just now about Japan and the German satellites that engaged as partners in their dastardly undertaking.

A committee of reliable persons finds and certifies: "That a Nazi network in Germany gets stronger." This international committee for the study of European questions charges that a Nazi network in Germany, "whose strength is increasing more and more each week and each month, is laying the groundwork to recapture power through control of Allied-fostered democratic institutions." The committee, which includes many outstanding British, French, Danish, and Dutch leaders, reports that this network is composed of former Nazi leaders, important ones, of the former Wehrmacht, a fairly important number of former Nazi collaborationists, who took refuge in Germany after her defeat, officers, and noncommissioned officers of Wehrmacht, a fairly important number of those liberated July 3, 1946, in the general amnesty granted by United States Gen. Lucius D. Clay.

According to this report, this Nazi organization has a plan, a campaign of action, contemplating, first, Wehrmacht nazification; second, spying on Germans in their political and private life to maintain the nationalistic Nazi spirit; and, third, to cause disorder to increase difficulties of Allied Powers administration, thus to insure, more and more, control in the Germans themselves. Of course, thereby to build the Nazi power and control for another war.

The Nazi influence became very powerful when it was able to develop the most powerful war machine the world had ever seen, and to carry on, with danger to the world, the greatest war of all time.

We must realize, too, that, after all, peace can come and last only through good will and real democracy. That we teach this lesson, emphasizing our sincerity by feeding the hungry and clothing the naked, is not a sign of weakness or appeasement but a demonstration of our strength and faith. And we cannot convince anyone of our belief in this power, while we, by our action, lay greatest stress on preparation to kill. And we can convince no one of our faith in democratic government by supporting totalitarian regimes.

A practical situation requires our maintenance of adequate forces of defense for a time—one cannot say how long—but to depend on this permanently is to trust a broken reed, and to paramount it and pyramid it is likely to do no more than invite disaster. We should not forget, either, the need for economic strength and security and moral strength.

Let us look the situation square in the face.

By this, I do not mean that we shall disregard the dangers of communism. It is to be hoped that we shall offer aid to those democratically inclined countries of Europe who through their search for means of living might, in desperation, turn to communism.

First yielding every competent authority to the United Nations organization, we should, as far as possible, work to deliver these countries from fascism and communism, aiding them in their efforts toward rehabilitation. These things we should do.

And, may I add, quit scaring the world by coddling Germany; the most effective way I know of driving all Europe to communism.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Florida [Mr. SIKES] is recognized for 15 minutes.

STARTING THE FORESTRY JOB NOW

Mr. SIKES. Mr. Speaker—

The Soviet Union is a country with incalculable forest riches; to it belongs a third of the world's timber resources. The total area of forest land in the U. S. S. R. is nearly 3,000,000,000 acres, of which three-quarters is covered with continuous forests.

I am quoting from the October 22 issue of U. S. S. R., page 1, an article called One-Third of the World's Timber, by Professor Vassilyev. This article also states as follows:

The 5-year plan for the development of forestry provides for the planting and cultivation of trees on an area exceeding the entire forest area of the British Isles. Young trees have been planted over an area of some 300,000 acres in the Ukraine, Byelorussia, and the Russian Federation. Reforestation will be carried out on more than 500,000 acres of land by the end of this year. The volume of timber production is planned to attain some 10,000,000,000 cubic feet by 1950; the production of commercial timber will then be 59 percent more than in 1940.

Soviet forestry is largely indebted to science. Prerevolutionary Russian forest science developed within extremely narrow bounds. There were only two higher educational establishments of forestry in Tsarist times.

At present there are in the U. S. S. R. 12 forestry institutes, 11 forestry faculties in universities and agricultural institutes, 15 special forestry scientific-research institutions, and many scores of experimental stations and laboratories in all parts of the country.

The major problems of the mechanization of forest planting and felling have been worked out by Soviet scientists. Soviet industry is now supplying the necessary machines for nearly all the main processes in timber production.

That is what Russia, the world's other great power, is doing. I present this material for information and comparison.

Now, how about progress in forestry in the United States? Everyone should read again the report of the Chief of the Forest Service for 1946. The report gives the facts and they all add up to the inescapable conclusion that the United States is not—has not even begun on a reasonable scale—to do its forestry job.

The purpose of this talk is to submit for your consideration the urgent need and desirability of starting our forestry job now.

NOW, WHY HAVE WE NOT BEGUN?

Our frequently repeated excuse for not beginning our forestry job is that we have plenty of timber. Let us examine more closely this idea of plenty as it is applied to our forests.

When anyone talks of plentiful forest resources in the United States he is thinking either of the dense primeval forests the early settlers saw or of the relatively small area of old-growth timber left in Oregon and Washington. We inherited a lot of fine old-growth timber when we settled this country. We cut and burned plenty of this old growth to clear land for farming. Also, we used much of it to help build our country; in fact, we have used most of it. Of the total area remaining as commercial forest land—461,000,000 acres—old-growth timber of commercial quality makes up only 45,000,000 acres. The far western States contain 96 percent of our remaining old-growth saw timber.

What was originally considered a curse of plenty is becoming a curse of scarcity. The Evening Star's editorial page on Saturday, December 6, 1947, gave prominent space to a letter on our declining forests. This letter deplores the complacency regarding our forests, and states as follows:

Late last year the American Forestry Association, a private conservation organization financed by popular subscription and contributions, finished an independent survey of the country's forests, while the United States Forest Service completed field work on a reappraisal of the forestry situation and has since issued six of a series of reports on it. The two surveys agree on basic facts and figures, that we now have 44 percent less standing saw timber than 36 years ago, and that each year 50 percent more is being cut by loggers and destroyed by bugs, fire, disease, woods and mill waste, and storms than is being grown. They are in harmony on the extent of forest management, reforestation, and forest fire prevention, the statistics of which show how little, actually, is being done.

With regard to our forest resources as a Nation, we are in the position of a baseball player at bat with two strikes on him. One strike was made when we cleared our primeval forests and set aside only meager timber reservations. The second strike was made when we wasted much of the timber resources on lands not needed for agriculture. The ball is about to be pitched to us for the third strike or—we hope—a hit. Whatever it will be the ball is coming toward the batter and he can wait no longer. Fortunately, it takes only one well-aimed swing to hit the ball. In this talk I will try to show how we can hit it for a home run.

By the grace of God and a bountiful nature some of the forest that was cut over and even some of the land that was cleared has become restocked from adjacent seed trees. Some of this regrowth is now of merchantable size and provides more than half of the cut of forest products. Now, how we cut, protect, and develop this regrowth or second-growth timber will determine whether or not we hit the ball. Bear in mind that this second-growth timber cannot take the beating we gave and are giving our old growth. Second-growth timber is

smaller and if it is cut without planned provision for regrowth we will have barren areas which will not accidentally reforest from adjacent seed trees. In fact, many of our second-growth trees are now being cut before they are of a size to bear sufficient quantities of seed for reseeding.

PRESENT CUTTING PRACTICES ARE DESTRUCTIVE

Recent surveys point out that only 23 percent of the total forest land is being managed under cutting practices that rate good and high order; the cutting practices on 52 percent of it rate poor and destructive. The type of cutting varies greatly with the various ownerships of the forests. So before we examine the cutting in detail, let us see who owns the forest resources of the United States.

The total United States land area is 1,905,000,000 acres. Of this, 624,000,000 acres is forest land. Of the 624,000,000 acres, 163,000,000 is noncommercial—withdrawn as parks or low productivity—and 461,000,000 acres is commercial quality. Of the 461,000,000 acres of commercial forest land, 116,000,000 acres is publicly owned and 345,000,000 acres is privately owned. These figures add up to at least one conclusion—we will have to rely largely on privately owned lands because the great bulk of our forest lands are in private ownership.

Now, who are these private owners? Are they all big timber companies, as commonly believed? Absolutely they are not. Three-fourths of our privately owned forest land is the property of small forest owners. In fact, there are 4,250,000 of these small forest owners. Of the small class about 3,250,000 owners are farmers and 1,000,000 are nonfarmers, but the acreage is about evenly divided—139,000,000 acres farm and 122,000,000 acres nonfarm. Only one-fourth of our forest land is held in the 3,600 medium and large private ownerships. This means that we will have to depend heavily on small ownerships because most of the privately owned forest land is in small holdings.

On the small private forests—which, remember, make up three-fourths of the total—71 percent of the cutting is poor. Here is the hard core of the forest resource problem in this country. I repeat, poor cutting on the small woodlands, which make up three-fourths of the privately owned forest resources of the United States, is our big problem. Whether or not we improve these cutting practices will determine whether we "hit the ball or strike out."

WE MUST TAKE ACTION NOW

We all know the story of the roof that leaked in rainy weather but did not need repair while the sun shone. We all also know that if house repairs are delayed unduly long that finally the bill of repairs comes high. The same applies to our forestry needs.

In this period of peace our foresters are confronted with three problems, namely:

First. To provide the homes and the other forest product necessities of a prosperous peace at home.

Second. To share forest product necessities with our needy foreign friends.

Third. To develop our forest resources so that we will be strong in the event of another conflict.

The solution of these three problems is not beyond the limit of our ability. Fortunately, forests are a renewable resource. In fact, wood—unlike coal, iron, and oil—is one of our few renewable resources. Also, this great Nation of ours has the forest soil and the climate capable of growing, with the assistance of good forest management, two or three times the amount of timber we are now growing. Can we do it? Yes, do not let anyone say that a Nation which built millions of airplanes and transported millions of the best equipped soldiers the world has ever seen to the far corners of the globe, cannot put its own forest house in order. We can—the question is, "Will we, before it is too late?"

Forest resources are needed for more than lumber and paper. A good forest cover can also produce other material benefits. One of these concerns the control of water. Much of our Nation suffers from soil erosion and leaching, and the associated floods and sedimentation. These problems relate directly to the destructive run-off from unprotected lands. This applies even to the sandier, more gently sloping areas. Good forest growth affords excellent protection against such losses. In addition it builds up soil fertility and still more important, the ability of the soil to take in and store water for slow underground release. By maintaining good forest conditions we can assure ourselves not only of good timber but also better control over run-off, lessened soil erosion, channel and ditch siltation, and greater recharge of valuable underground fresh water supplies.

The importance of good forest management for hunting, fishing, camping, and sightseeing is recognized by everyone. Especially since the war, many millions of people have enjoyed wholesome recreation in our forests.

WHAT SHOULD BE DONE?

First is education. A well-rounded, large-scale program is needed to develop our forest resource. One of the essentials of this program is to inform the public of the need for forestry and to teach both the landowner and timber cutter how to practice good forest management. This is a big job in which all forestry agencies, both public and privately owned, must cooperate.

For farm woodland owners our Extension Service is striving to carry out these educational needs in forestry. Here is how it functions: Farm forestry extension is authorized by section 5 of the Clarke-McNary Act and by the Norris-Doxey Act. Funds appropriated under these acts are used by the Department to carry forward a forestry program through the land-grant colleges in cooperation with State experiment stations, Federal-State forest nurseries, and State forestry agencies. This work is administered through the facilities of the Federal Extension Service, with the cooperation of the Forest Service. Allotments are being made to 45 States and 2 Territories. With these and State matching funds, 65 extension foresters are employed to head up State-wide programs in farm forestry extension. Several times this number of extension foresters is needed. This work with farmers is carried on with the assistance of county agricultural agents. Educational work with farm people consists of establishing, improving, and renewing woodlands, shelter belts, windbreaks, and other forest growth, and in growing and renewing useful timber crops. Extension foresters help woodland owners to determine their problems and assist through educational means such as demonstrations and giving information on forestry practices, including assistance, with their application. This program supplements and makes really effective the work of those foresters giving technical assistance.

Second is technical assistance. Under the Norris-Doxey Act, 175 forest-management projects have been started. The country needs 2,000 of them to work with our four and one-fourth million small woodland owners and 40 000 small forest industries. Here is how they work:

Each forest-management project comprises three or four counties and is in charge of a technically trained and experienced forester. Upon receiving a request for assistance, the farm forester visits the woodland in company with the owner to determine what the owner has in mind and what the woodland needs in the way of management. Usually the farm forester must convince the owner that it is to his interest to adopt improved practices. The forester will make a simple management plan covering such operations as timber cutting, planting, thinning, pruning, and protection from fire, insects, and grazing.

When the farm forester finds that the landowner has timber ready for harvest he recommends a method of cutting. Further, he works with the owner, marking the trees to be cut, helping estimate the volume to be cut, and advising him on marketing the products. When thinning, pruning, planting, or fire-protection measures are needed the forester shows the owner what to do and how to do it. In many instances, the farm forester recommends against cutting of young timber which will yield the landowner far more if allowed to grow for a few years.

Every forest property is a special problem because forests vary with species, age, type, and condition. The financial conditions and needs of the individual landowner also vary and must be considered. In brief, what the farm forester does is to use his technical knowledge and skill to size up a particular forest property, make specific recommendations for that one individual property, and counsels the landowner in proper methods of carrying out these recommendations. If the job warrants employment of private consultants, the public forester recommends several qualified consulting foresters to the landowner.

Based on experience gained from existing farm-forestry projects, one farm forester provides adequate guidance and assistance to 100 or so owners each year. In addition, he counsels with 45 to 50 forest-products processors annually. This work is beyond the experimental

stage. It has proven its value and as the House Subcommittee on Agricultural Appropriations last year said:

> This is another item which stands high in the esteem of the committee. It is carrying the work direct to the farm and is resulting in additional dollars in the farmers' pocket as well as improvement in the conservation of the soils of the farm.

Technical assistance should be made available to all four and one-fourth million small woodland owners and 40,000 small forest industries. To do this we will need 2,000 Norris-Doxey woodland management foresters.

Then we need complete protection from fire. Suppose for a moment the residents of a large city found out that one-fifth of their city had no organization or fire department to handle fires. Would these citizens do something about it? You bet they would, and quickly. Now the Forest Service tells us that one-fifth of the Nation's forest land is not receiving the benefits of any organized protection from wild fire. Does not this call for immediate action? This land is in private ownership and the responsibility for its protection rests primarily with the States and owners. During recent years most States have made sizable increases in funds appropriated for fire control. This is particularly outstanding in the South, but the fact remains that 70 percent of the area now unprotected lies in the Southern States.

Our national forest-fire problem may be summed up as follows:

(a) Reduce the number of man-caused fires;

(b) Strengthen protection where it is not yet adequate; and

(c) Establish adequate protection on the 120,000,000 acres now lacking organized protection.

The reason why the Federal Government is interested and a partner in the efforts to safeguard these 489,000,000 acres of State and privately owned forests is that they comprise 70 percent of our Nation's commercial forest lands. They are the best timber-growing areas and produce 90 percent of our lumber and other wood products. The justification for making Federal funds available is that we must have an adequate supply of home-grown lumber for peace or war. These private forests are generally more accessible than those in public ownership, and therefore more people live or travel in them and cause more fires. The protection of these private forests is a public responsibility because most fires are caused by the public, not by the landowner himself.

Last year it is estimated that 75,773 forest fires occurred on Federal, State, and private forests in this country which were under organized protection. Although exact figures are not available, around 96,000 additional fires were reported on the unprotected private forests. Approximately 90 percent of all these were man-caused, and therefore could have been prevented. The best way to fight a forest fire is to prevent it from starting. Federal, State, and private interests are all working closely together in efforts to educate both old and young folks on the need and importance of forest-fire prevention. Progress is being made, but we are still a long ways from getting on top of this tough problem.

Congress first gave recognition to the problem of fire on private forests back in 1911 when the Weeks law was enacted. This was broadened and materially strengthened by the enactment of the Clarke-McNary law in 1924. Today the Federal Government extends financial and other cooperation to 43 States and Hawaii. This is not an outright grant-in-aid program to the States and private forest owners. They must spend their own money first and then the Federal Government reimburses them—never over 50 percent—up to the amount made available by Congress. The soundness of this cooperative program has been successfully established and demonstrated now for 33 years. Last fiscal year a total of $19,603,000 was spent under this program for the prevention and suppression of fires on State and private forests of which the Federal Government contributed 40 percent, the States 48 percent, and private owners 12 percent.

A recent survey shows that the cost of providing adequate protection to all our State and private forests of 438,994,000 acres is approximately $32,000,000 annually. The Federal Government's share of this would be $16,000,000. However, the present Clarke-McNary law authorization of $9,000,000 must first be increased before the Federal Government can contribute more than the $9,000,000 it does now.

The recent sad experience in Maine shows in shocking reality that wild fires are no respecters of State boundaries, human life or property values. Until such time as people are as careful with fire in the woods as they are in their own homes, and until Federal, State, local, and private interests join forces in establishing strong protection organizations, we may expect other disasters similar to that in Maine.

Protection from forest insects and diseases is next. Diseases and insects are causing greater losses in standing timber than does fire. Much less progress has been made in controlling them.

An effective attack on the insect and disease problem will require: First, an enlarged program of research to discover and develop the best methods of control; second, a control organization equipped and ready for immediate action; third, a detection system, with surveys and observations by competent technicians, to locate potential danger centers and spot incipient outbreaks.

Elimination of waste is highly important. A recent study made by the Forest Service showed that of all the wood cut or destroyed in logging in the United States only 43 percent winds up in useful products, other than fuel. Twenty-two percent is used for fuel, much of it inefficiently. Thirty-five percent is not used at all. This is almost as wasteful as if a farmer would kill his hogs for only the hams. We must learn to use our timber efficiently and without present-day waste.

Proper utilization depends upon research and the industrial application of its results. It requires the development of new methods of conversion that will transform into useful goods all the wood crop, including the huge piles of mill waste, the large volumes of woods waste, and the less desirable secondary species now left on the stump. The conception must be one of integrated utilization and volume consumption far beyond past conceptions. Research such as that conducted by the Forest Products Laboratory can help to bring this about.

The results of forest utilization research must be made known to the 40,000 forest products industries in this Nation. Most of these industries are very small. The operators of these small mills urgently need technical advice and assistance to develop the efficiency needed to reduce the enormous amount of waste.

Research is another vital field of forestry. Research is vital to the progress of all technology, and forest conservation is no exception. There has already been presented to the Congress a well-balanced postwar program of forest research designed to meet adequately the Federal responsibility in this field. We are now in the second year of this program but our tendency has been to reduce rather than expand this vital service to both private and public managers of forest resources.

I have been impressed by the contributions of Federal forest research to the economy of my own territory. New methods of naval stores operation developed by United States Forest Service research stations have greatly increased income to landowners. At the same time these methods have prolonged the operating life of naval stores forests by 100 percent, thus conserving a vital resource. Hundreds of private landowners, both large and small, are adopting these methods to their own and the public profit. Incidentally southeastern United States supplies over 75 percent of the world supply of gum turpentine and rosin.

I have already pointed out the fact that forest fires still destroy great quantities of our natural resources yearly. Organized research has a vital part to play in developing ways and means of preventing, anticipating, or combating such holocausts.

Forest surveys provide basic facts. As a basis for sound forestry policies and programs, it is essential to have accurate information on the amount and condition of our forest resources. Since its inception in 1930 forest surveys, conducted by the Forest Service, have covered the forest resources of about half the country, and has proved to be one of the most useful and practical forest research projects. The survey provides the facts on our widespread and varied timber resources, including information on forest areas, timber volumes, timber quality, rates of timber growth and depletion, forest land ownership, and potential requirements for timber products. It is the only complete source of information on one of the Nation's most important natural resources. The survey is necessarily a national undertaking, although many States and private groups cooperate insofar as possible to intensify the survey in local areas.

In view of the critical world situation today and the increasing importance of knowing America's capacity to supply future domestic and export requirements for timber products, it seems to me there is great urgency to complete the forest survey as rapidly as possible. This means initiating the survey in those areas of the country where there has never been a timber inventory and resurveying those areas covered prior to the heavy cutting of the past 7 years. It is increasingly evident that survey statistics are fundamental to the formulation of export and other foreign-trade policies. They are essential for State and National forestry programs, and for sound business decisions of lumber and pulp companies, various other timber industries, forest landowners, and many other individuals and business groups.

Tree planting is most important. Since the close of the war a wave of sentiment in favor of tree planting has swept the Nation. Unfortunately the conditions of war greatly reduced the production of trees by the forest nurseries. Many nurseries had to be abandoned entirely. It takes several years to bring a nursery back into large-scale production, but this must be done as rapidly as possible. When we look at the record it is obvious there is a stupendous planting job to be done that will tax the resources of all agencies, public and private. The record shows that up to now only about 6,000,000 acres have been reforested by all agencies. Last year the area planted was 143,000 acres. Against this record let us size up the total planting job yet to be done. Statistics prepared by the Forest Service show that there are 75,000,000 acres of land so heavily cut, burned, or otherwise stripped of productive cover by misuse and neglect that they must be artificially replanted. At the rate these lands are now being reforested the job will take more than 500 years. We cannot afford to wait that long. The rate of reforestation of the country's wastelands must be stepped up to 10 times the present rate.

We need more intensive use of all publicly owned forest lands. All publicly owned forest lands should be intensively managed to obtain the greatest returns to the people.

The largest administrator of publicly owned forests is the Forest Service. Our national forest units have been of inestimable value to this Nation. This value was demonstrated again during the recent war and present postwar periods through their continued production of saw timber for housing and pulpwood for paper. Their value for timber production and watershed protection will yield increased benefits year by year.

In the continental United States there are 190 national forests and national forest purchase units. These were created to produce essential forest products and to improve the condition of their watersheds. Those in the West were largely created from the public domain. Those in the East were acquired by purchase under authority of the Weeks law of 1911. Within the boundaries of these units there are 158,000,000 acres of publicly owned land, and also about 35,000,000 acres of similar land still held in private ownership. The acquisition of suitable private holdings would permit more efficient administration of, and would increase the yield of public benefits from, our national forests. Needed consolidation of public ownership within these established units should be accomplished under a definite program of adequate scope. Present progress on this job is woefully inadequate. Remedying this condition is a responsibility of Congress.

In addition to the national forests, other publicly owned forests should yield their share of useful products. The 10,000,000 acres, more or less, which are being retained by the armed services must be put to work. Wherever good forest management can be practiced in such a way that it will be compatible with the need of the armed services for land for training the forest land should grow timber. Secretary of the Army Kenneth C. Royall has requested the loan of foresters from the Secretary of Agriculture to assist in the development and establishment of land-management programs for large military reservations. The Navy and Air Corps also must put their forest lands under wise management programs.

Finally, any large-scale forestry program to be effective will require the full cooperation of, first, the general public; second, the landowners and timber operators; third, the State and local governments; and, fourth, the Federal Government. If each of these four groups does its part, the success of a program is assured.

WHAT WILL A LARGE-SCALE FORESTRY PROGRAM COST?

It is difficult to predict how much an adequate, broad-scale forestry program will cost. A comprehensive program designed to develop the forest resource adequately and within a reasonable length of time will cost several times the sum now being expended for forestry. This cost, however, should be considered in the light of a wise investment. According to the scale and efficiency of our forest investment will we reap the dividends of useful products, employment, and security in the future?

It is probably easier to estimate the costs of not practicing forestry. Already we are paying such costs. From August 1939 to August 1947 the index price of lumber rose about 200 percent. Of course, some of this increase in cost is attributable to labor and transportation but stumpage prices are higher now than ever before in the history of our country. Scarcity of timber directly affects stumpage prices. So today if we pay $100 per thousand board feet for lumber which should be available for $33, and if we don't have enough newsprint or railroad ties, we are paying part of this for our lack of forestry in the past. When annually we lose many millions of dollars worth of property from forest fires we pay the cost of inadequate protection. When rivers become choked with silt, power plants are made valueless. When flood waters cover the valleys we pay the costs of forest destruction.

Ask any United States soldier who served in parts of China, India, Greece, or the Middle East how a country looks with its trees gone and its soil washing away. Most of our overseas veterans and civilians who have traveled abroad are ardent conservationists. They see the same destructive trends now at home and wonder why.

In the November issue of the National Geographic Magazine there is an article by F. G. Renner entitled "Erosion, Trojan Horse of Greece." This article states:

> It is clear that destructive erosion has been going on in Greece for a long time. As more and more of their land has wasted away, the people have become poorer and poorer. In remote times Greece was largely forested. * * * Now not over 5 percent of the country is forested.

These statements about Greece will apply to other large parts of the globe. Let us take action now so that they will never apply to this Nation. Let us take aggressive action. Let us invest in a large-scale forestry program designed to meet both present and future forest needs of the Nation.

The SPEAKER pro tempore. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

VETERANS' LEGISLATION

Mrs. ROGERS of Massachusetts. Mr. Speaker, I would like to read into the RECORD a letter that I have received from the President of the United States. It is as follows:

> THE WHITE HOUSE,
> *Washington, December 9, 1947.*
> The Honorable EDITH NOURSE ROGERS,
> *House of Representatives,*
> *Washington, D. C.*
>
> MY DEAR MRS. ROGERS: Thanks for yours of November 28 enclosing me a subcommittee report on the insurance situation with the veterans.
>
> Every effort is being made to straighten that situation out and I hope we can get it done very shortly.
>
> Sincerely yours,
>
> HARRY TRUMAN.

I think the House knows that I and many other members of the Committee on Veterans' Affairs have been trying to get General Bradley to act in trying to straighten out the chaotic insurance conditions. They certainly have been chaotic for a great many months. General Bradley has not acted. In the report that Mr. Phillips and I as chairman of the subcommittee prepared, we said to the President of the United States that we recommended that Mr. Breining, the acting administrator for insurance, be given a position as advisor and administrative officer and that another be placed in the position of administering insurance. Mr. Breining is far too busy to have both the policy making and administration of such a huge governmental business. Veterans' families and veterans have not received letters in some instances for 2 years regarding their insurance claims. A widow in my district did not receive for 1 solid year her insurance which was left to her by her son. There are hundreds and hundreds of cases just like that all over the country.

Mr. O'KONSKI. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. O'KONSKI. I happen to be a member of the committee——

Mrs. ROGERS of Massachusetts. The gentleman is a very able, helpful, and distinguished member.

Mr. O'KONSKI. I congratulate and commend the gentlewoman from Massachusetts for the strong and loyal fight she has constantly made for the veterans of our Nation. Especially do I want to compliment the gentlewoman from Massachusetts in calling for that report that was made on the insurance situation, which is perhaps one of the weakest spots of the Veterans' Administration. Just who is to blame we are trying to find out, but judging from the past record of the gentlewoman from Massachusetts and her able leadership, when this investigation is finished something will come of it and the matter will be straightened out just as the gentlewoman has straightened out many other things.

Mrs. ROGERS of Massachusetts. It is not my work. It is the work of the gentleman from Wisconsin and the work of other members of the Veterans' Committee. All have worked tirelessly.

Mr. O'KONSKI. But the gentlewoman deserves most of the credit.

Mrs. ROGERS of Massachusetts. No. It is the cooperative effort of the members of our Veterans' Committee and she deserves no credit at all. I thank the gentleman very much indeed, however.

According to the press, when General Bradley left the Veterans' Administration, one of the things he said he left to General Gray to straighten out was the insurance situation. I hope something will be done as a matter of fact before General Gray takes office. Not a day should pass without trying to see that the veterans receive proper service from the Insurance Department which they deserve. It is the one department in the Veterans' Administration that is entirely a business proposition and should be operated on commercial lines, and should give the benefits and protection that outside insurance gives.

Mr. Speaker, today a bill was passed which gave millions of dollars of relief to the nations of Europe. I hope that much of that money will go to the veterans who served in the war over there. It is ironical that nothing is being done for our veterans in this special session. I remind the House again, as I have in the past, that our veterans made possible the safety and freedom that those nations enjoy today. They fought for many months, nay years, for them and for America. Yet no veteran's legislation has been passed at this special session of Congress. I am pleading with the membership of the House to pass the three bills, the subsistence allowance bill, which increases the rates for men taking institutional training; the Meade bill. They cannot live on the amount they are receiving now. Many have already dropped out of their courses. Many will have to drop out in the next semester if they do not receive added subsistence allowance. Perhaps the bill should not have been passed in the beginning. I am glad it passed but I am not arguing that point now, although I was one of the sponsors of the GI bill of rights, but we did pass it, we have a contract with the men and women to see that they exist while they are taking that training. I believe it would be a breach of contract not to give them enough to live on. They are doing splendid work in their courses.

The SPEAKER pro tempore (Mr. ARENDS). The time of the gentlewoman from Massachusetts has expired.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for one additional minute.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Then there is a bill to provide for an increase in the ceiling on the amount of subsistence allowance, plus pay by the employer, to the veterans in on-the-job training, the Kearney bill.

Then there is the automobile bill, which only rights an injustice that was in the bill that was passed at the last session of Congress. We tried to have all three of those bills passed during the first part of this Eightieth Congress. I plead with the membership to allow those bills to come up for passage. I know they will be passed if they once come to the floor. Many Members have spoken to me of their desire to pass them at once, as have veterans' organizations.

The SPEAKER pro tempore. The time of the gentlewoman from Massachusetts has again expired.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 34 minutes p. m.) the House, pursuant to its order heretofore entered, adjourned until Monday, December 15, 1947, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1146. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to remove the statutory limit of appropriation expenditures for repairs or changes to a vessel of the Navy; to the Committee on Armed Services.

1147. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1948 in the amount of $450,000, and a proposed authorization for the expenditure of Indian tribal funds for the Department of the Interior (H. Doc. No. 475); to the Committee on Appropriations and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CLIPPINGER:

H. R. 4703. A bill to increase the fees and mileage allowances of jurors in courts of the United States; to the Committee on the Judiciary.

By Mr. DINGELL:

H. R. 4704. A bill to adjust compensation for postmasters and employees of the postal service; to the Committee on Post Office and Civil Service.

H. R. 4705. A bill to increase the rates of compensation of employees of the Government; to the Committee on Post Office and Civil Service.

By Mr. HUBER:

H. R. 4706. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

By Mr. PRICE of Florida:

H. R. 4707. A bill to repeal the prohibition against the filling of a vacancy in the office of district judge for the northern and southern districts of Florida; to the Committee on the Judiciary.

By Mr. DINGELL:

H. R. 4708. A bill to increase personal exemptions under the individual income tax, to reduce certain excise tax rates, to equalize Federal income taxes upon married persons, and for other purposes; to the Committee on Ways and Means.

By Mr. MILLER of California:

H. R. 4709. A bill to amend section 213 (52 Stat. 1067, as amended by 53 Stat. 1266) of title 29 of the United States Code, the same being a section of the Fair Labor Standards Act of 1938, as amended, so as to eliminate the exemption of small telephone exchanges from the overtime and minimum-wage provisions of the Fair Labor Standards Act; to the Committee on Education and Labor.

By Mr. YOUNGBLOOD:

H. R. 4710. A bill for the erection of a public building at Detroit, Mich., and appropriating money therefor; to the Committee on Public Works.

By Mr. KING:

H. R. 4711. A bill to exempt from admissions tax the admission, in certain cases, of individuals under 20 years of age; to the Committee on Ways and Means.

By Mr. SARBACHER:

H. R. 4712. A bill to provide certain disability and death benefits to members of the Organized Naval and Marine Corps Reserve; to the Committee on Armed Services.

By Mr. SIKES:

H. R. 4713. A bill to authorize the Secretary of National Defense to acquire additional recreational facilities at Eglin Field, Fla; to the Committee on Armed Services.

By Mr. ROBERTSON:

H. J. Res. 274. Joint resolution to provide for designation of the Veterans' Administration hospital at Fargo, N. Dak., as the Clarence Theodore Hoverson Veterans' Hospital; to the Committee on Veterans' Affairs.

By Mr. BUSBEY:

H. Res. 400. Resolution creating a select committee to investigate and ascertain the facts in charges by Hon. Harold E. Stassen and President Harry S. Truman pertaining to profiteering and speculation in fundamental foodstuffs; to the Committee on Rules.

By Mr. MACKINNON:

H. Res. 401. Resolution to investigate the effect on the high cost of living of governmental activities and the extent to which individuals in the Government have speculated in food commodities; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California:

H. R. 4714. A bill for the relief of Mrs. May K. Y. Mok, Frederick W. S. Mok, and Vincent W. C. Mok; to the Committee on the Judiciary.

By Mr. CLASON:

H. R. 4715. A bill for the relief of Ernest Depathy; to the Committee on the Judiciary.

By Mr. GATHINGS:

H. R. 4716. A bill for the relief of B. G. Jones; to the Committee on the Judiciary.

By Mr. JAVITS:

H. R. 4717. A bill for the relief of Dorothy Cushman; to the Committee on the Judiciary.

By Mr KUNKEL:

H R. 4718. A bill for the relief of Louis Brown; to the Committee on the Judiciary.

By Mr. PRICE of Florida:

H. R. 4719. A bill for the relief of Mrs. Margaret Lee Novick and others; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

904. By Mr. KILDAY: Petition signed by James C. Elliott and 90 other citizens of San Antonio, Tex., in support of legislation establishing a system of universal military training; to the Committee on Armed Services.

905. By Mr. CASE of South Dakota: Petition of Mrs. Oscar Burke, Lennox, S. Dak., and 19 others, urging the enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

906. Also, petition of Mrs. W. S. Opsahl, of Hayti, S. Dak., and 26 others, urging the enactment of legislation which would prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

907. Also, petition of Mrs. Gilbert Fedt, Rural Route 4, Watertown, S. Dak., and 12 others, urging the enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

908. Also, petition of Mrs. L. Brendsel, Baltic, S. Dak., and 21 others, urging enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

909. Also, petition of Mrs. G. A. Rogers and eight others, of Astoria, S. Dak., urging enactment of legislation to prohibit advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

910. By Mr. REGAN: Petition of residents of El Paso, Tex., registering objection to passage of House Joint Resolution 239, a joint resolution proposing an amendment to the Constitution of the United States with respect to religious freedom; to the Committee on the Judiciary.

911. By the SPEAKER: Petition of Mrs. O. L. Williams, Tampa, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

912. Also, petition of Mrs. M. R. Pendleton, Sarasota, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

913. Also, petition of Tampa Townsend Club, No. 19, Tampa, Fla., petitioning consideration of their resolution with reference to signing of discharge petition No. 7, relative to the Townsend plan; to the Committee on Ways and Means.

914. Also, petition of T. S. Kinney, Orlando, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committe on Ways and Means.

915. Also, petition of H. G. Lundquist, Sanford, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

916. Also, petition of Byron M. Rich, St. Petersburg, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

917. Also, petition of Tampa Townsend Club, No. 4, Tampa, Fla., petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

918. Also, petition of the 1947 convention of the Thirty-second Division Veteran Association, petitioning consideration of their resolution with reference to endorsement of the universal military training bill; to the Committee on Armed Services.

SENATE

FRIDAY, DECEMBER 12, 1947

(Legislative day of Thursday, December 4, 1947)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Peter Marshall, D. D., offered the following prayer:

Our Father in Heaven, be gracious unto Thy servants, the Senators of the United States. Give them strength for the tasks of this day and guide them in their labors. When they are tempted to wonder if a righteous peace is not an impossible dream, remind them that Thou art not senile, or asleep, or defeated. A different world cannot be built by indifferent people. Let us never give up hope of the possibility of change.

When we feel the pressure of crisis, remind us that Thou hast plenty of time. We have to remember that Thou art never in a hurry and wilt not be rushed by the deadlines of impatient men or by the violence of the wicked. Give us the grace to wait upon Thee, for they that wait upon the Lord shall renew their strength. They shall mount up with wings as the eagles. They shall run and not be weary. They shall walk and faint not.

Grant these mercies unto Thy servants, through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. WHITE, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, December 10, 1947, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE RECEIVED DURING RECESS

Under authority of the order of the Senate of the 10th instant,

The Secretary of the Senate received the following message from the House of Representatives during the recess:

That the House had passed the bill (S. 1774) to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis, with amendments; that the House insisted upon its amendments, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. EATON, Mr. VORYS, Mr. MUNDT, Mr. BLOOM, and Mr. KEE were appointed managers on the part of the House at the conference.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 4469) to amend the act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HOFFMAN, Mr. BROWN of Ohio, and Mr. MANASCO were appointed managers on the part of the House at the conference.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

AUDIT REPORT OF RECONSTRUCTION FINANCE CORPORATION AND AFFILIATED CORPORATIONS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, volume 4 of the report on the audit of Reconstruction Finance Corporation and affiliated corporations for the fiscal year ended June 30, 1945, dealing with the activities of the subsidiary, Defense Plant Corporation (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

REPORT OF PHILIPPINE WAR DAMAGE COMMISSION

A letter from the Director of the Philippine War Damage Commission, Washington, D. C., transmitting, pursuant to law, the second semiannual report of that Commission covering the period ended July 1, 1947 (with an accompanying report); to the Committee on Foreign Relations.

PETITIONS

The PRESIDENT pro tempore laid before the Senate the following petitions, etc., which were referred as indicated:

A petition of sundry citizens of Brooklyn, N. Y., and vicinity, praying for the enactment of legislation restoring price controls; to the Committee on Banking and Currency.

A paper in the nature of a petition from the Junior Chamber of Commerce of Rochester, N. Y., relating to the so-called Marshall plan providing aid for European recovery; to the Committee on Foreign Relations.

A resolution adopted by the board of directors of the Central Business Association of Washington, D. C., favoring prompt confirmation of the nomination of Robert N. Denham as General Counsel of the National Labor Relations Board; ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MILLIKIN, from the Committee on Finance:

H. R. 2029. A bill to provide for the free importation of synthetic rubber scrap; without amendment (Rept. No. 773); and

H. R. 4055. A bill to provide increases in the rates of pension payable to veterans of Indian wars and the dependents of such veterans; with an amendment (Rept. No. 774).

By Mr. WATKINS, from the Committee on Public Lands:

H. R. 4627. A bill to authorize an appropriation for the immediate relief of the Navajo

and Hopi Indians, and for other purposes; with an amendment (Rept. No. 776).

By Mr. FLANDERS (for Mr. TOBEY), from the Committee on Banking and Currency:

S. J. Res. 157. Joint resolution to provide for the regulation of consumer credit for a temporary period; with amendments (Rept. No. 775).

REPORTS BY THE COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS—THE VIRGIN ISLANDS COMPANY (REPT. NO. 777)

Mr. AIKEN. Mr. President, I ask unanimous consent to submit three reports from the Committee on Expenditures in the Executive Departments. The first of the reports relates to the Comptroller General's report on the Virgin Islands Company. I request that it be printed in the RECORD. It is a very short report.

There being no objection, the report was received and ordered to be printed in the RECORD, as follows.

THE VIRGIN ISLANDS COMPANY

FOREWORD

The Committee on Expenditures in the Executive Departments has received an audit report prepared by the General Accounting Office showing the financial condition of the Virgin Islands Company for the fiscal year ending June 30, 1946. The audit report has been reviewed by the committee and it was observed that the accounting records are poorly maintained, inaccurate, and, therefore, not used for management purposes.

PURPOSE AND CONDITION OF VIRGIN ISLANDS COMPANY

The Virgin Islands Company was incorporated in 1934 by a local ordinance of the Colonial Council for St. Thomas and St. John, V. I., for the purpose of aiding in the economic rehabilitation of the Virgin Islands. The Company functions as an instrument of the Department of the Interior in operating sugarcane plantations, a sugar mill, a rum distillery, employees' housing, rural electrification project, and various other related activities on the island of St. Croix. The properties operated by the Company, with the exception of the rural electrification project, are owned by the United States Government. They are operated by the Company under what is, in effect, a lease agreement with the Government. The cost of these properties are not recorded on the books except for improvements and capital additions which have been charged against operating income. The depreciated value of these properties on June 30, 1946, was $1,655,059, and the net operating loss for that fiscal year was $97,776. However, since depreciation on fixed assets was not recorded, it is apparent that the operating loss is understated. Some of the properties acquired by the Company were transferred from the Public Works Administration while other properties were procured by use of relief grants authorized by the Federal Emergency Relief Administration. The economy of the island of St. Croix is geared entirely to the growing of sugarcane and because of droughts, hurricanes, low yields, lack of marketing facilities, and improper management, the Company has lost money every year except during the war years of 1944 and 1945. Since the formation of the Company the total loss from all operating divisions, including the rural electric division, aggregated $456,325, which has been charged against relief grants. In view of the need for continued Federal aid and the belief that subsidized work is better than the dole or relief, the following recommendations and comments are submitted for consideration:

GAO RECOMMENDATIONS AND COMMENTS OF THE COMMITTEE

1. GAO recommendation: The Department of the Interior should obtain competent managerial personnel to replace the president and vice president who severed their connections with the Company during the General Accounting Office audit.

Officials of the Department of the Interior advised that the position of president was filled during the early part of November. The position of vice president is still vacant. In the meantime the work formerly performed by the vice president has been transferred to other officials.

Committee recommendations: No recommendations by the committee.

2. GAO recommendation: The United States Treasury should own the capital stock, although the executive direction may continue to be in the Department of the Interior. The Treasury should be authorized by Congress to subscribe for stock to cover permanent requirements for both fixed and working capital.

3. GAO recommendation: The Company should be authorized to borrow funds from the United States Treasury for temporary working capital purposes.

4. GAO recommendation: The organic statute should provide, as in the case of the Commodity Credit Corporation, that the Treasury, subject to appropriation of funds therefor, shall be required to reimburse the Company annually for any operating losses. Similarly, the Company should be required by law, to deposit annually into the Treasury any net income from operations.

5. GAO recommendation: Consideration should be given to the Company's owning all of the properties operated by it, including the rural electric project, although it might not have power to sell the properties except by superior approval. Depreciation on the property should be required to be provided in determining net operating income or loss.

Committee recommendation: The recommendations contained in items 2, 3, 4, and 5, in which the committee concurs are included in S. 1183, introduced during the first session of the Eightieth Congress. It is believed and strongly recommended that depreciation and all operating costs be promptly evaluated and recorded in the accounting records for more effective determination of profit and loss.

6. GAO recommendation: The Company should not be required to make payments in lieu of property taxes and income taxes to the local municipal treasuries.

Committee recommendation: The committee feels that consideration should be given to eliminating such payments as are in lieu of income taxes, because of: (a) the nonprofit nature of the corporation, and (b) the unpredictable sugar crop which materially affects the profit or loss position of the company.

Section 11 of S. 1183 does not relieve the Company of income taxes, but requires it to make annual payments into the municipal treasuries of the Virgin Islands as required by section 5 of the act of May 26, 1936 (49 Stat. 1372). In view of the fact that the Company was originally formed to create employment and rehabilitate the island of St. Croix, it is therefore recommended that section 11 be deleted in its entirety.

7. GAO recommendation: The proposed bill does not state specifically that the new corporation is to assume the liabilities of the Virgin Islands Company or what disposition should be made of the relief funds or operating profits for fiscal years 1944 and 1945, which is due the United States Treasury.

Committee recommendation: The committee feels that specific provision should be made in the bill to permit the Company to retain all relief funds now on hand and to use the unexpended balance as working capital. The corporation should assume all liabilities of the Virgin Islands Company and pay off such liabilities from relief, operating revenues, and capital borrowed from the United States Treasury.

8. GAO recommendation: The proposed Federal charter should authorize enlargement of the activities of the Company and should provide for increased capitalization therefor. Enlargement of activities would result in the corporation's incurring expenses of a somewhat speculative nature, such as those necessary to encourage research and experimentation, develop resources, enlist private investments, encourage and develop tourist trade, provide transportation facilities, and make loans for various other purposes.

Committee recommendation: Recognizing that both development and rehabilitation of the islands' economic resources are the only alternatives to charitable support of their people and conceding the merit of the view expressed by the Secretary of the Interior that the islands "possess resources sufficient to make them self-supporting" and that objective can be achieved through the establishment of the proposed corporation," a grant of authority sufficiently broad to insure that opportunities will be availed of toward that end appears to be justified.

However, the committee feels that in view of the speculative nature of some of these ventures and the low standard of living that prevails on the islands, the proposed legislation should be more specific as to what portion or percentage of the income may be used for each venture during any fiscal year.

The committee recommends: That provision be made to limit the amount to be loaned under section 4, subsections (a) to (f), inclusive, to 10 percent of the corporation's net income.

That subsection (g) should be changed to require each person, partnership, corporation, or group of individuals applying for a loan be required to furnish adequate security; that the interest on such loans shall not exceed 6 percent per annum.

9. GAO recommendation: Consideration should be given to obtaining insurance on the Company's property operated under the agreement with the Secretary of the Interior.

Committee recommendation: The Government's practice of self-insurance has been assumed by the Company to prohibit the carrying of adequate insurance on its own properties or any insurance whatever on those operated under the agreement with the Secretary of the Interior.

The Company has an insurable interest in all of these facilities and it is authorized to obtain adequate insurance protection in accordance with two decisions of the Comptroller General (B-41682, May 31, 1944, and 21 Comp. Gen. 928). In view of the foregoing the committee concurs with the recommendations of the General Accounting Office and believes that adequate insurance should be carried on all properties owned or operated by the Company.

10. GAO recommendation: All employees having access to cash or checks should be bonded to protect the Company against loss or embezzlement.

Committee recommendation: The committee concurs in the recommendation of the General Accounting Office. However, it is further recommended that the organic statute be amended to authorize the Company to pay the premium on bonds required of employees entrusted with cash or the distribution of checks.

11. GAO recommendation: In connection with the miscellaneous activities of the Company, it is recommended that the expenses or maintenance of employees' houses be subject to more control, and consideration be

given to increasing the rental rates. The livestock program should be expanded or abandoned and consideration be given to leasing the St. Croix market and cold-storage plant to private operators.

Committee recommendation: Better control should be established over the employees housing project and the rental rates should be increased to correspond to similar quarters in the area. It is also felt that the livestock program and the St. Thomas market and cold-storage plant should be leased to private operators and no attempt be made to continue these projects in their present form under the new corporation.

12. GAO recommendation: The Company should take necessary action to recover title to 427.084 acres of land acquired by the War Department under Public Land Order 170 and 213.72 acres acquired by the same department under Executive Order 8511

Committee recommendation: This property should be acquired by the Company as soon as it is declared surplus and immediately thereafter the land should be converted to sugarcane production or some other purpose relating to the Company's operations.

RURAL ELECTRIC DIVISION

The rural electric division is one of the major operating units of the Virgin Islands Company. This division was established in 1942 and financed entirely by funds borrowed from the Rural Electrification Administration. The division has a generating plant and approximately 55 miles of power lines. The Company proposes to borrow $157,000 from the REA for extension of rural distribution lines and expansion of the power plant.

A close inspection of the proposal indicates that repayment of the loan is very doubtful. Our findings are summarized under the following headings:

Economic conditions in the islands

1. According to REA's own economic report, "The island's economy depends principally on sugarcane, and this crop is hazardous due to rainfall and low yields per acre." The economic report goes on to say, "The municipality of St. Thomas and St. John is usually self-supporting, while the municipality of St. Croix requires annual deficit appropriations from the Congress of the United States."

2. The allotment packet shows that 67 percent of the farms are from 3 to 9 acres in size, and 17 percent are from 10 to 19 acres. It is to be presumed that the latter class constitutes the largest farms on the island, otherwise mention of the larger farms would have been made. This surely represents a small crop area from which to derive sufficient revenue to pay the large electric bills expected of the 145 farm members.

3. Farm revenue is greatly affected by hurricanes, drought, and high export duties.

4. No satisfactory statements have been procured either from the allotment packet or from anyone representing REA concerning the factors which most vitally affect project pay-out. No one appears to know about the type of people who will be served by the project; no studies of farm revenue have been presented to us; 80 percent of the members eventually to be connected will be of the "drop card" variety, using a bare minimum of electricity; and no evidence has been shown to prove that the economic condition of the inhabitants of the island will improve and that their revenue-producing activities can or will be enlarged.

In the ordinary American project all these factors can be ascertained with a reasonable degree of accuracy. In the proposed project we find vague references to a proposed tourist trade, but there is no evidence to support the contention that business will be derived from this source.

Poor management of the project

1. The last operating report of REA shows that the project was without a manager during 1946. This is a poor way to conduct one's business, and it is difficult to understand why REA would permit this condition to continue for so long a time. To this deficiency may perhaps be attributed some of the shortcomings of the project.

2. The allotment folder indicates that accounts receivable amount to $8,663. This is one-third of the annual revenue and represents very poor collection efforts—or it represents an inability of the people on the island to pay their electric bills. In this connection, it may be noted that the audit report shows a reserve for bad debt losses of $2,161. This is 25 percent of the accounts receivable, which is an unheard of reserve. Normal reserves will show a figure of one-half of 1 percent to 1 percent.

3. The line loss of 43 percent is a staggering figure and means that the project is not receiving revenue for nearly one-half of all the electricity it generates. We have been told that this is not a true line loss, and that it may be attributed to unmetered use of electricity. If this latter statement is true, it indicates bad management; if it is not true, it indicates something is radically wrong with the system.

Present operating condition of the project

1. The audit report of the comptroller general shows an annual deficit of $8,500 before charges for interest and principal. The enterprise has accrued deficits from 1942 to 1947 which total $67,565. This adequately summarizes the present operating condition.

2. The project has not operated and has not paid out as the original REA allotment papers promised it would. The present project is not and never could be self-liquidating, and it is astonishing that REA, with such a fine record in the continental United States, could make such an error of judgment.

3. The allotment folder shows that 1,159 members would have to be connected to the original project to make it pay out. About 500 have been connected, which indicates that the rest must not be able to pay for electricity.

The proposed project

1. It is estimated that the number of farms connected will rise from 45 at the present time to 145 with the addition of the new project. Nowhere are figures given which show the total number of these "farms" along the lines, so no one can challenge the figure. This item is confusing, if not actually misleading. The same may be said for the number of all other types of users to be added to the lines. One cannot help but feel that the number of members estimated to be connected is the result of mere guesswork.

2. Most American projects, under favorable conditions and with dint of much load building, have been able to raise their monthly consumption to somewhere in the neighborhood of 100 kilowatt-hours per month. Yet the consumption of these poor farms on a barren, drought-ridden island is estimated at 250 kilowatt-hours per month. It is further estimated that the drop-cord customers will double their present consumption.

No information at all is given to show how the commercial and small power users will increase in number from 28 to 35 and the larger power users from 15 to 20.

The figures used on membership and consumption are severely questioned.

3. The one bright spot in a picture which is otherwise black is that of the sale of surplus power to the municipalities. We are told, however, that the change-over from DC to AC will require from 3 to 5 years. It is possible that this will further throw the feasibility figures off balance.

Committee recommendations

(a) That no funds be loaned to the Virgin Islands Company for expansion of the Rural Electric Division.

(b) That funds be appropriated to the Department of the Interior to repay the REA loan in its entirety, with interest, and that the project, thereafter, be operated as a Government subsidy.

General recommendations

It is the considered opinion of the committee that the Virgin Islands Company should be incorporated under the Government Corporation Control Act of 1945. However, in addition to the recommendations contained in the audit report, the following suggestions are made for consideration in connection with S. 1183:

(a) Section 3: Provision shall be made for the Corporation to pay the premiums on all bonds required of employees handling cash or salary payments.

(b) Section 4, subsection (f): Provision should be made to limit the amount to be loaned under sections (a), (b), (c), (d), (e), and (f), to 10 percent of the net income of the Corporation in any single year.

(c) Section 4, subsection (g): Provide that each person, partnership, corporation, or group of individuals applying for a loan be required to furnish necessary security which is acceptable to the Virgin Islands Corporation, and that the interest on such loans shall not exceed 6 percent per annum.

(d) Section 11: Delete this section from the bill. This will relieve the Corporation from paying taxes to the local municipal government.

(e) The profits made during 1944 and 1945, totaling $443,729, which amount is due and unpaid to the United States Treasury, should be retained for payment of outstanding obligations and, if any funds remain, such amount shall be used as working capital.

(f) That funds be appropriated to the Department of the Interior to repay the REA loan in its entirety, with interest, and that the project, thereafter, be operated as a Government subsidy.

INVESTIGATION OF INDIAN CLAIMS COMMISSION (REPT. NO. 773)

Mr. AIKEN. Mr. President, the next is a report on an investigation of the Indian Claims Commission. I ask unanimous consent to submit the report and request that it be printed in the RECORD and referred to the Committee on Public Lands.

There being no objection, the report was received, referred to the Committee on Public Lands, and ordered to be printed in the RECORD, as follows:

THE INDIAN CLAIMS COMMISSION

In response to a complaint received by the committee, to the effect that the Indian Claims Commission was inactive and its personnel had no duties to perform, a member of the staff called at the offices of the Commission (1778 Pennsylvania Avenue NW.), on November 12, 1947, at 4 p. m., without appointment or previous contact.

None of the employees of the Commission in the outer offices were performing any work. Three of them were engaged in conversation with the receptionist. On requesting an audience with the Chief Commissioner, Edgar E. Witt, it was immediately granted.

The Commissioner explained that the work imposed on the Commission was very slow in materializing. As of that date, only 15 claims had been filed under the provisions of Public Law 726, Seventy-ninth Congress, authorizing the filing of claims against the United States on behalf of Indian tribes, all of which are apparently from the same tribe in California.

At present there are three Commissioners, four attorneys, and four clerical employees, and expenditures for the fiscal year 1948 have been authorized in the amount of $150,000. The Commission may employ additional personnel as it may determine. From the Commissioner's statement, it would appear that one attorney, with clerical assistance, would be sufficient to handle all such claims as have materialized to date. This would exclude the three Commissioners who apparently have few, if any, duties.

It was contended, however, that although there have been practically no claims filed, the time limit extends for 5 years, and it was the general practice of attorneys who would represent Indian claimants to proceed slowly in the filing of claims of this nature after learning as much as possible about the practices before the Commission. The Commissioner stated that in his opinion there would be more claims filed in the fifth year of the Commission's operation than were filed in the other 4 years combined.

BACKGROUND

On March 3, 1863 (12 Stat. 765–767), all claims against the United States growing out of Indian treaties were barred from the jurisdiction of the Court of Claims, requiring special enabling legislation to be filed in behalf of claimants who sought to have such claims considered by the courts.

In 1928 a comprehensive study of Indian problems was undertaken by the Smithsonian Institution, at the request of President Herbert Hoover. A report of a survey made at that time was printed by the Institute for Government Research, entitled "The Problem of Indian Administration," which recommended that there should be a prompt and final settlement of all claims between the Government and the Indians. This report contended that the delay in settling these claims was due to the failure of the court to act promptly when a case was finally prepared and submitted to it, and stated that it was doubtful that the establishment of a commission or any other body that might be created by the Congress would result in any considerable saving to the Indians or to the Government in time and money.

In the Seventy-eighth Congress, the House appointed a Select Committee To Investigate Indian Affairs and Conditions in the United States, which submitted its report on December 23, 1944 (H. Rept. 2091). In this report a specific recommendation was made that legislation setting up an Indian Claims Commission should be enacted, to settle once and for all the merits of all remaining claims against the Government. A specific recommendation was made in this report that the Commission should include all moral claims which are found to be meritorious and warranted. The original bill providing for the creation of such a Commission, S. 1902, filed in 1937, passed the Senate, but was defeated in the House by a vote of 176 to 73. In 1946, however, following the submission of House Report No. 2091, H. R. 4497 was approved unanimously by both the House and Senate Committees on Indian Affairs and enacted into law with little opposition in Congress.

The Indian Claims Commission was created August 13, 1946, under Public Law 726, Seventy-ninth Congress, to permit the filing of claims on behalf of any Indian tribe, band, or other identifiable group of American Indians residing within the Territorial limits of the United States or Alaska for injuries growing out of treaty violations.

The purpose of this act was to eliminate Indian claims bills in Congress, giving jurisdiction to the Commission rather than to require the usual jurisdictional legislative authority to file court actions against the United States Government. The Commission is authorized to receive claims for a period of 5 years, from the date of its first meeting in 1947, and to continue its activities for an additional 5 years during which final recommendations on these claims are to be made. The Commission is to be dissolved at the end of the 10-year period. All such claims not filed during the initial 5-year period are thereafter forever barred.

It was the contention of the sponsors of the legislation that the Commission would settle forever the question of Indian claims, and encourage the abolishment of existing Indian reservations and the dependency of the Indians on Government charity and the expectancy of huge tribal awards which they consider to be their heritage so that the American Indians might be brought into the same economic status as other citizens of the Nation. Also, it was claimed that the settlement of these claims as proposed would provide for drastic reductions in the annual expenses of the Bureau of Indian Affairs, then estimated to cost $30,000,000, and which now involves an annual cost of nearly $50,000,000.

The Comptroller General opposed the bill (letter addressed to Hon. John J. Cochran, dated February 14, 1946, at p. 5410, the CONGRESSIONAL RECORD, of May 20, 1946) on the basis that the proposal did not eliminate the extensive preparation of reports required to support court claims and was not conducive to speeding up the claims (one of the main arguments used for passage of the legislation); would broaden the basis of claims not now admitted by the courts (since practically every such valid claim that would come before the Commission had previously been adjudicated by the courts or otherwise disposed of); and would encourage the filing of questionable claims in order that no claim might be subsequently barred. The further contention was made that all proper claims had already been considered, and while it might expedite the disposition of some Indian claims, such desirable effects as might result would not balance the undesirable effects. In addition, certain judicial language in the original bill was questioned. Amendments designed to overcome these latter objections were submitted before final passage of the bill.

The Attorney General also recommended against the legislation (letter to Mr. Cochran at p. 5411, the CONGRESSIONAL RECORD of May 20, 1946), maintaining that it would encourage the filing of hundreds of claims based upon moral considerations, and that very large sums of money will be required if these claims are to any appreciable extent to be recognized in order to satisfy Indian claimants. The Attorney General also maintained that the legislation gave the Commission authority which should be left to the courts, and the power to determine claims based both upon legal and moral grounds rather than a fact-finding body as an aid to Congress. He also set forth the fact that the hearings had developed that $29,000,000 previously paid to Indian tribes over the years as a result of tribal cases in the Court of Claims had not been properly defined as gratuitous expenditures which should offset any future awards arising out of the same tribal claims. This was covered by appropriate amendments to the bill in the House.

During the House debates it developed that the Court of Claims had dismissed various suits filed by Indian tribes amounting to the sum of $1,412,749,509.66. Since 1855, 135 cases were decided by the Court of Claims involving awards totaling approximately $43,000,000. Cases pending at the time the Commission was created totaled $55,942,955.50. In view of the definite language of the legislation and the experience of the courts in such cases, valid claims will not approach a fraction of the estimated total, and it is now indicated that perhaps 90 percent of such claims will be filed without regard to merit.

Apparently it was the original intent of the sponsors of the legislation to validate some claims which had previously failed of favorable action in the courts, but amendments later adopted to meet opposition in Congress, recognized prior court actions and many old claims were not thus reinstated, are now difficult of presentation, and probably without merit.

Payments already made against any claims arising out of this legislation must now be taken into account in any settlement, and although there might have been some original valid claims, practically all have already been considered in court, and second and third generations of Indians can no longer prove injuries committed or their entitlement to payments that might have been due their grandfathers except on some vague moral grounds. The act provides that "claims based upon fair and honorable dealings that are not recognized by any existing rule of law or equity," shall be considered by the Commission, leaving the way clear for the filing of claims heretofore held inadmissible on legal grounds by the courts, and encouraging the submission of claims on what the Attorney General terms "moral considerations."

Since the original intent of the legislation to create the Indian Claims Commission was designed to enable claimants who had previously been unable to prove their entitlement to injuries in the courts, and to exclude awards made by such courts, the main purpose of the Commission has been eliminated and there is no longer the need for an agency with such broad powers. Under the circumstances, it would appear its functions will in all likelihood continue to be of minor importance.

No claim has been considered favorably as of this date, and the Chief Commissioner stated that there would not be any during the 1948 fiscal year according to information now available to the Commission.

RECOMMENDATIONS

In view of the inactivity of the Commission, and its potential cost to the Federal Government, the committee recommends that steps be taken by the appropriate committees of Congress to dissolve the Commission. In order to accomplish this purpose, legislation should be initiated to accomplish one of the following objectives:

(a) Remove jurisdictional determination by Congress, and grant to the Court of Claims the right to hear and determine all claims against the United States on behalf of any Indian tribe, band, or other identifiable group of American Indians residing within the territorial limits of the United States or Alaska, notwithstanding any statute of limitations or laches, but with all other defenses available to the United States, for a period of not to exceed 5 years. Such authorization should qualify all such claims in law or equity, including those sounding in tort, with respect to which the claimant would have been entitled to sue in a court of the United States if the United States were subject to suit, or as indicated in section 24 of Public Law 726, Seventy-ninth Congress, would be the procedure to be followed after the termination of the Commission.

(b) Transfer the functions of the Commission to the Bureau of Indian Affairs, Department of the Interior, for administration, with authority to the Secretary of the Interior to appoint an administrator or director of Indian claims, utilizing existing personnel within the Bureau.

POCKET BUDGET SUMMARY OF POTENTIAL FEDERAL EXPENDITURES FOR 1948 (REPT. NO. 779)

Mr. AIKEN. Mr. President, the Senate Committee on Expenditures in the Executive Departments has compiled a pocket budget summary of all potential expenditures of the Federal Govern-

ment for fiscal year 1948 under authorizations approved by Congress to date.

This study has developed the fact that the total potential cost of Government, including authorizations covered by budget estimates and annual appropriations, exceeds budget estimates by more than $3,000,000,000. Permanent appropriations and carry-over funds on which the departments or agencies have not submitted annual reports on expenditures, and on which Congress does not require new annual authorizations, account for most of this added cost.

This summary condenses various types of appropriations and authorizations providing for expenditures by all agencies of the Government, and includes many items which do not appear in readily available form in the budget estimates or appropriation acts.

While the potential cost of Government shown, in the amount of $38,852,233,049, may not actually be expended during fiscal year 1948, the funds do continue to be available to the indicated agency with authority to make expenditures under prescribed conditions.

In addition, there is a total of $2,187,380,775 in new contract authorizations for fiscal 1948 not included in these totals which must be implemented by appropriations as contracts are let under commitments made by previous Congresses. These authorizations will be reflected in appropriations for future fiscal periods in which they are carried out.

This study indicates once again the need for four improvements in our budgetary and fiscal systems. They have been recommended for decades by students of government and have received the approval of many congressional committees. They are:

First. Budget requests should include all items of expenditure, and should be presented in summary form.

Second. It should be required that all receipts be covered into and all disbursements made from the Treasury, within appropriation limits annually established by Congress. Where receipts are to be retained for specific purpose, or exact amounts of allocations cannot be determined on an annual basis, regular accounting procedures should be established for examination and approval by Congress.

Third. Exact types of appropriations to fit all contingencies should be determined and defined by the Congress, and used without exception. Each appropriation should carry a symbol to show the type to which it belongs.

Fourth. Departments or agencies to which specific authorizations are made, and from which funds are reallocated to other agencies for disbursement, should be required to continue to indicate exact balances remaining in the original appropriation until the entire amount is expended or reverts to the Treasury.

I ask unanimous consent to submit the report and request that it be printed as a committee report and made available to all Members of Congress. I am sure that all Members will find it very useful in determining exactly how much each agency of Government has available for expenditure, and in what form the money is available, whether in unexpended balances or in a revolving fund, or in whatever form it may be.

The PRESIDENT pro tempore. Without objection, the report will be received and printed, as requested by the Senator from Vermont.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KNOWLAND:

S. 1858. A bill for the relief of Mrs. Bertie Grace Chan Leong; to the Committee on the Judiciary.

By Mr. HOLLAND:

S. 1859. A bill to amend the Tariff Act of 1930 so as to permit free importation of unsolicited gifts not exceeding $10 in value; to the Committee on Finance.

By Mr. YOUNG (for himself and Mr. LANGER):

S. 1860. A bill authorizing the transfer of title of the Wahpeton Indian School to the State of North Dakota; to the Committee on Public lands.

(Mr. LANGER (for himself and Mr. CHAVEZ) introduced Senate bill 1861, to amend the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, so as to provide promotions for temporary employees of the custodial service; which was referred to the Committee on Civil Service, and appears under a separate heading.)

(Mr. BUTLER (for himself, Mr. THYE, and Mr WHERRY) introduced Senate bill 1862, to amend the Tariff Act of 1930, as amended, so as to permit the entry free of duty of twine used for baling hay, straw, and other fodder and bedding materials, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. PEPPER:

S. 1863. A bill to amend the Internal Revenue Code to authorize the deduction of certain educational expenses of teachers in computing income tax, and for other purposes; to the Committee on Finance.

(Mr. PEPPER (for himself and Mr. HOLLAND) introduced Senate bill 1864, to eliminate the income-tax discrimination against married persons living in non-community-property States which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. MORSE:

S. 1865. A bill for the relief of Mrs. B. R. Johansen; to the Committee on Foreign Relations.

S. 1866. A bill for the relief of Anna Grace Hartley; to the Committee on Labor and Public Welfare.

(Mr. MORSE (for himself and Mr. AIKEN) introduced Senate bill 1867, to provide compensation for civil-service employees and other Federal employees who receive permanent partial disabilities resulting from injuries incurred while in performance of their duties, and for other purposes, which was referred to the Committee on Labor and Public Welfare, and appears under a separate heading.)

By Mr. CONNALLY:

S. 1868. A bill to establish the United States Air Academy at Randolph Field, Texas; to the Committee on Armed Services.

By Mr. FERGUSON (for himself and Mr. THYE):

S. J. Res. 164. Joint resolution to authorize the Regional Agricultural Credit Corporation of Washington, D. C., to make loans to Fur Farmers, and for other purposes; to the Committee on Agriculture and Forestry.

RECLASSIFICATION OF SALARIES IN THE POSTAL SERVICE

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to reclassify the salaries of postmasters, officers, and employees of the postal service, and so forth, and I request that an explanation of the bill be printed in the RECORD.

The PRESIDENT pro tempore. Without objection the bill will be received and appropriately referred; and, without objection, the explanation of the bill presented by the Senator from North Dakota will be printed in the RECORD.

There being no objection, the bill (S. 1861) to amend the act entitled "An act to reclassify the salaries of postmasters, officers, and employes of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, so as to provide promotions for temporary employees of the custodial service, introduced by Mr. LANGER (for himself and Mr. CHAVEZ), was received, read twice by its title, and referred to the Committee on Civil Service.

The explanation of the bill presented by Mr. LANGER was ordered to be printed in the RECORD, as follows:

There are approximately 1,500 temporary employees in the Post Office Custodial Service who by provisions of Public Law 134 of the Seventy-ninth Congress are deprived of the rights of promotion due to their status as temporary employees. It is believed that they are the only temporary employees in the postal service who do not get promotions when they meet the requirements set forth in Public Law 134 for the regular employees in their particular classification.

Most of the positions in the custodial service have been set aside by Public Law 359 of the Seventy-eighth Congress, commonly known as the Veterans' Preference Act of 1944, as being for veterans only, therefore, the proposed legislation would correct a discrimination against the very persons for whose protection the Veterans' Preference Act of 1944 was enacted.

Many of these employees have already completed two or more years service as Post Office custodial employees. It is through no fault of their own that they find themselves classed as temporary employees. The Civil Service Commission has been flooded with requests for the different types of examinations and has been unable to hold examinations for these custodial-service positions.

It is our belief that the same consideration should be shown to these temporary employees in the custodial service as is shown to other temporary employees in the postal service.

IMPORTATION OF BALER TWINE FREE OF DUTY

Mr. BUTLER. Mr. President, on behalf of myself, the Senator from Minnesota [Mr. THYE], and my colleague, the junior Senator from Nebraska [Mr. WHERRY], I ask unanimous consent to introduce for appropriate reference a bill to amend the Tariff Act of 1930 so as to permit the entry free of duty of twine used for baling hay, straw, and other agricultural products. The purpose of the bill is to bring up to date what I believe to be the intent of those who drafted paragraph 1622 of the 1930 Tariff Act.

In that act, as in previous tariff acts, it was a standard practice to exempt

from duty imports of equipment and supplies intended primarily for use on the farm. Thus, such commodities as agricultural machinery, baling wire, and binding twine, for use in the harvesting process, were permitted free entry, together with practically all the other types of equipment used by the farmer in his operations.

A few years ago, long after the enactment of the 1930 act, a product commonly known as baler twine came into wide use on the farm for baling hay and straw in the field, but baler twine has been assessed a duty of 20 percent under the cordage paragraph of the act, paragraph 1005. Baler twine and binder twine are made from identically the same material. The only real difference between the two is in the use to which they are put, and in the fact that baler twine must be heavier and thicker. Both are used by the farmer on the farm in the course of his farming operations.

In order to bring the status of baler twine in line with the free duty status which applies to all other supplies used in producing agricultural products, and in order to try to make this product available to farmers at a more reasonable cost, I am proposing that paragraph 1622 be amended so as to include baler twine under the definition of that paragraph, and give it duty-free status.

I realize that bills of this kind must originate in the House of Representatives, but we are introducing the bill at this time in order that it may be referred to the proper committee, and some study made of the issue before the bill from the House reaches the Senate.

There being no objection, the bill (S. 1862) to amend the Tariff Act of 1930, as amended, so as to permit the entry free of duty of twine used for baling hay, straw, and other fodder and bedding materials, introduced by Mr. BUTLER (for himself, Mr. THYE, and Mr. WHERRY), was received, read twice by its title, and referred to the Committee on Finance.

ELIMINATION OF CERTAIN INCOME-TAX DISCRIMINATION IN NON-COMMUNITY-PROPERTY STATES

Mr. PEPPER. Mr. President, on behalf of my colleague [Mr. HOLLAND] and myself, I ask unanimous consent to introduce for appropriate reference a bill to eliminate the income-tax discrimination against married persons living in non-community-property States, through which we wish to attest our support of the effort that has been so ably and so long made by the distinguished Senator from Arkansas [Mr. MCCLELLAN].

There being no objection, the bill (S. 1864) to eliminate the income-tax discrimination against married persons living in non-community-property States, introduced by Mr. PEPPER (for himself and Mr. HOLLAND), was received, read twice by its title, and referred to the Committee on Finance.

DISABILITY COMPENSATION FOR CIVIL SERVICE AND OTHER FEDERAL EMPLOYEES

Mr. MORSE. Mr. President, on behalf of myself and the Senator from Vermont [Mr. AIKEN], I ask unanimous consent to introduce for appropriate reference a bill to provide compensation for civil service employees and other Federal employees who receive permanent partial disability resulting from injuries incurred while in the performance of their duties, and for other purposes.

I wish to say that the sponsors of the bill think that the time is long past when the Federal Government should provide its employees with disability protection at least equal to and comparable with similar protection provided by many of the States to employees within their borders.

The point should not be overlooked that many Federal employees are actually engaged in hazardous occupations; they are not all white-collar employees; but even if they were, we would still introduce this bill.

The bill has been very carefully drafted with experts in the field of workmen's compensation; we have checked its provisions with similar provisions to be found in State statutes, and we are perfectly willing, as the hearings develop the facts and evidence, to modify the specific figures in the bill to whatever extent proof may show they need to be modified. But we would emphasize on this occasion that the basic idea of the bill represents a very sound principle of needed social legislation.

We trust the bill will be given careful and early and favorable consideration by the Senate. We are confident that, with the distinguished Senator from North Dakota as chairman of our Committee on Civil Service, there can be no doubt about the fact that it will be given a fair, full, and early hearing.

Mr. LANGER. Mr. President, I may say to the distinguished Senator from Oregon that at this time the Civil Service Committee is not very busy, and we should like to schedule the bill for hearing a week from Tuesday at 10 o'clock in the morning. I hope the distinguished Senator from Oregon and the distinguished Senator from Vermont can be present at that time to present it.

Mr. MORSE. I may say that the Senator from North Dakota once again has demonstrated that he is a man of action. I like men of that type.

The PRESIDENT pro tempore. Without objection, the bill introduced by the Senator from Oregon, for himself and the Senator from Vermont, will be received and appropriately referred.

There being no objection, the bill (S. 1867) to provide compensation for civil-service employees and other Federal employees who receive permanent partial disabilities resulting from injuries incurred while in performance of their duties, and for other purposes, introduced by Mr. MORSE (for himself and Mr. AIKEN), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

TRANSFER OF CERTAIN REAL PROPERTY FOR WILDLIFE PURPOSES—CHANGE OF REFERENCE

Mr. BUTLER. Mr. President, during the first session of the Eightieth Congress, there was referred to the Senate Committee on Public Lands the bill (S. 1155) authorizing the transfer of certain real property for wildlife purposes. I have conferred with the majority leader, and we have the feeling that the bill should have been referred to another committee. I therefore ask unanimous consent that the Committee on Public Lands be discharged from the further consideration of the bill and that it be referred to the Committee on Interstate and Foreign Commerce.

The PRESIDENT pro tempore. Without objection, the Committee on Public Lands will be discharged from the further consideration of the bill and it will be referred to the Committee on Interstate and Foreign Commerce.

PROCUREMENT OF TEMPORARY OR INTERMITTENT SERVICES OF EXPERTS OR CONSULTANTS

The PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 4469) to amend the act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. AIKEN. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. AIKEN, Mr. FERGUSON, and Mr. MCCLELLAN conferees on the part of the Senate.

THE FARM PROGRAM—ADDRESS BY SENATOR AIKEN

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an address on the farm program, delivered by him before the Farmers' Union Grain Terminal Association at St. Paul, Minn., December 9, 1947, which appears in the Appendix.]

PAY INCREASES FOR FEDERAL EMPLOYEES—ADDRESS BY SENATOR LANGER

[Mr. LANGER asked and obtained leave to have printed in the RECORD a radio address delivered by him on Thursday, December 11, 1947, which appears in the Appendix.]

THE TAFT-HARTLEY ACT—ADDRESS BY SENATOR IVES

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an address on the Taft-Hartley Act, delivered by Senator IVES at Harrisburg, Pa., November 13, 1947, which appears in the Appendix.]

REPORT TO THE PEOPLE: PART 5—ADDRESS BY SENATOR O'DANIEL

[Mr. O'DANIEL asked and obtained leave to have printed in the RECORD a radio address, Report to the People: Part 5, delivered by him September 30, 1947, which appears in the Appendix.]

EDITORIAL TRIBUTE TO SENATOR SALTONSTALL FROM THE BOSTON HERALD

[Mr. LODGE asked and obtained leave to have printed in the RECORD an editorial from the Boston Herald paying tribute to Senator SALTONSTALL, which appears in the Appendix.]

UNITED STATES PUBLIC RELATIONS IN WESTERN EUROPE—ARTICLE BY JAMES RESTON

[Mr. LODGE asked and obtained leave to have printed in the RECORD an article entitled "Congress Now Sees Need To Combat False Reports," written by James Reston and published in the New York Times of December 11, 1947, which appears in the Appendix.]

THE LOGIC OF PEACE—ARTICLE BY RALPH BARTON PERRY

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an article entitled "The Logic of Peace," published in the December 1947 issue of the Atlantic magazine, which appears in the Appendix.]

EXTENSION OF AUTHORITY FOR LOAN GUARANTIES BY THE FHA

Mr. WHITE. Mr. President, I wish to make a very brief statement. There is on the Senate Calendar a housing bill, Senate bill 1770. I do not care to move that the Senate proceed to the consideration of the bill, but I am interested in knowing whether the Senate is ready to proceed with it at this time. I therefore ask unanimous consent that Senate bill 1770, to amend the National Housing Act, as amended, be made the unfinished business, and that the Senate proceed to its consideration at this time.

The PRESIDING OFFICER (Mr. IVES in the chair). Is there objection?

Mr. LODGE. Mr. President, is this the so-called Wagner-Ellender-Taft bill?

Mr. TAFT. No; it is a bill to amend the National Housing Act, as amended, in just one particular.

The PRESIDING OFFICER. The clerk will read the bill by title.

The CHIEF CLERK. A bill (S. 1770) to amend the National Housing Act, as amended.

Mr. BARKLEY. Mr. President, this is a bill particularly dealing with a limited housing situation. As I understand the measure, it is not the Wagner-Ellender-Taft bill.

Mr. WHITE. The Senator from Ohio is present, and can explain the bill.

Mr. TAFT. Mr. President, the only effect of the bill will be to increase the authorization for FHA insurance under title VI of the Housing Act. A considerable amount of housing which has been constructed has been built under the FHA insurance guaranty, the so-called title VI, the special emergency war provision. The amount formerly authorized will be exhausted in a short time, and if the program is to continue under title VI, the amount of the insurance guaranty will have to be increased. The bill would increase the amount by a billion dollars, from $4,200,000,000 to $5,200,000,000. It has nothing whatever to do with public housing.

Mr. LODGE. Mr. President, I do not intend to object. I am very glad that something is being done about housing. I hope we will do a great deal more, and that by the time the next session convenes it will be possible for building to be started, and that we will have taken even more far-reaching steps than is proposed in the pending bill to relieve the housing shortage.

Mr. BARKLEY. Mr. President, we are all familiar with the successful record of the FHA, as we understand it, and it would be most unfortunate for its activities to come to a termination at this time. While this bill in no way solves the housing problem, it provides an extension of the authority for an additional billion-dollar guaranty of loans under the FHA. I certainly hope the bill will be passed, because in my opinion it is necessary to extend the authority and increase the guaranty. I share the hope that in the very near future there will be really something substantial done toward solving the housing problem.

Mr. TAFT. I wish to add that the Senator from New Hampshire [Mr. TOBEY] submitted amendments, after consultation with Mr. Foley, the head of the FHA, making the amount $750,000,000 instead of a billion dollars. I understand Mr. Foley takes the position that the smaller amount will be ample until later in the spring, when Congress will have to consider the matter again. So, if the bill is to be taken up, I give notice that I shall submit the amendments in behalf of the Senator from New Hampshire.

Mr. CHAVEZ. Mr. President, I rise to propound a question to the majority leader. There is on the Executive Calendar the nomination of a Cabinet officer which was reported unanimously by the Committee on Civil Service. I wonder whether it is the intention of the majority leader to ask for an executive session today. If not, I should like to ask unanimous consent that the nomination be considered.

Mr. WHITE. Mr. President, if the housing bill shall be disposed of speedily, it is my intention to ask for an executive session for the consideration and disposition of nominations to which there is no objection. Of course, that program would be superseded if the conference report on the interim-aid bill should be ready for consideration by the Senate. I doubt very much whether that report will be before the Senate this afternoon. So I renew my unanimous-consent request.

Mr. LUCAS. Mr. President, I take this opportunity of commending the majority leader for bringing up the housing bill on which he now seeks action by the Senate. There are many communities throughout the country, a number of them in the State of Illinois, which are waiting for action by Congress in connection with the housing program, which is under the jurisdiction of the FHA. I hope that no Senator will object to the consideration of the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Maine?

There being no objection, the Senate proceeded to consider the bill (S. 1770) to amend the National Housing Act, as amended, which had been reported from the Committee on Banking and Currency with an amendment on page 1, after line 7, to insert a new section, as follows:

SEC. 2. Title VI, of the National Housing Act, as amended, shall be employed to assist in maintaining a high volume of new residential construction without supporting unnecessary or artificial costs. In estimating necessary current cost for the purposes of said title, the Federal Housing Commissioner shall therefore use every feasible means to assure that such estimates will approximate as closely as possible the actual costs of efficient building operations.

So as to make the bill read:

Be it enacted, etc., That section 603 (a) of the National Housing Act, as amended, is hereby amended by striking out "$4,000,000,000" except that with the approval of the President such aggregate amount may be increased to not to exceed $4,200,000,000" and inserting in lieu thereof "$5,200,000,000."

SEC. 2. Title VI of the National Housing Act, as amended, shall be employed to assist in maintaining a high volume of new residential construction without supporting unnecessary or artificial costs. In estimating necessary current cost for the purposes of said title, the Federal Housing Commissioner shall therefore use every feasible means to assure that such estimates will approximate as closely as possible the actual costs of efficient building operations.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

Mr. TAFT. Mr. President, on behalf of the Senator from New Hampshire [Mr. TOBEY], I propose an amendment to Senate bill 1770.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 1, it is proposed to strike out lines 3 to 7, inclusive, and insert in lieu thereof the following:

That section 603 (a) of the National Housing Act, as amended, is hereby amended by striking out "$4,000,000,000" and inserting in lieu thereof "$4,700,000,000", and by striking out "$4,200,000,000" and inserting in lieu thereof "$4,950,000,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. TAFT] on behalf of the Senator from New Hampshire [Mr. TOBEY].

The amendment was agreed to.

The bill (S. 1770) was ordered to be engrossed for a third reading, read the third time, and passed.

JOHN C. CROCKETT

Mr. BARKLEY. Mr. President, I desire to say a few words in tribute to a very great man who for 40 years served the Senate of the United States and the people of the United States. As of the 31st day of October, John C. Crockett went off the rolls of the United States Senate as chief clerk and reading clerk, and on the first day of November, he went on the retirement rolls. I regret that it had not been convenient for me at the time, although the Senate was not in session, to make a brief statement in regard to this remarkable man.

Forty years is a long time in anybody's life. Forty years in the lives of most of us, if carved out of the middle of our lives, consumes our best years, whether in public or in private life. John Crockett was an outstanding employee of the United States Senate for 40 years. He was more than an employee, he was counselor and guide.

It is the duty of the reading clerks and the other officers who sit at the desk to keep the records accurately and to perform the other work assigned to them,

but there is much more to their duty than that. They have a rare opportunity, quietly and unobtrusively, to shape the legislative course of the body in which they serve, not simply by what they read from the desk, but by the advice, counsel, cooperation, and assistance they give to Senators who, day by day, face problems incident to the difficulty of mastering the rules of the Senate and questions of procedure. Learning the rules of the Senate and methods of procedure here is like learning the decisions of a court of appeals, or of the Supreme Court of the United States, or the courts of a State. It is a long, hard process. Many who serve here for long terms find it difficult and sometimes impossible to master the minutiae and mechanics of legislation, and in that situation the reading clerks, the parliamentary and journal clerks, and all individuals who keep the records, render an invaluable service to the Members of the Senate, and through them to the country.

No man ever served the Senate and the public more faithfully, more devotedly, more intelligently than did John Crockett. I first came to the House of Representatives on the 4th of March 1913, and during all my 14 years' service in the House, John Crockett, from time to time, would appear at the door of the House with messages from the Senate. The Speaker would suspend the proceedings to receive the message from the Senate. Even though it were only a message announcing the passage of a claims bill in behalf of somebody who had a claim against the Government, John Crockett made the announcement in such a manner and with such a magnificent voice that when he had concluded the announcement the House invariably broke out in applause, just because they liked to hear him make the announcement. While I was a Member it was always a great pleasure to me to hear John Crockett announce to the House of Representatives any bill which the Senate had passed and sent over to the House for its consideration.

He has retired after 40 years of faithful, devoted service. I hope he may live long to recall his experiences here. I hope some way will be found by which his part in the legislative history of the Senate for the last 20 years may be recorded. Many books are now being written, but I am sure no book could be more interesting than one John Crockett could write regarding his 40 years' service as the reading clerk and in the other capacities he occupied in the United States Senate. I hope he may be able to do something of that sort. Regardless of that, I wish him continued health and happiness and long years as a private citizen, and in the enjoyment of those happy memories which I am sure are his from his long service in this body.

Mr. WHITE. Mr. President, I want to say a very brief word of appreciation of what the Senator from Kentucky has so feelingly said with respect to John Crockett. When we were advised of his impending retirement, several Senators spoke in appreciation of his long, faithful, useful service to the Senate of the United States. I knew at that time that the Senator from Kentucky was not here. I have never felt quite satisfied that the RECORD should be made up without a word from him. I simply want to say that I take great satisfaction in the fact that he has spoken so kindly, so deservedly, and so eloquently of this most extraordinary servant of the Senate and the country, John C. Crockett.

Mr. WILEY. Mr. President, I also want to express in a few words my appreciation for having had the privilege of knowing John Crockett. His parents were Wisconsin products. John, as I understand, really came from Iowa. During the years I have been in the Senate I have found him friendly, companionable, and helpful.

I, of course, appreciated the remarks of the distinguished minority leader with respect to writing a book. I wish John would write a book. He could, indeed, tell some of the fundamental humorous as well as serious incidents which have occurred in the Senate throughout the years he was here, which might throw a little light upon the contemplations of those who like to study governmental activities in Washington.

LEAVES OF ABSENCE

Mr. WHITE asked and obtained consent that Mr. TOBEY be excused from attendance on the sessions of the Senate until Tuesday next.

Mr. MARTIN asked and obtained consent to be excused from attendance on the session of the Senate on Monday next.

SECOND DECONTROL ACT OF 1947—DISCHARGE OF THE COMMITTEE ON THE JUDICIARY

Mr. WILEY. Mr. President, as chairman of the Judiciary Committee, I ask unanimous consent that my committee may be discharged from further consideration of Senate bill 1842, to amend the Second Decontrol Act of 1947, introduced by the Senator from West Virginia [Mr. KILGORE] for himself and the Senator from Vermont [Mr. AIKEN]. I should like to set forth briefly my reasons for this request.

Senate bill 1842 cannot be construed as being within the jurisdiction of the Judiciary Committee as set forth in the Congressional Reorganization Law, Public Law 601, Seventy-ninth Congress.

The background for my request for discharge of my committee from further consideration of the bill is as follows:

First. It will be remembered that on July 15, 1947, there was enacted Public Law 188. The act was known as the Second Decontrol Act of 1947 and had been considered by the Senate Judiciary Committee. I call attention to the fact, however, that it was a decontrol measure and not a control measure, such as is S. 1842. The Second Decontrol Act excepted from its operation certain export controls, including tin and tin products, antimony, cinchona bark, quinine, fats and oils, and so forth.

Second. On November 25, 1947, the distinguished Senator from Kentucky [Mr. COOPER] introduced a bill (S. 1807) to provide for the temporary extension of the Export Control Act and title 3 of the Second War Powers Act. The Senator from Kentucky has been holding hearings on his bill. It now, however, appears that his bill may be unacceptable to the administration in view of the fact that Secretary of Commerce Harriman has already presented a proposed bill providing for extensive controls.

Third. On December 4, as I previously mentioned, the Senator from West Virginia [Mr. KILGORE] for himself and the Senator from Vermont [Mr. AIKEN] introduced S. 1842. The bill provides for additional control, not decontrol. It seeks to amend the Second Decontrol Act. It has as its purpose extension of the power of the President to control grain, except grain on the farm. Senate bill 1842 has been referred to the Senate Judiciary Committee. It is this bill which I believe should be transferred from the jurisdiction of the committee.

Fourth. Next I might note that a House bill has been prepared and that the provisions of the Cooper bill, S. 1807, will be embodied in the House bill which will come to the Senate. The House bill has been approved by the House Banking and Currency Committee and will presumably be considered by the Senate Banking and Currency Committee. We thus are confronted with the following *situation:*

(a) On S. 1807, introduced by the Senator from Kentucky, hearings are now being held.

(b) S. 1842, introduced by the Senator from West Virginia, providing for additional control, has been referred to Judiciary Committee.

(c) A House bill is to be considered presumably by Senate Banking and Currency Committee.

I should like to point out at this point that there is no precedent in the Judiciary Committee for the consideration of a single control item in a single bill at any time. Obviously, consideration of controls calls for the most expert economic knowledge as to industry, agriculture, and commerce. The committee members and staff of the Senate Judiciary Committee do not have the expert qualifications to consider control legislation on single items.

I should like to point out that I am asking for the transfer of S. 1842 solely on the basis of jurisdiction. I am not concerned with the merits or the demerits of the Kilgore bill. It is obvious that if I had any closed view either for or against the bill I might be interested in retaining it in the Judiciary Committee. My sole concern is, however, with insuring that this bill, like all other bills which merit consideration, should be given proper and adequate consideration in the appropriate committee having the appropriate jurisdiction.

During the past session I have been concerned with the growing practice of assigning to the Senate Judiciary Committee bills beyond its jurisdiction as defined by law. I might also point out that during this session the Senate Judiciary Committee has had before it approximately one-third of all the bills introduced in the Senate. It would seem, therefore, that no constructive purpose could be possibly served by enlarging its jurisdiction to include bills which are unrelated to the primary interest and

knowledge of the Senate Judiciary Committee.

In view of all of the above I ask unanimous consent that the Senate Judiciary Committee be discharged from further consideration of Senate bill 1842 introduced by the Senator from West Virginia [Mr. KILGORE] which provides for further controls rather than decontrol.

The PRESIDING OFFICER. Without objection——

Mr. BARKLEY. Mr. President, I rise to reserve the right to object. I do not intend to object, but I should like to inquire of the Senator whether his committee has not been holding hearings on the question of controls and quotas, and if the committee has not heard the Secretary of Commerce, who has presented to a subcommittee a bill to carry out certain recommendations of the President. Furthermore I should like to inquire what difference there is between the Cooper bill and the Kilgore bill, to which the Senator has referred. If his committee has jurisdiction of the control program advocated by the President and presented by Mr. Harriman, wherein does that differ from the jurisdiction of the committee with regard to the particular bill from the consideration of which the Senator is seeking to have the committee discharged?

Mr. WILEY. Mr. President, I think perhaps the statement which I prepared was not as clear as it might be. I believe that several months ago the question of decontrolling was referred to the Judiciary Committee because we acted to a large extent as a clearinghouse. As I recall, the Cooper bill simply extended controls with respect to certain items, such as tin, cinchona bark, and other items, control of which expires on February 28, 1948. The Cooper bill merely extends controls with respect to certain items.

Something was said about the Secretary's bill. There is no Secretary's bill before the Senate. The Secretary asked for an opportunity to be heard. We always accord him that courtesy. He submitted a proposal calling for an over-all allocation and control bill, an OPA combining control and allocation of much of our economy. If a bill embodying such a proposal should be introduced it would be for the Presiding Officer to determine to what committee it should be referred.

Mr. BARKLEY. But the Senator——

Mr. WILEY. Let me continue.

The Kilgore bill, instead of being a decontrol bill, of which we would take jurisdiction, is a bill granting the President the power to control all the grain in this country except that in the hands of the farmer. There is an attempt to establish a precedent for having the Judiciary Committee determine economic questions as to all goods and all controls and allocations in the future. It seems to me that with the jurisdiction which we already have, covering approximately one-third of the bills introduced in the Senate, we have not the facilities to give adequate consideration to additional matters involving additional jurisdiction. We still have a backlog of bills. Since returning to Washington I have been working on that backlog of bills. I have personally gone over 100 bills. It seems to me that to attempt to enlarge the jurisdiction of our committee by submitting to it questions which are purely economic and not legal would be the height of unreason.

Mr. BARKLEY. Mr. President, I have no desire to discuss the merits of any of these bills.

Mr. WILEY. Neither have I.

Mr. BARKLEY. However, I am interested in the question of jurisdiction of committees, under the Reorganization Act or otherwise.

It was generally agreed among Senators—and I think the country expected it would happen that way—when the President delivered his message recommending certain legislation with regard to price control, that part of such legislation would come from the Committee on Banking and Currency, with particular reference to price controls, and questions of that sort, and that legislation suggested in the other part of the message would come from the Committee on the Judiciary. I refer to such questions as export quotas and restrictions of that sort. In the previous session the committee did take jurisdiction of decontrol legislation.

There is no fundamental difference between committee jurisdiction with respect to controls or decontrols. If the committee has jurisdiction to consider proposals for removing controls which are in existence, it seems to me that it would certainly have jurisdiction over legislation to impose controls. So we cannot split the question of controls, depending upon whether proposed legislation provides for controls or whether it provides for removing controls already in effect.

Mr. WILEY. Mr. President, I do not wish by my silence to give consent to that conclusion.

Mr. BARKLEY. I am not asking the Senator to agree by silence to anything I say. If I had any such ambition, I probably would be disappointed.

Mr. WILEY. What a man.

Mr. BARKLEY. I thank the Senator. He has a sense of humor, as I have. He has written a very interesting book on the subject.

Mr. WILEY. I am glad to have the Senator give me a boost. My book, Laughing With Congress, does not neglect the Senator and his wit.

Mr. BARKLEY. How much commission am I to receive from the sale of the book? [Laughter.]

Mr. WILEY. I will have my publishers arrange that with the Senator.

Mr. BARKLEY. Secretary Harriman, I presume either on his own motion, or expecting that the Judiciary Committee would have jurisdiction of the legislation which he submitted, appeared before the committee and testified quite at length, I understand. If he was wasting his time by going before that committee, it seems to me that he should have been advised to that effect before expending all that effort in trying to present the matter to the Committee on the Judiciary, if it was necessary for him to go before some other committee and do the same thing.

Mr. President, I am not concerned with the question whether the Judiciary Committee or some other committee shall handle this subject; but it is obvious that no one committee would have jurisdiction of all the proposals contained in the President's message. If the Judiciary Committee does not have jurisdiction over the subject of quotas, allocations, controls, and thing of that sort, I am not sure just what committee would have jurisdiction.

I do not wish to object to relieving the Judiciary Committee of a "hot potato" which evidently is simmering within its confines. I shall not object to the Senator's request. However, if that proposed legislation is permitted to float around more or less without an abiding place, I should like to know where it will go when we finally reach the point where some Senator introduces a bill to provide for controls of materials with respect to which the committee headed by the distinguished Senator took jurisdiction of decontrol in the previous session of Congress.

Mr. President, I shall not object to the request of the Senator, but I hope there can be a clear delineation of the jurisdiction of the various committees.

Mr. LUCAS. Mr. President, reserving the right to object, I should like to propound one question to the Senator from Wisconsin. The Senator, in his statement a moment ago, told the Senate that he had examined the Reorganization Act and that, in his opinion, the Judiciary Committee has no jurisdiction of this bill. May I inquire of the Senator what committee he thinks has jurisdiction of this measure?

Mr. WILEY. I shall be very happy to answer the question.

It seems to me that, first, in view of the fact that it involves grain, the Committee on Agriculture and Forestry would have a primary interest in it; second, in view of the fact that it involves the economics of the country, the Committee on Banking and Currency would also have an interest in it; and I think the Committee on Finance is primarily interested in it.

Before I yield the floor I wish to say something in reply to the distinguished Senator from Kentucky.

Mr. LUCAS. I shall not object. It is a little unusual for my distinguished friend to be requesting that his committee be released from the consideration of bills of this character. I remember that in the early part of the session last year he was anxious to do all the business he could.

Mr. WILEY. I appreciate the very kind remarks, especially the last one, which is about 10 percent correct. The record indicates that on two or three occasions in recent weeks I have moved to discharge the Committee on the Judiciary from the consideration of bills outside its jurisdiction. We have had enough work before our committee. I also appreciate the views of my distinguished friend from Kentucky. I am not concerned at this time with the merits or demerits of the bill. If I were, so far as I am concerned, I would have a solution. I would keep it in committee for a time, and it would come out or it

would not come out. I am perfectly willing to see the question promptly considered by the committee which has jurisdiction. Before, however, that committee can reach the conclusion that is outlined in the bill regarding the allocation and control of grain and can reach the conclusion that the bill provides the best way to conserve grain in the best interests of the country, the committee must call for technical testimony involving all the users of grain, involving the question of exports and imports, and the question of how much grain—as mentioned in the newspapers—Russia is furnishing to England, and how much our exports will be lessened, and how much of the grain is needed for poultry and for cattle feeding, as well as for food for human beings. It is something which calls for the highest kind of judgment based upon the economic facts. But I say that the Committee on the Judiciary, which is a committee composed of men of legal training, is not equipped to go into the economics involved in the bill, or into export and import questions as such. There is a vast difference between the matter of decontrolling and the question of expanding control.

Mr. President, I should like also to comment on the references of the distinguished minority leader to the testimony of the Secretary of Commerce. I desire to state that the Secretary of Commerce volunteered to be heard in this matter, and the far-reaching proposals which he presented were presented gratuitously by him. Those proposals came as a distinct surprise to the subcommittee and were certainly not contemplated by the subcommittee in their consideration of the much more limited proposals made by the junior Senator from Kentucky [Mr. COOPER].

As a matter of fact, the far-reaching character of the proposals made by the Secretary of Commerce, which were far afield from the bill on which the hearings were being conducted, were one indication to me that what had originally started out to be a limited decontrol bill had expanded to such proportions that consideration of it by the Judiciary Committee would be extremely difficult, if not impossible, and would not be within the purview of the jurisdiction conferred by the reorganization bill.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. CHAVEZ. It appears to me that the Senator from Wisconsin, if in good faith he wishes his request agreed to, should submit it without any further argument, because the Senator says that his committee has no jurisdiction over this matter. I do not believe there will be any objection by the Senate. I suggest to him, in the best of faith, that the Senator let the Chair put the question.

Mr. WILEY. I am sorry if I have used so much of the time of the Senate. I was making a reply to the Senator from Kentucky.

Mr. CHAVEZ. I wish to cooperate with the Senator.

Mr. WILEY. At the suggestion of the senior Senator from Vermont [Mr. AIKEN], I shall include in my request that the bill be referred to the Committee on Banking and Currency. I am glad to do that.

The PRESIDING OFFICER. Is the Senator from Wisconsin willing to take the questions up one at a time?

Mr. TAFT. Mr. President, I suggest that the Senator return to his original request and let the Presiding Officer decide to which committee the bill should be referred. The question of which committee it should be referred to is a serious one. The bill contains provisions relating to export control, which might go to the Committee on Commerce or to the Committee on Banking and Currency. The provision regarding transportation clearly should go to the Committee on Commerce. Then there is a provision relating to classification. I think the Senator should leave it to the Presiding Officer to decide.

Mr. WILEY. I did not mean to determine to which committee the bill should be referred.

The PRESIDING OFFICER. Without objection, the request made by the Senator from Wisconsin is agreed to, and the Committee on the Judiciary is discharged from the further consideration of Senate bill 1842. That places the bill upon the desk. If any Senator desires to make a motion as to which committee the bill should be referred the Chair will entertain such a motion.

Mr. TAFT. Mr. President, I suggest that the bill remain on the desk until the President pro tempore has an opportunity to examine the question.

The PRESIDING OFFICER. Without objection, it is so ordered.

FARM INCOMES

Mr. LANGER. Mr. President, we have heard a great deal of comment recently about the large income agriculture has received for the last several years. When we see figures showing that the gross income of agriculture is twenty-three or twenty-four billion dollars and that the realized net income is more than one-half of this amount, the tendency is to blame the farmer for the high cost of living.

I have before me an interesting document. It is an exhibit prepared by Elmer W. Cart, director of traffic for the North Dakota Farmers Union, which he introduced in evidence in the freight-rate-increase case now being heard by the Interstate Commerce Commission. This exhibit covers the years 1944 and 1945, the last years for which complete data are available for calculating the farmer's income on the basis of labor performed by the farmer.

For the year 1945 the income to the American farmer was 77 cents per hour of labor. The realized net income of twelve and one-half billion dollars includes $2,143,000,000 worth of products produced and consumed on the farm and $889,000,000 for rent of his farm home, so the farmer's actual cash income per hour of labor for 1945 was approximately 62½ cents. Out of this the farmer must pay his income taxes and provide a living for his family.

While complete data are not available for 1946, I am informed that on the 1945 basis, where the farm operator performed 80 percent and hired 20 percent of the labor required to produce the Nation's food and fiber, the farmer's income per hour of labor was approximately 88 cents.

I ask unanimous consent to have printed at the end of my remarks the exhibit introduced by this distinguished North Dakotan, Elmer W. Cart.

There being no objection, the exhibit was ordered to be printed in the RECORD, as follows:

BEFORE THE INTERSTATE COMMERCE COMMISSION

DOCKET EX PARTE 166—WITNESS ELMER W. CART

Item 1. Gross farm income, realized net income, percent retained of gross from agriculture for the year 1944, as shown by Witness Vivian on page 1, line 45, of exhibit 34, ex parte 166:

Column 1, gross farm income, $23,281,862,000.

Column 2, realized net income from agriculture, $12,281,791,000.

Column 3, percent retained of gross, 52.75.

Item 2. Break-down of gross farm income and realized net income from agriculture for the year 1944:

Column 1, gross farm income, $23,281,862,000.

Column 2, realized net income from agriculture, $12,281,791,000.

Column 3, total expense deducted (column 1 minus column 2), $11,000,071,000.

Column 4, amount paid for labor (see note 1), $2,094,000,000.

Column 5, deductions other than labor (column 3 minus column 4), $8,906,071,000.

Column 6, total man-hours of labor (see note 1), 20,887,000,000.

Column 7, man-hours of labor paid for (see note 2), 4,264,765,000.

Column 8, man-hours of labor by farm operator (column 6 minus column 7), 16,622,235,000.

Column 9, income to farm operator per hour of labor (see note 2), 73.88 cents.

Item 3. Gross farm income, realized net income, percent retained of gross from agriculture for the year 1945, as shown by Witness Vivian on page 1, line 46, of exhibit 34, ex parte 166:

Column 1, gross farm income, $24,065,182,000.

Column 2, realized net income, $12,555,569,000.

Column 3, percent retained of gross, 52.17.

Item 4. Break-down of gross farm income and realized net income from agriculture for the year 1945:

Column 1, gross farm income, $24,065,182,000.

Column 2, realized net income from agriculture $12,555,569,000.

Column 3, total expenses deducted (column 1 minus column 2), $11,509,613,000.

Column 4, amount paid for labor (see note 1) $2,210,000,000.

Column 5, deductions other than labor (column 3 minus column 4), $9,299,613,000.

Column 6, total man-hours of labor (see note 1), 20,357,000,000.

Column 7, man-hours of labor paid for (see note 2), 4,073,700,000.

Column 8, man-hours of labor by farm operator (column 6 minus column 7), 16,283,300,000.

Column 9, income to farm operator per hour af labor (see note 2), 77.10 cents.

NOTE 1.—Source: Agricultural Statistics, U. S. D. A., 1946. For column 4, items 2 and 4, page 567, table 617. For column 6, items 2 and 4, page 536, table 593.

NOTE 2.—Man-hours of labor paid for column 7, items 2 and 4, obtained from table 595, page 538, by dividing wages per day without board by 8 hours, which produced hourly wage of 49.1 cents per hour for the year 1944 and 54.25 cents per hour for the

year 1945 Income to farm operator per hour of labor shown in column 9, items 2 and 4, obtained by dividing column 2 by column 8.

COMMODITY DEALINGS BY GOVERNMENT OFFICIALS

Mr. WILLIAMS. Mr. President, I rise to congratulate the Honorable Harold E. Stassen for shaking the Senate out of its apathy concerning the real reasons back of the present inflationary spiral in a statement he recently made concerning the cost of living in the United States. He has overnight called the attention of the people of America to the facts concerning manipulations by Government officials and Government agents in the commodity markets. I may say that those facts have been in the possession of the Members of the Senate for the past several months, but the Senate has taken no action regarding them.

As long ago as March 19, 1947, and again on April 15 and November 26, I called the attention of the Senate to the facts concerning such manipulations through purchases of various commodities, and at that time I asked that the appropriate Senate committee take action. I wish to refer to the statement I made at that time. I said then that I think there are only three possible reasons for the asinine policy which has been followed in connection with such purchases: First, ignorance; second, an attempt by certain officials to manipulate the market for their own personal gain; and third, an attempt by the administration to discredit Members of Congress for their action in canceling Government controls.

I also stated on those occasions that it was an effort on the part of the administration to "sell" controls to the American people again. I pointed out in those statements, particularly in the statement which I made on March 19, 1947, that in the 3 months of October, November, and December 1946, the Government purchases of wheat amounted to 36,000,000 bushels. During the month of January, which is the worst month of the year in which to buy wheat, as is well known by anyone who has the slightest knowledge of the wheat market, the Government stepped into the market and purchased over 38,000,000 bushels of wheat. Government purchases in February, March, and April, the three succeeding months combined dropped back to 2,500,000 bushels. I said then, and I now repeat, that those things did not just happen; they were deliberately planned that way, or else we have some very incompetent men in charge of these agencies.

I also pointed out that in the purchase of other commodities—for instance, meat products, on certain occasions the Government has purchased during 1 month as much of particular types of meat as it needed in a year or in a year and a half; and everyone knows that such large amounts of meat will not keep in storage, but will either spoil or have to be given away. Mr. President, we have a complete history of these transactions in the record, and I shall not go into it any further at this time.

I introduced into the CONGRESSIONAL RECORD for March 19, 1947, and July 15, 1947, various facts relating to such purchases, and named those who were responsible for them. I suggest now, as I did then, that the appropriate committees give these reports their serious consideration. I suggest that the appropriate committees direct attention to such purchases by Government officials, not directing so much attention to the amounts purchased, but more particularly noting the days on which the purchases and sales were made. The most important thing to be gone into is whether those purchases coincide with the issuance of some important releases by the Department of Agriculture, because there is a suspicion in this country, that Government officials are using inside knowledge for their own personal gain, and that they are operating in the market and conducting their buying and selling with advance knowledge of what the Government is going to do in its own buying program. I and many other citizens of our country share that suspicion, and I think the facts should be thoroughly explored. I think the Senate realizes the importance of the charge, and I believe that now is the time for the proper committee to proceed promptly to review the entire situation.

Furthermore, Mr. President, on November 26 of this year I pointed out that the Department of Agriculture, instead of sending surplus potatoes to hungry Europe was paying the alcohol plants to take them off their hands. I think that is a ridiculous situation.

Since I made that speech, I have found that we have shipped to Argentina 1,929,180 bags of white potatoes during the past few months. Those potatoes—over 5,000 carloads—were sold by the Commodity Credit Corporation to be exported at a price averaging 80 cents a bag cheaper than the Commodity Credit Corporation would sell them to the American consumers. In other words, through the Commodity Credit Corporation we are subsidizing the Argentinians at the expense of the American taxpayers. I think the people of the United States have a right to know that and to know whether the exporting firms which purchased those potatoes from the Commodity Credit Corporation and resold them made exorbitant profits, because all of us know that Argentina is enjoying a degree of prosperity which exceeds even that in the United States. Argentina has wheat which is selling for approximately $5 a bushel, and our Government is buying that wheat. I see no reason why we should be subsidizing the Argentine consumers at the same time that we are paying the Argentine farmer about twice what we are paying our farmers for their products. I think it is time that a thorough investigation be made, so that the people of the United States may know whether Government officials are taking advantage of the information to which they have access.

I have serious doubts as to the propriety of having the Senate Appropriations Committee conduct an investigation unless it believes that it has the power and the time to go thoroughly into the question of the buying practices of Government agencies and the moral conduct of Government employees. A thorough investigation of this subject will undoubtedly require the tightening up of our present laws governing the activities of Federal employees; and for this reason I believe the approach of Representative BUSBEY, of Illinois, in introducing the House resolution providing that the investigation to be undertaken by a select committee, represents a more realistic approach.

DEDICATION OF EVERGLADES NATIONAL PARK

Mr. HOLLAND. Mr. President, I am sure that all Members of the Senate noted with interest and pleasure the fact that our newest national park—the Everglades National Park, in Florida—was dedicated by the President of the United States last Saturday afternoon, December 6, 1947, in appropriate ceremonies at the little town of Everglades, Fla. My distinguished colleague the senior Senator from Florida [Mr. PEPPER], on last Monday, December 8, asked and obtained leave to have printed in the RECORD the President's dedicatory speech and also the address delivered by himself on that occasion. At that time, Mr. President, copies of three other brief addresses which were made at the dedicatory occasion were not available. I now ask the unanimous leave of the Senate to have them printed in the RECORD, as follows:

First. The address delivered by the Honorable Millard F. Caldwell, Governor of Florida.

Second. The address delivered by the Honorable J. A. Krug, Secretary of the Interior of the United States, in which address he presented the President of the United States.

Third. A brief address which I had the honor to deliver on that occasion.

There being no objection, the addresses were ordered to be printed in the RECORD, as follows:

ADDRESS OF GOV. MILLARD F. CALDWELL AT DEDICATION OF EVERGLADES NATIONAL PARK, DECEMBER 6, 1947

In making this formal presentation of what may well become the Nation's most popular and unique national-park area, it is fitting that due recognition be accorded those who have been responsible for the accomplishment.

It is not possible within this brief moment to identify all of the individuals, groups, and organizations whose interest and efforts have been unceasing to this end, but they must know that their services are appreciated. Among those who have labored effectively and are entitled to especial mention are the President, the Secretary of the Interior and other Federal officials, Ernest Coe and his association, the Everglades National Park Commission, Florida's delegation in the Congress, and the members of the Florida cabinet. It is worthy of note that 10 sessions of the Florida Legislature and 5 of Florida's governors have unstintingly supported the effort.

The State of Florida has contributed more toward the creation of this national park than any other State of the Nation has contributed toward the establishment of any other national park. We have given hundreds of thousands of acres of State-owned land and $2,000,000 in cash to the Federal Government to assist in the park's creation.

We are confident that the marvelous attractions of the area, together with the operating plans of the Park Service, will result in the bringing of a multitude of visitors to

Florida and redound to the mutual benefit of the Nation and of the State.

And now, Mr. President and Mr. Secretary, in presenting this area to the Nation, Florida wants you to know that it is given in token of our desire to be ever closer bound to the commonwealth of States and to further cement the good will of all of the people of the Nation. We leave its future in your hands, confident that it will be administered with the same wisdom and progressive good judgment which has characterized your administration.

INTRODUCTORY REMARKS OF SECRETARY J. A. KRUG AT THE DEDICATION OF EVERGLADES NATIONAL PARK, EVERGLADES, FLA., DECEMBER 6, 1947

Mr. President, Governor Caldwell, Mr. Pennekamp, distinguished guests, ladies, and gentlemen, as Secretary of the Interior, it is my pleasure to accept, on behalf of the Federal Government, this world famous area as a generous gift to the Nation from the people of Florida and formally dedicate it as Everglades National Park—the twenty-eighth in our great system of national parks.

I cannot pass up this opportunity to express the thanks and appreciation of the Federal Government and, I am sure, the people all over the country for the unselfish and persistent efforts of the many civic organizations and the thousands of Florida citizens who have assisted in making this dedication possible. I had hoped to name these organizations and these individuals, but I find the complete list almost endless, as it includes the many, many public-spirited, conservation-minded people of your State. I want you to know, however, that never in my experience have I witnessed such complete all-out cooperation between private and public organizations and between public servants and private citizens—all motivated by the same vital national purpose. Every member of your congressional delegation has joined in this fight. Your able Governor has devoted much of his time and energy to its leadership in the State and in Washington—and your State legislature has demonstrated remarkable statesmanship in keeping important State responsibilities in proper perspective to broader interests of the Nation as a whole.

Without making a formal speech at this historic occasion, I wish to emphasize that the Federal Government and the Department of the Interior appreciate their new responsibilities and will carry forward—arm in arm with you—the work remaining to be done, to the end that these beautiful Everglades will become not just another reservation of public land but, as it should be, a new and brilliant gem in our exciting chain of national parks with its unusual attractions second to none.

In this endeavor, we are fortunate to have a national leader who really understands conservation and loves our national parks. Ladies and gentlemen, the President of the United States.

SPEECH BY SENATOR SPESSARD L. HOLLAND AT DEDICATION OF EVERGLADES NATIONAL PARK, DECEMBER 6, 1947, AT EVERGLADES, FLA.

President Truman, Governor Caldwell, Secretary Krug, ladies, and gentlemen, the presence here of the President of the United States and the Secretary of the Interior to dedicate the Everglades National Park shows clearly the importance which the Federal Government gives to this newest of national parks—the Nation's only subtropical park. Mr. President and Mr. Secretary, the thousands of Floridians, both officials and private citizens, who have, through the years, worked together to make possible the grants of State land and State money by which the creation of this park was made possible are deeply grateful to you for your unfailing interest and assistance, as well as for your coming here today.

Aside from the public and civic agencies which have functioned so effectively in Florida in the long effort to create a great national park, I feel that this is the appropriate time to call public attention, with gratitude, to the big parts played by two great organizations, the Florida Federation of Women's Clubs and the National Audubon Society. The club women acquired, 31 years ago, the royal palm hammock and preserved it against the destruction which occurred in most of our other stands of native royal palms. As a result the royal palm hammock, recently deeded to the Federal Government, has become part of the park, bringing to the park the most majestic royal palms in our Nation along with many other native subtropical trees.

The Audubon Society supplied the supervision, the equipment, and the wardens by whose efforts, beginning in 1901, many species of the incomparable bird, animal, and fish life of the park region were safeguarded and, in some instances, saved from extinction. The thousands of Florida club women and the tens of thousands of Audubon members throughout the Nation have every right to feel happy today that their devoted efforts have borne such good fruit.

I sincerely hope that the National Park Service which now begins its patient labor of years to safeguard this immense wilderness and at the same time make it subject to visitation and enjoyment by millions of citizens will have the continuing ardent support of these two great organizations as well as the sympathetic interest and backing of lovers of nature everywhere and of the entire American public.

Mr. HOLLAND. At this time, Mr. President, I also desire to call to the attention of the Senate that on December 5, 1947, the Post Office Department placed on sale at the post office at the little town of Florida City, Fla., which is the furthest south incorporated village on the mainland of the United States, a beautiful new stamp which was issued by the Post Office Department to commemorate the establishment of the Everglades National Park. On that occasion a most interesting public program was observed, at which the principal speaker was the Third Assistant Postmaster General, Hon. Joseph J. Lawler. I now ask the unanimous consent of the Senate to have printed in the RECORD the address delivered by Mr. Lawler at Florida City, Fla., on December 5, 1947.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SPEECH DELIVERED BY HON. JOSEPH J. LAWLER, THIRD ASSISTANT POSTMASTER GENERAL, ON THE OCCASION OF THE FIRST-DAY SALE OF THE EVERGLADES NATIONAL PARK COMMEMORATIVE STAMP AT FLORIDA CITY, FLA., DECEMBER 5, 1947

It is a great honor and a pleasure to be here in Florida City today representing the Postmaster General, Hon. Jesse M. Donaldson, upon the occasion of this first day of issue of this beautiful new stamp commemorating the establishment of Everglades National Park.

This magnificent natural wonder, the Florida Everglades, now takes on greater glory and significance in the public eye by reason of its dedication to the people of the United States as one of the Nation's great national parks. The importance of the occasion can truly be attested by the fact that our great Chief Executive, Hon. Harry S. Truman, has seen fit to honor it by his presence at the dedication of the park tomorrow.

In the past the Post Office has issued special commemorative stamps for 10 of the national parks. In presenting a case in behalf of this stamp, your distinguished Senator, Hon. SPESSARD L. HOLLAND, has represented to the Post Office Department that the State of Florida has cooperated and contributed in greater degree than any other State heretofore in that Florida has conveyed 800,000 acres of land to the United States, an area twice as great as the State of Rhode Island, as well as appropriating over $2,000,000 to round out the area.

So, too, Senator CLAUDE PEPPER, Governor Millard Caldwell, and each Member of Congress from Florida presented briefs in the cause of this stamp.

Today on this spot is being issued for the first time a beautiful stamp designed after an idea submitted by the Everglades Park Commission. The stamp is in dimensions commonly known as the special-delivery size, but arranged vertically. The central design is an outline map of Florida, emphasizing the Everglades National Park area. In the foreground and partly covering the map outline is a great white heron, symbolic of the exotic wild life of the region. The coloring in delicate shadings of green is symbolic of the perennial verdant foliage of this summery land.

Notwithstanding the symbolic features its potential utility has not been sacrificed. The stamp is in the 3-cent denomination, the one in most common use and as such will carry the story and the glory of Everglades National Park to the farthermost corners of this land and to lands beyond. Even today it is expected upward of one-half million letters bearing this stamp will emanate from this honored postoffice Florida City. Millions of additional stamps will be sold after tomorrow at every other postoffice in the United States.

The issue of a new stamp is a great undertaking by the Post Office Department and is deemed oustanding recognition to the subject so honored. Therefore, it is a source of deep gratification when the recipient signifies its cooperation and appreciation in the wholehearted and elaborate manner displayed at all times by the Everglades Park Commission under the able and energetic guidance of its chairman, Mr. August Burghard. This cooperation and interest has been indicated not only in the furtherance of the project but in every phase of its progress even to its culmination in these appropriate ceremonies today.

The Department is not unmindful of the inestimable assistance of Mr. Paul R. Scott, who made personal trips to Washington to confer with our esteemed former Postmaster General, Hon. Robert E. Hannegan, and myself. And I have been reliably informed by their colleagues of the untiring and ceaseless efforts put forth by Mr. John D. Pennekamp, associate editor of the Miami Herald, and Mr. Will Preston.

This spirit of cooperation and appreciation could be no more suitably and amply climaxed than in this final touch of dignity by having here to accept this first issue, your highest ranking official, Hon. Millard Caldwell, Governor of the State of Florida.

Governor Caldwell, I am proud, I am honored to present to you with the compliments of Hon. Jesse M. Donaldson, Postmaster General of the United States, this album suitably inscribed with your name and covering the first sheet of stamps of the special issue commemorating Everglades National Park.

Mr. HOLLAND. Mr. President, in order to supplement the address of Mr. Lawler with specific information concerning the first-day sale of the Everglades National Park commemorative stamp at the Florida City Post Office, I now read into the RECORD an excerpt from a letter dated December 10, 1947,

addressed to me and signed by Joseph J. Lawler, Third Assistant Postmaster General. The excerpt reads in part as follows:

I have just received a report from the Postmaster at Florida City in connection with the first-day sale of the stamp and she reports that there were 466,647 first-day covers cancelled and 802,500 stamps sold, amounting to $24,075. This was indeed quite a fine showing and it eclipsed that of any first-day sale of national park stamps.

Mr. President, without consuming further the time of the Senate by reading additional excerpts from the letter, which I think is most illuminating, I ask unanimous consent that the entire excerpt from the letter bearing on the sale of first-day cover stamps be incorporated in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

I have just received a report from the postmaster at Florida City in connection with the first-day sale of the stamp and she reports that there were 466,647 first-day covers canceled and 802,500 stamps sold, amounting to $24,075. This was, indeed, quite a fine showing and it eclipsed that of any first-day sale of national-park stamps. In 1934, the Department issued 10 national-park stamps and they proved to be very popular. I am sure that the Everglades stamp will continue to be one of our popular issues.

Mr. HOLLAND. Mr. President, I am sure that I speak for the entire Florida delegation and also for the State officials of Florida and for our entire public in expressing to the Postmaster General our very great appreciation for his recognition of the importance of the creation of the Everglades National Park by issuing the beautiful commemorative stamp.

Mr. President, speaking for the Florida delegation, let me say that we appreciated greatly the presence of the distinguished senior Senator from Colorado [Mr. JOHNSON] at the dedicatory celebration, and we hope that he enjoyed there the beauties which I think are apparent to all who come—blue skies, bright sunshine, beautiful green palms, and the myriad bird life, animal life, fish life, and much vegetation which cannot be found anywhere else in our Nation. Here and now I wish to extend a warm invitation to all Members of the Senate who have not had the privilege of visiting that particular southernmost part of our Nation. That invitation is extended to them by the Florida delegation, and we hope they will visit us at their early pleasure and will enjoy for themselves the undoubted beauties of the only subtropical national park in our entire national-park system, and the only one that can ever be in the national-park system of the United States. We shall be greatly pleased by the presence of any Members of the Senate, and we draw no political lines whatever in the extension of this cordial invitation.

RATIFICATION OF THE CONSTITUTION OF THE UNITED STATES

Mr. MARTIN. Mr. President, I rise to call to the attention of my colleagues a most significant anniversary in the history of the Commonwealth of Pennsylvania and of our Nation.

One hundred and sixty years ago today Pennsylvania ratified the Constitution of the United States. By that action Pennsylvania, the Keystone State in the arch of the American Republic, became the second State to join the Union.

We, of Pennsylvania, take the greatest pride in the fact that the American Constitution, which has been characterized as the most wonderful work ever struck off at a given time by the brain and purpose of man, was drafted and adopted on the soil of the Keystone State.

We are proud that it was in Pennsylvania, a little more than 11 years earlier, in the Old State House, at Philadelphia, that the founding fathers of our Nation proclaimed to the world that "these United Colonies are, and of right ought to be, free and independent States."

Mr. President, to my mind, there is great importance in recalling the important anniversaries connected with our Nation's history, and particularly the stirring events of its formative days.

It is important that we recall the courage and sacrifice of the patriots who pledged "their lives, their fortunes, and their sacred honor" to establish the new concept of freedom which is our heritage.

In marking such anniversaries we cannot fail to be reminded, not only of our rights and privileges, but also of the obligations of American citizenship.

We cannot fail to be impressed with a deeper sense of our individual responsibility to safeguard the liberties won and preserved for us by the heroism and sacrifice of men and women in every generation.

I think it will be interesting to Senators to note the dates of the ratification of the Constitution by the Thirteen Original States. It was ratified by them in the following order: Delaware, December 7, 1787, unanimously; Pennsylvania, December 12, 1787, vote 46 to 23; New Jersey, December 18, 1787, unanimously; Georgia, January 2, 1788, unanimously; Connecticut, January 9, 1788, vote 128 to 40; Massachusetts, February 6, 1788, vote 187 to 168. Maryland, April 28, 1788, vote 63 to 11; South Carolina, May 23, 1788, vote 149 to 73; New Hampshire, June 21, 1788, vote 57 to 46; Virginia, June 25, 1788, vote 80 to 79; New York, July 26, 1788, vote 30 to 27; North Carolina, November 21, 1789, vote 193 to 75; Rhode Island, May 29, 1790, vote 34 to 32.

The first State to ratify, outside the original 13, was Vermont, which ratified the Constitution January 10, 1791, by a vote of 105 to 4. Congress admitted that State to the Union February 18, 1791, and the language employed by the Congress in admitting the State is most interesting, namely, "received and admitted into this Union as a new and entire member of the United States."

DEATH OF DAVID EMERY WHERRY

Mr. BUTLER. Mr. President, a few days ago my colleague the junior Senator from Nebraska [Mr. WHERRY] left Washington to visit his father, who was then ill in Nebraska. It is my sad duty this morning to announce that his father passed away yesterday. Therefore I ask unanimous consent that the junior Senator from Nebraska may be excused from attendance on the sessions of the Senate until he finds it possible to return.

The PRESIDING OFFICER (Mr. DONNELL in the chair). Without objection, consent is granted.

Mr. BUTLER. In connection with the passing away of our colleague's father, Mr. David Emery Wherry, I wish to say that Nebraska has lost one of its best known and most highly respected citizens. Funeral services will be held at Pawnee City, Nebr., next Sunday, December 14.

THE PRICE OF FUEL OIL

Mr. PEPPER. Mr. President, I desire to read the following telegram:

JACKSONVILLE, FLA., *December 11, 1947.*
Hon. CLAUDE PEPPER,
United States Senator,
Senate Office Building:

In 1939 the city of Jacksonville was paying 75½ cents per barrel for fuel oil. In 1943 this was increased to $1.66 per barrel; in 1945 to $1.78 per barrel, and in 1946 was reduced to $1.37 per barrel but was later increased to $1.73. On January 1, 1947, we were paying $1.83 per barrel, which has been increased to $2.45 per barrel. This latest increase took place on November 20, 1947, and constitutes a 42-cents-per-barrel increase. This latest increase took place after the city commission and city council of the city of Jacksonville had completed its 1948 budget and the effect of this increase is to throw our 1948 budget out of line to the extent of approximately $500,000. I have just learned that the Pure Oil Co. yesterday increased the cost of fuel oil to $2.98 per barrel at Port Tampa, Fla. This means an additional 53 cents per barrel increase. We are inclined to believe that a similar increase will be attempted by all of the other major companies including Gulf Oil Co. with which the city of Jacksonville does business. I wish to protest the action of the oil companies in making the 42-cents-per-barrel increase on November 20, 1947, and earnestly request that you and Senator HOLLAND institute an investigation of the oil companies of the United States. Their financial records reveal that they are making more profit at this time than ever in the history of their business and I do not feel that such drastic increases in the price of fuel oil are justified. The cost of fuel oil has increased 102.48 percent since 1941. I know of no other commodity that has increased to this extent. Kindest regards.

GEORGE A. PIERCE,
Commissioner, Public Utilities.

Mr. President, I desire to read another telegram, as follows:

GAINESVILLE, FLA., *December 11, 1947.*
Hon. CLAUDE PEPPER,
Senate Office Building:

In past 60 days price of bunker C fuel oil has advanced 45 cents per barrel. We now have information price will go to $2.98 per barrel f. o. b. Tampa. This will be increase of 125 percent in past 12 months. The city of Gainesville has not increased electric rates. We will appreciate your doing all possible to see that price is not further increased.

J. B. MOBELY, Jr.,
City Manager.

I also desire to read the following telegram:

TAMPA, FLA., *December 11, 1947.*
Senator CLAUDE PEPPER,
Senate Office Building:

We are advised that one oil company has posted a new price for bunker C oil at Port Tampa and others are contemplating following their lead. This will bring the price of oil

to us in our tanks to $2.93 per barrel as compared with $2.35 per barrel we are now paying. Less than 2 years ago and after VJ-day we were paying $1.27 per barrel for the same type of oil. If the proposed price to us becomes effective, it means an increase of 130 percent during the 2-year period. Such an increase in fuel costs must result in increasing rates charged by us for electricity and will be seriously reflected in costs of doing business by all industry in this area as well as costs for home consumption. We feel that such a step on the part of the oil companies calls for a complete investigation and since they are a Nation-wide activity only the Federal Government can do this. In order that your constituents may be protected we hope you will make every effort to have all the resources of the Government put behind this investigation in order that the oil companies may be enjoined from putting into effect this proposed increase.

Regards,

F. J. GANNON,
President, Tampa Electric Co.

Mr. President, I have called this subject to the attention of the able Senator from Ohio [Mr. TAFT] and asked if his committee would not take jurisdiction of the subject and institute an inquiry to see whether or not the exorbitant increases are justified. If such increases in fuel oil costs are made, it simply means that the utility companies are going to have to charge higher rates to an already burdened citizenry, which is suffering under the exacting high prices of the present day. I believe the high cost of living that is continuing the inflation is the greatest danger to American prosperity and stability today. If the situation is not effectively met, it is going to do more to undermine our institutions of democracy and to impair our ability to help other nations and peoples of the world than any other thing which endangers us today. Moreover, if the two political parties do not join, or if one of them, through the Executive, the other, through the Congress, do not propose and secure the adoption of an effective plan, woe unto that one responsible for the failure. It seems to me that when we talk about bipartisan policy being desirable and in the public interest, surely the first challenge, nay, the appeal, Mr. President, from the American people, is that we agree upon a bipartisan program to bring prices down or to stabilize the economy, so that the masses of the American people will not continually suffer an impairment of their level of living.

TAX REVISION AND REDUCTION

Mr. McCLELLAN. Mr. President, two efforts were made during the regular session of Congress earlier this year to enact a law reducing income taxes. H. R. 1 and H. R. 3950 passed both Houses of Congress by substantial majorities, but each met with a Presidential veto. The House failed to override by the necessary two-thirds vote the Presidential veto of H. R. 1, and the Senate failed to give the necessary two-thirds majority to override the Presidential veto of H. R. 3950. Thus, neither measure became law, and a reduction in income taxes was not accomplished.

The issue, however, has not been settled. It is still with us and, according to all reports from, and public statements by, eminent Republican leaders, the majority party of the Congress proposes to renew the fight for the enactment of a tax-reduction bill in the early days of the forthcoming regular session of Congress.

When the foregoing tax-reduction bills were before the Senate, promises were given, which are supported by public statements made since, that the majority party would submit and sponsor during the coming regular session a general tax-revision bill. Anticipating, Mr. President, that one or both such measures will come before us in one form or another shortly after Congress convenes in January 1946, I wish to discuss some provisions which I believe should be contained in any tax bill that may be enacted into law.

When the two bills to which I have referred were before the Senate, I expressed the view that, under the then existing conditions, the propriety and wisdom of enacting a general tax-reduction law, resulting in a loss in revenue to the Treasury of some $4,000,000,000 annually, was extremely doubtful and highly debatable. I also insisted, Mr. President, in addresses on the floor of the Senate that before the enactment of a general reduction bill, or at least simultaneously with any tax-reduction measure, there should be enacted a general tax-revision law. I have not changed my opinion. I still entertain the same views that I then expressed.

In my judgment, Mr. President, the two tax-reduction bills of the last session of Congress were unable to muster the two-thirds vote of both Houses necessary to override a veto and finally failed of enactment because of four principal reasons:

First. Because more than one-third of the Members of the Congress were not sufficiently convinced that the Treasury could afford the loss in revenues of $4,000,000,000 annually without endangering the financial security of our Government.

Second. Because the reduction in rates which would have been accomplished—both bills were identical in that respect—would have given a far greater measure of relief to those taxpayers in the higher income brackets, who need it least, than to taxpayers in the lower income brackets, who need tax relief the most.

Third. Because many Members of Congress believe that tax reduction should not be consummated until our laws have been revised to eliminate existing inequities and injustices, and thus equalize among all citizens, according to their ability to pay, the heavy tax burden that our people are now compelled to carry.

Fourth. Because some of the leadership of the majority party attempted to force upon the Congress and the administration a tax-reduction bill of their own concept and steadfastly refused to accept or consider any amendments to those bills, irrespective of the merits and the justification for such amendments.

Mr. President, some of the causes for the failure of enactment of either of those bills can be removed in the course of future tax legislation if a nonpartisan, statesmanlike approach is made.

Legislation to reduce taxes or to revise our tax structure should not be enacted on the basis of momentary popular appeal that would give to one of the major parties a political advantage and place the other at a political disadvantage. The issue should be presented, considered, and decided on the basis of the true financial position of the Federal Government, its known existing obligations, its current cost of operations, and the extraordinary expenses that can be reasonably anticipated, together with the level of our national income, the status of our national economy, and the ability of our people to pay.

MUST MAINTAIN SOUND FISCAL POLICIES

It is imperative that we undertake to establish and maintain sound fiscal policies but we must not lose sight of, or fail to take into account, the burden that high taxes impose upon those who produce our national income and the strain that such taxes place upon our economy. It is, therefore, not only proper but necessary that the Congress from time to time reexamine our tax structure and rates with the view of revising our tax laws so as to remove discriminations, to eliminate injustices, and to reduce taxes where and when it is possible to do so without impairing the essential functions of Government or resorting to deficit spending in order to maintain them.

Mr. President, high taxes, as compared to the rates prior to the war, are here to stay. Let no one be deceived about this nor attempt to mislead others that we should or could go back to a prewar tax base or rate. It simply cannot be done. By practicing rigid economy in Government, which by no means has yet been attained in this postwar period, we still will have a Government that will cost from $30,000,000,000 to $35,000,000,000 annually for the next few years.

We have a $260,000,000,000 debt to be serviced. The interest on this debt is $5,000,000,000 per year, an amount equal almost to the total—$5,200,000,000—of all taxes and revenues collected by the Federal Government in the fiscal year 1939. The administration of the many programs and laws that have been enacted for the relief and benefit of our war veterans involves an annual expenditure of $6,000,000,000 to $7,000,000,000. To maintain an adequate national defense, and thus keep our Nation militarily prepared for any eventuality that might arise, involves at the very minimum a cost of some $10,000,000,000 to $12,000,000,000 annually. The expense of maintaining the regular established departments and agencies of Government amounts to over $6,000,000,000 a year. Costs of other special programs and services authorized by law amount to $2,500,000,000 or $3,000,000,000 each year. Payment on the national debt of not less than $2,500,000,000 should be made annually.

Those expenses of Government total $29,500,000,000 to $33,000,000,000. Those figures do not take into account proposed expenditures for foreign aid and relief, either of an emergency nature or in a long-range program. Further, no allowance is made for additional costs of Government associated with legislation now pending, which may be enacted into law. I have reference, Mr. President, to such proposals as universal military train-

ing, which will cost a minimum of $2,000,000,000 annually; a bill that is pending to establish a national housing policy and program that will cost $1,000,000,000 annually; bills now pending for raises in pay for all Federal employees, which, if enacted, will cost from $1,000,000,000 to $2,000,000,000 annually; bills to expand social security; and many other measures now pending which would materially increase Federal expenditures if enacted into law. Many of those bills have strong support and some of them will become law

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. McCLELLAN. I had hoped not to be interrupted, but I am glad to yield.

Mr. LANGER. I invite the Senator's attention to the fact that in connection with future expenditures he has forgotten one item which will probably cost even more. I refer to care of the aged.

Mr. McCLELLAN. I had intended that to be included in social security expansion. I am not disregarding the cost which might be involved, but I could not enumerate all the pending bills that if enacted would increase Government costs.

These are realities, Mr. President. Closing our eyes to them and refusing to acknowledge them will not make them disappear. They must be faced and reckoned with in all our deliberations and inevitably so when we consider tax legislation.

TAX RATES PARALLEL COST OF GOVERNMENT

Our tax rate and revenues must be kept at a level commensurate with the continuing cost of government. We cannot reduce taxes and at the same time enact more and more laws that will steadily increase the annual expenditures of the Federal Government; nor can we materially reduce taxes until we shall have succeeded in substantially reducing and stabilizing the cost of government.

From my experience and observations of government as a Member of Congress for 9 years, and in view of the present state of world affairs and our own domestic problems, it is my judgment that for the next 4 or 5 years our annual expenses will be approximately $35,000,000,000. In making this estimate, I am assuming that the Congress will diligently seek to invoke every reasonable economy consistent with proper maintenance of essential governmental functions and national security. I am hopeful, but by no means certain, Mr. President, that this estimate is adequate and will be sufficient to provide for any expenditures that may be incurred by such foreign-aid programs as the Congress may finally authorize. Such hope or assumption may be entirely too optimistic, but it is clearly the duty and responsibility of Congress to make every effort to keep Federal expenditures from rising above that figure and, if possible, hold them below it. If we can succeed in limiting Federal expenditures to $35,000,000,000 or less annually for the next 5 years, that will surely permit some reduction in taxes in view of the present and anticipated high national income.

TAX REVISION BEFORE TAX REDUCTION

Assuming, Mr. President—and I hope this assumption will subsequently be justified—that we can hold Federal expenditures to a level that will permit tax reduction, then I wish to make clear what I believe to be the proper procedure the Congress should follow in effecting tax reduction.

First, Mr. President, I wish to emphasize again, as I did on the floor of the Senate when the two previous tax reduction bills were before this body, that tax reduction should be preceded by tax revision. A proper tax revision law carries with it a measure of tax reduction and will produce a loss in revenue to the Federal Treasury.

During the war years, when laws were enacted levying taxes that increased the Federal Government's annual revenues from $5,200,000,000 in the fiscal year 1939 to $43,300,000,000 in the fiscal year 1947, some inequities, discriminations, and injustices were either inadvertently or unavoidably established in our tax structure and others that existed were greatly accentuated.

THE COMMUNITY-PROPERTY INEQUITY

The most grievous inequity is the split-income device which is recognized by the Treasury Department in the collection of Federal personal income taxes in the 12 community-property States. The granting of this privilege is a discrimination by the Federal Government against some 5,000,000 married taxpayers living in the 36 common-law States to whom such privilege is denied.

The 12 community-property States are Arizona, California, Idaho, Louisiana, Michigan, Nebraska, Nevada, New Mexico, Oklahoma, Oregon, Texas, and Washington. A thirteenth State, Pennsylvania, enacted a community-property law in 1947, but the Pennsylvania Supreme Court held the law unconstitutional within 90 days after it became effective.

Recognition of the split-income principle in the community-property States by the Bureau of Internal Revenue for the collection of taxes places husbands and wives of the common-law States at a substantial disadvantage. They are compelled to pay a higher rate of Federal tax on their incomes than husbands and wives are required to pay in community-property States. This is tantamount to the Federal Government penalizing married taxpayers in three-fourths of the States of the Union.

This does not warrant, nor do I imply, any criticism whatsoever of the 12 community-property States. Eight of those States adopted the community-property system long before the Congress enacted an income-tax law. Four of the 12 changed from a common-law to a community-property system after enactment of the Federal statute—Oklahoma in 1945, and Oregon, Michigan, and Nebraska during the past year. Whether such transitions were made to avoid the Federal tax penalty imposed on common-law States is immaterial. Each of those States had every moral and legal right to change its laws. However, Mr. President, if the transition was motivated by a desire to avoid the tax penalty now imposed on common-law States, such action presents irrefutable argument in support of the revision which I propose.

Section 8, article 1, of the Constitution of the United States provides:

> The Congress shall have power to lay and collect taxes duties, imposts, and excise to pay the debts and provide for the common defense and general welfare of the United States; but all duties, imposts, and excise shall be uniform throughout the United States.

In that provision of the Constitution, Mr. President, the Congress is empowered to tax the citizenry of this Nation to support the Government, but, with equal force, it is also enjoined to make taxes equal and uniform to all the people alike, irrespective of State residence and citizenship.

Therefore, Mr. President, I urge again and implore this Congress to do its duty to the people of the several common-law States. The Congress should comply now without further delay with this plain mandate of the Constitution and revise the Federal tax laws so as to make them uniform, equitable, and nondiscriminatory throughout the Nation.

AMOUNT OF INEQUITY BY INDIVIDUAL INCOME LEVEL

For the record, Mr. President, I ask unanimous consent to insert as a part of my remarks a table prepared by the Treasury Department showing the amount and percentage of higher taxes paid on given incomes by husbands and wives of common-law States than are paid by husbands and wives of community-property States.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Table showing difference in amount and percentage of income tax in community-property and non-community-property States

[For head of family with no children]

Combined net income before personal exemption	Tax payable		Difference	Percent greater
	Community-property States [1]	Non-community-property States [2]		
$1,000				
$1,200	$38.00	$38.00		
$1,500	95.00	95.00		
$2,000	190.00	190.00		
$2,500	285.00	285.00		
$3,000	380.00	380.00		
$4,000	570.00	589.00	$19.00	3.33
$5,000	760.00	798.00	38.00	5.00
$6,000	969.00	1,045.00	76.00	7.84
$7,000	1,179.00	1,292.00	114.00	9.68
$8,000	1,387.00	1,577.00	190.00	13.70
$9,000	1,596.00	1,862.00	266.00	16.67
$10,000	1,842.00	2,185.00	342.00	18.56
$15,000	3,154.00	4,047.00	893.00	28.31
$25,000	6,460.00	9,082.00	2,622.00	40.59
$50,000	18,724.00	24,795.00	6,070.00	32.42
$100,000	50,474.00	63,127.00	12,653.00	25.57
$150,000	86,963.00	105,383.00	18,420.00	21.20
$200,000	127,081.00	148,124.00	21,042.00	16.56
$250,000	169,387.00	191,389.00	22,002.00	12.99
$300,000	212,750.00	236,671.00	23,921.00	11.24
$400,000	300,468.00	329,389.00	28,921.00	8.99
$1,000,000	815,865.00	838,715.00	22,921.00	2.93
$2,000,000	1,680,418.00	1,704,339.00	23,921.00	1.42
$5,000,000	4,272,769.00	4,275,000.00	1,206.00	.03

[1] Income divided evenly between husband and wife.
[2] Entire income reported by husband on joint return.

Mr. McCLELLAN. Mr. President, Arkansas being a common-law State, I am required to pay $656 more Federal income tax on my salary as a United States Senator than is required of the Senators

from three community-property States that border on Arkansas—Louisiana, Texas, and Oklahoma. This difference in the amount of Federal income tax is applicable, of course, to all Members of Congress from common-law States.

Another illustration of the viciousness of our present tax laws under present rulings of the Treasury Department is that whereas the community-property laws of 12 States are recognized and given validity for income-tax purposes, the partnership laws of Arkansas and the other common-law States are neither recognized nor given validity by the Federal Government. A husband in Arkansas and in other common-law States may convey by gift, or otherwise, one-half of his business and income to his wife. The transaction is legal and binding under State laws, but the Federal Government refuses to permit the wife to pay taxes on her half of the income of the business and requires the husband to pay all the tax. If the husband gives or sells an interest in his business to some third party, to someone outside of the family circle, the Federal Government for tax purposes recognizes this as a valid transaction, but if he chooses to make his wife a partner, as a wife is under the law of community-property States, the Internal Revenue Bureau holds this to be a device to evade taxes, and compels the husband to pay the tax on the whole income. If the community-property laws of 12 States are to be recognized as they now are for collection of taxes, in my opinion, the family partnerships in other States should likewise be recognized. Refusal by the Bureau of Internal Revenue to so recognize them is an outright discrimination against those States.

TAX SAVINGS BY STATES UNDER SPLIT-INCOME PLAN

Mr. President, I ask unanimous consent to insert in the RECORD as a part of my remarks a table of estimates made by the Congressional Joint Committee on Internal Revenue Taxation, which reveals the amount of savings in Federal income taxes that accrue annually to each of the community-property States and the amount of savings that would accrue to our common-law States if our Federal tax laws were amended so as to require the Treasury Department to collect income taxes from husbands and wives of all the States on a uniform basis.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated distribution by States of the revenue loss (after enactment of H. R. 3950) of the "split income" proposal

COMMUNITY-PROPERTY STATES

	Revenue loss
Arizona	$5,152,000
California	82,624,000
Hawaii	3,500,000
Idaho	2,384,000
Louisiana	10,240,000
Michigan	65,790,000
Nebraska	6,309,000
Nevada	2,096,000
New Mexico	2,208,000
Oklahoma	15,500,000
Oregon	12,017,000
Texas	38,256,000
Washington	17,040,000
Total community-property States	263,116,000

NON-COMMUNITY-PROPERTY STATES

	Revenue loss
Alabama	$9,265,000
Alaska	1,360,000
Arkansas	4,930,000
Colorado	7,735,000
Connecticut	30,175,000
Delaware	5,610,000
District of Columbia	11,645,000
Florida	14,025,000
Georgia	12,665,000
Illinois	81,600,000
Indiana	20,825,000
Iowa	11,815,000
Kansas	9,265,000
Kentucky	8,075,000
Maine	4,420,000
Maryland	21,590,000
Massachusetts	42,500,000
Minnesota	13,345,000
Mississippi	5,015,000
Missouri	23,205,000
Montana	3,485,000
New Hampshire	2,465,000
New Jersey	43,520,000
New York	170,000,000
North Carolina	10,625,000
North Dakota	1,530,000
Ohio	65,230,000
Pennsylvania	81,175,000
Rhode Island	7,565,000
South Carolina	4,505,000
South Dakota	1,360,000
Tennessee	11,457,000
Utah	2,635,000
Vermont	1,000,000
Virginia	14,535,000
West Virginia	5,355,000
Wisconsin	16,575,000
Wyoming	1,700,000
Total non-community-property States	784,210,000
Total, all States and Hawaii, Alaska, and District of Columbia	1,047,326,000

Mr. McCLELLAN. These figures are significant, Mr. President. In 1946 citizens of Arkansas paid into the Federal Treasury $65,000,000 in personal income taxes. If the husbands and wives of Arkansas had been accorded the privilege of splitting their incomes and filing separate returns on one-half, as is done by husbands and wives of community-property States, the people of Arkansas would have saved in 1946 approximatey $5,000,000 in Federal income taxes. The foregoing table shows like savings in Federal income taxes that would accrue to married taxpayers in all other common-law States.

On the 17th day of June, Mr. President, I introduced in the Senate bill 1453 to amend our present tax laws so as to make uniform the payment of Federal taxes upon family income and thus correct the injustice now perpetrated upon the people of a majority of States. My bill would permit husbands and wives of all States, irrespective of the property-ownership structure of the various States, to split their incomes for Federal tax purposes. This would place all married couples on the same basis with respect to Federal income taxes and not require those living in three-fourths of the States to bear a heavier share of the tax burden than those in the 12 community-property States. Of course, I know that under the Constitution all revenue measures must originate in the House of Representatives, but I shall offer my bill as an amendment to any tax bill that passes the House of Representatives and comes to the Senate, if similar provisions are not already in the House bill.

When House bill 1 and House bill 3950 were before the Senate earlier this year, I offered my bill, or like provisions of it, as an amendment to those measures. In each instance, Mr. President, the amendment was rejected by a majority vote of the Senate. The amendment to House bill 1 was voted on by the Senate on the 27th day of May 1947, with 29 Senators voting for and 51 voting against. I again offered the amendment on behalf of myself and 25 other Senators to House bill 3950, and on the 14th day of July, this year, the amendment received 40 votes for to 52 against. The proposal thus gained 11 votes in the Senate in that brief period of time. Many Senators who did not support the amendment at that time stated on the floor of the Senate that they favored its objectives but insisted the provisions of the amendment properly should be incorporated in a tax revision bill and not in the then pending tax reduction bill.

Mr. President, I pause to note that since Congress has reconvened a Senator who voted against the amendment has now introduced a bill in the Senate to have the provision enacted into law. I refer to the bill introduced by the very able chairman of the Appropriations Committee of the Senate, the senior Senator from New Hampshire [Mr. BRIDGES], who introduced on the 24th of November Senate bill 1777, which is a bill drafted and recommended by the American Bar Association. The senior Senator from New Hampshire voted against the amendment which I offered. He voted against it one time and was paired against it the other time. But, we are continuing to gain support in the Senate and in the House for this proposal.

Since I took the floor this afternoon the junior Senator from Pennsylvania [Mr. MARTIN], whose State this year undertook to enact a community-property law in order to save its citizens $81,000,000 a year, and whose Supreme Court within 90 days after enactment held the law unconstitutional, has come to me on the floor and stated that he is now back of this proposal.

Mr. President, I believe it can be stated without successful refutation that when the Senate last voted on the amendment it would have been adopted except for repeated assurances given by the Republican leadership on the floor of the Senate that the revision of our tax laws in this respect would be placed high on the agenda for action in the forthcoming regular session of the Congress.

RESPONSIBILITY OF REPUBLICAN LEADERSHIP

Mr. President, I call on the Republican leadership of this Congress to make that promise good. I insist, Mr. President, that the Ways and Means Committee of the House of Representatives incorporate in any tax bill it reports a provision that will remove this injustice and inequity in our present tax structure. When I presented the amendment before, contention was made that the Treasury could not stand the additional loss of revenue of approximately $800,000,000 that this tax reform would in-

volve. I replied, and I repeat now, by saying, "It is never the wrong time to do right." I insist again, Mr. President, that irrespective of whether it is prudent to enact legislation now for a general reduction in taxes, we can correct this rank injustice to 5,000,000 taxpayers who are now unjustifiably penalized, without jeopardizing Treasury revenues. A just Government will not longer tolerate such a vicious discrimination; an honest and enlightened Congress should not continue to perpetuate it. A righteously indignant citizenry of 36 States of the Nation demands action now.

Mr. President, the people of the Nation favor this proposal. If we can take the Gallup poll as any indication of popular sentiment, then that sentiment is overwhelmingly in favor of this tax-revision proposal. In a recent Gallup poll it was found that 77 percent of the people favor extension of the principle of split income. At that time 6 percent registered as being opposed to it, and 17 percent did not express an opinion. But 92.7 percent of those who expressed an opinion about it favored the enactment of that principle into law. I further call the attention of my colleagues to the fact that this proposal is favored by all classes and all groups of the people of the United States. Eighty-four percent of the business and professional people of the Nation favor it. Eighty-one percent of the white-collar citizens favor it, and 76 percent of the farmers and 74 percent of the manual workers favor it.

Mr. President, I do not know what the House Ways and Means Committee will do, what kind of a tax measure it will report, or what action the House will take; but I warn the Republican leadership of Congress that it will again encounter extreme difficulty in any attempt to enact tax legislation that does not contain a provision that will remove this discrimination and do justice among all married taxpayers of this Nation. I say that not as a threat but as an appeal to the Republican leadership and to all Members of Congress to enact this legislation early in the next session of Congress. However, I have no hesitancy in serving notice now, Mr. President, that henceforth no major tax bill will pass the United States Senate until I shall have made every effort and used every proper means within my power and at my command to have any measure proposed amended so as to do simple justice to the husbands and wives of Arkansas and to those of the other 36 common-law States of this Nation.

OTHER INEQUITIES IN TAX STRUCTURE

Mr. President, there is another injustice in our tax laws that applies to husbands and wives of community-property States, and it also should be corrected. Certain amendments to the internal revenue statutes enacted in 1942 imposed a Federal inheritance tax on the half of the property already owned by the surviving spouse under community-property laws. Husband and wife each are vested with legal ownership of a half interest in community property, and that interest of the surviving spouse should not be taxed by reason of the death of the other, who legally owned and left only a half interest.

This is manifestly unfair. Married couples of community-property States have a just complaint in this regard, and the Congress should promptly remove this injustice. Senators from community-property States are more familiar with this problem than I am; but I assure them, as I have on previous occasions, that if they will present an amendment to eliminate this unfair tax when the next tax bill comes before the Senate, I shall gladly support it.

DOUBLE TAXATION ON CORPORATE INCOME

In any revision of the tax laws, Mr. President, consideration should be given to what amounts to double taxation on corporate income. So far as I know, this is the only kind of income that is taxed twice under existing law. The Government collects a tax on the net income of a corporation, and then collects an additional income tax from the corporation's stockholders upon the dividends distributed by the corporation to them. Some measure of relief should be given on the tax on corporation-dividend income.

The continued willingness of the citizens of the United States to make investments in corporate enterprises is a vital factor in maintaining the economic prosperity of this country. Private enterprise must be supported by private capital. Double taxation upon corporate income not only subjects income from such investments to heavier taxes than that placed upon any other class of income, but serves as a deterrent to investors in private enterprise.

Several methods have been suggested for affording proper relief. Some of the proposals appear to be sound and workable. I do not care to single out any particular one for detailed discussion, but I do urge the Ways and Means Committee of the House and the Finance Committee of the Senate, in collaboration with Treasury officials, to work out and submit some plan that will eliminate the double taxation that is now imposed on this character of income.

TAX REDUCTION BY RAISING PERSONAL EXEMPTIONS

Mr. President, the provisions I have heretofore discussed come within the purview of tax revision. I wish now to address my remarks to tax reduction by the process of raising personal exemptions.

House bill 1 and House bill 3950 proposed an across-the-board reduction of 30 percent on incomes up to $1,000; 30 percent to 20 percent reduction on incomes from $1,000 to $1,400; 20 percent reduction from $1,400 to $136,720; 15 percent reduction from $136,720 to $302,396; and 10½ percent on all incomes above $302,396. Many Members of Congress believe that a general tax reduction by that formula would result in far greater benefits to those of large incomes than would be afforded to taxpayers in the low-income brackets. Such a formula, Mr. President, fails to take into account that some 23,000,000 of the 49,000,000 of our citizens who now pay income taxes were placed upon the tax rolls during war years by the simple process of lowering personal tax exemptions.

While the tax load is heavy upon all our citizens, both rich and poor, it cannot be denied that an extreme burden is being carried by those in the low-income brackets, who are least able to pay. Therefore, Mr. President, any equitable tax reduction bill should provide a raise in personal exemptions in proportion to the reduction made in rates. As we reduce rates, we should remove from the Federal tax rolls millions of citizens in the low-income brackets whose payment of any Federal income tax deprives them of some of the actual necessities of life, based on a minimum standard of living under the economic conditions that now prevail.

At the last session I proposed an amendment to H. R. 1 raising personal exemptions from $500 to $750 for a single person and from $1,000 to $1,500 for married couples. This amendment was rejected by the Senate by a vote of 27 for to 44 against. Thereafter, I proposed an amendment to H. R. 3950 to raise the personal exemptions to $300 for a single person and to $1,200 for a married couple. This amendment was rejected by the Senate by the very narrow vote of 43 for to 47 against. The first amendment would have removed between eight and nine million persons from the Federal tax rolls, and would have cost the Treasury some $3,000,000,000 annually in loss of revenues; the second would have removed about 6,000,000 persons, and would have resulted in an estimated loss of $1,900,000,000 annually.

TAX RELIEF FOR THOSE WHO MOST NEED IT

Mr. President, personal exemptions should be raised. A man and wife whose income now is only $1,500 a year must pay $95 Federal income tax. That simply means that those people are deprived of $95 worth of food, clothing, shelter, and medical services that are indispensable to maintaining a very minimum standard of living. Those are the people, Mr. President, who are really suffering from high taxes. If our Government can stand any loss of revenue—if now is the time to make a reduction in income taxes—let us start by including in any tax reduction bill that we enact relief for those people who need it most by raising personal exemptions sufficiently to take them off the tax rolls.

If another tax-reduction bill comes before this Congress that does not raise personal exemptions, I shall, as I did before, propose amendments to it that will do so, and I shall make every effort in my power to have them agreed to. When this shall have been done, then I shall be glad to go as far as we reasonably can toward reducing taxes in all other brackets.

The Republican Party, having a majority in the House and the Senate, has the primary responsibility for the enactment of proper tax legislation. The Republican leadership of Congress has the power to determine the priority that shall be given to consideration of all measures now pending, or that may hereafter be introduced. This leadership can, if it will, have a tax-revision bill considered and enacted before a general tax-reduction bill is acted upon. And I believe it to be the duty of the Republican leadership of Congress, and of the Congress itself, before taxes are

reduced, to enact a tax-revision bill removing many of the inequities that have developed under present law. Failure to pursue this course may prove to be a serious error. Tax reduction without the needed revisions to which I have referred will simply perpetuate the discriminations and injustices that now exist.

Therefore, Mr. President, I strongly appeal to the Republican leadership and to the Ways and Means Committee of the House of Representatives to report out a proper tax-revision bill and have it acted upon before the enactment of any general tax-reduction bill. That is the judicious procedure that should be followed and the prudent course for Congress to pursue. I hope we will be given the opportunity early in the next session to enact a tax-revision bill that will do justice to millions of American taxpayers who are now the victims of flagrant, if not willful, discrimination under existing law. I hope, too, Mr. President, that in the next session of Congress we will enact legislation to raise personal exemptions in order to remove many citizens from the tax rolls and help others in the low-income brackets who greatly need tax relief.

COST OF ELECTIONS IN OHIO

Mr. TAYLOR. Mr. President, one of the great problems facing the Nation and the Congress today is the inflationary spiral that plagues us all.

Serious consideration even now is being given the problem of the high cost of living. Yet there is one field of inflationary pressure which should command great consideration from my Republican colleagues in this Chamber. Certainly it is a primary consideration to any of my colleagues from Ohio who may be thinking of contending for the Republican nomination for President. That consideration is the rising Republican cost of being defeated.

Only recently in the election in Cleveland, Ohio, where Eliot Ness, the Republican candidate for mayor, was defeated by the greatest majority in history by Thomas A. Burke, a Democrat, the rising cost of defeat was brought home to Republicans with stunning impact.

It cost the Republican finance committee $149,096 to poll 86,042 votes, which figures out to approximately $1.73 a vote to be defeated.

Now this is a very serious aspect of the Presidential aspirations of various Ohio Senators. It also adds up to a very sizable factor in the Presidential ambitions of other Republicans in the Congress—and there are, I believe, a dozen or more outside the Halls of Congress.

These rising costs, perhaps—mark you, I only say, perhaps—have some bearing on the fact that Republicans generally seem to favor people who have money.

They have to do so.

Where else would the campaign funds come from to pay these spiraling costs of defeat?

Meanwhile I should like to mention the fact that Mayor Burke's modest campaign, which brought him the greatest majority in the history of Cleveland, cost $45,967. The cost of Democratic victory was approximately 20 cents a vote.

And for the purpose of the record, to show how the cost of defeat has risen, the previous record for high spending was also one set by defeated Republicans. That was in 1936, when Ohioans spent $93,000 to try and carry Cleveland for Mr. Landon.

The figures I have presented here are those revealed in a report made to the election board of Cuyahoga County, Ohio, by the Republican county finance committee, headed by industrialist Alfred J. Weatherhead.

Only an industrialist could bear to make such a report.

As yet, I am informed by an article in the Cleveland Press, written by Political Editor Richard Maher, the Republicans have not gotten around to reporting who contributed this money. But they will, for that is the law.

Meantime, if we project these comparative election expenditures on a national scale, it becomes evident why the Republican legislators seek to cut the taxes of the wealthy by such huge amounts.

They are hunting for that $1.73 a vote for the 1948 campaign.

Mr. LANGER. Mr. President, usually I agree with what the distinguished Senator from Idaho says, but I want to call his attention to the fact that under democratic rule practically every man appointed to head an agency has been a millionaire. Senators know of the appointments of Rockefeller, representatives of the House of Morgan, and of Pauley, all millionaires. I could stand here, as Henry Wallace stood in Madison Square Garden when he spoke 3 months ago, giving a list of names, as he did, of millionaires appointed by the present President of the United States of America. Henry Wallace named millionaire after millionaire after millionaire. I need only cite, for example, the fact that less than 2 months ago the richest man in Rhode Island, Mr. Brown, known from the time he was a little child as one of the richest children in the entire United States, was named Assistant Secretary of the Navy for Air. As I say, I generally agree with my distinguished friend from Idaho, because he says so many things that I believe are in behalf of the common people, but when one looks over the country, Mr. President, what does he find? He will ascertain that it is alleged that it is under a Democratic administration that the national debt goes up and up and up, and that, when it gets so high that the common people cannot tolerate it any longer, a group of fine men, who are Republicans, are elected to cut the debt down and down and down. That, Mr. President, is said to be the record, and I could not sit here and let the statements of my distinguished friend go unchallenged.

Mr. TAYLOR. Mr. President, I should like to say that I am grateful to the Senator from North Dakota for calling attention to the fact that so many millionaires have risen to places of prominence under the Democrats. I deplore it more than does the Senator from North Dakota, because the Democratic Party is my party. I cannot even argue with him on that point. All I can say is that if the Republicans had been in power, there would be more millionaires at the top than there are now. I point to the fact that the Democrats are the ones who have been wanting to pay off the national debt, about which my friend from North Dakota spoke, and that we have been fighting against reduction of taxes of millionaires, even though we are becoming too friendly with them in our administration.

Mr. PEPPER. Mr. President, I should certainly be in an embarrassing predicament to make any indication of choice between my distinguished colleagues here. I think I should supplement, however, what the able Senator from North Dakota said as to the practice of the Republicans to relieve the people of a burdensome debt. He said their cherished procedure was to put into power a group of competent businessmen who would beat the debt down. I might add that the alternative method is to raise prices so high that a debt of $300,000,000,000 is inconsequential.

TAFT-HARTLEY LAW

Mr. PEPPER. Mr. President, I rise to take a few minutes to call the attention of the Senate to a recent case under the Taft-Hartley law. I am very glad that the able Senator from Minnesota [Mr. BALL] is on the floor at the present time.

This body last spring debated for several months the provisions of the Taft-Hartley Act. At that time I indicated to the Members of the Senate how unfair employers could, and I thought would, take advantage of its provisions to break down the system of voluntary and free collective bargaining which had been built up over the years, to drive down the wages of our working men and women, thereby reducing the purchasing power of our people. I said then it was a bill to cheapen American labor. And this case which I am going to discuss in a moment shows clearly that the act is having the effect I predicted.

On November 17 the Remington Rand Co. filed petitions with two NLRB regional offices for elections to determine whether its employees in seven plants desired the United Electrical, Radio, and Machine Workers of America as their bargaining agent. The petitions covered 10,000 employees of Remington Rand, Inc., at its seven plants, located at Tonawanda, North Tonawanda, Ilion, Syracuse, and Herkimer, N. Y., and at Benton Harbor, Mich. On December 5, New York newspapers reported that the National Labor Relations Board's regional directors in Buffalo and in Detroit dismissed the company's petitions on the ground that an election involving a union which had failed to meet the requirements of the act could not be authorized by the Board. The rulings of the regional directors are evidently based upon a similar decision by the Board itself rendered shortly before in the case of Herman Loewenstein, Inc., New York, N. Y., and the Adirondack Leather Workers Union and International Fur and Leather Workers Union of the United States and Canada, Local 202, CIO.

What disturbs me is not so much the correctness of the decision of the Board under existing law, but what I believe to be the improper interpretation of the decision of the Board by the company in question. For example, Mr. Denham, the general counsel for the NLRB, when asked by newspapermen to comment on the case, is reported in the New York Times and the New York Herald Tribune of December 5, 1947, to have said that if the Remington Rand Co. continues to recognize this union, despite the rulings of the regional directors, and enters into a contract with the union, it does so at its own peril.

Mr. President, I have before me a written address by Mr. Denham made in New York, before the National Association of Manufacturers, and I doubt very seriously whether Mr. Denham ever intended to say, if he said, the words which are attributed to him. If he said them, Mr. President, as they were reported, I am sure they were in a context which was not disclosed, and that the company was all too eager to seize upon some "off the cuff" remark, to pick out some word detached from its context, in order to adopt the policy to which I will refer more in detail, namely, to void and vacate a contract which it already had with the union, to reverse a policy of the past, and to try to put the responsibility for that antisocial conduct upon a chance word out of its context by the general counsel of the NLRB or upon some decision of the NLRB itself.

The pertinent part of the address by Mr. Denham I believe to appear on page 6 of his address, reads as follows:

> Under the law, the union security provision and the other processes of the Board are denied to those labor organizations which have failed to fully comply with the requirement concerning the filing of certain data with the Secretary of Labor, the distribution of copies of their balance sheets and operating statements to all their members, and the filing with the National Labor Relations Board of affidavits of all their officers and all the officers of the national or international labor organizations of which they are affiliates or constituent units, that such officers are not members of the Communist Party and do not subscribe to the principles of the overthrow of the Government by force.

Mr. President, we all recall that the language of the act forbids the union the use of the procedures afforded by the law through the National Labor Relations Board without the union having complied with the requirements in the law itself. We all recognize that, unless the union does comply with the conditions laid down in the law, it cannot claim the benefit of the decisions of the Board, or it cannot claim the benefit of the authority and of the action of the Board. But, Mr. President, this situation does not mean in any sense that, because these conditions are not complied with, existing contracts are void and invalidated, and that there is any duty, at least on the part of the employer, to void or to invalidate contracts in existence because these conditions, as I say, have not been complied with.

The Remington Rand Co., Mr. President, has attempted either to justify the conduct of which I shall speak in more detail, basing its action upon the alleged rulings of the National Labor Relations Board in the cases I have mentioned, or upon the detached statement of the general counsel of the Board to which I have adverted. They have used this alleged authority, Mr. President, to strip the union of the official certification it has enjoyed at the seven plants for periods ranging from 1 to 7 years; and this action of the company would imply that the Board action opened the way for cancellation of certifications without elections for unions with over 3,000,000 members, including the United Mine Workers, the United Steel Workers of America, the Brotherhood of Railroad Trainmen, and the International Typographical Union of America which have failed to comply with requirements of the act.

On July 26 after a protracted 6 weeks' strike at the seven plants, the Remington Rand Co. entered into a strike settlement agreement with the union, providing for an 11½ cents an hour increase in wages and for six paid holidays—8 cents to be paid immediately on return to work and an additional 3½ cents per hour to be paid as of November 1, 1947. The company also agreed to negotiate local issues within 2 weeks and to submit any unresolved issues to arbitration at the end of that time. It also agreed to negotiate a national contract covering terms and conditions of employment at all plants. Now, let us see what happened after this and after the effective date of the act.

Thereafter, the company refused to enter into negotiations for new local contracts. The union notified the company on August 6 of its failure to enter into local negotiations on unresolved issues and asked immediate action.

On August 7 of this year, in apparent anticipation of the enactment of the Taft-Hartley law, the company unilaterally terminated existing local agreements and so notified all the United Electric locals.

On August 29, after the Taft-Hartley law became effective, the company submitted a proposed contract to the union which I shall describe. This proposed contract gave Remington Rand the absolute right to set all the important working conditions none of which would be subject to the grievance procedure. The company's proposed contract gave it the right to speed up incentive production and cut rates. Although existing contracts had provided that the normal operator should be able to earn from 25 percent to 33⅓ percent above base rate, the proposed contract provided no such guaranties but permitted the company in each case to determine what earnings should be for what it considered normal effort. The proposed contract of the company would have meant sharp wage cuts for the workers in addition to incentive wage cuts. Thus, the proposed contract made no provision, as did the existing contracts, for two 10-minute wash-up periods a day. Elimination of these wash-up periods would have meant a 6 cents an hour wage cut for every worker. Further, second shift employees who have been receiving a night bonus of 10 cents an hour for 2 hours worked after midnight would receive only 5 cents an hour for these 2 hours. The company's proposed contract gave it the right to hire, fire, transfer, promote and fill vacancies without regard to seniority.

At the time the company submitted these proposals it refused to announce the additional 3½ cents increase effective November 1, 1947, as required by the national strike-settlement agreement.

The company also refused to negotiate local contracts or a national contract, as required by the national strike settlement agreement, and on September 8 the company posted notices on all its plant bulletin boards that "the Labor-Management Relations Act of 1947 has thrown off your shackles." It notified the workers that no collective-bargaining contracts existed in any plants, that workers did not have to be in the union, that workers could settle individual grievances without a union, and so forth.

More recently the New York Times on December 8 reported that the company announced that it was severing relations with the union on the basis of the NLRB ruling dismissing the company's petitions for election. In a press statement, Mr. Shorten, its vice president in charge of industrial relations, said the company was forced by the NLRB ruling not to recognize the union as the certified bargaining agent for its workers. Mr. Shorten said:

> The preservation of our American form of government and our American way of life is paramount. Remington Rand, Inc., will not treat with contempt either the public policy of our Government or the rulings of its officers; nor will it, as aptly stated by NLRB General Counsel Robert N. Denham, act at its peril under the law recognizing the UE-CIO during its ineligibility under the National Labor Relations Act, as amended.
>
> Remington Rand, Inc., recognizes that the interests of our employees are our interests, and we will cooperate in good faith with our employees, individually or through their proper representatives, for the purposes of fostering and maintaining sound labor relations so that the company and our employees will live, work, and prosper together.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. AIKEN. I was wondering if the Senator had verified the statement of the Remington Rand Co. that they had been told by Mr. Denham that they could not deal with the union except at their peril? Does the Senator know whether that statement is true or not, or whether it is a newspaper story?

Mr. PEPPER. Mr. President, Mr. Denham has allowed me the privilege of an interview at 2:30 this afternoon—and I expect to meet him as soon as I have concluded my remarks here—at which time I expect to hear from Mr. Denham directly as to whether he was misquoted or not. I have reason to believe, Mr. President, that Mr. Denham never made any such statement with the intention that it should have any such meaning as the company attributed to it. If Mr. Denham used the words "at their peril," he used them in a context which has not been disclosed. I am morally certain

that Mr. Denham never intended to say, and certainly would not have been justified in saying, that because the union had not complied with the conditions entitling it to call on the Board for the redress of its grievances, that meant there was any duty on the part of the employer to void and invalidate contracts then in existence between management and labor in that enterprise or to vitiate collective-bargaining proceedings with the union.

Mr. AIKEN. I asked the question because I think that is an important point. I cannot conceive of Mr. Denham saying anything like that in such a way that the company would be justified in interpreting it as it apparently did.

Mr. PEPPER. I thoroughly agree with the able Senator from Vermont. I am making these remarks because I believe that this is an instance in which an employer—to whose record I shall refer in greater detail hereafter—is taking advantage of a technicality, a chance word or statement out of context, to try to place on Mr. Denham or the National Labor Relations Board the onus of a policy which is an antisocial labor-management policy for employers, namely, to act as though the union had no right to exist as a union, and as though the contracts were utterly void, so that the company could not even deal with the union on its own initiative. The employer is also trying to take advantage of this remark or unintended phrase out of its context to try to beat down the wages of the workers at a time when the workers' living costs are constantly rising.

Mr. AIKEN. As I recall as a member of the Committee on Labor and Public Welfare, there is nothing in the act which would prevent the Remington Rand people from dealing directly with the union, regardless of whether that particular provision of the law had been complied with or not. Does the Senator know of anything in the law which would absolutely prevent the company from dealing with the union, or engaging in collective bargaining if it so desired?

Mr. PEPPER. Nothing whatever. It might be that in case they entered into a closed-shop or union-shop agreement, which can be entered into only under certain conditions, there would be some question. However, aside from that—and that question is not involved here—there is no compulsion whatever upon the employer to prevent the employer from dealing with the union as a union, or from recognizing the continuity of an existing contract. All the law does is to take away the right of redress to the National Labor Relations Board unless the conditions precedent prescribed in the act have been complied with by the union.

This company has a long history of violent resistance to sound and peaceful collective bargaining. In 1936 there were strikes at this company's plant and the NLRB, after an extensive hearing, laid down its decision in In the Matter of Remington Rand, Inc., and Remington Rand Joint Protective Board of the District Council Equipment Workers, which decision was upheld by the courts. The company's labor practices, including the famous Mohawk Valley formula to break strikes by violence or any other means, were forcefully condemned.

The subcommittee of the Senate Committee on Education and Labor in the Seventy-fifth Congress, first session, pursuant to Senate Resolution 266, Seventy-fourth Congress, held long and extensive hearings and exposed this company to the public eye in part 18 of the hearings on "Violations of Free Speech and the Rights of Labor." In Report No. 6 of the committee in the Seventy-sixth Congress, first session, in 1939, on page 118, it stated:

> Official records contain few more comprehensive accounts of the purpose and function of the strikebreakers and strike guard than the Board's decision in this case.

And on page 123:

> As in the other plants of the corporation, the strikebreakers at Middletown were used as part of Rand's comprehensive design to provoke violence, shake union morale, and deceive the community. They were an implement of his deliberate threat to destroy the collective-bargaining agencies set up by his employees.

Mr. President, that is not my language. That is the language of a subcommittee of the Senate. I therefore call this case to the attention of the distinguished senior Senator from Minnesota [Mr. BALL] and my colleagues on the Joint-Labor Management Committee created by the Taft-Hartley Act. I ask the chairman and my colleagues on that committee to hold hearings in this case, as I believe to be required under section 402, subparagraphs 4 and 7 of the act. All I ask is that the committee determine what the facts are. If they are not as I have given them today, I will stand corrected and admit the incorrectness of my remarks upon the floor of the Senate.

Certainly the profit position of the Remington Rand Co. is not threatened by its relations with unions. I find that the net profits of this company rose from $1,750,000 for the year ending March 31, 1939, to $4,263,000 in 1940, $5,306,000 in 1945, and $15,528,000 in 1947.

What do we have, Mr. President? Here is a company whose profits have been raised from $1,750,000 in 1939 to fifteen and one-half million dollars in 1947. What does it do? It takes advantage of the first opportunity to try to beat down the wages of its workers at a time when the cost of living is lowering the family diet in every workingman's cottage in America. It seeks to place on Mr. Denham, or on the National Labor Relations Board, the onus for that kind of antisocial action.

Here we are with this company's profits higher than ever, while the living costs for its working men and women have gone up and real wages have gone down. What I see in this case is an example of how the Taft-Hartley Act has led to industrial strife and confusion and not to labor-management peace and cooperation. What I see is an effort on the part of this employer and others like him to use the Taft-Hartley Act as a means of strangling the American labor movement and to impair our national prosperity at the expense of the worker, the farmer, the small business man and woman, and white-collar employees. What I see is the rising necessity for the immediate repeal of the Taft-Hartley law.

ORDER OF BUSINESS

Mr. WHITE. Mr. President, earlier in the afternoon I had suggested to a number of Senators that I might move an executive session. There are on the calendar a number of nominations of substantial importance. I have the feeling that it would not be appropriate to proceed with their consideration until a larger number of Senators is present. However, I recognize that the standing committees of the Senate are working. I recognize further that committees on conference between the two Houses are in session. In the circumstances, I withhold the motion I was about to make.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. THYE in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. MILLIKIN, from the Committee on Finance:

Carl Raymond Gray, Jr., of Minnesota, to be Administrator of Veterans' Affairs; and

Oscar R. Ewing, of New York, to be Federal Security Administrator.

Mr. CHAVEZ. Mr. President, will the Senator from Maine yield?

Mr. WHITE. I yield.

Mr. CHAVEZ. We have just taken certain action as in executive session. I realize the difficulties confronted by the majority leader, with so few Senators present; but I plead with him with respect to one particular nomination which is on the calendar. The Presiding Officer of the Senate at this moment [Mr. THYE] was present at the hearings when the nomination was considered and reported unanimously, without a dissenting vote. The nomination is to a Cabinet position; and I believe that the President, the Cabinet, and the nominee, as well as the Senate, would lose nothing by prompt action on that nomination.

Mr. WHITE. Mr. President, it happens that one Senator has already spoken to me regarding the nomination of the Cabinet officer. With a decent regard for what has been said to me, I do not feel that I could consent to action upon a single nomination at this time. However, I give the Senator assurance that at the first appropriate moment I shall ask for an executive session, when we may dispose of all these nominations.

Mr. CHAVEZ. I thank the Senator.

RECESS TO MONDAY

Mr. WHITE. Mr. President, in the circumstances I move that the Senate stand in recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 2 o'clock and 42 minutes p. m.) the Senate

took a recess until Monday, December 15, 1947, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 12 (legislative day of December 4), 1947:

UNITED STATES MARSHAL

Gerald K. Nellis, of New York, to be United States marshal for the northern district of New York, vice Jesse Jacobs, term expired.

IN THE ARMY

Col. Wendell Westover, Army of the United States (colonel, Cavalry Reserve), for temporary appointment as brigadier general in the Army of the United States under the provisions of section 515 of the Officer Personnel Act of 1947; such appointment to continue in force only for the duration of his assignment as Executive for Reserve and ROTC Affairs, Special Staff, United States Army.

APPOINTMENTS IN THE OFFICERS' RESERVE CORPS OF THE ARMY OF THE UNITED STATES

To be major generals

Maj. Gen. William Henry Draper, Jr. (colonel, Infantry Reserve), Army of the United States.

Maj. Gen. John Francis Williams (colonel, Field Artillery, National Guard of the United States), Army of the United States.

Brig. Gen. Julius Ochs Adler, Officers' Reserve Corps, Army of the United States.

To be brigadier generals

Brig. Gen. Paul William Johnston, Army of the United States.

Col. Robert West Chamberlin, Field Artillery Reserve, Army of the United States.

Col. Edwin Norman Clark (major, Ordnance Department Reserve), Army of the United States.

Col. Henry Russell Drowne, Jr., Staff and Administrative Reserve, Army of the United States.

Col. Charles Birdsall Ferris, Corps of Engineers Reserve, Army of the United States.

Col. Ernest Henry Hawkwood, Cavalry Reserve, Army of the United States.

Col. Kenneth Barnard Keating, Staff and Administrative Reserve, Army of the United States.

Col. Norman Miller Lack, Corps of Engineers Reserve, Army of the United States.

Col. John Williams Morgan, Field Artillery Reserve, Army of the United States.

Col. Washington Platt, Military Intelligence Reserve, Army of the United States.

Col. Albert Hummel Stackpole, Cavalry Reserve, Army of the United States.

Col. William Miles Stokes, Jr., Cavalry Reserve, Army of the United States.

Col. Kenneth Castle Townson, Coast Artillery Corps Reserve, Army of the United States.

Col. Alfred Girard Tuckerman, Cavalry Reserve, Army of the United States.

Col. Elbert Parr Tuttle, Field Artillery Reserve, Army of the United States.

Col. Morris Carlton Troper, Finance Department Reserve, Army of the United States.

HONORARY RESERVE

To be brigadier general

Brig. Gen. Gordon Cloyd Hollar, National Guard of the United States, Army of the United States.

APPOINTMENTS IN THE NATIONAL GUARD OF THE UNITED STATES OF THE ARMY OF THE UNITED STATES

To be major generals of the line

Maj. Gen. Raymond Hartwell Fleming, Louisiana National Guard, to date from May 9, 1947.

Maj. Gen. John Hall Manning, North Carolina National Guard, to date from September 11, 1947.

To be brigadier generals of the line

Brig. Gen. Ronald Cornelius Brock, New York National Guard, to date from June 6, 1947.

Brig. Gen. Brendan Austin Burns, New York National Guard, to date from June 6, 1947.

Brig. Gen. Hugh Melvin Fanning, Wisconsin National Guard, to date from August 25, 1947.

Brig. Gen. Joseph Bacon Fraser, Georgia National Guard, to date from May 12, 1947.

Brig. Gen. Karl Frederick Hausauer, New York National Guard, to date from July 8, 1947.

Brig. Gen. John Calhoun Henagan, South Carolina National Guard, to date from September 22, 1947.

Brig. Gen. Albert Sidney Johnson, Texas National Guard, to date from June 6, 1947.

Brig. Gen. Ralph Andrus Loveland, Michigan National Guard, to date from June 6, 1947.

Brig. Gen. Donald Wilson McGowan, New Jersey National Guard, to date from September 22, 1947.

Brig. Gen. Howard Hebbard Maxwell, Indiana National Guard, to date from April 22, 1947.

Brig. Gen. Robert Edward Moffet, Illinois National Guard, to date from June 6, 1947.

Brig. Gen. Russell York Moore, Connecticut National Guard, to date from September 22, 1947.

Brig. Gen. Fritz Albert Peterson, Minnesota National Guard, to date from September 16, 1946.

Brig. Gen. William Childs Purnell, Maryland National Guard, to date from June 6, 1947.

Brig. Gen. Joseph Wallace West, Utah National Guard, to date from June 6, 1947.

Brig. Gen. Harold Theodore Weber, Michigan National Guard, to date from August 25, 1947.

Brig. Gen. William Frank Weiler, Utah National Guard, to date from September 18, 1947.

To be brigadier generals, Adjutant General's Department

Brig. Gen. Theodore Albert Arndt, South Dakota National Guard, to date from June 6, 1947.

Brig. Gen. Kenneth Buchanan, Illinois National Guard, to date from June 6, 1947.

Brig. Gen. Chester William Goble, Ohio National Guard, to date from June 6, 1947.

Brig. Gen. Mark Walter Lance, Florida National Guard, to date from June 6, 1947.

Brig. Gen. Spencer Hurley Mitchell, Montana National Guard, to date from August 5, 1947.

Brig. Gen. John Francis Mullen, Wisconsin National Guard, to date from January 28, 1947.

Brig. Gen. Joseph Evelyn Nelson, Minnesota National Guard, to date from September 22, 1947.

Brig. Gen. Irving Otto Schaefer, Colorado National Guard, to date from June 6, 1947.

Brig. Gen. Floyd Wayne Stewart, California National Guard, to date from June 6, 1947.

Brig. Gen. John Edward Walsh, Idaho National Guard, to date from June 6, 1947.

IN THE NAVY

The following-named officers for appointment to the permanent grade of rear admiral in the line of the Navy:

OFFICERS OF THE LINE

Maurice E. Curts
Dixwell Ketcham

The following-named officers for appointment to the permanent grade of captain in the line and staff corps of the Navy:

OFFICERS OF THE LINE

Robert W. Cavenagh	Charles A. Buchanan
Elton W. Grenfell	Joseph B. Stefanac
Frederic A. Graf	Karl J. Biederman
John C. S. McKillip	John F. Newman, Jr.
John B. McLean	Charles Adair

OFFICERS OF THE MEDICAL CORPS

Warren G. Wieand
Albert R. Behnke, Jr.

OFFICER OF THE SUPPLY CORPS

Bion B. Bierer, Jr.

OFFICER OF THE CIVIL ENGINEER CORPS

Elmer B. Greey

The following-named officers for appointment to the permanent grade of commander in the line and staff corps of the Navy:

OFFICERS OF THE LINE

Robert C. Sleight	Dallas M. Laizure
John Baumeister, Jr.	Jewett O. Phillips, Jr.
Allen R. Faust	William G. Holman
Jonathan L. W. Wood-ville, Jr.	Henry C. Schwaner, Jr. Thomas S. King, Jr.
Walter F. Schlech, Jr.	James S. Gray, Jr.
Robert L. Neyman	John F. Ryder
Dayton A. Seiler	Donald W. Wilson
David S. Brown	William B. Parham
Albert B. Furer	Herbert V. Burkart
Sydney R. Miller, Jr.	David C. Richardson

OFFICERS OF THE MEDICAL CORPS

Charles S. Hascall, Jr.	Edward P. Irons
George L. Tabor, Jr.	Joseph J. Timmes
Lester J. Pope	Lynn S. Beals, Jr.

OFFICERS OF THE SUPPLY CORPS

Richard L. Myers
Randolph Meade, Jr.

OFFICER OF THE CHAPLAIN CORPS

Harry C. Wood

OFFICER OF THE CIVIL ENGINEER CORPS

Raymond B. Krum

OFFICERS OF THE DENTAL CORPS

Aaron N. Bowers, Jr.
William B. Johnson, Jr.

The following-named officers for appointment to the permanent grade of lieutenant commander in the line and staff corps of the Navy:

OFFICERS OF THE LINE

James J. McMullan	Wilson B. Robertson
Clifford E. Caton	Robert P. Pierson
Daniel W. Abercrombie	George B. Stewart III
James L. Cook, Jr.	John M. Maloney
Douglas G. Ewen	Paul L. Vissat
John D. Brink	Manuel D. Vincent
Lamar S. Taylor	James J. McDonald
Leonard J. Opeil	Laurence R. Naegely
John F. Peterson	William D. Biggers
Philip G. Saylor	John B. Jorgensen
John S. Weiler	Clifford E. Fanning
Jack L. Lowentrout	Edward V. D. Davidson
John R. Dierker	Joseph D. Brummett
Gordon E. Hartley	Leo W. Mullane
William W. Powell	Ralph E. Elliott, Jr.
Alfred F. Blair	William W. Kelly
Lyle R. Hays	Carl D. Krantz
John McLaughlin	Albert K. Earnest
Frederick L. Yeo	Charles U. Walkley

OFFICERS OF THE SUPPLY CORPS

Leonard G. Honey	Lawrence D. Wornom
Chester E. Beaver	John R. Arnzen
Alan M. Hamerslag	Horace W. Blaine
John D. Custer	

OFFICER OF THE CHAPLAIN CORPS

John Novick

OFFICER OF THE CIVIL ENGINEER CORPS

Daniel E. Connolly

OFFICER OF THE MEDICAL SERVICE CORPS

George A. Miller

IN THE MARINE CORPS

The below-named citizens to be second lieutenants in the Marine Corps from the 6th day of June 1947:

Carl R. Dennis, a citizen of Illinois.

Harold K. Thompson, Jr., a citizen of New Jersey.

Jack Westerman, a citizen of California.

The below-named midshipman to be a second lieutenant in the Marine Corps from the 4th day of June 1948:

Donald R. Hughes, a citizen of California.

SENATE

MONDAY, DECEMBER 15, 1947

(Legislative day of Thursday, December 4, 1947)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Peter Marshall, D. D., offered the following prayer:

Our Father, as our heads are bowed in prayer, may our hearts be open to Thy Spirit, lest we say words with our hearts not in them, and make Thee yawn at the emptiness of our petition, or make Thee angry at the insincerity of what we do.

Give us faith to believe in prayer, and in Thy willingness to work in us that Thy will may be done among the nations and in our own land.

We ask this in Jesus' name. Amen.

THE JOURNAL

On request of Mr. HICKENLOOPER, and by unanimous consent, the reading of the Journal of the proceedings of Friday, December 12, 1947, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

SETTLEMENT OF FEDERAL TORT CLAIMS BY ATTORNEY GENERAL

The PRESIDENT pro tempore laid before the Senate a letter from the Attorney General of the United States, reporting, pursuant to law, on the settlement of Federal tort claims made by the Department of Justice, which was referred to the Committee on the Judiciary.

PETITIONS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

Resolutions adopted by the City Commissioners of the City of West Palm Beach and the Palm Beach County branch of the American Association of University Women, both in the State of Florida, favoring an appropriation in an amount sufficient to give proper water control of the Everglades from the Kissimmee Swamp to the southern end of the mainland of Florida; to the Committee on Appropriations.

By Mr. PEPPER:

A resolution adopted by members of the Florida State Horticultural Society at St. Petersburg, Fla., favoring reestablishment of the State-Federal citrus canker eradication project in Louisiana and Texas; to the Committee on Agriculture and Forestry.

A resolution adopted by members of the Florida State Horticultural Society at St. Petersburg, Fla., requesting that the Secretary of Agriculture enter into cooperative agreements with the Government of Mexico to the end that blackfly be eradicated or brought under control in Mexico at an early date; to the Committee on Agriculture and Forestry.

A resolution adopted by members of the Florida State Horticultural Society at St. Petersburg, Fla., relating to the inspection of baggage at ports of entry in Florida; to the Committee on Finance.

FOREIGN LEGION IN THE UNITED STATES ARMY

Mr. LODGE. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a resolution adopted by the United American Veterans, Washington, D. C., which relates to the proposition of forming a Foreign Legion in the United States Army.

There being no objection, the resolution was received, referred to the Committee on Armed Services, and ordered to be printed in the RECORD, as follows:

Resolution favoring a Foreign Legion of the United States of America

Whereas at this very moment our Government is spending millions of dollars for the purpose of helping destitute Christian nations, and also to acquaint all foreign countries with our form of democracy; and

Whereas a Foreign Legion of the United States of America would be a very fine way to introduce American democracy to all foreign nationals and it would also help to alleviate a lot of suffering with the families of the Legionnaires: Therefore be it

Resolved, That the United American Veterans go on record as giving wholehearted support to Senator LODGE's idea of creating an army to be known as the Foreign Legion of the United States of America; be it further

Resolved, That this said army shall be composed of enlisted soldiers, all of foreign nationalities and officers and noncommissioned officers who are American citizens; be it further

Resolved, That a copy of this resolution be sent to the President of the United States, to the Secretary of National Defense, to the chairmen of the Committee on Armed Services of the Senate and the House, and the press.

THOMAS DIXON,
National Commander.
FRANCIS F. LEBRUN,
National Adjutant.

PROGRAM FOR CONTROL OF PRICES

Mr. REED. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a program for the control of prices, written by Melvin J. Wheeler, of Lawrence, Kans. Mr. Wheeler is a former member of the Kansas Legislature.

There being no objection, the program was referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

LAWRENCE, KANS.,
November 29, 1947.

Members in Congress, Washington, D. C.:

An important issue is under discussion among you. Some claim that no restrictions should be used during the reconstruction period. Others claim there should be. The writer would like to give his view on the subject.

Prices during the war advanced extremely high because proper means were not used to prevent it. Then after the war all price restrictions were removed. This was an implied suggestion to this effect: "Now you are free. Go to it and get all you can in a hurry." This admonition has been heeded, as evidenced by higher prices on some articles now than during the war.

In the face of this situation, we should ask ourselves a question: What effect will the shipment of millions of pounds of commodities to Europe have on prices in our country? Without control, they will surely go higher. According to the law of supply and demand products shipped out means the same as though less has been produced for home consumption. Therefore, if we are going to give relief to Europe, let us decide at the same time that it shall not affect the price on goods consumed at home. The only way to do this is to set the top price on goods consumed at home at what prevails when shipment to Europe starts. This restriction should be left in force until prewar conditions have returned. This plan is meant to produce an immediate effect. A more far-reaching plan follows:

Excessively high prices came step by step during the war because of lack of control. Now let us return to normal step by step under the influence of lawful control. Here is a plan which we believe would produce the desired result:

Commencing on date mentioned in this act, prices shall be lowered a certain percent each month until prewar level has been reached. Give sufficient time after passage of the act for dealers to dispose of stock on hand before cut in price goes into effect. Then dealers can restock in anticipation of future cut in price. In this way we can merge gradually back to normal, instead of waiting for a panic to send us back in one bold plunge.

Listen to this warning: The business structure of this country has become top-heavy because of inflation and high prices. This condition must be corrected, or a financial crash is bound to come. Are we going to read the writing on the wall, or are we going to drift blindly along waiting for the worst to come?

Gentlemen, it is left for you to decide this question. What will your answer be?

Respectfully,
MELVIN J. WHEELER,
Former Member,
Kansas House of Representatives.

REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—REPORT ON UNITED STATES POSTWAR FOREIGN ASSISTANCE (S. DOC. NO. 112)

The PRESIDENT pro tempore laid before the Senate a letter from Mr. BYRD, chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, transmitting, pursuant to law, an additional report of the joint committee on the subject of United States postwar foreign assistance, which was referred to the Committee on Appropriations.

Mr. BYRD. Mr. President, I ask unanimous consent that the report of the Joint Committee on Reduction of Nonessential Federal Expenditures on the subject of United States postwar foreign assistance, just laid before the Senate, be printed as a Senate document.

The PRESIDENT pro tempore. Without objection, it is so ordered.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GEORGE:

S. 1869. A bill for the relief of William Jackson Bishop; to the Committee on the Judiciary.

By Mr. ECTON:

S. 1870. A bill to provide for the adjustment of repayment contracts with respect to lands within the Flathead irrigation project, Montana, and for other purposes; to the Committee on Public Lands.

By Mr. McCARRAN:

S. 1871. A bill to restore certain lands to the town site of Wadsworth, Nev.; to the Committee on Public Lands.

S 1872. A bill for the relief of Jose Babace; to the Committee on the Judiciary.

(Mr. CAPEHART introduced Senate bill 1873, to maintain prosperity, promote full employment, and kill inflation, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

By Mr. HATCH:

S 1874. A bill authorizing the head of the department or agency using the public domain for national-defense purposes to compensate holders of grazing permits and licenses for losses sustained by reason of such use of public lands for national-defense purposes; to the Committee on Public Lands.

By Mr. BYRD:

S. 1875 A bill for the relief of the estate of Francis D. Shoemaker; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 1876. A bill for the purpose of erecting a Federal building in Kirkland, Wash.;

S. 1877. A bill for the purpose of erecting in Seattle, Wash. a post-office building to be known as the Broadway Station;

S. 1878. A bill for the purpose of erecting a post-office terminal annex in Seattle, Wash.;

S. 1879. A bill for the purpose of erecting in Seattle, Wash, a post-office building to be known as the West Seattle Station; and

S. 1880. A bill for the purpose of erecting in Tacoma, Wash, a post office building; to the Committee on Public Works.

(Mr. BRIDGES (for himself and Mr. EASTLAND) introduced Senate Joint Resolution 165, providing for the discontinuance of further plant dismantling in the American war zone in Germany, and for other purposes, which was referred to the Committee on Armed Services, and appears under a separate heading.)

(Mr. SMITH (for himself, Mr. FULBRIGHT, Mr SALTONSTALL, Mr. BRICKER, Mr. KNOWLAND, Mr. HATCH, Mr. LODGE, Mr. THOMAS of Utah, Mr. BALL, Mr. O'MAHONEY, and Mr. HILL) introduced Senate Joint Resolution 166, to provide that any future payments by the Republic of Finland on the principal or interest of its debt of the First World War to the United States shall be used to provide educational and technical instruction and training in the United States for citizens of Finland, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. TAFT:

S. J. Res. 167. Joint resolution to aid in the stabilization of commodity prices, to aid in further stabilizing the economy of the United States, and for other purposes; to the Committee on Banking and Currency.

PLANT DISMANTLING IN AMERICAN WAR ZONE IN GERMANY

Mr. BRIDGES. Mr. President, on behalf of myself and the Senator from Mississippi [Mr. EASTLAND], I ask unanimous consent to introduce for appropriate reference a joint resolution providing for the discontinuance of further plant dismantling in the American war zone in Germany, and I request that it be printed in the RECORD.

There being no objection, the joint resolution (S. J. Res. 165) providing for the discontinuance of further plant dismantling in the American war zone in Germany, and for other purposes, introduced by Mr. BRIDGES (for himself and Mr. EASTLAND), was received, read twice by its title, referred to the Committee on Armed Services, and ordered to be printed in the RECORD, as follows:

Whereas the American zone of occupied Germany constitutes today a deficit economy calling for large appropriations by the United States; and

Whereas there are proposals on foot for having the United States assume similar expenditures in the British zone of occupied Germany, which has been economically merged with the American zone into the so-called bizone; and

Whereas it is imperative that these expenditures be no larger than necessary so as not to further burden the American taxpayer; and

Whereas a new level of industry has been agreed upon for the bizone since the Potsdam policy for Germany has not proved workable; and

Whereas occupied Germany and more especially the bizone are an integral part of the program for Europe's economic reconstruction now being considered by the Congress; and

Whereas the potential industrial productive capacity of the bizone would be seriously reduced by the dismantling of 682 plants declared surplus and available for reparations; and

Whereas it is doubtful that the plants, if removed, could be successfully integrated into the productive facilities of the recipient countries, without great loss of time and efficiency; and

Whereas the net productive capacity of all western Europe would be thereby reduced, at the expense of the American taxpayer: Therefore be it

Resolved, etc., That the Secretary of Defense is directed to issue orders to the military and civilian personnel of the United States engaged in the occupation of Germany to discontinue immediately all plant dismantlings and prevent the commencement of any new dismantling, in the United States zone of Germany, until the Congress shall have had an opportunity to investigate and determine which plants are clearly nonconvertible war plants and to study the economic effects of any such dismantling upon the proposed expenditures to be incurred in connection with the economic reconstruction of western Europe, including Germany. No such dismantlings shall thereafter be resumed except as specifically approved by law, and pending the enactment of such legislation, the plants now in existence shall be utilized to their fullest possible capacity for peacetime production in the interest of building up a self-supporting Europe, independent of American aid: *Provided*, That in no event shall dismantlings be commenced or carried on with a view to shipment to Russia or any of her satellite countries unless specifically approved by law in each case.

SEC. 2. The President is requested, in view of proposed American aid to the British zone of Germany, to suggest to the British Government that it adopt similar policies with respect to plant dismantling in the British zone, and to further suggest that adequate machinery be set up for American participation with respect to investigation and review as to the character of individual plants in the British zone.

SEC. 3. (a) There is hereby established a joint congressional committee to be composed of five Members of the Senate, to be appointed by the President pro tempore of the Senate, and five Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives. A vacancy in the membership of the committee shall not affect the powers of the remaining members to execute the functions of the committee, and shall be filled in the same manner as the original selection. The committee shall elect a chairman and a vice chairman from among its members.

(b) The committee, acting as a whole or by subcommittee, shall carry on a continuing review and study as contemplated by this joint resolution, with a view to advising the Congress on matters for which congressional approval is required under this joint resolution. The committee shall from time to time report to the Senate and the House of Representatives the results of its studies and investigation, together with such recommendations as it may deem advisable with respect to the dismantling of the plants under consideration.

(c) The committee shall have the power, with regard to the civil-service laws and the Classification Act of 1923, as amended, to employ and fix the compensation of such officers, experts, and employees as it deems necessary for the performance of its duties, including consultants who shall receive compensation at a rate not to exceed $35 for each day actually spent by them in the work of the committee, together with their necessary travel and subsistence expenses. The committee is further authorized, with the consent of the head of the department or agency concerned, to utilize the services, information, facilities, and personnel of all agencies in the executive branch of the Government, and may obtain the advice of independent experts, regardless of nationality, and the information, advice, and recommendation of representatives of business, industry, finance, and labor in the United States.

(d) The committee, or any subcommittee thereof, is authorized to hold such hearings; to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Eightieth Congress; to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer oaths; to take such testimony; to have such printing and binding done; and to make such expenditures as it deems advisable. The cost of stenographic services in reporting such hearings shall not be in excess of 25 cents per 100 words. Subpenas shall be issued under the signature of the chairman or vice chairman of the committee and shall be served by any person designated by them.

(e) The members of the committee shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the committee, other than expenses in connection with meetings of the committee held in the District of Columbia during such times as the Congress is in session

(f) The expenses of the joint committee, which shall not exceed $50,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers signed by the chairman.

AMENDMENT OF RULE RELATING TO COMMITTEE SERVICE—AMENDMENT

Mr. LODGE (for himself and Mr. BALDWIN) submitted an amendment in the nature of a substitute intended to be proposed by them, jointly, to the resolution (S. Res. 149) prohibiting chairmen of certain committees from serving as members of other committees, which was referred to the Committee on Rules and Administration, and ordered to be printed.

SECOND DECONTROL ACT OF 1947—REFERENCE OF A BILL

Mr. WHITE. Mr. President, at the last session of the Senate, December 12, 1947, there was a discussion with reference to the bill (S. 1842) to amend the Second Decontrol Act of 1947. After somewhat prolonged debate it was agreed that the Committee on the Judiciary

should be discharged from further consideration of that bill. I now ask unanimous consent that the bill be referred to the Committee on Banking and Currency.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PRINTING OF ECONOMIC REPORT ON FOOD PRICES, PRODUCTION, AND CONSUMPTION

Mr. TAFT. Mr. President, I ask unanimous consent to have printed as a Senate document a report prepared by the staff of the Joint Committee on the Economic Report on Food Prices, Production, and Consumption, with such additions, to bring it up to date, as the staff is now preparing.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MAJORITY MEMBERS OF COMMITTEE ON AGRICULTURE AND FORESTRY

On motion of Mr. ROBERTSON of Wyoming, and by unanimous consent, it was

Ordered, that the majority members of the Committee on Agriculture and Forestry shall be the following: ARTHUR CAPPER, of Kansas, chairman; GEORGE D. AIKEN, of Vermont; HARLAN J. BUSHFIELD, of South Dakota; GEORGE A. WILSON, of Iowa; MILTON R. YOUNG, of North Dakota; EDWARD J. THYE, of Minnesota; JAMES P. KEM, of Missouri.

ADDRESS BY SENATOR TAFT AT TWO HUNDREDTH ANNIVERSARY DINNER OF THE ST. ANDREW'S SOCIETY OF PHILADELPHIA

[Mr. TAFT asked and obtained leave to have printed in the RECORD an address delivered by him at the two hundredth anniversary dinner of the St. Andrew's Society at Philadelphia, December 1, 1947, which appears in the Appendix.]

CAN AMERICAN DOLLARS SAVE EUROPE FROM COMMUNISM?—ADDRESS BY SENATOR BALL

[Mr. BALL asked and obtained leave to have printed in the RECORD an address entitled "Can American Dollars Save Europe From Communism?" delivered by him on December 13, 1947, at Philadelphia, Pa., before the Philadelphia Foreign Policy Association, which appears in the Appendix.]

JUSTICE FOR POLAND—ADDRESS BY SENATOR LODGE

[Mr. LODGE asked and obtained leave to have printed in the RECORD a radio address on the subject Justice for Poland, delivered by him on November 30, 1947, which appears in the Appendix.]

RECLAMATION—ADDRESS BY SENATOR WHERRY

[Mr. MCFARLAND asked and obtained leave to have printed in the RECORD an address on the subject of reclamation, delivered by Senator WHERRY at a meeting of the National Reclamation Association, in Phoenix, Ariz., October 30, 1947, which appears in the Appendix.]

WESTERN DEVELOPMENT: THE NATION'S KEY TO PROSPERITY—ADDRESS BY THE SECRETARY OF THE INTERIOR

[Mr. MCFARLAND asked and obtained leave to have printed in the RECORD an address entitled "Western Development: The Nation's Key to Prosperity," delivered by Hon. J. A. Krug, Secretary of the Interior, at the 1947 annual convention of the National Reclamation Association in Phoenix, Ariz., which appears in the Appendix.]

HOW FAR IS IT TO WATER?—ADDRESS BY THE SECRETARY OF AGRICULTURE

[Mr. MCFARLAND asked and obtained leave to have printed in the RECORD an address entitled "How Far Is It to Water?" delivered by Hon. Clinton P. Anderson, the Secretary of Agriculture, at a meeting of the National Reclamation Association at Phoenix, Ariz., on October 30, 1947, which appears in the Appendix.]

INFLATION—STATEMENT OF REPUBLICAN POLICY COMMITTEE

[Mr. TAFT asked and obtained leave to have printed in the RECORD a statement of the Republican policy committee on the subject of inflation, which appears in the Appendix.]

INCENTIVES TO SELL WHEAT—EDITORIAL FROM NEBRASKA FARMER

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an editorial entitled "Incentives To Sell Wheat," published in the Nebraska Farmer for December 6, 1947, which appears in the Appendix.]

PLIGHT OF WIDOWS OF WORLD WAR I—ARTICLE FROM THE ST. PETERSBURG LEGIONNAIRE

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an article entitled "*Plight of Most Widows of World War I*," from the St. Petersburg Legionnaire for October 1947, which appears in the Appendix.]

LEAVE OF ABSENCE

Mr. WHITE asked and obtained consent that Mr. MALONE be excused from attendance on the session today because of official business.

HEARING ON OIL BY SUBCOMMITTEE OF SMALL BUSINESS COMMITTEE

Mr. IVES. Mr. President, I ask unanimous consent that the Subcommittee on Oil of the Small Business Committee of the Senate be permitted to hold a hearing this afternoon.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CALL OF THE ROLL

Mr. HICKENLOOPER. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	O'Conor
Ball	Hawkes	O'Daniel
Barkley	Hayden	O'Mahoney
Bricker	Hickenlooper	Overton
Bridges	Hoey	Pepper
Brooks	Holland	Reed
Buck	Ives	Revercomb
Bushfield	Jenner	Robertson, Va.
Butler	Johnson, Colo.	Robertson, Wyo.
Byrd	Johnston, S. C.	Russell
Cain	Kem	Saltonstall
Capehart	Knowland	Smith
Capper	Langer	Stennis
Chavez	Lodge	Stewart
Connally	Lucas	Taft
Cooper	McCarran	Taylor
Cordon	McCarthy	Thomas, Okla.
Donnell	McClellan	Thomas, Utah
Downey	McFarland	Thye
Dworshak	McGrath	Tydings
Eastland	McKellar	Umstead
Ecton	McMahon	Vandenberg
Ellender	Magnuson	Watkins
Ferguson	Maybank	White
Flanders	Millikin	Wiley
Fulbright	Moore	Williams
George	Morse	Wilson
Green	Murray	Young
Gurney	Myers	

Mr. WHITE. I announce that the Senator from Connecticut [Mr. BALDWIN] is absent on official business.

The Senator from Maine [Mr. BREWSTER] is necessarily absent.

The Senator from Nevada [Mr. MALONE] is absent by leave of the Senate because of official business.

The Senator from Pennsylvania [Mr. MARTIN] and the Senator from New Hampshire [Mr. TOBEY] are absent by leave of the Senate.

The Senator from Nebraska [Mr. WHERRY] is absent by leave of the Senate because of a death in his family.

Mr. LUCAS. I announce that the Senators from Alabama [Mr. HILL and Mr. SPARKMAN] and the Senator from West Virginia [Mr. KILGORE] are absent on public business.

The Senator from New York [Mr. WAGNER] is necessarily absent.

The PRESIDING OFFICER (Mr. DONNELL in the chair). Eighty-six Senators having answered to their names, a quorum is present.

INTERIM EUROPEAN AID PROGRAM—CONFERENCE REPORT

Mr. VANDENBERG. Mr. President, I have asked Senators to permit the conference report on the interim aid program to be considered first today, because it must go to the House and be acted on in the House this afternoon. I submit the conference report, and ask for its present consideration.

The PRESIDING OFFICER. The conference report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1774) to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following: "That this Act may be cited as the 'Foreign Aid Act of 1947.'

"SEC. 2. It is the purpose of this Act to provide immediate aid urgently needed by the peoples of Austria, China, France, and Italy, hereinafter referred to as the recipient countries, to alleviate conditions of hunger and cold and prevent serious economic retrogression.

"SEC. 3. The President, acting through such existing departments, agencies, or independent establishments of the Government as he shall direct, may, by allocation of funds herein authorized to any such existing departments, agencies, or independent establishments, or by establishing in this country credits subject to the control of the President, whenever he finds it in furtherance of the purposes of this Act and upon the terms and conditions set forth in this Act—

"(a) procure, or provide for the procurement of, from any source—

"(1) food, medical supplies, fibers, fuel, petroleum and petroleum products, fertilizer, pesticides, and seed, delivered in a recipient

country on or after the date of the enactment of this Act; and

"(2) incentive goods, consisting of commodities not in short supply in the United States, including Government-owned stocks, to be used, distributed, or sold in a recipient country, under a specific agreement previously entered into pursuant to section 5 (g) to increase the production or distribution of locally produced commodities referred to in paragraph (1) of this subsection (a): *Provided*, That not more than 5 per centum of the funds made available under the authority of this Act may be used to procure such incentive goods;

"(b) transport and store, or provide for transportation and storage of, such commodities;

"(c) transfer such commodities to any recipient country;

"(d) incur and defray expenses, including administrative expenses and expenses for compensation and travel of personnel, for carrying out the purposes of this Act.

"SEC. 4. The President shall promulgate regulations controlling the purchase or procurement of commodities under this Act designed to minimize (a) the drain upon the natural resources of the United States and (b) the impact of such purchase or procurement upon the domestic price level: *Provided*—

"(1) That procurement may be from foreign sources whenever the cost delivered to the recipient country will be less than the cost delivered from the United States;

"(2) That, except in the case of commodities not produced in commercial quantities in the United States, not more than 10 per centum of the funds made available under the authority of this Act may be used to procure commodities abroad at delivered cost higher than from the United States, its Territories and possessions, provided that the President shall find that such commodities are in short supply or not readily available in the United States: *Provided further*, That no funds made available under the authority of this Act shall be used by any procurement agency of the United States Government for the purchase, within the United States and its Territories and possessions, of any commodities (other than commodities procured by or in the possession of the Commodity Credit Corporation pursuant to Act of July 1, 1941, 55 Stat. 498, as amended) at prices higher than the market price prevailing at the time of the purchase in the area wherein the purchase is made;

"(3) That the President shall, in making a finding of short supply in the United States, consider (a) the drain upon natural resources, and (b) the effect of the necessary procurement upon domestic prices;

"(4) That the procurement of petroleum and petroleum products shall, to the maximum extent practicable, be made from petroleum sources outside of the United States and its Territories and possessions; and wherever practicable such petroleum and petroleum products shall be delivered to the recipient country by the most economical route from the source of supply.

"SEC. 5. Before any commodities are made available to any recipient country under the authority of this Act, an agreement shall be entered into, subject to the limitations and provisions of this Act, between such country and the United States containing an undertaking by such country—

"(a) to make efficient use of any commodities made available under the authority of this Act and to take insofar as possible the economic measures necessary to increase its ability to achieve a self-sustaining economy;

"(b) to make, when any commodity which is not furnished on terms of repayment in dollars is made available under this Act, a commensurate deposit in the currency of such country in a special account under such general terms and conditions as may, in said agreement, be agreed to between such country and the Government of the United States, and to hold or use such special account for, and only for, such purposes as may be agreed to between such country and the Government of the United States, and under agreement by the government of the receiving country that any unencumbered balance remaining in such account on June 30, 1948, will be disposed of within such country for such purposes as may, subject to approval by Act or joint resolution of the Congress, be agreed between such country and the Government of the United States;

"(c) to give full and continuous publicity by all available media (including government press and radio) within such country, so as to inform the ultimate consumers, as to the purpose, source, character, and amounts of commodities made available under the authority of this Act;

"(d) to furnish promptly upon request of the President information concerning the method of distribution and use of commodities made available under this Act, and to furnish on March 31, 1948, or as soon as practicable thereafter, information showing—

"(1) an itemized list of commodities made available with funds provided under this Act;

"(2) the total amount of money received by such country from the sale of commodities made available under this Act and the average price charged per unit for each commodity;

"(3) a detailed statement of the disposition of all money and other things of value received from the sale or transfer of any commodities made available under this Act; and

"(4) such other information concerning the distribution and use of commodities made available under this Act as may be requested by the President;

"(e) to make available to its people at reasonable prices, consistent with economic conditions in the recipient country, such commodities as it may sell under the terms of this Act; and, where necessary, to distribute to indigent and needy persons their fair share of all available food supplies;

"(f) to make all possible efforts to secure the maximum production and distribution of locally produced commodities, and not to permit any measures to be taken involving sale, distribution, or use of any commodities of the character covered in this Act which would reduce the locally produced supply of such commodities or the utilization of foreign sources of supply other than the United States;

"(g) to enter into specific agreements providing for such use, distribution, and sale of each classification of incentive goods, made available to it under the authority of this Act, as will increase the production or distribution of locally produced commodities referred to in paragraph (1) of section 3 (a);

"(h) not to export or permit removal from such country, while need therefor continues, of commodities made available under the authority of this Act or commodities of the same character produced locally or imported from outside sources, except to the extent agreed upon by the Government of the United States;

"(i) to permit representatives of the Government of the United States, including such committees of the Congress as may be authorized by their respective Houses, to observe, advise, and report on the distribution among the people of such country of commodities made available under the authority of this Act;

"(j) to permit representatives of the press and radio of the United States to observe and report on the distribution and utilization of the commodities made available under this Act and the special account provided for in subsection (b) of this section.

"SEC. 6. The President shall promptly terminate the provision of aid under this Act for any country (a) whenever he determines that such country is not adhering to the terms of its agreement entered into in accordance with section 5 of this Act; or (b) whenever he finds, by reason of changed conditions, that the provision of aid under this Act is no longer necessary or desirable; or (c) whenever he finds that because of changed conditions aid under this Act is no longer consistent with the national interests of the United States.

"SEC. 7. All commodities made available under the authority of this Act or the containers of such commodities shall, to the extent practicable, be marked, stamped, branded, or labeled in a conspicuous place as legibly, indelibly, and permanently as the nature of such commodities or containers will permit, in such manner as to indicate to the people of the country of destination that such commodities have been furnished or made available by the United States of America.

"SEC. 8. Wherever reference is made, in this Act, to commodities made available under the authority of this Act, such reference shall be deemed to include commodities procured with credits made available to a recipient country under the authority of this Act.

"SEC. 9. The President shall take appropriate steps to encourage other countries to make available to recipient countries such aid as they may be able to furnish.

"SEC. 10. The President may, from time to time, promulgate such rules and regulations as he may find necessary and proper to carry out any of the provisions of this Act: *Provided*, That nothing in this Act shall be deemed to authorize the issuance of any proclamations, orders, rules, or regulations in any way controlling production or prices or allocating deliveries of any commodity within the United States. He may delegate to the Secretary of State any of the powers or authority conferred on him under this Act. In accordance with the direction of the President, the responsibility for administering in the recipient countries the program of assistance provided for in this Act shall be vested in the field administrator of the United States foreign relief program appointed pursuant to section 4 of the joint resolution of May 31, 1947 (Public Law 84, Eightieth Congress). The provisions of subsections (i) and (j) of section 5 of this Act shall not apply to distribution of commodities in Austria: *Provided*, That the President shall have determined, upon recommendation of the United States High Commissioner for Austria, that commodities furnished to Austria hereunder will be distributed under control systems embodied in agreements between the High Commissioner and the other occupying authorities or the Austrian Government which assure compliance with the objectives of the occupation and with the purposes of this Act. No citizen or resident of the United States shall serve under this Act as a United States representative, observer, or adviser until such person has been investigated as to loyalty and security by the Federal Bureau of Investigation. The field administrator may, when he finds it essential to the purposes of this Act, utilize for observation the services of a limited number of other persons, who shall be investigated and approved by the field administrator.

"SEC. 11. (a) There is hereby authorized to be appropriated not to exceed $597,000,000, out of any money in the Treasury not otherwise appropriated, to carry out the provisions and accomplish the purposes of this Act. This Act, however, shall not imply any present or future obligation to give aid to any foreign country, nor shall it imply or guarantee the availability of any specific commodities.

"(b) Notwithstanding any other provision of this Act, none of the funds authorized or made available under this Act shall be used or made available for use for the acquisition of wheat, wheat flour, or cereal grain in the United States or the shipment thereof from the United States unless the President shall first—

"(1) survey the requirements of other countries which are dependent upon the United States for a portion of their supplies of such commodities;

"(2) estimate the quantities of such commodities which will probably be made available to such countries from the United States; and

"(3) estimate the total amount of such commodities available for export from the United States to the recipient countries, after giving due consideration to the quantity thereof required in this country for food, feed, seed, and industrial uses, and for the needs of other countries dependent upon the United States for supplies of such commodities. In estimating the amount of such commodities available for export from the United States the President shall allow for a carry-over of wheat in the United States as of July 1, 1948, of not less than one hundred and fifty million bushels to protect the economy of the United States from inflationary prices and to insure against a scarcity of bread for domestic consumption during the twelve-month period beginning July 1, 1948.

"The funds authorized herein shall not be made available or used to acquire a quantity of wheat, wheat flour and cereal grain in the United States which, after taking into consideration the amount estimated for export to other countries, and the amount needed for domestic consumption in the United States, will leave a carry-over of less than one hundred and fifty million bushels of wheat on July 1, 1948, unless the estimates of the President after March 1, 1948, justify an increase in the amount available for export to recipient countries with full protection for domestic needs.

"(c) Funds authorized under this Act, when allocated to any department, agency, or independent establishment of the Government, shall be available for obligation and expenditure in accordance with the laws governing obligations and expenditures of such department, agency, or independent establishment or organizational unit thereof concerned, and without regard to sections 3709 and 3648 of the Revised Statutes, as amended (41 U. S. C. 5; 31 U. S. C. 529).

"(d) Notwithstanding the provisions of any other law, the Reconstruction Finance Corporation is authorized and directed, until such time as an appropriation shall be made pursuant to this section, to make advances, not to exceed in the aggregate $150,000,000, to carry out the provisions of this Act, in such manner and in such amounts as the President shall determine. From appropriations authorized under this section, there shall be repaid without interest to the Reconstruction Finance Corporation the advances made by it under the authority contained herein. No interest shall be charged on advances made by the Treasury to the Reconstruction Finance Corporation in implementation of this subsection.

"(e) Notwithstanding any other provision of law, any commodity heretofore or hereafter acquired by any agency of the Government under any price-support program shall, to the extent that such commodity is determined by the President to be appropriate for such purpose and in excess of domestic requirements, be utilized in providing aid under this Act or any other Act providing for assistance and relief to foreign countries, and shall be disposed of by such agency for such purpose at such price as may be determined by such agency, which price may be the equivalent of the domestic market price of a quantity of wheat having a caloric value equal to that of the quantity of the commodity so disposed of. Any such agency shall report to the Congress on March 31, 1948, or as soon as practicable thereafter, the amount of losses incurred by it as the result of the disposition of commodities hereunder and the Secretary of the Treasury is authorized and directed to cancel notes of such agency held by him in an amount equal to the amount of such losses.

"SEC. 12. Personnel employed to carry out the purposes of this Act shall not be included in computing limitations on personnel established pursuant to the Federal Employees Pay Act of 1945 (59 Stat. 298), as amended by section 14 of the Federal Employees Pay Act of 1946 (60 Stat. 219).

"SEC. 13. The President, from time to time, but not less frequently than once every calendar quarter, and until the end of the quarterly period after all operations under the authority of this Act have been completed shall transmit to the Congress a report of operations under this Act. All information received pursuant to undertakings provided for by section 5 (d) of this Act shall, as soon as may be practicable after the receipt thereof, be reported to the Congress. Reports provided for under this section shall be [illegible] to the Secretary of the Senate or the Clerk of the House of Representatives, if the Senate or the House of Representatives, as the case may be, is not in session.

"SEC. 14. The functions, applicable records, and funds provided for the purposes of carrying out this Act shall be transferred to the administration of any organization for general foreign aid which Congress may provide. To the extent that any funds may be made available under provisions of any other Act heretofore or hereafter passed relating to China, any funds reserved under this Act for China may be used for aid to the other countries named in section 2 of this Act.

"SEC. 15. After March 31, 1948, no funds may be obligated for the procurement of commodities provided for under this Act.

"SEC. 16. (a) Clause (1) in the proviso in the first paragraph of the first section of the joint resolution of May 31, 1947 (Public Law 84, Eightieth Congress), is amended to read as follows: '(1) to constitute more than 57 per centum of the aggregate amount contributed to said fund by all governments, including the United States;'.

"(b) The amendment made by subsection (a) of this section shall take effect as of May 31, 1947.

"SEC. 17. If any provision of this Act or the application of such provision to any circumstance shall be held invalid, the validity of the remainder of the Act and the applicability of such provision to other circumstances shall not be affected thereby.

"SEC. 18. Nothing in this Act shall be construed to make inapplicable, in the case of commodities procured under the authority of this Act, the authority to prohibit or curtail exports granted by section 6 of the Act of July 2, 1940 (Public Law 703, Seventy-sixth Congress), as now in force or as hereafter amended."

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill.

A. H. VANDENBERG,
ARTHUR CAPPER,
WALLACE H. WHITE, Jr.,
TOM CONNALLY,
WALTER F. GEORGE,
Managers on the Part of the Senate.

CHARLES A. EATON,
JOHN M. VORYS,
KARL E. MUNDT,
SOL BLOOM,
JOHN KEE,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. VANDENBERG. Mr. President, I think I can dispose of this matter with a very brief statement, inasmuch as the conference report, which is unanimously signed by all the conferees of both the House and Senate, substantially preserves everything that was in the Senate bill, and the chief differences in the proposed legislation are the result of additions to the bill after the Senate had acted.

The first and perhaps most important change is the addition of China to the list of recipient countries. The Senate will recall that China was not included in the Senate bill; it was put into the bill by the House of Representatives. The Senate conferees shared all the feelings of the House of Representatives that China, in connection with her difficulties, richly deserves consideration and attention, which she has not received; though it was the Senate view that this particular bill was not the preferable place in which to meet that unliquidated obligation. But the attitude of the House on the subject was obviously important, and it was the view of the Senate conferees that since China had been added to the bill by the House, it would be distinctly misunderstood and would be almost an act of negation in respect to China, if it were not also recognized by the Senate conferees in the ultimate conference report. Therefore, China is included among the recipient countries. It is included, however, with a clause which indicates:

To the extent that any funds may be made available under provisions of any other act heretofore or hereafter passed relating to China, any funds reserved under this act for China may be used for aid to the other countries named in section 2 of this act.

In other words, the reservation contemplates the fact that under Public Law 84, which was the post-UNRRA aid bill there is still available $18,000,000 of authorized relief, which can be appropriated for China under that act. It is recognized also that the $30,000,000 of aid which was made available to China under Public Law 84 is only now in process of delivery and will be available during the first 3 months of next year.

It was further recognized that the State Department has promised to submit a complete program for aid to China the first of the year, and if any appropriations are made under that plan, the proviso permits equivalent deductions to be made from allocations out of this fund. Senators will remember that in the bill we are now considering there are no specific allocations to any country. On the contrary, it is specifically provided:

This act, however, shall not imply any present or future obligation to give aid to any foreign country, nor shall it imply or guarantee the availability of any specific commodities.

Therefore, the inclusion of China simply means that China is within the jurisdiction of the appropriating committees, along with the other three countries, for such action as, in terms of dollars and cents, the Congress ultimately decides to take. The total figure remains

at $597,000,000, which was the figure established in the Senate bill.

The next most important addition to the bill is the addition of the House provision respecting preliminary and temporary advances from the Reconstruction Finance Corporation, pending the time when actual appropriations can implement the pending authorization. It is precisely the same provision which was put into Public Law 84 by both the Senate and the House, in order to cover time lapse and permit prompt implementation of the legislation.

I may interrupt my narrative by saying that Senators will find upon their desks the printed report of the House managers and a complete text of the amended bill, to which they may refer in this connection.

In addition to the China and RFC amendments, the next amendment which the Senate conferees accepted relates to so-called incentive goods. There was no provision in the Senate bill for incentive goods. The House bill contained a provision to permit the use of incentive goods, with the thought of increasing production in recipient countries. A purely permissive amendment has been written into the conference report, which provides that not more than 5 per cent of the proceeds of the legislation can be used for incentive purposes.

In connection with offshore procurement, the net result is as follows: Under the Senate bill not more than 25 percent of the commodities involved in the procurement program could be secured offshore, regardless of price. In some respects the provisions of the House bill were more restricted than this; in other respects they were more liberal. In any event the compromise is as follows:

The conference has agreed to the House provision so that offshore procurement is permitted whenever goods can be bought abroad cheaper than in the United States.

I underscore the phrase "cheaper than in the United States."

The amendment of the House version also includes a provision that not more than 10 percent of the funds available, instead of 25 percent as provided in the original Senate language, may be used to procure commodities abroad when the delivered cost from foreign sources is higher than from the United States. Such items must be in short supply or not readily available in the United States before they can be procured on such terms.

The petroleum provisions remain the same as in the Senate bill.

A very interesting amendment was added by the House which I think the Senate will heartily approve, and the Senate conferees were very glad to agree to the change that was made in the so-called use of price-supported commodities. Senators will recall that this amendment was submitted by the Senator from California [Mr. KNOWLAND] and was supported by numerous Senators who rose to express their keen interest in the particular amendment. In fact, I think it was an amendment in which Members of the Senate displayed more interest than in any others. The Senate amendment not only stands, but stands with an increased authority, because in the Senate original language the word "may" was used, and in the conference report the word "shall" is used in respect to the application of this provision, limited only by finding of appropriateness on the part of the President.

Furthermore, the bill as passed by the Senate did not apply to anything except relief under the act, whereas it has now been broadened to include relief under any act, so that the Commodity Credit clause now applies to relief under the Army's occupation responsibilities in Germany, and so forth.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. BRIDGES. The conference report, I assume, contains this language as found in the House bill:

> Any such agency shall report to the Congress on March 31, 1948, or as soon as practicable thereafter, the amount of losses incurred by it as the result of the disposition of commodities hereunder and the Secretary of the Treasury is authorized and directed to cancel notes of such agency held by him in an amount equal to the amount of such losses.

Of course that is a wide-open authorization, and it is really a blank check. It is conceivable that such action could run into a very substantial amount of money. I wonder if the Senator feels that insertion of that provision, without any limitation whatsoever, is a sound procedure.

Mr. VANDENBERG. It is the opinion of the Senator from Michigan that this provision is limited by the language defining the operations of the Commodity Credit clause, and that obviously even the Senate version of the amendment had to be implemented in some fashion. In my mind the only question raised by the able Senator from New Hampshire is that the language has been broadened to include the application of the Commodity Credit device to other relief goods. On the other hand, it is entirely confined, as the Senator will probably recall, to price-supported commodities which, at the moment, I believe, include potatoes, a few dried fruits and dried eggs. The list is exceedingly limited. Therefore, I would say to the Senator that, as I see it, there is a very definite limitation upon this provision.

Mr. KNOWLAND. Mr. President, will the Senator yield at that point?

Mr. VANDENBERG. Certainly.

Mr. KNOWLAND. I might also say to the Senator from New Hampshire that the expense involved under the provision grows out, I think, not from the amendment adopted by the House of Representatives, but rather from the price support program itself. The Commodity Credit Corporation has these commodities in hand, and if no method is provided by which they can dispose of them, then we may find that the same thing will happen that happened in the case of potatoes—they will have to be destroyed, and instead of securing the caloric value of wheat from these commodities they will constitute a total loss, which eventually will have to be made up by someone. So, in addition to the saving of approximately 100,000,000 bushels of wheat, as the Secretary of Agriculture testified, by the use of these substitute foods, which is one factor that should hold down the price of wheat, it is a conservation measure in that it will prevent the wastage of this food, plus the third factor, that until there is a hard currency in these countries, it will result in opening up the normal markets which American agriculture has had for its products.

Mr. BRIDGES. Mr. President, will the Senator again yield?

Mr. VANDENBERG. I yield.

Mr. BRIDGES. I may say that I raised the question because of the open features of the provision, upon which the Senator from Michigan has explained his position and the Senator from California has explained his.

Mr. PEPPER. Mr. President, will the able Senator from New Hampshire speak a little louder so we on this side of the chamber may hear him?

Mr. BRIDGES. The Senator from Michigan has explained his view of the limitation, and the Senator from California has explained in general about the possibilities under this provision of the bill. My point is that the cost of interim aid might advance by a very substantial amount as the result of the procedure outlined, and particularly the canceling features. I rose to point that out rather than to protest too much, for the estimates as to the ultimate cost which have been given to me are that they might run $100,000,000 or even $200,000,000 more than the actual figure contained in the bill.

Mr. VANDENBERG. If I may, I should like to interrupt the Senator to say that we gave consideration to figures of that character in the meeting of the conference. Concededly, no one knows what is involved because no one knows to what extent surplus commodities which are under price control will or can be used, inasmuch as it is necessary that their use should be appropriate, and inasmuch as it is necessary that they must meet comparable caloric need. But whatever the amount of surplus commodities involved may be, I submit to the able Senator from New Hampshire, it is not calculated to be a charge upon the Treasury at all. What it represents is the salvage and some valuable use of commodities which otherwise are calculated simply to be destroyed in a manner which I know the Senator agrees the American people cannot understand. Therefore I do not believe it is possible to attach a loss figure to this particular paragraph.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. CONNALLY. Allow me to suggest to the Senator from New Hampshire that there would not be any actual increased obligation on the Treasury. The Treasury has already paid for these commodities, probably at an inflated price, in order to encourage their production, but the Treasury has the commodities. The Treasury is out the purchase money. The transfer to the agency in question would not increase the obligation at all, as I see it, because if we do not take this

action ultimately the Treasury would either be out the whole cost, if the commodities were burned or otherwise destroyed, or the Treasury would be out the difference between what it paid for them and the depreciated price at the present moment. So, as I see it, the proposed action does not increase the obligation on the Treasury, nor does it in any sense increase the outlay in cash proposed by the bill.

Mr. VANDENBERG. I think the Senator from Texas is completely correct. The only question involved, as the Senator from Michigan sees it, is whether or not a helpful use can be found for commodities which otherwise probably would be destroyed.

Mr. CONNALLY. The agency will not use them unless they find that they are helpful. The Commodity Credit Corporation will still have its arms around them, so there may be a loss of the entire amount.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. SALTONSTALL. Following up what the Senator from New Hampshire has said, I should like to ask a question of the Senator from Michigan. I shall ask him whether a certain matter was considered in the conference. I was one of those who approved of the theory of the amendment, and I hope the problem can be worked out. I call the Senator's attention to a speech made by the Honorable JACK Z. ANDERSON, Representative from the State of California, which appears on page A4517 of the Appendix and which gives a list of the commodities expected to be available, based upon their caloric equivalents in wheat, through June 30, 1948.

I agree with what the Senator from California said, that if these articles are to be destroyed, we want to save what we can. Take frozen eggs as an example. Frozen eggs, processed, cost the CCC 32.34 cents, and yet they are to be sold for 2.50 cents, or about one-sixteenth, under this caloric estimate. These figures are difficult to understand, and I wish to be corrected if I am in error. The cost of all these commodities to the Commodity Credit Corporation is approximately $142,988,000. They are equivalent in calories to 9,884,000 bushels of wheat, of 90-percent extraction. The cost of 10,000,000 bushels of wheat, in round figures, at $3 a bushel, is $30,000,000. The cost of these articles is $142,000,000. That would mean a loss to the Government somewhere, if all these articles were to be used for this purpose, of $112,000,000. Assume that the Commodity Credit Corporation takes some of that loss. We are authorizing expenditures of $597,000,000. If we are to pay, from these authorized sums, for articles which have a much less caloric content than wheat, will not the ultimate result be that we shall be able to buy less food for people abroad, because there will be less money with which to buy it?

Mr. VANDENBERG. I submit to the Senator from Massachusetts that that is a question which would have been pertinent and competent when the clause originally went into the bill. This clause went into the bill by the enthusiastic vote of the Senate, and it was the duty of the Senate conferees to preserve it and bring it back. Here it is.

Mr. SALTONSTALL. As I understand, this amendment is a "shall" if it is appropriate.

Mr. VANDENBERG. Yes. The last phrase which the Senator has used is a very important limitation.

Mr. SALTONSTALL. What we really have to rely on to get the full value out of this money abroad, with as little loss as possible to the Government through the CCC, is the discretion of the Secretary of Agriculture.

Mr. VANDENBERG. The Senator is correct. Let me ask the Senator from California, who was the author of this amendment—although I understand that numerous other Senators joined in it, particularly members of the Appropriations Committee—whether the form in which the conferees have brought the section back is satisfactory.

Mr. KNOWLAND. It is satisfactory so far as I am concerned. I think there was no doubt about it. I am sure that members of the Appropriations Committee understood that if this policy were put into effect, somewhere along the line the Commodity Credit Corporation would have to be reimbursed. In the letter which I placed in the RECORD on the day when the amendment originally came up for consideration, the Secretary of Agriculture makes that plain. The only point is that under the original language of the Senate bill the Commodity Credit Corporation would have been required to come back to the Congress, through the Appropriations Committee, and ask for a specific appropriation. This provision gives authority to the Secretary of the Treasury to cancel notes of the equivalent amount. I believe that with the restrictions we have in the language, namely, the approval of the President plus the discretion of the Secretary of Agriculture and the Secretary of War, there are sufficient restraints to prevent the operation from getting out of hand.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. PEPPER. I regret very much that we could not hear all the remarks of the able Senator from Massachusetts in his colloquy with the distinguished chairman of the committee. Will the Senator be good enough to say what the last statement of the Senator from Massachusetts was, which the Senator from Michigan regarded as a sufficient statement?

Mr. VANDENBERG. The Senator from Massachusetts was raising a fundamental question regarding the philosophy of the entire amendment. The chairman of the committee suggested to him that that question would have been a little more pertinent at the time the Senate so enthusiastically voted the language into the bill and bound the conferees to protect it, which they are happy to report they have done. The limitation to which the chairman of the committee drew the attention of the Senator from Massachusetts is, "to the extent that such commodity is determined by the President to be appropriate for such purpose."

Mr. PEPPER. I wanted to keep the record straight. I was afraid I might have misunderstood the Senator from Michigan. I thought I heard him use the word "must"—that the price at which the agency may sell must be the equivalent of the domestic market value of the quantity of wheat having a caloric value equal to that of the commodity so disposed of. We are all aware of the fact that Government agencies often scrutinize very carefully the words used in debate, especially if they fall from the lips of the Senator from Michigan. If I correctly understood the Senator from Michigan to use the word "must," I invite his attention to the word "may" in the language, making it clear that the agency still has discretion as to the price at which it sells a commodity. The criterion might be in the word "may."

Mr. VANDENBERG. I think the Senator is correct.

Mr. PEPPER. I warmly commend the Senate conferees for having improved the Senate provision. It has been expanded so as to include the relief program as well as the program contemplated under this bill. Also, I believe that some other salutary changes have been made. This amendment will go far toward meeting the criticism of some of our people that surpluses of some of our essential agricultural commodities bought up by the Commodity Credit Corporation are wasted because of nonuse. The committee has afforded an opportunity not only to help our own surplus situation, but to help the producers obtain a fair price. Today, the producers of citrus fruits are not receiving the cost of production. When they see an important nutritional element going to waste because we cannot find any way to put it into our program, it represents an anomaly. I am very glad that that criticism is to a very large degree being met. I commend the Senator.

Mr. VANDENBERG. I thank the Senator from Florida. He referred to the fact that the American people cannot understand what goes on in the congressional mind when it permits these commodities to be wasted. The word "wasted" can be expanded. When they are actually destroyed, the American people simply find the situation utterly imponderable.

Mr. REED. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. REED. I was one of the Senators who favored the insertion of this clause. The Commodity Credit Corporation has on hand a number of commodities which it has purchased in support of the market. Some of them are so-called Steagall commodities, and some are not. They were purchased under the discretion of the Secretary of Agriculture. It was desirable to get rid of them. There is no reason for the Commodity Credit Corporation to get them and perhaps have to destroy them, as it has destroyed other commodities. Such of these commodities as are useful ought to be sent to Europe. The

Commodity Credit Corporation is willing. It was not my intention that this appropriation for relief should be penalized by reason of a higher price for caloric value in these commodities than would be required in the case of wheat. On the other hand, the Commodity Credit Corporation ought not to be asked to stand the loss. The clause as it was brought back from the conference is entirely satisfactory to me.

Mr. VANDENBERG. I thank the Senator.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. AIKEN. Mr. President, I should like to point out for the record that the shipping of dried fruits for specific uses will not be so burdensome to the American taxpayer as some people may believe, for the simple reason that the Government did not purchase these commodities at 90 percent of parity, or anywhere near that point. The Government has been buying raisins at $130 a ton, or approximately 6½ cents a pound. The wholesale price last year, as I recall, was 15 cents a pound. The Government has been purchasing dried peaches and dried prunes at correspondingly low prices, at not more than half the present parity prices of those commodities. In the case of peanuts, which come under the Steagall amendment and under the laws of the Congress, they have had to pay, I assume, 90 percent of parity, or approximately 10 cents a pound. But in the case of dried fruits and fruit juices they have purchased at a ridiculously low figure. For instance, for apples to be used for canning and drying, the Government has been paying 38 cents a hundred pounds. I think I am correct in saying that the price has been 38 cents. That is approximately a third of a cent a pound. If those apples are dried and shipped abroad I am inclined to think that the caloric value at the price which the Government is paying will not be much more than would be that of some scarcer commodities which have an actually higher caloric value and which might be shipped.

Mr. BRIDGES. If the Senator from Massachusetts does not want to follow up this subject, I should like to ask some further questions.

Mr. SALTONSTALL. I should like to suggest to the Senator from Florida and the Senator from Michigan that if these foods are likely to be lost, because of the likelihood of decay, certainly they should be made use of abroad. My only question is whether they should go abroad at these very much reduced prices if and when the Commodity Credit Corporation has an opportunity perhaps to sell them at higher prices. I call to the Senate's attention the case of orange concentrate and fruit juices, 65 percent soluble. The price of orange concentrates to the Commodity Credit Corporation is 25 cents a pound after processing. That commodity has to be sold for relief purposes at the caloric value of wheat, at 3 cents a pound, making a loss to the Commodity Credit Corporation of 21.4 cents a pound on that one article. If the commodity is likely to be lost or destroyed because of rot, and the Commodity Credit Corporation can get more than those very few cents, then in my humble judgment it should do so, not only so that relief provided for people abroad may have, perhaps, an increased caloric value, but also in order that the Commodity Credit Corporation may take as little loss as possible on the commodities it has purchased.

Mr. PEPPER. Mr. President, if the Senator will allow me to say so, there are two answers to that suggestion.

Mr. VANDENBERG. One answer is sufficient.

Mr. PEPPER. One is the assumption that the Senator from Massachusetts is correct, that this fruit would really be destroyed. If this fruit is really being destroyed, the whole purpose of the Commodity Credit Corporation in taking up the surplus is to take it off the market. If it is to go out into the market and compete with other fruit being sold in the market in a normal way, it tends to deplete the opportunity for a fair market. I am sure that in this case, it is a question of a useful assignment of the commodity being achieved, rather than its purposeful destruction or wilful waste.

The second point is that it is a protection policy which has been forced upon the Army by the limited appropriations made available which have limited the recipients of these foods to less than a balanced diet. In other words, we give them only a wheat diet. That is, of course, essential, but it is not adequate; it is not a balanced diet. So by allowing some of these other foods to go into the general diet we now make available, we give them a more nutritious diet and a food value which they do not otherwise get. We give them vitamins which they need and do not otherwise get. So we are saving an American commodity, which is important to our agricultural economy, and at the same time we are balancing the diet of the recipients.

Mr. VANDENBERG. This question was fundamentally settled by the Senate itself before the bill went to conference. If the conferees were here trying to explain why they had deserted the Senate's position I could understand the debate on the subject, but when we are here explaining our success in protecting it, I feel a little differently about it.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. Is there anything in the bill which prevents the purchase of margarine under this program?

Mr. VANDENBERG. Not that I know of.

Mr. FULBRIGHT. I do not see it in this bill, but it used to be a very common restriction in most bills of this character.

Mr. VANDENBERG. It was in neither the bill passed by the Senate or the one passed by the House.

The next important addition to the bill is the so-called wheat carry-over provision. I am sure this will appeal to Senators, because, although the Senate took no action relating to that subject in its own bill, there was constant reference to an apprehension lest we were not providing sufficient protection for our own domestic needs.

The conferees have agreed to a House provision which places a limit on wheat exports and protects the wheat carryover on a basis of 150,000,000 bushels as of July 1, 1948.

Wheat flour and cereal grain are not to be acquired or shipped from the United States unless the President shall (1) survey the requirements of other countries dependent upon the United States for a portion of their supply of such commodities, (2) estimate the quantity of such commodities which will probably be made available to such countries from the United States, and (3) estimate the total amount of such commodities available for export from the United States after giving due consideration to the quantity required in this country for food, feed, seed, and industrial uses, and for the needs of other countries dependent upon the United States for their supplies of such commodities. In estimating available exports the President must allow for a wheat carry-over of not less than 150,000,000 bushels. The only latitude which he is allowed in that connection is the latitude that if a carry-over of less than 150,000,000 bushels is found after March 1, 1948, by the President, as a result of increased information, the nearer we approach the actual crop, the exports may be increased in view of crop prospects after 1948, with full protection of domestic needs.

In other words, there is a floor of 150,000,000 bushels of wheat by way of a domestic carry-over, which cannot be lowered except after March 1, 1948, as the crop figures indicate that the carryover can safely be used with full protection of domestic needs, in the language indicated in the previous quotation which I have read.

I am sure the Senate will be glad that its conferees agreed to that provision.

Mr. KEM. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from Missouri.

Mr. KEM. I think this is an excellent provision. I regret, however, that the conferees thought it advisable to include the weasel words at the end of the paragraph, which, as I interpret them, give the President the right, in his discretion, to disregard this provision. The words to which I refer are as follows:

> Unless the estimates of the President after March 1, 1948, justify an increase in the amount available for export to recipient countries with full protection for domestic needs.

As I understand the situation, the estimate is merely a guess or a figure which is arrived at from the best information available. As I interpret that provision, it gives the President unbridled discretion to estimate and then to disregard the ceiling provision.

Mr. VANDENBERG. Mr. President, my comment in reply to my able friend from Missouri is, first, that there is no unbridled discretion given to the President by this amendment, because I respectfully submit that he is definitely

and specifically bound by the congressional expression of intent which runs all the way through this provision. Furthermore, I call the Senator's attention to the date from which the President can change the figure, if it be deemed appropriate to do so—which is on and after March 1, 1948, which is 30 days after the termination of this act. I hesitate to enter into the field of agricultural discussion, because what I know about the subject is not too profound; but it is my understanding that after March 1, a national figure is made public by way of an estimate of intention to plant, and that somewhere in the period shortly following March 1 it is possible officially and with considerable reliance to reassess the prospects of a wheat crop. If that prospect on the basis of official information indicates that the carry-over does not need to be 150,000,000 bushels, the President is justified in reducing the figure. But I am unable to believe, under the entire intent of the paragraph as it is written, that any President would find it possible to use unbridled discretion in connection with the administration of the section.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. CORDON. I also am interested in the provision for retaining a reasonable carry-over of wheat in the United States. I say to the Senator from Michigan most frankly that in my humble opinion the provision written into this part of the measure, insofar as it is a limitation upon the amount of grain which may be available under the Act, is of little effect, if any. The provision of limitation goes to March 1, 1948; that is the absolute limitation.

Mr. VANDENBERG. The Senator from Oregon means, does he not, that on March 1, 1948, it could be revised in the face of official figures?

Mr. CORDON. Exactly. That means that the limitation is absolute until March 1, 1948.

Mr. VANDENBERG. That is correct.

Mr. CORDON. Mr. President, I have seen no figures from any source indicative of any intent to ship any grain out of this country or to purchase grain for shipment up to March 1, 1948, that would approach a figure which would impair the 150,000,000 bushel carry-over.

Mr. VANDENBERG. That is also the opinion of the conferees.

Mr. CORDON. So March 1, 1948, is meaningless insofar as this section is concerned, and therefore the section, so far as its legal effect is concerned, reads that the 150,000,000 bushel carry-over shall be maintained unless the President, under the limitations previously provided, finds that it can be decreased.

Mr. VANDENBERG. With full protection of domestic needs.

Mr. CORDON. Of course that, again, is the matter to which I referred in connection with subparagraphs (1), (2), and (3).

Mr. President, there would have been purpose in putting in a date, had the date been set far enough into 1948 so as to give the President the official information to which the distinguished Senator from Michigan adverted a few moments ago; but that information is not available until the 1st and the 10th of May. These two dates are the dates when the official information is made available by the Department of Agriculture, with reference to the prospects of the grain crop in the United States. I cannot believe that the amount of grain to be made available in this country is going to be varied to any great extent by the prospects in other portions of the world. The only grain that can be made available before our crops come in would be the grain from the lower Mediterranean countries, and that would come in during May and June of the current year.

Frankly, I do not know how the limitation which I should like to see placed in the act can be placed in it. I am hopeful that a clearer statement of the views of Congress may be included in committee reports in connection with the appropriation itself. I should like to see specific language in the bill; but, Mr. President, after having done the best I could with it, and after having sought advice from those who are experts in the grain business, I say frankly that I have not been able to see how we can write into this measure the specific prohibition which is needed, in view of the several contingencies which may develop and the indefiniteness of any provision which might be written in regard to them, so far as setting forth information as a condition precedent is concerned.

I am not going to object to the provision. However, I felt that we should understand that it is more or less of a reiteration of the provisions of subparagraphs (1), (2), and (3) of paragraph (b) of section 11, insofar as the prohibition following those subparagraphs is concerned.

Mr. VANDENBERG. Mr. President, I thank the Senator from Oregon for his comments. Of course, I remind him that the conference was not in a position to legislate originally on this subject. The Senate did not legislate upon it at all, and all the conferees could do was to act within the circumference of the House action. I am sure the Senator from Oregon will agree that at least this is better than nothing.

Mr. CORDON. Yes; and, of course, it indicates, at least, that the greatest possible care should be given to the carry-over. As to that, I agree with the Senator from Michigan.

Mr. KEM. Mr. President, will the Senator yield to me?

Mr. VANDENBERG. I yield.

Mr. KEM. I should like to ask whether this provision contemplates that the President will make an estimate of the wheat available by March 1, 1948.

Mr. VANDENBERG. This contemplates that the President will obtain, through the Secretary of Agriculture, all the information, set out in detail, regarding the wheat prospects and the wheat carry-over.

Mr. KEM. Will that information be made public?

Mr. VANDENBERG. I assume that the President will act on the basis of public information.

Mr. KEM. As the Senator from Michigan has said, the usual report is available in May.

Mr. VANDENBERG. Yes. Of course, May figures would be of no use to an act which expires in March.

Mr. KEM. Naturally. But a March figure might be of great use to those who were inclined, in advance of May, to make a personal profit upon the basis of the information.

Mr. VANDENBERG. I cannot disagree with the Senator from Missouri as to that. But I agree that an indictment is to be placed against all persons who, whether they act on information or otherwise, act at all in the speculative grain markets. Such action is unconscionable.

Mr. KEM. Let me express the hope that whenever such information is available it will be made public.

Mr. VANDENBERG. Mr. President, I think I have now about concluded my statement. Two other additions have been made to the protections in the bill, both of which I am sure the Senate will approve.

In connection with the optional termination of the act, in the event of certain untoward circumstances, the Senate will note that the conference report makes this contingency even clearer than did the Senate text, when it says that the President shall terminate aid to any country "whenever he finds, by reason of changed conditions, that the provision of aid under this act is no longer necessary or desirable; or (c) whenever he finds that because of changed conditions aid under this act is no longer consistent with the national interests of the United States."

Then an additional provision is taken from the House text which reads:

> No citizen or resident of the United States shall serve under this act as a United States representative, observer, or adviser until such person has been investigated as to loyalty and security by the Federal Bureau of Investigation.

There are a few other changes which are minor. For instance, the junior Senator from Michigan [Mr. FERGUSON], my colleague, I think on behalf of the Committee on Appropriations, submitted a rather long amendment seeking to make sure that certain Congressional committees would be allowed authority to have access to all official information regarding the administration of the act at home and abroad. The precise language used in the original Senate amendment has been changed to read as follows:

> To permit representatives of the Government of the United States, including such committees of the Congress as may be authorized by their respective Houses, to observe, advise, and report on the distribution among the people of such country of commodities made available under the authority of this act.

Mr. President, I think I have covered practically every substantive issue involved in the report.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from New Hampshire.

Mr. BRIDGES. I should like to ask the distinguished chairman of the Commit-

tee on Foreign Relations a little about China. China has been included in the conference report, as it was in the bill which passed the House.

Mr. VANDENBERG. Was the Senator present when I spoke of that?

Mr. BRIDGES. Yes. The matter is apparently left to the Committee on Appropriations for action. Inasmuch as the Committee on Foreign Relations acted on this matter, I should like a little guidance. For background, let me say to the distinguished Senator that the Committee on Appropriations, for the first time in the history of Congress, so far as I know, has "jumped the gun" as far as hearings are concerned. We have held our hearings before even a bill is before us. We concluded our formal hearings Friday night. It would seem to me that if the decision is to be left to the Committee on Appropriations, then we must reopen our hearings and go into the subject of China. If that is the course of procedure we should follow, can the Senator give us any indication of the feelings of his committee as to the desirability of doing that, or what the general program should be from the policy-making position?

Mr. VANDENBERG. Mr. President, I recognize the Senator's dilemma, and I am sure the situation described by him is one of the reasons why Senators who are deeply interested in China as one of the critical spots in our world problem did not originally press for the inclusion of China in the interim-aid bill.

Money without a plan is "rat hole" money; there is no doubt about that. Under the proposed act there is no available plan for the use of money for China, except as one goes back to Public Law 84 and supplements the relief which is provided for China under that act.

I say to the Senator now that when that point was brought to the attention of the House conferees, they produced the record of a colloquy which occurred on the floor of the House between the Representative who was the sponsor in the House for the amendment regarding China and the Representative who is chairman of the House Committee on Appropriations. My understanding of that colloquy was that the Committee on Appropriations of the House will not be asked to make a specific allocation of funds to China under the interim-aid act, but that this authorization will hold over until the China plan shall arrive as promised by the State Department in January; in other words, that there would simply be a set aside to China under this particular act.

The Senator will then note that it is provided that when subsequent legislation provides a definite and specific China plan, any appropriations made under it can be charged against whatever reserve is made in the bill we are considering, and those funds will be released to the original recipient country.

Mr. BRIDGES. It is rather tragic that, inasmuch as the story of China is well known and present conditions having existed for years, the State Department has no known plan for China.

Mr. VANDENBERG. The Senator knows the viewpoint of the Senator from Michigan on that subject. The Senator from Michigan has for some time been out of harmony with our official attitude toward China. He has repeatedly urged a different attitude. He welcomed the fact that the Secretary of State, in presenting his plan for interim relief, added a prospectus in behalf of China. A prospectus is at least something more encouraging than what we have had up to date.

On the basis of that prospectus, there is sound reason, in my opinion, for postponing all congressional action in behalf of China until the State Department plan arrives, because the chairman of the committee believes in plans ahead of appropriations. But the chairman of the committee also believes—and I submit this to the opinion of the Senator from New Hampshire—that since the House had opened the door to the extent, for the first time in quite a while, of identifying China as one of the essential beneficiaries of American attention in its effort to defend the right of free people to live in a free world, it would be highly liable to misunderstanding if, the door having been opened by the House, the Senate slammed it shut with no action whatsoever. In my opinion, that would represent a double prejudice which none of us, whether we agree to the particular method of procedure suggested or not, would want to be any part of. I am sure the Senator from New Hampshire would agree with that analysis.

Mr. CONNALLY. Mr. President——

Mr. VANDENBERG. Just a moment. It is for the reason I have stated that China was included, at the behest of the House, because the Senate conferees were unwilling to slam the door shut, lest they be misunderstood in respect to their fundamental attitude toward China, and the great contest which has been waged in China against common enemies for a decade.

I yield to the Senator from Texas.

Mr. CONNALLY. Let me say to the Senator from New Hampshire, Mr. President, that I think it is due the State Department, and those who have been handling this matter, to have their attitude accurately set forth. There is no disposition on the part of the State Department, and it so appeared in the hearings, to close the door on China, and the bill does not close the door. The attitude of the State Department is that it wants a concrete plan for China, and it is now working on one, and will have it ready for submission in a very short time, possibly in 2 or 3 weeks, probably before the 1st of January.

It must occur to the Senator from New Hampshire, as I am sure it has occurred to him, that the situations in China and those that are contemplated by the pending bill, while they may be similar, are not exactly comparable. For instance, we are considering a relief measure, pure and simple, whereas China's problems are involved with military operations. Three-fourths of China's budget consists of military appropriations. China is now receiving, under the general relief act, $30,000,000, and there is another $18,000,000 which will be available, so that with the $48,000,000 we are granting China now, there will be sufficient money certainly to tide her over, insofar as anything that may be in mind at the present time is concerned.

The State Department, in hearings conducted sometime ago, revealed that one of its plans in which I think Secretary Marshall particularly concurs, is to provide an allowance of $20,000,000 per month, beginning April 1. There was no disposition on the part of any member of the committee, from either the House or the Senate, to exclude China. I have been in Congress a good many years, and I have been voting periodically, ever since I have been here, on bills for the relief of China—a $500,000,000 loan, a loan for this, a loan for that, and a loan for some other thing. China and the United States have been friends from time immemorial. There is no disposition whatever to shut her off, but it must be realized that as the situation has developed in China, her problems and conditions are not on all fours with the conditions treated in the pending bill.

The State Department specifically stated before the Foreign Relations Committee that it is already at work, and it has been for some tme, on details of the proposed plan for aid to China. That plan will be here for consideration within a very short time. We feel sure that the plan will envisage all the critical situations which we must face.

All Senators know that General Marshall, the present Secretary of State, spent more than a year in China. He knows China's problems better than do most of us. He is now absent, but, according to reports appearing in the press, he may be expected back shortly. I am sure General Marshall would want to be here to assist in this particular matter. I merely thought it was due the State Department to say that there has been no lack of interest and no lack of purpose to provide a plan for submission to the Congress in a very short time.

Mr. BRIDGES. Mr. President, let me say to the Senator from Texas and to the Senator from Michigan that my rising here today was not in any way to be construed as in criticism of the action of the committee.

Mr. VANDENBERG. I understand.

Mr. BRIDGES. The thought I endeavored to express was that if there is any policy which our Government has bungled for years it is the China policy. In connection with that policy there has been continual bungling.

Mr. CONNALLY. China is fragile.

Mr. BRIDGES. It is tragic. I am glad we are getting ready to do something for China in a consistent, organized way. I wanted to get from the Senator from Michigan, and from the Senator from Texas, as the ranking minority member of the committee, an expression as to the procedure expected to be followed once the authorization is granted, their advice and counsel as to how the Appropriations Committee should proceed. I am very happy that this step to include China has been taken. I was merely seeking advice and counsel, in the wisdom of Senators who have had the matter under consideration and

who have heard the testimony, and who have had long experience in such matters, as to how we should follow up the authorization.

Mr. VANDENBERG. I thank the Senator.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from Florida.

Mr. PEPPER. I agree with the Senator from New Hampshire in one thing, that there has been an element of error in our policy toward China. But if there has been an error in considering that the Government of China at the present time was worthy of our unqualified support, I think there has been some effort in recent months to retreat from it. When an authority of the character of General Marshall after spending a year in China returns home and says that that Government is not entitled to support, that it is in many respects corrupt, that it is not democratic in its origin or in its sentiment, and when he counsels us against embracing the extremists of the left or the present government, which is the extremist of the right, then it seems to me that we should with hesitation adopt any policy that goes contrary to that very competent observation and recommendation of our present Secretary of State.

Mr. President, I am glad that the chairman of the committee made it clear that in voting for the conference report we should not be voting for an appropriation for China, without at least some knowledge beforehand as to how the money was to be used and the circumstances attending its disbursal.

Some of us wish an opportunity to protest against our Government always in every aid that we disburse being alined with the corrupt and the rightist elements of the countries we help. Surely at some time or other we are trying to stand up for what the able chairman so eloquently and so often calls free people in a free world, or words to that effect; certainly sometimes we should find it possible to aid freedom and a free world by doing other than supporting the rightist elements of the countries we are serving. In China, so far as my limited information goes, there is a civil war in progress. What we are expected to do is to take the rightist side in the civil war. I do not want our country to take either the rightist side or the leftist side. Long years ago we had, unfortunately, a civil war, but other nations did not take either side. We have a greater America today because they did not. I am not one of those who want to take sides in the present civil war on the side of the rightists. If we want to do what General Marshall proposed in his recommendation, to try to find a liberal government—I mean a democratic government—that represents something of what we stand for in our sentiment in this country, then, if it is desired to try to support such a government, so far as my individual vote is concerned, I am disposed to help. But at least I want the right to make a reservation on always giving assistance to the people who are on the rightist side and already condemned before the world as corrupt, as futile in their attitude, belonging to a period before the nineteenth century in the evils they are trying to impose upon their people. When a plan is prepared and presented, I understand from the able chairman we shall have an opportunity to scrutinize it before we are called upon to vote the appropriation of funds.

Mr. VANDENBERG. Mr. President, I do not think this is the time to extend the debate regarding the character of the Chinese Government or the character of our intelligent American self-interest in what goes on in China. But I could not let the record stand quite where the Senator from Florida leaves it, without this observation on my own account: I quite agree that General Marshall was fully justified in urging, upon his return from China, that the Nationalist Government should be, shall we say, "scrubbed up," to the extent that it might represent a higher democratic morality. On the other hand, I fully recognize the difficulties confronting a great leader like Chiang Kai-shek in connection with traditions that are a thousand years old in his country. I am not quite willing to allow, without protest, the stamp of corruption to be put upon the government of Chiang Kai-shek, without at least the reservation that this man has been the sole hope of whatever organized democracy there was in that area for a long, long time, and that he has led a very courageous fight in behalf of the Nationalist Government, which is the only government that we recognize, and therefore is the only government in China toward which we hold any sort of obligation.

I quite agree that it is highly desirable that there should be progress in the liberalization of the type of government which is in central control, but I totally disagree, I must say, with the original directive under which General Marshall was sent to China to operate, because in my opinion, when we were undertaking to force a coalition upon the Nationalist Government and the Communist government, we were undertaking to enforce an impossibility, for I have never known organized communism to enter a coalition for any purpose except to destroy it, and that continues to be my point of view. But I think the liquidation of the disagreement has nothing to do with the adoption of the conference report, because I believe the Senator from Florida is correct in saying that the whole subject will come back for complete and adequate attention when the State Department's plans are unveiled.

Mr. PEPPER. Mr. President, the thing I am so solicitous about is that nothing be done which would turn China into another Spain. I do not want to see certain of the powers of the world get behind one government and the other powers of the world, or many of them, get behind the other government, which may prove to be the breeding ground of another war, as Spain was of World War II. I should merely want to avoid our taking steps which would commit us, Mr. President, by such a policy, to bring about that sort of a tragedy.

Mr. BRIDGES. Mr. President, will the Senator from Michigan yield?

Mr. VANDENBERG. I yield.

Mr. BRIDGES. By way of comment on what the Senator from Florida has said, that he does not want to see China turned into another Spain, and that he wonders why we always take the side of the rightists, I will say that I do not want China turned into a satellite of Russia. I do not want China to become another Yugoslavia. I do not want China to become another Hungary. I want China to have a chance to become a sound democratic nation. The reason why our country many times has ended up by supporting the right is because the right has opposed the Communists, and any one who is fair-minded knows that that issue is clearly before us all over the world. When we get down to the basic facts in the matter, of course if the issue were that of supporting or opposing the side which is fighting communism, and which is the sole hope for establishment of a government in China we can deal with, we should support that side. If we have to choose in the case of China, certainly I am not going to choose a China forced by the Communists into an existence like Yugoslavia's or any other of the extreme Russian satellites in the world today.

Mr. PEPPER. Mr. President, will the Senator again yield?

Mr. VANDENBERG. I yield.

Mr. PEPPER. I do not want to be understood as being in favor of China becoming the satellite of any other country. I do not want us to make China a satellite of the United States or of any other country. I think probably we all agree that there would be a greater possibility of peace in China if we would let China be the protégé of the United Nations organization rather than the protégé of one of the great powers directly.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. VANDENBERG. On that question I should like to have a vote.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. CORDON. I do not want to take much time, but I notice that the provision which was placed in the bill by the Senate, requiring that packages of relief goods going to distressed people carry a statement that the goods were furnished by the United States without charge, has been eliminated from the bill.

Mr. VANDENBERG. That is, the phrase, "without charge," has been eliminated from it.

Mr. CORDON. That is correct. The requirement of a statement to the effect that the goods were furnished by the United States remains. There is no requirement that any information to the effect that the food comes without charge from the United States shall go to the recipients of the food.

Mr. President, so far as I am concerned, I am not too much worried by the absence of that language in the bill. Personally, there is a very grave doubt in my mind as to whether or not the measure will serve what has been set out to be one of its two main purposes; namely, that of having an effective part in the determination of the political actions of the people who will receive the food. However, if it is to be of any value what-

ever in that regard, the people who receive the food, who need the food, also should know that it is coming without charge from a nation which seeks at least to help those who at the moment are incapable of helping themselves.

As the language of the bill now stands, the officials of the government of the country receiving the food will know what the facts are, and a handful of others will have the knowledge, but the common people, those who need the food, who will receive the food, will not have that knowledge. The only information they will ever have is that they have had to pay the same price for the bread they now secure that they have paid for the bread that was made from the wheat grown in their own country.

Mr. President, I recognize that we have written the bill with one philosophy, and that we have passed it with another. The justification of the relief in the first instance was the fact that the countries in question had run out of dollars; that they could not buy food in this country because they did not have any money with which to buy it. The philosophy of the bill is that they may be able to pay for some part of it in dollars. There has been nowhere, so far as I know, any indication that they have any dollars, but to the extent that they have dollars to purchase the food, the food should not be furnished to them on any other basis.

So long as the bill is written, however, with the philosophy that they may pay for some portion of the food in dollars, I recognize that we cannot divide the loaf of bread and say that we furnish one-half of the loaf for money and the other half free. But I do want to call the Senate's attention to the fact that we are deluding ourselves if we believe that the bill as drawn will have any real effect, so far as the people of the several countries are concerned, except that it will feed them. They will not feel any differently toward the United States of America because, so far as they are concerned, even though the United States of America actually furnishes the food, they know they have to pay for it in their currency when they get it for consumption by their families and for such other purposes as they may secure it.

Mr. VANDENBERG. Mr. President, the subject to which the Senator refers was canvassed in the conference. The difficulty with the phrase "without charge" was that it simply did not fit the facts as they might exist under certain circumstances. For instance, it has always been the theory of the bill that all these commodities should be paid for in local currency. If we could have found a phrase which indicated that the commodities reached the beneficiary without revenue to the Government of the United States, that would have been one thing. The phrase "without charge" was an equivocal phrase under a system in which local currency is to be paid for everything that is shipped.

I totally disagree with the Senator that there is any danger whatever of a continuing lapse in the adequate publicity emphasis which will be put upon the complete nature and extent of the aid, because I can think of no greater progress in anything which has happened than that which has been made in overtaking the publicity errors which were made under UNRRA. I am very sure that every possible effort will be made to indicate the full character, type, and scope of the assistance. I do not believe that the objective totally falls and fails merely because two words have been taken out of the basic law.

Mr. CORDON. Mr. President, will the Senator further yield?

Mr. VANDENBERG. I yield.

Mr. CORDON. I am one of those who believe that the purpose of law is to make direct and mandatory the purpose of the lawmakers. In my opinion this bill fails to meet that requirement.

I cannot understand how anyone can take the position that there is any payment to the United States in connection with the setting up in a recipient country of a fund consisting of the currency of that country, to be expended in that country.

Mr. VANDENBERG. I have made no such statement.

Mr. CORDON. Just what does the Senator mean, then, by indicating that there is something in the way of a charge?

Mr. VANDENBERG. I am saying that when bread is distributed in Italy under this act, it is paid for by the recipient in local currency; and so far as the recipient is concerned, he pays for it, in local currency. If he receives a notice that he is supposed to get it without charge, it would require quite a long time for either the Senator from Michigan or the Senator from Oregon to explain to him what the distinction is. There is a distinction. It is without charge so far as revenue to the United States is concerned; but it is not without charge so far as the individual beneficiary is concerned, unless he happens to be an indigent. It is the phrase which is equivocal, under the practical circumstances which are confronted in the distribution.

Mr. CORDON. The Senator is now in entire agreement with the Senator from Oregon.

Mr. VANDENBERG. Very well. Let us leave it there.

Mr. CORDON. In that respect, I suggest to the Senator that the very difficult problem which he envisions, of getting the word to the people, is being met at this moment in Austria, if we are to believe the press. The type of statement which some of us desire to require with reference to food sent under the provisions of this act is being made today in Austria by the Government to all the people. Only recently the newspapers carried headlines indicating that the facts as to the furnishing of the food by the United States and the use of the money paid therefor by the people were being broadcast in Austria, and most effectively so. If it can be done in Austria it can be done in France, Italy, or China.

Mr. VANDENBERG. The chairman of the committee expects that the truth will be made just as plain in Italy and France.

Mr. KEM. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. KEM. I agree with the Senator from Oregon. I expect to vote for the conference report. However, I shall do so with reluctance. Before doing so I should like to state briefly my position with reference to the elimination by the conferees of the provision that full information be given in countries receiving aid, to the effect that the people of the United States expect to receive no repayment.

The language which was embodied in the Senate bill, and which has been eliminated in the conference, reads "without charge by the United States, in an effort to prevent suffering because of hunger, starvation, and cold, and prevent serious economic retrogression."

I invite the attention of the distinguished chairman of the Foreign Relations Committee to the fact that that does not say without charge by anyone. It does not say that the goods shall be sold without charge by the country to which the goods are given; but it does say that there is no charge by the United States.

As I understand the Senator from Michigan and other sponsors of the bill, the bill has two purposes: First, to prevent suffering from hunger and cold during the coming winter; and second, to combat the spread of communism. I think it should be generally known that the people of the United States are sending a gift of approximately $600,000,000, not to the people of France, Italy, China, and Austria, but to the governments of those countries, and that those governments will in turn sell to the people of their countries the commodities which are sent to them by the people of the United States from the goodness of their hearts without charge, just as the Senate bill said, and without expecting any repayment.

When the bill was under consideration in the Senate I offered a group of amendments with two purposes in mind. The first purpose was to guarantee that the taxpayers of the United States and the people generally would receive full information as to the manner in which the aid was distributed, and to whom it was distributed. I am glad to see that those amendments were adopted in substance in the conference report. I wish to express my appreciation to the Senator from Michigan for his interest in those amendments.

The second purpose which I had in mind was to guarantee that the taxpayers of the United States would know that the people receiving aid would be informed that it was a gift from us, and that we expected no repayment.

I have read the conference report with some care; and, so far as I can see, that purpose is not met in any respect. The purpose which I had in mind accomplishing by the second amendment was that when the commodities furnished by the Government of the United States were sold to the people of other countries and were paid for by them, the people buying the goods would know that the money did not come back to the United States. The amendment originally offered provided that the commodities be marked, stamped, or branded to show that such was the case. The conference report provides that these goods shall be marked or branded to the effect that

they come from the United States, that the United States is the country of origin; but there is absolutely no provision to show that they are a gift, or are furnished without charge by the people of the United States.

I believe that the result will be wholly to defeat the purpose of the people of the United States in sending this relief. The goods will be sold, and the people will pay for them. They may know that the goods originally came from the United States, but they will wholly and entirely fail to get the idea that they are a gift from the people of the United States, to use the language of the Senate bill—

in an effort to prevent suffering because of hunger, starvation, and cold, and prevent serious economical retrogression.

If we can judge from the reports of Members of Congress who have returned from trips to foreign countries this summer, there is hardly any country in the world where Uncle Sam is held in high regard or even grateful respect. It seems to me that the method which we are to use in sending these goods out will contribute still further to misunderstanding. In effect, it plays into the hands of Communists, because they will be given an opportunity to say, "America claims to be generous, claims to send you gifts, but you notice that you pay for whatever you get."

Mr. VANDENBERG. Mr. President, I wish to say this in reply to the Senator: The Senator will understand, in the first place, that the Senate conferees were not free agents to write the bill as they pleased.

Mr. KEM. Certainly.

Mr. VANDENBERG. The Senator will recognize that when the conferees saved about 85 percent of his text, they had a fairly good batting average, even as rated in St. Louis.

Mr. KEM. I have already expressed my appreciation to the Senator.

Mr. VANDENBERG. I will say to the Senator in conclusion that the absence of the particular language to which he refers does not for an instant mean that the information to which the language would have referred is necessarily to be absent from the general information which is given. So far as the Senator from Michigan is concerned, he completely agrees with the basic point of view expressed both by the Senator from Missouri [Mr. KEM] and by the Senator from Oregon [Mr. CORDON]; and he will urge that, under the general injunction of publicity, the exact truth be made plain at all times.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. LANGER subsequently said: Mr. President, I want the RECORD to show that on the voice vote on the adoption of the conference report the Senator from North Dakota voted "No."

DEATH OF FORMER SENATOR ARTHUR WALSH, OF NEW JERSEY

Mr. HAWKES. Mr. President, it is with the deepest sorrow that I announce to the Senate the death of ex-Senator Arthur Walsh, who was called into the Great Beyond early Sunday morning, December 14, 1947.

Senator Arthur Walsh was beloved by all of his colleagues on both sides of the aisle in the United States Senate and while here made a substantial contribution to the deliberations of the Senate.

He was that type of representative of the people who made each of us forget to which political party he belonged, because, in my opinion, he belonged to the United States of America. Even when he differed with any of us, we still had both a deep respect and an affection for him because he was honest, straightforward, and, in my opinion, sought justice and fairness for all. He was a great public servant.

His loss is great not only to his beloved wife, daughter, and the other members of his family, but to all those who knew him and to the citizens of the State of New Jersey.

While it is difficult for us to understand why he should be called home at the early age of 51, we must accept the will of God Almighty as infallible, and our philosophy and spiritual understanding must cause us to believe that even those things which we do not understand are in the final best interest of all.

As one of his former colleagues and as one of the Senators from the State of New Jersey, I extend to his wife, their daughter, and the other members of his family our deepest understanding sympathy, coupled with the prayer that God will give them the strength and guidance which are so vitally essential to carrying on in this life.

Mr. President, I send to the desk a resolution, which I ask to have read.

The PRESIDING OFFICER. The clerk will read the resolution.

The resolution (S. Res. 174) was read by the legislative clerk, as follows:

Resolved, That the Senate has heard with profound sorrow and extreme regret the announcement of the death of Hon. Arthur Walsh, who served in the United States Senate from the State of New Jersey from November 26, 1943, to December 6, 1944.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased, together with a transcript of remarks made in the Senate in praise of his distinguished service to the Nation.

Mr. HAWKES. Mr. President, I ask that the resolution be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution submitted by the Senator from New Jersey.

The resolution was unanimously agreed to.

Mr. BARKLEY subsequently said: Mr. President, I was called from the Chamber a little while ago. During my absence the Senator from New Jersey [Mr. HAWKES] submitted a resolution expressing the sympathy of the Senate because of the death of former Senator Arthur Walsh, of the State of New Jersey. But for my absence at the moment, I would have said then what I have to say now.

I am sure that we all learned today with deep sorrow the news of the death of former Senator Walsh. He came here by appointment of the Governor of New Jersey to serve a portion of an unexpired term. He did not run for reelection after the term for which he had been appointed. I am sure that no Member of this body who knew the late Senator Walsh failed to appreciate his fine qualities. He was a man of very great ability in a business way. He had a very keen understanding of the political situation. He possessed a charming personality and great versatility, which made him a popular associate either in public assemblies or in private associations. It seems a tragedy that a man so young—only 51—should be suddenly called from an active, busy, and useful life. I do not believe any of us here realized that Senator Walsh was suffering from any ailment of any sort. At least I did not. When I last saw him he was the picture of perfect health. He seemed in good spirits and had a jovial approach and disposition which made him like a breath of fresh air in any community or society in which he circulated.

I wish to join the Senator from New Jersey in the expression of the sympathy of this body to the family and friends of the late Senator Walsh, and to express my own sense of personal loss at his premature death. I do not know when I have seen or known a man of more charming personality in recent years than that which characterized the late Senator from New Jersey. I hope that his life, brief as it was, comparatively speaking, may be a consolation to his family and friends, and that his memory will always remain green in our lives.

Mr. SMITH. Mr. President, I thank the distinguished Senator from Kentucky for the remarks which he has just made. I received notice this morning of former Senator Walsh's death. I regret that I was called out of the Senate earlier today when, I am advised, my colleague [Mr. HAWKES] presented his resolution, and I want to add these words of my own to what my colleague said. I desire to record my deep sense of personal loss of a great friend whom I had known for a number of years and who was my immediate predecessor in the Senate from New Jersey. If in any way I can fulfill the expectations which the late Senater Walsh in his lifetime represented when he was in the Senate, the fine standards he attained, the wonderful citizenship record he had in New Jersey in everything he did; his wonderful appreciation of the arts—he was a great musician—his great business ability, and his devotion to duty, I shall be happy, indeed, to follow in his footsteps. I am glad to join with my colleagues in paying tribute to a man who meant so much to the State of New Jersey.

MAINTENANCE OF PROSPERITY AND CURE OF INFLATION

Mr. CAPEHART. Mr. President, I send to the desk a bill to maintain prosperity, promote full employment, and kill inflation, and ask that it be read.

The bill (S. 1873) to maintain prosperity, promote full employment, and kill inflation, was read the first time by its title and the second time at length, as follows:

Be it enacted, etc.,

SHORT TITLE

SECTION 1. This act be cited as the "Price Moratorium Act of 1947."

DECLARATION OF POLICY

SEC. 2. It is hereby declared to be in the national interest that the Congress provide a long-range program to protect and promote a sound national economy; such a program requires careful study and preparation and until such program is fully developed, it is necessary that the present price spiral be stopped. It is the purpose of this act to maintain prosperity, promote full employment, and kill inflation. To carry out the purposes of this act it is essential that there be full cooperation of all the people—the farmer, the wage earner, the businessman, the housewife, and the Government.

GENERAL PROVISION

SEC. 3 The maximum price at which any commodity, new or used, may be sold, bartered or exchanged, shall be the prevailing price of the seller of such commodity at the close of his business day on December 13, 1947. No used motor vehicle may be sold at a price in excess of the sale price of a new item of like make or character, regardless of the date of manufacture. The prevailing price for any commodity listed upon any trading exchange shall be the closing price of such commodity on such exchange on December 13, 1947.

ENFORCEMENT

SEC. 4. Any person, firm, association, or corporation that willfully violates any provision of this act shall upon conviction, be subject to a fine of not more than $5,000 or to imprisonment for not more than 2 years, or to both such fine or imprisonment.

It shall be the duty of the Attorney General to prosecute any violators of the provisions of this act and jurisdiction of all proceedings for violation of any of the provisions of this act is hereby conferred upon the district courts of the United States.

TIME LIMIT

SEC. 5. The provisions of this act shall terminate on May 1, 1948, or upon any date prior thereto fixed by Executive order of the President.

APPLICABILITY

SEC. 6. The provisions of this act shall be applicable to the United States, its Territories and possessions, and the District of Columbia.

The PRESIDING OFFICER. The bill will be referred to the Committee on Banking and Currency.

Mr. CAPEHART. Mr. President, when we convened in this extraordinary session of the Eightieth Congress, we knew that we were to face domestic and foreign problems which would call for history-making action on our part. Many people in devastated European nations were starving and cold. We were aware of the need for immediate help, and we shall consider a long-range program of rehabilitation of those countries. Here in America our people were falling deeper into the whirlpool of inflation and were facing a loss of our cherished free-enterprise system. Again we recognized the need for immediate help and a long-range program which would give our great Nation a sound economy. In each of these emergencies we have found agreement among ourselves as to the need. We have differed only as to the methods of solution.

To meet the need for immediate foreign aid we speedily enacted legislation that will soon start the flow of food and clothing to those countries. We have enacted an interim-aid bill. We have enacted the bill for interim aid for Europe as a stopgap procedure while the more complex problem of long-range rehabilitation measures can be given the careful consideration necessary. During this time we have also moved steadily toward a long-range solution of our domestic troubles. Good legislation has been offered, and more will be offered; and I am certain that it will again permit us to enjoy the sound economy and prosperity to which we are entitled as a free people. But these important steps require time for study. They should not be enacted into law purely through the pressure of demand, for much of what we do here in the next few days will become milestones in our history.

We have given interim aid to Europe while we study carefully the long-range needs of those countries. Now let us give interim aid to the United States while we carefully consider the long-range needs of our economic system.

I have just introduced a bill which will kill inflation immediately and will serve to maintain employment and prosperity. Its title is the "Price Moratorium Act of 1947." Mr. President, this bill will give the people of our great Nation immediate protection against inflation without the need for abritrary price controls and rationing which our people hate and which I hate. It will give our people a chance to throw off their fears of inflation, while we here in Congress can give the proper consideration to the permanent program of the future.

Our economy has been like a runaway automobile. Now let us stop the automobile so that we can determine what made it run away.

The bill I have introduced will place an immediate moratorium on prices of commodity transactions as of midnight December 13. It provides an expiration date as of May 1, 1948; but, Mr. President, I have provided that the President of the United States can, at any time prior to that date, remove the moratorium by executive decree. This bill will give the people relief from the rising prices, and at the same time it will give Congress a greater opportunity to study the many plans for permanent corrective legislation. This bill will also permit the long-range program which we adopt to begin functioning without penalty to our people.

I am confident that within the next few months this Congress will enact laws which will have a very quick effect upon the inflationary trend and the soundness of our future economy. Our people are in dire need of relief from the inflationary trend during this period, and this bill will give them that interim aid.

Since this moratorium will be established at the market level, there should be no need to fear black-market operations which made a farce of the wartime price-control and rationing program. The enforcement needs should be reduced to a minimum by the fact that the bill creates no hardship either on the seller or the buyer.

It merely says, "Let us stop right where we are, while a permanent, long-range program can be enacted and given time to operate."

We gave some consideration, Mr. President, to inclusion of a provision for a short-time moratorium on wages and salaries, but we believe that organized labor will recognize the need for a temporary status quo condition in order to bring order out of our chaotic economic situation. All of our people have come to realize that the cycles between price increases and wage increases have gone on and on, until the very foundation of our freedom is being threatened.

If we take this immediate action, Mr. President, to give our worried people relief from their fears of a ruinous inflation and a resultant depression, we shall bolster their confidence in this great form of government under which we have thrived for 165 years. We would not be asking our people to be ruled from Washington by an arbitrary board or bureau which could raise or lower prices at will. We would not be chaining our working people to a condition beyond their will and patriotism. We would not be delegating to anyone the power to provide in his own dictatorial way for a sharing of scarcities.

Mr. President, this bill only asks that we go no farther skyward in this spiral of destruction until permanent means to halt that spiral can be made effective. We owe this interim aid to our people, and we owe ourselves a chance for careful, sound study—unhindered by the pressure of excited fear—of the important permanent solution of the problem. By such action, Mr. President, we shall not have stopped the wheels of production, as would be the case under price-control and rationing. The workers who today have strained all our production facilities will not be faced with any change in their working schedules. Expansion of production will not be stifled by this interim-aid measure, for we shall not choke off the needs of our people with rationing. On the contrary, Mr. President, the proposed interim measure will restore to business the condition of soundness that in our judgment will be so necessary in connection with long-range European aid.

With our economy running rampant how can we apply proper consideration to the long-range problems we face? Grain market speculations which affect the very hub of our studies will be stopped by this bill until we have had a chance to determine the future course of our Nation and the many others.

Mr. President, if it was proper for us to cross our party lines to give interim aid to Europe, it is even more appropriate that we cross those same party

lines to give interim aid to our own people. We need the honest cooperation of every American in acting to meet the immediate problems, as well as in taking the steps which will determine our course for future years.

RELIEF OF NAVAJO AND HOPI INDIANS

Mr. WATKINS. Mr. President, today the Senate has adopted the conference report on the bill providing interim aid for Europe. I personally am in full accord with what this body has done in that connection. However, we have in the United States a problem which affects people who are half citizen and half foreign. I refer to the Navajo Indian Nation, located in New Mexico, Arizona, Utah, and Colorado. On July 26 last, I called the attention of this body to the deplorable condition existing among those Indians. Since that time, legislative committees have visited the Indian reservations and have made investigations. The press of the United States has sent representatives to that section of the country, and the plight of these Indians has been brought to the attention of the American people.

Mr. President, today we have been generous to Europe—in our own defense in a way, and, in another way, as a matter of Christian charity. On the other hand, we have treaty obligations with these Indians. We are obligated to provide them with schools and with teachers; and having taken their lands and having driven these Indians from their former lands to those on which they are now located, we are obligated to see that at least they have an opportunity to earn their own living, to live the kind of life they wish to live, and finally to become self-sustaining American citizens.

Most of these Indians do not vote. In some of the States, by reason of the laws and regulations, they are not permitted to vote; they do not exist as a political power. But I am sure that in the generosity of America, now that we have taken steps to render assistance to the people of other lands, we will be willing at this time to recognize the needs of these Indians.

From 55,000 to 60,000 of the Indians live on 13,000 square miles of land which for the most part is barren, without sufficient rainfall, without enough water even to irrigate many portions of it. Because of these conditions this area is now overcrowded, so far as its productivity is concerned, and it will be necessary, as the Indian committees of the Senate and the House have checked the matter, to take many thousands of the Indians away from the present reservation and permit them to earn a living elsewhere, because, as I have just said, the land is already overcrowded.

These Indians are shepherds; they have small flocks of sheep, and a number of years ago it was found necessary to reduce the size of the flocks. Having done this, the Indians became somewhat discouraged. The range is undergrazed in many sections. The Indians do not have enough to eat. There was a serious drought in that section during the last year, and from the accumulation of their troubles they have been brought into serious distress.

A bill was introduced in the House of Representatives to provide some interim relief for the Indians, and it was passed unanimously. The bill was referred to the Subcommittee on Indian Affairs of the Committee on Public Lands of the Senate, of which I am chairman, and has been reported unanimously with an amendment which we feel would result in the relief which should be provided, in a way that would be of great benefit to the Indians.

Mr. President, I now ask unanimous consent that Calendar No. 831, House bill 4627, to authorize an appropriation for the immediate relief of the Navajo and Hopi Indians, and for other purposes, be made the unfinished business.

The PRESIDING OFFICER. The clerk will state the bill by its title.

The LEGISLATIVE CLERK. A bill (H. R. 4627) to authorize an appropriation for the immediate relief of the Navajo and Hopi Indians, and for other purposes.

Mr. LANGER. Mr. President, reserving the right to object, I should like to ask the Senator the nature of the amendment.

Mr. WATKINS. The amendment would strike out all after the enacting clause and rewrite the bill, and I should like to read the amendment, if the Senator will permit. It is as follows:

That there is hereby authorized to be appropriated the sum of $2,000,000, or so much thereof as may be necessary, to enable the Secretary of the Interior to provide immediate relief for needy Navajo and Hopi Indians who are on their reservations and for those who leave their reservations for employment as hereinafter provided. Not to exceed $500,000 of such amount shall be available for relief of the children, the blind, aged, sick, and disabled, who are needy, and the needy able-bodied where work is not available; and not to exceed $1,500,000 to provide (a) useful employment on permanent construction projects duly authorized for the Navajo and Hopi Indians and (b) to secure employment off their reservations for Navajo and Hopi Indians.

SEC. 2. The Secretary of the Interior is authorized and directed at the earliest practicable date to submit to the Congress his recommendations for necessary legislation for a long-range program dealing with the problems of the Navajo and Hopi Indians.

Let me say to the Senator that the idea in handling the matter in this way was to provide directly a sum which the Bureau of Indian Affairs felt was sufficient for direct relief of those who are unable to help themselves, and the able-bodied who could not find employment. That was covered in one section. The $500,000 met with the approval of Mr. Zimmerman, the Acting Commissioner of Indian Affairs.

Authorization for the appropriation of $1,500,000 was inserted in order to carry on projects which have now been duly authorized for construction on Indian reservations, but the money is not at present available for many of the projects. They can be carried on. They are not very large, covering some small irrigation projects. One project which would be of great value to the Indians would be the construction of roads. The Indians could do some work on the roads this winter.

The bill is drawn on the theory that those who can work should be required to work. We do not want the Indians to be put into the situation in which many of the white people are looking to the Government for everything, and not being willing to work for what they get. The bill was drafted in order to cover that feature.

The bill has been discussed with the chairman of the Indian subcommittee of the House, and he has agreed to the language which we have suggested in the amendment. It is broad enough to accomplish the desired purposes, yet it is drafted in such a way that it will give full protection to the United States, and will be of great aid in providing employment, and putting the Indians on their feet. It is only a part of what we are planning and hope to introduce in Congress soon after the first of the year covering a long-range program, which we hope may put these Indians in such circumstances that it will not be necessary for Congress to pass relief measures.

Mr. LANGER. Mr. President, will the Senator from Utah yield further?

Mr. WATKINS. I yield.

Mr. LANGER. The total appropriation is $2,000,000, is it not?

Mr. WATKINS. Yes, that much is to be authorized.

Mr. LANGER. An authorization for $2,000,000?

Mr. WATKINS. That is correct.

Mr. LANGER. To take care of 60,000 people?

Mr. WATKINS. For a short period of time.

Mr. LANGER. For how many months?

Mr. WATKINS. It will be until we can pass the next bill, which I hope will be early in the next regular session of the Eightieth Congress.

Mr. LANGER. It may be March or April before we get it through.

Mr. WATKINS. It could be.

Mr. LANGER. Does not the Senator think the sum is totally inadequate, that the average Indian on the reservation would receive about $10 a month out of the $2,000,000 fund?

Mr. WATKINS. I have recently visited the Indian reservation. I met a large number of the newspaper representatives there, and I have been reading the stories carried in the press. I have inquired of the Bureau of Indian Affairs whether there has been any change in the situation since I visited the reservation, and they have told me that it has not substantially changed. I think the picture has been overdrawn. The Indians are used to poverty; they have been living for years in the condition in which we now find them. It is true they do not have enough corn to see them through the season, they do not have enough sheep to permit them to eat of their capital, so to speak, and carry on, but they are not fundamentally in worse condition than they have experienced for the last 15 years at least.

However, the accumulation of the conditions I have mentioned has brought about such a situation that before spring arrives they will need the money proposed to be authorized. Mr. ZIMMERMAN said $500,000 would take care of the Indians on the reservation who were unable to help themselves; and if we can get this bill enacted so as to start im-

mediately to provide work for the able-bodied men who are able to work, they will get income from their work and will get along even better than they have in the past.

Mr. LANGER. Is the Senator aware of the fact that an Under Secretary of the Interior, not Mr. Chapman, but a man somewhat below him, about 3 months ago gave out a statement that it would take $100,000,000 to take care of the Navajo Indians?

Mr. WATKINS. After seeing the condition on the reservation, and after making a study last year before I addressed the Senate on the question, I am convinced it will take all the way from $75,000,000 to $100,000,000 to put the Indians on a permanent basis of recovery.

Mr. LANGER. Just this morning I received a letter from Mrs. Kirk, of New Mexico, who, as the Senator knows, is chairman of public welfare of the women's clubs of the United States, stating that conditions are worse now than they have ever been in the history of these Indians, and she lives in that immediate vicinity.

Since we have already authorized an appropriation of nearly $600,000,000 for Austria, China, France, and Italy, does not the Senator think the sum of $2,000,000 is indescribably insufficient, that it would be a disgrace to pass that kind of an authorization, and that it should be increased very materially while we are about it?

Mr. WATKINS. I would say to the Senator that under the program now prepared, and under the machinery we now have, $2,000,000 will be ample until we can get to the permanent program. I realize that it is only "small change" compared with what we have been talking about in relation to the relief of Europe, but even this much will be a powerful "shot" to the Indians, I am sure.

Churches, women's clubs, and charitable organizations all over the United States have been gathering together funds, clothing, food, and other things, in considerable numbers, and have been sending them to the Indians. The War Assets Administration, at the request I think of the Bureau of Indian Affairs, has made available to the Indians rice, potatoes and numerous other commodities which the organization has on hand. The Indians have not been entirely neglected. While many fine news articles and stories have been published about the Indians, I have an impression from what I saw and from what I have read that the publication of such stories has been just a little overdone.

Mr. LANGER. Would the Senator say that Oscar Chapman, the Under Secretary of the Interior, who made a personal investigation extending over a period of several months, is competent to say what the Indians need?

Mr. WATKINS. I understand that Mr. Chapman, or Mr. Warne, or whoever made the investigation, did not ask for interim relief in any large sum, but recommended a program of about $80,000,000 as a permanent rehabilitation program for the Indians. That is in the minds of the two committees of the House and Senate that are considering the Indian program.

Mr. LANGER. I wish to congratulate the distinguished Senator from Utah. I am very happy that the Senator has taken the action that he has taken. I know he is at heart a most generous man, but it seems to me that when the tuberculosis rate, according to Mr. Chapman, is five times as high among the Indians as among the white people of this country, when Mr. Chapman stated a short time ago that the syphilis rate is terrifically high, and when Mr. Chapman said that their hunger and want and starvation and suffering are indescribable, which he said over the radio, so that it is now known by all the people of the United States, it seems to me that for 60,000 people the sum of $2,000,000 is wholly inadequate. I wonder if the Senator would object to increasing the amount to some extent?

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. WATKINS. I should like first to answer the Senator from North Dakota, then I will yield. I should say that inasmuch as the House has passed the pending bill unanimously, and inasmuch as the special session probably will adjourn on the 19th of the month, I think it would be highly impractical to start all over again with an additional amount. In view of statements made by the Bureau of Indian Affairs and the studies that have been made by the two committees in both Houses, I think the amount for temporary relief is ample. I now yield to the Senator from Arizona.

Mr. McFARLAND. Mr. President, I should like to say to the Senator from North Dakota that I greatly appreciate his remarks. I appreciate his interest in the Navajo Indians and their problems. I also wish to compliment the Senator from Utah upon the able manner in which he has presented this subject, and particularly upon the study he has made of the Navajo Indians and their problems, and also of the other Indians throughout the United States. But I would say to the Senator from North Dakota that, while I should be perfectly willing to multiply the $2,000,000 many times, yet since the Congress is about to recess, I fear we should not obtain any authorization at all. The Public Lands Committee in each House has indicated a desire to go into the matter and carefully to map a program for the Indians. I hope it will not be a long bill. It was the thought of the committee that it should be done carefully and in such manner as to insure that the money would not be wasted. It is for that reason that an amendment has been proposed, that the $1,500,000 be spent on duly authorized projects which have already been given consideration by Congress, and for the purpose of securing employment for those who are off the reservations. Although I am in sympathy with what the North Dakota Senator is endeavoring to do, I hope he will not object to consideration of the bill at the present time or ask that it be amended, because I feel it may prevent our obtaining action which is very badly needed. If the authorization is passed, I believe the Appropriations Committee will act quickly to give the Indians the relief they need.

Mr. WHITE and Mr. MOORE addressed the Chair.

The PRESIDING OFFICER. Does the Senator yield; and if so, to whom?

Mr. WATKINS. I yield first to the Senator from Maine.

Mr. WHITE. Mr. President, I should like to say a brief word about the situation. As I understand, we are proceeding under a unanimous-consent agreement. I had the very definite understanding that there was no opposition to the bill and that it might be passed speedily; otherwise, I might have objected to its becoming the unfinished business of the Senate. I wish to impress upon Members this ultimate fact, which I think should be determinative of our attitude at the present time: We are speeding toward adjournment of this session of the Congress. Everyone, I think, or most of us at any rate, hope we shall be able to close the session during the present week. To adopt amendments to the bill at this time and to send it in amended form back to the House, which has already given its sanction to the present terms of the bill, I think would put the legislation in jeopardy. If the House should not accept the Senate amendments, certainly the legislation would be lost. If the House asked for a conference and conferees were appointed, and the bill found its way into conference, it might very well die in conference. Therefore, I hope that those who have a special interest in the subject of relief for Indians will allow the bill to pass as it comes to us with the sanction of the House; otherwise, I do not think anyone can give assurance as to what its end may be.

Mr. WATKINS. Mr. President, I wish to make a statement to the senior Senator from Maine in explanation of the situation. The matter has been discussed with the proponents of the legislation in the House, and as I understand it they are agreeable to the changes made by the Senate committee. I think they agree that the language adopted by the committee and recommended to the Senate is an improvement on the original bill; and I feel that there would probably have been objection in this body, from those who are interested in the Indians, to the bill as it came from the House. I anticipate no trouble whatever in having the measure go through conference, or whatever may be necessary to obtain its final passage.

The PRESIDING OFFICER. In response to the remark made by the Senator from Maine, who was under the apprehension that the Senate is proceeding under a unanimous-consent agreement, the Chair will say to the Senator that the unanimous consent has not yet been given.

Mr. WHITE. That is what I understood.

The PRESIDING OFFICER. The inquiry was made by the Chair as to whether or not unanimous consent would be given, whereupon the Senator from North Dakota obtained the floor, with the consent of the Senator from

Utah, for the purpose of calling a certain matter to his attention. The question is on agreeing to the request for unanimous consent.

Mr. WHITE. Mr. President, if we may have some assurance that the bill can be speedily disposed of, I shall have no disposition to object, because I am sympathetic with the bill as it has come to us from the House. I hope the Senate will be disposed to feel that it is a day's work well done if the measure is passed as it comes to us.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. WATKINS. I yield to the Senator from New Mexico.

Mr. CHAVEZ. I believe that if the Senate were to understand the work that the Senator from Utah and the other members of the committee have done in preparing to present this matter to the Senate, unanimous consent would be given. I would only call the attention of the Senator from Utah and of my colleague to one point in connection with the bill. The Senate committee has prepared entirely new language, which it is proposed be substituted for the House language.

Mr. WATKINS. That is correct.

Mr. CHAVEZ. I should like to call the attention of the Senator from Utah to page 3, beginning in line 3, relating to the proposed beneficiaries of the legislation. I call the Senator's attention to one particular provision which I believe should be clarified. It reads as follows:

That there is hereby authorized to be appropriated the sum of $2,000,000, or so much thereof as may be necessary, to enable the Secretary of the Interior to provide immediate relief for needy Navajo and Hopi Indians who are on their reservations and for those who leave their reservations for employment as hereinafter provided.

The Navajos have a reservation which takes in a portion of New Mexico, a portion of Arizona, a portion of Utah, and I believe a small portion of Colorado. But outside the reservation itself, which is a designated area of land, there are thousands and thousands of Navajo Indians who live without the reservation, on allotted land. Indian families who live on such allotted land have each been allotted 160 acres of land by the Department of the Interior. I know there are thousands of allottees outside the reservation in New Mexico. They are in the same position, so far as needs are concerned, as those who live within the reservation. So I ask the Senator from Utah if he will not kindly agree to the addition of the words "or allotted holdings" after the word "reservations," on page 3, line 7. That would not result in changing the purposes of the bill. I ask the Senator if he will accept such an amendment to the committee amendment?

Mr. WATKINS. I desire to call attention to the fact that the bill was perhaps intended to take care of those who were on the reservations and for those who leave their reservations for employment as hereinafter provided.

Mr. CHAVEZ. That is correct.

Mr. WATKINS. The reason was that nearly all the Indians who do not live on the reservations at the present time are covered, and are being helped by various relief agencies of the States. They receive some Federal and State relief. The Indians on the reservations do not. Those who leave their reservations for employment as hereinafter provided are those who go off the reservations.

I should like to say to the senior Senator from Maine, the majority leader, that when I stated the situation I did not know there was going to be any long discussion of the subject, or that there would be any objection to the amendment to the bill.

Mr. HATCH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HATCH. Has the request for consideration of the bill been agreed to?

The PRESIDING OFFICER. It has not. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 4627) to authorize an appropriation for the immediate relief of the Navajo and Hopi Indians, and for other purposes, which had been reported from the Committee on Public Lands with an amendment to strike out all after the enacting clause and insert:

That there is hereby authorized to be appropriated the sum of $2,000,000, or so much thereof as may be necessary, to enable the Secretary of the Interior to provide immediate relief for needy Navajo and Hopi Indians who are on their reservations and for those who leave their reservations for employment as hereinafter provided. Not to exceed $500,000 of such amount shall be available for relief of the children, the blind, aged, sick, and disabled, who are needy, and the needy able-bodied where work is not available; and not to exceed $1,500,000 to provide (a) useful employment on permanent construction projects duly authorized for the Navajo and Hopi Indians and (b) to secure employment off their reservation for Navajo and Hopi Indians.

SEC. 2. The Secretary of the Interior is authorized and directed at the earliest practicable date to submit to the Congress his recommendations for necessary legislation for a long-range program dealing with the problems of the Navajo and Hopi Indians.

Mr. CHAVEZ. Mr. President, I hate to delay the matter further, but if we are going to help the Indians we should help all the Indians.

Mr. WATKINS. Mr. President, I am willing to accept the amendment which the Senator from New Mexico has proposed. There may be some allottees who need help.

Mr President, I urge that the Senate accept the word of the Bureau of Indian Affairs and the various committees of both Houses that the bill is workable, and should be passed at this time.

The PRESIDING OFFICER. The Chair understands that the Senator from New Mexico [Mr. CHAVEZ] has offered an amendment to the committee amendment.

Mr. CHAVEZ. Yes, Mr. President. The amendment to the committee amendment is on page 3, line 7, after the word "reservations", to insert "or allotted holdings."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Mexico to the committee amendment.

The amendment to the amendment was agreed to.

Mr. HATCH. Mr. President, I wish to ask the Senator from Utah [Mr. WATKINS] if he has carefully considered the suggestion made by the Senator from Maine [Mr. WHITE] about the effect of adopting the committee amendment on the ultimate passage of the bill at the present session?

Mr. WATKINS. I have, and I may suggest that the bill, as the committee has amended it, will pass the House without difficulty.

Mr. HATCH. Does the Senator believe that if the committee amendment is adopted and the bill as amended goes to the House, the House will adopt it this week, and that it will be placed on the President's desk for his signature this week?

Mr. WATKINS. Yes.

Mr. HATCH. Mr. President, with that understanding, I hope the committee amendment will be agreed to. Undoubtedly it is an improvement upon the bill as it came to us from the House. The measure is an emergency one. It provides for the giving of immediate relief. Action should be had now if that relief is to be given. Therefore, I hope the committee amendment will be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

Mr. BUTLER. Mr. President, perhaps before the bill is passed, I, as chairman of the Committee on Public Lands, and as one who covered personally the reservation during the recent recess of Congress, should say that I can personally testify to the need and to the emergency nature of the measure. The sum involved is not large, but those who have the administration of the relief in charge have assured us that the funds suggested will be sufficient to take care of the situation in an emergency way. I hope the bill will be passed.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read the third time.

The bill (H. R. 4627) was read the third time and passed.

APPLICATION OF FINLAND'S DEBT PAYMENTS TO INSTRUCTION OF FINNISH CITIZENS

Mr. SMITH. Mr. President, today, the 15th day of December 1947, the Republic of Finland paid to the United States the interest due on its World War I indebtedness. To make this payment it was difficult for Finland to secure the necessary dollars.

This little incident is of vastly more importance and significance than the mere payment of money from one country to another to settle a debt. Mr. President, it is my judgment that this is a

matter of such importance that we should properly commemorate it. It has seemed to some of my colleagues and myself that now is an appropriate time to review what Finland has done through the years in meeting her payments on her World War I debt, and to do some significant act to demonstrate our appreciation of her integrity. We are offering a joint resolution with this end in view.

Twenty-eight years ago, on the 30th day of June 1919, the American Relief Administration, an organization created and financed by the United States Government, consigned a quantity of foodstuffs and other relief aid to the newly created Government of the Republic of Finland. Eleven months later this same organization sent the people of Finland a second consignment of relief supplies. The total value of these two consignments was $3,281,926.17. At that time, just after emerging from centuries of control by other governments, neither the people of Finland nor their government could do more than promise to pay for these supplies at some time in the future.

Since that time other nations, great and small, rich and poor, have been compelled to default on their debt payments to the United States. I am not commenting on or criticizing that fact, but I do want to emphasize that at the time when this was happening the heroic people of little Finland have repeatedly demonstrated that they place integrity above comfort or convenience. They have constantly made payments on their indebtedness to the United States as those payments fell due.

These remarkable people, who contend with adverse destinies in a severe climate and who struggle for a living in a land which nature has treated with so little generosity, appear determined in a world of forgotten principles to make their country an example of integrity.

It is true that Finland faltered in its debt payments three times, but these falterings were only for brief periods—once, in 1932, under the shock of a world depression, and twice in the 1940's, when a world war made debt payments impossible. But let me note here that each time they carefully arranged for a moratorium agreement to cover these temporary defaults.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. McKELLAR. The indebtedness to which the Senator refers was a part of the $11,000,000,000 which the United States loaned to the various nations of Europe, including Finland, after the First World War, was it not?

Mr. SMITH. That is true. I am coming to that in a moment.

Mr. McKELLAR. Is not Finland the only one of the European nations to whom we loaned $11,000,000,000 during and after the First World War which has paid us back anything at all?

Mr. SMITH. Some has been paid back by other nations, as I shall presently show.

Mr. McKELLAR. I believe that Great Britain did pay something, but she still owes us a vast amount.

Mr. SMITH. That is true.

I am now coming to the point just raised by the distinguished Senator from Tennessee.

I am well aware that other countries which owed money to the United States after the First World War, and which have since defaulted on their debts, had serious difficulties to encounter, and that there may be reasons why their obligations could not be met. We find the appalling figure of nearly $15,000,000,000 owed by these other countries, with less than $3,000,000,000 repaid in principal and interest. Whereas other nations have repaid 18½ percent of their original indebtedness, Finland to date has paid a sum equal to more than 98 percent of the principal of its original debt. That is to say, against an original debt of $8,281,926.17, Finland has paid $7,805,898.68. The balance due to the United States today, counting interest payments of approximately $635,000, which were deferred by the moratorium agreement, amounts to the sum of $8,154,494.48, according to figures furnished by the Treasury Department. This is very close to what Finland has paid already, and as a matter of fact it is nearly the full amount of the original indebtedness.

Some may seek to disparage Finland's payment record because she owed so little in comparison with the amount other nations owe us, but that is wholly beside the point. In the first place, Finland's resources are slender and her needs great, but of far greater importance is this fact: Integrity is a question of quality, not quantity. Her payment of her debt proves that the quality of Finland's integrity has successfully met all financial tests. The attitude of her people toward the people to whom she owes this debt proves that they are a truly superior people. To them America is not a grasping, materialistic land. Instead, immediately after their own country, it is the land of their heart's desire.

I am advised by two distinguished Americans who traveled over Finland during the past year that, if the people of that country were free to go to the country of their personal choosing, 19 out of every 20 would emigrate to the United States immediately.

Let me say that they are members of the Quaker faith who have been doing such wonderful work in reconstruction abroad, giving of their all to try to help those people rehabilitate themselves. I believe that those of my colleagues who were abroad last year and who visited Finland can bear me out in this statement: I believe it was the distinguished senior Senator from Kentucky [Mr. BARKLEY] who raised the question with the Finns as to whether America was their favorite country next to their homeland. I am informed that the answer was unanimously in the affirmative.

Circumstances, of course, make it impossible for Finland to send her people here in any large numbers, and, of course, obviously the suggestion is impractical, but there is something we can do to aid them in their grim struggle against disease, destruction, and want. We can extend to them the hand of friendship in their desperate need by helping them to train a new generation of technical experts to replace their war-lost generation. On the basis of population Finland's war losses were 10 times greater than those of the United States.

Our offer to help Finland train the experts she so desperately needs carries other important possibilities. Such an act of distinterested helpfulness on our part will serve as an expression of good will which will warm the hearts and strengthen the hopes of the brave people of Finland.

In proposing that we apply the moneys hereafter paid by Finland to us on her World War I debt to the education of her young people—and that is the proposal I am about to make—we are not proposing something new or untried. We are not establishing any new precedent. The precedent we are suggesting was established by the United States when nearly 40 years ago we remitted to China the balance of the Boxer indemnity payment "as an act of friendship in order to further develop the educational and other cultural activities of China."

As my colleague the Senator from Arkansas [Mr. FULBRIGHT] stated in a recent speech on the floor of the Senate:

> This act of friendship has had a very great influence in the promotion of the good will and friendly relations that have prevailed between the people of America and the Chinese. * * * The foresight of our Government nearly 50 years ago has paid great dividends in our relations with the people of Asia. * * * Many students of the Chinese and other Asiatic peoples agree that our enlightened attitude toward China was our greatest defense to the propaganda of the Japanese in recent years and is to a great extent accountable for the loyalty of these people during the recent war.

I can tell Senators out of my own experience something about the beneficial results which have followed another project of a similar nature. The organization of which I speak is the Belgian-American Educational Foundation, of which I have been a director since it was created in 1920 by former President Herbert Hoover. The funds for this Foundation were derived from the liquidation of supplies which had been handled by the Belgian Relief Commission. During the 27 years of its existence this Foundation has arranged for the exchange of more than 700 individual students between the two countries.

Several important results have followed. At the outbreak of World War II nearly one-quarter of the teaching and research faculty of the Belgian universities had been graduate students in American universities. One Prime Minister and six Cabinet members have likewise done graduate work in American universities. Numbers of American and Belgian professors and specialists have been exchanged between our American and Belgian universities. I doubt whether there is a country in Europe where the ideals and purposes of the American

people are better understood and respected than they are in Belgium. Belgium in Europe is a small country geographically, but I think I am safe in saying that there is no other country of Europe for which we in the United States have more respect and affection.

These two acts of friendship with China and Belgium respectively are outstanding landmarks in our history which have closely cemented the cordial relations—and, yes, affections—of the people of the United States for the Chinese and the Belgians.

In the light of these experiences, in light of Finland's need, and following our own Government's precedent of good will in handling the Boxer Indemnity in China, on behalf of my colleagues and myself, I am introducing a joint resolution to authorize the President of the United States to hold in a special fund the payment of interest that has just been made by the Government of the Republic of Finland on December 15 and any subsequent payments which the government of the Republic of Finland in the future may make in the discharge of its World War I indebtedness to our Government. This fund shall be used to finance the studies, instruction, technical training and other educational activities of citizens of Finland in our American institutions.

Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks the full text of the joint resolution which I am introducing on behalf of the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from Ohio [Mr. BRICKER], the Senator from California [Mr. KNOWLAND], the Senator from New Mexico [Mr. HATCH], the Senator from Massachusetts [Mr. LODGE], the Senator from Utah [Mr. THOMAS], the Senator from Minnesota [Mr. BALL], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Alabama [Mr. HILL], and myself.

There being no objection, the joint resolution (S. J. Res. 166) to provide that any future payments by the Republic of Finland on the principal or interest of its debt of the First World War to the United States shall be used to provide educational and technical instruction and training in the United States for citizens of Finland, introduced by Mr. SMITH, for himself, Mr. FULBRIGHT, Mr. SALTONSTALL, Mr. BRICKER, Mr. KNOWLAND, Mr. HATCH, Mr. LODGE, Mr. THOMAS of Utah, Mr. BALL, Mr. O'MAHONEY, and Mr. HILL, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Whereas the Republic of Finland alone among our debtors of the First World War has consistently made payments of principal and interest toward the retirement of its indebtedness to the United States; and

Whereas it is deemed proper, as an act of abiding friendship and good will which the people of the United States hold for the people of Finland, to provide that any further payments on its World War I debt by the Republic of Finland shall be held in a special fund for such use as will advance and strengthen the close ties of friendship which bind together our two peoples: Now, therefore, be it

Resolved, etc., That any sums due or paid on and after December 15, 1947, by the Republic of Finland to the United States as interest on or in retirement of the principal of the debt incurred under the act of February 25, 1919, as refunded by the agreement dated May 1, 1923, pursuant to authority contained in the act of February 9, 1922, or of any other indebtedness incurred by that Republic and owing to the United States as a result of World War I, shall be placed in a special fund in the Treasury of the United States.

This fund shall be used to finance studies, instruction, technical training, and other educational activities for citizens of the Republic of Finland in the United States and its Territories and possessions, including payment for travel (together with transportation to and from Finland), tuition, subsistence, and other expenses incident to such activities, for the purpose of enabling the people of Finland to have the services of a new generation of technical experts to aid them in their efforts to rebuild the shattered economy and destroyed areas of their country.

SEC. 2. The Board of Foreign Scholarships, appointed pursuant to the act entitled "An act to amend the Surplus Property Act of 1944 to designate the Department of State as the disposal agency for surplus property outside the continental United States, its Territories and possessions and for other purposes," approved August 1, 1946, shall, on nomination of the Government of the Republic of Finland, select students to receive benefits from the fund established by this joint resolution. The Board, after conferring with the Government of the Republic of Finland, is authorized to make such rules and regulations relating to the granting of benefits from such fund, including allowances for travel, tuition, subsistence, and other expenses necessary to effectuate the purposes of this joint resolution, as it deems advisable.

SEC. 3. Expenditures from the fund shall be made by the Secretary of the Treasury upon vouchers approved by the Board of Foreign Scholarships, under such rules and regulations as he may prescribe. Such expenditures shall be final and conclusive on all officers, departments, and agencies of the United States.

PERSONAL STATEMENT

Mr. CAIN. Mr. President, the junior Senator from Washington holds in his hand a clipping taken from the Washington Post of Friday, December 12. I ask unanimous consent to have it included in the RECORD as a part of my very brief remarks.

There being no objection, the clipping was ordered to be printed in the RECORD, as follows:

SENATORS ARE ROUGH ON REECE

(By Drew Pearson)

GOP National Chairman Carroll Reece has been dodging so many brickbats hurled at him by his own team, that he ventured nervously up to Capitol Hill the other day waving the white flag.

His visit was reported by the press, but what didn't get into the papers was the reaction which followed. One group of Republican Senators later dissected him in penetrating whispers on the Senate floor.

"Reece is the best man the Democrats have," bristled Vermont's RALPH FLANDERS.

To this HARRY CAIN of Washington and gentle-mannered JOE MCCARTHY, of Wisconsin, agreed.

"The Democrats certainly have done a better job of selling what they have accomplished to the country," remarked MCCARTHY.

Massachusetts' cautious HENRY CABOT LODGE leaned over and put in his two-bits' worth.

"Every time Reece opens his mouth," he added, "we lose another 10,000 votes."

NOTE.—Nevertheless, a tacit understanding was reached between Reece and his critics that he would stay on the job, though wear a gag in the future. It was agreed that Reece would stick to party organization and leave national policy to the Republican leadership on Capitol Hill.

Mr. CAIN. This clipping covers a portion of an article by Mr. Drew Pearson. It recites a conversation which Mr. Pearson said was held recently in some corner of the floor of the Senate. The parties to that conversation were said by Mr. Pearson to be the junior Senator from Vermont [Mr. FLANDERS], the junior Senator from Massachusetts [Mr. LODGE], the junior Senator from Wisconsin [Mr. MCCARTHY], and the junior Senator from Washington [Mr. CAIN]. The alleged conversation between these men constituted an attack upon Mr. Carroll Reece, the Republican national chairman. Two of the men are said to have pointed out that Mr. Reece was a liability to the Republican Party and the other two men were said to have endorsed and approved that opinion.

I suppose, Mr. President, that thousands of Americans read this purported conversation. Of those who read it I suppose that a large majority believed what they read. This would be so because of the respect most Americans have for newspaper writers and columnists in general. All of us sometimes differ with the opinions expressed by members of the fourth estate, but we seldom have cause to believe that a writer uses a lie as a foundation for his opinion or story.

Mr. President, I have such cause. The conversation described by Mr. Pearson never took place on the floor of the Senate or anywhere else. So far as I know the four parties to the fictitious conversation have never passed the name of Mr. Reece between them.

In the year since I first came to the Senate Mr. Pearson has written critically of me on several occasions. I have sometimes been indignant and resentful over what he wrote and I have quietly told him so over my own signature, but I have never thought it proper before to reply publicly to one who has given me little reason to respect him.

But these remarks are proper, Mr. President, and they ought to be made, because Mr. Pearson has unfairly, unreasonably, and senselessly abused Mr. Reece through an imaginary dialog which was spawned by an individual who has been malicious, irresponsible, and mischief making.

Mr. President, I want to make two convictions and positions both clear and positive. The first is that Mr. Drew Pearson has lied about Mr. Reece without reason or excuse. Through doing this he has insulted the intelligence of his

readers and broken faith with his profession.

Secondly, Mr. President, I want to say a happy word in support, but not in defense, of Mr. Reece. Any man who has earned as he has the Distinguished Service Cross, the Distinguished Service Medal and the Purple Heart on the field of battle needs no defenders. He is well able to take care of himself. My desire is to add support to his official mission and activities as national chairman of the Republican Party. For as long a time as he holds that portfolio I shall gladly work for and with him for what we jointly believe to be the good of our Nation and political party. I enjoy Carroll Reece as a personal friend; I respect him as a conscientious, honest, and responsible party leader. Should I ever change my opinion I shall discuss my grievance in person with Mr. Reece and not through the pen of an individual to whom the truth and accurate reporting are often meaningless and unknown.

INFLATION MAY OVERWHELM US UNLESS CONGRESS GIVES GOVERNMENT POWER TO ACT

Mr. O'MAHONEY. Mr. President, I am very much pleased this afternoon to note that the distinguished senior Senator from Indiana [Mr. CAPEHART] has been so moved by spiraling prices that he presented upon the floor a bill to freeze prices. I have not had the opportunity of reading that bill, and in expressing my pleasure that he introduced such a bill I do so without in any way endorsing its provisions. My pleasure at its introduction arises from the fact that it represents another manifestation of the fact that Members of the majority party in the Congress are beginning to realize that the philosophy with which they began the exercise of their control of the legislative processes was wrong and that it must be changed. They are now going through the painful process of changing their minds about the exercise of governmental power to protect the people from the sad effects of inflation. When they came into power in the Eightieth Congress, Mr. President, in January 1947, they came here, I am quite willing to acknowledge, with the sincere conviction that all that it was necessary to do to put this country back upon the high road of stable prosperity was to discharge a couple of million employees of the Federal Government, reduce the present budget far below the point to which the President himself had reduced it, lift all controls, and let the Government get out of the business of telling the people what they should do. That was the principle upon which the majority party of the Eightieth Congress began to act. But soon they came upon substantial difficulties as, for example, that which is represented by the oft-repeated promise, which they made last January, to cut the President's budget. The House of Representatives adopted the resolution promising to cut the President's budget by $6,000,000,000.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. PEPPER. Does the able Senator from Wyoming suggest that perhaps the Republicans themselves now are willing to admit that they have had enough?

Mr. O'MAHONEY. I think they probably will admit that a little later; and by the introduction of measures similar to the one which was introduced here today, they are indicating a gradual perception of the economic facts of our times.

Mr. President, the resolution pledging a $6,000,000,000 cut of the budget came to the Senate. The majority leadership in the Senate said frankly, "We cannot reduce the budget by $6,000,000,000"—it was said so here on the floor of the Senate—"but," they said, "we can reduce it by four and one-half billion dollars; surely we can cut this wasteful spending by four and one-half billion dollars." So they adopted the resolution. The resolution proposing a $6,000,000,000 cut in the budget was amended so as to provide for a reduction of four and one-half billion dollars; and then, as a concession to some fiscal policy, they amended it so as also to provide that some of the reduction should be applied upon the national debt.

REPUBLICANS PROPOSED PHONY BUDGET CUTS

Mr. President, what happened to that resolution? Did they reduce the budget by $6,000,000,000? Not at all. Did they reduce the budget by four and one-half billion dollars? Not at all. Did they reduce the budget in any way, shape, form, or manner? No. They went through the form of reducing the budget by placing what were called phony reductions—as, for example, an $800,000,000 reduction in the appropriation for the Bureau of Internal Revenue for refunding taxes which had been overpaid. That was not a reduction in the cost of Government; it was merely a postponement of a debt of the Federal Government. They made that postponement, although the law makes it clear that when tax refunds are not paid, they carry 6-percent interest. So that vote to cut $800,000,000 from the item for the refunding of overpaid taxes was actually a vote to require the Government of the United States to pay an additional 6-percent interest upon the postponed debt, whatever it might have been.

But, Mr. President, I did not rise to discuss that matter. I cite it only as an instance of the fact that that resolution died in conference. It never was brought to the floor of the Senate. The people of the country did not know that; and still this talk goes on about cutting the expenses of the Federal Government. I could go over those bills one by one, and could show how the facts of life compelled the majority to abandon its program of reducing governmental expenditures. When I say that, Mr. President, I do not say it as an advocate of increased governmental expenditures—not at all. I agree that governmental expenditures should be reduced to the very minimum; but I submit that that is precisely what has been the policy of the President of the United States and of the Bureau of the Budget—namely, to reduce the expenditures of the Government to a minimum.

NOW PROPOSE FUTILE ECONOMIC POLICY

I rose to discuss prices. I am moved to do so because the policy committee on the Republican side of the Senate and the Republican leaders of the House of Representatives have announced their purpose to deny the country relief from the effects of concentrated control over commodities that are in short supply, by providing for voluntary allocations and priorities, without giving the Government of the United States the power to compel action. I wish to show how perfectly futile any such policy would be.

PRESIDENT'S WARNING IGNORED

Mr. President, it is my conviction that there has now arisen in the United States in a clear and definite manner the fundamental issue of our time—which, sad to say, has been neglected for 25 years. It is the issue of whether the people shall control their economy or whether their economy is to be controlled by concentrated economic power in the hands of a few wealthy aggregations which now dominate the industrial scene. Last January the President of the United States in his economic report to Congress warned against rising prices. He warned Congress against the things that now are transpiring; and in July, when he sent in his midyear report, he repeated his warning. He asked the representatives of the people in the Congress to act in the public interest to hold down prices and to prevent the conditions which, as he pointed out, might easily result in depression.

What can we do by voluntary action? The President asked for voluntary action last January. I have his report in my hand. It was laid upon the desk of every Member of this body, it was laid upon the desk of every Member of the House of Representatives. Said the President of the United States on the 8th of January 1947, more than 11 months ago:

> Business should reduce prices wherever possible in order to bring about the necessary increase in consumer purchasing power to bolster their markets. Price reductions are especially needed in the case of goods such as many articles of food, clothing, housefurnishings, and building materials, whose prices have risen out of line. If business makes these reductions in a timely and orderly way, it will help sustain markets rather than destroy them.

Did we pay any attention to the President's warning? It fell upon deaf ears. Did business pay any attention? The warning again fell upon deaf ears.

Voluntary reduction of prices, Mr. President, is a delusion, and it will be a snare to the hopes of the people of America of somehow controlling this economy which has gotten out of hand.

THE PREDICTION THAT FAILED—AND BLACK MARKETS STILL FLOURISH

The Members of the Senate will recall that when we were battling here about the control of prices it was said by those who were agitating for the abandonment of all controls that the minute those controls were dropped production

would increase, and the black market would disappear. The prices in the present market far exceed the prices of the black market under the controls.

The New York Times yesterday on its front page printed an article which should have the attention of the Congress of the United States through its appropriate committees. We should not waste 48 hours in reviewing the facts which are at the basis of this article. The title is:

Big black market in steel is found flourishing here. Fabulous prices being asked by profiteers for real or phantom metal. Two thousand persons in deals. Three million to three and one-half million tons find way into racketeers' hands, survey estimates.

Under the byline Mr. Thomas E. Mullaney, the article reads as follows:

The black or "gray" market in basic and finished steel, disclaimed and minimized by the producers and fabricators of the vital industrial commodity, is no small enterprise. It is a gigantic business whose center is situated in New York City and which controls millions of tons of steel in various forms throughout the Nation.

I interrupt to ask Members of this body, what can the people of Tennessee do to protect themselves against this black market which is centered in New York City? What can the people of North Dakota do to protect themselves against this black market in steel centered in New York City? What can the people of Arkansas, or of Utah, or of Oregon, or of Mississippi, do to protect themselves, if their Government does not act?

Oh, but we are going to let these fellows do it "voluntarily." What a wonderful Christmas gift to the people of the United States. The Congress of the United States will allow the leaders of the steel industry to fight inflation.

Mr. President, I have in my hand a notice which was sent out by the United States Steel Corp. "for immediate release, Tuesday, October 28, 1947." This is from John Munhall III, director of public relations, United States Steel Corp. Subsidiaries, 1625 K Street NW., Washington, D. C., National 5064.

Reporting the earnings of United States Steel Corp. for the third quarter of 1947, Irving S. Olds, chairman, announced that the directors had today declared the quarterly dividend of $1.75 per share on the preferred stock, payable November 20, 1947, to stockholders of record as of November 3, 1947, and a dividend of $1.25 per share on the common stock, together with a special dividend of 75 cents per share on the common stock, both payable December 10, 1947, to stockholders of record as of November 7, 1947.

Mr. President, this is the company which raised the price of steel to the people of the United States just a few weeks before that.

RECORD-BREAKING CORPORATE PROFITS—AND PROPAGANDA

The figures which are available to the Congress of the United States prove that the corporate profits of institutions in this country for the first 9 months of 1947, after taxes, are greater than the corporate profits after taxes for the entire 12 months of 1946, and profits after taxes in 1946 were the largest in the history of corporate enterprise in the United States of America.

Mr. MORSE. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield to the Senator from Oregon.

Mr. MORSE. I wish to say that once again, as is the case so frequently when the Senator from Wyoming speaks, I am in complete agreement with the major premises he lays down in his attacks on monopoly. Certainly what he has said this afternoon is deserving of further commendation from the junior Senator from Oregon, because I share the views of those who believe that one of the more effective checks against the ravages of inflation would be for the Congress of the United States to triple the appropriations for the enforcement of the antitrust laws. We should do that instead of talking about setting them aside by way of voluntary agreement. We must not permit big business combines to determine the flow of goods in this Nation by any voluntary agreement entered into outside of the protections of the antitrust laws.

I should like to direct the attention of the Senator from Wyoming to a very interesting advertisement by the National Association of Manufacturers which appears in today's newspaper, entitled "To Lick Inflation." I intend to comment on the advertisement at some length at a later date, but there are a few comments which I want to make on this occasion. There are many amusing things about this advertisement, especially in view of the fact that it was not so many months ago that we were reading propaganda of the same type put out by the National Association of Manufacturers, telling us in effect how we could rely on the self-discipline of American industry to keep prices down. In those advertisements the National Association of Manufacturers and other propaganda forces of big business told us that prices would go down if we would just leave the matter up to American industry. We will just let the record speak for itself as to how effective that promised self-discipline on the part of American industry and business has been. The fact is that both prices and profits have skyrocketed since these propaganda forces succeeded in their drive against Government inflation checks.

I think, if the Senator from Wyoming will permit a comment, one of the most amusing sentences in this advertisement of the National Association of Manufacturers is this one:

To accomplish all three of these high purposes, the following 12-point program is offered by the National Association of Manufacturers—in the public interest.

If it were not so tragic it would be comic, may I say to the Senator from Wyoming, to find the words "in the public interest" in the advertisement. I submit that when the proposals are read, their effect is to show how the vested interests of the country can make higher and higher profits. There is not a word in the advertisement suggesting that American business proceed to limit its profits.

Mr. O'MAHONEY. There is not a single word suggesting that that be done. The National Association of Manufacturers and other business executives are so blind to what is going on that they do not know they are digging a pit into which they may push the whole capitalistic system.

Mr. MORSE. I submit that their greed and profiteering have so overcome their judgment that they have the audacity to insult the intelligence of the American people by an advertisement that, when one starts breaking it down into its 12 points, is nothing but the rationalization of a maneuver that will result in greater, not less, profiteering.

I have only one more comment on it, because I shall reserve my other comments for a longer analysis that I intend to make at a later date. But take the proposals one after another and show me anything in the proposals——

Mr. O'MAHONEY. If I may interrupt the Senator, the Senator says "take them." No, I will not take them—let the Senator take them and see what is done with them on that side of the aisle.

Mr. MORSE. I think this side of the aisle is going to take care of itself before we get through with the fight, because I have cause to believe that when the millions of registered Republican voters of this country are heard from between now and the Philadelphia convention, the National Association of Manufacturers' program will not be written into the Republican platform. I say that because if my party has any hope of winning the election in 1948 it must not fall for the scheme of the National Association of Manufacturers which, in essence, will regiment our economy by big-business monopolies. It is a serious danger. Hence I repeat that the platform of the National Association of Manufacturers provides in point after point, apparently through so-called voluntary arrangements, to make it possible for greedy interests in this country to make higher and higher profits. Why, they even want now to permit the lifting of restrictions on interest rates so they can charge what the traffic will bear. In this advertisement they show that they are not even thinking of their stockholders any more, because they even want the controls protecting the rights of stockholders removed.

I want to say to the Senator from Wyoming in conclusion, when we talk about the need for increasing prices in order to take care of increased labor costs—because that is the song and dance of much of the propaganda of the National Association of Manufacturers—the fact is that in the major industries of the country, every time there has been a price increase in the name of an increase in labor cost, the price increase has been twice as much as was necessary to take care of the increase in labor costs. I think the time has come to put the lie on such propaganda as the National Association of Manufacturers is feeding the public of the country in the name of trying to check inflation as demonstrated by

this advertisement. Their program will not check inflation. It will lead us to and through a boom-and-bust cycle. I insert at this point the entire advertisement of the National Association of Manufacturers. Its subterfuges speak for themselves.

[From the Washington Post of December 15, 1947]

TO LICK INFLATION

Everybody in America wants to halt the inflationary pressures that have been driving prices up. At the same time, we all want to maintain the standard of living of the American people, and provide the necessary amount of aid to foreign nations.

To accomplish all three of these high purposes, the following 12-point program is offered by the National Association of Manufacturers—in the public interest.

1. Reduce Government spending by maximum efficiency in administration; eliminating excessive Government personnel and activities; and postponing all Government expenditures not immediately necessary.

2. Provide funds for further capital investment by making an immediate and substantial reduction of individual income-tax rates.

3. Adopt a systematic plan for paying off the public debt, with provision for a minimum annual debt retirement of $2,500,000,000.

4. Offer, and vigorously promote, a new long-term Government bond issue having an interest-bearing rate attractive to individual investors; the proceeds to be used to retire Government bonds held by banks.

5. Discourage inflationary expansion of bank credit by permitting interest rates to seek their own levels free of Government domination.

6. Redoubling by management of its efforts to increase production, to lower unit costs, and to pass on the benefits of such increased productivity to the public.

7. Encourage management to plow back earnings and increase output, by eliminating present United States Treasury pressures on business to distribute at least 70 percent of its profits as dividends.

8. Encourage labor leaders to forego demands for further general increases in wages without a corresponding increase in productivity, except in cases of gross inequity.

9. Set aside all restrictions on individual productivity not essential to the safety and health of employees and remove all featherbedding rules.

10. Give emergency foreign relief in goods, not in dollars, with an American relief agency making the necessary purchases of whatever goods in whatever markets, here or abroad, prove most economical, and identify them as having been provided by the United States.

11. Finance, to the greatest extent feasible, reconstruction loans to foreign countries, as distinct from gifts and grants, through the World Bank and private sources rather than out of taxes collected from the American public.

12. Provide maximum incentive for increased production abroad by requiring foreign nations, as a condition of our aid, to establish sound currencies and to modify and eventually eliminate price controls and other controls over the internal production and distribution of commodities.

NATIONAL ASSOCIATION OF MANUFACTURERS.

Mr. O'MAHONEY. I thank the Senator from Oregon very deeply for that contribution. The advertisements which the National Association of Manufacturers is now publishing in all of the large and many of the small newspapers of the country, are paid for in ten-cent dollars, because 90 percent of the cost of every such advertisement is represented as a deduction upon tax returns, so that the money which ought to go to the Treasury of the people of the United States in order to help reduce the debt is being used to propagandize in favor of spiraling prices.

I wish to add at this point the cold figures taken from the reports of the steel and iron companies themselves. Many months ago, Mr. President, it was clear what the game would be, and how attempts would be made to sidetrack every sincere effort to stabilize the economy in the interest of the masses of the people, and so I went to the columns of the New York Times, in their business section, to compile reports of the companies themselves on their earnings and profits. I have before me a list showing the net profits of certain companies for the first 9-month period of 1947, to and including September 30, with comparative figures for the same period of 1946. According to the figures given to the New York Times by the American Brake Shoe Co., its net profits for the first 9 months of 1947 were $3,525,199 as compared with $2,449,422 in the comparable period in 1946; American Rolling Mill, $18,165,398 as against $12,488,684; Bethlehem Steel Co., for the first 9 months of 1947, $38,710,728 as against $29,794,650 for the same period a year ago. I shall not read all the figures, Mr. President, but shall ask that they all be embodied in the RECORD at this point.

There being no objection, the figures were ordered to be printed in the RECORD, as follows:

Profits of individual corporations in 1947

The following figures have been taken from the financial [illegible] New York Times since [illegible]

	1947	1946
BUSINESS MACHINES AND TYPEWRITERS		
International Business Machine	$17,610,802	$13,115,986
[illegible]	7,545,688	1,315,739
[illegible]	[4] 856,869	919,375
CHEMICAL FERTILIZER		
Monsanto Chemical	12,395,367	6,987,663
Consolidated Chemical	2,535,539	1,532,160
Commercial Solvents	6,217,560	3,008,669
Dow Chemical	4,396,398	3,607,303
Du Pont	83,220,901	82,179,876
E R Squibb & Sons	[1] 5,525,386	[2] 5,151,403
Inter-Chemical	2,320,159	1,239,546
FOOD AND BEVERAGE		
Coca-Cola	23,810,416	17,375,785
Corn Products Refining	13,092,583	5,592,283
National Biscuit [3]	26,024,222	13,513,225
New Niqueiro Sugar	[4] 494,721	202,916
Vertientes-Camaguey Sugar of Cuba	[5] 5,082,486	2,962,419

[1] Year ending June 30, 1947.
[2] Year ending June 30, 1946.
[3] 12-month period.
[4] 12 months to July 3, 1947.
[5] 12 months to Sept. 30.

Profits of individual corporations in 1947—Continued

	1947	1946
GLASS		
Libby-Owens-Ford	$8,727,826	$2,616,681
Owens Illinois Glass	[6] 10,462,124	11,211,455
STEEL, IRON, COAL, METALS, AND METAL PRODUCTS		
American Brake Shoe	3,525,199	2,449,422
American Rolling Mill	18,165,398	12,488,684
Bethlehem Steel	38,710,728	29,794,650
Detroit-Michigan Stove	1,700,143	1,254,391
Florence Stove	1,027,882	202,130
Inland Steel	16,241,583	9,800,773
[illegible]	16,682,738	6,109,260
[illegible] lator	4,602,868	2,912,195
National Steel	19,903,655	13,941,320
[illegible]	23,111,631	9,494,414
[illegible]	6,676,295	3,198,103
Sloss-Sheffield Steel & Iron	1,352,650	294,816
Standard Steel Spring	2,116,015	555,531
United [illegible]	97,306,461	57,467,894
Pennsylvania Coal & Coke Corp	[7] 249,617	[8]—70,690
Pittsburgh Consolidated Coal	9,009,170	4,168,712
PETROLEUM		
Continental Oil	24,889,113	12,061,245
Gulf Oil	42,510,375	[9] 26,746,013
Mid-Continental Petroleum Corp	12,763,618	7,662,872
Phillips Petroleum Co	25,706,157	14,763,153
Skelly Oil Co	13,448,167	6,484,196
Shell [illegible]	38,676,876	23,981,773
Standard Oil of California	[10] 66,544,580	48,990,458
Texas Co	78,396,388	50,360,115
Union Oil of California	13,749,940	6,624,352
TEXTILES		
M. Lowenstein & Sons	7,937,349	5,158,651
United Merchants & Manufacturers [illegible] tors)	[11] 21,132,358	9,098,705
MISCELLANEOUS		
Atlas Powder	1,472,841	588,021
[illegible]	7,497,750	3,607,303
[illegible]	5,197,934	3,400,417
[illegible]	5,411,956	3,179,928
[illegible]	1,148,606	902,169
Electric Auto-Lite Co	[11] 7,816,946	[illegible]
[illegible]	[12] 1,078,146	[13] 736,534
[illegible]	56,459,434	404,109
[illegible]	2,062,207	508,453
[illegible]	1,089,877	485,209
[illegible]	7,497,750	3,251,694
[illegible] Co	4,117,778	1,125,490
St. Regis Paper Co	11,055,144	3,775,622
Radio Corp. of America	12,233,758	4,007,429
Sherwin-Williams Paint Co	9,408,056	6,919,600
[illegible] Engineering Co	[14] 252,198	[14] 92,130
[illegible] (ventilators, pumps, heating and air conditioning equipment)	[15] 1,402,136	[16] 446,385
[illegible] & Carbon Co	54,865,182	40,331,672
[illegible] Co	[17] 1,817,794	[17] 613,362

[6] Year ending Sept 30, 1946.
[7] Net income.
[8] Loss in 1946.
[9] First 9 months.
[10] The 66,544,580 does not include a dividend of $10,450,365 from the Arabian American Oil Co. which was equal to 80 cents a share of Standard stock.
[11] Equal to $5.23 a share compared with $[illegible] a share in 1946.
[12] 9 months.
[13] All of 1946.
[14] Strike of 1946 contributed to low earnings for that year.
[15] Year ending Aug. 2.
[16] Year ending August.
[17] Year ending July.

Mr. O'MAHONEY. I wish to call attention to the fact that Jones & Laughlin in the first 9 months of 1947 had net profits of $16,682,738, as against $6,109,260 in the same period of 1946. The United States Steel Co., which cut an extra-dividend melon in October for its stockholders, in the first 9 months of 1947 had net profits of $97,306,461 as against $57,467,894 for the same period in 1946,

or an increase of approximately $40,000,000 net profit for 9 months.

Mr. President, the significance of what I say is to be found in the fact that corporate profits generally for the first 9 months of 1947 are greater than the total profits of corporations for the entire 12 months of 1946. Thus, rising prices are accompanied by skyrocketing profits for the huge interstate corporations which dominate our economy. Stockholders are receiving greater and greater dividends, while it is becoming increasingly more difficult for the people at the bottom of the economic scale to make their incomes cover the rapidly rising cost of living.

I observed with great interest the report which was filed in the House in support of the Wolcott bill by the Banking and Currency Committee.

Mr. MCMAHON. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. I yield to the Senator from Connecticut.

Mr. MCMAHON. After listening to the Senator from Wyoming and the Senator from Oregon, it seems to me that they are characterizing the Manufacturers' Association program as one for stealing the country instead of saving it.

THE WOLCOTT BILL A TAP ON THE WRIST

Mr. O'MAHONEY. The Senator's comment is very appropriate. But when we think of voluntary control by these executives who have been under public pressure for a year to exercise voluntary controls and have not done so, what shall we conclude will be the result of this slap on the wrist proposed by the Wolcott bill accompanied by this language? I read from the report:

It is distinctly understood—

I take it the committee meant by that that nobody should be under any misapprehension—

It is distinctly understood, and the joint resolution provides, that the agreements entered into shall not be binding industry-wide but shall be effective only against the parties to the agreement. Likewise, the President or anyone whom he might designate to act in his behalf is not obligated to approve any agreement.

Now, it was a great concession to make to the President of the United States that he is not obligated to approve an agreement. Imagine a committee of the Congress of the United States feeling that it has to say in a report that without a constitutional amendment the Congress is not attempting to pass a law obligating the President to approve a plan voluntarily proposed by a partial group in industry.

That, Mr. President, brings us back to the black market as reported by the New York Times, after a 3-week investigation.

For the last 3 weeks—

Says Mr. Mullaney—

it has been observed first hand that scores of local brokers, dealers, and entrepreneurs from almost every walk of life are trying to peddle fantastic tonnages of real or phantom steel at fabulous prices three and four times the official quotations for the products involved. To declare that perhaps 2,000 persons in the city are engaged in this activity may be understatement.

Most of the profiteering is being done in sheet and strip steel of the type used by automotive and appliance manufacturers, but the gray market also is strongly active in scrap metal and nails.

Estimating the amount of steel that has been funneled to racketeers is no easy task because of the multitude of phony offers being made. Some steel company spokesmen have guessed that approximately 3,000,000 to 3,500,000 tons of finished steel, or around 5 percent of total output, have gone, unintentionally and unfortunately, into the hands of the profiteers.

Unintentionally and unfortunately are the words used by the author of this story. I think that is a subject which would bear a little examination.

One buyer for several prominent manufacturing concerns, however, has placed the volume at close to 11,000,000 tons. Very likely the actual figure splits the range.

LITTLE BUSINESS AT MERCY OF GRAY MARKET

Let it be borne in mind, Mr. President, that a buyer operating in New York acts as the agent of scores of little businessmen all through the United States, out in your State and in my State. These little fabricators of steel are unable to maintain large buying organizations. So they place their orders through these brokers. The brokers go around to obtain the steel. Are we to believe that the brokers secure the steel without the knowledge of the manufacturers of the steel? Three and a half million tons of steel cannot be put into a handbag. It has to go to some storage warehouse, and someone has to pay rent for the storage warehouse. Are we, as realistic persons, to believe that a commodity such as steel can be moved out of the mills of the great industrial manufacturers of steel into the hands of the black marketeers without the knowledge of someone in that organization?

A little operator of a ladies' ready-to-wear store in my State returning home from New York where he was trying to buy ladies' ready-to-wear garments for next season's retail trade, dropped into my office to tell me that the prices for ladies' garments next spring will be so high that he doubts very much whether any young women, or any women for that matter, in the lower-income groups will be able to afford the purchase of even the cheapest of these garments. "How does it come about?" I asked him.

"Well," he reported to me—and this of course is a report not made under oath, but the gentleman with whom I was speaking is an honorable man, an able businessman, and he knows his way around—"The manufacturer of ladies' ready-to-wear clothing will give an order to the mill for fabric enough to make the number of garments he thinks his trade will want to buy. Then perhaps a little bit later he discovers that he has not ordered enough. He will go back to the mill, and the mill will say, 'Well, we are sorry we are out of that particular fabric. There has been such a great demand for it that we cannot give you any. But over at such and such a place around the corner Broker XYZ has a lot of it. You go over there and you will secure what you need.'"

The manufacturer goes over there and then runs into the gray market. Then he runs into the extortionate price. And we like children are going to say, "Let us have voluntary control." Are we going to try to fool the people of America, Mr. President? They will not be fooled by that sort of stuff. They know that prices are going up. They know that they will continue to go up unless the people's Government does something about it.

The Senator from Oregon is speaking good Republican doctrine when he advocates Government action in a positive manner. Abraham Lincoln was a pretty good Republican. When the Lincoln papers which had not previously been made public, but had been kept by his son, Robert Todd Lincoln, were made public just a few months ago at the Congressional Library, I was greatly interested to note a little sentence in his handwriting in which he spoke about the powers and duties of government. In that little memorandum he said it was the obligation of government to do those things for the people which the people could not do for themselves.

I say that it is the obligation of the Government of the United States to take hold of the price problem in an effective way, and not in the puny and pusillanimous way which is suggested by voluntary price controls and allocation controls, with the distinct understanding that no one need obey them.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MORSE. I agree with the Senator. This noon I had lunch with a fine representative of the automobile industry in this country. I am pleased to be able to report to the Senator from Wyoming that he supported my position on this issue. I am glad to be able to say that because in times past some of the leadership of the automobile industry has been none too kindly disposed toward the junior Senator from Oregon, because of some decisions which I have rendered in labor cases which went against some of the automobile companies on the record of the trial of those cases. But it was rather interesting to note this noon that this representative of the automobile industry deprecated the proposals to set aside the antitrust laws by voluntary agreements entered into by some business tycoons. He thinks there is a very great danger that we may fall for a proposal to set aside the antitrust laws by way of voluntary agreements among big business price fixers. He fears, and rightly so, that the provision that such agreements must be approved by the President of the United States is no real protection at all because it places these monopolists in a position of "passing the buck" to the President if he does not accept their agreements. I am not going to take that hook, either with the political bait on it or off it, because I know that such a proposal is not in the best interests of either all the people of the country or of large segments

of industry such as the automobile industry. It is a blow against the true meaning of a free enterprise system. It is economic regimentation by monopolists.

Mr. O'MAHONEY. I am not at all surprised that the automobile industry has taken that position. Mr. Paul Hoffman, president of the Studebaker Corp., and the head of the Committee on Economic Development—which, let me say for the RECORD, is not a Government organization, but an organization of free enterprise—appeared before our committee, the Joint Committee on the Economic Report, and told us that there was a backlog of 19,000,000 automobiles which were not made in the United States during the war, and which are waiting to be made. There was a demand for those cars, but the steel companies, which are boosting their dividends and raising prices, are not giving the motorcar industry the steel it needs. As a result, every county in America is suffering.

Mr. MORSE. Let me say to the Senator from Wyoming that this representative of the automobile industry who discussed the problem with me today pointed out the firm belief of the leaders of the automobile industry in a free enterprise system. He told me that they do not see how the competitive system can be retained if we ever give such power over supply and over prices to certain business combines who would welcome the chance by voluntary agreements, so-called, to regulate the distribution of steel.

Mr. O'MAHONEY. It will be remembered that I was reading from Mr. Mullaney's article from the New York Times. He had quoted one buyer as saying that the volume of steel in the black market in New York City was as high as 11,000,000 tons. Mr. Mullaney says:

> Very likely the actual figure splits the range. Be that as it may, the fact is that substantial tonnages of the material which turns the wheels of 40 percent of America's industry have been removed from their normal markets by opportunists who are commanding—and getting—premium prices from the buyers best able to pay. Various sizes and gages of sheet and strip steel, for instance, are being disposed of, easily, at prices running between $150 and $350 a ton, whereas the price ordinarily paid for these different products ranges between $85 and $95 a ton.

Is it not obvious, Mr. President, that when a fabricator of steel is compelled to pay a black-market price of $350 a ton he must raise his prices too?

What do we propose to do about it? We know that the farmers of America in the Grain Belt have been unable to ship the grain which they have produced and which they hold on their farms, because there are not enough cars. We know that the production of coal in coal mines is being held up because there are not enough cars in which to transport the coal.

It is also a fact, Mr. President—and I state it upon information and belief—that the car manufacturers of the United States are not getting the steel they want from the steel industry, because it has deliberately followed the policy of raising prices and splitting dividends, instead of following the policy of increasing production.

GOVERNMENT MUST PROTECT PEOPLE FROM PRIVATE REGIMENTATION

In his economic message of January 8, 1947, the President urged increased production in steel. He urged voluntary action. Was anything done? Ah, Mr. President, we shall be deceiving ourselves completely if we imagine for 1 minute that we can turn the economy of this Nation over to the small group of members who sit at the top of our economic system and issue their private directives of a private government, which every man jack in America must obey. We talk about regimentation by government, and directives by government.

Mr. President, these rising prices, these burgeoning profits, tell us the story of what private regimentation does. If the Government of the United States, as represented in its Congress, declines to take action, where can the people of America go for relief? We have the power. A distinguished authority on the Constitution of the United States [Mr. DONNELL] sits in the chair at this hour. The first article of the Constitution provides that the Congress shall have the power to regulate commerce among the States and with foreign countries. There is a grant of complete power to regulate commerce. It is commerce under private regulation which is causing the inflation which can destroy this Government.

See the havoc which has been wrought elsewhere. Shall we say that it cannot happen here?

Mr. President, after World War No. 1 we had a depression. Prices went away up first, and then they tumbled; and when they tumbled every person in America paid the price. I remember when I appeared before the Banking and Currency Committee in the Seventy-ninth Congress in support of the Employment Act which created the Board of Economic Advisers to the President and the Joint Committee on the Economic Report. I presented there the figures to show that between the date of the crash in 1929 and the year 1940 the businesses of America had lost in sales $355,000,000,000, or $70,000,000,000 more than the entire war debt of the United States.

YOU CAN'T FIGHT INFLATION WITH FEATHER DUSTERS

Have we any intelligence? Are we blind? Do we think we can fight inflation with a feather duster, and with polite phrases, when things like this are happening?

I continue reading from Mr. Mullaney's article:

> Scrap metal, which currently is quoted at $40 a ton delivered in the Pittsburgh area, is selling freely in the gray market at levels between $4 and $15 a ton above the market price at a time when the domestic steel production is being held 3 to 4 percent under capacity for lack of this critical material. Nails, the valuation of which would not exceed $4 a keg, even under inflated price schedules, are being denied to many construction companies because the gray market has commandeered huge quantities of them and is offering them at $8 to $11.75 a keg.

Mr. President, I could entertain the Senate for another hour reading the remainder of this article, but I shall not do so. I ask unanimous consent that the entire article be printed in the RECORD at this point as part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BIG BLACK MARKET IN STEEL IS FOUND FLOURISHING HERE—FABULOUS PRICES BEING ASKED BY PROFITEERS FOR REAL OR PHANTOM METAL—2,000 PERSONS IN DEALS—3,000,000 TO 3,500,000 TONS FIND WAY INTO RACKETEERS' HANDS, SURVEY ESTIMATES

(By Thomas E. Mullaney)

The black or "gray" market in basic and finished steel, disclaimed and minimized by the producers and fabricators of the vital industrial commodity, is no small enterprise. It is a gigantic business whose center is situated in New York City and which controls millions of tons of steel in various forms throughout the Nation.

For the last 3 weeks it has been observed first hand that scores of local brokers, dealers, and entrepreneurs from almost every walk of life are trying to peddle fantastic tonnages of real or phantom steel at fabulous prices three and four times the official quotations for the products involved. To declare that perhaps 2,000 persons in the city are engaged in this activity may be understatement.

Most of the profiteering is being done in sheet and strip steel of the type used by automotive and appliance manufacturers, but the gray market also is strongly active in scrap metal and nails.

Estimating the amount of steel that has been funneled to racketeers is no easy task because of the multitude of phony offers being made. Some steel company spokesmen have guessed that approximately 3,000,000 to 3,500,000 tons of finished steel, or around 5 percent of total output, have gone, unintentionally and unfortunately, into the hands of the profiteers. One buyer for several prominent manufacturing concerns, however, has placed the volume at close to 11,000,000 tons. Very likely the actual figure splits the range.

REMOVED FROM NORMAL MARKET

Be that as it may, the fact is that substantial tonnages of the material which turns the wheels of 40 percent of America's industry have been removed from their normal markets by opportunists who are commanding—and getting—premium prices from the buyers best able to pay. Various sizes and gages of sheet and strip steel, for instance, are being disposed of, easily, at prices running between $150 and $350 a ton, whereas the price ordinarily paid for these different products ranges between $85 and $95 a ton.

Scrap metal, which currently is quoted at $40 a ton delivered in the Pittsburgh area, is selling freely in the gray market at levels between $4 and $15 a ton above the market price, at a time when the domestic steel production is being held 3 to 4 percent under capacity for lack of this critical material. Nails, the valuation of which would not exceed $4 a keg, even under inflated price schedules, are being denied to many construction companies because the gray market has commandeered huge quantities of them and is offering them at $8 to $11.75 a keg.

During this 3-week scouting venture in the steel gray market, contact was made with dozens of acknowledged profiteers who came to the office of a New York buyer's representative boldly proffering actual steel at the amazing prices cited. As many, and more, nonprofessionals pretending to have impossible tonnages of critically scarce sheet and strip steel also appeared during this time.

Their game, apparently, is to attempt to discover the maximum price that a legitimate purchaser will pay for particular types of steel and then to scurry frantically to round up the steel at a price that would yield a handsome return to them as middlemen.

TEN THOUSAND TONS AT HIGH PRICE

Opportunity was afforded also during the 3 weeks to examine thoroughly the index cards, correspondence, purchase requests, sales transactions, and other files of this local buyer for industrial companies. The investigation revealed that, in the last 8 months, this one purchasing agent has bought 10,000 tons of steel at prices ranging between $120 and $320 a ton, with the vast majority of the transactions being consummated at levels above $250 a ton.

The buyer is Norman J. Edelmann, president of Know-how, Inc., located on the second floor of a four-story brownstone house at 425 East Fiftieth Street. He alleges that his organization, which he calls a finding company, has not engaged in gray-market activities except insofar as it has openly bought from these profiteers at the extraordinary prices that they have demanded. His only compensation, he maintains, is a regular finder's fee of $5 a ton for quantities under 1,000 tons found and $1 a ton when the tonnages exceed that total.

Mr. Edelmann disclosed that he now holds firm orders for more than 3,000,000 tons of sheet and strip steel from 68 large manufacturing companies in all sections of the country. The prices they are willing to pay, he said, start at $120 a ton and mount up to $260 a ton.

Among his standing purchase orders are one from a company in Detroit producing automotive parts asking for 160,000 tons of sheet steel over a 12-month period at $169 a ton; another offer comes from a national radio manufacturing company seeking steel at $250 a ton, and a third offer was submitted by a Southwest manufacturing group asking for 96,000 tons of hot-rolled, pickled sheets over a long period at $150 a ton.

In addition to these, Mr. Edelmann declared, he is constantly receiving offers of scrap iron and steel from dealers seeking to trade the material on the basis of 3 tons of scrap for 1 ton of finished steel. Another offer of scrap was made last week by a local dealer who made 500 tons of the material available to him each week for an indefinite period with the proviso that "you make the most advantageous deal for this scrap that you can make and submit to us the market price plus 20 percent of any profits derived."

The most recent deals completed by Know-how, its 41-year-old president declared, were: (1), the sale of 3,500 tons of sheet steel to an eastern manufacturer at $260 a ton, on which Know-how realized its usual profit but middlemen received $11 a ton; (2), the sale of 4,500 tons of steel pontons for use as scrap to one of the Nation's top steel companies at $36.50 a ton plus 50 cents a ton to Know-how as a finder's fee. The preparation price on the last lot will run up to approximately $8 a ton, making the actual price about $45 a ton, Mr. Edelmann said.

The president of Know-how said that his purpose in exposing the gray market in operation was "to smoke out the phony operators and their fantastic prices so that American business can again obtain their supplies in normal markets through legitimate channels and at fair prices." He said that the inflated quotations on scarce materials, such as steel, charged by the flock of racketeers extant are responsible for the continuing high prices of many lines of durable goods.

Mr. O'MAHONEY. Food, Mr. President, is the basic element in the high cost of living. But before I comment upon that I wish to make one remark regarding a press release which I received in the mail on Saturday from Mr. Fowler McCormick, chairman of the board of the International Harvester Co., at Chicago. Mr. McCormick appeared before the joint committee and made a very favorable impression upon that committee as an enlightened executive who was seeking to keep prices down. As a matter of fact, the company had reduced prices. But this press release tells about their increasing prices.

Based on the present rate of sales—

Says the document—

the increases raise the cost of the company's product to customers an estimated 5 percent on the average over present list prices and an addition of 2 percent over prices on March 9, 1947, when the company reduced its prices. Increasing costs of materials, wages, and transportation are cited as the reason by Mr. McCormick.

What I desire to point out is that even a company, the manager of which is such an enlightened person as Mr. Fowler McCormick, is now raising prices. They tried to keep prices down, but the force of inflation is overpowering that leader and that company. Does anyone imagine that the voluntary agreement which the committee report says is not obligatory upon members of industry will be of aid? Does anyone imagine that such an agreement will aid Mr. McCormick to keep the prices of farm implements down for the farmers of America? The time has gone for pussyfooting. The time has gone for political pettifogging. The time has gone for trying to seek somebody to blame. The time is here to do something for the people of America.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from New Mexico.

Mr. HATCH. The Senator from Wyoming has just been making some remarks which I myself have wanted to make. I think the time has passed for political pettifogging. Political pussyfooting should be gone. The issue should be met, and met now.

I have not been too happy with this special session of the Congress insofar as my own party is concerned, in that we have not introduced a bill ourselves carrying into effect the President's proposals. I certainly have been most unhappy that the other side of the Chamber which controls the Senate has not faced up squarely to the most dangerous question before our country.

I learned only a few moments ago that there has been sent to the Committee on Banking and Currency a bill today which does carry out in detail the President's proposals. Is the Senator aware of that?

Mr. O'MAHONEY. The Senator is quite right. Such a bill has been presented.

Mr. BARKLEY. Mr. President, it ought to be made clear that the bill has not been introduced in the Senate. As the Senators well know, the Secretary of Commerce was requested by the President to sort of head up a program to prepare legislation to carry out the President's recommendations. There was some natural hesitation to send the bill down from the executive department, on the grounds that heretofore frequently the charge has been made that the executive department was trying to cram something down the throat of the Congress.

Mr. O'MAHONEY. It would have been a "must" bill.

Mr. BARKLEY. Yes; it would have been a "must" bill. But no bill on the subject has been introduced in the Senate. Even the program which has been announced in the newspapers as coming from the majority policy committee or the majority conference has not been introduced in the form of a bill. It has been given out as a statement and has been printed in the newspapers.

The Secretary of Commerce has sent to the chairman of the Committee on Banking and Currency, the Senator from New Hampshire [Mr. TOBEY], the draft of a bill carrying out the recommendations of the President. Whether the chairman of that committee will introduce the bill I do not know. I understand that the Senator from New Hampshire is absent from the city today, and it has been impossible to ascertain whether he will introduce the bill or whether he will report it as chairman of the Banking and Currency Committee. But the Secretary of Commerce felt that the original of this bill should be sent to the chairman of that committee, along with a letter which I understand has been given to the press today. It is probably printed in the CONGRESSIONAL RECORD on the House side, and a bill has been introduced over there. A bill has been presented by a group of Secretaries, including the Secretary of the Interior, the Secretary of Commerce, the Secretary of Labor, and the Secretary of Agriculture, all of whom signed the accompanying letter to the chairman of the Committee on Banking and Currency. No doubt that bill will be printed in the press as of today. So that there has been a bill presented, although not introduced here. Personally I felt that as a courtesy to the chairman of the Committee on Banking and Currency he should be given an opportunity to introduce a bill if he so desires, inasmuch as it was sent to him originally before being introduced here.

Mr. HATCH. Mr. President, if the Senator will yield still further——

Mr. O'MAHONEY. I yield to the Senator from New Mexico.

Mr. HATCH. I want to reassert what I have said, that I think the Senator from Wyoming has been saying very eloquently that the question of inflation is the most serious threat to the institutions of free government that this country has faced perhaps in a generation. I think it is the first duty of Congress,

even before a campaign for the next President is conducted, that appropriate action should be taken. I mean by that, that more important than whether Republicans are elected or Democrats are elected next year, Congress now faces this issue regardless of party politics, and that in the interest of the country as a whole each and every one of us can well afford to take our stand on what we think will avoid this danger to the country, regardless of what may happen to our own political selves.

I hope, Mr. President, that whether the chairman of the Committee on Banking and Currency introduces the bill, some one will introduce a comprehensive measure which will be brought to the floor of this body and in the other branch of the Congress which may be for the welfare of America.

WITH NATION'S LIFEBLOOD AT STAKE, CONGRESS FIDDLES

Mr. O'MAHONEY. I am very grateful to the Senator from New Mexico for his statement. It represents the high degree of statesmanship that he has always exhibited as a Member of this body.

I am here, Mr. President, not as a Democrat primarily, but as a citizen of the State of Wyoming; and when I raise my voice I raise it for all the people of that State, regardless of politics. I should regard myself as completely derelict in my duties under my oath of office if I should guide my policy upon the floor by some notion of what effect it might have on the Presidential campaign of next year. We are dealing here with the commercial lifeblood of the people of America. The Joint Committee on the Economic Report, required by law to study the economic recommendations of the President and report thereon to the Congress, did practically nothing throughout the entire first session of the Eightieth Congress. It held some public hearings. I recommend those hearings to every Member of the Senate; I recommend that they read the testimony that was given there by representatives of every possible shade of economic opinion. That testimony came from men in business, men in big industry, men in education. It was agreed among all of them that action is necessary to prevent the disastrous deflation which is certain to result from uncontrolled inflation. Of course, there was disagreement as to the type of action. But we are in danger of not acting because some Members seem to be thinking more about the forthcoming Presidential election than they are about the rapidly increasing cost of living.

Mr. President, I undertake to declare that the voters of America are far ahead of those leaders who try to pussyfoot on this issue. I know that the cattlemen of my State believe that prices are too high. I know that livestock men generally throughout the Nation believe that prices are too high. They do not know how to bring them down; they cannot bring them down. But today the black markets are operating; and the managers of big business, who sit down in New York and fix prices and determine how prices are to be made and how much profit is to be made, control our economy while the Congress of the United States, which is constitutionally empowered to control our economy just fiddles along.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LUCAS. A moment ago the Senator from Wyoming made a very interesting statement about the cattlemen of his State. Not more than 30 minutes ago I was in my office, talking to one of the most prominent men interested in agriculture in Illinois. He told me that he had just finished selling his last few bushels of soybeans for $3.85 a bushel; and he said, "Scott, those beans were sold for too much money."

Mr. President, as a result of the hearings which the subcommittee on agriculture held throughout the Middle West on a long-term farm stabilization program, I find that the farmers in Illinois believe that prices are too high, although, of course, they say perhaps the prices of their products are not too high, in view of the prices of some of the things they have to buy, such as combines, rakes, plows, and so forth.

Mr. O'MAHONEY. The prices of those articles have increased 5 percent.

Mr. LUCAS. That is correct. But every farmer is wondering whether the same thing that happened after World War I is going to happen to him today.

Mr. O'MAHONEY. It will happen unless we act.

Mr. LUCAS. Of course it will.

Mr. TAFT. Mr. President, if the Senator from Wyoming will yield to me, let me inquire whether the Senator from Illinois knows why the price of soybeans went up. I can tell him. The price of soybeans went up because for the fourth quarter of this year the Government increased the export quota of fats and oils from the United States to three times what it had been in the first quarter or the second quarter or the third quarter, and the Government authorized an export of fats and oils which was far in excess of anything that we could hope to supply, in view of the domestic demand. Of course, the result was an immediate increase in the price of fats and oils and the price of soybeans, which is one of the most important sources of that supply.

Mr. LUCAS. Mr. President, if the Senator from Wyoming will yield further to me, so that I may answer my distinguished friend the Senator from Ohio——

Mr. O'MAHONEY. I am glad to yield.

Mr. LUCAS. I did not expect that my statement about soybeans would cause the Senator from Ohio to answer, but now that he has said that the Government of the United States is responsible because of its export program, I should like to remind him that we have been in special session some 4 or 5 weeks, and the Republican Party has been in power in the Congress since last January 3. The Republican majority should thoroughly understand their responsibility. The Senator from Ohio has just been telling the Senator from Illinois why the price of soybeans is so high, and yet not one thing has been done by the Republican majority in the Senate, headed by the Senator from Ohio, to curb these so-called exports, if they wish to do that. The time is not too late, even now. The Republicans have the majority and they have the power to pass any kind of law they wish to pass, to curb these administrative evils that they are constantly talking about over the radio and in the press, yet they sit here day after day and do nothing about it. They bring out a four-point program which is just as meaningless, useless, and futile in stopping the march of inflation as pouring a teakettle of water into the Atlantic Ocean would raise the level of that ocean several inches.

Mr. TAFT. Mr. President, will the Senator from Wyoming yield to me?

Mr. O'MAHONEY. I shall yield in just a moment, Mr. President. I do not wish to have this debate rage over my head, for I might be caught in the middle.

Let me say that I hold in my hand a document which was prepared by the staff of the Joint Committee on the Economic Report, of which the distinguished Senator from Ohio [Mr. TAFT] is chairman, and of which I also am a member. On page 18 of the report is to be found table XII, which shows, in regard to fats and oils, that the exports of fats and oils for 1946–47 amounted to 8.9 percent of the total production of fats and oils in the United States in 1946. The total production was measured at 2,625,000 long tons. Exports for 1946–47 were 233,000 tons, or 8.9 percent of the total production, or 1.1 percent less than 10 percent of our total production.

Inasmuch as I am on the point, I think it may be well to call attention to the fact that in this same report appears a very interesting statement, and I invite the Senator from Illinois to take it back to the farmers of Illinois. The statement appears on page 12:

> Total production of food for sale and farm home consumption during each of the war years—

That is when we had the OPA, by the way—

> exceeded by wide margins that for any prewar year. The index of total production ranged from 125 in 1942 to 138 in 1944 (1935–39=100) and averaged 134 for the 4 years 1942–45, inclusive.

Then there is this additional statement:

> The spectacular increase in the total volume of food production is even more significant in that it was achieved with a decrease in farm employment and practically constant total acreage of croplands. Farm employment in June 1947 is estimated at 11,894,000 persons, as compared with 12,564,000 persons for the June average, 1935–39, a decrease of 9.3 percent.

With a decrease of 9.3 percent in labor, the farmers of America reached the highest pinnacle of production in history.

Mr. LUCAS. Mr. President, will the Senator further yield?

Mr. O'MAHONEY. I yield.

Mr. LUCAS. Does the Senator have in the information before him a table

showing the soybean crops for the last 4 years?

Mr. O'MAHONEY. I have no doubt the figures are here, but I cannot put my finger on them.

Mr. LUCAS. I think the Senator will find that the yield has been increasing tremendously each of the last 4 years.

Mr. O'MAHONEY. There is no doubt about that.

Mr. TAFT. Mr. President, will the Senator from Wyoming yield a moment?

Mr. O'MAHONEY. I yield.

Mr. TAFT. The Senator from Illinois seems to think that we have in some way failed in our duties about exports. We gave the President absolute and complete authority to control exports the way he chose to do it. It is absolutely impossible for Congress to tell him how many bushels of wheat he can authorize exported or how much fats and oils are to be exported. We gave the whole responsibility and the whole power into his hands.

Mr. O'MAHONEY. Oh, Mr. President, the Senator is talking in my time, and I insist at this place in pointing out——

Mr. TAFT. If I may continue——

The PRESIDING OFFICER. Does the Senator from Wyoming yield?

EFFECTIVE EXPORT CONTROL MADE IMPOSSIBLE

Mr. O'MAHONEY. I am going to take the floor now just to point out that the Senator from Ohio has over and over again made the statement to which we have just listened. It is the cry of the policy committee of the majority, I know; and, it is echoed in their radio pronouncements, but the fact of the matter is that when the Department of Commerce a year ago asked for the extension of the power to control exports, Congress deliberately cut it down. When the bill came to the Congress it came with a special section, calling it by name. I have it here in my hand. This is Public Law 188 of the Eightieth Congress, Chapter 248, first session, H. R. 3647:

Be it enacted, etc., That this act shall be cited as the "Second Decontrol Act of 1947."

"Decontrol" is what they were talking about, and when Mr. Springer, chairman of the subcommittee of the House, who handled this matter upon the floor of the House, submitted his report on the 27th of June, 3 days before the controls were to expire, and the majority was allowing the time to fly, with only 3 days left, in that report Mr. Springer notified the House of Representatives that it was the purpose of the committee to eliminate controls as rapidly as possible.

The Department of Commerce had asked for an extension of the power to control exports to the 30th of June 1948. The House cut it back to the 31st of January 1948. The Senate Judiciary Committee, acting with a reasonable degree of understanding of what the country was struggling with, reported a bill extending the controls to the 30th of June 1948, as recommended by the Department of Commerce.

The distinguished junior Senator from Kentucky [Mr. COOPER] was in charge of the bill on the floor of the Senate, and here he undertook to say why these controls should be extended for a full year, and the Senate passed the bill as the Department of Commerce wanted it, extending the power to June 30, 1948. But in conference the Senate conferees were unable to persuade the House conferees, and the final conference report extended the controls only until February 29, 1948. But in the debate in the Senate and in the debate in the House it was seen clearly that the will, the purpose, the overriding intent, of the Congress was to lift controls and let private persons export without Government control. "Lift controls" was what the majority said they were going to do—lift controls. Now they say, "You are not controlling enough." It is like the talk about international relief. They condemn the administration because too much money is being spent in Europe, and they condemn it because not enough is being spent in China. They are on both sides of every question.

When it is clear that their policy of decontrol is a failure, then they say, "Why, you did not do enough with the powers we gave you." They conceal or forget the fact that when the appropriation bill was passed to implement the Decontrol Act, the Eightieth Congress, under the policy of the majority, cut the appropriation to such an extent that there are 50,000 applications for export licenses at this moment in the Department of Commerce which have not been acted on.

Mr. BARKLEY. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I yield.

Mr. BARKLEY. The Senator pointed out a moment ago from the report of the joint committee that 8.9 percent of our domestic production of fats and oils had been exported in 1946 and 1947. Is that a fiscal year figure?

Mr. O'MAHONEY. That was a fiscal year figure, as I understood it.

Mr. BARKLEY. Does the report show what percentage of fats and oils were exported in 1945 and 1946?

Mr. O'MAHONEY. No, this table does not show that; but those figures are all available.

Mr. BARKLEY. I thought perhaps the Senator had them. It might be interesting to know whether the 8.9 percent was larger or smaller than the figures for the year before. If they were smaller, they could not have had the baneful effect upon prices referred to by the Senator from Ohio, because if the amount of exportations had been cut down for any reason, they would certainly not have effected, disadvantageously, an increase in the prices of those products.

MAJORITY SEEKS TO CONCEAL FAILURE TO ACT

Mr. O'MAHONEY. I will say to the Senator from Kentucky that the debate about who is to blame is all beside the issue. Of course it is indulged in by our friends of the majority, because they desire to conceal from the American people the fact that they have failed to act. What difference does it make what happened a year ago if we do not act now?

Mr. BARKLEY. I recognize that, but I am trying to get at the real facts. I am not inquiring about strategy, because I am not interested in strategy, but if the Senator has the figures on his desk, I should like to have the percentage of fats and oils exported in 1945 and 1946.

Mr. O'MAHONEY. I will see that the Senator gets the figures. It may be that the Senator from Ohio [Mr. TAFT], the chairman of the joint committee, has them in his hand.

Mr. TAFT. Will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. TAFT. I point out that on September 10 it was announced that the export quotas on fats and oils in the United States would be three times what they had been in the first quarter of 1947 or the second quarter of 1947 or the third quarter of 1947. I happened to come across the announcement because of the fact that immediately prior to September 10 Mr. Pauley bought 500,000 pounds of lard on the commodity exchange. The announcement seemed to have a decided bearing on the question. It resulted in an immediate increase.

Mr. BARKLEY. That ought to be enough lard to grease the Republican campaign wheels. [Laughter.]

Mr. TAFT. The point is that the moment the announcement was made it was the cause of an immediate increase in price. I do not think there is any question about that. I say it would be one of the substantial causes of an increase in the price.

Mr. O'MAHONEY. Of course, there are many causes. The inflationary condition in which the country finds itself is the result of many things, but primarily, Mr. President, it is the result of the fact that we fought World War II, and that we borrowed against the future of America. We mortgaged the future of America to the extent of $259,000,000,000, now outstanding, in order to win the war. Now it is catching up with us, and the question before the people of America is whether we will do as some of our friends urge, and let the economy control itself, or shall we control it by the people's government?

Mr. LUCAS. Mr. President, will the Senator yield in order that I may make one further statement?

Mr. O'MAHONEY. I yield.

Mr. LUCAS. I shall not trespass upon the time of the Senator further.

Mr. O'MAHONEY. The Senator honors me by his interruptions.

Mr. LUCAS. I understand the Senator is trying to complete his remarks, and many Senators are preventing him from doing so.

In further reply to what the Senator from Ohio said, and to the point he is trying to make, I wish to repeat and reiterate that if the conditions with respect to exports are as serious as the Senator from Ohio tells the Senate this afternoon, and has been telling the country, over the radio and through the

press, he has the power, as the leader of the Republican majority—and practically all on the majority side follow him—to do something in the way of having legislation adopted for more drastic action on export controls, if the exports are the cause of the high cost of soybeans. The point I make is that Republican leadership does nothing but talk. Talk is cheap, and sometimes entertaining but it is not getting any place with respect to stopping inflation.

Mr. O'MAHONEY. Mr. President, by the unanimous action of this body today the conference report on the European interim aid bill was adopted. Everybody who voted for that knew that it would constitute a drain upon the resources of the United States to the extent that appropriations are allowed. But everybody voted for it just the same, out of an abiding conviction that it is the obligation and the duty and the opportunity of the people of America to save a democratic system of government in Europe from chaos and communism. That is why we acted.

The war will not be over until the peace has been won upon the basis of freedom. We are still fighting for freedom. Why, of course the exports have an effect upon price, but the exports, the table from which I quoted shows, represent only a fraction of the food that the people of America have produced.

The PRESIDING OFFICER. If the Senator will suspend for a moment, the Senator inadvertently stated that the interim aid bill passed the Senate by a unanimous vote. Doubtless the Senator was not present when the senior Senator from North Dakota anounced that he voted against it.

Mr. O'MAHONEY. I thank the Chair. I overlooked that fact. I modify my statement in that respect.

The total amount of food which was exported in the period 1946–47, 18,168,000 tons, produced domestically in the United States, represents 8.6 percent of the total production in 1946 of all foods in the United States, and about 7 percent of the production of all foods in 1947, so that even with the huge contributions which we have been making we have not injured our own economy. The people of America are eating more today by 20 percent than they did before the war; but the sad fact is that if prices continue to rise, it will be difficult for them to eat as much as they did. Already, in the lower income groups people are digging into their savings. Every subcommittee of the Joint Committee on the Economic Report which investigated the cost of living, during the recess of Congress, from coast to coast, found that to be the fact and so reported. There was no partisan division. We know that the people at the bottom of the economic scale are suffering now because of spiraling prices. I have in my hand a table, which I shall ask be printed in the RECORD at the conclusion of my remarks, which undertakes to make a comparison of corporation profits for 9 months, 1946–47, compared with 1940, 1945, and 1946, in manufacturing, trade, and selected industries and companies, both before and after taxes, showing percentage changes in return on net worth. It is as accurate as I and those who have assisted in the preparation of the table could make it. We have taken the most authoritative sources which we could find.

The PRESIDING OFFICER. Without objection, the table will be printed as requested.

(See exhibit A.)

HOW CORPORATE PROFITS HAVE RISEN

Mr. O'MAHONEY. Mr. President, I wish to conclude by reading one or two of the figures. The profits of corporations manufacturing food and kindred products in 1946 were 213 percent above 1940. The Borden Co., for example, had profits amounting to 273 percent for the first 9 months of 1946, above the same period in 1940. Corporations manufacturing textile-mill products showed an increase in profits of 564 percent; leather and leather products, 285 percent; lumber and timber basic products, 197 percent; paper and allied products, 211 percent; petroleum and coal products, 135 percent; iron and steel and their products, 92 percent; nonferrous metals and their products, 62 percent.

In connection with food, Senators should bear in mind that there has been a development of great food chains which distribute food products throughout the United States. Local communities are practically defenseless. What has been happening to the profits of the chains? American Stores Co. showed profits in 1946 above 1940 of 990 percent; Colonial Stores, 200 percent; Kroger Co., 200 percent.

Ah, Mr. President, what has happened in the United States is that commerce among the States has become so powerful that local commerce and State commerce are both defenseless. It is the big fellows who sit in New York and in Chicago who set the pattern of food prices, the corporations which operate in the very field of commerce which was committed by the Constitution to the Congress to regulate. We are not regulating it. It is proposed, on the contrary, that we commit it to the solicitous care and voluntary action of the very groups which have been raising prices and raising profits and distributing dividends ever since the war ended.

Mr. President, Congress, I think, will act, because the Members of Congress are realizing now that the issue is here between control of cur economy by the masters of concentrated economic power, and control of that economy by the people's representatives. Let Senators set the standards, Mr. President, and define the responsibilities, but give the Government the power to act; for if Senators do not do that, inflation will overwhelm their constituents.

EXHIBIT A.—*Corporation profits, 9 months 1946 and 1947, compared with 1940, 1945, 1946, in manufacturing, trade, and selected industries and companies (before and after taxes, percentage changes, and return on net worth) and wholesale price increases, June 1946 to September 1947, for industrial goods, and selected commodity groups and items*

Industry and company	Profits before taxes (millions of dollars)								Profits after taxes (millions of dollars)							
	1940	1945	1946	9 months		Percentage change			1940	1945	1946	9 months		Percentage change		
				1946	1947	1940–46	1945–46	1946–47				1946	1947	1940–46	1945–46	1946–47
All manufacturing	5,601	10,644	10,858	-------	-------	94	2	-------	3,840	4,553	6,338	1,012.1	1,863.4	65	39	84
Food and kindred products	559	1,467	1,748	-------	-------	213	19	-------	408	567	1,026	86.9	118.4	150	82	36
Borden Co	9.0	39.0	33.6	-------	-------	273	−14	-------	7.6	12.1	19.6	[1]8.9	[1]10.0	160	62	60
Corn Products Refining	11.9	13.7	23.3	-------	[1]16.5	96	71	-------	9.6	8.6	13.6	-------	[1]9.0	42	58	-------
National Biscuit	15.7	27.0	27.4	-------	[1]20.7	74	1.5	-------	10.7	10.5	15.7	-------	[1]12.4	47	50	-------
Armour & Co	11.8	18.1	45.0	-------	-------	281	149	-------	8.8	9.3	21.0	-------	-------	140	130	-------
Textile-mill products	216	774	1,434	-------	-------	564	85	-------	151	277	844	74.1	91.4	460	205	23
Burlington Mills	2.8	13.7	23.0	-------	-------	721	68	-------	1.7	5.0	12.9	8.6	18.2	659	158	112
Pacific Mills	−0 3	9.2	16.7	9.0	11.2	-------	82	24	−0.3	2.0	9.5	4.6	5.6	-------	375	22
Leather and leather products	40	144	154	-------	-------	285	7	-------	29	61	91	-------	-------	214	49	-------
Amalgamated Leather Cos	-------	0.59	1.24	-------	-------	-------	110	-------	-------	0.24	.82	-------	-------	-------	240	-------
Glaton & Knight	-------	.17	.87	-------	-------	-------	410	-------	-------	[2]23	.49	-------	-------	-------	110	-------
Griess-Pfleger	-------	.29	.75	-------	-------	-------	160	-------	-------	.17	.45	-------	-------	-------	170	-------
Seton Leather	-------	.17	.52	-------	-------	-------	210	-------	-------	.10	.33	-------	-------	-------	220	-------
Lumber and timber basic products	95	138	284	-------	-------	197	106	-------	73	70	182	-------	-------	150	160	-------
Harbor Plywood	0.6	0.3	1.5	[1]0.6	[1]1.1	150	400	83	0.4	0.2	0.9	[1]0.4	[1]0.7	125	350	75
Long-Bell Lumber	1.3	4.1	7.8	5.7	14.6	500	90	156	1.0	1.7	5.0	3.5	9.0	400	194	157
Mengel Co	.5	2.9	2.7	1.6	2.6	440	−7	63	.4	.9	1.6	1.0	1.5	300	78	50

[1] 6-month total.
[2] Exceeds profits before taxes by amount of net tax refund.

EXHIBIT A.—*Corporation profits, 9 months 1946 and 1947, compared with 1940, 1945, 1946, in manufacturing, trade, and selected industries and companies (before and after taxes, percentage changes, and return on net worth) and wholesale price increases, June 1946 to September 1947, for industrial goods, and selected commodity groups and items*—Continued

Industry and company	Profits before taxes (millions of dollars)								Profits after taxes (millions of dollars)							
	1940	1945	1946	9 months		Percentage change			1940	1945	1946	9 months		Percentage change		
				1946	1947	1940-46	1945-46	1946-47				1946	1947	1940-46	1945-46	1946-47
Paper and allied products	197	357	612			211	71		137	142	360	28.2	66.2	163	154	135
Container Corp.	3.4	8.7	12.5	7.9	13.1	268	44	66	2.2	2.0	7.2	4.8	8.0	127	260	67
International Paper	21.6	25.5	48.7	[1] 20.4	[1] 41.6	126	91	104	15.7	8.5	31.2	13.4	23.3	99	267	74
Union Bag & Paper	3.7	6.2	8.7	6.0	14.4	135	40	140	2.1	1.6	5.3	3.6	8.8	152	231	144
West Virginia Pulp & Paper	4.4	5.4	9.0	6.5	13.2	105	67	103	3.7	2.1	5.1	3.7	7.9	38	143	114
Petroleum and coal products	321	557	753			135	27		265	434	550	191.2	310.5	108	14	62
Phillips Petroleum	14.5	27.7	28.9	19.9	35.5	99	4	78	11.6	22.6	22.6	14.8	28.2	95	0	91
Shell Union Oil	19.5	32.4	42.1	30.9	51.3	116	30	66	15.7	28.7	32.9	24.0	38.7	110	15	61
Standard Oil (California)	24.0	61.9	79.5	58.2	82.2	231	28	41	22.5	55.6	67.0	49.0	66.5	198	21	36
Tidewater Associated Oil	10.1	19.4	26.3	16.5	26.8	160	35	62	9.5	18.1	19.8	12.8	18.1	108	9	41
Iron and steel products	647	1,204	1,240			92	3		439	533	738	156.4	283.7	68	39	81
American Rolling Mill	10.1	23.8	30.3			200	27		7.6	13.4	18.6	12.5	18.2	145	39	46
Bethlehem Steel	72.6	47.1	57.2	40.5	66.0	−21	21	63	48.7	34.9	41.7	30.0	38.7	−14	20	29
Jones & Laughlin		4.7	15.4	8.6	26.5		230	210	10.3	[2] 8.1	10.9	6.1	16.7	6	35	174
United States Steel		88.3	121.3	69.2	164.7	−7	37	138	102.2	58.0	88.6	57.5	97.3	−13	53	69
Nonferrous metals and their products		237	366			62	12		148	129	227			53	76	
Anaconda Copper		37.2	43.2	[1] 7.4	[1] 45.7	−13	16	518	35.1	20.4	23.8	[1] 2.6	[1] 25.4	−32	17	877
Kennecott Copper		43.8	34.2	[1] 6.6	[1] 70.0	−46	−32	961	43.8	30.3	23.0	[1] 4.5	[1] 46.1	−48	−24	924
Wholesale and retail trade		2,537	4,622			312	31		785	1,402	2,727	54.4	38.2	247	95	−30
Food distributing:																
American Stores	1.3	6.5	14.1	[1] 4.6	[1] 5.0	990	120	9	1.0	2.0	8.3	[1] 2.0	[1] 3.0	730	320	50
Colonial Stores	1.0	2.0	3.0	[1] 1.9	[1] 2.2	200	50	16	.6	.7	1.5	[1] 1.2	[1] 1.3	150	130	8
Kroger Co.	5.7	15.6	17.4			200	11		4.6	5.6	9.4	[1] 4.2	[1] 6.7	105	66	35
National Tea		2.0	4.8		[1] 2.4		140		.9	2.9	.7		[1] 1.5	−20	221	

Industry and company	Return on net worth, 1946		Wholesale price increases, June 1946-Sept. 1947				
			Commodity groups		Selected items		
	Before taxes	After taxes	Group	Increase	Item	Price	Increase
	Percent	*Percent*		*Percent*			*Percent*
All manufacturing		12.1	(Industrial goods	31			
			[illegible]	41			
Food and kindred products		[3] 15.7					
Borden Co.	28.9	16.3					
Corn Products Refining	21.8	12.8	All foods	59	Breakfast foods, case	$1.22–$2.53	58
National Biscuit	25.5	14.5	[illegible]	56	Smoked ham, pound	26.3–66.4 cents	154
Armour & Co.	23.4	10.9	Meats	122	Fresh beef carcasses, pound	20.3–43.2 cents	138
Textile-mill products		[3] 23.1					
Burlington Mills	33.8	19.0	All textile products	30	Burlap, yard	11.8–21.9 cents	96
Pacific Mills	38.5	21.9	Cotton goods	45	Bleached muslin, yard	18.6–29.3 cents	58
Leather and leather products			Hides and leather products	51			
Amalgamated Leather Cos.	54.4	19.2	Hides and skins	82	Calf skins, pound	$0.218–$0.695	188
Grafton & Knight	22.4	12.6	Leather	78	Chrome calf, square foot	[illegible]	130
Crisse-Pflaum	51.7	31.3	Shoes	35	Men's oxfords, pair	$2.8[illegible]	67
Scott Leather	33.7	27.1					
Lumber and lumber basic products							
Harbor Plywood	31.1	20.5	Lumber	62	Douglas fir 2 by 4, thousand board feet	$41.53–$67.82	63
Long-Bell Lumber	22.0	11.3					
Mengel Co.	23.9	14.2					
Paper and allied products		14.4					
Container Corp.	32.3	18.6					
International Paper	23.6	15.1	Paper and pulp	38	Paperboard, lined thousand square feet	$2.09–$3.42	64
Union Bag & Paper	40.8	24.9			Sulfite pulp, ton	$82–$116	42
West Virginia Pulp & Paper	14.2	8.0					
Petroleum and coal products of		10.7					
Phillips Petroleum	11.4	7.8					
Shell Union Oil	14.9	11.7	Petroleum and products	46	Fuel oil, No 2, gallon	4.1–6.6 cents	61
Standard Oil (California)	11.6	9.8					
Tidewater Associated Oil	13.5	10.1					
Iron and Steel and their products		7.5					
American Rolling Mill	21.4	13.1					
Bethlehem Steel	9.6	7.0	Iron and steel products	28	Sheet steel (bar), gr. ton	$38–$66	74
Jones & Laughlin	7.3	5.2			Steel barrels, each	$2.98–$4.15	39
United States Steel	7.6	5.5			Structural steel shapes, 100 pounds	$2.35–$2.80	19
Nonferrous metals and their products							
Anaconda Copper	7.6	4.2	Nonferrous metals	43	Pig lead, pound	8.2–15 cents	82
Kennecott Copper	8.3	5.4			Electrolytic copper, pound	14.4–21.5 cents	50
Wholesale and retail trade							
Food distributing:							
American Stores	39.6	23.3					
Colonial Stores	34.5	17.6					
Kroger Co.	30.2	16.2					
National Tea	29.0	17.8					

[1] 6-month total. [2] Exceeds profits before taxes by amount of net tax refund. [3] Annual rate, 9-month base.

Sources: Annual industry data, Department of Commerce; 9-month industry data, 1946 and 1947, National City Bank (limited number of companies); company data, Moody's; prices, Bureau of Labor Statistics.

Mr. O'MAHONEY subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks during the day a copy of a radio address which I delivered last September on American production.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

AMERICAN PRODUCTION CAN WIN THE PEACE

(Radio broadcast of Senator JOSEPH C. O'MAHONEY, of Wyoming, over the American Broadcasting System, September 18, 1947)

Production won the war, production here in the United States. It will win the peace,

and without it there can be no peace with freedom.

This objective cannot be attained, however, unless we organize to achieve it. We organized to produce for war. Certainly we should not hesitate to organize to produce for peace.

When we organized for war we unhesitatingly gave to the President, by the unanimous action of Congress, power and money without stint or standard. The laws which were passed by Congress to win the war were a complete surrender to central authority of power to mobilize and direct all of our resources of manpower and materials.

In the crisis of conflict there was no hesitation, there was no dissent. Before we actually became involved in the war, the authorized national debt limit was $65,000,000,000. It was successively raised, until finally it reached $200,000,000,000. No vote was cast in Congress against that increase because no American in or out of the Government was willing to hold anything back to win military victory.

Now we want peace. The world wants peace. And Destiny has placed upon our shoulders the responsibility of winning that peace. It cannot be won without us. It cannot be won by force, for force means only another war, and another war means chaos. Peace can be won only by increased production, but since we fought the war to make certain that dictatorial power over the lives of people should be broken, the organization for peace must be one that will maintain freedom and avoid arbitrary central power. The organization that is needed to produce for peace must be different from the type of organization under which we produced for war.

Organization for peace must be such as will not surrender to central government the authority to tell us what we must do. Neither must it be such as will surrender to any central private authority any similar power. Rather, must it be an organization to release the initiative, the resourcefulness, and the production energy of all the people of America in their local communities and in their States. That is a condition which does not exist now, because the decisions which determine how much production we may have, and what sort, are being made not by the people in their home communities in the States and cities where the needs exist, but in the central offices of organized business. These decisions are not based upon the needs of the people, but upon the private purposes of the organizations which control American production.

All this was recently made clear when the steel industry of the United States decided to increase prices rather than to increase production. That decision may have been a perfectly sound and reasonable one from the point of view of the managers of the few units which control the steel productive capacity of the country. But it was not a sound decision from the point of view of the people in the appalling crisis of civilization now threatening to sweep away all individual liberty and establish an era of arbitrary totalitarian power throughout the world.

When the managers of the steel industry decided not to expand steel production, but rather to increase the prices of what they do produce, they placed a restriction upon the economic expansion of America. This restriction will be felt in every community throughout the land. It will be felt by almost every industry. It will be felt by people everywhere, and it will prevent the United States from achieving the new record production so necessary to win the peace.

To stop Hitler, we had to destroy the productive capacity of Europe, for we were engaged in total war. To stop Stalin, we must help Europe to rebuild, so that the productive capacity we destroyed may be restored and the people enabled to support themselves again by their own efforts.

To do that we must begin here in the United States to expand production in every possible way. We must show the people of Europe by our own example how, with modern science and technology, natural resources can be utilized to raise the standard of living to higher and higher levels. This cannot be accomplished by the restrictivist policies of the steel industry.

That these policies are restrictivist is capable of proof. The automobile industry, according to the testimony of Paul G. Hoffman, head of Studebaker Corp., before the Joint Committee on the Economic Report, did not manufacture 19,000,000 motor cars during the war. It was otherwise engaged. Thereby was built up a tremendous backlog of demand. This year the automobile industry, which as long ago as 1929 sold 4,000,000 cars, was planning to build 3,600,000 units. Everybody knows that many more cars could be sold this year if they were available, but they are not available because the automobile industry cannot get the steel with which to manufacture them.

The Automobile Manufacturers' Association, in its current booklet "Automobile Facts and Figures" tells us that one out of every seven persons employed in the United States is working, one way or another, in the highway transport industries, and that 27½ percent of all the persons employed in the automotive industry are veterans.

This booklet tells us that 4,710,000 school children in all the States of the Union are served daily by automotive busses, that 31 percent of all trucks and 16 percent of all cars are on the farms of the Nation, and that in 1946 farm demand for trucks was 42 percent greater than it was in 1940. Farms are producing more food than ever before. More trucks and cars will help to maintain and increase that production.

That is not all. One out of every six business concerns in the whole United States is engaged in one way or another in the automotive business. The total number is 537,470, according to the Automobile Manufacturers Association. These concerns are located in every community, in every county, in every State. They do the business which explains why the automobile industry uses more steel, more rubber, more glass, more nickel, more lead than any other industry. It is clear, therefore, that this industry is the very heart of American business, and that all America suffers when it is restrained.

The demand for steel, however, does not stop with the automobile. The livestock industry in many Western States is in dire need of steel pipe and casing to provide water for the meat animals which must feed America. Lack of steel will inevitably reduce the production of meat when we need it most.

We are using more petroleum and petroleum products now than was used even during the war, but the search for new sources of oil and the transportation of oil we have are both hampered by lack of steel.

The railroads need steel to build more freight cars to carry the tremendous output of American industry.

The American merchant marine has 91 fewer passenger ships than it had before the war, when 121 such vessels were flying the American flag. So we need more steel to build more ships.

We need more housing, we need more highways, and we need more steel for all these purposes.

But the industry says the demand is excessive and temporary, and tells us we should be satisfied with the standards of 1929 instead of looking forward to the steel consumption a fully employed America will need in 1959. This defeatist doctrine by which America is being shackled was proved to be unsound in the September 1947 issue of Steelways, published by the same American Iron and Steel Institute, the leaders of which are selling America short. This issue, just off the press, paints the picture of the constantly expanding demand for steel. "Five years ago," it tells us, "stainless steel was a virtually unknown material in American wineries. Today 75 percent of all new equipment going into American wineries is stainless steel, and the leaders of the industry predict that all winery equipment will shortly be stainless steel with the exception of the grapes themselves."

Another article tells how penicillin is being made possible by the miracle of steel. Another tells of the expanding demand for steel to build refrigerator cars so that fresh oysters and other fresh food may be delivered throughout the United States. Another [illegible] the neat, clean lines of a finished steel house. Another tells the amazing story of the steel-clad wind machine now just coming into use by lemon growers to drive the frost away from their orchards. Finally, the principal article, A Banker Looks at Steel, written by P. J. Hebart of the Continental Bank & Trust Co. of New York, tells us that though steel and iron have long been the foundation of our material progress and civilization, we can go far beyond that in assigning to steel the basic role in an economy based on productivity.

Into this picture of an expanding economy based on a demand as yet unmeasured, the fiscal managers of steel say we must put the clamps on production and turn backward toward the past. The explanation is that they fear a depression, and therefore they are increasing prices instead of production.

This story illustrates precisely what is wrong with our economy. We have not yet become accustomed to the revolutionary advances of modern technology which have made the people of America the industrial leaders of the world. We have not organized to make our tremendous industrial machine do the work of which it is capable.

Meanwhile, defeatists in business and in Congress seem on the verge of surrender. Some Members of the Senate seem even to be saying that we must have some unemployment if we are to stop rising prices, and that some people who now for the first time are getting enough to eat must be content to go back on a depression or a near-depression diet. I refuse to believe that we must have a second-class citizen in America. I know that the purchasing power of a fully employed people will make this country an even greater market than it has been, and that there is profit and prosperity for all if only we have the wit and the will to prepare for it by organization.

To produce for peace we must formulate a rule of economic order which will deny to both Government and to concentrated economic power authority to restrict the economic lives of the people; a rule which will encourage local and individual development; a rule which will restore economic freedom to the people; a rule which will encourage the preservation of the system of private property, and yet preserve the benefits derived from the great collective enterprises we call Big Business.

To do this, we must—

1. Reform the tax system so as to provide incentive for the investment of private capital in new and competitive enterprise, and for the expansion of productive facilities.

2. Maintain the antitrust laws so that monopoly shall not be able to restrain the new business established by tax reform.

3. Recognize that modern business requires organizations, industrial and commercial corporations, trade associations, agricultural associations, labor unions, and all the rest, and then provide a system of national charters for all such organizations establishing their powers, their duties, and their responsibilities, thus freeing them from discretionary regimentation by Government, and enabling them to cooperate to expand production.

I spoke of stimulating the investment of private capital. When we entered the war, the Government advanced huge sums to

expand our industrial productive facilities because private capital was unwilling to take the risk. It is just as important now as it was then that the Government should, by a positive program, encourage the construction of plant facilities to produce for peace. I have, therefore, recommended that the Congress undertake immediately to encourage such expansion by authorizing an accelerated rate of depreciation on all new facilities. This concession should be granted to big business as well as to little business, but in consideration national business should be willing to cooperate in the establishment of a pricing plan designed to prevent inflation and the exploitation of consumers.

One thing should be clear now to leaders in Government and in business. It is this: That the Soviet dictators are confident that capitalism is too greedy to save itself, that it is headed straight for another depression, and that when the depression comes communism will take over. This explains Russian policy. The Communists are counting on chaos, but we have it within our own hands to disappoint them. The consuming power of a fully employed America is so great that it will sustain a productive machine far greater than that which we now have, and by constructing such a machine we here in the United States can demonstrate to the peoples of Europe that permanent peace and a rising standard of living is possible of achievement by all peoples.

RETIREMENT OF FLEET ADMIRAL CHESTER W. NIMITZ

Mr. GURNEY. Mr. President, I wish to call the attention of the Senate to the departure today from Washington of a man whose great and courageous contribution to current history has had a significant impact upon the world. Today marks the termination of the duty of Fleet Admiral Chester W. Nimitz as Chief of Naval Operations. With his departure from Washington I feel certain that the Senate will agree that an era in the history of the United States Navy has ended.

It is unnecessary to recall more than briefly that in the darkest days of the war 6 years ago this month, he hoisted his flag aboard the submarine *Grayling* in Pearl Harbor, littered with the wreckage of the United States fleet, and there took upon his shoulders the responsibility of forcing his way island by island to Tokyo Bay; and it was in Tokyo Bay that there was consummated the great task to which the Nation had assigned him when he, among others, signed, aboard his flagship, the *Missouri*, the instrument of surrender by which he, as one of his Nation's top representatives accepted the capitulation of the Japanese Empire.

It has often been said that in times of greatest emergency great leaders appear. I think no one will dispute the fact that the leaders who appeared in the dark days of World War II are certain to be so classified. Certainly no one can dispute the place which the name of Chester W. Nimitz will hold, not only in any future naval hall of fame, but in the glorious history of the United States of America.

We all remember that after the Pearl Harbor disaster Admiral Nimitz took command of the Pacific Fleet, and despite tragic shortages of vessels, planes, and supplies, halted the Japanese advance. And then slowly, bitterly, and tenaciously he undertook an offensive which culminated in the decisive defeat of the greatest enemy fleet ever encountered by any nation in the history of naval warfare.

To him, as commander in chief of our fleet, in a great measure goes credit for the successful coordination of the multitude of tasks, many of them of fantastic complexity, which rested finally upon him in accomplishing the most effective utilization of all the forces under his command.

Mr. President, Admiral Nimitz, always true to his code as a naval officer, considers that he did only his duty. Leaving Washington, it is entirely fitting that he should make his home in California overlooking the blue Pacific. We can rest assured that so long as he lives he will there stand, his eyes looking westward, ever watchful of the safety of the country which already owes him so great a debt of gratitude.

Mr. CONNALLY. Mr. President, as a citizen of the State of Texas, I express my grateful thanks for the remarks the Senator from South Dakota has just made respecting Admiral Nimitz. Admiral Nimitz is a native of Texas, and we of that State are inordinately proud of his great achievements. I believe his name will rank along with those of the great naval heroes of the past, John Paul Jones, Admiral Nelson, and other shining names. As he goes into retirement our best wishes go with him for a period of rest, and of useful public service as a citizen, no doubt as a constant adviser of the Navy and the armed services. His achievements entitle him to high rank among the heroes of the Republic. His superb services to his native land and his lofty patriotism will always be remembered.

I join in the eloquent and fitting remarks made by the Senator from South Dakota.

EXPORT PROGRAM UNDER THE INTERIM AID AND OTHER FOREIGN RELIEF MEASURES

Mr. BUTLER. Mr. President, I want to take just a moment to call the attention of the Senate to the importance of keeping as large a proportion as possible of our export trade in the hands of private export firms and other private business enterprises.

This is a subject to which I believe we have given too little attention during recent months. The Foreign Aid Act of 1947 which we have just been considering, for example, gives no clearcut instructions as to whether the relief supplies to be furnished under its terms shall be procured by the Federal Government or shall be handled by private exporters. The same may be said of many of the other bills we have passed dealing with foreign assistance. In fact, in some of the other measures we have specifically provided for or permitted Government procurement rather than procurement through private channels.

Generally speaking, I believe this has been a mistake. It is an article of faith with most of us that private enterprise can handle operations of a business type more efficiently and at less expense than can a Government agency. Our various measures of foreign assistance have, it is true, boomed our export trade, but they have not had a correspondingly beneficial effect in strengthening the machinery for export by private firms. In many cases, it seems that our methods of administration for handling these exports have been deliberately designed to weaken the firms on whom we must depend to carry on our export trade of the future.

It is important to realize that our exports may come to play a much larger part in our national economic life, even after the reconstruction of Europe is completed, than they have in the past. The events of the last few years have made us much more dependent on a flourishing export market than we were before the war. If we expect to maintain a sizable volume of exports in the years to come, we shall need skilled men and experienced firms to carry on that trade.

It is equally important that this trade should be handled by those firms best qualified to give service to their foreign customers on a competitive basis. It is my opinion that in the past the administration of our export licensing system has tended to play into the hands of the larger firms rather than giving smaller businessmen a chance to share in the business. Certainly that is true in the case of flour exports, to which I have given particular attention. I believe we should take care of that question in the legislation we enact dealing with export controls.

In that connection, I would like to insert at this point in the RECORD a letter I have addressed to the Senator from Kentucky [Mr. COOPER], who has been holding hearings on the subject. The letter urges that the smaller firms be given an equal competitive chance with the larger ones, and I believe it is self-explanatory.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DECEMBER 13, 1947.

Hon. JOHN SHERMAN COOPER,
United States Senate.

MY DEAR SENATOR: You may recall that last summer when the question of the extension of export controls was up for consideration, I had several discussions with you on certain aspects of the legislation authorizing these controls, particularly with respect to the exports of wheat and flour. During the last few days, you have again had this question up for consideration in your committee. For that reason, I would like to bring my present views to your attention. In this letter I shall confine myself to the subject of export controls on flour.

Let me review briefly the present procedure in administering these controls. At present, after quotas have been set limiting the total amount of flour which may be exported, and dividing that total among the foreign countries to which it may be sent, the administering agency is faced with the problem of dividing up among exporters who desire to participate in the trade, the total quantity of permitted trade in flour. Always there are applications for authority to export more flour than would be permitted by the country quotas. The quantity permitted to be exported to each country is limited by means of licenses to the various exporters, and these licenses are issued on a so-called historical basis. That is, each exporter, with certain exceptions, is authorized to ship a quantity of flour in proportion to the quan-

tity shipped by him during a previous representative period

The effect of this system is to freeze almost completely the flour business in the hands of the old, established firms, and to prevent newcomers from coming into the trade to any substantial extent. Such a system of freezing on the basis of the status quo is, I believe, in fundamental conflict of our faith in the virtues of free competitive enterprise. Furthermore, it has the effect of granting a windfall to certain established firms, since the export trade of a licensed commodity is admittedly more profitable than the domestic trade. Finally, under the present procedure, the granting of these licenses is not made public, and there is no chance to secure official information as to the particular firms which have been granted the licenses, or the quantities for which such licenses have been granted.

It is bad enough that the Federal Government should be in the position of granting windfall profits to particular firms. To my mind, it amounts to a scandal when these grants are surrounded by secrecy. It is about the same as if a Government contract were awarded to a favored bidder without any public notice of the basis for the award. I understand that the justification given is that these firms have a right to keep secret the details of their business operations. But such an argument can hardly be accepted in this type of case. Business firms receiving grants of windfall proceeds from the Federal Government, even though such grants may be legitimate and justified, have no right to expect to have such grants concealed.

I am, therefore, writing to suggest that two major changes be made in the granting of these export licenses. First, I suggest that the historical basis be discarded entirely, and that licenses be issued either to the low bidder, as suggested by Mr. Harriman, or else that they be divided on the basis of confirmed sales negotiated. Second, I suggest that all licenses granted be publicly announced and published in the Federal Register.

I hope you will find it possible to give serious consideration to these suggestions. I recall that when the subject was under consideration last summer, you also were highly critical of the present method, and that you suggested a thorough review of the whole procedure. I believe it is time for us to make such changes in the law as are necessary, and that the suggestions I have made will do a great deal toward putting the whole business on a much more fair and equitable basis.

Very sincerely yours,

HUGH BUTLER.

Mr. BUTLER. Mr. President, in my judgment it is unfortunate that we have not really taken the time we should have to study this problem. I hope that at a later date it will be possible for the Senate to go into the whole question much more thoroughly.

AUTHORIZATION FOR SIGNING OF BILL

Mr. WHITE. Mr. President, I ask unanimous consent that during the recess of the Senate the President pro tempore of the Senate be authorized to sign the so-called interim-aid bill, if received.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed the bill (S. 1770) to amend the National Housing Act, as amended, with an amendment, in which it requested the concurrence of the Senate,

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1774) to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4469) to amend the act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof.

AMENDMENT OF NATIONAL HOUSING ACT

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1770) to amend the National Housing Act, as amended, which was in line 5, to strike out "$4,700,000,000" and insert "$4,450,000,000."

Mr. TAFT. Mr. President, I move that the Senate disagree to the amendment of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. TOBEY, Mr. BUCK, Mr. CAPEHART, Mr. MAYBANK, and Mr. TAYLOR conferees on the part of the Senate.

EXECUTIVE SESSION

Mr. WHITE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. DONNELL in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

Mr. REVERCOMB, from the Committee on Public Works, reported favorably the nomination of Col. Joseph S. Gorlinski, Corps of Engineers, to serve as member and secretary of the California Debris Commission.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

DEPARTMENT OF LABOR

The legislative clerk read the nomination of David A. Morse to be Under Secretary of Labor.

Mr. WHITE. Mr. President, I ask that the nomination be passed over.

Mr. BARKLEY. Mr. President, May I inquire why this nomination cannot be acted upon? It is an important nomination. We have quite a large Executive Calendar, upon which action should be taken.

Mr. WHITE. Mr. President, I am in complete agreement with the Senator from Kentucky in his statement that we have an Executive Calendar of substantial size and importance. I feel that Members who have well-founded objections to any nomination should be present to make their position known. As a matter of fact, however, I have been asked to request that several of these nominations be passed over.

Mr. BARKLEY. Mr. President, I understand that the Senator from Maine feels a disposition to respect the requests of absent Senators who leave word that they want him to have a nomination go over, and then leave the Chamber. It seems to me that at this stage of the session, when we are told that we are to adjourn on Friday or Saturday, with important nominations on the calendar, including that of a former Member of the United States Senate who was appointed to the National Labor Relations Board last year, and whose nomination was not acted upon, but has been reported to the Senate and has been on the calendar for several days, as well as the nomination of a Postmaster General of the United States, a member of the Cabinet of the President, which nomination has been on the calendar for several days, we should be prepared to take action. We all know that without a special resolution providing otherwise, these nominations lapse at the end of this session. They will not hold over until the January session.

It seems to me that in view of the consideration which has been given to these nominations in committees—some of them were pending in committee for weeks, and even months—we ought not, in a lackadaisical way, to postpone action upon Executive appointments because some absent Senator has left word that he wishes to object.

I can understand the compulsion on the Senator from Maine in that connection. However, let me say that if Senators are going to object to nominations, they ought to be present to make their objections known and the reasons therefor. Following today's session of the Senate I shall insist, if this and other nominations go over on the request of absent Senators, that we take them up and at least give the Senate an opportunity to vote on them.

Mr. WHITE. Mr. President, whatever I may do or say I am in complete sympathy with any action which the Senator from Kentucky may take with respect to these nominations after today.

Mr. BARKLEY. I thank the Senator. The Senator is always courteous and considerate. However, we are reaching the end of the session. Some of these nominations are important. Some of them, such as those in the Public Health Service, are more or less routine. I do not suppose that there will be objection to any of them. But certainly there should be no further delay in the confirmation of the nominations of members of the National Labor Relations Board and the General Counsel of the National Labor Relations Board, the nominations of

Postmaster General, Second Assistant Postmaster General, and other important nominations.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. WHITE. I yield.

Mr. TAFT. As chairman of the Committee on Labor and Public Welfare, I should like to see the nominations all confirmed today. The Senator from Utah [Mr. WATKINS] wishes to speak on one of the nominations. He is ready to speak. I did not know about the other objections.

If the nominations are to be passed over, I shall certainly insist that they be considered and disposed of on Wednesday.

Mr. BARKLEY. Of course, the Senator realizes that the nearer we come to the end of the week the easier it will be for any Senator, if he so desires, to interfere with action at all until the session is ended.

Mr. TAFT. I agree with the Senator. I think we ought to consider the nominations. I did not know about this last objection, which I understand comes from a different source.

Mr. WHITE. Mr. President, in accordance with the request made of me, I ask that the nomination be passed over.

The PRESIDING OFFICER. Without objection, the nomination of David A. Morse to be Under Secretary of Labor will be passed over.

Mr. BARKLEY. Mr. President, I am not objecting to the nomination being passed over, because I want to be as courteous to the Senator from Maine as he is to me at all times. However, I make no commitments beyond today as to any of these nominations.

ORDER OF BUSINESS

Mr. THOMAS of Utah. Mr. President, because of lack of time, and because I understand that it has been decided that this session shall come to an end at the close of this week, it seems to me that before consenting to unanimous-consent requests that nominations be passed over, we ought to know whether the Senate is to be in session so that we may consider these nominations. If we are to adjourn until Thursday, that will leave only 1 day. I wonder if the Republican leader will tell us what his intention is.

Mr. WHITE. Mr. President, I will be frank with the other side. I have stated why I objected to the present consideration of one nomination. I have no other reason on earth beyond the fact that I was requested by a Senator to do so.

It is the purpose to take a recess until Wednesday. I believe that there will be another call of the Executive Calendar. I certainly shall endeavor to bring it about.

Mr. THOMAS of Utah. Can we expect a call of the Executive Calendar on Wednesday, so that action can be taken? Furthermore, is it the intention of the Senator that the Senate shall be in session on Thursday and Friday?

Mr. WHITE. I cannot answer that question. It depends upon what happens in another place. However, if it is left to me and I can exercise any control, the Senate will meet on Wednesday, Thursday, Friday, and Saturday, unless somewhere along the way we decide to adjourn sine die.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. WHITE. I yield.

Mr. LUCAS. May I inquire whether the Senator who makes this objection is in the city?

Mr. WHITE. Yes; or he was a short while ago.

Mr. LUCAS. Can we not have a quorum call and proceed to the consideration of this nomination?

Mr. WHITE. We would not gain anything, because he has a long speech.

Mr. LUCAS. I am willing to listen to a long speech in order to clear up the Executive Calendar.

Mr. TAFT. Mr. President, the Senator from Utah [Mr. WATKINS] is ready to speak. However, I understand that objection comes from other sources. Is that correct?

Mr. WHITE. Let me complete a somewhat fuller statement.

The objections which I have been asked to urge apply to nominations in the Department of Labor; the nomination of Housing and Home Finance Administrator; the nomination of Federal Housing Commissioner, and nominations in the National Labor Relations Board. I understand that one Senator who had spoken to me in opposition to a certain nomination does not desire to vote against the nomination, but desires to make a brief explanatory statement of his attitude.

The objection also applies, on the second page of the calendar to the nomination in the Federal Mediation and Conciliation Service.

Then follow a great number of nominations in the Public Health Service, to which there is no objection. Coming nearly to the end of the calendar, so far as I have been advised there is no objection to the nominations in the Post Office Department, which include the nomination of Jesse M. Donaldson to be Postmaster General, and the nomination of Paul Aiken to be Second Assistant Postmaster General. There is no objection to the nomination for Administrator of Veterans' Affairs.

I have been asked also to request that the nomination for Federal Security Administrator be passed over.

I think I have performed my full duty when I have advised the Senate of the objections that I am making and the reasons for them.

Mr. BARKLEY. Mr. President, I suggest to the Senator from Maine and other Senators that we have executive business on the calendar. The Senator announced that what we shall do the rest of the week depends on what happens in the other body. I presume he has reference to the "runt" mouse known as the Wolcott bill, which has been produced by the laboring of the mountain.

Mr. WHITE. I would not express it in quite that way.

Mr. BARKLEY. At any rate, our action on the question of price control will depend somewhat on whether the House acts upon this diminutive animal which I think I have accurately described.

Mr. WHITE. I do not like the Senator's descriptive terms.

Mr. BARKLEY. Regardless of that, we have business in the form of an Executive Calendar. Why can we not meet tomorrow and let Senators speak to their hearts' content with reference to nominations, and then vote on them, so that if and when this animal comes over from the other body, we can identify it when it arrives, and can then determine what action to take upon it?

POST OFFICE DEPARTMENT

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. WHITE. I yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, I think there is one nomination on the calendar to which there is no objection. I have heard no disapproval. The committee was unanimous. Will the Senator yield to me to ask that the nomination of Jesse M. Donaldson to be Postmaster General be confirmed?

Mr. WHITE. I yield.

Mr. McKELLAR. Mr. President, I ask that the nomination be confirmed at this time.

The PRESIDING OFFICER. The nomination will be stated.

The legislative clerk read the nomination of Jesse M. Donaldson to be Postmaster General.

The PRESIDING OFFICER. Without objection, the nomination is confirmed, and, without objection, the President will be notified forthwith.

Mr. McKELLAR. Mr. President, I make the same request with respect to the nomination of Paul Aiken to be Second Assistant Postmaster General.

The PRESIDING OFFICER. The nomination will be stated.

The legislative clerk read the nomination of Paul Aiken to be Second Assistant Postmaster General.

Mr. BARKLEY. Mr. President, I suggest that the nomination of Mr. Paul Aiken to be Second Assistant Postmaster General be confirmed.

Mr. WHITE. I have no objection.

The PRESIDING OFFICER. Without objection, the nomination is confirmed, and, without objection, the President will be notified forthwith.

Mr. WHITE. Mr. President, in view of the situation which has developed, and influenced by the Senator from Kentucky——

Mr. TAFT. Mr. President, will the Senator yield?

Mr. WHITE. I yield.

Mr. TAFT. There is no objection to the nomination of Carl Raymond Gray, Jr., to be Administrator of Veterans' Affairs.

Mr. WHITE. I have no objection.

VETERANS' ADMINISTRATION

The legislative clerk read the nomination of Carl Raymond Gray, Jr., to be Administrator of Veterans' Affairs.

The PRESIDING OFFICER. Without objection, the nomination is confirmed; and, without objection, the President will be immediately notified.

PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read certain nominations in the Public Health Service.

Mr. TAFT. Mr. President, in order to save printing, I suggest that all the nominations in the Public Health Service be confirmed en bloc. I know of no objection.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc; and, without objection, the President will be immediately notified.

RECESS

Mr. WHITE. Mr. President, we have made some progress with the Executive Calendar. I think it should be understood by all Members of the Senate that we are to have a session tomorrow and that at some stage of the proceedings tomorrow there will be another effort to have an executive session for the consideration of nominations which have been passed over, and any others which may be in order. With that understanding, and with that statement, Mr. President, as in legislative session, I now move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 45 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, December 16, 1947, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 15 (legislative day of December 4), 1947:

DEPARTMENT OF JUSTICE

Peyton Ford, of Oklahoma, to be the Assistant to the Attorney General, vice Hon. Douglas W. McGregor, resigned.

HOUSING EXPEDITER

Tighe E. Woods, of Illinois, to be Housing Expediter.

IN THE ARMY

Maj. Gen. Henry Spiese Aurand, Army of the United States (brigadier general, United States Army), for appointment as Director, Service, Supply, and Procurement, United States Army, with the rank of lieutenant general under the provisions of section 504 of the Officer Personnel Act of 1947.

The following-named officers for appointment to the positions indicated under the provisions of section 504 of the Officer Personnel Act of 1947:

Lt. Gen. Joseph Lawton Collins, Army of the United States (brigadier general, United States Army), to be Deputy Chief of Staff, United States Army, with the rank of general.

Maj. Gen. Willard Stewart Paul, Army of the United States (brigadier general, United States Army), to be Director, Personnel and Administration, United States Army, with the rank of lieutenant general.

Maj. Gen. Stephen J. Chamberlin, Army of the United States (brigadier general, United States Army), to be Director of Intelligence, United States Army, with the rank of lieutenant general.

Maj. Gen. Manton Sprague Eddy, Army of the United States (brigadier general, United States Army), to be Director of Army Education System, and Commandant, Command and General Staff College, with the rank of lieutenant general.

The following-named officers for temporary appointments in the Army of the United States, to the grades indicated under the provisions of section 515 of the Officer Personnel Act of 1947:

To be major generals

Brig. Gen. Doyle Overlton Hickey, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. Joseph Cowles Mehaffey, Army of the United States (colonel, United States Army).

Brig. Gen. Jonathan Waverly Anderson, Army of the United States (colonel, United States Army).

Brig. Gen. Roscoe Campbell Crawford, assistant to the Chief of Engineers (colonel, United States Army).

Brig. Gen. James Kirk, assistant to the Chief of Ordnance (colonel, United States Army).

Brig. Gen. Alfred Bixby Quinton, Jr., Army of the United States (colonel, United States Army).

Brig. Gen. Henry Balding Lewis, assistant The Adjutant General (colonel, United States Army).

Brig. Gen. Charles Gardiner Helmick, Army of the United States (colonel, United States Army).

Brig. Gen. Douglas Lafayette Weart, Army of the United States (colonel, United States Army).

Brig. Gen. Henry Benton Sayler, assistant to the Chief of Ordnance (colonel, United States Army).

Brig. Gen. Vernon Evans, Army of the United States (colonel, United States Army).

Brig. Gen. Arthur Arnim White, Army of the United States (colonel, United States Army).

Brig. Gen. Stanley Lonzo Scott, Army of the United States (colonel, United States Army).

Brig. Gen. Charles Andrew Willoughby, Army of the United States (colonel, United States Army).

Brig. Gen. Roderick Random Allen, Army of the United States (colonel, United States Army).

Brig. Gen. Frank August Heileman, Army of the United States (colonel, United States Army).

Brig. Gen. Albert Cowper Smith, Army of the United States (colonel, United States Army).

Brig. Gen. William Frederic Marquat, Army of the United States (colonel, United States Army).

Brig. Gen. Abram Franklin Kibler, Army of the United States (colonel, United States Army).

Brig. Gen. John Ernest Dahlquist, Army of the United States (colonel, United States Army).

Brig. Gen. Lester Johnson Whitlock, Army of the United States (colonel, United States Army).

Brig. Gen. George Anthony Horkan, Assistant to the Quartermaster General (colonel, United States Army).

Brig. Gen. Ray Tyson Maddocks, Army of the United States (colonel, United States Army).

Brig. Gen. Hobart Raymond Gay, Army of the United States (colonel, United States Army).

Brig. Gen. Jerrey Vrchlicky Matejka, Army of the United States (colonel, United States Army).

Brig. Gen. Lewis Andrew Pick, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. William Herschel Middleswart, Assistant to the Quartermaster General (lieutenant colonel, United States Army).

Brig. Gen. Russel Burton Reynolds, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. William Oliver Reeder, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. William Maynadier Miley, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. Walter Leo Weible, Army of the United States (lieutenant colonel, United States Army).

To be brigadier general

Col. Franklin Prague Shaw, Army of the United States (lieutenant colonel, United States Army).

The following-named officers for appointment in the Regular Army of the United States to the grades indicated under the provisions of title V of the Officer Personnel Act of 1947, with dates of rank to be as established under the provisions of the aforementioned title:

To be major generals

Maj. Gen. Manton Sprague Eddy, Army of the United States (brigadier general, United States Army).

Lt. Gen. Joseph Lawton Collins, Army of the United States (brigadier general, United States Army).

Lt. Gen. Matthew Bunker Ridgway, Army of the United States (brigadier general, United States Army).

Lt. Gen. LeRoy Lutes, Army of the United States (brigadier general, United States Army).

Lt. Gen. John Reed Hodge, Army of the United States (brigadier general, United States Army).

Lt. Gen. John Edwin Hull, Army of the United States (brigadier general, United States Army).

Gen. Lucius DuBignon Clay, Army of the United States (brigadier general, United States Army).

Lt. Gen. Albert Coady Wedemeyer, Army of the United States (brigadier general, United States Army).

Lt. Gen. Raymond Stallings McLain, Army of the United States (brigadier general, United States Army).

Maj. Gen. Stephen J. Chamberlin, Army of the United States (brigadier general, United States Army).

Lt. Gen. Willis Dale Crittenberger, Army of the United States (brigadier general, United States Army).

Lt. Gen. Geoffrey Keyes, Army of the United States (brigadier general, United States Army).

Maj. Gen. Harold Roe Bull, Army of the United States (brigadier general, United States Army).

Maj. Gen. Henry Spiese Aurand, Army of the United States (brigadier general, United States Army).

Maj. Gen. James Alward Van Fleet, Army of the United States (brigadier general, United States Army).

Lt. Gen. Clarence Ralph Huebner, Army of the United States (brigadier general, United States Army).

Maj. Gen. Willard Stewart Paul, Army of the United States (brigadier general, United States Army).

Maj. Gen. Robert Sprague Beightler, Army of the United States (brigadier general, United States Army).

Maj. Gen. George Fleming Moore, Army of the United States (brigadier general, United States Army).

Maj. Gen. William Henry Harrison Morris, Jr., Army of the United States (brigadier general, United States Army).

Maj. Gen. Walter Melville Robertson, Army of the United States (brigadier general, United States Army).

Maj. Gen. Archibald Vincent Arnold, Army of the United States (brigadier general, United States Army).

Maj. Gen. Louis Aleck Craig, Army of the United States (brigadier general, United States Army).

Maj. Gen. Frank William Milburn, Army of the United States (brigadier general, United States Army).

Maj. Gen. George Jacob Richards, Army of the United States (brigadier general, United States Army).

Maj. Gen. Charles Wolcott Ryder, Army of the United States (brigadier general, United States Army).

Maj. Gen. Stafford LeRoy Irwin, Army of the United States (brigadier general, United States Army).

Maj. Gen. John William Leonard, Army of the United States (brigadier general, United States Army).

Maj. Gen. Alfred Maximilian Gruenther, Army of the United States (brigadier general, United States Army).

Maj. Gen. Joseph May Swing, Army of the United States (brigadier general, United States Army).

Maj. Gen. Edward Hale Brooks, Army of the United States (brigadier general, United States Army).

Maj. Gen. Wilton Burton Persons, Army of the United States (brigadier general, United States Army).

Maj. Gen. Glen Edgar Edgerton, Army of the United States (colonel, United States Army).

Maj. Gen. Everett Strait Hughes, Chief of Ordnance (colonel, United States Army).

Maj. Gen. Donald Hilary Connolly, Army of the United States (colonel, United States Army).

Lt. Gen. Raymond Albert Wheeler, Army of the United States (major general, Chief of Engineers and colonel, United States Army).

Maj. Gen. John Porter Lucas, Army of the United States (colonel, United States Army).

Maj. Gen. Ira Thomas Wyche, The Inspector General (colonel, United States Army).

Maj. Gen. John Louis Homer, Army of the United States (colonel, United States Army).

Maj. Gen. Albert Monmouth Jones, Army of the United States (colonel, United States Army).

Maj Gen. Clift Andrus, Army of the United States (colonel, United States Army).

Brig. Gen. Harry James Malony, Army of the United States (colonel, United States Army).

Maj. Gen. Edwin Pearson Parker, Jr., Army of the United States (colonel, United States Army).

Maj. Gen. John Breitling Coulter, Army of the United States (colonel, United States Army).

Maj. Gen. Lunsford Errett Oliver, Army of the United States (colonel, United States Army).

Maj. Gen. William Richard Schmidt, Army of the United States (colonel, United States Army).

Maj. Gen. Robert Walter Crawford, Army of the United States (colonel, United States Army).

Maj. Gen. Orlando Ward, Army of the United States (colonel, United States Army).

Maj. Gen. Jens Anderson Doe, Army of the United States (colonel, United States Army).

Maj. Gen. Thomas Bernard Larkin, The Quartermaster General (colonel, United States Army).

Maj. Gen. James Allen Lester, Army of the United States (colonel, United States Army).

Maj. Gen. Paul John Mueller, Army of the United States (colonel, United States Army).

Maj. Gen. Leland Stanford Hobbs, Army of the United States (colonel, United States Army).

Maj. Gen. Roscoe Barnett Woodruff, Army of the United States (colonel, United States Army).

Maj. Gen. Horace Logan McBride, Army of the United States (colonel, United States Army)

Maj. Gen. William Morris Hoge, Army of the United States (colonel, United States Army).

Maj. Gen. William Glenn Livesay, Army of the United States (colonel, United States Army).

Brig. Gen. Robert Walker Grow, Army of the United States (colonel, United States Army).

Maj. Gen. Edward Mallory Almond, Army of the United States (colonel, United States Army).

Maj. Gen. Percy William Clarkson, Army of the United States (colonel, United States Army).

Maj. Gen. Robert Chauncey Macon, Army of the United States (colonel, United States Army).

Maj. Gen. William Curtis Chase, Army of the United States (colonel, United States Army).

Maj. Gen. Leven Cooper Allen, Army of the United States (colonel, United States Army).

Maj. Gen. Withers Alexander Burress, Army of the United States (colonel, United States Army).

Maj. Gen. Daniel Noce, Army of the United States (colonel, United States Army).

Brig. Gen. John Matthew Devine, Army of the United States (colonel, United States Army).

Brig. Gen. Frederick Augustus Irving, Army of the United States (colonel, United States Army).

Maj Gen. William Willis Eagles, Army of the United States (colonel, United States Army).

Maj. Gen. Ernest Nason Harmon, Army of the United States (colonel, United States Army).

Brig. Gen. Arthur McKinley Harper, Army of the United States (colonel, United States Army).

Brig. Gen. Milton Baldridge Halsey, Army of the United States (colonel, United States Army).

Maj. Gen. Charles Love Mullins, Jr., Army of the United States (colonel, United States Army).

Maj. Gen. Frank Augustus Keating, Army of the United States (colonel, United States Army).

Brig. Gen. Herman Feldman, assistant to the Quartermaster General (colonel, United States Army).

Maj. Gen. Andrew Davis Bruce, Army of the United States (colonel, United States Army).

Maj. Gen. Charles Lawrence Bolté, Army of the United States (colonel, United States Army).

To be brigadier generals

Brig. Gen. Joseph Cowles Mehaffey, Army of the United States (colonel, United States Army).

Brig. Gen. Jonathan Waverly Anderson, Army of the United States (colonel, United States Army).

Brig. Gen. Roscoe Campbell Crawford, assistant to the Chief of Engineers (colonel, United States Army).

Brig. Gen. James Kirk, assistant to the Chief of Ordnance (colonel, United States Army).

Brig. Gen. Alfred Bixby Quinton, Jr., Army of the United States (colonel, United States Army).

Brig. Gen. Henry Balding Lewis, Assistant The Adjutant General (colonel, United States Army).

Brig. Gen. Charles Gardiner Helmick, Army of the United States (colonel, United States Army).

Brig. Gen. Douglas Lafayette Weart, Army of the United States (colonel, United States Army).

Brig. Gen. Henry Benton Sayler, Assistant to the Chief of Ordnance (colonel, United States Army).

Brig. Gen. Vernon Evans, Army of the United States (colonel, United States Army).

Brig. Gen. Arthur Arnim White, Army of the United States (colonel, United States Army).

Brig. Gen. Stanley Lonzo Scott, Army of the United States (colonel, United States Army).

Brig. Gen. Charles Andrew Willoughby, Army of the United States (colonel, United States Army).

Brig. Gen. Roderick Random Allen, Army of the United States (colonel, United States Army).

Brig. Gen. Frank August Heileman, Army of the United States (colonel, United States Army).

Brig. Gen. Albert Cowper Smith, Army of the United States (colonel, United States Army).

Brig. Gen. William Frederic Marquat, Army of the United States (colonel, United States Army).

Brig. Gen. Abram Franklin Kibler, Army of the United States (colonel, United States Army).

Brig. Gen. John Ernest Dahlquist, Army of the United States (colonel, United States Army).

Brig. Gen. Lester Johnson Whitlock, Army of the United States (colonel, United States Army).

Brig. Gen. George Anthony Horkan, Assistant to The Quartermaster General (colonel, United States Army).

Brig. Gen. Ray Tyson Maddocks, Army of the United States (colonel, United States Army).

Maj. Gen. Harry John Collins, Army of the United States (colonel, United States Army).

Brig. Gen. Hobart Raymond Gay, Army of the United States (colonel, United States Army).

Brig. Gen. Jerry Vrchlicky Matejka, Army of the United States (colonel, United States Army).

Brig. Gen. Lewis Andrew Pick, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. William Herschel Middleswart, Assistant to The Quartermaster General (lieutenant colonel, United States Army).

Brig. Gen. Russel Burton Reynolds, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. William Oliver Reeder, Army of the United States (lieutenant colonel, United States Army).

Maj. Gen. Robert Battey McClure, Army of the United States (lieutenant colonel, United States Army).

Maj. Gen. Lawrence Carmel Jaynes, Army of the United States (lieutenant colonel, United States Army).

Maj. Gen. Floyd Lavinius Parks, Army of the United States (lieutenant colonel, United States Army).

Maj. Gen. Hugh John Casey, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. William Maynadier Miley, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. Walter Leo Weible, Army of the United States (lieutenant colonel, United States Army).

Maj. Gen. Leslie Richard Groves, Army of the United States (brigadier general, assistant to the Chief of Engineers and lieutenant colonel, United States Army).

Maj. Gen. James George Christiansen, Army of the United States (lieutenant colonel, United States Army).

Maj. Gen. Paul Wilkins Kendall, Army of the United States (lieutenant colonel, United States Army).

Maj. Gen. Anthony Clement McAuliffe, Army of the United States (lieutenant colonel, United States Army).

Maj. Gen. Willard Gordon Wyman, Army of the United States (lieutenant colonel, United States Army).

Maj. Gen. William Benjamin Kean, Army of the United States (lieutenant colonel, United States Army).

Maj. Gen. Ewart Gladstone Plank, Army of the United States (lieutenant colonel, United States Army).

Maj. Gen. Lyman Louis Lemnitzer, Army of the United States (lieutenant colonel, United States Army).

Maj. Gen. Clovis Ethelbert Byers, Army of the United States (lieutenant colonel, United States Army).

Maj. Gen. Maxwell Davenport Taylor, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. Rollin Larrabee Tilton, Army of the United States (colonel, United States Army).

Brig. Gen. Francis Page Hardaway, Army of the United States (colonel, United States Army).

Brig. Gen. John Millikin, Army of the United States (colonel, United States Army).

Brig. Gen. Benjamin Curtis Lockwood, Jr., Army of the United States (colonel, United States Army).

Brig. Gen. Edward Montgomery, Army of the United States (colonel, United States Army).

Brig. Gen. Kenneth Thompson Blood, Army of the United States (colonel, United States Army).

Brig. Gen. Harry Lewis Twaddle, Army of the United States (colonel, United States Army).

Brig. Gen. Gordon Russell Young, Army of the United States (colonel, United States Army).

Brig. Gen. Charles Morton Milliken, Army of the United States (colonel, United States Army).

Brig. Gen. Edwin Albert Zundel, Army of the United States (colonel, United States Army).

Brig. Gen. Pearson Menoher, Army of the United States (colonel, United States Army).

Brig. Gen. Barnwell Rhett Legge, Army of the United States (colonel, United States Army).

Brig. Gen. Roy Charles Lemach Graham, Army of the United States (colonel, United States Army).

Brig. Gen. Robert Marks Bathurst, Army of the United States (colonel, United States Army).

Brig. Gen. Elbert Louis Ford, Army of the United States (colonel, United States Army).

Brig. Gen. William Kelly Harrison, Jr., Army of the United States (colonel, United States Army).

Brig. Gen. Aaron Bradshaw, Jr., Army of the United States (colonel, United States Army).

Brig. Gen. Laurence Bolton Keiser, Army of the United States (colonel, United States Army).

Brig. Gen. George David Shea, Army of the United States (colonel, United States Army).

Brig. Gen. Willard Wadsworth Irvine, Army of the United States (colonel, United States Army).

Brig. Gen. Everett Ernest Brown, Army of the United States (colonel, United States Army).

Brig. Gen. Eugene Martin Foster, Army of the United States (colonel, United States Army).

Brig. Gen. Lewis Charles Beebe, Army of the United States (colonel, United States Army).

Brig. Gen. George Leland Eberle, Army of the United States (colonel, United States Army).

Brig. Gen. William Brooks Bradford, Army of the United States (colonel, United States Army).

Brig. Gen. Ward Hale Maris, Army of the United States (colonel, United States Army).

Brig. Gen. William Edward Bergin, Army of the United States (colonel, United States Army).

Brig. Gen. Ralph Julian Canine, Army of the United States (colonel, United States Army).

Brig. Gen. John Kirkland Rice, Army of the United States (colonel, United States Army).

Brig. Gen. Robinson Earl Duff, Army of the United States (colonel, United States Army).

Brig. Gen. Thomas Wade Herren, Army of the United States (colonel, United States Army).

Brig. Gen. Hubert Don Hoover, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. Robert Oliver Shoe, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. Roy Victor Rickard, Army of the United States (lieutenant colonel, United States Army).

Brig Gen. John Huston Church, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. Alonzo Patrick Fox, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. Josef Robert Sheetz, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. Truman Casper Thorson, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. William Arthur Beiderlinden, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. Thomas Francis Hickey, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. Harry Benham Sherman, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. Jesmond Dene Balmer, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. Reuben Ellis Jenkins, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. Robert Homer Scule, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. Whitfield Putnam Shepard, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. Ira Platt Swift, Army of the United States (lieutenant colonel, United States Army).

Brig. Gen. Walter Joseph Muller, Army of the United States (lieutenant colonel, United States Army).

MEDICAL CORPS

To be major generals

Brig. Gen. John Mitchell Willis, Army of the United States (colonel, Medical Corps).

Maj. Gen. Raymond Whitcomb Bliss, The Surgeon General (colonel, Medical Corps).

Brig. Gen. George Corwin Beach, Jr., Assistant to The Surgeon General (colonel, Medical Corps).

Brig. Gen. Albert Walton Kenner, Army of the United States (colonel, Medical Corps).

Maj. Gen. Malcolm Cummings Grow, Army of the United States (colonel, Medical Corps).

To be brigadier generals

Brig. Gen. Omar Heinrich Quade, Army of the United States (colonel, Medical Corps).

Brig. Gen. Edward Allen Noyes, Assistant to The Surgeon General (colonel, Medical Corps).

Brig. Gen. James Albertus Bethea, Army of the United States (colonel, Medical Corps).

Brig. Gen. Guy Blair Denit, Army of the United States (colonel, Medical Corps).

Brig. Gen. Joseph Ignatius Martin, Army of the United States (colonel, Medical Corps).

DENTAL CORPS

To be major general

Brig Gen. Thomas Lovet Smith, Assistant to The Surgeon General (colonel, Dental Corps).

To be brigadier general

Col. Walter Duncan Love, Dental Corps.

VETERINARY CORPS

To be brigadier general

Col. James Alexander McCallam, Veterinary Corps.

CHAPLAINS

To be major general

Maj. Gen. Luther Deck Miller, Army of the United States (brigadier general, Chief of Chaplains and colonel, Corps of Chaplains).

To be brigadier general

Chaplain (Col.) James Hugh O'Neill, Army of the United States (lieutenant colonel, Corps of Chaplains).

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

MEDICAL CORPS

To be lieutenant colonels

Maj. Sam Foster Seeley, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. William Draper North, Medical Corps (temporary lieutenant colonel), with rank from June 27, 1946.

Maj. Clifford Veryl Morgan, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. William Henry Lawton, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. James Elmo Yarbrough, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Abner Zehm, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. John Winchester Rich, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Hervey Burson Porter, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Norman Hyde Wiley, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Paul Irwin Robinson, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Silas Beach Hays, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Henry William Daine, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Earl Maxwell, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Wilford F. Hall, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Daniel John Berry, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Roary Adlai Murchison, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Paul Hayes, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. George Hollander Donnelly, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Francis Willard Pruitt, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Elbert DeCoursey, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. John Frederick Bohlender, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Charles Scott Mudgett, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Ellis McFerrin Altfather, Medical Corps (temporary lieutenant colonel), with rank from June 27, 1946.

Maj. Aubrey LeVerne Bradford, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Rollin LeRoy Bauchspies, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. David Ernest Liston, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. John Ruxton Wood, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Jack William Schwartz, Medical Corps (temporary lieutenant colonel), with rank from June 27, 1946.

Maj. Clyde Lemuel Brothers, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Roger Gaylord Prentiss, Jr., Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. George Horsfall, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Harold Edward Schneider, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Olin Foster McIlnay, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Samuel Howard Alexander, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Warren Mimms Scott, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. James Harvey Turner, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Robert Eugene Bitner, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Alexander Otis Haff, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Gilles Edward Horrocks, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Ralph Matthew Thompson, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Paul Crump Gilliland, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Crawford Fountain Sams, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Clarence Woodson Hardy, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Robert Edward Lee, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Robert Edwin Peyton, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Harold Hanson Twitchell, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Clement Franklin St. John, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Duran H. Summers, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. James Hedges Forsee, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Walter Atwater Carlson, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Robert Moore Allott, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Edward Joseph Tracy, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Arnold Archibald Albright, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Robert Cabaniss Gaskill, Medical Corps (temporary lieutenant colonel), with rank from June 27, 1946.

Maj. Dan Clark Ogle, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. William Spencer Stone, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Milford T. Kubin, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. John Edward Pluenneke, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. James Donley Gardner, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Emmett Bryan Litteral, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Austin Lowrey, Jr., Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Carl Willard Tempel, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Muel Pazdral, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. George Dewey Newton, Medical Corps (temporary lieutenant colonel), with rank from June 27, 1946.

Maj. George Edward Leone, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Albert Henry Schwichtenberg, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Ehrling Lloyd Bergquist, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Wendell Axline Weller, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Clinton Stone Lyter, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Walter Lee Peterson, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Russell Samuel Leone, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Dwight Moody Kuhns, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Lawrence Abraham Matternes, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Arthur Lyman Streeter, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. John Alexander Isherwood, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Harold Bradley Luscombe, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Charles Lewis Baird, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Thomas Neilson Page, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Samuel Leonard Cooke, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Harold Eastman Coder, Medical Corps (temporary lieutenant colonel), with rank from June 27, 1946.

Maj. Victor Allen Byrnes, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. William Smith George, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Gustave Everett Ledfors, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Herbert Theodore Berwald, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Robert Reeve Estill, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Charles Laurn Leedham, Medical Corps (temporary colonel), with rank from June 27, 1946.

Maj. Frederick Cantwell Kelly, Medical Corps (temporary colonel), with rank from July 12, 1946.

Maj. William Henry Powell, Jr., Medical Corps (temporary colonel), with rank from July 12, 1946.

Maj. Junius Penny Smith, Medical Corps (temporary lieutenant colonel), with rank from July 14, 1946.

Maj. Harry George Armstrong, Medical Corps (temporary colonel), with rank from July 15, 1946.

Maj. Cleveland Rex Steward, Medical Corps (temporary colonel), with rank from October 5, 1946.

Maj. William A. Dains Woolgar, Medical Corps (temporary colonel), with rank from October 19, 1946.

Maj. Karl Rosenius Lundeberg, Medical Corps (temporary colonel), with rank from October 19, 1946.

Maj. Arthur Herman Corliss, Medical Corps (temporary colonel), with rank from October 19, 1946.

Maj. Jonathan Milton Rigdon, Medical Corps (temporary colonel), with rank from October 19, 1946.

Maj. Roland Keith Charles, Jr., Medical Corps (temporary lieutenant colonel), with rank from December 20, 1946.

Maj. Joseph Julius Hornisher, Medical Corps (temporary lieutenant colonel), with rank from December 22, 1946.

Maj. Frederic Ballard Westervelt, Medical Corps (temporary colonel), with rank from January 3, 1947.

Maj. Otis Otto Benson, Jr., Medical Corps (temporary colonel), with rank from February 1, 1947.

Maj. Kenneth Arthur Brewer, Medical Corps (temporary colonel), with rank from February 1, 1947.

Maj. Norman Wilhalm Anderson, Medical Corps (temporary colonel), with rank from February 1, 1947.

Maj. Paul Strimple Fancher, Medical Corps (temporary colonel), with rank from February 1, 1947.

Maj. Vinnie Hale Jeffress, Medical Corps (temporary colonel), with rauk from February 1, 1947.

Maj. Kenneth Frederick Ernst, Medical Corps (temporary colonel), with rank from February 1, 1947.

Maj. Theodore Longworth Finley, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1947.

Maj. Kermit Hoyt Gates, Medical Corps (temporary colonel), with rank from February 1, 1947.

Maj. Charles Lee Kirkpatrick, Medical Corps (temporary colonel), with rank from February 1, 1947.

Maj. Loyd Eugene Griffis, Medical Corps (temporary colonel), with rank from February 1, 1947.

Maj. Joseph Hamilton McNinch, Medical Corps (temporary colonel), with rank from February 1, 1947.

Maj. William Jeffers Kennard, Medical Corps (temporary colonel), with rank from February 1, 1947.

Maj. Edward Miller Sager, Medical Corps (temporary colonel), with rank from February 1, 1947.

Maj. Allan Brodie Ramsay, Medical Corps (temporary colonel), with rank from February 1, 1947.

Maj. Achilles Lacy Tynes, Medical Corps (temporary colonel), with rank from February 1, 1947.

Maj. Robert Barrett Skinner, Medical Corps (temporary colonel), with rank from February 1, 1947.

Maj. James Little Murchison, Medical Corps (temporary colonel), with rank from February 1, 1947.

Maj. William Clarence Knott, Medical Corps (temporary colonel), with rank from February 1, 1947.

Maj Paul Edmund Keller, Medical Corps (temporary colonel), with rank from February 1, 1947.

Maj. Albert Henry Robinson, Medical Corps (temporary colonel), with rank from February 1, 1947.

Maj. John Frederick Blatt, Medical Corps (temporary colonel), with rank from February 1, 1947.

Maj John Randolph Copenhaver, Medical Corps (temporary colonel), with rank from February 1, 1947.

Maj. Cyril Edward McEnany, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1947.

Maj. Frank Yearsley Leaver, Medical Corps (temporary colonel), with rank from February 1, 1947.

Maj. Leonard Neil Swanson, Medical Corps (temporary colonel), with rank from February 1, 1947.

Maj. John Ellsworth Roberts, Medical Corps (temporary colonel), with rank from April 1, 1947.

Maj. Ralph Vernon Plew, Medical Corps (temporary colonel), with rank from April 25, 1947.

Maj. Wayne Glassburn Brandstadt, Medical Corps (temporary lieutenant colonel), with rank from April 25, 1947.

Maj. Edward James Kendricks, Medical Corps (temporary colonel), with rank from May 1, 1947.

Maj. Oliver Harold Waltrip, Medical Corps (temporary lieutenant colonel), with rank from May 1, 1947.

Maj. Thomas James Hartford, Medical Corps (temporary colonel), with rank from July 2, 1947.

To be majors

Capt. William Edgar Wilkinson, Medical Corps (temporary colonel), with rank from March 1, 1944.

Capt. Charles Harden Schutt, Medical Corps (temporary lieutenant colonel), with rank from March 8, 1944.

Capt. Benjamin Anderson Strickland, Jr., Medical Corps (temporary lieutenant colonel), with rank from March 8, 1944.

Capt. Howard Hansen, Medical Corps (temporary colonel), with rank from March 17, 1944.

Capt. Edwin Matthew Goyette, Medical Corps (temporary colonel), with rank from March 22, 1944.

Capt. Harold Allen Myers, Medical Corps (temporary lieutenant colonel), with rank from April 6, 1944.

Capt. Hartwin Adolph Schulze, Medical Corps (temporary lieutenant colonel), with rank from April 22, 1944.

Capt. Frank Hiram Van Wagoner, Medical Corps (temporary colonel), with rank from May 1, 1944.

Capt. Clarence Asa Tinsman, Medical Corps (temporary colonel), with rank from May 1, 1944.

Capt. Donald Bullen Peterson, Medical Corps (temporary lieutenant colonel), with rank from May 1, 1944.

Capt. Raymond McKinley Williams, Medical Corps (temporary lieutenant colonel), with rank from June 1, 1944.

Capt. Lloyd Ethan Gould, Medical Corps (temporary colonel), with rank from June 1, 1944.

Capt. Henry Armand Kind, Medical Corps (temporary lieutenant colonel), with rank from June 12, 1944.

Capt. Theodore Cleveland Bedwell, Jr., Medical Corps (temporary colonel), with rank from June 17, 1944.

Capt. Charles Bateman Perkins, Medical Corps (temporary lieutenant colonel), with rank from June 19, 1944.

Capt. Robert Joseph Benford, Medical Corps (temporary colonel), with rank from June 28, 1944.

Capt. James Peter Pappas, Medical Corps (temporary lieutenant colonel), with rank from July 9, 1944

Capt. Paul Owen Wells, Medical Corps (temporary colonel), with rank from July 16, 1944.

Capt. Arnold Lorentz Ahnfeldt, Medical Corps (temporary lieutenant colonel), with rank from August 11, 1944.

Capt. Raymond Edward Duke, Medical Corps (temporary colonel), with rank from August 16, 1944.

Capt. Beverly Dixon Holland, Medical Corps (temporary lieutenant colonel), with rank from August 22, 1944.

Capt. Santino Joseph Lerro, Medical Corps (temporary lieutenant colonel), with rank from September 10, 1944.

Capt. Charles Olin Bruce, Jr., Medical Corps (temporary colonel), with rank from September 17, 1944.

Capt. Francis Fred Viglione, Medical Corps (temporary lieutenant colonel), with rank from October 30, 1944.

Capt. Claude Benjamin White, Medical Corps (temporary lieutenant colonel), with rank from November 6, 1944.

Capt. Andrew Frederick Scheele, Medical Corps (temporary lieutenant colonel), with rank from November 16, 1944.

Capt. Clark Bolton Meador, Medical Corps (temporary lieutenant colonel), with rank from November 29, 1944.

Capt. Howard Amos Van Auken, Medical Corps (temporary lieutenant colonel), with rank from December 1, 1944.

Capt. John Henry Taber, Medical Corps (temporary lieutenant colonel), with rank from December 6, 1944.

Capt. James Edward Tate, Medical Corps (temporary lieutenant colonel), with rank from December 15, 1944.

Capt. Charles Henry Moseley, Medical Corps (temporary lieutenant colonel), with rank from December 19, 1944.

Capt. Walter Richard Cook, Medical Corps (temporary lieutenant colonel), with rank from January 1, 1945.

Capt. Frank Wilson Threadgill, Medical Corps (temporary lieutenant colonel), with rank from January 8, 1945.

Capt. George John Matt, Medical Corps (temporary lieutenant colonel), with rank from January 18, 1945.

Capt. Paul Charles Sheldon, Medical Corps (temporary lieutenant colonel), with rank from January 20, 1945.

Capt. John Chisholm Fitzpatrick, Medical Corps (temporary colonel), with rank from February 1, 1945.

Capt. Levi Martin Browning, Medical Corps (temporary colonel), with rank from February 1, 1945.

Capt. John William Kemble, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1945.

Capt. John William Raulston, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1945.

Capt. William Ferrall Cook, Medical Corps (temporary colonel), with rank from February 1, 1945.

Capt. Conn Lewis Milburn, Jr., Medical Corps (temporary colonel), with rank from February 1, 1945.

Capt. James Thomas McGibony, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1945.

Capt. Robert Henry Blount, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1945.

Capt. John Kemp Davis, Medical Corps (temporary colonel), with rank from February 1, 1945.

Capt. Wilbur Carmen Berry, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1945.

Capt. Karl Herbert Houghton, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1945.

Capt. Kenneth Somers, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1945.

Capt. Edward Sigerfoos, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1945.

Capt. Horace Craig Gibson, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1945.

Capt. Frank Rodney Drake, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1945.

Capt. Jack Segal, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1945.

Capt Harold Augustus Vinson, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1945.

Capt. Nicholas Fred Atria, Medical Corps (temporary lieutenant colonel), with rank from February 8, 1945.

Capt. Joseph Wallace Batch, Medical Corps (temporary lieutenant colonel), with rank from February 26, 1945.

Capt. John Joseph Pelosi, Medical Corps (temporary lieutenant colonel), with rank from March 1, 1945.

Capt. William Harry Amspacher, Medical Corps (temporary colonel), with rank from March 8, 1945.

Capt. Patrick Ignatius McShane, Medical Corps (temporary lieutenant colonel), with rank from March 11, 1945.

Capt. Louis Samuel Leland, Medical Corps (temporary lieutenant colonel), with rank from March 20, 1945.

Capt. Roosevelt Cafarelli, Medical Corps (temporary colonel), with rank from May 5, 1945.

Capt. Laurence Alexander Bilotta, Medical Corps (temporary lieutenant colonel), with rank from June 8, 1945.

Capt. Philip Wallace Mallory, Medical Corps (temporary lieutenant colonel), with rank from July 20, 1945.

Capt. John Robert McGraw, Medical Corps (temporary colonel), with rank from August 4, 1945.

Capt. Hal Bridges, Medical Corps (temporary major), with rank from August 10, 1945.

Capt. Romeyn James Healy, Jr., Medical Corps (temporary lieutenant colonel), with rank from August 15, 1945.

Capt. Ralph Townsend Artman, Medical Corps (temporary lieutenant colonel), with rank from August 28, 1945.

Capt. Wayne Creekmore Pittman, Medical Corps (temporary lieutenant colonel), with rank from September 1, 1945.

Capt John Brancato, Medical Corps (temporary lieutenant colonel), with rank from September 5, 1945.

Capt. Andres Gilberto Oliver, Medical Corps (temporary colonel), with rank from October 18, 1945.

Capt. Raymond Harold Bunshaw, Medical Corps (temporary lieutenant colonel), with rank from November 1, 1945.

Capt. Robert Paul Hughes, Medical Corps (temporary lieutenant colonel), with rank from December 10, 1945.

Capt. Earl Cranston Lowry, Medical Corps (temporary colonel), with rank from December 17, 1945.

Capt. Charles H. Gingles, Medical Corps (temporary lieutenant colonel), with rank from January 17, 1946.

Capt. John Boyd Coates, Jr., Medical Corps (temporary colonel), with rank from January 17, 1946.

Capt. Byron Edward Pollock, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1946.

Capt. William Donald Preston, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1946.

Capt. Winston Hunter Vaughan, Jr., Medical Corps (temporary lieutenant colonel), with rank from February 1, 1946.

Capt. Richard Patrick Mason, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1946.

Capt. Daniel Joseph Sheehan, Medical Corps (temporary colonel), with rank from February 1, 1946.

Capt. Donald Edgar Carle, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1946.

Capt. Thomas Donald McCarthy, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1946.

Capt. James Bernard Seaman, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1946.

Capt. Henry McClellan Greenleaf, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1946.

Capt. Clark Batchelder Williams, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1946.

Capt. Michael Louis Sheppeck, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1946.

Capt. Merrill Clark Davenport, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1946

Capt. John Washington Simpson, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1946.

Capt. Melvin Frederic Eyerman, Medical Corps (temporary lieutenant colonel), with rank from February 12, 1946.

Capt. Frederick James Knoblauch, Medical Corps (temporary lieutenant colonel), with rank from February 15, 1946.

Capt. Eugene Richard Inwood, Medical Corps (temporary lieutenant colonel), with rank from February 23, 1946.

Capt. Oswald Raymond Jensen, Medical Corps (temporary lieutenant colonel), with rank from March 6, 1946.

Capt. William Theodore Lane, Medical Corps (temporary lieutenant colonel), with rank from March 26, 1946.

Capt. Norman Everett Peatfield, Medical Corps (temporary colonel), with rank from April 21, 1946.

Capt. George Zalkan, Medical Corps (temporary lieutenant colonel), with rank from May 12, 1946.

Capt. John William Linfesty, Medical Corps (temporary lieutenant colonel), with rank from May 15, 1946.

Capt. Thomas Earl Patton, Jr., Medical Corps (temporary colonel), with rank from July 1, 1946.

Capt. Henry Clay Vedder, Medical Corps (temporary major), with rank from July 17, 1946.

Capt. Leon Joseph Numainville, Medical Corps (temporary lieutenant colonel), with rank from July 17, 1946.

Capt. Charles Kasile Morris, Medical Corps (temporary lieutenant colonel), with rank from August 19, 1946.

Capt. Robert Walker Robinson, Medical Corps (temporary lieutenant colonel), with rank from September 1, 1946.

Capt. Francis Wilson Regnier, Medical Corps (temporary lieutenant colonel), with rank from September 25, 1946.

Capt. Clarence Raymond Brown, Medical Corps (temporary lieutenant colonel), with rank from November 1, 1946.

Capt. Leo Joseph Butler, Medical Corps (temporary lieutenant colonel), with rank from November 10, 1946.

Capt. Frank Whitton Govern, Medical Corps (temporary lieutenant colonel), with rank from November 26, 1946.

Capt. Richard Ray Cameron, Medical Corps (temporary lieutenant colonel), with rank from November 28, 1946.

Capt. Alfred Pembroke Thom, 3d, Medical Corps (temporary lieutenant colonel), with rank from December 12, 1946.

Capt. Joseph Thomas Caples, Medical Corps (temporary lieutenant colonel), with rank from December 12, 1946.

Capt. Julius John Snyder, Medical Corps (temporary lieutenant colonel), with rank from December 12, 1946.

Capt. Adanto Arcangelo Secondo D'Amore, Medical Corps (temporary lieutenant colonel), with rank from December 12, 1946.

Capt. Martin Andrew Compton, Medical Corps (temporary lieutenant colonel), with rank from December 12, 1946.

Capt. Robert Beardsworth Lewis, Medical Corps (temporary lieutenant colonel), with rank from December 12, 1946.

Capt. Frank Gordon Stephens, Medical Corps (temporary lieutenant colonel), with rank from December 12, 1946.

Capt. Forrest Edgar Hull, Medical Corps (temporary lieutenant colonel), with rank from December 12, 1946.

Capt. Jackson Franklin Morehead, Medical Corps (temporary lieutenant colonel), with rank from December 19, 1946.

Capt. John Henry Voegtly, Medical Corps (temporary lieutenant colonel), with rank from December 19, 1946.

Capt. John Austin Booth, Medical Corps (temporary lieutenant colonel), with rank from January 3, 1947.

Capt. Robert Scurry Anderson, Medical Corps (temporary lieutenant colonel), with rank from January 17, 1947.

Capt. Arthur Thomas Jones, Medical Corps (temporary major), with rank from January 21, 1947.

Capt. Charles Culmer Scamahorn, Medical Corps (temporary lieutenant colonel), with rank from January 21, 1947.

Capt. Robert Sexton Higdon, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1947.

Capt. Fred James Fielding, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1947.

Capt. Herbert Downing Edger, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1947.

Capt. Ernest Martin Nielsen, Medical Corps (temporary colonel), with rank from February 1, 1947.

Capt. Robert McAllister Davis, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1947.

Capt. Edwin Wayne Hakala, Medical Corps (temporary colonel), with rank from February 1, 1947.

Capt. Homan Elfred Leech, Medical Corps (temporary colonel), with rank from February 1, 1947.

Capt. Philip Jack Smith, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1947.

Capt. Myles Patton Moursund, Medical Corps (temporary lieutenant colonel), with rank from February 1, 1947.

Capt. Fred George Lahourcade, Medical Corps (temporary lieutenant colonel), with rank from February 15, 1947.

Capt. Doss Owen Lynn, Medical Corps (temporary lieutenant colonel), with rank from March 15, 1947.

Capt. Hallman Earl Sanders, Medical Corps (temporary lieutenant colonel), with rank from March 18, 1947.

Capt. John Randall McBride, Medical Corps (temporary colonel), with rank from March 29, 1947.

Capt. Wendell Playfair Harris, Medical Corps (temporary lieutenant colonel), with rank from April 26, 1947.

Capt. Alonzo Bee Christie, Jr., Medical Corps (temporary lieutenant colonel), with rank from May 1, 1947.

Capt. John Beardsley Wallace, Medical Corps (temporary lieutenant colonel), with rank from May 22, 1947.

Capt. Oscar Elliott Ursin, Medical Corps (temporary lieutenant colonel), with rank from June 17, 1947.

DENTAL CORPS

To be lieutenant colonels

Maj. Roger Giles Miller, Dental Corps (temporary colonel), with rank from June 27, 1946.

Maj. Leland Stanford Mabry, Dental Corps (temporary lieutenant colonel), with rank from June 27, 1946.

Maj. James Simon Cathroe, Dental Corps (temporary colonel), with rank from June 27, 1946.

Maj. Tyler James Walker, Dental Corps (temporary colonel), with rank from September 16, 1946.

Maj. Henry Richard Sydenham, Dental Corps (temporary lieutenant colonel), with rank from September 17, 1946.

Maj. Leland Grant Meder, Dental Corps (temporary lieutenant colonel), with rank from December 9, 1946.

Maj. Samuel Rush Haven, Dental Corps (temporary lieutenant colonel), with rank from December 14, 1946.

To be majors

Capt. Marion Lawerance Mills, Dental Corps (temporary lieutenant colonel), with rank from July 5, 1944.

Capt. Robert Donald Johnson, Dental Corps (temporary lieutenant colonel), with rank from July 25, 1944.

Capt. Egar Gunther, Dental Corps (temporary lieutenant colonel), with rank from July 28, 1944.

Capt. Bernard Charles Hammon, Dental Corps (temporary lieutenant colonel), with rank from September 1, 1944.

Capt. Stanley Foster Steele, Dental Corps (temporary lieutenant colonel), with rank from December 17, 1944.

Capt. Jack Monroe Hawkins, Dental Corps (temporary major), with rank from December 21, 1944.

Capt. Charles Max Farber, Dental Corps (temporary lieutenant colonel), with rank from December 23, 1944.

Capt. George Henry Timke, Jr., Dental Corps (temporary major), with rank from February 11, 1945.

Capt. Clyde Danford Oatman, Jr., Dental Corps (temporary lieutenant colonel), with rank from February 26, 1945.

Capt. Maurice Edson Washburn, Dental Corps (temporary major), with rank from March 1, 1945.

Capt. Edmund Harold Van Dervort, Dental Corps (temporary lieutenant colonel), with rank from June 7, 1945.

Capt. Edward Goodwin Austin, Dental Corps (temporary major), with rank from August 15, 1945.

Capt. Robert Bruce Loos, Dental Corps (temporary lieutenant colonel), with rank from September 8, 1945.

Capt. Stuart E. Hays, Jr., Dental Corps (temporary major), with rank from September 8, 1945.

Capt. Cephas William Gary, Dental Corps (temporary lieutenant colonel), with rank from September 22, 1945.

Capt. Wayne Alden Hayes, Dental Corps (temporary lieutenant colonel) with rank from September 22, 1945.

Capt. William Victor Hill, Dental Corps (temporary major), with rank from September 22, 1945.

Capt. Paul Wilson Holter, Dental Corps (temporary lieutenant colonel), with rank from October 5, 1945.

Capt. Ellsworth Kessler Kelly, Dental Corps (temporary lieutenant colonel), with rank from October 5, 1945.

Capt. Walter John Reuter, Dental Corps (temporary lieutenant colonel), with rank from October 5, 1945.

Capt Maurice Cooper Harlan, Dental Corps (temporary lieutenant colonel), with rank from November 10, 1945.

Capt. William Harold Day, Dental Corps (temporary lieutenant colonel), with rank from December 1, 1945.

Capt. Martin Frederick Sullivan, Dental Corps (temporary lieutenant colonel), with rank from December 1, 1945.

Capt. James O'Neil Mitchell, Dental Corps (temporary lieutenant colonel), with rank from December 10, 1945.

Capt. Charles Kenneth Reger, Dental Corps (temporary lieutenant colonel) with rank from December 15, 1945.

Capt. Francis Emmett Cummings, Dental Corps (temporary major), with rank from January 1, 1946.

Capt. Thayne Foster McManis, Dental Corps (temporary lieutenant colonel), with rank from January 1, 1946.

Capt. Glynn Bryan Widner, Dental Corps (temporary lieutenant colonel), with rank from February 17, 1946.

Capt. William Preston Barnes, Jr., Dental Corps (temporary major), with rank from April 14, 1946.

Capt. Donald Malcolm O'Hara, Dental Corps (temporary lieutenant colonel), with rank from April 14, 1946.

Capt. Clare Thomas Budge, Dental Corps (temporary lieutenant colonel), with rank from June 8, 1946.

Capt. Carlos Francis Schuessler, Dental Corps (temporary lieutenant colonel), with rank from August 3, 1946.

Capt. James Shira Pegg, Dental Corps (temporary lieutenant colonel), with rank from August 17, 1946.

Capt. Thomas James Hagen, Dental Corps (temporary lieutenant colonel), with rank from September 1, 1946.

Capt. William Brooks Simms, Dental Corps (temporary lieutenant colonel), with rank from September 1, 1946.

Capt. John Eugene Finnegan, Dental Corps (temporary lieutenant colonel), with rank from September 1, 1946.

Capt. Frederick Reuben Corbin, Dental Corps (temporary lieutenant colonel), with rank from September 1, 1946.

Capt. Frederick Henry Richardson, Jr., Dental Corps (temporary lieutenant colonel), with rank from September 1, 1946.

Capt. Henry Stuart Carroll, Dental Corps (temporary lieutenant colonel), with rank from September 1, 1946.

Capt. Donald Bliss Lenkerd, Dental Corps (temporary lieutenant colonel), with rank from September 1, 1946.

Capt. Frank Garvey Bolton, Dental Corps (temporary lieutenant colonel), with rank from September 1, 1946.

Capt. William Foster Perkins, Jr., Dental Corps (temporary lieutenant colonel), with rank from September 28, 1946.

Capt. Walter Nicholls Graham, Dental Corps (temporary lieutenant colonel), with rank from October 10, 1946.

Capt. Charles Sidney Winston, Dental Corps (temporary major), with rank from November 1, 1946.

Capt. Clarence Ellwyn Sheets, Jr., Dental Corps (temporary lieutenant colonel), with rank from December 24, 1946.

Capt. Willard LaGrand Nielsen, Dental Corps (temporary lieutenant colonel), with rank from April 4, 1947.

Capt. William Paxton Fly, Jr., Dental Corps (temporary lieutenant colonel), with rank from April 16, 1947.

Capt. Robert Bruce Shira, Dental Corps (temporary lieutenant colonel), with rank from April 18, 1947.

Capt. Calvin George Hagerman, Dental Corps (temporary major), with rank from May 17, 1947.

Capt. Herbert Lester Gullickson, Dental Corps (temporary lieutenant colonel), with rank from May 19, 1947.

Capt. Lawrence Carlton Radford, Dental Corps (temporary major), with rank from May 24, 1947.

Capt. Donald Charles Hudson, Dental Corps (temporary lieutenant colonel), with rank from June 8, 1947.

Capt. Leon Guin McConnell, Dental Corps (temporary major), with rank from June 8, 1947.

Capt. Winlaw Archiebald Priebe, Dental Corps (temporary lieutenant colonel), with rank from June 8, 1947.

Capt. Benjamin Walter Dunn, Dental Corps (temporary major), with rank from June 8, 1947.

VETERINARY CORPS

To be lieutenant colonels

Maj. John Lloyd Owens, Veterinary Corps (temporary colonel), with rank from June 29, 1946.

Maj. Maurice Wendell Hale, Veterinary Corps (temporary lieutenant colonel), with rank from March 25, 1947.

To be majors

Capt. Lloyd Christopher Tekse, Veterinary Corps (temporary lieutenant colonel), with rank from May 30, 1946.

Capt. Wayne Devere Shipley, Veterinary Corps (temporary major), with rank from June 22, 1946, subject to examination.

Capt. Walter Tederoff Carll, Veterinary Corps (temporary major), with rank from August 4, 1946.

Capt. Stephen Grieve Asbill, Veterinary Corps (temporary lieutenant colonel), with rank from January 14, 1947.

Capt. Benjamin Francis Leach, Veterinary Corps (temporary lieutenant colonel), with rank from January 16, 1947.

Capt. Earl Goss Kingdon, Veterinary Corps (temporary major), with rank from March 20, 1947.

Capt. Charles Edwin Robinson, Veterinary Corps (temporary major), with rank from March 24, 1947.

NOTE.—These officers, except Maj. Cyril Edward McEnany, Medical Corps, and Capt. Charles Edwin Robinson, Veterinary Corps, were promoted during the recess of the Senate.

ARMY NURSE CORPS AND WOMEN'S MEDICAL SPECIALIST CORPS

The following-named persons, under the provisions of an act of Congress approved April 16, 1947 (Public Law 36, 80th Cong.), for appointment in the Regular Army in the Army Nurse Corps and the Women's Medical Specialist Corps in the grade specified, with date of rank to be determined by the Secretary of the Army pursuant to provisions of the mentioned act. These officers have been selected to fill existing vacancies in the grades for which they are nominated and appointments in these grades will not act to exceed the number of positions authorized for such grades:

To be captains

Ada M. Bowers, WMSC(OT).
Olena M. Cole, WMSC(PT), M668.
Marcella A. Conlon, WMSC(PT), M455.
Christine D. Ehlers, WMSC(PT), M838.
Elizabeth C. Jones, WMSC(PT), M524.
Alberta H. Knips, ANC, N736312.
Elsie Kuraner, WMSC(PT), M450.
Donna S. Lowe, WMSC (Diet), R492.
Edna Lura, WMSC(PT), M527.
Eleanor M. Marshall, WMSC(PT), M442.
Mary M. Merrick, ANC, N700642.
Eleanor L. Mitchell, WMSC (Diet), R338.
Florence B. Pierson, WMSC (Diet), R656.
Leah E. Teale, WMSC (Diet), R413.
Audrey A. Underkofler, WMSC(PT), M701.
Nell Wickliffe, WMSC (Diet), R79.
Derlie Winstead, ANC, N704128.

To be first lieutenants

Felicina M. Accordini, ANC, N763489.
Mildred E. Adams, ANC, N787722.
Phyllis W. Adams, ANC, N743380.
Virginia R. Adams, ANC, N771701.
Dorothy M. Aimo, ANC, N777381.
Rena J. Alexander, ANC, N727701.
Doris M. Allison, WMSC (Diet), R1161.
Rena L. Andersen, ANC, N755049.
Audray E. Arnold, ANC, N730995.
Nelna M. Arp, ANC, N734387.
Alice J. Arrington, ANC, N735376.
Lillian V. Avery, ANC, N726133.
Julia W. Baker, ANC, N723736.
Margaret M. Barnosky, ANC, N761077.
Anne E. Batho, ANC, N795821.
Margaret G. Bishop, ANC, N732559.
Ruby J. Blasingame, ANC, N734757.
Grace D. Boisvert, ANC, N730776.
Ann Bosshard, ANC, N734954.
Myfanwy M. Bowden, ANC, N787244.
Patricia I. Boyle, ANC, N723120.
Mary C. Brady, ANC, N768494.
Virginia N. Brice, WMSC (Diet), R2009.
Winifred M. Briggs, ANC, N703937.
Glenna M. Briley, ANC, N779580.
Edith E Brown, ANC, N730399.
Margaret A. Brown, ANC, N764648.
Elizabeth M. Cale, ANC, N742775.
Alma C. Cancian, ANC, N727973.
Florence M. Christman, ANC, N723724.
E. Lynne Christy, ANC, N725397.
Valerie P. Cigagna, ANC, N790456.
Lacadia M. Clarke, ANC, N768277.
Mildred P. Coleman, ANC, N762630.
Inez R. Combites, ANC, N734998.
Rita V. Conners, ANC, N745120.
Grace A. Crate, ANC, N797218.
Margaret E. Croskery, ANC, N720636.
Barbara M. Cullom, ANC, N731496.
Nannie C. Curtis, ANC, N744963.
Virginia B. Dailey, ANC, N759753.
Edith M. Daughtry, ANC, N790261.
Margaret E. Davis, ANC N727220.
Helen G. Debellis, ANC, N733179.
Eloise R. Deege, ANC, N778457.
Isabelle Delaney, WMSC (Diet.), R1125.
Jewell Dennis, ANC, N764083.
Helen T. Devine, ANC, N751410.
Lois R. Dimmerling, ANC, N729672.
Flora J. Ditchfield, ANC, N724850.
June E. Dixon, ANC, N773331.
Lilamae Dixon, ANC, N801400.
Jane M. Duey, ANC, N728928.
Hazel B. Duncan, ANC, N726915.
Elsie F. Easterling, ANC, N727542.
Edyth H. Emerson, WMSC (Diet.), R2221.
Jennie L. Farnsworth, WMSC (Diet.), R1326.
Alice E. Featherstone, WMSC (Diet.), R1385.
Mary Fedor, ANC, N727440.
Margaret L. Flye, ANC, N764351.
Mary M. Foley, ANC, N726492.
Claudia L. Fore, ANC, N789751.
Lois M. Forsythe, WMSC (Diet.), R576.
Irma J. French, ANC, N728079.
Doris J. Fuller, ANC, N771354.
Mary L. Gardiner, ANC, N759214.
Edythe C. Garst, ANC, N741573.
Vivian M. Gersema, ANC, N776370.
Margaret G. Gibson, ANC, N730769.
Lois A. Giebler, ANC, N737129.
Clare M. Gilberg, ANC, N796875.
Marjorie G. Gillard, ANC, N756117.
Evelyn M. Girard, WMSC (Diet.), R370.
Beatrice F. Goldstein WMSC (Diet.), R990.
Louise B. Gondek, ANC, N730478.
Jeannette D. Grenon, ANC, N721725.
Anna C. Grosskopf, ANC, N760027.
May H. Gunsten, ANC, N755685.
Marguerite A. Hagerty, ANC, N720338.
Nellie E. A. Harris, ANC, N751395.
Olive M. Hartle, ANC, N798815.
Evelyn L. Hary, ANC, N721245.
Dale A. Hawkins, ANC, N764134.
Irene I. Hawkins, ANC, N727754.
Yoko M. Hayashi, ANC, N778790.
Helmi Heikkila, ANC, N721161.
Grace M. Heltman, WMSC (PT.), M956.

Helen S. Henderson, ANC,, N783741.
Evelyn J. Hendrickson, ANC, N794178.
Jonake E. Henry, ANC, N782355.
Muriel Herman, ANC, N787049.
Mary C. Hickman, WMSC (Diet.), R1121.
Edith M. Hobson, WMSC (Diet.), R998.
Dorothy M. Holgate, ANC, N730079.
Hettie A. Hopkins, ANC, N741032.
Bettie E. Hosick, ANC, N743018.
Ann E. Howell, ANC, N726325.
Charlotte V. Ice, ANC, N728675.
Mamie S. Ingram, ANC, N727372.
Helen M. Intfen, ANC, N790961.
Angeline P. Jankoviak, ANC, N743211.
Elsa K. Jensen, WMSC (OT.).
Jennie E. Jones, ANC, N734126.
Mary C. Jordan, ANC, N731836.
Virginia H. Kegerreis, ANC, N763153.
Audry J. Kellett, ANC, N756164.
Anna C. Kelly, ANC, N727008.
Marian C. Kemm, WMSC (OT).
Cecelia L. Kirschling, ANC, N730957.
Esther K. Knapp, ANC, N722164.
Alma C. Koehler, ANC, N724551.
Lillian S. Koontz, ANC, N769939.
Idelle D. Kraft, ANC, N730496.
Josephine M. Krumanocker, ANC, N753969.
Mary M. Laggan, ANC, N725518.
Cecilia S. Lakemeyer, ANC, N785434.
Ophelia M. LaPorte, WMSC (PT.), M2108.
Althea LaRaut, WMSC (Diet.), R1133.
Harriet T. Laubacher, ANC, N768992.
Mary J. Leonard, ANC, N751075.
Marcia M. Lessard, ANC, N774668.
Iva D. Lewis, ANC, N767002.
Alice G. Lloyd, ANC, N779284.
Mamie V. Loman, ANC, N727293.
Helen T. Lonchar, ANC, N742837.
Suzanne E. Luchuck, ANC, N725733.
Agnes C. Malerba, ANC, N757724.
Mary C. Mallette, ANC, N753741.
Genevieve M. McCartney, ANC, N724783.
Myra L. McDaniel, WMSC (OT).
Mary C. McNamara, ANC, N758666.
Ruth V. McPherson, ANC, N787974.
Elsie K. Miller, WMSC (Diet.), R452.
Flora V. Moore, ANC, N788943.
Jeanne M. Moore, ANC, N730025.
Georgia B. Murphy, ANC, N778236.
Kathryn V. Murphy, ANC, N720829.
Dolores M. W. Naranche, WMSC (PT), M2555.
Leah L. Neff, ANC, N731135.
Mary E. Newman, ANC, N762757.
Elaine M. Nigro, ANC, N752016.
Antoinette E. Nobile, ANC, N723532.
Mae E. Olson, ANC, N731796.
Frances F. Olszowy, ANC, N721602.
Lora J. Pace, ANC, N727395.
Bessie J. Pack, ANC, N786124.
Margaret E. Parsons, ANC, N737424.
Catherine G. Paul, ANC, N720109.
Madeline W. Pauls, ANC, N722068.
Janie L. Perkins, ANC, N724052.
Elna C. Petersen, WMSC (Diet.), R2357.
Solveig C. Peterson, WMSC (Diet.), R430.
Helen F. Phillips, ANC, N787893.
Yvonne H. Plumb, ANC, N790678.
Martha L. Poole, ANC, N726390.
Helen Porter, ANC, N734936.
Reber L. Posey, ANC, N726971.
Virginia A. Potter, ANC, N771705.
Lillian F. Priddy, ANC, N734316.
Rachel C. Ragle, ANC, N764318.
Ann Reeves, ANC, N735497.
Mary A. Reilly, WMSC (OT).
Corrine C. Rizzo, WMSC (PT), M2094.
Selma F. Robbins, WMSC (Diet), R2092.
Florence T. Roche, ANC, N728192.
Elizabeth E. Rode, ANC, N789871.
Elna Rich, ANC, N785031.
Rhoda B. Richards, ANC, N727086.
Anna C. Rydholm, ANC, N788584.
Lois H. Sargent, WMSC (OT).
Alice M. Service, ANC, N761479.
Margaret I. Sharow, ANC, N801335.
Kathleen L. Sheedy, ANC, N773441.
Mary I. Shindelbower, ANC, N727197.
Savinah Shockey, WMSC (PT), M2738.
Mary I. Smith, ANC, N789501.
Maude M. Smith, ANC, N721697.
Milly E. Smith, ANC, N784075.
Ruth E. Smith, ANC, N762649.
Frances J. Spillman, ANC, N729978.
Mary F. Spisak, ANC, N726886.
Edith E. Spohn, ANC, N772925.
Ruth M. Stallard, ANC, N727334.
Mada Steele, WMSC (PT), M2389.
Margaret R Stonaker, ANC, N760800.
Leona K. Sudkamp, ANC, N772079.
Virginia T. Szyper, ANC, N787000.
Estelle V. Tamalis, ANC, N775226.
Isabelle A. Tarutis, ANC, N759947.
Mary S. Templeton, ANC, N756205.
Margaret K. Thatcher, ANC, N741775.
Catherine M. Thompson, ANC, N732391.
Mary S. Thompson, ANC, N764347.
Marianne S. Tiller, ANC, N745014.
Mary I. Tobey, ANC, N728078.
Virginia M. Tolar, ANC, N776056.
Katherine J. Tolen, ANC, N732330.
Marie B. Vaillancourt, ANC, N753943.
Bessie M. Waeltz, ANC, N776842.
Alma S. Wainwright, WMSC (Diet.), R21.
Ruth H. Waldrop, ANC, N727785.
Alice M. Walters, ANC, N763958.
Bertha E. Webb, ANC, N757818.
Alice E. Weinstein, ANC, N722808.
Stephanie Wekluk, ANC, N725280.
Irene M. Wendt, ANC, N731791.
Edna C. White, ANC, N762429.
Irene Wiley, ANC, N723776.
Muriel B. Worthington, ANC, N764433.
Jeanette E. Wyatt, ANC, N788050.

To be second lieutenants

Barbara E. Bangs, WMSC (OT).
Angela Barreras, WMSC (PT), M2462.
Frances L. Beauchamp, ANC, N778441.
Joyce Bodycomb, WMSC (OT).
Mildred V. Bond, WMSC (OT).
Helen M. Cartwright, WMSC (PT), M2797.
Evelyn L. Chadwick, ANC, N774325.
Ruth E. Clevenger, WMSC (PT), M2690.
Genevieve A. Connors, ANC, N754739.
Lois Dean, ANC, N779639.
Jean H. Donahue, ANC, N796283.
Mary E. Doyal, ANC, N797177.
Loraine H. Droxler, ANC, N794402.
Tommye J. Duncan, WMSC (OT).
Melna A. Farmer, WMSC (Diet.), R2205.
Marjorie M. Farwell, WMSC (OT).
Dorothy E. Fisher, WMSC (Diet.), R2467.
Dorothy A. Fouquet, WMSC (OT).
Dorothy A. Goeller, ANC, N768648.
Sarah G. Gomez, ANC, N798125.
Velma F. Grove, ANC, N785372.
Olga W. Gull, ANC, N795950.
June D. Harris, ANC, N754746.
Edith A. Hill, WMSC (Diet.), R2406.
Barbara L. Hughson, ANC, N793620.
Zita J. Ierino, ANC, N792045.
Bonnie B. Jackson, ANC, N796855.
Dorothy L. Kemske, WMSC (PT), M2828.
Barbara M. Knickerbocker, WMSC (OT).
Margaret A. Kraybill, WMSC (OT).
Helen G. Kuruz, ANC, N794659.
Joan B. Larum, ANC, N798067.
Nancy C. Leftenant, ANC, N793424.
Louisa R. Lindow, WMSC (OT).
Geraldine Massingill, ANC, N764740.
Shirley M. McCoy, ANC, N794443.
Ellen M. McDonald, ANC, N778767.
Iva R. Miller, ANC, N780252.
Evelyn Murray, ANC, N802070.
Mary A. Neacy, WMSC (Diet.), R2500.
Elizabeth M. Nichols, WMSC (OT).
Mary E. Nipher, WMSC (OT).
Lorraine A. Olsor, ANC, N774745.
Ruth E. Patterson, ANC, N794057.
Mary A. Perta, WMSC (PT), M2594.
Marian M. Poitrast, WMSC (Diet.), R2519.
Mary C. Proctor, ANC, N779904.
Barbara A. Reber, WMSC (OT).
Christine E. Reinsch, ANC, N795702.
Susan E. Rhine, WMSC (OT).
Margaret A. Rowland, ANC, N778612.
Margaret E. Sanford, ANC, N801379.
Bertha M. Schrack, WMSC (OT).
Florence M. Serbin, ANC, N801390.
Hazel Sitton, ANC, N792046.
Wanda A. Slaybaugh, ANC, N769221.
Golda L. Sloan, ANC, N786755.
Imogene L. Stites, ANC, N786306.
Ruth E. Summy, WMSC (PT), M2706.
Eleanor M. Vance, WMSC (OT).
Lila G. Van Scoyk, ANC, N769508.
Barbara D. Viets, WMSC (OT).
Mary E. Williams, ANC, N763902.
Jacquelin L. Wright, WMSC (OT).
Olga A. Zanella, ANC, N769540.

IN THE NAVY

The following-named officers for appointment in the United States Navy in the Corps and grades hereinafter stated.

The following-named officers to the grades indicated in the line of the Navy:

LIEUTENANT COMMANDER

Delate, Thomas E.

LIEUTENANTS (JUNIOR GRADE)

Nitz, Donald H.
Robertson, Bruce W.
Striso, Julius A.

The following-named officers to the grades indicated in the Medical Corps of the Navy:

COMMANDER

Shaw, Christopher C.

LIEUTENANT COMMANDERS

Miller, Henry W.
Taylor, Walter R.

LIEUTENANTS (JUNIOR GRADE)

Babcock, Oliver L.
Bandy, Preston H.
Bennett, David D., Jr.
Burgess, Leonard B.
Burnham, Donald L.
Capehart, John D.
Carty, John J.
Cotton, Avery L.
Dugger, James A.
Fahrner, Robert J.
Garison, Robert R.
Habib, Hamlin G.
Hoopingarner, Newman A.
Hughes, Rupert S.
Jones, Roland W.
Lear, Charles L.
Molnar, Charles J., Jr.
Neill, John S.
Nunemaker, Marion E.
Parker, Edward E.
Rankin, Joseph E.
Redfield, Ernest S.
Reed, William S.
Sederstrom, Leslie W.
Valusek, Fred A.
Viele, William A.
Wells, Clay N.
Wood, Harold E., Jr.
Wright, Harold S., Jr.
Wyatt, Norman F.

The following-named officers to the grades indicated in the Civil Engineer Corps of the Navy:

LIEUTENANTS

Cahn, Harold M.
Plawchan, John D.

LIEUTENANTS (JUNIOR GRADE)

Eding, Lawrence H.
Laurenzano, Frank M.
Hansen, Bernard L.
Manning, John J., Jr.
Dibble, Benjamin T.
Jarvis, Robert B.
Marquardt, Dean K.
Marschall, Albert R.
Stephenson, William B.
Waters, Allen S.
Wilson, Joe R.

ENSIGNS

Livingston, George E.
Roy, Vershall A.
Acuff, James T.
Boyd, Earl I.
Farley, Robert J.
Forquer, Charles J.
Francy, William J.
Iselin, Donald G.
LaLande, Albert M., Jr.
Saunders, Edward M.
Simonson, Nelson C.
Vander Wolk, Walter W., Jr.

The following-named officers to the grades indicated in the Dental Corps of the Navy:

LIEUTENANT COMMANDERS

Jerkofsky, Gus J.
Pump, Harry E.

The following-named officer to the grade indicated in the Medical Service Corps of the Navy:

LIEUTENANT (JUNIOR GRADE)

Manley, Woodrow C.

The following-named officers to the grades indicated in the Nurse Corps of the Navy:

LIEUTENANTS

Anderson, Mary R.
Dillon, Anna M.
Macha, Edith M.
Parker, Mary F.
Reeves, Edna A.
Thompson, Ida A.
Yankowski, Adelyn M.

LIEUTENANTS (JUNIOR GRADE)

Duffy, Elois M.
Lopartz, Kathryn E.
Pipkin, Celia Z.

ENSIGN

Devoe, Edith M.

The following-named officer to the commissioned warrant grade indicated:

CHIEF BOATSWAIN

Buday, John

CONFIRMATIONS

Executive nominations confirmed by the Senate December 15 (legislative day of December 4), 1947:

POST OFFICE DEPARTMENT

Jesse M. Donaldson to be Postmaster General.

Paul Aiken to be Second Assistant Postmaster General.

VETERANS' ADMINISTRATION

Carl Raymond Gray, Jr., to be Administrator of Veterans' Affairs.

PUBLIC HEALTH SERVICE

APPOINTMENTS IN THE REGULAR CORPS

To be senior assistant sanitary engineers (equivalent to the Army rank of captain), effective date of oath of office

O. John Schmidt
Hayse H. Black
Joseph A. Boyer
Kenneth C. Lauster
Henry L. Roahrig

To be senior assistant engineers (equivalent to the Army rank of captain), effective date of oath of office

Lucian E. Renes
George D. Clayton
Harry Stierli
Herbert W. Haas
Hershel Engler
Ross W. Buck

To be senior assistant pharmacists (equivalent to the Army rank of captain), effective date of oath of office

Joseph P. Crisalli
Carmen A. Carrato
Ernest J. Simmacher
Boyd W. Stephenson

To be assistant pharmacists (equivalent to the Army rank of first lieutenant), effective date of oath of office

Edwin J. Olson
Glenn H. Hamor
Wanda J. Butler

To be junior assistant pharmacist (equivalent to the Army rank of second lieutenant), effective date of oath of office

David A. Westover

To be senior assistant scientists (equivalent to the Army rank of captain), effective date of oath of office

R. Edward Bellamy
Theodore T. Puck

APPOINTMENTS AND PROMOTIONS IN THE REGULAR CORPS

To be surgeons (equivalent to the Army rank of major), effective date indicated

Carl M. Eklund, August 20, 1947.
Ladislaus J. Zbranek, November 14, 1947.

To be senior assistant surgeons (equivalent to the Army rank of captain), effective date indicated.

Ivan L. Bunnell, October 3, 1947.
Benjamin Highman, November 14, 1947.
Weldon C. White, September 26, 1947.

To be senior assistant sanitary engineers (equivalent to the Army rank of captain), effective date indicated

William E. Holy, November 10, 1947.
Ralph C. Graber, October 15, 1947.
Howard W. Spence, October 13, 1947.
Floyd B. Taylor, October 13, 1947.

To be assistant sanitary engineers (equivalent to the Army rank of first lieutenant), effective date indicated

Henry J. L. Rechen, November 12, 1947.
William W. Payne, November 10, 1947.
Frank A. Butrico, November 7, 1947.

To be senior assistant engineers (equivalent to the Army rank of captain), effective date indicated

Henry N. Doyle, October 14, 1947.
Joseph E. Flanagan, Jr., November 10, 1947.
Wesley E. Gilbertson, November 12, 1947.
George L. Carley, Jr., October 13, 1947.
Richard L. Woodward, November 10, 1947.

To be senior assistant pharmacists (equivalent to the Army rank of captain), effective date indicated

Ronald G. Esson, September 22, 1947.
Robarts L. Proper, October 4, 1947.
Reid M. Hovey, September 22, 1947.
Francis R. Ellis, October 2, 1947.
Arnold H. Dodge, October 13, 1947.

To be assistant pharmacists (equivalent to the Army rank of first lieutenant), effective date indicated

Donald E. Wenschhof, October 1, 1947.
Henry L. Verhulst, October 3, 1947.
Robert E. Jones, September 26, 1947.

To be scientist (equivalent to the Army rank of major), effective August 20, 1947

Harry J. Bennett

To be senior assistant scientists (equivalent to the Army rank of captain), effective date indicated

Morris B. Ettinger, August 15, 1947.
Francis M. Middleton, August 19, 1947.
Dale R. Lindsay, August 23, 1947.
John A. Rowe, October 30, 1947.
William W. Smith, August 16, 1947.
H. Page Nicholson, September 15, 1947.
George R. Weber, August 15, 1947.
James E. Birren, August 5, 1947.
Julius S. Youngner, August 20, 1947.

To be nurse officer (equivalent to the Army rank of major), effective October 22, 1947

F. Ruth Kahl

To be senior assistant nurse officers (equivalent to the Army rank of captain), effective date indicated

Ruth I. Gillan, November 7, 1947.
Vera P. Hansel, November 12, 1947.
Hazel G. Barkley, November 11, 1947.
Lola M. Hanson, November 12, 1947.

To be medical director (equivalent to the Army rank of colonel), effective date indicated

LeGrand B. Byington, November 10, 1947.
Milton V. Veldee, November 14, 1947.

To be senior assistant surgeon (equivalent to the Army rank of captain), effective November 14, 1947

Reuben B. Widmer

To be temporary medical directors (equivalent to the Army rank of colonel), effective dates indicated

LeGrand B. Byington, July 28, 1947.
Oswald F. Hedley, August 6, 1947.
Joseph O. Dean, September 1, 1947.
Alonzo F. Brand, September 30, 1947.
Hiram J. Bush, September 30, 1947.
Frank S. Fellows, September 30, 1947.
Ernest E. Huber, September 30, 1947.
Samuel J. Hall, September 30, 1947.
Ralph L. Lawrence, September 30, 1947.
Albert T. Morrison, September 30, 1947.
Anthony P. Rubino, September 30, 1947.
Adolph S. Rumreich, September 30, 1947.
James B. Ryon, September 30, 1947.
Mark P. Schultz, September 30, 1947.
Fletcher C. Stewart, September 30, 1947.
Gregory J. Van Beeck, September 30, 1947.
Langdon R. White, September 30, 1947.
Bengt L. K. Hamilton, November 10, 1947.
William H. Sebrell, Jr., November 10, 1947.
Harry Eagle, November 10, 1947.

To be temporary senior surgeons (equivalent to the Army rank of lieutenant colonel), effective date indicated

Albert L. Chapman, August 6, 1947.
Curtis R. Chaffin, August 6, 1947.
Virgil J. Dorset, August 6, 1947.
Erwin C. Drescher, August 6, 1947.
Paul T. Erickson, August 6, 1947.
John B. Hozier, August 6, 1947.
Norvin C. Kiefer, August 6, 1947.
Myron D. Miller, August 6, 1947.
Lydia B. Edwards, October 10, 1947.
Ira Lewis, October 10, 1947.
Frederick J. Krueger, October 15, 1947.
Carl M. Eklund, November 1, 1947.

To be temporary surgeons (equivalent to the Army rank of major), effective date indicated

Glenn H. Algire, August 6, 1947.
Bertrand E. Bennison, August 6, 1947.
Edward T. Blomquist, August 6, 1947.
George W. Comstock, August 6, 1947.
John C. Cutler, August 6, 1947.
John J. Davies, August 6, 1947.
James L. Elliott, August 6, 1947.
Robert H. English, August 6, 1947.
William H. Errgong, August 6, 1947.
Robert M. Foote, August 6, 1947.
H. Charles Franklin, August 6, 1947.
Leon A. Heppel, August 6, 1947.
Elmer L. Hill, August 6, 1947.
I. Ray Howard, August 6, 1947.
John C. Hume, August 6, 1947.
William C. Jenkins, Jr., August 6, 1947
Arthur Kornberg, August 6, 1947.
Willys M. Monroe, August 6, 1947.
Elton S. Osborne, Jr., August 6, 1947.
David S. Ruhe, August 6, 1947.
Andrew P. Sackett, August 6, 1947.
John B. Spriggs, August 6, 1947.
Mary Walton, August 6, 1947.
Lewis C. Robbins, August 6, 1947.
Emory S. Moore, Jr., August 20, 1947.
Thomas A. Hathcock, Jr., August 23, 1947.
Willoughby J. Rothrock, Jr., September 4, 1947.
Frederic C. Bartter, November 14, 1947.
Benjamin Highman, November 14, 1947.

To be temporary senior assistant surgeons (equivalent to the Army rank of captain), effective date indicated

Louis B. Thomas, August 27, 1947.
Alan D. Miller, September 2, 1947.
Carl A. Boswell, October 10, 1947.
Thomas A. Burch, October 9, 1947.
William A. Himmelsbach, October 8, 1947.
Andrew L. Hoekstra, October 10, 1947.
Leonard T. Kurland, October 6, 1947.
John G. Robinson, October 10, 1947.
Joseph Satten, October 19, 1947.
Robert B. Shelby, October 10, 1947.
Gordon B. Wheeler, October 9, 1947.

To be temporary senior sanitary engineer (equivalent to the Army rank of lieutenant colonel), effective August 29, 1947

Vernon G. Mac Kenzie

To be temporary sanitary engineers (equivalent to the Army rank of major), effective date indicated

Arthur H. Neill, August 6, 1947.
Charles D. Spangler, August 6, 1947.
Leonard M. Board, August 20, 1947.
Kaarlo W. Nasi, August 21, 1947.
Elroy K. Day, October 23, 1947.
William E. Holy, November 10, 1947.
Gerald W. Ferguson, November 14, 1947.
Conrad P. Straub, November 14, 1947.
Ernest C. Anderson, November 14, 1947.

To be temporary senior assistant sanitary engineers (equivalent to the Army rank of captain), effective dates indicated

William W. Payne, November 10, 1947.
Frank A. Butrico, November 7, 1947.

To be temporary enigneers (equivalent to the Army rank of major), effective dates indicated

Joseph E. Flanagan, Jr., November 10, 1947.
Wesley E. Gilbertson, November 12, 1947.
Richard L. Woodward, November 10, 1947.

To be temporary pharmacist (equivalent to the Army rank of major), effective October 2, 1947

Francis R. Ellis

To be temporary senior assistant pharmacist (equivalent to the Army rank of captain), effective October 1, 1947

Donald E. Wenschhof

To be temporary senior assistant surgeons (equivalent of the Army rank of captain), effective date indicated

Robert B. Dorsen, November 8, 1947.
James R Mason, November 12, 1947.
Gove Hambidge, Jr., November 14, 1947.
Frederic D. Regan, November 14, 1947.

To be temporary dental directors (equivalent to the Army rank of colonel), effective November 6, 1947

William C. Parker — Allen M. Perkins
Pendleton J. Slaughter — Hubert H. Martin
Frederick W. Harper

To be temporary senior dental surgeons (equivalent to the Army rank of lieutenant colonel), effective August 7, 1947

Charles H. Wright, Jr.
Herbert A. Spencer, Jr.

To be temporary dental surgeons (equivalent to the Army rank of major), effective August 6, 1947

Howard K. Wyatt
Dennis E. Singleton, Jr.
Earl C. Hewitt

To be temporary senior assistant dental surgeons (equivalent to the Army rank of captain), effective date indicated

Joseph W. Fridl, September 10, 1947.
Charles P. White, September 14, 1947.

To be temporary sanitary engineer directors (equivalent to the Army rank of colonel), effective October 24, 1947

John J. Bloomfield — Carl E. Schwob
Henry A. Johnson — Charles T. Wright
Leonard H. Male
Judson L. Robertson, Jr.

To be temporary scientists (equivalent to the Army rank of major), effective dates indicated

William C. Frohne, October 20, 1947.
Harold B. Robinson, September 16, 1947.
John A. Rowe, October 30, 1947.

To be temporary senior nurse officers (equivalent to the Army rank of lieutenant colonel), effective date indicated

Marie E. Wallace, August 13, 1947.
F. Ruth Kahl, October 22, 1947.

To be temporary nurse officers (equivalent to the Army rank of major), effective date indicated

Ella Mae Hott, August 15, 1947.
L. Margaret McLaughlin, August 15, 1947.
Margaret Denham, August 26, 1947.
Mabelle J. Markee, September 10, 1947.
Emily M. Smith, September 10, 1947.
Frances E. Taylor, September 10, 1947.

To be temporary senior assistant nurse officer (equivalent to the Army rank of captain), effective August 27, 1947

Ina L. Ridlehoover

To be temporary assistant nurse officers (equivalent to the Army rank of first lieutenant), effective date indicated

Anne K. Buck, August 15, 1947.
Mary F. Callan, August 15, 1947.
Dorothy L. Connors, August 15, 1947.
Rita A. Foy, August 15, 1947.
Vivian L. Gibson, August 15, 1947.
Roberta C. Brave, August 15, 1947.
Mildred K. McDermott, August 15, 1947.
Mary B. Krause, August 15, 1947.
Emilie S Wilson, August 15, 1947.
Mary E Evans, August 15, 1947.
Florence J. Ullman, August 15, 1947.
Jennie H. Rakich, August 15, 1947.
Mary C. Larkin, October 17, 1947.
Margaret H. Cahalan, November 7, 1947.

HOUSE OF REPRESENTATIVES

MONDAY, DECEMBER 15, 1947

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Lord of grace and mercy, open our eyes that we may behold the beauty in all Thy works. Because we are weak and dependent, direct our words and keep us from impatience, cynicism, and doubt. Allow not broken plans to cling to that which is false and which lowers the spirit. Without Thy guidance the inner voice fades, the vision passes, and we wander in the wilderness of uncertainty.

In these days so tense, which require the utmost self-possession, bless our country with its manifold gifts; wherein she is corrupt, purify her; when in error, correct her; wherein divided, reunite her and lead her in all her ways. Let Thy blessed providence brood over the confusions of men that they may bring order from misunderstanding and know better the whole compass and depth of Thy will. We offer our prayer in the name of our Redeemer. Amen.

The Journal of the proceedings of Friday, December 12, 1947, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1770. An act to amend the National Housing Act, as amended.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 4469) entitled "An act to amend the act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. AIKEN, Mr. FERGUSON, and Mr. MCCLELLAN to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1774) entitled "An act to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis"; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. VANDENBERG, Mr. CAPPER, Mr. WHITE, Mr. CONNALLY, and Mr. GEORGE to be the conferees on the part of the Senate.

ANNOUNCEMENT

The SPEAKER. The Chair wishes to make a statement. Owing to the fact that we have two important bills pending today, also a conference report, there will be no 1-minute speeches. The Chair will receive requests for extension of remarks, however.

EXTENSION OF REMARKS

Mr. McDOWELL asked and was given permission to extend his remarks in the RECORD.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the Appendix of the RECORD and include extraneous matter.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the Appendix of the RECORD and include a resolution.

Mr. HESELTON asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. McGREGOR asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances and include articles by one of his constituents, Mr. Louis Bromfield.

Mr. SMITH of Ohio asked and was given permission to extend his remarks at this point in the RECORD.

THE WOLCOTT BILL

Mr. SMITH of Ohio. Mr. Speaker, the manner in which the Republican leadership is attempting to steamroll through Congress the Wolcott bill, also known as the Republican anti-inflation bill, and the contents of the bill itself, are a shameful repudiation of Republican campaign promises and the confidence voters placed in our party at the last national election.

The whole business is an outrage.

This bill was handled by the House Committee on Banking and Currency, of which I am a member. No open hearings were permitted to be held on it. The only consideration given the bill by the committee was in closed or executive session.

It is my understanding the Republican leadership intends to whip the bill through the House, allowing only 20 minutes of debate on each side of the House.

This bill, House Joint Resolution 273, will, if enacted into law, resurrect the notoriously discredited NRA, the Blue Eagle, and all its venomous talons.

This time the alleged purposes to be achieved by it would be rationing, controlling inventories, controlling the use of grain and weights and grades of livestock and poultry to be marketed, regulating the commodity exchanes, stabilizing the economy, curbing inflation, and so forth, all of which would somehow prevent further price rises, or possibly reduce prices.

Allegedly the scheme would be voluntary, just as was claimed the NRA was voluntary.

The antitrust laws would be suspended, just as they were under the NRA Act.

The President—that is, the political forces dominating the Government—would dictate the agreements which would be made by persons engaged in trade and industry to carry out the purposes of the act, just as was the case under the NRA law.

An army of bureaucrats would be created under this bill just as was done under the NRA Act.

This move by the Republican leadership is an act of desperation. It shows what can happen to a political party, but, more important, what can happen to a nation when party leadership makes it a policy of sacrificing principle for expediency and compromising when it ought to stand firm.

If the Republican leadership in Congress has finally decided to fully commit the Republican Party to the New Deal's all-out program for a planned or collectivist economy, the citizens are entitled to know about it.

Naturally, I should like to support the leaders of my party, but I cannot do so in this instance. My country means more to me than my party.

EXTENSION OF REMARKS

Mr. ROBERTSON asked and was given permission to extend his remarks in the RECORD and include a statement by Mr. R. S. Solinsky, president of the Can Manufacturers Institute, Inc.

Mr. WELCH. Mr. Speaker, we are now shipping irreplaceable oil to foreign countries at the rate of 140,000,000 barrels a year. During the past year our petroleum resources were further diminished nearly 40,000,000 barrels for the production of electric energy.

The American Petroleum Institute estimates that the oil reserves from known petroleum deposits at the end of 1946 amounted to approximately 20,000,000,000 barrels of crude oil. Consumption was then at the rate of 1,750,000,000 barrels per year and is steadily increasing. This means our known reserves will be exhausted in less than 12 years.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. ANDERSON of California asked and was given permission to extend his remarks in the Appendix of the RECORD and include a communication.

Mr. COLE of Missouri asked and was given permission to extend his remarks in the RECORD and include an article entitled, "It Should Be Outlawed," by Mr. George A. Blasser.

Mr. HOFFMAN asked and was given permission to extend his remarks in the RECORD in two instances and include editorials and extraneous matter.

Mr. McMILLEN of Illinois asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address by Hon. RALPH A. GAMBLE, chairman of the Joint Committee on Housing, before the New York Metropolitan Association of Real Estate Boards, on December 12, 1947.

Mr. LEFEVRE asked and was given permission to extend his remarks in the RECORD and include an article by Mark Sullivan.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, on Wednesday, December 10, I obtained unanimous consent to extend my remarks in the RECORD and include a speech by a distinguished newspaperman, Mr. Frank E. Gannett, entitled "An Opportunity—and a Challenge." I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost $195.25, but I ask that it be printed, notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

SPECIAL ORDERS GRANTED

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that the special order I have for today may go over until Thursday of this week.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. COLE of Missouri. Mr. Speaker, I ask unanimous consent that today after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 1 hour to discuss my bill (H. R. 4482) to outlaw the Communist Party in the United States.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

EXTENSION OF REMARKS

Mr. ELLIS asked and was given permission to extend his remarks in the RECORD in three instances and include in each newspaper items.

Mr. HUGH D. SCOTT, JR., asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Philadelphia Inquirer.

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in three instances, and include letters, in one of which I ask the Secretary of Agriculture to stay in Washington long enough between political speeches to do something about the chicken prices and something about the Steagall amendment.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

ATOM BOMB WORKERS

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CURTIS. Mr. Speaker, if your house were burning down this minute and you had called the fire department, what would you do if the firemen said, "Sorry. We cannot come. We are on strike"?

Or if you were desperately ill, telephoned a doctor, and he told you that he might drop by next week if the doctors' strike was over.

Would you, as a citizen, agree that stoppages of these duties are perfectly all right according to the laws protecting labor, or would you say that here, in a category above the purely industrial, are persons ignoring their moral and civic responsibilities?

I think we all know the answer.

The same feeling holds true, I believe, of the men and women at present engaged in the manufacture of atomic bombs. There we have a segment of our population engaged in occupation which is part of our national state of security, part of our reason for existing.

If these workers in the production of atomic bombs should strike, as almost happened last week, our American civilization is endangered. Our whole future is in the hands of the few who produce the atomic bomb. If they stop their work, they violate a most sacred trust. Their work stoppage at a crucial time could mean the difference between preservation of this Republic and its total disintegration.

The men and women who are at work on atomic bomb development have a great responsibility. If they do not want to assume that responsibility, it should be their immediate choice to return to an occupation which has less immediate bearing on the future of our Nation.

Mr. Speaker, the Committee on Labor of this House should forthwith inquire into the situation and report legislation that will make strikes, delays, slowdowns, and work stoppages in atomic bomb plants impossible.

As the situation now exists the agents of any foreign power may influence the actions of workers in the atomic bomb plants. They may use their most insidious means to hold up production of our country's safeguard.

Let us stop the danger before it starts.

EXTENSION OF REMARKS

Mr. VAN ZANDT asked and was given permission to extend his remarks in the RECORD and include two articles concerning Do We Owe Europe a Living?

Mr. KEOGH asked and was given permission to extend his remarks in the RECORD and include an address delivered by Commissioner Richard Parkhurst, of the United States Maritime Commission, at Kings Point, Long Island, N. Y.

Mr. MULTER asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. BLAND asked and was given permission to extend his remarks in the RECORD relating to the Coast Guard, as well as an article appearing in the Coast Guard magazine and other quotations.

Mr. DOMENGEAUX asked and was given permission to extend his remarks in the RECORD in two instances, to include in one an address delivered by President Joel L. Fletcher of Southwestern Louisiana Institute before the Cambridge Historical Society of Massachusetts, and in the other a radio address he delivered over the Louisiana radio network.

Mr. FORAND asked and was given permission to extend his remarks in the RECORD and include an article by John Hanlon.

Mr. SPENCE asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Washington Post.

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the Sunday Boston Post.

PERMISSION TO EXTEND REMARKS AT THIS POINT

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, on December 11, 1947, the opening broadcast of a new radio station—WLYN of Lynn, Mass.—was aired.

A new business enterprise is a welcome addition to the life of any community. But when that business is dedicated, as the new voice of WLYN is, to the high service of bringing entertainment and instruction to thousands of homes, it is twice welcome.

The prime function of radio is to entertain. With symphonies and church hymns and dance bands, it provides music to suit every taste. With serious dramas, light comedies, sports, news, and audience-participation features, it brings every kind of entertainment into our living rooms. Through forums, talks on government and science, and appeals for various community services, radio is working for fellowship among the millions of individuals and the many groups which constitute our society.

In a free country like ours, radio is a great factor in helping to develop understanding and tolerance. In dictatorships, however, where radio is rigidly controlled by the state, it is used as an instrument to mislead and enslave the people. Consider these facts. In Japan there were 93 radio sets per 1,000 population, in Italy, 32; in Spain, 14; under their Fascist masters. In Communist Russia there are only 8 radio sets per 1,000 population. By contrast, in the United States, there are 425 radio sets for every 1,000 people. Possession of radios by private citizens in Communist and Fascist countries, without a permit from some petty bureaucrat, means arrest and imprisonment. On the other hand, we Americans hail the opening of another radio station—WLYN—and the freedom of expression and of choice for which it stands.

The members of the listening audience are the masters, and the broadcasters are their servants. In the freedom of individual homes, with a turn of the dial, one can admit radio's voice or silence it. With another dial, one can dismiss a program which fails to hold the listener's interest and select another more to one's liking. Every radio station in this country, sensitive to the wishes of the people, is working constantly to provide the public with the programs that they will enjoy. Ours is a democratic form of radio broadcasting. We must be vigilant in order to keep it so. The owners and operators of WLYN, consistent with our American tradition, will strive to develop this medium of expression toward greater freedom and progress.

Although the principal purpose of radio is to entertain, it is also responsible for the clear and accurate presentation of the problems which challenge us as citizens of a self-governing nation. We need information on both sides of every issue in order that we may properly decide.

From the days 100 years ago when people gathered in the town hall to hear Lincoln and Douglas debate the issues which preceded the Civil War, we have become a great and populous Nation. Because of our size, it is no longer possible for leaders to face any large numbers of people and be heard as they clarify the issues in debate. Our growth has threatened to smother the democratic processes.

Through the miracle of radio and with television to come, this danger is over. Through forums and political discussions which represent every point of view the people can hear and judge.

As we must.

In this third year of the atomic age, however, there are some individuals and groups in our country and some nations in this world who do not realize that there is no room for isolation. Science has leaped ahead of people's knowledge and understanding of one another. We have got the tools which can make life on this earth a paradise or a hell. The choice depends on whether or not we learn to work together, and employ these tools to build and not to destroy.

Radio is a medium which can help us to grow up to this new and imperative knowledge.

The people of Lynn are justly proud of their new radio station. People of neighboring cities and towns will also share in the service which it offers.

Dedicated to cooperation between broadcaster and listening audience, I am confident that station WLYN is at the beginning of a long and popular career. To the owners, operators, and patrons, I extend my sincere wishes for a happy and helpful association.

EXTENSION OF REMARKS

Mr. STIGLER asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. LARCADE asked and was given permission to extend his remarks in the RECORD in two instances and include in each newspaper articles.

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the RECORD in two instances and include in each editorials appearing in the St. Louis Post-Dispatch.

Mr. BATTLE asked and was given permission to extend his remarks in the RECORD and include an article by Hubert Lee.

Mr. CARROLL asked and was given permission to extend his remarks in the RECORD and include planks on housing adopted by the American Veterans' Committee at its annual convention in Wisconsin.

Mr. BECKWORTH asked and was given permission to extend his remarks in the RECORD and include two letters.

Mr. WEICHEL asked and was given permission to extend his remarks in the RECORD.

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks in the RECORD and include a radio address.

Mr. STEVENSON asked and was given permission to extend his remarks in the RECORD and include a letter from a constituent.

Mr. NORBLAD asked and was given permission to extend his remarks in the RECORD and include two editorials.

Mr. BYRNES of Wisconsin (at the request of Mr. NORBLAD) was given permission to extend his remarks in the RECORD and include editorials.

Mrs. BOLTON asked and was given permission to extend her remarks in the RECORD and include an address she delivered last Saturday before the Council on World Affairs in Cleveland.

SPECIAL ORDER GRANTED

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent that on Thursday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EXTENSION OF REMARKS

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the RECORD in four instances and include extraneous matter.

Mr. FOOTE asked and was given permission to extend his remarks in the RECORD and include some observations as to the advisability of including a specific appropriation for seeds under the bill H. R. 4604, the emergency foreign-aid bill.

CALL OF THE HOUSE

The SPEAKER. This is Suspension Day. The Chair recognizes the gentleman from Michigan [Mr. WOLCOTT].

Mr. RAYBURN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and sixty-eight Members are present, not a quorum.

Mr. HALLECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 144]

Allen, La.	Delaney	Potts
Bates, Ky	Dirksen	Powell
Boggs, La.	Drewry	Rabin
Brophy	Harris	Reed, Ill.
Buchanan	Hart	Reed, N. Y.
Buckley	Hartley	Rivers
Busbey	Hébert	Rooney
Celler	Hinshaw	Sabath
Clements	Jenison	Scoblick
Clippinger	Kelley	Somers
Coffin	Lichtenwalter	Thomas, N. J.
Colmer	McDonough	Trimble
Courtney	Morrison	Vursell
Davis, Ga.	Nodar	
Dawson, Ill.	Owens	

The SPEAKER. On this roll call 389 Members have answered to their names, a quorum.

By unanimous consent further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. HARNESS of Indiana asked and was given permission to extend his remarks in the RECORD and include a memorandum.

Mr. CHENOWETH asked and was given permission to extend his remarks in the RECORD and include an editorial.

STABILIZATION OF COMMODITY PRICES

Mr. WOLCOTT. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H. J. Res. 273) to aid in the stabilization of commodity prices, to aid in further stabilizing the economy of the United States, and for other purposes, with certain committee amendments.

The Clerk read as follows:

Resolved, etc.—

DECLARATION OF PURPOSES

SECTION 1. The purpose of this joint resolution are to aid in stabilizing the economy of the United States, to aid in curbing inflationary tendencies, to promote the orderly and equitable distribution of goods and facilities, and to aid in preventing maldistribution of goods and facilities which basically affect the cost of living or industrial production.

VOLUNTARY AGREEMENTS

SEC. 2. (a) In order to carry out the purposes declared in section 1 of this joint resolution, the President is authorized to consult with representatives of industry, business, and agriculture with a view to encouraging the making, by persons engaged in industry, business, and agriculture, of voluntary agreements—

(1) providing for allocation of transportation facilities and equipment;

(2) providing for the marketing of livestock and poultry at weights and grades that represent the most efficient utilization of grain;

(3) providing for allocation and inventory control of scarce commodities which basically affect the cost of living or industrial production;

(4) providing for regulation of speculative trading on commodity exchanges; or

(5) which will otherwise carry out the purposes declared in section 1 of this joint resolution.

(b) The President is authorized to approve any such agreement which he finds will carry out any of the purposes declared in section 1 of this joint resolution, except that he shall not approve any agreement unless such agreement specifically provides that it shall cease to be effective on or before March 1, 1949, and he shall not approve any agreement which provides for the fixing of prices.

(c) Parties to any agreement approved under this section are hereby relieved from the operation of the antitrust laws, and of all other restraints, limitations, and prohibitions of law, with respect to the making of such agreement and with respect to carrying out such agreement prior to March 1, 1949, in conformity with its provisions.

(d) As used in this section the term "person" means an individual, corporation, partnership, or association.

EXPORT CONTROLS

SEC. 3. Section 6 (d) of the Act of July 2, 1940 (54 Stat. 714), as amended, is amended by striking out "February 29, 1948" and inserting in lieu thereof "February 28, 1949".

ALLOCATION OF TRANSPORTATION FACILITIES

SEC. 4. Notwithstanding any other provision of law, title III of the Second War Powers Act, 1942, as amended, shall continue in effect to and including February 28, 1949, or such earlier date as the Congress by concurrent resolution or the President may designate, for the exercise of the powers, authority, and discretion conferred on the President by such title III with respect to the use of transportation equipment and facilities by rail carriers.

DELEGATION OF AUTHORITY

SEC. 5. The authority granted to the President by section 2 of this joint resolution and, notwithstanding the provisions of section 6 of the Second Decontrol Act of 1947, the authority granted to the President by section 4 of this joint resolution and by section 6 of the Act of July 2, 1940 (54 Stat. 714), as amended, may, to the extent the President directs, be exercised by any department, agency, or officer in the executive branch of the Government.

RESERVE REQUIREMENTS APPLICABLE TO FEDERAL RESERVE BANKS

SEC. 6. (a) The third paragraph of section 16 of the Federal Reserve Act, as amended, is amended by changing the first sentence of such paragraph to read as follows:

"Every Federal Reserve bank shall maintain reserves in gold certificates of not less than 35 per centum against its deposits and reserves in gold certificates of not less than 40 per centum against its Federal Reserve notes in actual circulation: *Provided, however*, That when the Federal Reserve agent holds gold certificates as collateral for Federal Reserve notes issued to the bank such gold certificates shall be counted as part of the reserve which such bank is required to maintain against its Federal Reserve notes in actual circulation."

(b) The first sentence of the fourth paragraph of section 16 of the Federal Reserve Act, as amended, is amended by striking out "25 per centum" and inserting in lieu thereof "40 per centum".

(c) Subsection (c) of section 11 of the Federal Reserve Act, as amended, is amended to read as follows:

"(c) To suspend for a period not exceeding 30 days, and from time to time to renew such suspension for periods not exceeding 15 days, any reserve requirements specified in this act: *Provided*, That it shall establish a graduated tax upon the amounts by which the reserve requirements of this act may be permitted to fall below the level hereinafter specified: *And provided further*, That when the reserve held against Federal Reserve notes falls below 40 per centum, the Board of Governors of the Federal Reserve System shall establish a graduated tax of not more than 1 per centum per annum upon such deficiency until the reserves fall to 32½ per centum, and when said reserve falls below 32½ per centum, a tax at the rate increasingly of not less than 1½ per centum per annum upon each 2½ per centum or fraction thereof that such reserve falls below 32½ per centum. The tax shall be paid by the Reserve bank, but the Reserve bank shall add an amount equal to said tax to the rates of interest and discount fixed by the Board of Governors of the Federal Reserve System."

AUTHORIZATION FOR APPROPRIATIONS

SEC. 7. There is hereby authorized to be appropriated such amounts as may be necessary for purposes of carrying out the provisions of this joint resolution.

The SPEAKER. Is a second demanded?

Mr. SPENCE. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Michigan [Mr. WOLCOTT] is recognized for 20 minutes and the gentleman from Kentucky [Mr. SPENCE] is recognized for 20 minutes.

Mr. WOLCOTT. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, at the opening of the special session, the President sent a message to the Congress asking, in a 10-point program, for rather broad authority to aid in the control of inflation. The Committee on Banking and Currency held hearings on the whole program, although certain sections of it were not primarily within the jurisdiction of the committee. We did not think, however, that we could get a clear understanding of its purposes and objectives unless we had a hearing on the entire program. In consequence of those hearings, it developed that there were certain parts of the program which were highly controversial. We had in mind that the Congress would recess for the holidays. It is expected that Congress might recess on the 19th of this month. Therefore, it became obvious that we could not do an over-all job on the President's recommendations. So it was agreed to report out a bill of four parts, which, it will be noticed, contains at least some of the recommendations of the President. The program, as we understood it, is divided into three phases. When I say as we understood it, it was our understanding from the testimony of the witnesses of Cabinet level that the program was to be divided in three phases. The first was to get the industries, agriculture and labor, to consult with the Government and see if they could not agree upon certain things which might result in the stabilization of prices. The President had stressed the necessity for readjustments in the allocations of materials. Of course, it became very, very apparent that if agreements were to be entered into of that nature they might be in violation of the antitrust laws and other laws against restraints of trade.

So in keeping with the recommendation that the President wanted to put into effect as his first phase some voluntary controls, if they could be agreed upon, we provided in the bill—that the President might consult with industry, business, and agriculture with a view to agreeing on certain phases of the program. Of course, if they are to be effective, we have to postpone for the moment the operation of the antitrust laws as they affect the participants to these agreements. I think we ought to have it definitely in mind that the section of the bill, subsection 3 on page 3, which provides for the suspension temporarily of the antitrust laws, applies only to the signatories to the agreement. They do not apply industry-wide, and we have made it very clear in the report that there is nothing in these agreements even faintly resembling the NRA codes, which

were made industry-wide and which were made under conditions whereby a few units of an industry might get together and agree upon codes which were operative industry-wide. That cannot be done under this bill, anything to the contrary notwithstanding. There is nothing in the bill which provides that the President shall approve any of these agreements. The whole thing on the part of industry or on the part of the President or anyone whom he might designate to act in his behalf is purely voluntary. The President can insist upon any restrictions, any limitations in these agreements, so long as they are for the purpose of carrying out the purposes of the bill. If those stipulations which he might provide for are not contained in the agreement, then, of course, he does not have to approve it. The Attorney General may be designated by the President under authority of this bill to approve any and all agreements notwithstanding the fact that they have been or may be approved by any department head which the President has designated to conduct the negotiations. So the whole program is entirely voluntary.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. HALLECK. Should it not also be pointed out that the matter of the fixing of prices is specifically excluded in this legislation?

Mr. WOLCOTT. I was leading up to that in explanation of why we took out certain paragraphs with respect to export controls, because there was some indication in respect to subsection (b) on page 3 that by the use of the words "price criteria" some authority might be obtained to set prices through the control of exports. We made it very plain that there was to be no price control in this legislation. The reason for that is that the second phase of the program contemplates statutory control over allocations and priorities. All of the witnesses said that they would not use the statutory powers in the field of allocations and priorities until they had tried to work out these programs voluntarily with the industry. Price controls would not be put into effect until and unless the voluntary program failed, and the statutory power over allocations and priorities was not effective. Price controls following, wage controls would follow that, so we have perhaps these four phases: Voluntary agreements, statutory allocations and priorities, price control, and perhaps wage control would go along with that, because the President himself says there can be no effective price control without wage control.

The witnesses on the part of the Government were unable to tell us at this time how they would apply these controls, only to say that they would be applied, if they were given the power to do so, selectively. They could not tell us what commodities they would select which would come under these controls at this time. So we thought that perhaps after the voluntary controls were put into operation they might be in a better position, after the voluntary controls had had a fair chance to do the job, to tell us in what manner they would apply statutory controls if they were given authority to do so. The administration at the present time is in no position to tell us how they would apply them. We, of course, are in no better position to tell them how they should be applied. So voluntary controls is the first phase of the program to which we will give additional attention at the regular session of Congress. It appears that these four things which we have set out here are things that should not be too controversial. They are in keeping with the President's wishes. Of course, it is not his whole program, because, as I have said, the other points of his program are so controversial that we just could not have time to do it. But we did feel, to get the program started, we should give the President the authority in this joint resolution at this special session of Congress. It is my personal opinion that this is the only part of the program which can be legislated upon between now and next Saturday.

The President asked for controls in his message, to restrain the creation of inflationary bank credit. In keeping with that recommendation we have provided in this joint resolution language which should indicate to banks and other financial institutions, to industry, to agriculture, and to labor and all segments of our economy which may be affected, that from now on the policy of the Government is going to be toward retraction of credit instead of expansion of credit.

Mr. Speaker, I yield myself three additional minutes.

The SPEAKER. The gentleman from Michigan is recognized for three additional minutes.

Mr. WOLCOTT. And the provisions with reference to the gold reserve behind Federal Reserve bank deposits and currency issues is only an indication of the policy which we feel should be adopted by the Government.

There are two basic reasons why we have inflation, two basic reasons why we have high prices. One of them is the cheap-money policies of Government which were put into operation by the laws passed by Congress at a time when we were in a depression and when we were carrying on a war. Now, if they have resulted, as is a fact, in inflationary practices, in high prices, then, of course, to cope with that fact, we should reverse the process and start putting the brakes on very gradually, very gradually, so that there will be little or no shock to our economy. There should be an indication that our policy henceforth is to be one of gradually putting the brakes on against credit and currency expansion to effectuate a stabilization of prices and our entire economy.

This joint resolution gives the authority to the President and to the Board of Governors of the Federal Reserve Board to do the job and do it gradually under an announced policy. Mr. Eccles has said and is so quoted in the press last week, that this does not mean a thing. The reserves at the present time are already 48 percent. We provide they shall be restored to the previously existing levels. So there will not be any effective result immediately from the reimposition of these controls. They used to be 35 percent against deposits in Federal Reserve banks and 40 percent against the issue of Federal Reserve notes. We reduced these reserves to 25 percent to make credit easy. But now we are putting it back where it was, that is all. It is an indication that we should start, under the President's recommendations, to adopt certain policies in restraint of the creation of inflationary bank credits.

We have likewise extended export controls in such manner that the President may be given broad authority, broad discretion as to this second reason why we have high prices and inflation. This second reason is the unusually heavy demand of foreign countries for American goods which are in short supply. The President is authorized under this bill so to adjust our exports as to safeguard and stabilize the America economy. We have given him the power in this bill to start the job which has got to be done if we are going to have economic stability and lower prices in the United States.

Mr. FLETCHER. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. FLETCHER. Does the gentleman draw a distinction between the President's program and compulsory controls, and this program of voluntary controls?

Mr. WOLCOTT. I thought I had. This is purely a voluntary program.

Mr. SPENCE. Mr. Speaker, I yield myself 5 minutes.

The SPEAKER. The gentleman from Kentucky is recognized for 5 minutes.

Mr. SPENCE. Mr. Speaker, we are confronted with one of the greatest questions that has been presented to the American Congress in peacetime in generations. It is a question that involves the future welfare and happiness of the American people and the stabilization of our economy. The proper solution of the question that presents itself is of gravest importance. This bill was defeated in the committee on the original vote. On a reconsideration it was voted out by a few votes. Some of the Members voted to reconsider, I am confident, because they thought the House ought to have an opportunity to consider the matter.

If the House adopts this resolution it will be precluded from calling itself a deliberative body in the future. We all expected that a rule would be obtained, a liberal rule, by which amendments could be offered to this bill. Instead of that those who control the majority have decided it shall be considered under suspension of the rules whereby no amendments may be offered.

Mr. SMITH of Ohio. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. Is it not a fact this bill had no hearings at all?

Mr. SPENCE. It had no hearings. It never had any hearings. We had before us several members of the Cabinet and we had hearings on the general state of the Union, but we had no hearings on this bill.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Michigan.

Mr. WOLCOTT. I may call attention to the fact that these hearings, consisting of 336 pages, are all right on this bill.

Mr. SPENCE. I realize the hearings were on the general subject, but the bill had not been presented to the committee at the time those hearings were held. The committee had no opportunity to question the witnesses as to the specific provisions of this bill. It was introduced one evening and the next day the committee went into executive session and reported the bill without hearings. It is a bill of such vital importance that we certainly should have an opportunity to consider it as we consider many minor bills in the Congress.

What does it do? The President has asked for bread and he is given a stone. I cannot believe there is any sincerity in this bill. I do not mean to impugn the motives of any of my colleagues, for whom I have great respect and friendship, but I do not believe there is any sincerity in giving to the President this bill. It gives him no additional power. The essential element of the law is that it commands or prohibits. This bill commands nothing, it prohibits nothing. It extends the same powers in reference to export controls and allocations that the President already has under the War Powers Act, and he will have these powers until February 28 next year. It gives him something he has not asked for.

It is stated by the majority that they have complied with a part of his program. But this is no part of his program, and if it were a part of his program, it does not comply with his request for a complete program, a part of which would be entirely ineffective. He asked for 10 points. He asked for power to curb inflation, and you have given him power to sit down with industry, agriculture, and business, make voluntary agreements which he has no authority to enforce, and thereby nullify all of the antitrust laws with all of the restraints, limitations, and prohibitions in those laws. Of course, the President has to approve these agreements. It seems to me, however, it simply allows the camel to get his head under the tent, and you will have difficulty in removing him. These agreements which you give the President the power to approve are not going to be initiated by the President. You know how adroit, how skillful, and how designing the big interests are. They will find a way to get together and to propose agreements that will break the inflationary spiral.

The SPEAKER. The time of the gentleman from Kentucky has expired.

Mr. SPENCE. Mr. Speaker, I yield myself two additional minutes.

We are in an inflationary spiral which will inure to the benefit of the big interests who are authorized to make the agreements until a final crash comes, and can anyone believe that they will make agreements harmful to their interests and beneficial to the consumers of America? I have no confidence in voluntary agreements alone. Voluntary agreements may do very well if you have some power behind them.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. If this bill passes, and is approved by the President, and after an agreement is made which is violated, is there any power to enforce it?

Mr. SPENCE. There are no penalties in this bill.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Michigan.

Mr. WOLCOTT. If the agreements approved by the President are violated, then the violators come within the penalties and restrictions of the antitrust laws.

Mr. McCORMACK. Mr. Speaker, if the gentleman will yield, in other words, the agreement goes out of the window and we are back where we started.

Mr. SPENCE. Absolutely, and the antitrust laws which have been on our statute books for almost 60 years, and all other restraints, limitations, and prohibitions of law in reference thereto are nullified.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I would like to ask the gentleman from Kentucky two questions, if he will permit me. No. 1. As I understand, the Federal Reserve Bank holds roughly $22,000,000,000 worth of gold certificates or, let us say, the Federal Reserve Bank and the Treasury, and assume that the Treasury could transfer all the gold to the Federal Reserve and give them $22,000,000,000, that then would be about 88 percent of the Federal Reserve notes now outstanding, to which I believe the gentleman from Michigan referred, thereby making that portion of the bill ineffective.

Mr. SPENCE. Absolutely ineffective.

Mr. CRAWFORD. Secondly, there is a provision here with respect to voluntary agreements on inventories. Would the gentleman agree with me that if you control my inventory you also control my price?

Mr. SPENCE. There is no doubt about that, and there would be no efficient controls on inventories.

The SPEAKER. The time of the gentleman from Kentucky has again expired.

Mr. SPENCE. Mr. Chairman, I yield myself one additional minute.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Texas.

Mr. PATMAN. The gentleman has been on the Committee on Banking and Currency a long time. Has he ever known the Committee on Banking and Currency to bring a bill up in the House before under a gag rule?

Mr. SPENCE. I never have.

Mr. PATMAN. Although we had the OPA and all the other different controversial questions during the war, they always came up under an open rule.

Mr. SPENCE. Yes. That is true, and the Members had an opportunity to express their views and propose their amendments. Nero fiddled while Rome burned, and the majority party is now fiddling while the same kind of conflagration takes place. They have given the President a garden hose producing no water to control the flames.

The SPEAKER. The time of the gentleman from Kentucky has expired.

Mr. SPENCE. Mr. Speaker, I yield 6 minutes to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Speaker, I object to this bill on two primary grounds. First, we are sending a legislative straw man out to combat the menace of inflation, which will be absolutely useless in saving this country from that disaster.

In the second place, I object to a gag rule. It is not only a gag rule, but it is the most vicious form of legislative strait-jacketing to bring a bill of this great importance into the House to force the House to rubber stamp it. You take it or leave it. You cannot dot an "i" or cross a "t," and I object to that kind of a process that gags the greatest legislative body in the world on such a highly controversial issue.

NO HEARINGS ON BILL

There were no hearings on this bill. We had hearings on inflation control but not one bit of testimony that goes directly to the heart of this bill was heard on the Federal Reserve section or on the voluntary allocation, so-called, method.

The majority in this House knows that they have the votes to vote any genuine inflation control bill out of this House if they care to bring it in under regular procedure. They control the majority votes of this House. Perhaps they do not want to subject this straw-man-bill to the light of day and let the country know how weak and insufficient and how burdensome in many of its provisions it might become.

They know that they have not got the two-thirds vote to pass this bill under suspension of the rules. It looks to me as if they are bringing this bill on the floor today purposely to kill it so that they can point the finger of blame at the Democratic Party. They know that this bill will look better dead than it will alive.

It seems to me that this is a well-staged drama of the murder of the Republican-produced straw man bill by the Democratic Party. I think in this process the majority party in the House underestimates the intelligence of the people of this country who know, and can read, and can understand what this bill contains, and what it does not contain.

NO PRICE REDUCTIONS

In the first place, the bill in its very language admits and says that no agreement can be made—now bear this in mind—that can have one bit of effect on lowering the skyrocketing prices in this country. Read that on page 3 and you get the real meaning of this bill.

In the second place, they come with a plea for so-called voluntary cooperation. This is a nice-sounding phrase, but under the high guise of voluntary cooperation we are permitting what are, I believe, called cartels, in harsh language, to operate by Government approval and Government rubber stamp.

The Government cannot amend, it cannot change. it cannot get anything in the public interest in these cartelized agreements for the allocation of scarce materials unless business wishes it.

The President can only approve. I read the bill and find there is no provision in its entire language to insure allocations in the public interest, geographical distribution, or equitable distribution among the various industries.

The voluntary agreement is voluntary only on those at the top, the biggest elements of our business. You will have involuntary allocation on the part of little business Little business will suffer because this bill gives big business of this country the power under these voluntary agreements to deny under Government sanction raw materials to anyone. If industry agrees and if it can secure, through any means or misunderstanding, the approval by rubber stamping of the Government it can allocate scarce materials away from the places it is most needed and to where it is least needed. There is no enforcement in the public interest.

Yes, there are safeguards in the allocation bill the President has proposed because that turns approval over to the Justice Department, but by this you have given the power of compulsory allocation by voluntary agreement without such safeguards.

We were assured in the committee that the reason we did not have hearings was that we were going to the Committee on Rules on Friday and bring the bill in under the regular rule for proper debate and amendment.

Then, after the Democrats in committee cooperated to bring this bill up for discussion and amendment by the entire House, we learned Friday afternoon or Saturday that it would be brought in under suspension of the rules.

NO RENT-CONTROL PROVISIONS

This bill does two good things: It extends export controls, true, and it extends transportation controls. But bear in mind that these controls expire not now but on February 28. Yet the bill does not say anything about rent control, which happens to expire on the same day. There are thousands of tenants today that are being high-pressured into 15-percent rent increases, so-called voluntary increases, simply because the Congress has not yet indicated that it is willing to extend rent control, and they are seeking that little bit of protection an additional year's lease will give them.

As to this Federal Reserve proposition, no one knows for sure quite what it will do. The chairman says we are getting rid of our "cheap money policy." What does "cheap money policy" mean?

It means exactly that we are going to have higher interest rates. I think we should curb the speculative expansion of bank credit, but let us not put the interest rate up on the farmers and the little businessmen and the people who are generally producing goods. Let us not force this rate up.

Let us not gamble on the increase in the cost of handling the public debt perhaps by a billion dollars a year by forcing up the rates on Government borrowing, on the financing that we must carry on.

Let us bear in mind that one-half of our $258,000,000,000 public debt must be refinanced within the next 5 years. Everyone that knows anything about this provision as to the gold reserve will tell you that its only effective influence will be to raise the interest rates, and that if the interest rates on governments go up one-half of 1 per cent you have increased the cost of carrying the public debt by more than $1,000,000,000 a year, which must be added to the people's taxes.

Mr. O'TOOLE. Mr. Speaker, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from New York.

Mr. O'TOOLE. I wish to thank my colleague from Oklahoma for yielding to me. Otherwise, I would not have the opportunity to say anything on this legislation.

Ten days ago the Gallup poll announced that a recent survey conducted by that organization showed that inflation and the high cost of living were the questions that the American people were primarily interested in. Every Member of this House is cognizant of the fact that when he goes back to his district the constant topic is the cost of living.

The Republican Party with its usual lack of interest in the small man and his problems has the nerve to bring this bill in this morning and endeavor to pass it with but 40 minutes allowed for discussion. Twenty minutes for the affirmative and 20 minutes for the negative.

The bill, itself, is a mockery. It does not attempt to solve the high cost of living or the control of prices. It is another creature of the National Association of Manufacturers.

I sometimes think that there are certain people who would rather close the Congress and substitute the board of directors of the National Association of Manufacturers as the deciding group for the making of laws and the deciding of the economic policies of this country.

Last year when controls were wiped out the very men who are sponsoring this measure this morning told the American people that prices would go down on food, clothing, and all of the other necessities of life. They were opposed to regimentation as they cutely called it, but this morning they stifle all debate so that the truth cannot be told. They fail to tell the American people that they have regimented our public into $1.10 a pound meat, $1.05 a pound butter, and $1 a dozen eggs. They fail to tell you that the average American family has had to reduce the amount of meat, butter, eggs, and milk that they can give their children. They do not want it discussed on this floor that the average family of a man, wife, and two children whose breadwinner gets under $65 a week can only give his family meat once a week. They do not want it brought to the attention of the public that the purchase of a suit in the average home today is a heavy financial problem. They do not want the people to be reminded that the so-called 15 percent optional rent increase that they wrote into the housing law is creating havoc and suffering throughout the United States. They do not want it expressed at this time that they have completely failed to face the housing shortage and have refused to even consider the Taft-Ellender-Wagner bill which would relieve the plight of hundreds of thousands of our poorly housed and unhoused citizens.

Today's stifling of debate is a black mark on the Republican Party and is a deep wound in the heart of democracy. It is indeed a sorry spectacle when the majority leader warns the Members of the House that unless they pass this nefarious bill the members will not be home for Christmas. Do the Members of this House mean to say that they are more anxious to return to their homes for Christmas than they are to face and debate the greatest problem that the country has? Are we to be respected and admired by the American people, or are we to follow the Republican leadership and be cowards failing to do our duty, failing to face the task, and failing to find a solution for questions that are driving millions of our people to involuntary poverty?

I know that for myself I will vote against the adjournment of this Congress until the question of inflation, price control of foods and clothing, and the other economic issues are fairly debated upon this floor and I will further vote against the adjournment until such time as some solution to these problems is found.

Let me remind the gentlemen on the other side of the aisle that this country, too, faces a crisis and now is the time for statesmanship of the highest order.

Now is no time for the leadership of this House to threaten the body with the alternative that they must stay here or accept bad legislation.

Mr. MONRONEY. I agree with the gentleman perfectly. This is just an effort to force the Democrats to accept the blame and to kill a phoney strawman bill.

Mr. SPENCE. Mr. Speaker, I yield 6 minutes to the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Speaker, it is pretty hard for me to believe that the gentleman from Michigan [Mr. WOLCOTT] would have initiated this kind of procedure and have confirmed it if he had had his way insofar as time is concerned. As the gentleman from New York said, the polls of the country say that the people of the United States are more interested in inflation and the high cost of living than any other one thing. That is true in my opinion. The President of the United States came before the Congress and candidly and fully set out a program that he thought would curb inflation and bring down the cost of living. It is true there were long hearings on the general state of the Union, as the gentleman from Kentucky so well said, but not a word of hearings on this bill—on this particular bill. Someone asked me the other day when this bill was reported, and I had had an opportunity to look it over a little, I said that this great Committee on Banking and Currency had labored and brought forth three or four very small mice.

We would like the opportunity to discuss this bill, to offer amendments to this bill, to consider this greatest of all questions that is fretting the American

housewife and everybody else today. But we are denied that opportunity. Until the bill is brought in and we are given the opportunity to consider legislation affecting this vital point, we are not going to be a party to this kind of procedure, and we are not going to be a party in enacting into law or starting on its way to be enacted into law this gesture.

Of course this extends export controls. We know that, even though you do not pass this thing today, you are not going to let export controls expire on the 28th of February. We know you are not going to allow transportation controls to expire on the 28th of February, it matters not what happens to this bill today. My friends, listen to the National Association of Manufacturers:

Parties to any agreement approved under this section are hereby relieved from the operation of the antitrust laws—

Do you think there is a period there? No, there is no period there, but there is a comma, and the bill continues further—

and of all other restraints, limitations, and prohibitions of law.

The National Association of Manufacturers had 12 points, but that is the one they are interested in most, and practically to the exclusion of all others. This thing about money is in here. Suppose we do that. Suppose we freeze something, and our economy is shaken in one of these days not far distant—a year from now or perhaps 2 years from now—when an expansion of the currency would be vital to the prosperity and hope of the country, we would have to pass another bill. Well, maybe we could not do it.

Let us vote down this motion to suspend. These gentlemen over here are getting some taste of legislative responsibility. If they are willing to bring in a gesture like this and stand upon it as their answer to inflation and to the high cost of living, we are willing to let you have it. If you are going to say because we do not vote for this thing that you will bring in nothing else, that is your responsibility; not ours.

The SPEAKER. The time of the gentleman from Texas [Mr. RAYBURN] has expired.

Mr. WOLCOTT. Mr. Speaker, I yield such time as he may desire to the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Speaker, the Wolcott bill, House Joint Resolution 273, is definitely patterned after the NRA. The Republican leadership stresses that the Wolcott bill provides for voluntary agreements by persons engaged in trade and industry to carry out the purposes of the measure. The NRA Act provided identically the same thing.

It authorized the President to enter into and "approve voluntary agreements" between and among persons engaged in trade or industry; to carry out the alleged purposes of that act.

The Wolcott bill authorizes the President to consult with representatives of industry, business, and agriculture with a view to "encouraging" the making by persons engaged in industry, business, and agriculture of "voluntary agreements" to control transportation facilities, to control the weights at which livestock and poultry can be marketed, and the use of grain; to ration whatever commodities the President deems to be in short supply and which affect the cost of living or industrial production; and to regulate speculative trading.

Then as a sure catch-all, the President is authorized to enter into agreements which he believes will aid in stabilizing the economy and curbing inflationary tendencies.

What would these powers not embrace?

The NRA required approval by the President before any agreement could be put into effect. The same is provided in the Wolcott bill. Experience with the NRA showed that the President virtually dictated the terms of agreements. It would of course be the same with the Wolcott bill, should it pass.

The alleged purposes of the NRA Act were different from those provided by the Wolcott bill but the political machinery and powers for putting the respective purposes of the two measures into effect are the same.

True, the NRA Act provided compulsions that are absent in the Wolcott bill. It is, nevertheless, a fact that the NRA was sold to the country on the idea that it was a voluntary proposition. Nor was it the compulsory provisions that gave the NRA force.

The thing which did give it force was the exploitation by the New Deal of the misery and distress of our people incident to the depression. It was this that made the brutal coercion, the hounding, and the boycotting of those who preferred not to comply with and display the NRA eagle.

So, likewise, the administration, regardless of which party was in power, would exploit the prevailing sentiment against the evils of excessively high prices, shortages, and so forth to carry out the provisions of the Wolcott bill.

The fact is that the Wolcott bill is written on the assumption that agreements between industry to do the things proposed in it are not only a necessity, but a dire necessity.

The proposal is based on the further assumption that it will be the duty of persons engaged in trade and industry to make the agreements provided. Back of all the palaver about the program being voluntary is the knowledge possessed by the Washington lawmakers that if firms engaging in industry and trade should fail to play ball with them they could use persuasion, and, should that fail, they could fall back upon more law.

Of course, enterprisers are just as aware of this fact as the lawmakers. In the very nature of things the enterprisers are helpless and become just so much clay in the hands of the lawmakers. The NRA operated precisely on this theory.

Should this bill pass, the extent to which the NRA will be revived will depend upon the extent to which the New Deal regime puts the law into operation.

As all should remember, the operation of the NRA caused serious deterioration of the economy and the national morale. That was when our institutions still rested upon a fairly sound basis. Today, however, the foundation of the national economy, finances, and incentive is honeycombed with political corruption, so that the revival of NRA at this time would have a much more deleterious effect upon the country than it originally had.

Considering the highly diseased condition of our social body, the Wolcott bill, if enacted into law, will directly play into the hand of the regime now controlling the Government to carry out its avowed purpose of completely making this Nation into the police state. Inherent in the Wolcott bill are contained, for practical purposes, all the powers the President has been asking for.

The New Deal forces refuse to accept the powers proposed in the Wolcott bill because they feel confident of being able to put through the lend-lease program called the Marshall plan. That would create conditions which would practically assure them of being able to put through their own control program.

Mr. WOLCOTT. Mr. Speaker, I yield such time as he may desire to the gentleman from Kansas [Mr. COLE].

Mr. COLE of Kansas. Mr. Speaker, House Joint Resolution 273, considered by the House today under a rule which permits no amendments, provides for compulsory price control, and rationing of livestock, poultry, and grain.

As usual, the farmer is the scapegoat for the inflation argument, and he is being told this is a voluntary program.

The bill permits the making of agreements, providing for the marketing of livestock and poultry at weights and grades that represent the most efficient utilization of grain.

Who will enter into such agreements? The packers, with the advice, suggestion, and approval of some bureaucrat here in Washington will agree.

Someone here in Washington, then, will determine the most efficient utilization of grain, and the farmer will be bound hand and foot. His market will disappear for weights and grades other than those approved by government.

So, the program is not voluntary for the farmer.

In spite of the prohibition against the fixing of prices, these agreements would determine the price of livestock, poultry, and grain. By accepting only approved weights and grades, the buyer thus manipulates the price. As grain prices are interwoven with livestock prices, so would they be affected and fixed.

My objection to this part of the proposed legislation, therefore, is that if it is to be effective, it will be a straitjacket for the farmer. The Government experimented with efficient utilization of grain in its late lamented poultryless Thursdays. The example is not encouraging.

Before we indulge in too much loose talk about the prosperous farmer and the high cost of food, let us look at the record:

In only two periods in recent history, 1916–20 and 1941–46, has the American farmer, as a class, made a profit on his business, which consists essentially of a gigantic gamble against the weather.

The price solution in 1921 was to trim by half the income of this group, while trimming the cost of living by less than a quarter. Is this to be the price solution of 1948? If it is, it might be well to remember that the farmer experienced a depression from 1921 to 1941 that caught up with the rest of America in 1930.

I am attaching supporting data on farm prices and the cost of living.

Actually, so long as our leaders persist in advocating price control for farm products and farm products alone, they will be well advised to desist from propaganda and repressive legislation aimed at a specific class and begin praying for rain. A good world crop in 1948 will bring back $2 wheat; another such crop in 1949 might bring $1 wheat; a third such crop would produce a surplus that would bring joy only to a frankly paternalistic government.

Supporting data on farm prices and cost of living

SERIES A, 1913 BASE

Year	Farm prices	Cost of living [1]
1913	100	100
1914	100	101
1915	97	102
1916	117	110
1917	173	130
1918	200	152
1919	211	176
1920	209	202
1921	124	180
1922	131	169
1923	141	172
1924	142	173
1925	154	177
1926	144	179
1927	138	175
1928	148	173
1929	145	173
1930	125	169
1931	86	154
1932	64	139
1933	69	132
1934	89	137
1935	107	141
1936	113	142
1937	120	147
1938	94	145

SERIES B, 1926 BASE

Year	Farm prices	Cost of living [1]
1938	68	77
1939	52	79
1940		80
1941	95	94
1942	114	101
1943	124	103
1944	127	105
1945	132	107
June 1946	142	113
December 1947	[2]182	206

[1] Wholesale commodity index.
[2] Estimate.

Source: Bureau of Labor Statistics.

Mr. REES. Mr. Speaker, I shall oppose the pending resolution. First, because I do not think legislation of such importance and Nation-wide interest and controversy should be brought to the floor under suspension with no chance for an amendment and only 40 minutes' debate. This bill should be considered in the regular order. There should be reasonable time for debate and there should be chance for amendments by those who want to submit them. I hope this committee will follow this procedure in the event it fails to pass as now submitted.

I think practically everybody is in favor of the declaration in the resolution, which reads as follows:

The purposes of this joint resolution are to aid in stabilizing the economy of the United States, to aid in curbing inflationary tendencies, to promote the orderly and equitable distribution of goods and facilities, and to aid in preventing maldistribution of goods and facilities which basically affect the cost of living or industrial production.

Section 2 of the bill provides among other things that the "President is authorized to consult with representatives of industry, business, and agriculture with a view to encouraging the making, by persons engaged in industry, business, and agriculture, of voluntary agreements."

It is with respect to part 2 of this section that I cannot go along, where it says that such agreements may be entered into "providing for the marketing of livestock and poultry at weights and grades that represent the most efficient utilization of grain."

Let it be understood I am in favor of providing for the marketing of livestock at weights and grades that represent the most efficient utilization of grain, but I just do not see how, in view of the various kinds and grades and qualities of livestock including hogs and cattle and sheep, that you can make agreements for feeding that will be practical and will really work.

Cattle, for example, are fed in different parts of the country where different kinds and quality of feed are used and cattle vary in ages and sizes and quality. One grade of cattle requires more grain. Another grade will require less.

The problem and procedure is so complicated that it would be most difficult to enter into a practical agreement, so instead of having more meat to take care of the scarcity that is bound to come, we will have less.

It is my understanding the Congress wants to encourage more and more production of food. This procedure, in my judgment, will provide less meat at more expensive prices.

I want to make this further observation that this section of the bill with regard to livestock may result in an agreement with the large meat packers of this country so that instead of having voluntary agreements with the livestock producers, farmers, and feeders, it may result in nothing more than an agreement among the meat packers of this country to set prices on livestock without affording an opportunity for free competition on the open market.

Let me say again that the way to reduce prices with respect to farm products is to provide more rigid export controls and then offer every possible inducement to the farmers and livestock producers to increase production of agricultural products of all kinds.

I think too that a great deal can be accomplished by providing better transportation facilities and I want to add too that if the farmers of this country can have more machinery and more fertilizer and other things that are needed to get the job done, they are willing to put in their time and overtime in an effort to see that production requirements are met.

Of course, we do not want spiraling, inflationary prices, but I do not believe the legislation in its present form will accomplish the purposes for which it is intended.

I suggest that the committee bring the proposal to the floor under open rule so we may be given a chance to offer amendments and then write legislation, if possible, that will deal directly with the serious problem of inflation, which after all affects all people in this great country of ours.

Mr. HESELTON. Mr. Speaker, I have received today a letter from the Governor of Massachusetts, Hon. Robert F. Bradford, containing his recommendations in an effort to solve the critical situation in New England arising from the shortage of fuel oil in that area.

One recommendation is as follows:

Prompt enactment of legislation by Congress authorizing oil distributors in Massachusetts to pool their information and supplies during this emergency just as they did during the war, without any violation of the antitrust laws. The bill which the Massachusetts delegation indicated was pending in Congress to enable the members of any industry in an emergency to file a voluntary agreement for joint action and to be protected against the antitrust laws when acting within the scope of the agreement after its acceptance by the Federal Government, would seem to me to meet the situation. I hope it can be put through as speedily as possible.

I would like to ask the chairman of the committee if the provisions of House Joint Resolution 273 would permit such pooling of information and supplies by oil distributors as recommended by Governor Bradford.

Mr. WOLCOTT. Yes. It definitely takes care of that situation. I refer to language on page 3 of the committee's report which says:

To encourage consultations and agreements which might be an aid in the stabilization effort, the joint resolution provides that parties to any such agreement approved by the President or whomsoever he might designate shall be relieved from the operation of the antitrust laws and all other restraints, limitations, and prohibitions of law with respect to the making of such agreements.

Mr. BUFFETT. Mr. Speaker, I would have liked to vote for House Joint Resolution 273. Not only considerations of party regularity prompted that desire, but also because of section 6 in the measure. Section 6 would restore the pre-1945 gold reserve ratios to the Federal Reserve System. That appears to be an important step towards sound money, and as such it seems desirable. But actually it would have no immediate effect—except a possible psychological effect.

Mr. Speaker, there is one action that Congress can take on high prices that would be worse than no action at all.

That would be to pass so-called anti-inflation legislation that does not deal effectively with rising prices. Outside of section 6 this resolution seems to be de-

signed to fool the people into thinking that Congress is doing something substantial to stop the rise in prices.

This attempt seems to follow the pattern set by the President, whose inflation remedies appear as largely political moves calculated to make the Republican majority the goat for New Deal inflation.

Should we in Congress join the President in a buck-passing contest to fool the people? In such a contest we cannot win. Let us instead be honest and forthright with the people. And if we follow that course the administration cannot successfully compete with us.

Mr. Speaker, section 2 of this bill provides for voluntary agreements in industry covering many phases of business. I must admit that I cannot imagine how this new-fangled NRA will work out. But I do know that its dangerous monopoly possibilities do not get at the root causes of inflation.

Furthermore, such legislation on our part would reinforce and accentuate the propaganda that industry was responsible for inflation and high prices. The CIO and left-wing elements generally would welcome congressional action that indirectly declares that high prices are caused by industry and business.

Having such a misleading impression made respectable by congressional action is not in the public interest.

The section relating to export controls is included, I suppose, also for psychological reasons. Talking control of exports at a time when hundreds of millions are being appropriated to prolong the most fantastic export boom in our peacetime history sounds like humbug or something worse.

In the 10 years from 1922 through 1931 our total net exports amounted to $6,811,000,000.

For the first 10 months of 1947 net exports totaled $7,511,000,000. This outpouring is larger than a 10-year total that took in most of the lush export years of the twenties—and helped bring on the 1929 crash.

Mr. Speaker, if my party is ready to move constructively to put the brakes on high prices, the opportunity is within their grasp. All that needs to be done is for the responsible Republican leadership to announce that consideration of the multibillion hand-outs proposed in the Marshall plan is to be postponed until our own house is in order.

Let the word go out to the country that the Marshall price-spiraling hand-out proposal is on the shelf, and most high prices would start to skid before sundown.

Mr. Speaker, as long as record exports continue, the inflation accelerator is being pushed to the floorboard.

Congress must take some genuine action on inflation quickly if a domestic crisis is to be avoided. But this bill does not meet that responsibility.

It is largely cast in the same pattern of political expediency as the President's program. Congress cannot compete with the President successfully in the patent-medicine field, and we will discredit ourselves if we try to do so.

This resolution should be defeated and Congress should get to work on the genuine inflation correctives: First, suspension of gigantic hand-out exports; second, reduced Federal expenditures generally; third, tax relief to spur production; and fourth, legislation to restore the gold-coin standard.

Mr. KEFAUVER. Mr. Speaker, I wish to protest, with all the resources at my command, against the passage of House Joint Resolution 273, a bill "to aid in the stabilization of commodity prices, to aid in further stablizing the economy of the United States, and for other purposes." The title sounds good but it is a phony.

Not content with destroying OPA and with refusing even to restore selective price controls, monopoly interests and their Republican spokesmen in Congress have now seen fit to strip from the consumer the last shreds of protection which he possesses against the rapacity and greed of monopoly business.

With the exception of the unhappy days of the late unlamented NRA the consumer since 1890 has always had in peacetime the protection of the antitrust laws which one noted Republican, Mr. Justice Holmes, once termed our "charters of economic liberty." During the war the antitrust laws were relaxed, but price control was substituted in their place. Now, with the passage of this bill, the consumer is going to be without the protection of either the antitrust laws, price controls, or anything else. The lamb has been made ready for a shearing which he will long remember.

In all of my experience in Congress I have never witnessed such a brazen, bald-faced and undisguised exhibition on the part of monopoly business. Generally, its opposition to the antitrust laws has been smooth, sophisticated, and indirect. The spokesmen of big business have usually seen to it that the effectiveness of the antitrust laws has been, shall we say, "limited" by such unpublicized maneuvers as refusing to give the antitrust agencies sufficient funds or refusing to close the wide-open loopholes in the laws that have been created by judicial interpretation.

But now the opponents of the antitrust laws have put their cards on the table; they have come out in the open; they are saying to us, "Just do away with the antitrust laws, and prices will come down."

Mr. Speaker, does not that invocation have a familiar ring? Have we not all heard it sometime before? Unless my memory is sadly mistaken, I seem to recall full-page advertisements on the part of certain business organizations, and innumerable speeches by my esteemed Republican colleagues to the general effect, "Just do away with price controls, and prices will come down." The substitution of the term "antitrust laws" for the term "price control" does not make an incorrect argument any less fallacious. The simple part of the matter is that monopoly business wanted price controls eliminated and Congress obliged by eliminating OPA. Now it wants the antitrust laws eliminated. Is Congress going to oblige it again?

The only other occasion during peacetime when the antitrust laws were relaxed was during the period of the NRA. Big business came down to Washington in droves; they wrote the infamous NRA codes, which not only fixed prices but restricted production, divided up territories and accomplished every economic objective which had been specifically prohibited for nearly half a century by the antitrust laws. It will be recalled that the NRA codes of big business were so antagonistic to the American spirit of free enterprise that they had fallen into disrepute and disuse well before they were declared to be legally unconstitutional.

Today, we are being asked to permit the same type of activities that took place during the NRA. There is, however, this one important exception—the purpose of relaxing the antitrust laws under the NRA was to get prices up. Now we are told that these same laws must be relaxed but for the opposite purpose of getting prices down.

Is there anyone so naive as to believe that when monopoly business is permitted to get together and fix prices, limit production, divide up markets, etc., that their motives will be only those of trying to help the poor consumer? When the cigarette companies during the early thirties conspired to fix the prices of cigarettes, did they conspire to fix them upward or downward? We all know the answer—the price of cigarettes soared at the very same time that the poor farmer was receiving the lowest price in history for his tobacco. When the General Electric Corp. and other big businesses conspired to fix the price of tungsten carbide, did the price fall or did it rise? The record indicates that it promptly rose more than 10 times. Every antitrust suit reveals the same answer; monopolies always conspire to raise prices and never to reduce them, except for the deliberate purpose of eliminating smaller competitors, after which prices are raised to new heights.

Actually there is no reason under the sun why big business must be permitted to get together in order to reduce prices. What is to prevent any firm at the present time from reducing prices? In a free economy that is the right of every producer? When Henry Ford reduced the prices on his automobiles during the twenties—an action which electrified the world—did he have to conspire with General Motors and the other automobile firms in order to put his price reductions into effect? The absence of any necessity to conspire in order to reduce prices suggests that there are other motives than price reduction behind this proposed emasculation of the antitrust laws.

Mr. Speaker, I defy any Member in this House to cite a single illustration of a conspiracy by big business which resulted in lower prices to the consumer. Yet, though no such illustration can be cited, we are now asked to enact a law based upon the assumption that this is the ordinary outcome of such conspiracies. The incredible is becoming the fantastic and the fantastic is becoming the law.

That it is clearly the purpose of this bill to throw the antitrust laws out the

window is apparent from even a cursory analysis of its provisions. I call your attention to section 2 which provides that parties to agreements designed to achieve any one of five different purposes "are hereby relieved from the operation of the antitrust laws, and of all other restraints, limitations, and prohibitions of the law."

Now what are these five purposes? The first four are fairly specific, relating respectively to the allocation of transportation facilities and equipment, the marketing of livestock and poultry, the allocation and inventory control of scarce commodities and the regulation of speculative trading on commodity exchanges. But the fifth purpose is the joker. Section 2 (a) (5) includes agreements which will otherwise carry out the purposes declared in section 1 of this joint resolution.

Now, what are the purposes declared in section 1? Turning over to section 1 we find that its purposes are as wide as from here to the moon. Specifically, that "the purposes of this joint resolution are to aid in stabilizing the economy of the United States, to aid in curbing inflationary tendencies, to promote the orderly and equitable distribution of goods and facilities which basically affect the cost of living or industrial production." If there are any general, catch-all phrases which are not included in that sentence, I do not know what they are.

It is obvious that practically any monopolistic agreement can be rationalized on the grounds set forth in these catch-all phrases. What is the "orderly" and "equitable" distribution of goods and facilities? What is the "maldistribution" of goods and facilities? Since the bill fails to set forth any standards or definitions of these loose and wide-open terms, it must be assumed that they can cover practically any type of monopolistic agreement which the mind of man is capable of devising.

Proponents of the bill have cited, as proof of their laudable intent, to retain some vestige of the antitrust laws, the qualifying phrase in section 2 (b) that the bill specifically prohibits "any agreement which provides for the fixing of prices."

But this, as is known by anyone who has studied the antitrust laws, is nothing more than a gesture. Most of the really effective conspiracies and agreements in restraint of trade are designed to achieve a higher level of prices, not through the simple means of direct price fixing, but, rather, through the more effective and indirect methods of restricting production, dividing up markets, limiting capacity, and so forth. Provisions in the proposed bill which would maintain the unlawful status of these practices are conspicuous by their absence.

Yet, as we look into the future, we must recognize that in many industries demand will probably begin to catch up with supply within the next year or so. As that takes place monopolies everywhere will try to get together and limit production in order to keep prices high. Significantly enough, the stated purpose of the bill is to aid in the stabilization of commodity prices. But stabilization at what level? This will be known as stabilizing the economy. For example, I know of many industries in which prices are now 100 percent or more above prewar levels. I can readily understand the desire on the part of the monopolistic firms in such industries to be satisfied with a stabilized price which is 100 percent or more above prewar levels. This would be particularly true of those industries in which demand is beginning to catch up with supply; in which competition is beginning to break out; and in which the big firms are afraid that some of their smaller competitors may seek to obtain a larger share of the market by the sound American method of reducing prices. In order to forestall such an eventuality, the monopolists will naturally endeavor to get together with their small competitors and agree on a restriction of production which will be satisfactory to all and which will maintain prices at levels which are fantastically above prewar figures.

In short, Mr. Speaker, the real purposes behind this bill are revealed by these two facts: First, the inclusion of the catch-all phrases in section 1 as one of the bases for obtaining an exemption from the antitrust laws; and, second, the failure to include in section 2 not only a prohibition against agreements providing for price fixing, but also a prohibition against agreements providing for the restriction of production, the division of markets, territories, and so forth.

Mr. Speaker, in concluding, I want to call your attention to the very solemn and disturbing fact that in every one of the other industrialized nations of the world, the prelude to the advent of collectivism has been the renunciation of the antitrust laws or their rough equivalent in the common law.

This happened in Germany, Great Britain, and France. Are we going to follow their example? Are we going to abolish the last guarantees of freedom in the economic world?

Mrs. DOUGLAS. Mr. Speaker, House Joint Resolution 273 which we have before us has been reported to the House under a suspension of the rules—a gag rule that prevents this Congress, the greatest legislative body in the world, from amending this bill to meet the needs of our people—to take positive steps to curb inflation.

Twenty minutes has been allotted on either side of the aisle to discuss a matter that strikes at the very heart of our economy.

The Republican leadership has made it very clear that this bill is not intended to control prices. But that is what the President has asked for—measures that will control prices.

The President has asked for powers to curb inflation and the Republican leadership has given him the power in this bill to sit around and talk about inflation.

House Joint Resolution 273 is quite in line with Republican thinking: Let us have chaos rather than orderly controls if chaos means high profits for a few.

We are in trouble today—grave economic trouble because we removed price controls before it was safe to do so. No one likes to talk about price controls today. But the fact remains that we were not out of the woods when we removed them. If we do not recognize this fact, we cannot save ourselves now. The President has asked this Congress to correct past mistakes and to act while there is still time. He has had his answer and the answer is a flat refusal—no.

The Republicans' one driving goal since VJ-day has been to scrap all controls. The Republican argument, of course, has been that of the National Association of Manufacturers. "Remove price controls on manufactured goods and production will step up fast. Goods will then pour into the market and, within a reasonable time, prices will adjust themselves naturally—as they always have—in line with the real worth of things."

The Republican argument inspired by NAM propaganda has proven unsound. The American people have paid to the tune of billions of dollars because the Republicans aided by a few Democrats had their way.

The NAM philosophy prevailed.

Prices haven't come down. They have gone steadily up—prices of food and clothing and now rent. The rising waters of inflation are engulfing the low and middle income groups in this country.

There is still time if we will act. But, if this bill is the only answer the Republicans can give to inflation and high prices, it is clearly evident that they have no intention of putting on any brakes that will in any way curtail prices and cut down the cost of living. I have today introduced a tax bill that seeks to do just that. But this bill before us proposes no such remedy. The Republicans are still defending an indefensible position.

Corporate profits after taxes for the first half of 1947 were at an annual rate of $17,000,000,000—more than 67 percent above the profits of banner war year 1943. The danger is that although profits are at a $17,000,000,000 level after taxes, the volume of business transacted clearly indicates that the consumer is being priced out of the market. The Nation must be protected against peacetime profiteers, who if allowed to continue unchecked will wreck our economy. The Republicans' answer is a resolution that proposes that we sit around and talk. Talk at this point is very expensive. What we need is not talk but action. It is long past the hour for shadow boxing.

The Republicans have never shown concern over high prices. They do not show concern today. The American people are concerned, however. Every day they go to the market the economic facts of life are borne home.

But the Republican Party is not the party of the people—it is the party of big business. No bill ever high lighted that truth more than the one before us today—House Joint Resolution 273.

No wonder no hearings were heard on House Joint Resolution 273. A review by the Banking and Currency Committee of the state of the Union won't help if Republican leadership refuses to use legislative power to protect the Union. Removing corporations from the antitrust laws will not solve our problems, either.

If this is the Republican answer to inflation and prices, I raise my voice with that of the gentleman from Texas [Mr. RAYBURN] and answer "No"; I cannot and will not support any such empty gesture.

Mr. KEATING. Mr. Speaker, the No. 1 domestic problem is the high cost of living. This bill, although admittedly only a partial answer to the problem, is an attempt to give the President part of the powers he has requested.

The spokesmen for the administration, who appeared before the Banking and Currency Committee, advocated the very provisions which are incorporated in this measure. The chairman of the committee has frankly stated that hearings will be continued on the more controversial features immediately after we reconvene and further legislation will be submitted to us. Certainly we should speed the passage of that part of the program on which there is agreement.

Opposition to this measure only lends emphasis to the claim of those who contended that the President was not serious when he asked for these powers. Now we try to give a part of them to him and the representatives of his party oppose the legislation. It looks to me suspiciously like playing politics with the meat and potato on our tables.

Mr. RAYBURN. Mr. Speaker, without taking it out of the time of the gentleman from Michigan, would the gentleman ask that all Members be given the privilege of extending their remarks?

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on this bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. WOLCOTT]?

There was no objection.

Mr. WOLCOTT. Mr. Speaker, I yield the remainder of the time of the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, on September 29 the President had a meeting of the congressional leaders, and then proposed a program for aid to Europe. Subsequently we were called back, and the President announced the call for a special session. In addition to aid to Europe we were asked to do something about prices. Of course, that came as something of a surprise, because there had been no forewarning about it.

Subsequently the President sent here a message in which he outlined 10 points that he wanted adopted. The Banking and Currency Committee went to work immediately with hearings. There were no bills introduced. No specific proposals were made by the administration. As a matter of fact, as the hearings progressed, both on this side and on the other side, it became apparent that there had been no meeting of the minds in the administration as to just what they wanted. They were in complete confusion and disagreement.

Now, the Banking and Currency Committee, Republicans and some Democrats joining, wanting to meet the responsibilities of the country, reported out this bill to do something about prices.

I want to talk to my friends on the Democratic side of the aisle—and let me say we hear a lot about cooperation between the executive and legislative branches of the Government. We have enacted the aid bill which the President asked for. Right now we are in the process of enacting legislation that will give to the President a considerable number of the things that he asked for in his message. If you vote against this bill you are voting against the things that the President asked for. One of the things that he wanted, and Mr. Harriman came up and testified about it, was voluntary control. That is in this bill. The gentleman from Texas [Mr. RAYBURN] refers to transportation. I direct his attention to the fact that the bill contains provisions for much wider voluntary control of transportation and facilities than is contained in the present ODT Act.

Obviously, if the Congress had undertaken to legislate on the subject matter of all things contained in the President's message, no action at all could be had before this session is adjourned. It has been agreed generally and understood on both sides of the aisle that we will conclude here on next Friday, the 19th of December, not just in order that the Members may just go home for Christmas, but when you run much beyond that, whatever is to be gained by action at this session would not be much as against action taken in January. I understood from the administration spokesmen, however, that they wanted some of these things acted on in this special session and that is what we are attempting to do. As a matter of fact, this proposal contains about all the propositions for powers sought for immediate use.

Reference has been made to this procedure. The rules of the House have for a long time provided that suspensions are in order on the last 6 days of a session. Why is that? It is to bring about the accomplishment of legislation in the closing days of a session, and that is exactly what we are doing now. We all know that if this legislation is to be enacted it must go to the other body, run the gamut of committee hearings there, then go to the floor of the other body, and we all know that the rules of debate over there are such that one could not expect action without considerable debate.

You on the Democratic side say you want this bill brought up under an open and liberal rule. Let us see what that would have meant? It would have meant that there would have been long debate, I take it, in general debate, and then a reading of the bill with all sorts of amendments both to add to and to strike out. You might as well recognize the fact if that course were adopted there is little likelihood that there would be any legislation this session. That is the reason I say the responsibility is yours. You either are going to go along with a proposal that is a beginning, that contains a number of the points the President asked for, points argued for by members of his administration, or you are not. No one asserts that this is a complete answer, but it is an effective beginning. When we get back here in January other matters that will be proposed, and can be proposed, can be considered.

I say to you in all sincerity, however, that if you vote against this resolution here today you have almost surely killed anything in the way of control of inflation or prices at this special session of Congress. That is no willful determination on the part of anyone who carries any responsibility for the legislative program here; it is just a matter of common sense. If you vote this down and it is necessary to bring in a rule, and then there is debate pro and con, you know we would have trouble getting the bill out of here this week and would probably not get it out until next week. Under those circumstances I appeal to my friends on the Democratic side of the aisle. This procedure has been adopted in definite realization of the very obvious fact that should be apparent to everyone, that if this measure is not gotten over to the other body today to start through the works over there, there is practically no chance for any legislation. This is not any sharp practice. As I said, spokesmen for the administration who were supposed to state the reasons why they wanted compulsory controls did not know just what they wanted. As pointed out by the gentleman from Michigan, they did say that they wanted certain powers to put into effect voluntary controls. The President got a little confused about the antitrust law. I am making no recrimination there, but the fact of the business is that his own Secretary of Commerce had been up here and asked for the very thing that is in this bill as a part of the program. So I urge upon you to support this measure and do something for the people of this country who are demanding that something be done about high prices and inflation.

The SPEAKER. The time of the gentleman from Indiana has expired; all time has expired.

The question is, Shall the rules be suspended and the bill passed?

The question was taken; and there were—yeas 202, nays 188, not voting 43, as follows:

[Roll No. 145]

YEAS—202

Allen, Calif.	Burke	Dolliver
Allen, Ill.	Butler	Dondero
Anderson, Calif.	Byrnes, Wis.	Eaton
Andresen, August H.	Canfield	Ellis
	Carson	Ellsworth
Andrews, N. Y.	Case, N. J.	Elsaesser
Angell	Case, S. Dak.	Elston
Arends	Chadwick	Engel, Mich.
Arnold	Chenoweth	Fellows
Auchincloss	Chiperfield	Fenton
Bakewell	Church	Fletcher
Banta	Clason	Foote
Barrett	Clevenger	Fuller
Bates, Mass.	Cole, Mo.	Gallagher
Beall	Cole, N. Y.	Gamble
Bender	Corbett	Gavin
Bennett, Mich.	Cotton	Gearhart
Bennett, Mo.	Coudert	Gillette
Bishop	Crow	Gillie
Blackney	Cunningham	Goff
Boggs, Del.	Curtis	Goodwin
Bolton	Dague	Graham
Bradley	Davis, Wis.	Grant, Ind.
Bramblett	Dawson, Utah	Griffiths
Brehm	Devitt	Gross
Brown, Ohio	D'Ewart	Gwinn, N. Y.
Buck	Dirksen	Hagen

Hale	McCowen	Ross
Hall,	McCulloch	Russell
Edwin Arthur	McDowell	Sadlak
Hall,	McGarvey	St. George
Leonard W.	McGregor	Sanborn
Halleck	McMahon	Sarbacher
Hand	Mack	Scott, Hardie
Harness, Ind.	MacKinnon	Scott,
Harvey	Macy	Hugh D., Jr.
Herter	Maloney	Scrivner
Heselton	Martin, Iowa	Seely-Brown
Hess	Mathews	Shafer
Hill	Meade, Ky.	Short
Hoeven	Merrow	Simpson, Pa.
Holmes	Meyer	Smith, Maine
Horan	Michener	Smith, Wis.
Jackson, Calif.	Miller, Md.	Snyder
Jenkins, Ohio	Miller, Nebr.	Stefan
Jenkins, Pa.	Mitchell	Stevenson
Jennings	Muhlenberg	Stockman
Jensen	Mundt	Sundstrom
Johnson, Calif.	Nicholson	Taber
Johnson, Ill.	Nixon	Talle
Johnson, Ind.	Norblad	Taylor
Jones, Wash.	Patterson	Tibbott
Jonkman	Phillips, Calif.	Tollefson
Judd	Phillips, Tenn.	Towe
Kean	Ploeser	Twyman
Kearney	Plumley	Vail
Kearns	Potter	Van Zandt
Keating	Poulson	Vorys
Kilburn	Ramey	Vursell
Knutson	Reed, Ill.	Wadsworth
Kunkel	Reeves	Weichel
Landis	Rich	Welch
Latham	Riehlman	Wigglesworth
LeCompte	Rizley	Wilson, Ind.
LeFevre	Robertson	Wolcott
Lewis	Robsion	Wolverton
Lodge	Rockwell	Woodruff
Love	Rogers, Mass.	Youngblood
McConnell	Rohrbough	

NAYS—188

Abernethy	Gossett	Multer
Albert	Granger	Murdock
Almond	Grant, Ala.	Murray, Tenn.
Andersen,	Gregory	Murray, Wis.
H. Carl	Hardy	Norrell
Andrews, Ala.	Harless, Ariz.	Norton
Barden	Harrison	O'Brien
Battle	Havenner	O'Hara
Beckworth	Hays	O'Konski
Bell	Hedrick	O'Toole
Blatnik	Heffernan	Pace
Bloom	Hendricks	Passman
Bonner	Hobbs	Patman
Boykin	Hoffman	Peden
Brophy	Holifield	Peterson
Brown, Ga.	Hope	Pfeifer
Bryson	Huber	Philbin
Buffett	Hull	Pickett
Bulwinkle	Jackson, Wash.	Poage
Burleson	Jarman	Preston
Byrne, N. Y.	Javits	Price, Fla.
Camp	Johnson, Okla.	Price, Ill.
Cannon	Johnson, Tex.	Priest
Carroll	Jones, Ala.	Rains
Chapman	Jones, N. C.	Rankin
Chelf	Karsten, Mo.	Rayburn
Clark	Kee	Redden
Cole, Kans.	Keefe	Rees
Combs	Kefauver	Regan
Cooley	Kennedy	Richards
Cooper	Keogh	Riley
Cox	Kerr	Rogers, Fla.
Cravens	Kilday	Rooney
Crawford	King	Sadowski
Crosser	Kirwan	Sasscer
Deane	Lane	Schwabe, Mo.
Delaney	Lanham	Schwabe, Okla.
Dingell	Larcade	Sheppard
Domengeaux	Lea	Sikes
Donohue	Lemke	Simpson, Ill.
Dorn	Lesinski	Smathers
Doughton	Lucas	Smith, Kans.
Douglas	Ludlow	Smith, Ohio
Durham	Lusk	Smith, Va.
Eberharter	Lyle	Spence
Elliott	Lynch	Stanley
Engle, Calif.	McCormack	Stigler
Evins	McMillan, S. C.	Stratton
Fallon	McMillen, Ill.	Teague
Feighan	Madden	Thomas, Tex.
Fernandez	Mahon	Thompson
Fisher	Manasco	Vinson
Flannagan	Mansfield	Walter
Fogarty	Marcantonio	West
Folger	Mason	Wheeler
Forand	Meade, Md.	Whitten
Fulton	Miller, Calif.	Whittington
Garmatz	Miller, Conn.	Williams
Gary	Mills	Wilson, Tex.
Gathings	Monroney	Winstead
Gordon	Morgan	Wood
Gore	Morris	Worley
Gorski	Morton	Zimmerman

NOT VOTING—43

Allen, La.	Davis, Tenn.	Morrison
Bates, Ky.	Dawson, Ill.	Nodar
Bland	Drewry	Owens
Boggs, La.	Gwynne, Iowa	Potts
Brooks	Harris	Powell
Buchanan	Hart	Rabin
Buckley	Hartley	Reed, N. Y.
Busbey	Hébert	Rivers
Celler	Hinshaw	Sabath
Clements	Jenison	Scoblick
Clippinger	Kelley	Somers
Coffin	Kersten, Wis.	Thomas, N. J.
Colmer	Klein	Trimble
Courtney	Lichtenwalter	
Davis, Ga.	McDonough	

So, two-thirds not having voted in favor thereof, the motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Reed of New York and Mr. Coffin for, with Mr. Hébert against.

Mr. Thomas of New Jersey and Mr. Jenison for, with Mr. Klein against.

Mr. Lichtenwalter and Mr. Busbey for, with Mr. Boggs of Louisiana against.

Mr. Hartley and Mr. Potts for, with Mr. Davis of Georgia against.

Mr. Nodar and Mr. Scoblick for, with Mr. Trimble against.

General pairs until further notice:

Mr. Clippinger with Mr. Harris.
Mr. Hinshaw with Mr. Buchanan.
Mr. McDonough with Mr. Rivers.
Mr. Owens with Mr. Colmer.

The result of the vote was announced as above recorded.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD——

Mr. WOLCOTT. Mr. Speaker, I may say to the gentleman that permission has already been granted for all Members to extend their remarks on this bill.

Mr. PATMAN. But I wish to insert at this point in the RECORD a copy of a letter written to the chairman of the Committee on Banking and Currency by four Cabinet members and also a copy of the administration's bill.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, I assume that is the letter which has just been delivered to me which purports to be the administration's program. I surely have no objection to it, but I think attention should be called to the fact in a reservation of objection that this letter comes up here after action is taken on the resolution on the floor.

Mr. PATMAN. It was similar to one which was urged before our committee.

Mr. HALLECK. Mr. Speaker, reserving the right to object, is that a matter which has to do with price control and inflation?

Mr. PATMAN. It does.

Mr. HALLECK. And by whom is it sent here?

Mr. PATMAN. By Mr. Krug, Mr. Anderson, Mr. Harriman, and Mr. Schwellenbach.

Mr. HALLECK. Is the gentleman of opinion that hearings should be had on that before any action is taken on the President's proposal?

Mr. PATMAN. Yes; we should have hearings on every bill.

Mr. HALLECK. Before there is action of any sort?

Mr. PATMAN. Yes, sir.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

(The matter referred to by Mr. PATMAN follows:)

DECEMBER 15, 1947.

HON. JESSE P. WOLCOTT,
House of Representatives,
Washington, D. C.

DEAR MR. CHAIRMAN: We are submitting herewith for the consideration of your committee a limited price-recontrol bill. The bill herewith submitted provides for limited price controls as the minimum of regulation which will effectively combat the menace of inflation with respect to vital commodities that basically affect the cost of living or agricultural or industrial production. For this purpose, price controls under this bill would be confined to wholesale prices, except that retail price controls might be imposed whenever, despite the operation of competitive forces at the retail level, such additional controls are found to be necessary to carry out the purposes of the act.

The wholesale prices of many commodities, such as meat, butter, eggs, grain and grain products, farm machinery, farm implements, and lumber, have risen substantially during the past 6 months. They can and must be controlled at the wholesale level now. With wholesale price control on these commodities, the operation of competitive forces at the retail level may make unnecessary any retail price control with respect to them. Should the competitive forces at the retail level in these commodities be insufficient to hold the retail prices in line, appropriate action could be taken under this bill to control retail prices. Provision is also made for price ceilings on other commodities which basically affect the cost of living or industrial production if inflationary forces, such as the gray market in steel and excessive mark-ups in rayon and other textiles, require their control, and also for wage ceilings when essential to maintain the necessary price ceilings to be fixed under the bill. This bill provides that extensions of price control at either the wholesale or retail level and the application of such wage ceilings shall be effective unless Congress disapproves.

This proposed legislation does not require the creation of any new price-control agency. We believe it provides a simple and workable method whereby existing departments of Government may impose limited price controls where necessary. We should like to emphasize that price control is but one of the means of combating inflation.

This bill is part of the legislation submitted in furtherance of the inflation-control program proposed by the President, but more specifically it should be considered in conjunction with the bill for allocation and inventory control which was recently submitted to committees of the Congress.

Very sincerely yours,

J. A. KRUG,
Secretary of the Interior.
CLINTON P. ANDERSON,
Secretary of Agriculture.
W. A. HARRIMAN,
Secretary of Commerce.
L. B. SCHWELLENBACH,
Secretary of Labor.

A bill to provide for the temporary control of prices on certain vital commodities in short supply that basically affect the cost of living or agricultural or industrial production, and for other purposes

Be it enacted, etc., That this act may be cited as "The Temporary Price Recontrol Act of 1947."

FINDINGS OF FACT AND DECLARATION OF POLICY

SECTION 1. (a) The policy heretofore declared by the Congress that it is the national policy to protect and preserve a free com-

petitive economy in the United States is hereby reaffirmed. It is recognized that conditions of shortages of vital commodities have been caused primarily by the recent war, and have continued as an aftermath of that war, and that the menace of inflation is presently facing the United States and that in the national interest appropriate measures should be taken to eliminate that menace. It is hereby declared to be in the interest of the national defense and the general welfare to prevent speculative and unwarranted increases in prices of vital commodities in short supply that basically affect the cost of living or agricultural or industrial production, and the resulting disruptions and impediments to commerce among the several States and with foreign nations, and to the foreign policy of the United States.

(b) It is further declared as the national policy that the regulation of our economy through the imposition of price controls should not extend beyond the minimum of regulation which will effectively combat the menace of inflation with respect to vital commodities that basically affect the cost of living or agricultural or industrial production, and that for this purpose price controls shall be confined to wholesale prices as defined in this act; *Provided, however,* That retail price controls may be imposed whenever, despite the operation of competitive forces at the retail level, such additional controls are found to be necessary to carry out the purposes of this act.

TERMINATION DATE

SEC. 2. The provisions of this act, and all regulations, orders, and requirements thereunder, shall terminate on March 31, 1950, or upon the date specified in a proclamation by the President or in a concurrent resolution by the two Houses of the Congress, declaring that continuance of the authority granted by this act is not necessary for the national defense and the general welfare and the promotion of commerce among the several States and with foreign nations, and to support the foreign policy of the United States, whichever date is the earliest; except that as to offenses committed, or rights or liabilities incurred prior to such termination date, the provisions of this act and such regulations, orders, and requirements shall be treated as still remaining in force for the purpose of sustaining any action or prosecution with respect to any such right, liability, or offense.

ORGANIZATION AND DEFINITIONS

SEC. 3. (a) Department: The President shall designate the Departments, agencies, or officials of the Government that shall exercise in whole or in part the power, authority, and discretion conferred by this act. For the purposes of this act, the Departments, agencies or officials so designated are respectively referred to as the Department.

(b) Commodity: The term "commodity" means articles, products, and materials which basically affect the cost of living or industrial or agricultural production, and it also includes services rendered otherwise than as an employee in connection with the processing, distribution, storage, installation, repair, or negotiation of purchases or sales of a commodity, or in connection with the operation of any service establishment for the servicing of a commodity.

(c) Wholesale prices: Maximum wholesale prices within the meaning of this act shall be the maximum prices fixed by the Department which may be charged for a commodity to either a producer, processor, fabricator, manufacturer, distributor, or retailer.

(d) Retail prices: Maximum retail prices within the meaning of this act shall be the maximum prices other than maximum wholesale prices as defined in this act, fixed by the Department, which may be charged for a commodity.

(e) Regulations: Such maximum prices may be fixed by regulation or order of the Department. Any such regulation or order may be issued in such form or manner, and may contain such provisions as the Department finds reasonably necessary to effectuate the policy of this act as declared by the Congress, including such provisions as the Department finds reasonably necessary to prevent circumvention or evasion of this act or any regulation or order thereunder.

MAXIMUM PRICES

SEC. 4. Upon and after the enactment of this act, maximum wholesale and retail prices may be fixed and applied by the Department to vital commodities that basically affect the cost of living or industrial or agricultural production, by the method hereinafter provided.

MAXIMUM WHOLESALE PRICES

SEC. 5. If, in the judgment of the Department, in order to accomplish the purposes of this act, maximum wholesale prices should be imposed upon any commodity, the Department may fix and apply maximum wholesale prices to such commodity approved by the President, and the Department shall promptly submit to the Congress when the Congress is in session, or, if not in session, at the opening of the next session, the name of such commodity, which shall be and remain subject to maximum wholesale prices, from the date of their imposition, unless within 30 days following such submission, the Congress by concurrent resolution disapproves the imposition of maximum wholesale prices upon such commodity.

MAXIMUM RETAIL PRICES

SEC. 6. If, in the judgment of the Department, in order to accomplish the purposes of this act, it is necessary that maximum retail prices be imposed upon any commodity approved by the President the Department may fix and apply maximum retail prices to such commodity and the Department shall promptly submit to the Congress, while in session or, if not in session, at the opening of the next session, the name of such commodity, which shall be and remain subject to maximum retail prices, from the date of their imposition, unless within 30 days following such submission, the Congress by concurrent resolution disapproves the imposition of maximum retail prices upon such commodity.

BASES FOR ESTABLISHING MAXIMUM WHOLESALE OR MAXIMUM RETAIL PRICES

SEC. 7. So far as practicable, in establishing any maximum wholesale or maximum retail price for a commodity under this act the Department shall ascertain and give due consideration to the wholesale or retail price prevailing for such commodity between June 15 and June 30, 1947, or if there was no prevailing wholesale or retail price between such dates, or the said prevailing wholesale or retail price was not representative because of abnormal or seasonal market conditions or any other cause, then to the wholesale or retail price prevailing during the nearest 2-week period in which, in the judgment of the Department the wholesale or retail price for such commodity is representative; and shall make adjustments for such relevant factors as it may determine and deem to be applicable, including speculative fluctuations, and general increases or decreases in costs of production and distribution or adjustments necessary in order to maintain or increase production or marketing. Any maximum wholesale or maximum retail price imposed pursuant to this act shall be such price as in the judgment of the Department will be generally fair and equitable and will effectuate the purposes of this act, and may be modified whenever necessary, in the judgment of the Department, to accomplish these purposes. Subject to the aforesaid factors, any price regulation or order may provide for a maximum price below the prevailing price or prices for the commodity at the time of issuance of such regulation or order.

SEC. 8. (a) No maximum price shall be established or maintained hereunder for any agricultural commodity or any commodity processed or manufactured in whole or substantial part from any agricultural commodity below a price which will reflect to producers of the agricultural commodity the higher of the following prices, as determined by the Secretary of Agriculture: The parity price, adjusted for grade, location, and seasonal differentials, or, in case a comparable price has been determined for such commodity under subsection (b), such comparable price similarly adjusted. (b) For purposes of this act, in the case of any agricultural commodity other than the basic crops corn, wheat, cotton, rice, tobacco, and peanuts, the Secretary of Agriculture shall determine and publish a comparable price whenever he finds that the production and consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line wtih parity prices for basic commodities: *Provided,* That comparable prices heretofore determined by the Secretary of Agriculture may be used for the purpose of this act. (c) Nothing contained in this act shall be construed to modify, repeal, supersede, or affect the provisions of the Agricultural Marketing Agreement Act of 1937, as amended, or to invalidate any marketing agreement, license, or order, or any provision thereof or amendment thereto, heretofore or hereafter made or issued under the provisions of such act.

TEMPORARY PRICE FREEZE

SEC. 9. Whenever in the judgment of the Department such action is necessary or proper in order to effectuate the purposes of this act and in order temporarily to freeze wholesale or retail prices of vital commodities in short supply that basically affect the cost of living, or industrial or agricultural production the Department may, as to such commodity or commodities as may be approved by the President, fix and apply temporary maximum wholesale or retail prices with respect to such commodity or commodities at the price or prices prevailing with respect thereto within 5 days prior to the date of application of such maximum wholesale or retail prices; but any such temporary order shall be effective for not more than 60 days, and may be replaced by regulation or order issued under the foregoing provisions of this act.

WAGE CEILINGS

SEC. 10 (a). There is hereby established within the Department of Labor a board, to be known as the Temporary Wage Stabilization Board, hereinafter referred to as the Board. The Board shall be composed of six members, to be appointed by the President, by and with the consent and advice of the Senate, two of whom, including the Chairman and the Vice Chairman, shall be representative of the public, two representative of employees, and two representatives of employers, no more than three of whom shall be members of the same political party. The Board shall be administered as an organizational entity within the Department of Labor, but shall be independent with respect to policies, decisions, and control of personnel.

(b) Whenever a maximum wholesale price has been established for a commodity under this act, and the Department finds that an increase in wages to the employees producing such commodity would result in substantial increases in the cost of production thereof, and would require an increase in the established maximum wholesale price for such commodity which would thus impede the accomplishment of the purposes of this act, the Department, after consultation with the Department of Labor, and with the approval

of the President, shall refer the determination of wage ceilings to the Temporary Wage Stabilization Board, herein provided for. After referral to the Board, it shall be the duty of the Board to establish wage ceilings, as herein provided. The Board shall give due regard to substantial increases in the cost of living above that prevailing during the applicable base period established pursuant to section 7 of this act, to any gross inequities that would result to the employees involved from substantial increases in wages and salaries paid for comparable work in other industries, and to the effect of such increases upon the profits of the employer, and shall determine wage ceilings by the majority vote of the Board.

(c) The determination of wage ceilings by the Board shall be promptly reported by the Board to the Congress, while in session or if not in session, at the opening of the next session, and the wage ceilings established pursuant to such determination shall be and remain in effect from the date of their establishment unless within 30 days after such notification the Congress by concurrent resolution, disapproves the establishment of wage ceilings with respect to such employees.

(d) Members of the Board shall receive actual transportation expenses and other necessary expenses, on such days as they are actually engaged in performance of duties in pursuance of this act and shall receive compensation from the United States at the rate of $12,000 per annum.

(e) Service of an individual as a member of such Board shall not be considered as service bringing such individual within the provisions of sections 109 or 113 of the Criminal Code (U. S. C., 1940 edition, title 18, secs. 198 and 203), or section 19 (e) of the Contract Settlement Act of 1944.

(f) In the exercise of the authority conferred upon the Board by this act it may issue rules, regulations, and orders in such form and manner and include therein such provisions as it finds are reasonably necessary to exercise its functions hereunder.

ENFORCEMENT

SEC. 11. It shall be unlawful, regardless of any contract, agreement, or other obligation heretofore or hereafter entered into, to sell or deliver any commodity, or in the course of trade or business to buy or receive any commodity, or otherwise to do or omit to do any act, in violation of any regulation or order issued hereunder by the Department, or to offer, solicit, attempt, or agree to do any of the foregoing. Any person who willfully violates any provisions of this section shall, upon conviction thereof, be subject to a fine of not more than $50,000, or imprisonment for a term not exceeding 1 year, or to both such fine and imprisonment. Whenever the Department has reason to believe that any person is liable to punishment under this section, it shall certify the facts to the Attorney General who may, in his discretion, after such investigation by the Federal Bureau of Investigation as he may deem necessary, cause appropriate proceedings to be brought.

SEC. 12. It shall be unlawful regardless of any contract, agreement, or other obligation heretofore or hereafter entered into for any employer to pay, and any employee to receive, wages or salaries in contravention of any wage stabilization order issued hereunder by the Temporary Wage Stabilization Board. Any person who willfully violates any provisions of this section shall, upon conviction thereof, be subject to a fine of not more than $5,000, or imprisonment for a term not exceeding 1 year, or to both such fine and imprisonment. Whenever the Temporary Wage Stabilization Board or the Department has reason to believe that any person is liable to punishment under this section the Department or Board shall certify the facts to the Attorney General who may, in his discretion, after such investigation by the Federal Bureau of Investigation as he may deem necessary, cause appropriate proceedings to be brought.

RECORDS AND REPORTS

SEC. 13. The Department is authorized to make such studies and to obtain such information as it deems necessary or proper to assist it in the exercise of the power, authority, and discretion conferred upon it by this act; and is further authorized, by regulation or order, to require any person who is engaged in the business of dealing with any commodity for which maximum wholesale prices or maximum retail prices have been or could be fixed under this act, to furnish any such information under oath or affirmation or otherwise, to make and keep records and other documents, and to make reports, and it may require any such person to permit the inspection and copying of records and other documents.

SEPARABILITY

SEC. 14. If any provision of this act or the application of such provision to any person or circumstances shall be held invalid, the validity of the remainder of the act and the applicability of such provision to other persons or circumstances shall not be affected thereby.

APPROPRIATIONS AUTHORIZED

SEC. 15. There are authorized to be appropriated such sums as may be necessary or proper to carry out the provisions and purposes of this act.

APPLICATION OF EXISTING LAW

SEC. 16. No provision of law in force on the date of enactment of this act shall be construed to authorize any action inconsistent with the provisions and purposes of this act.

ADMINISTRATIVE PROCEDURE ACT INAPPLICABLE

SEC. 17. Section 2 (a) of the Administrative Procedure Act, as amended, is amended by inserting after "Sugar Control Extension Act of 1947; Priorities, Allocations, and Export Control Act of 1947," the following: "The Temporary Price Recontrol Act of 1947."

APPLICABILITY

SEC 18. The provisions of this act shall be applicable to the United States, its Territories, and the District of Columbia.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1774) entitled "An act to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis."

AMENDMENT TO TITLE VI, NATIONAL HOUSING ACT

Mr. WOLCOTT. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1770) to amend the National Housing Act, as amended.

The Clerk read as follows:

Be it enacted, etc., That section 603 (a) of the National Housing Act, as amended, is hereby amended by striking out "$4,000,000,000" and inserting in lieu thereof "$4,450,000,000" and by striking out "$4,200,000,000" and inserting in lieu thereof "$4,950,000,000."

SEC. 2. Title VI of the National Housing Act, as amended, shall be employed to assist in maintaining a high volume of new residential construction without supporting unnecessary or artificial costs. In estimating necessary current cost for the purposes of said title, the Federal Housing Commissioner shall therefore use every feasible means to assure that such estimates will approximate as closely as possible the actual costs of efficient building operations.

The SPEAKER. Is a second demanded?

Mr. SPENCE. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Michigan [Mr. WOLCOTT] is recognized for 20 minutes and the gentleman from Kentucky [Mr. SPENCE] is recognized for 20 minutes.

Mr. WOLCOTT. Mr. Speaker, I yield myself 13 minutes.

The SPEAKER. The gentleman from Michigan is recognized for 13 minutes.

Mr. WOLCOTT. Mr. Speaker, this bill increases the aggregate authority which FHA has to insure mortgages approved under title VI of the National Housing Act. In a bill passed last year we gave the FHA $400,000,000 of additional authority, raising the aggregate to $4,200,000,000. Now, the requests for insurance have come in so rapidly it has become evident there is not enough authority to insure all of the mortgages which will be processed between now and when the authority expires on March 31.

Mr. Raymond Foley, the Administrator of the Housing and Home Finance Agency, has requested additional authority in the sum of $750,000,000. This authority is thought by Mr. Foley to be sufficient to process the applications for insurance up to the expiration of the act. It will be necessary for the Congress to consider the whole housing act previous to March 31, so that it is understood this additional authorization is a stopgap authorization and that its purpose is to prevent any slowing down of the momentum in the home-construction field.

Mr. BROWN of Georgia. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. Is the Senate bill the same as passed by our committee?

Mr. WOLCOTT. Yes. I am very glad the gentleman asked me that. The Senate bill is identical with the House bill excepting that the Senate gave statutory authority to FHA of $500,000,000 and discretionary authority in the President of $250,000,000. The amendment which we adopted in the Banking and Currency Committee is the one which I have offered to the Senate bill giving an increase in statutory authority of $250,000,000 and discretionary authority to the President in an additional amount of $500,000,000, making a total of $750,000,000. The language is identical except for that change. The parliamentary situation is such that we are taking up the Senate bill instead of the House bill, because the Senate has already passed it, and we thought it would expedite the legislation if we did that.

I might say that we would not have taken up the Senate bill had it not been so closely identical.

By way of illustrating what I mean by velocity of volume of new construction, as compared to 1946, in which there were

662,500 private dwelling units started in the first 10 months of 1947, 703,500 were started. So, you see, in the first 10 months of this year we started 48,000 more units than were started in 1946. Now, usually along in the latter part of August or September there is a seasonal decline in home construction, but much to our amazement, and I am very happy to be able to report, the momentum in home construction has continued right through the fall, so that the number of units each month has been progressively larger than the month before.

Coming back to June of this year, for example—and I will give you round figures—there were started 77,000 units, in July 80,100, in August 85,500, and in September 91,700. In October it did drop off by 200, so the figure is 91,500. So you can see what tremendous strides we are making in filling the demand for private housing. We do not want to do anything which will slow up home construction, and for this reason it was thought advisable to give the FHA sufficient authority so there would be no question that they will be able to process enough of the applications which they have for insurance to keep the momentum going throughout the winter, if possible.

Mr. GAMBLE. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from New York.

Mr. GAMBLE. As a matter of fact, the reason that the number of building permits is spiraling is due to the fact that after the war controls were removed; is that not correct?

Mr. WOLCOTT. I think that these figures justify the action taken by the Congress in removing all controls on home construction.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Iowa.

Mr. JENSEN. After the Government's Wyatt housing program was thrown out the window, the contractors and builders and suppliers of all building material really got on the job and started building homes; is that not a fact?

Mr. WOLCOTT. That is right.

Mr. JENSEN. And is it not a fact that the American Legion, the Veterans of Foreign Wars, the Disabled American Veterans, and the AMVETS are asking for this legislation now before us?

Mr. WOLCOTT. They are very anxious that it be passed so that there will not be any slowing down of veteran home construction.

Mr. JENSEN. Regardless of what has been said in some magazines by former Housing Administrators that the American Legion was in cahoots with some other folks who this fellow said were holding down housing for veterans, the fact is that the American Legion, the biggest veterans' organization in the country, has done everything in their power to get homes for veterans.

Mr. WOLCOTT. Those four organizations have done a very remarkable job.

Mr. JENSEN. But is it not also a fact that they are fearful of Government-socialized housing, they want home for veterans and everybody in the American way? That is why they are so anxious that we have no Government socialized-housing program, which would be just the opposite to the things for which our veterans stand for.

Mr. WOLCOTT. I might say that this bill will assure that this program will be continued without interruption under the American way until it expires by operation of law. Next year we have to do an over-all job on this whole subject. I can assure the gentleman, and I think I speak for a majority of the Committee on Banking and Currency when I say that we do not see any advantage in borrowing from the works of Karl Marx. We think this job has been done and it can be done in the American way. I think the figures I have given to the House here today indicate that we can get more production both in the housing field and all other production fields under the American free enterprise system.

Mr. JENSEN. I am sure that has been proven. The American Legion has proven, as have other veterans' organizations, that they are concerned about the lack of homes for veterans. The best proof of that is that they have requested legislation be introduced, and such has been introduced to carry on a program to build homes under our traditional American way of doing things.

Mr. WOLCOTT. The gentleman is correct. I understand there is only one so-called veterans' organization which is not in favor of this program. That is the American Veterans Committee, which I have been told is not a veterans' organization anyway. They are called a veterans' organization, but any organization which opens its membership to nonveterans cannot be considered in the same category as the American Legion, the Veterans of Foreign Wars, the Disabled American Veterans, and the AMVETS.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from New York.

Mr. JAVITS. I agree with this bill and think it is fine. Is it not necessary, also, in the gentleman's opinion, to state that the Joint Committee on Housing has found in its investigations that there is still an enormous demand by veterans for additioning housing? Also, has there been any change in the attitude of the American Legion on the Taft-Ellender-Wagner bill?

Mr. JENSEN. No; they have come out against that bill.

Mr. WOLCOTT. Is the gentleman speaking of the Joint Committee on Housing which was set up here last year?

Mr. JAVITS. Yes.

Mr. WOLCOTT. I do not understand that they have made any report yet.

Mr. JAVITS. No, I asked whether it is not a fact that they found during their hearings around the country, that veterans are still complaining bitterly that there is not adequate housing for them?

Mr. WOLCOTT. I think we have not licked the housing shortage, but I think we have begun to lick it. We have shown we can lick it in the American way, without having to borrow from the teachings of Karl Marx to get it done. I will put it this way, and I do not have reference to the Taft-Ellender-Wagner bill or any other bill specifically; I think we have proven by the record of this last year that we can get more production under the American free-enterprise system than we can under socialism.

Mr. JAVITS. We still need more production.

Mr. WOLCOTT. We need production and more production and then more production on top of that to lick that part of inflation which is reflected in the high cost of housing.

Mr. JAVITS. I thank the gentleman.

Mr. JENSEN. I want it clearly understood that the 1947 Annual National Convention of the American Legion went on record opposing the W.-E.-T. bill.

Mr. SPENCE. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I think this is an ideal bill to suspend the rules and to pass. One of the great problems that still confronts us is the housing problem. It is not only a great problem because it is essential to give our citizens shelter, but it is a great problem because the home is the greatest stabilizing and strengthening influence on our institutions. It would be folly not to continue this emergency measure at this time. It was passed to meet an emergency. Its life was made definite by the law. But the conditions which it was passed to meet are still with us. There is a very great shortage of housing in the United States today. Title 6 of the National Housing Act is the legislation under which most of our housing for our returning veterans and for the men and women of America has been furnished. The authority to insure under title 6 has now practically expired. It cannot function without additional authorization. This makes immediately available $250,000,000 in insurance in addition to what the administration now has authority to issue, and gives the President discretion to increase that $250,000,000 by $50,000,000. I think we have delegated rather too much power to the President, and that we ought to have designated by legislation the larger sum and given him discretion over the smaller sum. We have heard so much about the delegation of legislative powers, it seems to me that the Congress might endeavor now and then to recapture some of its powers. But nevertheless that is such a trivial matter that it makes no substantial difference I hope the Congress will pass this bill without a dissenting vote. I think it is very meritorious legislation and very necessary to meet the conditions which now confront us.

The SPEAKER. The time of the gentleman from Kentucky has expired.

Mr. WOLCOTT. Mr. Speaker, I yield such time as he may desire to the gentleman from Minnesota [Mr. MACKINNON].

Mr. MACKINNON. Mr. Speaker, the action of the committee in reporting out this legislation has my hearty approval. While the President, in his call for this session, did not concern himself with the critical demand for housing in the United States, I feel that this is an appropriate subject to take up now. No better time could be found. We need housing now,

and we need it bad. The President should know this. This bill will grant an additional $750,000,000 authorization for new construction under title VI loans of the National Housing Act. This is the section of the law under which much of the veterans' emergency rental housing construction has been authorized. Our failure to grant additional authorization would have serious repercussions at this time since it is estimated that the existing limits have been exhausted.

A short time ago I received a telegram from one of my constituents which reads as follows:

Housing construction slashed in half unless immediate action is taken on appropriations for FHA title VI building commitments.

H. PETERSON CONSTRUCTION CO.,
Route 8, Minneapolis, Minn.

Following receipt of this telegram on December 8, 1947, I introduced into the House H. R. 4657 to substantially increase the authorizations allowable under title VI. Hearings on this subject followed and the House Committee on Banking and Currency reported H. R. 4675 on December 12. Mr. Speaker, the passage of this bill at this time is necessary if vitally needed housing construction is not to be delayed. I am pleased to see the expeditious manner in which the committee has moved to meet this problem so soon after it was presented to them, and notwithstanding the fact that the President did not see fit to include this subject among those to be considered at this session. I shall certainly vote to suspend the rules and provide this additional authorization for home construction.

Those of you who are familiar with this subject may have noted that Minneapolis and those in my district have not taken as much advantage of this program as other sections of the country. This is undoubtedly due to the fact that real estate taxes in Minneapolis are exceptionally high, thus making home ownership more costly and less desirable than in other sections of the country. However, in that area a very substantial amount of building has been done in the areas adjacent to Minneapolis. Recent figures obtained by me from the Federal Housing Administrator give the following data:

SECTION 603, VETERANS' EMERGENCY HOUSING PROGRAM, NEW HOME-MORTGAGE COMMITMENTS ISSUED MAY 22, 1947, THROUGH OCTOBER 31, 1947

Minnesota: Minneapolis-St. Paul and adjacent areas commitments issued, 2,584.

PROJECTS PRESENTLY UNDERWAY ACCORDING TO FHA REPORTS CUMULATIVE TO JUNE 30, 1947

Minnesota shows the following:
St. Paul, 20 units.
North Mankato, 28 units.
Commitments outstanding as of June 30, 1947: St. Paul, 86 units.

I realize these figures do not show activity in home construction for veterans on a basis comparable to that in many other sections of the country, but we are doing the best we can to get around the problem of high taxes and believe that the adoption of this bill will make it possible for many others to participate in this very worth-while program. I strongly urge the House to suspend the rules and adopt this legislation.

We are gaining in our fight to lick this housing shortage that we have inherited from the thirties. In proof of this point I quote the following article appearing in today's Washington Post:

MONTH'S BUILDING UP 26 PERCENT OVER LAST YEAR

Expenditures for new construction of all types, including repair work, was 26 percent higher last month than for the same month last year, the Bureau of Labor Statistics reported this week.

As measured by the value of work put in place, construction activity underwent a 5 percent decline under that of October, but this was "less than seasonal," BLS said.

November expenditures were $1,456,000,000, as compared with the October amount of $1,529,000,000—peak for 1947.

Activity during November set a new all-time high for home building, amounting to 55 percent of all construction expenditures. Home building expenditures amounted to $525,000,000 for November, which was $10,000,000 over the October figure.

For the first 11 months of this year home building construction was 51 percent ahead of that in the comparable period last year the agency reported. Commercial building dropped 23 percent in the same period.

Residential building repairs were up in the same 11-month period by 24 percent.

Mr. Speaker, these are significant statistics. They are Government statistics. They show we are 51 percent ahead of last year, and they show we are building more homes and less commercial buildings than we did under the program in force last year. That is what we want—more homes. The statistics prove the program adopted by the Eightieth Congress is giving us more homes, despite the charges made last session by those who opposed this program. We are on the right track, I urge that we stay on this track by passing this bill.

Mr. WOLCOTT. Mr. Speaker, I yield such time as he may desire to the gentleman from Michigan [Mr. YOUNGBLOOD].

Mr. YOUNGBLOOD. Mr. Speaker, the building of homes for all of the people of the United States, particularly World War II veterans, has been slowed due to difficulties in procuring mortgage loans in sufficient amounts to be of any practical benefit to prospective buyers and builders.

The mortgage insurance facilities under title VI are especially important in the development of urgently needed rental housing. S. 1770 which was introduced in the House by my good friend the gentleman from California, CHARLES FLETCHER, extends the mortgage insurance facilities in a total authorized amount of $750,000,000, which Mr. Franklin D. Richards, Commissioner of the Federal Housing Administration has assured will be adequate to take care of the needs until the date provided by law for termination of such operations, March 31, 1948.

Of the $750,000,000 mortgage insurance to be authorized under this bill, $250,000,000 would be made immediately available, and $500,000,000 more may be made available at the discretion of the President. By keeping this control over $500,000,000 it will be possible for the President to bring this mortgage insurance to aid much-needed rental housing and the discretionary powers gives the President an added brake against inflation.

S. 1770 was favorably recommended by Raymond W. Foley, Housing and Home finance Administrator, a resident of Detroit, and was unanimously passed by the Banking and Currency Committee of the House.

Many veterans and builders are finding themselves in a serious plight because FHA stopped taking applications on November 12, while the law contemplated a continuance of the program until March 31, 1948.

I cannot too strongly urge the immediate passage of S. 1770, and will give it my entire support so that the building of houses for needy persons can be expedited.

Mr. WOLCOTT. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. FLETCHER].

Mr. FLETCHER. Mr. Speaker, the mortgage insurance facilities under title VI are especially important in the development of urgently needed rental housing.

H. R. 4675 which I introduced in the House and which is identical with S. 1770 as amended extends the mortgage insurance facilities in a total authorized amount of $750,000,000, which Mr. Franklin D. Richards, Commissioner of the Federal Housing Administration, has assured will be adequate to take care of the needs until the date provided by law for termination of such operations, March 31, 1948.

Of the $750,000,000 mortgage insurance to be authorized under this bill, $250,000,000 would be made immediately available, and $500,000,000 more may be made available at the discretion of the President.

By keeping this control over $500,000,000 it will be possible for the President to beam this mortgage insurance to aid much-needed rental housing and the discretionary powers gives the President an added brake against inflation.

This bill was favorably recommended by Raymond W. Foley, Housing and Home Finance Administrator, and H. R. 4675, the identical bill, was unanimously passed by the Banking and Currency Committee of the House.

Many veterans and builders are finding themselves in a serious plight because FHA stopped taking applications on November 12, while the law contemplated a continuance of the program until March 31, 1948.

I cannot too strongly urge the immediate passage of S. 1770 as amended.

Mr. SPENCE. Mr. Speaker, I yield such time as he may desire to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Speaker, it is very important that we pass this bill, as one of the witnesses testified that more than one-third of the residences being constructed now were under title VI of the National Housing Act, as amended. This part of our housing program will be stopped completely unless this bill is passed.

This bill, as amended, would increase the title VI authorization by $750,000,000, with $250,000,000 immediately available, and $500,000,000 to be available only with the approval of the President.

It is estimated that applications eligible for commitment now on hand in the

FHA offices would be more than the present insurance authorization by about $130,000,000. Everybody realizes that we have a great shortage of houses and a high demand for more. Therefore, the authorization in this bill will increase the housing supply so badly needed.

Under the Patman act very little of the $2,000,000,000 of authorization was used during the first several months, but those in charge of administering this act put much emphasis upon the rental-housing program so that the veterans would not be compelled to buy an exceedingly high-priced home in order to get shelter.

I do not see how anyone can vote against this bill, because veterans and everyone realize the importance of its passage at this particular time, and a number of Congressmen from all sections of the country have asked me and other Members to report this bill out so it could become law before January 1.

Title VI of the National Housing Act represents a very important source of credit for more production of houses, and it has been a major factor in providing needed rental housing. Mr. Foley stated before the committee that at least one-third of the housing construction would be prevented if something were not done in the direction of increasing this authorization.

Mr. SPENCE. Mr. Speaker, I yield such time as he may desire to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Speaker, in my opinion this measure should receive unanimous support. I shall gladly support it. It seems to me that the most tragic failure of America in this postwar period toward any of its own citizens is this failure to provide adequately for the housing of our veterans. There may be some justifiable difference of opinion as to how it could best be done, but there can be only one opinion that it should be done. This lack of proper housing is especially acute out in my part of the country, where so many thousands have gone and are now living in trailer camps or even in less suitable and more temporary quarters.

There has been a serious stoppage of construction since last month because of a lack of funds for the Federal Housing Administration to use under title VI. This shortage is especially felt around the larger cities in Arizona such as Phoenix and Tucson. Thousands of GI's have gone into the Pacific Southwest to make their homes, but Arizona is a comparatively new country in its modern development and that means that new homes must be built for them if they are to have homes there.

I am more than willing to have the Government give direct encouragement to veterans in building, but title VI suits me for them if we cannot get anything better. Let the Government guarantee the loans and private institutions do the lending and thus that rather indirect aid will enable many to become home owners in the land they fought to preserve. Let use have less quibbling about what is the American way and get more substantial American results.

Mr. SPENCE. Mr. Speaker, I yield such time as he may desire to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Speaker, the housing emergency in the Nation is of such vital and pressing nature that I am not disposed to discuss the details of the Fletcher bill now being considered under a request to suspend the ordinary rules of the House. This procedure during this extended emergency session attests to the drastic need for speedy action. On the question of need for housing there is no debatable issue, on minor details for the time being we cannot afford to waste precious time which is of the essence.

When we meet again in January it is hoped that the Committee on Banking and Currency will bring in a broad bill, carefully considered and one upon which we can all agree. As to this bill there is likely to be no real opposition from any quarter; its only deficiency lies in the fact that it will not remedy some of the difficulties which we know exist. It will be helpful in the main inasmuch as it continues in effect present law. Housing is linked directly with the family life of the American people. It is therefor a fundamental that underlies our moral and material welfare.

Mr. SPENCE. Mr. Speaker, I yield such time as she may desire to the gentlewoman from California [Mrs. DOUGLAS].

Mrs. DOUGLAS. Mr. Speaker, I hope that the House will support H. R. 4675 amending the National Housing Act to assist in maintaining new residential construction under title VI.

Housing and inflationary living costs are the two most pressing domestic problems confronting the American people and, therefore, this Congress. Anything we can do to relieve the housing shortage is all to the good.

I introduced H. R. 4666 which was a duplicate of the bill which was favorably reported out of the Banking and Currency Committee of the Senate. My bill was introduced on December 8. The gentleman from California [Mr. FLETCHER] introduced his bill (H. R. 4675) which we now have before us, on December 9.

I am sure that this bill, which will amend the National Housing Act, will be passed by an overwhelming majority. I hope that this vote will persuade the Banking and Currency Committee to bring to the House floor in the next few months the Wagner-Ellender-Taft long-range housing bill and my veterans emergency housing bill.

Mr. SPENCE. Mr. Speaker, I yield such time as he may desire to the gentleman from Florida [Mr. SMATHERS].

Mr. SMATHERS. Mr. Speaker, on November 17 of this year, the first day that we met in special session, I had the privilege, along with Senator SPARKMAN, of Alabama, to introduce the first piece of legislation which recognized that the authorization under title VI of the National Housing Act had expired and that something should be done about it. From an examination of the RECORD, I see that no other bill pertaining to this question was introduced for some 10 days thereafter.

My bill, H. R. 4480, provided that the authorization under title VI should be increased by $1,000,000,000. I arrived at that figure after consultation with Mr. Foley, Administrator of the Federal Housing Administration, and his advisers. The present bill provides for an authorization of $750,000,000, $250,000,000 less than was authorized in my bill. I am, however, singularly pleased to have the opportunity of supporting the bill now before the House of Representatives, H. R. 4675, introduced by my good friend and colleague from California.

This legislation should pass irrespective of any personal or political considerations. It is legislation that is sorely needed if the present momentum which has been created toward eliminating the housing shortage is to be maintained. The statistics show that over 30 percent of the houses which have been built in the last 2 years have been built under title VI of the National Housing Act. On Thursday night, November 13, the original authorization under title VI was reached. Since that time the administrators of the FHA throughout the country have been unable to make further commitments, and already the housing program is coming to a halt for lack of authorization.

If this legislation is not passed, it will mean that no longer will there be any large-scale construction of houses because there are very few builders throughout the country who have sufficient cash or sufficient credit rating to build, for example, 100 houses at the same time, and thereby realize the economics and efficiency from large-scale production. The result is that the housing program goes back to piecemeal, small-scale production. It has been proven, not only in my area but throughout the country, that an individual who builds his own home cannot do so as cheaply as one builder who erects 25 or 50 or 100 homes at the same time. While the prices of most of the newly constructed homes are still above the price range of the average veteran, if we can maintain the present rate of private house construction, it will only be a matter of weeks and at most months before houses can be purchased or rented by people and particularly veterans who are making less than $4,000 per year.

We need homes for the sake of our democracy. We are today worried about communism, not only abroad but here at home. Our experts tell us that the way to fight communism overseas is to give to the people of Europe food, clothing, and particularly shelter, for when those people have some food and a place to sleep they are more rational and not so likely to be deceived and beguiled by the seductive promises of the Communists. If that logic and reasoning applies overseas, it also applies here at home.

We all agree that in a struggle such as we are now facing we must keep democracy strong at home. Veterans are today America's greatest asset and most valuable resource. These young people will soon be the leaders of our country. As such it is important that they be believers in the virtues of democracy and of the workability of our system of free

enterprise. Our system must provide for them an opportunity either to buy or rent one of the most basic and essential necessities of life—shelter—a home. This bill before us today will in a small measure, at least, help provide that essential.

As an American who cherishes our system of democracy and free enterprise, as one who wants to see those great traditions preserved, I am forced to say that houses are today more vital to the defense of America than are guns or bullets. In this present-day ultramodern battle of ideas and philosophies, our first line of defense is here at home. And a house can and will turn back a collectivist idea where a tank or a gun cannot.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Speaker, the Veterans Emergency Housing Act was signed by the President May 22, 1946, and a part of that act was title VI, under which a large part of the residential housing units are being constructed today.

This is a bill by the gentleman from California [Mr. FLETCHER], to increase the authorization for title VI by $250,000,000, to become available immediately, and $500,000,000 that may be used in the discretion of the President of the United States.

I am glad to support this bill. I think it is necessary. The emergency is still on. For many of the veterans of World War II the war is not over, because they have been able to reassume their positions in life that they should be able to assume. That is the head of a family, where they are married, and a home in which to live. They have not had an opportunity, as yet, to obtain that home.

The American Legion is supporting a bill that is known as the cooperative bill. It is to encourage veterans to go in together, in a cooperative way, to build homes for themselves. I am inclined to support the legislation. I have not studied it carefully but I think the Legion has given a lot of thought to this type of legislation, and I am sure they will bring out something eventually, if not now, that the membership of this House can support. So I hope hearings are conducted real soon on the American Legion housing bill.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. HOLIFIELD. The gentleman does not believe, then, that if veterans form cooperatives for building themselves houses that it would be outside of the American way?

Mr. PATMAN. No, it would not be outside the American way. You see, if you are going to insist on what is the American way, I am not so sure that this title VI would come within that definition.

The American way, as often explained, is the way where private individuals only furnish their own money and construct the houses for themselves or for others. Under this title VI right now the United States Government is guaranteeing 100 percent the purchase price of these houses, guaranteeing to the man who sells the lot a profit, guaranteeing to the man who furnishes the materials a profit, guaranteeing to the laborers a fair wage, and guaranteeing to the contractor and the broker a fair commission or a fee for the sale; the United States Government is underwriting that 100 percent. I am not so sure that that would come under the definition of the American way as most people seem to define it. I am for it as an emergency measure.

Mr. HOLIFIELD. If the gentlemen will yield I may say that I am also for it, but I would like to point out that there is very little risk in that type of building to the free-enterprise builder.

Mr. PATMAN. There is no risk at all. There is no risk for the private builder for he is guaranteed a profit, the United States Government guarantees a profit.

During the war this was commenced on the theory that we had to do something to start housing and that we were justified in doing this, fully justified; and I think it is still justified as long as there is a shortage existing of residential housing units as now exists in the United States.

I think this is a good bill. I think it should have the approval of the House. I should like to see our Committee on Banking and Currency have a meeting at an early date and consider the bill of the American Legion and the bills of any other veterans' organizations who desire to present them or the bill of any Member of Congress who has presented a bill. This emergency still exists for the veterans of World War II.

Mr. Chairman, I yield back the balance of my time.

Mr. SPENCE. Mr. Speaker, I yield such time as he may desire to the gentleman from South Carolina [Mr. RILEY].

Mr. RILEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RILEY. Mr. Speaker, I am heartily in favor of this legislation. It is most important at this time because it deals with the housing emergency. According to the records of the Housing and Home Finance Agency, about one-third of all the houses that have been built during the past year have been financed through FHA title VI. This financing has covered both rental housing and houses for individual home owners. The best available records show that about 45 percent of the financing through FHA has been for rental housing and 55 percent for homes occupied by the owners. It can be seen from this that both those who desire to own their homes and those who desire to rent have received the benefit of this plan.

When it is recalled that there have been more building starts and more completions this year than in any year since the peak year of 1925, the influence and encouragement of FHA financing cannot be overestimated. As has been brought out in previous discussions here today, all of the available authorizations have been used and a considerable number of applications are on hand in the various regional offices.

So great has been the flood of applications that the FHA had to discontinue accepting applications on November 12. A great many builders and home owners had made their plans, secured their architectural drawings, purchased their lots, and were ready to submit their applications when the authorization was exhausted. As a matter of fact, FHA estimates that they now have on hand unprocessed, $130,000,000 more of applications for title VI insurance than they have authorizations available. It is acutely necessary, therefore, that something be done to meet this situation immediately and to keep the construction of houses moving along without interruption.

There has been some suggestion that the so-called easy financing of FHA title VI creates inflationary pressures. This may be true to a certain extent, but it must be remembered that any financing which produces needed commodities, materials, goods, or houses is, also, tending to lower the inflationary pressures. One thing that economists agree upon is that production is the final answer to inflation. The builders of homes and apartments have done a magnificient job in constructing needed dwelling units despite great handicaps. While some materials are in fairly good supply, many are not, and it is difficult to get many of these materials and to get them at the proper time, so as to obtain the maximum efficiency in construction. There has, also, been a shortage of skilled construction labor, but houses and apartments have been built just the same.

Some criticism has been leveled at the high percentage of value of the loans under title VI. Although the act provides for a 90-percent loan, the best available records compiled by FHA show that actually the loans are running about 84 percent of the necessary current costs.

The way to get houses is to encourage building and stimulate such aids as will bring the greatest possible volume. Title VI insurance is one of the aids that will encourage a maximum of housing construction. I believe that the vast majority of this Congress will vote to increase this authorization and so provide for the easing of the housing shortage.

Mr. SPENCE. Mr. Speaker, we have no further requests for time.

Mr. WOLCOTT. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Speaker, I am in favor of this legislation. There are two questions, though, that come up in connection with this legislation. One is that I have never been able to find out yet why we have not had a little more generosity so far as the small towns are concerned in making these guaranteed loans. I happen to live in a country where there is plenty of elbow room and where the people live in towns of a thousand or less. They cannot figure out why it is that just because they happen to live in a small town they cannot live in more than a $3,000 house, but the same house possibly built in some larger town might have a guaranteed

loan of twice as much. I have had many of them contact me about this situation.

The second point is that we have in the United States thousands and thousands of people interested in farming. People in the country want to have a house on a farm. About 20 veterans live in one county in my district who would like to take advantage of having a guaranteed loan for a farm home and a farm. The loan on the whole farm would not be as much as a guaranteed loan is on a house in the city, and they cannot understand why it is that they are not in the position of being able to obtain a farm home. We want to remember that with all the good things we have done for them only 50 percent of farmers even have electric light, and only 1 in 10 has a bathtub.

So when we continue to guarantee these loans I hope the time will come when we will extend this guaranty to others, and when the Cunningham bill or some similar legislation comes before the House we want and expect the Members to be interested in farm homes. The Farm Home Administration has great difficulty in securing $50,000,000 for insured farm and farm-home loans.

Mr. WOLCOTT. Mr. Speaker, I yield 30 seconds to the gentleman from New Jersey [Mr. MATHEWS].

Mr. MATHEWS. Mr. Speaker, I am heartily in favor of this bill, designed to at least partly cure one of the most critical conditions this country has, particularly as it affects veterans, and that is the question of acquiring homes.

I hope the House will pass the bill and that the veterans will get their homes at a price by which they can carry them so that the veterans will not lose their homes and that Uncle Sam will not ultimately have to go into the real-estate business. I believe this bill will help the situation. I am heartily for it and I hope it passes.

But it is only one step. Many States have taken other steps that have been effective in alleviating the hardship of shortage of homes. Whatever further efforts are made by this Congress, I sincerely hope they will be designed to operate down through the States to municipalities. I cannot forget the fiasco of 1-year trial of what was called the veterans' housing bill, with a $409,000,000 appropriation. I said then, and I repeat, Mr. Speaker, that you cannot build homes with legislative acts, Government bureaus, expediters, or even dollar bills alone. It takes building materials, business enterprise, and labor, skilled and unskilled. And the costs of these materials and labor must be such as to allow the purchaser, where he is a purchaser, a fair chance to liquidate his obligation, finally become the owner of his home and avoid the Federal Government's further getting into the real-estate business.

I believe also this bill will aid in the renting of homes by veterans and others and that will further improve the whole housing situation.

Mr. WOLCOTT. Mr. Speaker, I yield 30 seconds to the gentleman from New Jersey [Mr. HAND].

Mr. HAND. Mr. Speaker, of course, I assume that nearly everyone favors the passage of this bill. Certainly I do, and I hope the rules will be suspended and that the measure will be passed unanimously.

However, I want to call to the attention of the House, and also to the attention of the Committee on Banking and Currency, that there is a good deal of unscrupulous conduct on the part of a minority of builders in connection with Federal housing projects.

Too often the builder will apply for and obtain his financing on the theory that he is doing a great and patriotic job in building houses for veterans, and the veteran soon discovers that he can, indeed, obtain housing accommodations provided he can pay $75 to $100 a month rent exclusive of light and heat for four to five small rooms.

Under the present system, veterans must apply for preferential listings during the early stages of the project, and these applications are used by the builders in order to obtain public financial assistance, although the builders undoubtedly know at the time that the projects, when completed, are entirely too expensive for the average veteran and his family.

This business of using war veterans as a front for financial schemes, to put it mildly, is unethical, and I could think of harsher and more accurate terms if the rules of the House permitted.

My attention has been particularly called to situations of this character by a resolution of the Margate-Longport Memorial Post, No. 397, American Legion, which has advised me of the facts, and makes some specific suggestions which I think are worthy to be considered by the Congress. They say in their resolution:

That the Margate-Longport Memorial Post, No. 397, American Legion, formally objects to and condemns such misleading practices of private interests which selfishly enrich themselves at the expense of the veterans instead of rendering to them the benefits and assistance in furnishing to them housing accommodations to which they are entitled and which, in fact, disillusion the said veterans and tend to destroy their faith in the American way of life and bring discouragement to the veterans who have given so much to uphold the American way of life; and be it further

Resolved, That the Federal Housing Administrator and any other governmental agency concerned, be petitioned to correct and eliminate this evil by requiring that any person, firm, partnership, or corporation, undertaking to erect a rental-housing project, in which veterans are to have a preference, in order to obtain public funds by which to accomplish the construction thereof, furnish, prior to soliciting applications from veterans for preferential listings, detailed information concerning the size of the rental units, the exact amount of the rent and the facilities to be furnished to the tenants; and be it further

Resolved, That the said Federal Housing Administrator and any other governmental agency concerned, consider the financial ability of veterans before approving any such housing project in connection with the loan of public funds to the individual, partnership, firm, or corporation for the purpose of erecting the said housing project wherein veterans are to be given a preference.

It is with the thought of urging the House to consider this situation carefully and soon that I trespass thus briefly upon your time this afternoon to support the pending measure, but to warn against the practice of which the American Legion post of my district has complained.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks in the RECORD on the pending bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. WOLCOTT. Mr. Speaker, I yield the balance of my time to the gentleman from Tennessee [Mr. JENNINGS].

Mr. JENNINGS. Mr. Speaker, this bill, H. R. 4675, is an amendment to title VI of the National Housing Act. This bill has been reported to the House by the Committee on Banking and Currency with the recommendation that it pass.

The bill authorizes the Federal Housing Administration to insure mortgages on new residence construction under title VI of the National Housing Act, as amended. The testimony heard by the committee indicated that insurance on any dwelling houses authorized by title VI was approaching exhaustion and that unless the act is amended it will be necessary for the Federal Housing Administrator to discontinue receiving further applications for mortgage insurance.

There are now being processed by the Federal Housing Administration field offices applications filed by persons desiring to secure mortgage insurance on the homes they are proposing to build totaling approximately $445,000,000. Assuming that 90 percent of the total amounts of these applications are approved, the amount of such insurance authorized by the act would be about $130,000,000 less than the applications on file.

It is, therefore, apparent that if the persons applying for this insurance are all taken care of an additional authorization is necessary.

It is estimated by those familiar with the situation that the increased authorization granted by this act will take care of all those who have applied for such insurance. The passage of this act will keep up the present high rate of home construction. More than 30 percent of all new housing construction is being financed under the provisions of this act. It will be of interest to those who do not wish to construct houses of their own that a substantial portion of the mortgage insurance made available by this measure will aid in the construction of rental housing. This act will aid those who are now unable to rent apartments or to obtain a decent apartment at reasonable rental rates.

It is believed by those familiar with the facts that passage of this act will be of great aid to the home-building industry. We cannot afford, in view of the critical residence housing shortage, to fail to extend the benefits of this act to those who wish to build homes. We all know that the home-building industry requires time to complete plans and finance arrangements in advance of the actual building of the house.

Mr. Speaker, I therefore take pleasure in supporting this measure. It is a stopgap measure of a temporary nature, but the advantages that will flow from it are permanent and will be of lasting benefit to those who desire to build and own a home. The bill is of a special interest to the veterans of the country.

Mr. COMBS. Mr. Speaker, as has been remarked by others, this resolution increasing the loan authorization under title VI of the Housing Act will unquestionably pass, perhaps unanimously. Title VI of the Housing Act has probably resulted in the building of more homes, particularly by people with low income and by ex-servicemen than any other law ever passed by Congress. It is not necessary, of course, for any Member to urge its passage.

I want to use this opportunity rather to call attention to one part of our population who up to now at least has been getting very little help from any of the laws we have passed designed to promote home building and home ownership.

The gentleman from Wisconsin [Mr. MURRAY], in his remarks, referred to the fact that the people of small towns and rural areas of his section are not getting a square deal in the matter of loans for home building. The same is true in my section. At least 9 of the 11 counties that compose the district I represent comprise a region of small cities and towns and rural communities and in most of that area there are no large banking institutions, only small banks and small building-and-loan concerns. Now the persons of small income or ex-soldiers desiring to build a home are frequently unable to find a banking institution which will make their loan. Some small bankers tell me that the red tape required to make such loans makes it impossible for them to handle them in any numbers because of their limited staff. Moreover, some of these smaller banking institutions that were making GI and home loans prior to July 1 have since ceased making such loans because of the failure of Congress to continue the authority of RFC to rediscount such loans.

Another difficulty is encountered by ex-servicemen of my section who want to acquire land, improve it, and go into farm operations. If they are lucky enough to find a Government agency that will loan them money for such purposes, the Government agency wants to dictate how much land the applicant can buy, tell him what kind of improvements he has got to make on it, where he must place his barn, how many cows and what kind he can buy, and, in short, as it were, take charge of his business. One farm boy I talked with who had had this experience simply said, "I am not going in debt for as much as these Government fellows want me to when if they will only let me get money to buy the materials I will do my own building. Besides," said he, "I will build a pole cabin in the woods and live in it like my granddaddy did before I will let any government man tell me what I have got to do." I am glad we have a lot of that kind of people left in this country, and I am glad I have a large number of them in the district I have the honor to represent.

My purpose in offering these observations here is simply to call attention to the problem. I trust that when the different bills involving the question of home and farm loans come up for consideration in the second session of this Congress we will do something to make loans available to the people of the small towns and rural areas as freely and as easy as their big-city cousins can now get them.

The SPEAKER. The question is on suspending the rules and passing the bill.

Mr. WOLCOTT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 392, nays 4, not voting 37, as follows:

[Roll No. 146]

YEAS—392

Abernethy	Cravens	Hand
Albert	Crosser	Hardy
Allen, Calif.	Crow	Harless, Ariz.
Allen, Ill.	Cunningham	Harness, Ind.
Almond	Curtis	Harrison
Andersen, H. Carl	Dague	Harvey
	Davis, Wis.	Havenner
Anderson, Calif.	Dawson, Utah	Hedrick
Andresen, August H.	Deane	Heffernan
	Delaney	Hendricks
Andrews, Ala.	Devitt	Herter
Andrews, N. Y.	D'Ewart	Heselton
Angell	Dingell	Hess
Arends	Dirksen	Hill
Arnold	Dolliver	Hinshaw
Auchincloss	Domengeaux	Hobbs
Bakewell	Dondero	Hoeven
Banta	Donohue	Hoffman
Barden	Dorn	Holifield
Barrett	Doughton	Holmes
Bates, Mass.	Douglas	Hope
Battle	Drewry	Horan
Beall	Durham	Huber
Beckworth	Eaton	Hull
Bell	Eberharter	Jackson, Calif.
Bender	Elliott	Jackson, Wash.
Bennett, Mich.	Ellis	Jarman
Bennett, Mo.	Ellsworth	Javits
Bishop	Elsaesser	Jenkins, Ohio
Blackney	Elston	Jenkins, Pa.
Blatnik	Engel, Mich.	Jennings
Bloom	Engle, Calif.	Jensen
Boggs, Del.	Evins	Johnson, Calif.
Bolton	Fallon	Johnson, Ill.
Bonner	Feighan	Johnson, Ind.
Boykin	Fellows	Johnson, Okla.
Bradley	Fenton	Johnson, Tex.
Bramblett	Fernandez	Jones, Ala.
Brehm	Fisher	Jones, N. C.
Brophy	Flannagan	Jones, Wash.
Brown, Ga.	Fletcher	Jonkman
Brown, Ohio	Fogarty	Judd
Bryson	Folger	Karsten, Mo.
Buck	Foote	Kean
Buffett	Forand	Kearney
Bulwinkle	Fuller	Kearns
Burke	Fulton	Keating
Burleson	Gallagher	Kee
Butler	Gamble	Keefe
Byrne, N. Y.	Garmatz	Kefauver
Byrnes, Wis.	Gary	Kennedy
Camp	Gathings	Keogh
Canfield	Gavin	Kerr
Cannon	Gearhart	Kersten, Wis.
Carroll	Gillette	Kilburn
Carson	Gillie	Kilday
Case, N. J.	Goff	King
Case, S. Dak.	Goodwin	Kirwan
Chadwick	Gordon	Klein
Chapman	Gore	Knutson
Chelf	Gorski	Kunkel
Chenoweth	Gossett	Landis
Chiperfield	Graham	Lane
Church	Granger	Lanham
Clark	Grant, Ala.	Larcade
Clason	Grant, Ind.	Latham
Clevenger	Gregory	Lea
Cole, Kans.	Griffiths	LeCompte
Cole, Mo.	Gross	LeFevre
Cole, N. Y.	Gwynne, Iowa	Lemke
Combs	Hagen	Lesinski
Cooley	Hale	Lewis
Cooper	Hall, Edwin Arthur	Lodge
Corbett		Love
Cotton	Hall, Leonard W.	Lucas
Coudert		Ludlow
Cox	Halleck	Lusk
Lyle	Passman	Short
Lynch	Patman	Sikes
McConnell	Patterson	Simpson, Ill.
McCormack	Peden	Simpson, Pa.
McCowen	Peterson	Smathers
McCulloch	Pfeifer	Smith, Kans.
McDowell	Philbin	Smith, Maine
McGarvey	Phillips, Calif.	Smith, Va.
McGregor	Phillips, Tenn.	Smith, Wis.
McMahon	Pickett	Snyder
McMillan, S. C.	Ploeser	Somers
McMillen, Ill.	Plumley	Spence
Mack	Poage	Stanley
MacKinnon	Potter	Stefan
Macy	Poulson	Stevenson
Madden	Preston	Stigler
Mahon	Price, Fla.	Stockman
Maloney	Price, Ill.	Stratton
Manasco	Priest	Sundstrom
Mansfield	Rains	Taber
Marcantonio	Ramey	Talle
Martin, Iowa	Rankin	Taylor
Mason	Rayburn	Teague
Mathews	Redden	Thomas, Tex.
Meade, Ky.	Reed, Ill.	Thompson
Meade, Md.	Rees	Tibbott
Merrow	Reeves	Tollefson
Meyer	Regan	Towe
Michener	Richards	Twyman
Miller, Calif.	Riehlman	Vail
Miller, Conn.	Riley	Van Zandt
Miller, Md.	Rizley	Vinson
Miller, Nebr.	Robertson	Vorys
Mills	Robsion	Vursell
Mitchell	Rockwell	Wadsworth
Monroney	Rogers, Fla.	Walter
Morgan	Rogers, Mass.	Weichel
Morris	Rohrbough	Welch
Morton	Rooney	West
Muhlenberg	Ross	Wheeler
Multer	Russell	Whitten
Mundt	Sadlak	Whittington
Murdock	Sadowski	Wigglesworth
Murray, Tenn.	St. George	Williams
Murray, Wis.	Sanborn	Wilson, Ind.
Nicholson	Sarbacher	Wilson, Tex.
Nixon	Sasscer	Winstead
Nodar	Schwabe, Mo.	Wolcott
Norblad	Schwabe, Okla.	Wolverton
Norrell	Scott, Hardie	Wood
Norton	Scott, Hugh D., Jr.	Woodruff
O'Brien		Worley
O'Hara	Scrivner	Youngblood
O'Konski	Seely-Brown	Zimmerman
O'Toole	Shafer	
Pace	Sheppard	

NAYS—4

Crawford	Rich	Smith, Ohio
Gwinn, N. Y.		

NOT VOTING—37

Allen, La.	Courtney	Morrison
Bates, Ky.	Davis, Ga.	Owens
Bland	Davis, Tenn.	Potts
Boggs, La.	Dawson, Ill.	Powell
Brooks	Harris	Rabin
Buchanan	Hart	Reed, N. Y.
Buckley	Hartley	Rivers
Busbey	Hays	Sabath
Celler	Hébert	Scoblick
Clements	Jennison	Thomas, N. J.
Clippinger	Kelley	Trimble
Coffin	Lichtenwalter	
Colmer	McDonough	

So (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Additional general pairs:

Mr. Thomas of New Jersey with Mr. Morrison.

Mr. Scoblick with Mr. Rivers.

Mr. Busbey with Mr. Davis of Georgia.

Mr. Hartley with Mr. Hays.

Mr. Reed of New York with Mr. Brooks.

Mr. Potts with Mr. Colmer.

Mr. McDonough with Mr. Boggs of Louisiana.

Mr. Gallagher with Mr. Hébert.

Mr. Coffin with Mr. Kelley.

Mr. Jennison with Mr. Buchanan.

Mr. Clippinger with Mr. Hart.

Mr. Nodar with Mr. Trimble.

Mr. Owens with Mr. Harris.

Mr. Lichtenwalter with Mr. Sabath.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. Without objection, the bill H. R 4675 will be laid on the table.

There was no objection.

EXTENSION OF REMARKS

Mr. AUGUST H. ANDRESEN asked and was given permission to extend his remarks in the RECORD and include a statement.

Mr. POULSON asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. BLATNIK asked and was given permission to extend his remarks in the Appendix of the RECORD.

STILL FURTHER MESSAGE FROM THE SENATE

A still further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H R. 4627. An act to authorize an appropriation for the immediate relief of the Navajo and Hopi Indians, and for other purposes.

INTERIM-AID BILL, 1947

Mr. VORYS. Mr. Speaker, I call up the conference report on the bill (S. 1774) to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the statement.

(The conference report and statement are as follows:)

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1774) to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text and agree to the same with an agreement as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That this Act may be cited as the 'Foreign Aid Act of 1947'.

"SEC. 2. It is the purpose of this Act to provide immediate aid urgently needed by the peoples of Austria, China, France, and Italy, hereinafter referred to as the recipient countries, to alleviate conditions of hunger and cold and prevent serious economic retrogression.

"SEC. 3. The President, acting through such existing departments, agencies, or independent establishments of the Government as he shall direct, may, by allocation of funds herein authorized to any such existing departments, agencies, or independent establishments, or by establishing in this country credits subject to the control of the President, whenever he finds it in furtherance of the purposes of this Act and upon the terms and conditions set forth in this Act—

"(a) procure, or provide for the procurement of, from any source—

"(1) food, medical supplies, fibers, fuel, petroleum and petroleum products, fertilizer, pesticides, and seed, delivered in a recipient country on or after the date of the enactment of this Act; and

"(2) incentive goods, consisting of commodities not in short supply in the United States, including Government-owned stocks, to be used, distributed, or sold in a recipient country, under a specific agreement previously entered into pursuant to section 5 (g) to increase the production or distribution of locally produced commodities referred to in paragraph (1) of this subsection (a): *Provided*, That not more than 5 per centum of the funds made available under the authority of this Act may be used to procure such incentive goods;

"(b) transport and store, or provide for transportation and storage of, such commodities;

"(c) transfer such commodities to any recipient country;

"(d) incur and defray expenses, including administrative expenses and expenses for compensation and travel of personnel, for carrying out the purposes of this Act.

"SEC. 4. The President shall promulgate regulations controlling the purchase or procurement of commodities under this Act designed to minimize (a) the drain upon the natural resources of the United States and (b) the impact of such purchase or procurement upon the domestic price level: *Provided*—

"(1) That procurement may be from foreign sources whenever the cost delivered to the recipient country will be less than the cost delivered from the United States;

"(2) That, except in the case of commodities not produced in commercial quantities in the United States, not more than 10 per centum of the funds made available under the authority of this Act may be used to procure commodities abroad at delivered cost higher than from the United States, its Territories and possessions, provided that the President shall find that such commodities are in short supply or not readily available in the United States: *Provided further*, That no funds made available under the authority of this Act shall be used by any procurement agency of the United States Government for the purchase, within the United States and its Territories and possessions, of any commodities (other than commodities procured by or in the possession of the Commodity Credit Corporation pursuant to Act of July 1, 1941, 55 Stat. 498, as amended) at prices higher than the market price prevailing at the time of the purchase in the area wherein the purchase is made;

"(3) That the President shall, in making a finding of short supply in the United States, consider (a) the drain upon natural resources, and (b) the effect of the necessary procurement upon domestic prices;

"(4) That the procurement of petroleum and petroleum products shall, to the maximum extent practicable, be made from petroleum sources outside of the United States and its Territories and possessions; and wherever practicable such petroleum and petroleum products shall be delivered to the recipient country by the most economical route from the source of supply.

"SEC. 5. Before any commodities are made available to any recipient country under the authority of this Act, an agreement shall be entered into, subject to the limitations and provisions of this Act, between such country and the United States containing an undertaking by such country—

"(a) to make efficient use of any commodities made available under the authority of this Act and to take insofar as possible the economic measures necessary to increase its ability to achieve a self-sustaining economy;

"(b) to make, when any commodity which is not furnished on terms of repayment in dollars is made available under this Act, a commensurate deposit in the currency of such country in a special account under such general terms and conditions as may, in said agreement, be agreed to between such country and the Government of the United States, and to hold or use such special account for, and only for, such purposes as may be agreed to between such country and the Government of the United States, and under agreement by the government of the receiving country that any unencumbered balance remaining in such account on June 30, 1948, will be disposed of within such country for such purposes as may, subject to approval by Act or joint resolution of the Congress, be agreed between such country and the Government of the United States;

"(c) to give full and continuous publicity by all available media (including government press and radio) within such country, so as to inform the ultimate consumers, as to the purpose, source, character, and amounts of commodities made available under the authority of this Act;

"(d) to furnish promptly upon request of the President information concerning the method of distribution and use of commodities made available under this Act, and to furnish on March 31, 1948, or as soon as practicable thereafter, information showing—

"(1) an itemized list of commodities made available with funds provided under this Act;

"(2) the total amount of money received by such country from the sale of commodities made available under this Act and the average price charged per unit for each commodity;

"(3) a detailed statement of the disposition of all money and other things of value received from the sale or disposition of any commodities made available under this Act; and

"(4) such other information concerning the distribution and use of commodities made available under this Act as may be requested by the President;

"(e) to make available to its people at reasonable prices, consistent with economic conditions in the recipient country, such commodities as it may sell under the terms of this Act; and, where necessary, to distribute to indigent and needy persons their fair share of all available food supplies;

"(f) to make all possible efforts to secure the maximum production and distribution of locally produced commodities, and not to permit any measures to be taken involving sale, distribution, or use of any commodities of the character covered in this Act which would reduce the locally produced supply of such commodities or the utilization of foreign sources of supply other than the United States;

"(g) to enter into specific agreements providing for such use, distribution, and sale of each classification of incentive goods, made available to it under the authority of this Act, as will increase the production or distribution of locally produced commodities referred to in paragraph (1) of section 3 (a);

"(h) not to export or permit removal from such country, while need therefor continues, of commodities made available under the authority of this Act or commodities of the same character produced locally or imported from outside sources, except to the extent agreed upon by the Government of the United States;

"(i) to permit representatives of the Government of the United States, including such commodities of the Congress as may be authorized by their respective Houses, to observe, advise, and report on the distribution among the people of such country of commodities made available under the authority of this Act;

"(j) to permit representatives of the press and radio of the United States to observe

and report on the distribution and utilization of the commodities made available under this Act and the special account provided for in subsection (b) of this section.

"SEC. 6. The President shall promptly terminate the provision of aid under this Act for any country (a) whenever he determines that such country is not adhering to the terms of its agreement entered into in accordance with section 5 of this Act; or (b) whenever he finds, by reason of changed conditions, that the provision of aid under this Act is no longer necessary or desirable; or (c) whenever he finds that because of changed conditions aid under this Act is no longer consistent with the national interests of the United States.

"SEC. 7. All commodities made available under the authority of this Act or the containers of such commodities shall, to the extent practicable, be marked, stamped, branded, or labeled in a conspicuous place as legibly, indelibly, and permanently as the nature of such commodities or containers will permit, in such manner as to indicate to the people of the country of destination that such commodities have been furnished or made available by the United States of America.

"SEC. 8. Wherever reference is made, in this Act, to commodities made available under the authority of this Act, such reference shall be deemed to include commodities procured with credits made available to a recipient country under the authority of this Act.

"SEC. 9. The President shall take appropriate steps to encourage other countries to make available to recipient countries such aid as they may be able to furnish.

"SEC. 10. The President may, from time to time, promulgate such rules and regulations as he may find necessary and proper to carry out any of the provisions of this Act: *Provided,* That nothing in this Act shall be deemed to authorize the issuance of any proclamations, orders, rules, or regulations in any way controlling production or prices or allocating deliveries of any commodity within the United States. He may delegate to the Secretary of State any of the powers or authority conferred on him under this Act. In accordance with the direction of the President, the responsibility for administering in the recipient countries the program of assistance provided for in this Act shall be vested in the field administrator of the United States foreign relief program appointed pursuant to section 4 of the joint resolution of May 31, 1947 (Public Law 84, Eightieth Congress). The provisions of subsections (i) and (j) of section 5 of this Act shall not apply to distribution of commodities in Austria: *Provided,* That the President shall have determined, upon recommendation of the United States High Commissioner for Austria, that commodities furnished to Austria hereunder will be distributed under control systems embodied in agreements between the High Commissioner and the other occupying authorities or the Austrian Government which assure compliance with the objectives of the occupation and with the purposes of this Act. No citizen or resident of the United States shall serve under this Act as a United States representative, observer, or adviser until such person has been investigated as to loyalty and security by the Federal Bureau of Investigation. The field administrator may, when he finds it essential to the purposes of this Act, utilize for observation the services of a limited number of other persons, who shall be investigated and approved by the field administrator.

"SEC. 11. (a) There is hereby authorized to be appropriated not to exceed $597,000,000, out of any money in the Treasury not otherwise appropriated, to carry out the provisions and accomplish the purposes of this Act. This Act, however, shall not imply any present or future obligation to give aid to any foreign country, nor shall it imply or guarantee the availability of any specific commodities.

"(b) Notwithstanding any other provision of this Act, none of the funds authorized or made available under this Act shall be used or made available for use for the acquisition of wheat, wheat flour, or cereal grain in the United States or the shipment thereof from the United States unless the President shall first—

"(1) survey the requirements of other countries which are dependent upon the United States for a portion of their supplies of such commodities;

"(2) estimate the quantities of such commodities which will probably be made available to such countries from the United States; and

"(3) estimate the total amount of such commodities available for export from the United States to the recipient countries, after giving due consideration to the quantity thereof required in this country for food, feed, seed, and industrial uses, and for the needs of other countries dependent upon the United States for supplies of such commodities. In estimating the amount of such commodities available for export from the United States the President shall allow for a carry-over of wheat in the United States as of July 1, 1948, of not less than one hundred and fifty million bushels to protect the economy of the United States from inflationary prices and to insure against a scarcity of bread for domestic consumption during the twelve-month period beginning July 1, 1948.

"The funds authorized herein shall not be made available or used to acquire a quantity of wheat, wheat flour and cereal grain in the United States which, after taking into consideration the amount estimated for export to other countries, and the amount needed for domestic consumption in the United States, will leave a carry-over of less than one hundred and fifty million bushels of wheat on July 1, 1948, unless the estimates of the President after March 1, 1948, justify an increase in the amount available for export to recipient countries with full protection for domestic needs.

"(c) Funds authorized under this Act, when allocated to any department, agency, or independent establishment of the Government, shall be available for obligation and expenditure in accordance with the laws governing obligations and expenditures of such department, agency, or independent establishment or organizational unit thereof concerned, and without regard to sections 3709 and 3648 of the Revised Statutes, as amended (41 U. S. C. 5; 31 U. S. C. 529).

"(d) Notwithstanding the provisions of any other law, the Reconstruction Finance Corporation is authorized and directed, until such time as an appropriation shall be made pursuant to this section, to make advances, not to exceed in the aggregate $150,000,000, to carry out the provisions of this Act, in such manner and in such amounts as the President shall determine. From appropriations authorized under this section, there shall be repaid without interest to the Reconstruction Finance Corporation the advances made by it under the authority contained herein. No interest shall be charged on advances made by the Treasury to the Reconstruction Finance Corporation in implementation of this subsection.

"(e) Notwithstanding any other provision of law, any commodity heretofore or hereafter acquired by any agency of the Government under any price-support program shall, to the extent that such commodity is determined by the President to be appropriate for such purpose and in excess of domestic requirements, be utilized in providing aid under this Act or any other Act providing for assistance and relief to foreign countries, and shall be disposed of by such agency for such purpose at such price as may be determined by such agency, which price may be the equivalent of the domestic market price of a quantity of wheat having a caloric value equal to that of the quantity of the commodity so disposed of. Any such agency shall report to the Congress on March 31, 1948, or as soon as practicable thereafter, the amount of losses incurred by it as the result of the disposition of commodities hereunder and the Secretary of the Treasury is authorized and directed to cancel notes of such agency held by him in an amount equal to the amount of such losses.

"SEC. 12. Personnel employed to carry out the purposes of this Act shall not be included in computing limitations on personnel established pursuant to the Federal Employees Pay Act of 1945 (59 Stat. 298), as amended by section 14 of the Federal Employees Pay Act of 1946 (60 Stat. 219).

"SEC. 13. The President, from time to time, but not less frequently than once every calendar quarter, and until the end of the quarterly period after all operations under the authority of this Act have been completed, shall transmit to the Congress a report of operations under this Act. All information received pursuant to undertakings provided for by section 5 (d) of this Act shall, as soon as may be practicable after the receipt thereof, be reported to the Congress. Reports provided for under this section shall be transmitted to the Secretary of the Senate or the Clerk of the House of Representatives, if the Senate or the House of Representatives, as the case may be, is not in session.

"SEC. 14. The functions, applicable records, and funds provided for the purposes of carrying out this Act shall be transferred to the administration of any organization for general foreign aid which Congress may provide. To the extent that any funds may be made available under provisions of any other Act heretofore or hereafter passed relating to China, any funds reserved under this Act for China may be used for aid to the other countries named in section 2 of this Act.

"SEC. 15. After March 31, 1948, no funds may be obligated for the procurement of commodities provided for under this Act.

"SEC. 16. (a) Clause (1) in the proviso in the first paragraph of the first section of the joint resolution of May 31, 1947 (Public Law 84, Eightieth Congress), is amended to read as follows: '(1) to constitute more than 57 per centum of the aggregate amount contributed to said fund by all governments, including the United States;'.

"(b) The amendment made by subsection (a) of this section shall take effect as of May 31, 1947.

"SEC. 17. If any provision of this Act or the application of such provision to any circumstance shall be held invalid, the validity of the remainder of the Act and the applicability of such provision to other circumstances shall not be affected thereby.

"SEC. 18. Nothing in this Act shall be construed to make inapplicable, in the case of commodities procured under the authority of this Act, the authority to prohibit or curtail exports granted by section 6 of the Act of July 2, 1940 (Public Law 703, Seventy-sixth Congress), as now in force or as hereafter amended."

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill.

CHARLES A. EATON,
JOHN M. VORYS,
KARL E. MUNDT,
SOL BLOOM,
JOHN KEE,
Managers on the Part of the House.

A. H. VANDENBERG,
ARTHUR CAPPER,
WALLACE H. WHITE, Jr.,
TOM CONNALLY,
WALTER F. GEORGE,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1774) to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause. The Senate recedes from its disagreement to the amendment of the House, with an amendment which is a substitute for both the Senate bill and the House amendment. The differences between the House amendment and the substitute agreed to in conference are noted below, except for incidental changes made necessary by reason of agreements reached by the conferees and minor and clarifying changes.

DECLARATION OF PURPOSES

The declaration of purposes contained in section 2 of the conference substitute is the same as that contained in section 2 of the House amendment, except that the words "which would jeopardize any general economic recovery program based on self-help and cooperation", which appeared at the end of the section in the House amendment, have been omitted.

AUTHORIZATION FOR APPROPRIATION

The Senate bill authorized an appropriation of not to exceed $597,000,000 for carrying out the provisions of the act. The House amendment changed this figure to $590,000,000. In the conference substitute the amount is fixed at $597,000,000.

COUNTRIES INCLUDED IN THE PROGRAM

The Senate bill provided for furnishing aid to Austria, France, and Italy. The House amendment provided for aid to Austria, China, France, and Italy. The conference substitute follows the House bill by including China as one of the recipient countries. As in the House amendment, no particular amount is earmarked for China or any other recipient country in the conference substitute; furthermore, the substitute provides—

"This Act, however, shall not imply any present or future obligation to give aid to any foreign country, nor shall it imply or guarantee the availability of any specific commodities."

A new sentence has been inserted in section 14 of the conference substitute as follows:

"To the extent that any funds may be made available under provisions of any other Act heretofore or hereafter passed relating to China, any funds reserved under this Act for China may be used for aid to the other countries named in section 2 of this Act."

PERIOD COVERED BY THE PROGRAM

The Senate bill provided that after March 31, 1948, no funds may be obligated for the procurement of commodities provided for under the act. The House amendment provided that the act should expire not later than June 30, 1948. The conference substitute in section 15 retains the Senate provision.

COMMODITIES AUTHORIZED TO BE MADE AVAILABLE

The Senate bill listed as the commodities which could be procured under the aid program food, seed, and fertilizer; coal, petroleum and petroleum products; other fuels; fibers; pesticides; medical supplies; and such commodities as the President finds are necessary for the accomplishment of the purposes of the act, with a provision that no funds should be used for purchase of arms, armaments, or munitions of war. The House amendment included food, medical supplies, processed and unprocessed materials and clothing, fuel, fertilizer, pesticides, and seed required in a recipient country on or after December 1, 1947; and incentive goods, required in a recipient country on or after December 1, 1947, to be used, distributed, or sold in a recipient country to increase the production or distribution of locally produced commodities referred to above. The conference substitute includes food, medical supplies, fibers, fuel, petroleum and petroleum products, fertilizer, pesticides, and seed delivered in a recipient country on or after the date of enactment of this act but omits the provision in the Senate bill for such commodities as the President finds necessary for the accomplishment of the purposes of the act. The provision in the Senate bill that no funds should be used for the purchase of arms, armaments, or munitions of war was omitted since the specifications of the commodities to be procured eliminates the possibility of their inclusion. The provision for incentive goods in the House bill was retained with modifications omitting the language "required in a recipient country on or after December 1, 1947," and adding a proviso that not more than 5 percent of the funds made available under the authority of the act may be used to purchase such incentive goods.

The Senate bill in granting authority to make commodities available to recipient countries authorized the President, in addition to allocating funds to Government departments and agencies to make funds available to the government of any recipient country. The House amendment in various provisions made references to credits made available to recipient countries, but by an amendment made on the floor of the House the reported bill was amended by eliminating from section 3 the words "or by establishing in this country credits subject to the control of the President, available to the government of a recipient country."

In section 3 of the conference substitute the conference committee used the formula now in operation under Public Law 84, Eightieth Congress, limiting the President to allocating funds to existing departments, agencies, or independent establishments of the Government, and establishing "in this country credits subject to the control of the President", and does not including any provision for allocation of funds to recipient countries. The words "available to the government of a recipient country" are not included.

It should be noted that the authority to incur and defray expenses, including administrative expenses, contained in section 3 (b), is intended to include expenses incident to inland transportation in the United States and other similar expenses. These would include expenses for boxcar loading, insurance, packing, and repacking, port charges, and the like. The House amendment had deleted the word "accessorial" as being superfluous and not clear in its meaning and in the conference substitute this word is omitted.

LIMITATIONS UPON PURCHASES ABROAD

The Senate bill provided that no more than 25 percent of the amount authorized by the act should be used for the procurement of supplies outside the United States and its Territories and possessions. The House amendment placed no limitation on the amount of procurement from foreign sources whenever the cost delivered to the recipient country was less than the cost delivered from the United States. The House amendment provided, however, that not more than 25 percent of the funds made available under authority of the act could be used to procure commodities abroad at delivered cost not more than 10 percent higher than from the United States, its Territories and possessions, provided that the President found that such commodities were in short supply or not readily available in the United States. The provision on this subject in the conference substitute, in section 4 (2) provides that except in the case of commodities not produced in commercial quantities in the United States, not more than 10 percent of the funds made available under the authority of the act may be used to procure commodities abroad at delivered cost higher than from the United States, its Territories and possessions, provided that the President shall find that such commodities are in short supply or not readily available in the United States.

The phrase "except in the case of commodities not produced in commercial quantities in the United States" was inserted in order to permit purchases of commodities abroad where these commodities are not produced in commercial quantities in the United States and therefore comparison prices is practically impossible. Without this amendment, the language, if technically construed, would require either a comparison between a foreign and an artificial United States cost, or a comparison of the cost of similar but not the same commodities before such commodities could be purchased abroad. The inserted language permits the purchase of such commodities without requiring the price comparisons provided in paragraphs (1) and (2) of section 4.

UNDERTAKINGS BY RECIPIENT COUNTRIES

Both the Senate bill and the House amendment contain a section requiring that certain undertakings should be entered into by recipient countries before aid could be made available under the act.

The Senate bill contained a requirement that a recipient country should undertake to make, when repayment in dollars is not required, a commensurate deposit in the currency of such country in a special account under general terms and conditions agreed to between such country and the Government of the United States, and use such account only for purposes agreed to between such country and the Government of the United States, and that any unencumbered balance remaining in such account on June 30, 1948, would be disposed of within such country for such purposes as might, subject to approval by act or joint resolution of the Congress, be agreed to between such country and the Government of the United States. The House amendment contained a somewhat similar provision but would have required the making of deposits in the special account only in the amount of local currency realized from the sale of commodities made available to it under the act. The House amendment provided for payment of local currency expenses of the United States incident to the furnishing of aid to such country, in addition to the use of the special account for purposes agreed upon by the recipient country and the United States; and the House amendment also provided that any unencumbered balance remaining in the account on June 30, 1948, should be disposed of within the recipient country for such purposes as the Government of the United States, pursuant to act or joint resolution of the Congress, might determine. The provision which has been included in the conference substitute, as section 5 (b), is the same as the provision in the Senate bill.

The requirement that the recipient country shall undertake to give full and continuous publicity by all available media (including government press and radio) within such country, so as to inform the ultimate consumers as to the purpose, source, character, and amounts of commodities made available is retained in the conference substitute but it is not the intention that use of government press and radio be required if such facilities are not available.

This section of the Senate bill contained a subsection requiring that a recipient country undertake to furnish, upon request of the press, information concerning the method of distribution and use of commodities, and to furnish on March 1, 1948, or as soon as

practicable thereafter, information showing (1) an itemized list of commodities made available, (2) the total number of persons who have received commodities or benefits made available under the act, (3) the total amount of money received by such country from the sale of commodities and the average price charged per unit for each commodity, (4) a detailed statement of the disposition of all money and other things of value received from the sale or transfer of commodities, and (5) such other information concerning the distribution and use of commodities as may be requested by the press. The House amendment contained in lieu of the above provision a paragraph requiring that a recipient country undertake to furnish promptly upon request of the press information concerning the production, use, distribution, importation, and exportation of any commodities of the character covered in the act. The provision contained in the conference substitute section 5 (d), is the same as the Senate provision, except that there has been omitted the requirement that the recipient country furnish information as to the total number of persons who have received commodities or benefits made available under the act.

This section in the Senate bill contained a provision requiring a recipient country to undertake not to export or permit removal from such country, while need therefor continues, of commodities made available under the act or such commodities produced locally or imported outside sources. The House amendment changed this provision by substituting for the words "such commodities" the words "commodities of the same character". The conference substitute follows the House amendment but adds at the end of the paragraph the words "except to the extent agreed upon by the Government of the United States".

This section of the Senate bill required a recipient country to permit representatives of the Government of the United States (including members of the Foreign Relations Committee of the Senate, the Foreign Affairs Committee of the House of Representatives, the Senate Appropriations Committee and the House Appropriations Committee, or their authorized representatives) and representatives of the press and radio of the United States, upon their request, to enter and fully observe and report regarding the distribution and utilization of the commodities made available, including the special account provided for in subsection (b) of this section. This Senate provision was eliminated by the House amendment and in lieu thereof paragraphs (i) and (j) were included in this section of the House amendment. Paragraph (i) required that a recipient country undertake to permit representatives of the Government of the United States to observe, advise, and report on the distribution among the people of such country of commodities made available. Paragraph (j) required that a recipient country undertake to permit representatives of the press and radio of the United States to observe and report on the distribution among the people of such country of commodities made available. In the conference substitute the Senate provision has been omitted, and paragraphs (i) and (j) from the House amendment have been included, but paragraph (i) has been amended so that such committees of Congress as may be authorized by their respective houses are specifically included as representatives of the Government of the United States having the privilege of observing, advising, and reporting; and paragraph (j) is amended so that representatives of the press and radio of the United States are to be permitted to observe and report on the distribution and utilization of the commodities made available and the special account provided for by subsection (b).

This section of the House amendment included a provision, paragraph (k), requiring that a recipient country undertake that as a condition precedent to the application for or acceptance of assistance it must certify that no part or portion of the aid so received will be allocated or distributed by persons or organizations embracing or formerly embracing communism. This paragraph has been omitted from the conference substitute.

WHEAT CARRY-OVER

The Andresen amendment adopted on the floor of the House was designed in general to place limitations upon wheat exports and protect a wheat carry-over. The amendment provided that none of the funds authorized or made available should be used for the acquisition of wheat, wheat flour, or cereal grain in the United States or the shipment thereof from the United States unless the President should (1) survey the requirements of other countries dependent upon the United States for a portion of their supply of such commodities, (2) estimate the quantity of such commodities which will probably be made available to such countries from the United States, and (3) determine the total amount of such commodities available for export from the United States after giving due consideration to the quantity required in this country for food, feed, seed, and industrial uses, and for the needs of other countries dependent upon the United States for their supplies of such commodities. In determining the amount available for export the President was to allow for a carry-over of wheat in the United States as of July 1, 1948, of not less than 150,000,000 bushels. It was then provided that the funds authorized should not be made available to acquire a quantity of wheat, wheat flour, and cereal grain in the United States which after taking into consideration the amount estimated for export to other countries and the amount needed for domestic consumption in the United States would leave a carry-over of less than 150,000,000 bushels of wheat on July 1, 1948, unless the official crop report of the United States Department of Agriculture as of May 1, 1948, shows an estimated production of winter wheat in the United States of more than 700,000,000 bushels, and a normal planted acreage of spring wheat. There was no corresponding provision in the Senate bill.

The conference substitute retains the House provision with the following amendments:

(a) In clause (3), referred to above, the requirement for a determination of the total amount of wheat, wheat flour, or cereal available for export from the United States was changed to a requirement for an estimate of the total amount of such commodities available for export to the recipient countries from the United States. The provision for the 150,000,000 bushel carry-over was retained.

(b) In lieu of the provision using the official crop report of the United States Department of Agriculture, as of May 1, 1948, for revision of the estimate, there was inserted the following language:

"Unless the estimates of the President after March 1, 1948, justify an increase in the amount available for export to recipient countries with full protection for domestic needs."

This change was made necessary by the March 31, 1948, limitation on obligation of funds for procurement which the conferees adopted.

It was recognized by the conferees that protection against the overshipment of wheat from this country should be provided in the act. It was further recognized, however, that the procurement and shipment of supplies under the act would take place prior to the May 1, 1948, date mentioned in the House bill. In place of this date the revised wording permits the President to review the wheat situation after March 1, 1948, while the program is still in effect, and, under certain prescribed conditions, to change the export program at that time.

UTILIZATION OF COMMODITIES ACQUIRED UNDER PRICE SUPPORT PROGRAMS

The Senate bill contained a provision to the effect that commodities acquired by the Commodity Credit Corporation under any price support program could be disposed of by the Corporation for use in carrying out this or any other act providing for assistance and relief to foreign countries, at such price as might be determined by the Corporation, which price could be the equivalent of the domestic market price of a quantity of wheat having a caloric value equal to that of the quantity of the commodity so disposed of. The House amendment (sec. 11 (d)) contained a similar provision but required any agency of the Government under any price support program to take such action to the extent that the commodity is determined by the President to be appropriate for such purpose and in excess of domestic requirements, and limited the operations to providing aid to recipient countries under this act. The House provision also provided for an annual report to the Congress on the amount of losses incurred and directed the Secretary of the Treasury to cancel notes of the agency held by him in an amount equal to the amount of such losses.

The conference substitute retains the provisions of the House amendment but extends its application to any other act providing for assistance and relief to foreign countries, as provided in the Senate bill, and in lieu of annual reports provided for a report on March 31, 1948, or as soon thereafter as may be practicable.

DISTRIBUTION OF COMMODITIES IN AUSTRIA

The Senate bill contained a provision that the provisions of the act relating to observing and reporting by representatives of the Government of the United States and of the press and radio of the United States should not apply to distribution in Austria with a proviso that the President shall have determined upon recommendation of the United States High Commissioner for Austria that supplies furnished to Austria would be distributed under a control system embodied in agreement between the High Commissioner and the other occupying authorities or the Austrian Government which assure compliance with the objective of the occupation and with the purposes of this act. The House amendment omits this provision. The provision is included in the conference substitute, applicable to the modified provisions for observing, advising, and reporting.

TERMINATION OF AID BY THE PRESIDENT

In the Senate section providing for termination of aid by the President under certain circumstances, the House amendment added a clause providing that the President should terminate aid to a recipient country when he found that "the government of such country is dominated by the Communist Party or by the Union of Soviet Socialist Republics." In the conference substitute, in section 6, the above-quoted language has been replaced by a provision that the President shall terminate aid to a recipient country "whenever he finds that because of changed conditions aid under this Act is no longer consistent with the national interests of the United States."

DELEGATION OF AUTHORITY BY THE PRESIDENT

In the section of the House amendment relating to the authority of the President to delegate his authority under the act, he would have been authorized to delegate such authority to the Secretary of State or any other head of a department or agency of the Government. In the conference substitute, section 10, the words "or any other head of a department or agency of the Government" have been omitted.

PROPOSED NATIONAL FOOD CONSERVATION COMMITTEE

Section 12 of the House amendment, which provided for the establishment of a National Food Conservation Committee, has not been included in the conference substitute.

REPORT TO CONGRESS ON DISTRIBUTION AND USE OF COMMODITIES

The Senate bill contained a provision requiring a report to Congress of all information received by the President pursuant to undertakings concerning the method of distribution and use of commodities made available under the act and information showing itemized lists of commodities made available, the total amount of money received from the sale, and the average price charged per unit, and a detailed statement of disposition of proceeds, and other information requested by the President. There was no corresponding provision in the House amendment. The conference substitute includes this Senate provision.

TRANSFER OF FUNCTIONS, RECORDS, AND FUNDS

Section 16 of the House amendment provided that the functions, records, and funds provided for the purposes of carrying out the act shall be transferred to the administration of any organization for general foreign aid which Congress may provide. In the conference substitute this section, section 14, is retained except that the word "applicable" has been inserted before the word "records".

The word "applicable" was inserted to qualify the word "records" to avoid the contingency that certain records dealing in part with operations of the aid program but also in part with other functions of the Department of State and other agencies, would otherwise have to be transferred as provided in this section.

ADVANCES BY RECONSTRUCTION FINANCE CORPORATION

The provision authorizing the making of advances by the Reconstruction Finance Corporation, contained in the House amendment, is included in the conference substitute, but this provision has been amended to make it clear that no interest need be paid on such advances or on advances made by the Treasury to the Reconstruction Finance Corporation in connection with the carrying out of the section.

CHILDREN'S FUND

Section 16 contains without change the provisions of section 17 of the House amendment amending Public Law 84, Eightieth Congress, with respect to the International Children's Emergency Fund.

Under the present provisions of Public Law 84, no part of government contributions from countries receiving aid from the International Children's Emergency Fund are recognized in the determination of matching contributions from the United States.

The proposed change in Public Law 84 would recognize these contributions except contributions of indigenous supplies for consumption within the country, and the cost of services supplied by such countries in carrying out the program.

TITLE OF THE BILL

The title of the bill as agreed to in conference is the same as the title as amended by the House amendment.

CHARLES A. EATON,
JOHN M. VORYS,
KARL E. MUNDT,
SOL BLOOM,
JOHN KEE,
Managers on the Part of the House.

Mr. VORYS. Mr. Speaker, I yield myself 10 minutes.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. VORYS. Yes.

Mr. HOFFMAN. Mr. Speaker, will there be an opportunity to get a roll call on the adoption of this conference report?

The SPEAKER. If the gentleman is on his feet and makes that demand, and a sufficient number of Members rise, he will have that opportunity.

Mr. HOFFMAN. I thank the Speaker.

Mr. VORYS. Mr. Speaker, on that point, it is my purpose to ask for a roll call on the conference report as soon as the previous question is ordered.

Mr. Speaker, this conference report is in the form of a complete bill so that it makes much easier reading. If you look it over, you will find it is quite similar to the bill which passed the House. The American people want to give relief to the people who are cold, and hungry, and sick in foreign countries. They want to stop communism without war. They want to hold back inflation, and high prices, and reduce scarcities here at home. But these objectives of the American people are not altogether consistent. For over a month the Congress has been here in committee and on the floor attempting to resolve these conflicting and inconsistent objectives and to get something that will work. This conference report is the product, and you will have an opportunity to vote on it shortly.

Let me review rapidly in general what it does.

It provides food, fuel, and medicine for the people of these needy countries. It provides for keeping these countries going economically and politically through the winter. It ties 10 strings to our aid—requirements these countries must meet to receive any help at all. It contains safeguards to reduce the impact on our economy and to gear the program to what is available. It is not perfect, it is not painless, but it is the best the cumbersome legislative machinery of this Republic, the best government on earth, can produce this fall for you to vote on.

I wish to review what happened to some of the House amendments which attracted particular interest. The Case amendment is found intact in section 4, paragraph 2, on page 2. That provides for purchase of supplies at prevailing prices. The Andresen amendment is contained in section 11 (b) on page 5. The only change made was that since the date of the bill was made March 31, the provision for the May 1 computation was set ahead to March 1. Otherwise, the 150,000,000-bushel carry-over requirement is in the amendment.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. It is quite obvious that no one can make a determination on March 1 as to what the winter wheat crop will be, because we are still in winter on that date. I want to propound this question to the gentleman so that we can write some legislative intent into this provision. Was it the purpose of the conferees to fix it so that there would be a carry-over of 150,000,000 bushels of wheat on July 1?

Mr. VORYS. Yes, unless the estimates of the President, not on March 1 but after March 1, justify an increase in the amount available for export with full protection for domestic needs. It is inconceivable to me that there would be any reduction in the 150,000,000 bushels carry-over unless the reports of the plantings, which I understand come in March 18, together with the weather reports, would justify some adjustment in the last few purchases that might possibly be made in the latter part of March. As I understand this program, the acquisition of the grain has almost all been completed and probably will be entirely completed long before the March 1 provision comes in. The conferees attempted to paraphrase and use as much as possible the same provision the gentleman from Minnesota used as to another look at the carry-over in view of crop prospects for 1948. It was not possible to make the date May 1 but we did the best we could to carry out exactly the principle contained in the gentleman's amendment.

Mr. AUGUST H. ANDRESEN. I am glad the conferees made that effort, because I should like to have the Congress and the country understand that in the event of a short crop of wheat next year the responsibility is on the President of the United States if he lets that carry-over fall below 150,000,000 bushels.

Mr. VORYS. I happened to hear the debate on the floor of the other body on this matter a few minutes ago, and precisely the same point was made there which I have made here, that this amendment makes it perfectly clear, crystal clear, that the President in the administration of this is to maintain a crop carry-over sufficient to furnish full protection for domestic needs.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Georgia.

Mr. COX. Let me say to the gentleman that I was completely astounded when I learned that his committee had so easily yielded on the anti-Communist amendments to the bill. You make it possible that the aid you are extending be used as relief has heretofore been administered, that is, doing something for the people whose war upon us makes necessary our doing something to resist.

In other words, with these amendments eliminated from the bill, it will change the entire character of the measure, because if this is not an anti-Communist move on the part of this body, then it is pretty much of a swindle and you give excuse and afford solid ground for votes against the bill.

Mr. VORYS. The conference report eliminates reference to the Communist Party and to the Soviet Union. The action on that was not unanimous. But let me point out that the conference committee labored hard to formulate appropriate words to refer to the Communist Party, which happens to be a lawful

party in the United States, and happens to be the party which has the largest representation in the French Chamber of Deputies. We could not find such a formula. The conferees also felt that perhaps the only time when it is appropriate to refer in a hostile manner to a foreign nation by name is in a war resolution.

Let me give my personal reasons for feeling that the action of the conferees is justified. We argued as to whether we would require Communist domination or control or infiltration in order to stop our aid, and argued about what words we would use. Then we got to thinking of this question: We want to stop communism; the Soviets want to stop our rendering aid to foreign countries. Why should we set out in a law the exact limits to which we will go? Why should we give advance, authoritative, unchangeable notice as to our future plans? Why should we tell the Communists just what they have to do in order to prevent our giving aid and in order to prevent us from continuing that aid? Why do we have to tell them just how far they can go or we are going to go? We may want to change our plans and do something else. Therefore, we came to the conclusion, that is, the conferees did, that it was much wiser not to tip our hand. Of course, the House will realize that it is very easy to make a speech on this subject, but when it comes to putting it into a law, that is another problem. We felt it was much wiser to put in the words which are found on page 4 in section 6–C—and I quote—that the President should terminate the aid "whenever he finds that because of changed conditions, aid under this act is no longer consistent with the national interests of the United States."

Thus, we will not be spelling out for the benefit of the Soviets or the Communist Party or their agents just exactly when or under what circumstances we are going to quit or exactly what we are going to do.

Mr. JENNINGS. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield.

Mr. JENNINGS. Does this mean that when I vote for this aid bill, I am voting to hand over $590,000,000 of the money of the people of this country to a nation that is dominated by a Communist government or which has a Communist government or is dominated by Russia? That is what I want to know.

Mr. VORYS. I think the history of the past year and the way we proceeded with reference to Poland and Hungary is an answer to the question of the gentleman.

Mr. JENNINGS. You have not answered my question.

Mr. VORYS. Of course, we are not going to write into law for the benefit of the Communists and their agents just when or how or why or in what way they can stop us from carrying out our own foreign policy.

Mr. JENNINGS. But I cannot square that with my conscience, and I cannot square it with what has heretofore been said on the floor of this House with respect to stopping this aid whenever a country turns Communist or falls under the dominion of a Communist government. I do not see how anybody could do it.

Mr. VORYS. Let me say that a similar amendment was stricken from Public, No. 84, the relief bill, last spring on the same sort of grounds, and that since then our aid was stopped to Poland and to Hungary, when they became dominated by the Communists.

Mr. FULTON. Will the gentleman yield?

Mr. VORYS. I yield.

Mr. FULTON. May I comment on the Andresen amendment? I am one of those who opposed the amendment, the principal ground being the fact that it was the date May 1, 1948, as the time when the Agricultural Department official report would set the figure. As a matter of fact, under the proposed act it would be the intent to procure most of the wheat and cereals before that date. I want to compliment the conferees on selecting March 1 as the date, because it permits the procurement of the wheat in time to make the program effective. I therefore agree to the amendment with that condition.

Mr. VORYS. Now, I want to go to some of the other amendments. The Anderson amendment with reference to the purchase of surplus commodities is in section 11 (e), page 6. That amendment is intact, except it was provided that it shall apply to other programs, such as Army purchases for occupied countries.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield.

Mr. KEEFE. How much does the gentleman conclude the inclusion of the Anderson amendment will ultimately mean in terms of dollars added to the total of this bill?

Mr. VORYS. My own judgment is that it will not add to the total expense, but the gentleman from California [Mr. ANDERSON] placed in the RECORD a very careful analysis, which showed that if we disposed of all of the surplus food on hand the loss would be only $50,000,000. Obviously, much of that surplus food is not appropriate for this purpose. Let us also remember that under the Anderson amendment only commodities that are appropriate are taken, leaving discretion to the President, and also this caloric value price is merely permissive and not mandatory on the Commodity Credit Corporation. It will certainly be much less than $50,000,000.

Mr. KEEFE. Does the gentleman say that a limitation of $50,000,000 would be proper?

Mr. ANDERSON of California. I do not say that a limitation of $50,000,000 would be proper, but if the gentleman will refer to the Appendix to the RECORD at page A4518, there appears a table which I had prepared for me by the Commodity Credit Corporation, showing these surplus commodities now held by the Commodity Credit Corporation which could be used for relief feeding. But when it comes to the question of what this is going to cost, may I point this out: By just so much as we use these surplus commodities for relief feeding, we relieve the drain upon the wheat supplies of this country. I also point out to the gentleman that the Department of Agriculture has figured that every time the cost of wheat in this country goes up as much as 25 cents a bushel, the increase in the cost of living to American consumers is approximately $2,500,000,000.

There has been general agreement that we should export foods that are in surplus both as a means of making maximum quantities of food available for export and reducing the pressure on supplies of wheat and other grains for export. The cabinet food committee, consisting of the Secretaries of Agriculture, State, and Commerce, in its report of September 22, 1947, to the President, put particular emphasis on this point. The report states: "It is obvious that the United States will have to put more emphasis on shipments of foodstuffs other than grain." They indicated that this would tend to maintain a volume of exports more nearly in line with needs and avoid unnecessary inflation in the price of grains.

Reports from the Department indicate that over 200,000 tons of dried fruits, for example, may be made available for relief feeding abroad if the authority to make such food available at a wheat caloric equivalent value is granted by the Congress. This would be equivalent to 6,000,000 bushels or about 18 shiploads of grain. Other surplus foods which might be exported would be equivalent to about 4,000,000 bushels of wheat. Thus the total wheat equivalent of these surplus foods would be at least 10,000,000 bushels or 30 shiploads.

It is obvious that this much less grain shipped abroad would substantially lessen the pressure on grain markets and avoid prices going to as high a level as they otherwise would. Every cent added to the price of wheat adds to the inflationary pressures on our domestic economy and if we can save only a few cents a bushel on wheat we can save the consumers of this country hundreds of millions of dollars and make our appropriated funds go further in carrying out the objectives of the interim aid bill.

The SPEAKER. The time of the gentleman from Ohio [Mr. VORYS] has again expired.

Mr. VORYS. Mr. Speaker, I yield myself five additional minutes.

The Ellsworth amendment providing that this bill does not apply to price control—give no power of price control—is in section 10, page 4. It is here intact.

The Wolcott amendment providing that this shall not affect the President's powers with reference to export controls, is in section 18, on page 7.

The Redden amendment providing for a joint committee on foreign aid was rewritten for this reason: It was permissive and not mandatory. The Senate conferees, including the President pro tempore of the Senate, stated they did not want a joint committee and they did not want a Senate committee. We already have a select committee on foreign aid in the House, which extends for the

life of this bill to March 31. Therefore, it was felt more effective to handle the principle of the Redden amendment, as shown on page 4, section 5 (i). By this provision a foreign country is required "to permit representatives of the Government of the United States, including such committees of the Congress as may be authorized by their respective Houses, to observe and advise and report on the distribution among the people of such country" of the aid under this act.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield for a question?

Mr. VORYS. I yield.

Mr. KNUTSON. Henceforth is it to be the policy of this Government to give aid to every country who threatens to go Communist unless we give them a few hundred millions of dollars?

Mr. VORYS. I think not. Let us have this in mind: France and Italy have shown great determination in the past few weeks in resisting Communist infiltration. We might take the position of the farmer who had a leaky roof on his barn: He did not fix it when it was dry because it did not need it, and he could not fix it when it was raining. We might take the position that there is no use helping a country when they are successfully resisting communism and that we cannot help them when they are unsuccessful. I think that finally after a lot of wobbling we are getting around to something of a consistent policy in that regard, and our policy to date has worked rather well in the case of Italy, Austria, and France.

Mr. KNUTSON. How about Great Britain?

Mr. VORYS. That is not in this bill.

Mr. KNUTSON. I understand we gave them three and three-quarter billions. What have they done with it?

Mr. VORYS. They have certainly resisted the inroads of communism in Britain.

I now yield to the gentleman from Iowa [Mr. MARTIN].

Mr. MARTIN of Iowa. Mr. Speaker, during the debate I drew the line between voluntary aid and aid given by act of Congress. I also drew a line between aid based on humanitarian grounds and aid based on political and strategic grounds. The people of the First Iowa District are generous and warm-hearted but they do not want Congress to break our economic strength and they do not want our foreign relief expenditures used for strategic or political purposes. In today's mail I received a letter from one of the largest farmer's business organizations in my district, making the following statement:

> In behalf of best interests of thousand and more farmer members of this association, we urge Congress to recapture constitutional authority governing tariffs and international trade agreements, table Marshall plan, investigate Luckman Lever Bros'. interests and thumbs down on present day Trumanism. We favor grass-root family to family voluntary aid to foreign countries. Congressional appropriations for foreign relief are like paying unlearned children to be good. Certainly, we are about to destroy our domestic freedom and economy unless our people are better informed before it is too late.

That is from one of the largest farmer's organizations in my district and it is a good statement of the views expressed in many letters I have received and oral statements made to me personally at many of the 250 meetings and fairs I attended in the First Iowa District last August, September, and October.

Mr. VORYS. Of course we all must consider what our constituents write or say to us, but we have the solemn obligation of acting on the basis of all the information we have here.

Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on this bill, either at this point or in the Appendix.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TOLLEFSON. Mr. Speaker, we must provide in this legislation support for China. It is unfortunate that the administration in its proposals made no requests in this respect, although the Secretary of State recognized the need in his appearance before the House Committee on Foreign Affairs. He stated that in his long-range program there would be provision for China. This, however, would not be in effect until next spring. I believe we should not wait until then. We must provide interim aid now if we are to combat those forces which seek to obstruct our endeavors to bring about an independent and sovereign China—the kind of China we need for our security in the Pacific.

Before acting upon the long-range plan we should scrutinize our past policies and activities with respect to China. We should have the full story so that we may act intelligently.

The full story has not yet been told. This entire story should be brought out by demanding the publication of:

First. Henry Wallace's report of 1944.

Second. Telegrams exchanged re Stilwell incident—about October 1944—and Stilwell's reports and recommendations.

Third. Report on the Chinese Communists prepared by Joint Chiefs of Staff in late 1944 or early 1945.

Fourth. Full text of Yalta agreements—the text as released is incomplete—and conversations leading to same.

Fifth. Text of Potsdam conversations, agreements, or understandings re China; none released as yet.

Sixth. The unapproved recommendations of the Director of the Far Eastern Division of the State Department made in the fall of 1946, recommending abandonment of China.

Seventh. Release of Wedemeyer report and also of the expurgated Wedemeyer report prepared by the State Department after Wedemeyer's return and which, it is believed, he refused to sign.

Eighth. Release of OSS and FBI reports on present and past personnel of the Far Eastern Division of the State Department.

Mr. CHIPERFIELD. Mr. Speaker, the American people have been led to believe this interim-aid bill has for its chief purpose the feeding of starving people in Europe. This is not the fact, as only $301,000,000 of the $597,000,000 requested is for food.

I would have preferred that this bill be confined to feeding hungry people and the amount authorized had been reduced to food requirements.

Under the method to be used for distribution of relief, the people receiving it will not realize it is a gift from the people of America. When the food reaches the recipient countries, it will not be given to the hungry, but they will be required to purchase it through the usual trade channels. The indigent who need it most will not have sufficient funds to buy it. It is also the simple fact that for their own political purposes some of the countries receiving our aid often will not even disclose from where this help is coming.

That this is not just a bill to feed hungry people is shown by the fact that $184,000,000 is included for coal, $35,000,000 for petroleum, $38,000,000 for cotton, $35,000,000 for fertilizer, and so forth. I still would not object if these products were to be used to warm and clothe people, but that is not the case. For example, about 80 percent of the coal to be furnished is allocated to private industries. I can see no reason why those industries should not pay us for this coal under long-term credit arrangements.

Why should we give petroleum to France while pleasure driving goes on there? We all know petroleum is in very short supply in this country and we are rapidly depleting our own supplies of this vital product.

It is also proposed under this bill to export millions of dollars' worth of fertilizer, yet our farmers, especially in the South, have not been able to obtain sufficient fertilizer, which is so vital to their crops, to meet their own needs.

Under this bill, it is also proposed to purchase large amounts of pots and pans, machinery, tobacco, radios, and practically any item that the administrator of this fund desires that is not in short supply, to be used as incentives for the French and Italian farmers to bring their grain, which they are hoarding, to market. In other words, we are asked to spend the money of the American taxpayers so that peasants of Europe will do what they should voluntarily do for the welfare of their own people.

While I believe the American people want to feed the hungry, we cannot year in and year out give Europe a blank check without depleting our own supplies and resources. We must help Europe not according to our desires but only according to our ability to help, and then only after the most careful consideration of their requirements and our availabilities.

When the European countries place before us their requirements they list everything they think the traffic will bear. The evidence presented before our committee as to the requirements changed almost daily. At best it is only a rough guess as to what the real needs are.

These countries simply estimate all the imports which will be required including not only food but all other materials and capital goods necessary for rehabilitation. Then their assets from exports are subtracted from this amount and we are requested to make up the deficit. So their requirements are based on balance of payments.

As the United States produces only 12 percent of the world food supply, it is evident we cannot feed the whole world. It seems to me food relief and financial relief from the United States will be futile unless the countries aided discontinue policies which unbalance their trade and discourage or prevent production. Until these countries stabilize their own currencies, American dollars will achieve no long-term good but only weaken our resources.

If this bill was to be the end of relief we would be glad to assist these countries that are still suffering from the devastation of war. Since the start of World War II the United States has given or loaned to the rest of the world the staggering sum of $66,017,790,335—according to the New York Daily News of October 5, 1947. Yet some of these countries, because of their socialistic policies and the weakness of their governments seem to be worse off now than they were immediately after the war.

This bill is simply the first step toward carrying out the Marshall plan which will require an additional expenditure of billions of dollars.

Our people are gravely concerned over the high cost of living but you cannot export millions of dollars worth of commodities in short supply without it having a terrific impact on our price structure. It is freely admitted that the Government going into the market and buying great quantities of foodstuffs is one of the major causes of the inflationary spiral in this country. It is high time we do something to prevent this continued price rise.

With a $258,000,000,000 debt we must do everything possible to keep our country financially and economically sound. While we want to share with our less fortunate democratic friends, we must proceed with great care and retain sufficient petroleum products and coal to take care of the heating requirements of this country. We should see that our own farmers have sufficient fertilizer and farm equipment before permitting exports. We must see that our own people have sufficient wheat for bread as we have already exported two-thirds of our exportable supply of this year's crop. Why should we allow the export of steel products that are in short supply and desperately needed for our own housing program?

Yes, it is time we look after ourselves, make ourselves strong and then do what we can to help the rest of the world. While I believe we should make sacrifices we must not bleed ourselves white as it would not only result in weakening ourselves but also prevent our helping others.

As I said the other day on the floor, the Lord helps those that help themselves. We cannot be expected to outdo the Lord.

Before I close I feel I should discuss another argument of the proponents of this bill and that is that it will prevent the spread of communism. If you ask any proponent if there is any guaranty that this aid will stop the spread of communism, he immediately replies it is a gamble but goes on to say if we do not give aid the spread of communism over the entire European Continent is almost a certainty. He overlooks the fact that whether or not we give aid, Russia has the power to overrun Europe almost at will. I do not believe you can save the world from communism with dollars.

It might be infinitely cheaper if we would not fight communism with loans or gifts but combat revolutionary ideas directly by answering systematically the lies that are published in Moscow about America's intentions and the failures of the capitalistic system. We have a story of which we can be proud if we see that this information reaches the people of the countries receiving help.

We must be careful that the effect of our American funds will not be to make socialism appear for a time to be working better than it actually does, and thus prevent their governments from making necessary reforms, just as a man cannot be kept alive indefinitely by perpetual blood transfusions if the cause of his hemorrhage is not removed.

We must stop appeasing Russia. Even in this bill we do this. It provides that the Administrator use nationals of other countries to inspect the distribution of relief rather than American citizens. This is placed in the bill because Russia objects to American citizens inspecting the relief we send into the Russian zone of Austria. Let us frankly accept the diplomatic challenge of Communist Russia and defend capitalism without apology.

Mr. VORYS. Mr. Speaker, I move the previous question on the conference report, and on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 313, nays 82, answered "present" 2, not voting 35, as follows:

[Roll No. 147]

YEAS—313

Albert	Brown, Ga.	Cox
Allen, Calif.	Brown, Ohio	Cravens
Almond	Bryson	Crosser
Andersen, H. Carl	Buchanan	Crow
	Buck	Cunningham
Anderson, Calif.	Bulwinkle	Dague
Andresen, August H.	Burke	Davis, Wis.
	Burleson	Dawson, Utah
Andrews, Ala.	Butler	Deane
Andrews, N. Y.	Byrne, N. Y.	Delaney
Angell	Byrnes, Wis.	Devitt
Arends	Canfield	D'Ewart
Auchincloss	Cannon	Dingell
Bakewell	Carroll	Dirksen
Barrett	Carson	Dolliver
Bates, Mass.	Case, N. J.	Domengeaux
Battle	Chadwick	Dondero
Beall	Chapman	Donohue
Beckworth	Chelf	Doughton
Bell	Chenoweth	Douglas
Bender	Clark	Drewry
Blackney	Clason	Durham
Blatnik	Cole, Kans.	Eaton
Bloom	Cole, N. Y.	Eberharter
Boggs, Del.	Combs	Elliott
Bolton	Cooley	Ellsworth
Bonner	Cooper	Elsaesser
Boykin	Corbett	Elston
Bradley	Cotton	Engel, Mich.
Bramblett	Coudert	Engle, Calif.
Brophy	Courtney	Evins
Fallon	Keefe	Philbin
Feighan	Kefauver	Phillis, Calif.
Fellows	Kennedy	Plumley
Fenton	Keogh	Poage
Fernandez	Kerr	Potter
Fisher	Kersten, Wis.	Poulson
Flannagan	Kilburn	Preston
Fletcher	Kilday	Price, Fla.
Fogarty	King	Price, Ill.
Folger	Kirwan	Priest
Foote	Klein	Rains
Forand	Kunkel	Ramey
Fuller	Lane	Rayburn
Fulton	Lanham	Redden
Gallagher	Latham	Rees
Gamble	Lea	Regan
Garmatz	LeCompte	Richards
Gary	LeFevre	Riehlman
Gavin	Lesinski	Riley
Gearhart	Lewis	Rockwell
Gillette	Lodge	Rogers, Fla.
Goff	Lucas	Rogers, Mass.
Goodwin	Ludlow	Rohrbough
Gordon	Lusk	Rooney
Gore	Lyle	Ross
Gorski	Lynch	Russell
Gossett	McConnell	Sadlak
Graham	McCormack	Sadowski
Granger	McDowell	St. George
Grant, Ala.	McGarvey	Sasscer
Gregory	McMahon	Scott, Hardie
Hagen	McMillan, S. C.	Scott, Hugh D., Jr.
Hale	McMillen, Ill.	
Hall, Edwin Arthur	MacKinnon	Seely-Brown
	Madden	Sheppard
Hall, Leonard W.	Mahon	Sikes
	Maloney	Simpson, Pa.
Halleck	Manasco	Smathers
Hardy	Mansfield	Smith, Maine
Harless, Ariz.	Mathews	Smith, Va.
Harrison	Meade, Ky.	Smith, Wis.
Havenner	Meade, Md.	Snyder
Hedrick	Merrow	Somers
Heffernan	Michener	Spence
Hendricks	Miller, Calif.	Stanley
Herter	Miller, Conn.	Stefan
Heselton	Miller, Md.	Stigler
Hess	Miller, Nebr.	Stratton
Hill	Mills	Sundstrom
Hinshaw	Mitchell	Taber
Hobbs	Monroney	Talle
Hoeven	Morgan	Taylor
Holifield	Morris	Teague
Holmes	Morton	Thomas, Tex.
Hope	Muhlenberg	Thompson
Horan	Murdock	Tibbott
Huber	Mundt	Tollefson
Jackson, Calif.	Murdock	Towe
Jackson, Wash.	Murray, Tenn.	Van Zandt
Jarman	Murray, Wis.	Vinson
Javits	Nicholson	Vorys
Jenkins, Ohio	Nixon	Wadsworth
Jenkins, Pa.	Nodar	Walter
Jensen	Norblad	Weichel
Johnson, Calif.	Norrell	Welch
Johnson, Tex.	Norton	West
Jones, Ala.	O'Brien	Wheeler
Jones, N. C.	O'Hara	Whittington
Jones, Wash.	O'Toole	Wigglesworth
Judd	Pace	Wilson, Tex.
Karsten, Mo.	Patman	Wolcott
Kean	Patterson	Wolverton
Kearney	Peden	Wood
Keating	Peterson	Worley
Kee	Pfeifer	Zimmerman

NAYS—82

Abernethy	Harvey	Reeves
Allen, Ill.	Hoffman	Rich
Arnold	Hull	Rizley
Banta	Jennings	Robertson
Barden	Johnson, Ill.	Robsion
Bennett, Mich.	Johnson, Ind.	Sanborn
Bennett, Mo.	Jonkman	Sarbacher
Bishop	Kearns	Schwabe, Mo.
Brehm	Knutson	Schwabe, Okla.
Buffett	Landis	Scrivner
Case, S. Dak.	Larcade	Shafer
Chiperfield	Lemke	Short
Church	Love	Simpson, Ill.
Clevenger	McCowen	Smith, Kans.
Cole, Mo.	McCulloch	Smith Ohio
Crawford	McGregor	Stevenson
Curtis	Mack	Stockman
Dorn	Marcantonio	Twyman
Ellis	Martin, Iowa	Vail
Gathings	Mason	Vursell
Gillie	Meyer	Whitten
Grant, Ind.	O'Konski	Williams
Griffiths	Passman	Wilson, Ind.
Gross	Phillips, Tenn.	Winstead
Gwinn, N. Y.	Pickett	Woodruff
Gwynne, Iowa	Ploeser	Youngblood
Hand	Rankin	
Harness, Ind.	Reed, Ill.	

ANSWERED "PRESENT"—2

Johnson, Okla. Macy

NOT VOTING—36

Allen, La.	Colmer	McDonough
Bates, Ky.	Davis, Ga.	Jenison
Bland	Davis, Tenn.	Owens
Boggs, La.	Dawson, Ill.	Potts
Brooks	Harris	Powell
Buckley	Hart	Rabin
Busbey	Hartley	Reed, N. Y.
Camp	Hays	Rivers
Celler	Hébert	Sabath
Clements	Jenison	Scoblick
Clippinger	Kelley	Thomas, N. J.
Coffin	Lichtenwalter	Trimble

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Thomas of New Jersey for, with Mr. Reed of New York against.

Mr. Coffin for, with Mr. Jenison against.

Mr. Lichtenwalter for, with Mr. Busbey against.

Mr. Hébert for, with Mr. Clippinger against.

Mr. Boggs of Louisiana for, with Mr. Owens against.

Mr. Davis of Georgia for, with Mr. Johnson of Oklahoma against.

Additional general pairs:

Mr. Hartley with Mr. Harris.
Mr. McDonough with Mr. Rivers.
Mr. Scoblick with Mr. Colmer.
Mr. Potts with Mr. Kelley.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I have a live pair with the gentleman from Georgia [Mr. DAVIS], who if present would vote "aye." I therefore withdraw my vote of "no" and answer "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION TO SPEAKER TO SIGN BILL

Mr. VORYS. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House today the Speaker be authorized to sign the enrolled bill (S. 1774) to promote the general welfare, national interest, and foreign policy of the United States by providing supplies to certain European countries on an emergency basis.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PROGRAM ON APPROPRIATION BILL COVERING EMERGENCY AID TO EUROPE

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, for the information of the Members, it is expected that the Committee on Appropriations will report the deficiency appropriation in the morning. Under an order previously agreed to in the House the bill may be called up at any time after it is reported. It is our plan to call the bill up when we meet tomorrow. Just how long general debate will continue I cannot say. At the moment, based on present demands for time the debate will probably run throughout most of tomorrow, if not all of tomorrow. I can make no definite commitment as to when the matter may finally get to the voting stage.

APPOINTMENT TO COMMITTEE

The SPEAKER. Pursuant to the provisions of House Resolution 18, Eightieth Congress, the Chair appoints as a member of the Select Committee To Conduct a Study and Investigation of the Problems of Small Business the gentleman from Pennsylvania [Mr. LICHTENWALTER] to fill the existing vacancy thereon.

RELIEF OF THE NAVAJO AND HOPI INDIANS

Mr. WELCH. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4627) to authorize an appropriation for the immediate relief of the Navajo and Hopi Indians, and for other purposes, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

That there is hereby authorized to be appropriated the sum of $2,000,000, or so much thereof as may be necessary, to enable the Secretary of the Interior to provide immediate relief for needy Navajo and Hopi Indians who are on their reservations or allotted holdings and for those who leave their reservations for employment as hereinafter provided. Not to exceed $500,000 of such amount shall be available for relief of the children, the blind, aged, sick, and disabled, who are needy, and the needy able-bodied where work is not available; and not to exceed $1,500,000 to provide (a) useful employment on permanent construction projects duly authorized for the Navajo and Hopi Indians and (b) to secure employment off their reservations for Navajo and Hopi Indians.

SEC. 2. The Secretary of the Interior is authorized and directed at the earliest practicable date to submit to the Congress his recommendations for necessary legislation for a long-range program dealing with the problems of the Navajo and Hopi Indians.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

REINSTATEMENT OF LAPSED 5-YEAR LEVEL PREMIUM TERM NATIONAL SERVICE LIFE INSURANCE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 4651) to authorize the reinstatement of lapsed 5-year level premium term national service life insurance on a comparative health basis until December 31, 1948.

The SPEAKER. May the Chair ask the gentlewoman if this bill has been reported by a committee?

Mrs. ROGERS of Massachusetts. Mr. Speaker, the bill has been reported unanimously and I have received clearance from the majority and minority floor leaders.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

Mr. RICH. Mr. Speaker, reserving the right to object, I was under the impression when we came here for this special session of Congress that we had two objects in view. One was to look into the high cost of living in this country and the other was to take care of immediate needs in foreign countries so far as relief is concerned.

Now, a lot of legislation has come in here and I wonder whether we are justified under the pressure we are now working and with conditions as they are in discussing a lot of legislation when the membership of the House is not in a frame of mind to consider it properly. It seems to me that we should not be permitted to bring in all of these bills, ask adoption by unanimous consent. A poor way for Congress to legislate.

The SPEAKER. The Chair may say to the gentleman that other Members may have a different opinion on that.

Mr. RICH. Mr. Speaker, I am expressing my opinion. We are squandering the taxpayers' money here and I am wondering whether we should not put a stop to some of it. Now, I want to know what the bill is all about and what it is going to cost and what it will do. I want to know what this is going to cost before we have any more legislation of this kind.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I may say to the gentleman from Pennsylvania that this simply allows the veterans to seek reinstatement of lapsed 5-year level-premium term national service life insurance on a comparative health basis until December 31, 1948. I may say to the gentleman that the conditions now under which these veterans may reinstate will end on December 31 of this year. That is why it is imperative that this extension be passed at this time. I was in New York on Friday last and I saw hundreds of veterans going into the branch office there trying to reinstate their insurance before the date of expiration for reinstatement. This means protection for life for the veterans and the families of these veterans if they can reinstate. It is really a business proposition and also because veterans pay for the insurance, it is in no way a gift.

Mr. RICH. May I ask the gentlewoman if this is not about the third or fourth time this privilege has been extended to the ex-servicemen?

Mrs. ROGERS of Massachusetts. No. I may say to the gentleman we did extend it for a year. I also wish to say to the gentleman that the Insurance Division still is in a very chaotic condition. I will not go into the causes for that condition, but it is one of the things that General Bradley said General Gray must straighten out immediately when he comes into the Veterans' Administration. The President also wrote me stating that he hoped it would be straightened out shortly, but it has not been as yet and many of the men have not had a chance to reinstate.

Mr. RICH. Mr. Speaker, I will not object to this legislation extending the privilege again, but I think it is about time that we consider that the whole country is in a chaotic condition.

We have got to do something to relieve them. If we do not put this country on a sound financial basis the veterans will get nothing, because you have wrecked this country, and there is nothing left for the veterans to get, and those are the ones I want to protect so as to give them something in the future.

Mr. HALLECK. Mr. Speaker, reserving the right to object, I would just like to say, after discussing the matter with the gentlewoman from Massachusetts and others, that I am convinced that this measure should be enacted. It does not cost the Government as such anything. It simply extends the period within which the veterans may apply. I think, as the gentlewoman has pointed out, that there are reasons why the action is justified, and I trust that there will be no objection to it.

Mr. ROBSION. Mr. Speaker, reserving the right to object, and I shall not object, my purpose is to bring out more clearly in my own mind and for the other Members of the House the importance of this bill and emphasize the very fine service that the gentlewoman from Massachusetts [Mrs. ROGERS] is rendering and has rendered over a period of many years to the veterans and their dependents. If I understand the position of the gentlewoman from Massachusetts in presenting this legislation, it is because of the pile-up of claims or applications for reinstatement which have not been acted upon. Unless this legislation is passed many deserving cases will not be considered and will not be acted upon; is that not true?

Mrs. ROGERS of Massachusetts. That is true. And I would like to say to the gentleman that because of the great rush of insurance applications before the dead line in the New York office, other work is stopped so that the veterans are not getting the other benefits that they should.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby added a new subsection (y) to section 602 of the National Service Life Insurance Act of 1940, as amended, to read as follows:

"(y) Any level-premium-term insurance which has lapsed may be reinstated within the term upon written application made at any time prior to December 31, 1948, and payment of two monthly premiums, provided such applicant is in as good health on the date of application and tender of premiums as he was on the due date of the premium in default and furnishes evidence thereof satisfactory to the Administrator."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT

Mr. BROWN of Ohio submitted the following conference report and statement on the bill (H. R. 4469) to amend the act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4469) to amend the Act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of sections 109 or 113 of the Criminal Code (U. S. C., 1940 edition, title 18, secs. 198 and 203), or of section 19 (e) of the Contract Settlement Act of 1944, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States."

And the Senate agree to the same.

CLARE E. HOFFMAN,
CLARENCE J. BROWN,
CARTER MANASCO,
Managers on the Part of the House.

GEORGE D. AIKEN,
JOHN L. MCCLELLAN,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4469) to amend the Act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House bill amended section 7 of Public Law 162, 80th Congress, and provided in subsection (b) of the amended section that nothing contained in sections 109 and 113 of the Criminal Code shall be deemed to apply to any member of, or to any person heretofore or hereafter employed by, the Commission on Organization of the Executive Branch of the Government. The Senate amendment amended this subsection to read as follows:

"(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of section 109 or 113 of the Criminal Code (U. S. C., 1940 edition, title 18, secs. 198 and 203), or of section 19 (e) of the Contract Settlement Act of 1944, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States: *Provided, however,* That with regard to employees no exemption from any provision of the laws cited in this subsection shall be effective until the respective Committees on Expenditures in the Executive Departments of the Senate and House shall certify that the employment of such person is desirable in the public interest."

The House recedes with an amendment which incorporates the provisions of the Senate amendment with the exception of the above quoted proviso.

CLARE E. HOFFMAN,
CLARENCE J. BROWN,
CARTER MANASCO,
Managers on the Part of the House.

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H. R. 4469) to amend the act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the statement.

Mr. BROWN of Ohio. Mr. Speaker, I am sure that it will take only a moment or two to explain this conference report. This report applies to the bill which passed the House unanimously a few days ago to give to the appointees of the Commission on Organization of the Executive Branch of the Government, which is headed by former President Herbert Hoover, as Chairman, exemption from the provisions of the law relative to Government employees or appointees having any legal or business transactions with the Federal Government. It is necessary to have certain experts, technicians, engineers, and leaders from business life head up the various task forces making studies for the Commission. The amendment in controversy was a proviso which had been added to the bill in the Senate which would require that every employee of the Commission had to be approved or certified by the House Committee on Expenditures and the Senate Committee on Expenditures, which was, of course, an entirely unworkable provision. The report has been approved by all the members of the committee of conference. The Committees on Expenditures on both sides of the Capitol are satisfied with this report. I am sure that it is a good bill, as amended, and I hope this report will be approved.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The conference report was agreed to.

A motion to reconsider was laid on the table.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. BUSBEY (at the request of Mr. ARENDS), for today, on account of official business.

EXTENSION OF REMARKS

Mr. HESELTON asked and was given permission to extend his remarks in the RECORD in connection with House Joint Resolution 273 and include an answer prepared at his request by the gentleman from Michigan [Mr. WOLCOTT].

Mrs. SMITH of Maine, Mr. HORAN, and Mr. TOLLEFSON asked and were given permission to extend their remarks in the RECORD.

Mr. DURHAM asked and was given permission to extend his remarks in the RECORD and include a letter.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in the RECORD in three instances, and to include in one a letter from the Veterans of Foreign Wars regarding certain veterans' matters, in another a letter from the American Veterans Committee regarding certain veterans' matters, and in a third a statement prepared by the Army Times regarding what the veterans want in the way of legislation and benefits.

DOES YOUR GOVERNMENT SMELL DIFFERENT LATELY?

Mr. HUGH D. SCOTT, JR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HUGH D. SCOTT, JR. Mr. Speaker, do high prices trouble you? Are you inflation dizzy? Do you suffer from congestion of unpaid bills? Is there an empty feeling in your pocketbook?

Wait! You, too, can be a success. Join the happy family of those in the know. Get on the Truman-administration side—the inside. Learn Government secrets, gamble in grain, speculate in the market—you, too, can be a millionaire. For further details see Ed Pauley. For confirmation, ask George Allen about Argentine deals. Special opportunities through Maritime Commission contracts.

Our satisfied customers include former Cabinet officers, former Army officers, and other wealthy people in and out of Government.

Want to make money? Join the administration fight against the cost of living. Better still, join the administration and solve your personal problems.

Why worry?

INCOME TAX REDUCTION

Mrs. DOUGLAS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from California?

There was no objection.

Mrs. DOUGLAS. Mr. Speaker, I am introducing the first tax bill to grant real relief to the lower-income groups without jeopardizing the retirement of the public debt, which should be paid off as quickly as possible.

The bill will relieve the people most seriously afflicted by the current Republican inflation in two ways: It will give everyone a reduction of $100 in his Federal income tax for himself and each of his dependents. It will reduce prices by curbing the drive of corporations to charge all the traffic will bear.

It further ends the discriminatory taxes on transportation and telephone and telegraph service which are hurting western consumers and western producers in their efforts to achieve a fuller development of our section of the country. Such excise taxes that discriminate against any part of the country are unfair and intolerable. My bill will wipe them out.

We all know that income-tax reduction can be achieved in different ways. The gentleman from Minnesota, chairman of the Ways and Means Committee [Mr. KNUTSON], talks in terms of stimulating management incentive and investment capital. I talk and my bill would act in terms of bread and milk and shoes and keeping the American consumer in the buying market. The gentleman from Minnnesota [Mr. KNUTSON] wants to play this tax-reduction game in diamonds. I say let us play it in hearts.

We cannot ignore the harsh reality that a large segment of the people with lowest incomes have already suffered a brutal reduction in their standard of living as a result of the current inflation. It is this segment of our people who need our protection. Income tax should not force people below the minimum levels of health and decency. A personal exemption of merely $500 or $600 fails to meet the problem in the face of today's runaway prices.

I have chosen the per capita credit against tax liability rather than an increase in personal exemptions because it does the job where the job needs to be done. An increase in exemptions means more to those whose need for tax relief is least.

The $100 tax credit I propose is about the equivalent of a $500 increase in personal exemptions for those who are taxed at the starting rate of 19 percent. These are the ones who most need the benefits of lower taxes. It will mean the identical dollar decrease in taxes for those in the $75,000 class.

My bill, unlike the Knutson 10–20–30 plan, is an honest across-the-board tax reduction with the same amount of tax relief for all.

My cost-of-living credit will excuse from payment of Federal income tax single persons with a net income of up to $1,025, married persons up to $2,050, and married couples with two children up to $4,100. It has been suggested that the cost-of-living allowance is too generous to the low-income groups. May I point out that the 1939 income-tax exemption for a family of four would be the equivalent of a $5,000 to $5,500 exemption under the prices prevailing today. Congress must give immediate consideration to the plight of the millions of unorganized teachers, clerks, civil servants, and farm workers who find it impossible to strike for higher wages to meet the increased cost of living.

The cost of living $100 per capita credit for individual income-tax payers, their wives, and dependents will be more than offset by $6,000,000,000 of revenue to be derived from the excess-profits tax. This revenue will also offset the repeal of excise taxes on transportation, telephone, and telegraph services.

The excise taxes on transportation of persons and property and on long-distance telephone and telegraph, discriminate against the people and industry of the far West. Pacific coast consumers must pay a tax of 3 percent on the shipping charges on articles produced in the East and Middle West, while western manufacturers, farmers, and lumbermen find their competitive disadvantage in eastern markets increased by the tax on transportation of property. Moreover, California resorts, 3,000 miles away for many United States residents, are confronted with the obstacle of the 15-percent tax on passenger tickets and berths, which works to the advantage of vacation spots closer to the population centers. Similar discrimination against the far West results from the 25-percent tax on long-distance telephone and telegraph service. Since the taxes generally enter into business costs, they operate to disturb competitive relations of western business. In addition, these taxes are generally regressive and constitute an undue burden on individuals with low incomes.

During the war the excess-profits tax was considered an integral part of the anti-inflation and antiprofiteering programs. Why should it not be used now?

Profits are the highest in our history and inflation is a greater threat to our economy today than it was during the war. Corporate profits after taxes for the first half of 1947 were at an annual rate of $17,000,000,000—more than 67 percent above the profits of banner war year 1943. The Nation must be protected from its peacetime profiteers.

The November letter of the National City Bank of New York showed that the annual return on investment for the first 9 months of 1947 of leading corporations in more than a dozen major industries is soaring beyond that of last year. Food-products corporations are earning 20 percent annually after taxes, while manufacturers of textiles and apparel are receiving a profit of 26 percent on investment.

My bill to restore the 95-percent tax on the adjusted excess-profits net income of corporations will assure the Treasury of an income adequate to reduce the national debt in a manner that will further aid the American consumer. With the imposition of this antiprofiteering tax, corporations will lose their incentive to raise prices and further squeeze the consumer.

My bill would limit corporation profits to either the average earnings of the corporation during the years 1936–39, or to 8 percent of invested capital up to $5,000,000 of capital, with an additional 5- to 6-percent profit on invested capital over $5,000,000. In no event, however, could the combined corporate

income and excess-profits taxes be greater than 80 percent of corporate earnings.

In the face of the current Republican inflation, every action that we take must be predicated upon the need for protecting the American people from insecurity and fear of being submerged beneath a rising tide of prices.

CALENDAR WEDNESDAY

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the call of the committees in order on Wednesday next may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

HOUSE JOINT RESOLUTION 273

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, just previous to the roll call vote this afternoon on the joint resolution—House Joint Resolution 273—of the National Association of Manufacturers to relieve their needy members "from the operation of the antitrust laws, and of all other restraints, limitations, and prohibitions of law" under the guise of the title "Joint resolution to aid in the stabilization of commodity prices to aid in further stabilizing the economy of the United States, and for other purposes," the majority leader, my distinguished colleague from Indiana [Mr. HALLECK] stated that the excuse of the Republican leadership for attempting to foist such a proposition upon this House and the American public under suspension of the rules was the fact that we were now within the last 6 days of this session.

I join with my New York colleagues of the minority in saying that I am unalterably opposed to adjournment at a time when we should stay on the job instead of taking time for a Christmas vacation.

The American housewife has no vacation of the impossible high cost of living. While our time is taken up opposing another gift for the Republican big-money campaign contributors prices are rising still further and inflation continues to run wild.

What is the majority party going to do about it?

DRAIN ON FOOD OF AMERICANS BY AID ABROAD

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, the reason why we are supposed to be here is the situation with reference to high prices. I just want to show you what this country exported in grain previous to the war, and what we are doing now. Previous to the war we exported 4.6 percent of our grain and today we are exporting 52.4 percent. Canada exported 18.2 percent before the war, and today she is exporting 23.8 percent. Australia exported 9.7 percent before the war and now is exporting 4.8 percent.

That shows you how the other countries are shipping less than they did before, and what a great amount we are shipping. That is the reason for our high prices. Argentina shipped 41 percent before the war, and today, that is, from 1946 to 1947, she shipped 14.8 percent. All the other countries of the world exported 26.5 percent before the war, and today are exporting 4.2 percent. The great burden is falling upon the United States to furnish foodstuffs, and foodstuffs are the things that are so high, and the things that the American people are crying for. Yet we are setting out to make agreements to ship out practically everything from this country that we can scrape together, which will result in boosting the prices of those commodities, and the American family will have to do without, because they cannot get the things they want or else will have to pay prices way beyond what their pocketbooks will stand for, and all this happening at a time when they have gotten more wages than they have ever gotten in the history of the country, and yet the prices are high. Now what we can do to stop that, if we just have sense enough to do it, would be to limit a lot of these exports so that Americans can finally buy these commodities. That is what we ought to do, and the quicker we do it the better it will be for America. By doing that we will be looking after our own constituents, our own people.

Let me quote from the National Week of the United States News of December 12:

DRAIN ON FOOD OF AMERICANS BY AID ABROAD

Why the United States is to be pinched for some kinds of food is shown in the chart. The food pinch will be most acute in early months of 1948.

Grain is the principal base for the food supply. Total grain exports from countries such as the United States, which produces more than enough for home use, maintain the prewar average of about 28,500,000 tons a year.

Before the war, the United States, on an average, supplied 1,316,000 tons of this total. That was less than 5 percent of world exports of grain. Nations of western Europe looked elsewhere than to the United States for their supplies. Farmers of this country went begging to sell their surplus abroad.

In the past year—the year ended July 1—the United States supplied the outside world with nearly 15,000,000 tons of grain, or 52.4 percent of the grain imports of nations that need to import. United States farmers, in other words, have been providing more than 10 times as much grain as before the war. Most of this grain is given free.

The United States is forced to squeeze itself to help others with free grain. By giving on this scale, United States taxpayers pay directly for the grain to be exported. Then they pay again through the higher prices they pay for foodstuffs because of the scarcities growing from large exports.

While the United States is exporting 10 times as much as before the war, most other export nations are exporting less.

Argentina supplied an average of 11,637,000 tons of grain, or 41 percent of importing nations' purchases, before the war. In the year past, Argentina supplied 4,220,000 tons, or 14.8 percent of the total. She supplies only a third as much as before and gets up to $5.60 a bushel.

Canada supplied 18 2 percent of world grain imports before the war, 23.8 percent in the past year.

Australia supplied nearly 10 percent of world imports before the war and only 4.8 percent recently.

Other nations supplied 7,504,000 tons of grain before the war, or 26 5 percent of the total. Since the war these nations supplied 1,200,000 tons, or around 4 percent.

The United States, straining itself to supply the needs of Europe for grain, probably cannot keep up its export page another year. Bad weather may cut the 1948 wheat crop. Exports, to be 520,000,000 bushels this year, might have to be cut to 300,000,000 bushels next. If that happens, western Europe will need either to grow more itself or to look to prewar suppliers for more grain.

The time when the United States carries almost all the load may be passing.

The SPEAKER. Under previous order of the House, the gentleman from New Hampshire [Mr. MERROW] is recognized for 60 minutes.

UNITED STATES AIR SUPREMACY ONLY ROAD TO THE PEACE

PRESENT POSITION OF THE UNITED STATES

Mr. MERROW. Mr. Speaker, the last half century has witnessed the meteoric ascendancy of the United States to its present unparalleled position of world leadership. Gloriously victorious in two great world wars, this Republic has arrived at a place of influence, prestige, and power never before equaled by any nation in all the annals of human history. It is our duty to a struggling humanity to continue to exercise in this postwar period the same high quality of leadership that we have displayed against the cruel and barbarous onslaught of aggression and tyranny in the two world wars. We are in a crucial period. The decisions to be rendered by the United States in the immediate future will determine the course of civilization for many succeeding generations.

In this current struggle to establish freedom and peace, the highest caliber of statesmanship is demanded—a statesmanship comparable to, yes, and even superior to, that required in winning a great war. The superb challenge of this world-rocking era is to create permanent peace so that all mankind may dwell without fear of enslavement and death in an environment of friendship and freedom. World leadership for peace has been literally thrust upon this Republic by the swift and unrelenting movement of events. Destiny is bidding us rise to this historic occasion, assume responsibility commensurable with our power and lead with a resoluteness the people of this earth to liberty, justice, and the realization of the democratic way of life.

PREPAREDNESS

The most important and by far the most vital of all principles in a realistic platform on foreign policy for the United States is the rapid achievement and the continued maintenance of full and adequate preparedness for defense on the sea, on the land, and more especially in the air. All the funds required to keep us the strongest military nation on the planet should be unhesitatingly appro-

priated by the Congress and then having done this the Congress should insist that the armed services efficiently and effectively move to an early and full realization of this proposed goal. A strong and powerful United States is the surest guaranty for the perpetuation of a society of free nations. Only by adopting and acting upon the principle of sufficient preparedness will we be able to win the long-protracted struggle in which we are engaged for the achievement of an enduring peace.

AIR SUPREMACY

On several occasions I have stated on this floor that air supremacy by the United States must for our own national interests become an actuality at the earliest possible moment regardless of the cost, the effort, or the sacrifice involved. In a telegram to President Truman and the Republican leadership of the Congress on August 21 of this year, I strongly urged the calling of a special session to adopt the Marshall European Recovery Program "and to strengthen the armed forces of the United States, particularly the air force."

In my remarks today, I will speak specifically about air power. United States air supremacy is the only way in which we can ever hope to lay the foundations for a permanent peace. Air power is peace power. This should be so obvious to anyone who gives even the slightest thought to the present disastrous trend of world affairs as to eliminate without any further discussion any arguments against the proposition. We must achieve an air force equal to any air force or combination of air forces on earth. United States air power is the key to the future well-being and happiness of the world.

Former Secretary of War Robert P. Patterson in testimony before President Truman's Air Policy Commission stated that a powerful air force will cause any "present or future aggressor stop, look, and listen—and what's more he will stay stopped."

We do not need the strongest standing army in the world, or the strongest standing navy in the world—

He said—

but we do need the strongest air force.

There is the problem of delivering the atom bomb to the target as well as the problem of defense against use of the bomb on us. We can make no headway with either problem unless we have command of the air.

Robert A. Lovett, Acting Secretary of State, who from 1940 to 1945 was Assistant Secretary of War for Air told the commission:

This country has got to make up its mind whether it will be the leading air power. There is nothing more pathetic than a second-rate air power because while you have a sense of security there is no security. Creating air power is expensive, but as far as I know it is about the cheapest way of buying security that there is. This is, of course, a hard decision for peace-loving people to make.

REASONS FOR AIR SUPREMACY

There is an imposing array of impelling reasons why the United States must have air supremacy. Overwhelming air power is required to protect our world-wide interests. In view of the Russian program of expansion and aggression, air strength is necessary if we are to make our voice heard in world affairs and if encroachment on strategic points is to be resisted. Complete control of the air is the only defense against the atomic bomb. The vast oil supplies of the Middle East which will soon furnish the blood of our economic system must not go unprotected. The money which we propose to spend on the Marshall Plan to bring recovery to Western Europe will be thrown away if we do not achieve air superiority to make our security and the respect for our will certain. Failing to strengthen our armed forces the position of the United States in world affairs will be jeopardized and the decline of the leadership of this Republic will be a favorite subject for dissertations by the historians of the future.

UNITED STATES INTERESTS

There are no longer any far-away or inaccessible places on the face of the globe. The astounding development of aviation has brought the continents in close proximity one to the other. The interests of the United States are globe-encircling. In Western Europe, chaos would definitely undermine our security—therefore, the necessity for giving aid to stabilize that feverish and distraught continent. In the Mediterranean area our stakes are tremendous. Russian domination of strategic outposts on this sea would imperil our safety. In the Near East United States oil interests are vast and illimitable. This supply must be protected for our use in peace, and in the event of war the availability of petroleum reserves of this region for use by the United States would be crucial.

To illustrate the close relation of air power to oil we constructed a great airfield at Dhahran in Arabia close to the oil fields. With a proper agreement with King Ibn Saud and with a powerful air force ready to move in, in the event of trouble, we could protect the oil fields of the Middle East against aggression. At the present moment we lack the strength to do anything about an attack on this vital area. Greece, Turkey, and Iran might hold the southern front against such attack for a short time, but without supporting air power from the United States, the whole Mediterranean area and the entire Near East would crumble. We must acquire and maintain air fields around the world for use in an emergency.

On the other side of the world our interests extend deep into all sections of the Pacific area. Since we are a world power, strategic points in all parts of the planet are of life and death importance to our national welfare. National survival will depend upon this ability to defend these points.

To insure the protection of our interests, air power is imperative. The whole science of defense has radically changed and is changing with the onward march of aviation. To protect and resist we must be in a position to employ overwhelming air power and to employ it with the utmost speed.

UNITED STATES POSITION SHOULD BE MADE CLEAR

Our position must be made perfectly clear. We should have it thoroughly understood that we will use our strength to stop and defeat aggression just as we have done on two occasions within the last 30 years. We should emphatically state that an attack directed at certain strategic positions, the integrity of which we deem essential to the security of the United States, will be considered an unfriendly and inimical act. The world should be informed that when there is any encroachment upon the strategic areas, such as the approaches to the Atlantic, Gibraltar, Greece, Dardanelles, Turkey, Iran, the Near East, the islands of the Pacific, and so forth, that the aggressor making the encroachment will be met at once with our concerted, sustained, and unrelenting resistance. Any movement on the points I have mentioned would constitute an attack on our country and a threat to our national life. To take such a position as I have outlined requires air power—swift, overwhelming, devastating air power.

If we have any idea of maintaining our place in the world, it is imperative for us to make certain our control of the air. Should we recede from our position of world leadership, we will turn a deaf ear to the clarion call of destiny and this Republic will in a short space of time be relegated to a second position, or even lower down the scale in world affairs. I am certain that I speak the feeling of my countrymen when I assert with all the emphasis of which I am capable that we will never allow this to happen.

RUSSIAN AIMS

Even a cursory perusal of Russian activities impresses us with the ultimate goals toward which the leaders of the Soviet Union are striving. These objectives are antagonistic to our own interests and to the interests of liberty-loving people everywhere. Since the war Russia has actually annexed over 273,000 square miles of territory with a population of 24,000,000 people. By use of puppet governments she has extended domination to no less than 12 countries with the total population exceeding 165,000,000. This is clear, telling, and indisputable evidence of a most brazen program of expansion. Obviously, the end of this sinister drive has not even been approached.

In Germany the Soviets are opposing stubbornly any attempt to unify the country economically, thus making it impossible to revive the industrial heart of Europe. In all probability, the present London conference will be wrecked because of this and other issues on which the Russians remain adamant in their refusal to cooperate. The Soviet Union has a notorious record without parallel for wrecking international conferences and for blocking the progress of mankind toward peace.

In France and Italy, Communist activity against the United States has been increasing with disconcerting rapidity. The Communists are doing everything that lies within their power to defeat our attempts to assist in European recovery and to make it utterly impossible for Europe to ever re-establish herself on a sound economic basis. The current activities of the Communists in France and Italy demonstrate how vicious and how

hostile is the Soviet Union to anything the United States is attempting to accomplish. They wish to push us completely out of Europe.

By creating as much unrest as possible, the tactics of the Communists are designed to prevent economic, social, and political stability in France and in other countries. They are trying—and we must keep this constantly in mind—to create such conditions as will present to us as discouraging a picture as possible of the economic and social instability of France so that we will become tired of giving aid. Their tactics are to discredit the United States for the purpose of making France look to the East instead of to the West. They accuse us of "imperialism" and economic intervention in the internal affairs of France and other European countries, all of which they say is aimed at economic enslavement.

The Communist-controlled propaganda agencies say that our Government is rotten, that our books are rotten, that our films are rotten, and that everything in connection with the United States is rotten. This is the type of stuff that is being spewed out of the Communist propaganda agencies in Western Europe and the Near East.

In Greece, the bandits are being aided and abetted by Moscow-controlled Albania and Yugoslavia and by the Communists in Greece itself. In the Near East the vitriolic outpourings by the Communists directed against the United States are of such volume and intensity as to indicate conclusively that an undeclared propaganda war is in full progress against this country. Infiltration, misrepresentation, abuse, and lies constitute the program of vilification that Communist Russia is hurling against the United States.

POSSIBILITY OF ATTACK

In view of what the Soviet leaders in the Kremlin have done and are doing, we are forced to the conclusion that their final goal is world domination. The policies they are following lead directly to war. We must no longer extenuate or temporize. We must view the activities of Russia coldly, analytically, and dispassionately. If anyone feels that the conclusions I am drawing are incorrect, I simply say look at the record and "by their fruits ye shall know them."

In view of the activities of the Kremlin and in view of the tenets of the philosophy of Karl Marx so firmly rooted in the philosophy that motivated Nazi Germany, it is axiomatic that an attack by communism which is an aggressive, belligerent fighting force will be made upon the United States if and when Russia and the Communists believe the opportunity is at hand. Mr. Stalin and his associates will stop just short of that line where they think the United States will take a stand and fight. In view of the record, which I have hastily summarized, and in view of Moscow's noncooperation, the rising tide of Soviet insults, and the rapid rearmament of Russia, we will be negligent of our duty to our country if we do not mold at once an all-powerful striking air force. Gen. Carl Spaatz, Chief of our Air Force, has estimated that Russia has 14,000 first-line combat planes, which is more than three times the present total of the United States. This comparison emphasizes the need for action in increasing our air strength.

AIR POWER—ONLY DEFENSE AGAINST ATOM BOMB

Air power—overwhelming— is the only possible defense against the atomic bomb. Any nation contemplating an attack on the United States will hesitate only if she knows that within a period of hours from the time the attack is made there will be delivered in reprisal a knock-out, devastating, retaliatory blow from the air. The United States can be immunized against attack from the air by building a completely unassailable and invincible air force. With air supremacy and atomic supremacy any aggressor would not entertain the idea of an attack upon us because it would be perfectly clear that the cities of the country making the attack, the industrial centers, the lines of communication, and great segments of the population would be wiped from the face of the earth by a practically instantaneous single paralyzing blow from the air. Only by being fully prepared to deliver such a blow within a matter of hours after the first indication of an impending assault upon us will we be able to consider ourselves to possess any measure of security. We have the ability, the resources, the strength, and the will which we must begin to exercise to create an air force fully capable of accomplishing the objectives I have set forth.

THE SOVIETS—JUST AS HITLER—HAVE DRAWN US A PICTURE

The obvious reason for my recommen- by the Soviet Union lead us to the con- dations is that the policies being pursued clusion that if and when their leaders consider the time to be propitious they will move to attack us and to attack areas the integrity of which are essential to our security. Mr. Hitler in his book, Mein Kampf, explained to the world with striking lucidity his intentions. In fact, he drew a picture so obviously clear that even the most unobserving and the most disinterested person could not have possibly failed to thoroughly understand what the dictator of Germany had in mind if and when he was in a position to strike. For years the final victims of Hitler's fury sat idly by debating whether or not Hitler really meant what he wrote and debating whether or not he would really start a war. They got their answer.

Fortunately for us, we had an opportunity to prepare while others stood between us and the might of Nazi Germany. We have had an opportunity to prepare in both great world wars but now time in its relentless course has moved us onward and never again will we have a chance to build our defenses after an enemy has struck the blow because the blow will be struck directly at us. We are the No. 1 target in the event of future conflict.

On October 4, 1947, an editorial in the New York Times graphically describes this target:

> No one likes to see money used for military purposes that could be better spent on housing and soil control and retirement of debt. But until such time as there is world-wide confidence and security the United States would do well not to lag in its defense measures. We are too shining a target. Half our population and most of our heavy industry lie in what the air force people call the Central Target Area. It could be crisscrossed by high-speed bombers within an hour. It is bounded by Milwaukee, Kansas City, and St. Louis in the West and Boston, New York, and Washington in the East. It includes Chicago, Detroit, Columbus, Cleveland, Buffalo, Pittsburgh, Cincinnati, Louisville, Indianapolis, Philadelphia, Wilmington, and Baltimore. How much each year is it worth to those cities to be reasonably guaranteed against destruction? Who can name the figure?

The Communist philosophy as developed and written by Karl Marx informs us clearly that the ultimate goal of the Communists, with the spearhead in the Kremlin, is to dominate the world. If you doubt it, read the Marxian philosophy and there will be no question left as to what the guiding principles of the Communist Party are. Since the close of the Second World War, the Soviet Union by aggressive expansion, by the spread of Communism, by the refusal to cooperate, by deliberate attempts to prevent recovery of Western Europe, by constantly re-arming and by a never-ending stream of insults has clearly demonstrated that it believes fanatically in the Marxian doctrines and the Marxian objectives.

The formation of the recent Cominform in Warsaw to defeat the Marshall Plan is evidence that the ideals of the "old Third International" are still in the minds of the Russian leaders. So by their philosophy and by their actions the Communists in Russia and elsewhere have told us—yes they have drawn us a picture of their intentions. They have set forth their program. They are developing their plans to realize their goals. Can we blindly stand by and debate as to what they are going to do if and when there is an opportunity? We saw what happened in the 1930's. We can see that within a very short period of time history is repeating itself in almost the same pattern—aggression is on the march.

THE SOVIETS COULD CHANGE THIS OMINOUS OUTLOOK

If the Kremlin objects to conclusions such as I have drawn, they have an opportunity to deny and by actions following the denial demonstrate to the world that there has been a change of heart in the Russian leadership. The present calamitous world situation would change immediately if there were the slightest indication on the part of Moscow that the leaders of the Soviets were interested in recovery and in world peace. Let Mr. Stalin and the members of his Politbureau in even one instance evidence cooperation, let them bring to a successful conclusion at least one international conference, and there would be some cause for hope. Let a few days pass in the United Nations without Russia casting aspersions upon the United States. If the Kremlin were not bent on world domination, then by attitude and actions it could be clearly shown. If the Soviet Union wanted economic recovery of Western Europe, Moscow could stop criticizing our

efforts and call off the forces which are trying to develop a chaotic state in Italy, France, and other countries.

PATIENCE EXHAUSTED

We have been long suffering and most patient. We have engaged in diplomatic appeasement even to our own detriment. At last our patience is becoming exhausted. In the face of the open hostility being displayed by the dictatorship of Russia, our only course is to strengthen our defenses and make ourselves sufficiently strong to cope with any and all emergencies. There is not the least scintilla of evidence that the Communist dictatorship entertains even the remotest desire to establish a peaceful world. Even the most superficial inspection of the record leads us to the conclusion that they will not accede to any program other than their own sinister plan which leads to the complete crushing of freedom and to a final and ultimate tyrannous subjection of all people.

THE MARSHALL PLAN FOR EUROPEAN RECOVERY

The Marshall Plan for European recovery contemplates the spending by the United States of between fifteen to twenty billion dollars within the next 4 years. The economic recovery of Western Europe is essential in this world-wide fight against the spread of communism. An economically strong Europe would be a great bulwark against the Red tide of aggression. The Marshall Plan is designed to prevent the sinking of Europe into an abyss of economic chaos more vicious and more devastating than anything mankind has yet seen.

Victor Kravchenko, the author of I Chose Freedom, in a statement only a few days ago said:

If the ERP is passed this will mean, in the first place, a mighty moral defeat for the Kremlin, a blow to its authority and a blazing illustration of the fallacy of its policies.

If the plan is not accepted, the activities of the Kremlin can succeed. Complete power can be seized by the Communists. The prestige of America and the democracies will fall everywhere in the world and by the same token the authority of the Kremlin will rise and be spurred to new adventures in Europe and Asia.

He further asserted that:

If the Kremlin spends a hundred million dollars a year on Communist propaganda abroad, how can America afford to spend less?

Should inflation grow and lead to a crisis in America it would drag down into the abyss all the countries participating in the Marshall plan. This would bring about economic and political chaos in the world, and furnish the Kremlin with fertile ground for success because there would be then no one to stand in the way.

I have long been a vigorous supporter of the Marshall Plan. Long before the Secretary made his now famous speech at Harvard on June 5, 1947, I stated that we should adopt the principle of spending whatever is necessary to bring about the economic recovery of Western Europe for the express purpose of stopping the march of the Soviet Union to the West. This is a fundamental principle in our foreign policy but the achievement of air supremacy should be considered on the same plane and this second principle is equally as fundamental in any realistic foreign policy for the United States. If I were forced to choose between the two principles, the Marshall Plan or air supremacy, I would place air supremacy as of first importance; and as sad as it may seem, we are doing scarcely anything to create an all-powerful striking Air Force.

As was so aptly stated by Francis and Katherine Drake in an article entitled "Our Next Pearl Harbor?", which appeared in the Atlantic Monthly, October 1947:

Does it make sense to have authorized or committed twenty billions in foreign aid, to be contemplating some five billions a year more under the Marshall Plan, and to have no security at home? This aid is essential, of course, but money regardless, Greeks, Turks, and others would surely be out of their minds to defy the Soviet Union in favor of a distant ally with only 144 bombers which could not even muster effectively over Manhattan.

RISK TOO GREAT

If we spend billions of dollars in Western Europe without full military preparedness at home, without adequate air power, the money we spend may be lost and all our efforts to stop the Red tide by trying to bolster the economies of Europe may be to no avail. Without proper preparedness we will be indeed pouring our dollars down the proverbial rat hole. To secure our investments in recovery abroad, we must have the power to protect our interests. United States air supremacy is a prerequisite to the successfull operation of the Marshall Plan and without air supremacy I go so far as to say we may as well forget the whole business of trying to bring about economic recovery in Europe and Asia. The Marshall Plan without an all-powerful air force would involve this Republic in a risk too great to take. By the expenditure of the billions proposed by the Marshall Plan we can well do ourselves an irreparable injury unless we have an air force capable of making our voice heard and our will respected.

DECLINE IN AIR POWER

By following an unwise penurious policy between 1919 and 1939 the United States found itself, when war was thrust upon us, on the 7th of December, 1941, totally unprepared. Fortunately, we had time to correct this grievous mistake. We constructed the greatest and the most powerful military machine the world had ever seen. With this military might we made the major contribution to crushing the enemies of the United Nations. Our war machine cost us in the neighborhood of $350,000,000,000, the severe depletion of our natural resources, 4 years of hard work, and 1,000,000 wounded and 300,000 dead.

With our military strength deployed at strategic points all over the world, we were in a position on VJ-Day to make anyone on the face of the earth listen to our voice and do our bidding. We had within our grasp the means to guarantee world peace.

The Soviet Union saw the effects of our military might, particularly the destruction which resulted from the strategic bombing of Japan and Germany. We often lose sight of the fact that this is one thing which was truly and deeply respected and feared. I say "was" because, although we have the potential strength, we at the moment do not have the striking strength to inspire either respect or fear. We should have made it clear that we were involved in the war at a tremendous cost and that we were determined to see it through and the peace established before we demobilized and stripped ourselves of our armed strength. Had we taken a firm, courageous, and decisive stand at that time, we would not be faced today by the aggressive expansion of the Soviet Union with the avowed determination to control the world. Had we realized how much we were feared and respected and had we used our stupendous power, Russia would have withdrawn to her own boundaries while we withdrew to ours. Through a joint international force, law and order could have been ensured. There would have been a sane return to peaceful conditions.

We failed to rise to the occasion and exercise our responsibility as a preeminent world power. We demonstrated clearly our immaturity and lack of sound judgment and planning by scuttling our military strength before the terms of the peace were concluded. This has resulted in the arrogant and offensive attitude which the Soviet Union has so steadfastly held since VJ-Day.

The stripping of our armed strength was the first disastrous step in losing face with the other countries in the world. We must learn that force is the only language Russia and her satellites understand. We made a most serious mistake as a great power. The lesson we should learn from this mistake is that we must strive to regain the ground we have lost. It is axiomatic that we cannot make great and grievous errors in this life either as an individual or a nation without paying dearly for them. We as a nation are paying and will continue to pay for the blunder we made after the end of hostilities.

WE MUST PAY

We will pay in one of two ways: First, we will have an opportunity to pay in terms of money, resources, and manpower in building what we once possessed and so foolishly threw away. The cost in dollars is going to be gigantic. It will run into many billions. If we refuse to accept this measure of payment as a penalty for our stupidity at the close of the war, we may be sure that we will pay in terms of destroyed cities, in terms of blood, in terms of millions dead, and in terms of the loss of freedom. The construction of an air force capable of decisive and immediate retaliation is the only possible way out of this worsening situation short of a real meeting of minds at the United Nation level. There is no indication that there will be such a meeting of minds on this level and since Soviet-American relations are deteriorating at such an alarming and precipitous rate, the building of an unsurpassed air force capable of dealing a destructive blow in this atomic age is our only salvation and our only guarantee of security.

The rapid pace of our ill-timed and unwise demobilization left us scarcely anything from the wreckage of the most powerful fighting force in all history.

One could weep at the asininity of our performance. Within a few months after the demobilization order, the Air Forces were unable to put one single squadron in the air at wartime standards of efficiency. We liquidated 230 groups, 80,000 airplanes, terminated contracts involving more than $10,000,000,000, closed more than 600 ZI—zones of interior—stations and about 1,000 overseas stations. We disposed of surplus property in a total amount of $25,000,000 000 and lost most of our experienced personnel, both military and civilian.

The peak strength of the USAF during World War II was as follows: Military personnel, 2,411,294. There were 243 groups with 104 separate squadrons, the approximate number of planes, 80 000.

At this point I am including in my remarks some very telling paragraphs written by Francis and Katherine Drake in the article to which I have previously referred. This shows very graphically how rapid has been our decline in air strength.

Two years ago we had world supremacy in the air. Today, to the shame of Government, of Congress, of our own unminding selves, this supremacy for which 74,000 American airmen laid down their lives, and for which we paid $30,000,000,000 has been reduced to a mere shell, pulled down from 2,400,000 men to 300,000 men, from 80,000 planes to 1,720 (combat types) now in commission. Here are the figures of our decline in power of reprisal:

Long-range bombers (B-29's) in Air Force on VJ-Day 2,865
B-29s in full combat readiness on Aug. 1, 1947 144

What then have we done with our matchless air strength, with our 2,865 B-29's? We have put them in dead storage, 2 507 of them. To get them into combat readiness would require this: First, from 3 to 6 months to get the planes ready to fly, if we had the ground crews; second, 12 months to train the air crews, if we had the air crews; third, another 6 months to weld the groups into an adequate force to counterattack, if the Air Forces had the authority and the money. Three months or 2 years, it must be all the same in the next war when every hour may be spelling death for millions.

A ready force of 144 bombers and a woefully underfinanced Air Forces' research program—such is the travesty of first-line striking power that stands today between us and that "sudden, unannounced attack." The hierarchy devoted to traditional weapons is constantly advising "a balanced defense." How balanced is it to have an $11,500,000,000 program of men, ships, tanks, guns, small planes, and only 144 obsolescent bombers capable of action, not one of them able to carry an atom bomb directly to a distant enemy? Whatever may have been the usefulness of battlewagons and carriers in the past, whatever part they may still play in the future, is it realistic to place nearly a $5,000,000,000 emphasis on ships, steaming 25 miles per hour when enemy bombers can advance at 400 miles per hour to slaughter millions in our homeland?

MINIMUM AIR FORCE FOR UNITED STATES

When hostilities ceased, the Air Force Staff reached the conclusion that the minimum level at which the United States Air Force could be reduced in peacetime and still fulfill its responsibilities would be 70 tactical groups and 22 separate squadrons with necessary supporting services. This was considered feasible provided the Air Force was kept modernized, manned, trained, and possessed a capability for mobilization. The attainment and maintenance of an air force of this size has been the basis for the Air Force's recommended budgets to the Bureau of the Budget and to the Congress. The funds to support this 70-group program have not been forthcoming and the current appropriations for the fiscal year provide for only 55 tactical groups and supporting services.

I am including the following table which indicates the inventory required that we may have a full 70-group and 22-squadron Air Force which is the absolute minimum:

First-line aircraft inventory requirement, fiscal year 1949—full 70-group, 22-squadron, 3,000-pilot-training program

Type of aircraft	Required inventory	Replacement requirement		
		Operational [1]	OBS [2]	Total
Heavy bombers	988	90	122	212
Light and medium bombers	436	69	82	151
Fighters:				
Pen and interceptor	1,898	531	418	949
[illegible] service	165	46	36	82
All weather	125	16	34	50
Transports:				
Light	56	4	8	12
[illegible]	462	38	69	107
Heavy	417	10	55	65
Amphibian	67	25	5	30
Liaison	310	61	34	95
Helicopters	105	28	21	49
[illegible]				
[illegible]	1,107	76	124	200
Advanced single engine	336	94	15	109
Advanced twin engine	396	63	30	93
Total first line	6,869	1,151	1,053	[3] 2,204

[1] Operational rate (attrition): Percentage of total requirement (... aircraft) ... lost to the using agency ... wreck, missing, etc. ... [illegible] ... experience.

[2] Obsolescent ... (principally ... modern ... totally ... of the ... being retired from inventory, ... being retired to fill requirements for which obsolescent aircraft are suitable.

[3] This figure does not include aircraft procurement necessary to support the Air National Guard and the Air Reserve Training Programs. Their requirements have been met to ... assignment of aircraft from storage.

A troop basis strength of 401,000 is required to support the 70 tactical groups, 22 separate squadrons and necessary supporting services.

Under present cost estimates an annual appropriation of $6,000,000,000 is required to maintain this program. This figure includes funds for the necessary civilian personnel.

GENERAL SPAATZ SUMMARY

General Spaatz in a statement at a public hearing before the President's Air Policy Commission on the 17th of November 1947 stated the air situation very succinctly in the following words:

These, then, are the elements of our Air Force program for security: 55 combat groups by January 1, 1948, which we believe should be increased to at least 70 such groups with training and logistical backing in adequate supporting commands and a reserve of up-to-date aircraft; highly trained and equipped civilian components (the Air National Guard and the Organized Reserve); modern installations and sound plans for home defense; research and development; a sound, healthy air transport; and an alert, progressive, readily expansible air manufacturing industry; and a usable and realistic plan for industrial mobilization.

Summarizing, we need 6,869 aircraft for the 70 groups, including training; 3,312 for the Air National Guard; and 2,360 for the Air Reserve: The total amounts to 12,441 airplanes. To keep this force modern and up-to-date, we require an annual procurement of about 5,700 planes, amounting to approximately 46,414,000 pounds of airframe weight. Also, a reserve of 8,100 airplanes is essential.

APPROPRIATIONS

The money we allotted to the Air Force for the current fiscal year is $3,388,000,000. To establish the minimum 70-group program as recommended by the United States Air Force, we should have appropriated approximately $5,235,000,000 for the fiscal year. To achieve absolute minimum air force for safety and to have a reserve of 8,100 planes as determined by General Spaatz, we must allocate a much larger sum of money to the Air Force. We must have a peacetime organization capable of providing adequate replacements which will eliminate the disastrous drop of wartime strength, should war start without warning. This means full and adequate reserves both in aircraft and personnel.

If the Air Force has a 70-group peacetime organization backed up by a reserve and an Air National Guard, it would demand a procurement program for airplanes, a training establishment and other activities which would require an expenditure for Air Force purposes alone amounting to approximately $6,000,000,000 annually beginning at once. This means for the next fiscal year. Such a program would call for a force of 401,000 military and 150,000 civilian personnel, making a total of 551,000.

I fully realize that this is a staggering sum of money, but when national security is at stake, no effort can be spared. If this means reducing the money we spend on the Marshall Plan or making severe slashes elsewhere, then the slashes must be made. Congress should immetion bill for the Air Force so that the rediately pass a supplemental appropriaquired minimum of air strength can be attained without delay. We should then appropriate the additional money required to establish complete air supremacy—yes, to create an Air Force equal to any air force or combination of air forces on this planet.

I have today introduced a bill providing for a supplemental appropriation of $500,000,000 to be expended on the Air Force between now and June 30, 1948. This sum could be obligated and used economically during the remainder of the current fiscal year for the purpose of implementing the proposed 70-group program. Beginning with the fiscal year 1948 we should appropriate to achieve the irreducible minimum air protection for the United States $6,000,000,000 annually, as I have stated above. It should be emphasized and re-emphasized that the suggested supplemental appropriation of $500,000,000 and the annual appropriation of $6,000,000,000 beginning with the next fiscal year will provide for this country only the barest minimum peacetime Air Force.

Even with the allotment of funds I have advocated, it will be 1952 before the United States will have achieved the 70-group program were we to start at once. When this 70-group program is a reality we will have only the basis on which air supremacy could be achieved. Should we be attacked, this 70-group Air Force would be just sufficient to blunt the enemy's first offensive. We would not have supremacy and before we could achieve it a period of 18 months would be required. To win a war we must have an Air Force of approximately 175 to 200 groups.

In view of these startling facts and in view of the feverish manner in which the Soviet Union is increasing her armed strength, we must act with haste to acquire air security for the United States. It is utterly ridiculous to continue to talk tough if we have no intention of moving to secure adequate preparedness. A nation cannot make its will felt in the modern world with a $3,000,000,000 air force. I hope that we will exercise the foresight, the courage, and the statesmanship to grant at least the appropriations necessary to obtain the 70-group program. Personally, I would make available much larger funds in order that we might reach the goal of complete air supremacy in the immediate future.

I hope that at an early date the Congress will make the supplemental appropriation for the Air Force and that we will unhesitatingly grant the $6,000,000,000 annually to give this Republic the minimum air power necessary to guarantee our security.

On December 3, 1947, the New York Times referred to testimony given by various witnesses before the President's Air Policy Commission stating:

Whatever the differences in detail, there has been impressive unanimity on one point. This is the serious situation in which we find ourselves today in the matter of air power. Practically without exception, witnesses, military and civil, have hammered with all the force at their command on the fact that the Nation's security rests on adequate air defense. They agree that this is expensive. But they insist that "push-button warfare" is still far away; that we must have ample modern, efficient planes, men trained to operate them, and ample bases from which to fly them. Most of all, they agree that air power rests on an industry assured of a continuing program over periods longer than year-to-year and hand-to-mouth, in order to be able to hold together its trained personnel. They agree that never again, in the event of emergency, will time be on our side.

THE BLEAK FACT

Again I refer to the article by the Drakes:

Our monopoly of atomic weapons cannot possibly last much longer, if indeed it still exists. On this point all our scientists are agreed. In 1940 Russian scientists split the uranium atom. In 1942 the Dnieperpetrovsk engineers were already experimenting with a process similar to the one used in our Oak Ridge, Tennessee, plant. In 1945 Russian work was further expedited by valuable information from German sources, from the Smyth Report, and from the Soviet espionage ring in Canada. Nobel Prize winner Dr. Irving Langmuir stated in 1946: "I believe that the Russians will have begun to produce bombs within about 3 years. Thereafter, however, there is a definite possibility that Russia may accumulate atomic bombs far faster than we do." If this estimate proves to be true, it barely gives us time to re-create an adequate Air Force ahead of a Russian stock pile of atomic bombs.

There are times when men and women must unite in action for their own salvation. We believe that this is one of them. We believe that the time has come for an aroused public opinion to demand adequate national protection pending the achievement of some system of collective security—whether through the United Nations, through a Federal Union of the Western Powers or of the Western Hemisphere; and further, to demand of Congress that this protection be adequate in fact, not merely in billions to maintain outdated equipment.

It is a bleak fact that no such adequate protection can be achieved until deep into 1950 unless it can be made the subject of quick action by a Special Session of Congress. But it is an even bleaker fact that there are few indications that inertia in Washington will give way to realistic action without pressure from the countless individuals who must be the targets in tomorrow's war. Is it not time for every Congressman to be asked whether he is satisfied, in view of present world unrest, that the United States will not be attacked for several years. And, if he concedes the possibility, is he satisfied with a first-line defense of 144 obsolescent bombers, and only 100 new ones on order?

A TOUGH POLICY

I hope you will agree with me that our policy must become tough and tough quickly. We must fight Communism on all fronts. We should begin a program of counterpropaganda. We must appropriate the necessary money for the rehabilitation of those countries taking a stand against Soviet aggression. We should immediately put an embargo on all materials being shipped to the Soviet Union. The President should be directed by mandatory legislation from the Congress that the sending of goods to the Soviet Union must stop and that we will not tolerate the building up of a country who by her statements and her acts is avowedly hostile to the United States. Most important, we should give immediate attention to our armed strength, and I hope you will agree with me that the supplemental appropriation I have suggested is necessary. This Congress should make such an appropriation to achieve the basic minimum requirements for our Air Force. The first thought of the Congress after the Christmas recess should be the establishment of air supremacy. This should take precedence over any and all legislation.

The question of strengthening the armed forces of the United States is the most crucial issue before the country and if we postpone it we will be doing so at our peril. I most carefully consider my words when I say if we as a Congress sanction a condition of preparedness in any way short of the ability to bring the full might of the United States to bear at once against any aggressor who delivers an attack upon us or any nation, the integrity of which is vital to our security, we will, in my opinion, be negligent of our duty. Such a course may be most disastrous to the Republic. I am making this plea because I am convinced that were I to remain silent at this critical moment I would be failing to do my duty as a Representative of the people.

DIPLOMATIC RELATIONS—RUSSIA AND THE UNITED STATES

To be perfectly frank no nation has ever been subjected to a worse barrage of insults or to such an outflowing of incriminating language as has been poured forth against the United States by the Russians. They are spreading vicious propaganda to undermine the confidence of all people in this country. They are trying to injure us by spreading words of hatred, and they hope that by their endeavors our activities will be greatly impaired in all sections of the world. This constant spewing forth of animosity and the incessant attacks upon the United States have become intolerable. The unwillingness of Moscow to cooperate in any plan for world recovery, the Kremlin's determination to expand at the expense of any nation that stands in its path, the rapid rearmament of the Soviet Union, the absolute refusal to do anything to prevent the spread of chaos, hunger, sorrow, and misery, and the most obnoxious propaganda war against the United States lead us to the conclusion that we should without further ado or without further hesitancy inform the Russian Government that if their propaganda against us is not stopped and if their policy of noncooperation, expansion, and aggression continues, there is nothing for us to do but to sever diplomatic relations with the Soviet Union. No self-respecting nation can continue to be the recipient of the insults and the abuse that we are taking in all sections of the world from the Kremlin.

THE HOUR OF DECISION

The United States must decide and must decide quickly whether or not she will take the responsibility of world leadership. We must decide at once whether or not we will make ourselves secure against any and all aggressors. The price to maintain our destined position will be great but the reward is freedom, and no price is too high for liberty. Great effort and sacrifice are required to make ourselves secure in a world where others entertain neither the hope nor the desire for a decent international society.

During the war I never heard anyone ask the question—Can we afford to win? We knew we had to win and we put forth the energy required to be victorious. We should not haggle, hesitate, and confuse the issue by asking the question—Can this Republic in its very prime and in its enviable position of potential power afford to win the peace? We cannot afford to lose.

We must win the peace or fail in the mission for which destiny created this Nation. The Republic has reached its present position because of the sweat, the toil, and the blood of the generations of hard-working forebears who have preceded us, generations of men and women who had the vision of a great, free, powerful, and democratic nation.

If this generation fails to go forward in the same pioneering spirit that characterized our forefathers in a supreme effort to estalish a decent world we will not keep faith with them or with those who sacrificed to make victory possible in two great World Wars.

It will require several billion dollars to defeat Communism in Western Europe; it will require billions to build an Air Force which no nation would dare to attack—but these billions will be small in comparison to what it will cost if we by our negligence and inactivity allow ourselves to be wiped from the face of the earth by an aggressor bent on the start of an atomic war. Without an Air Force capable of delivering an instantaneous reprisal with devastating effect, we will wake up some morning to find the industrial heart of America completely paralyzed and our country defeated and destroyed.

We find ourselves in the most precarious situation that has ever confronted any nation. Our decisions will determine the future of this world and of civilization as we know it. Let us never lose sight of the fact that there are other powers in the world who believe that war is inevitable and will not hesitate to strike at the opportune moment. Let us fully understand that the day has come when no nation is going to stand between us and an aggressor.

We are definitely on our own. By our strength and by our strength alone will we be able to survive. Time is running out. The world moves with astounding rapidity. We lost the air supremacy that we possessed at the close of the last war. Today, other powers exceed us in air strength but no nation exceeds us in industrial potential and in the will to do what is necessary to guarantee freedom—not only for ourselves but for all nations. We can still regain what we have lost, and the most important issue before this Nation today is the achievement of air supremacy. We must have the power to control the air in any section of this planet. Failing to do this we may in a very short period of time pay the price of national extinction.

The SPEAKER pro tempore (Mr. McDOWELL). Under previous order of the House, the gentleman from California [Mr. JACKSON] is recognized for 30 minutes.

REPORT ON GREECE

Mr. JACKSON of California. Mr. Speaker, during the period commencing October 6 and ending on October 23, the gentleman from Texas [Mr. TEAGUE] and myself made a trip to Europe and during that period spent almost a month in the country of Greece.

FOREWORD

During that period the Members traveled hundreds of miles through Greece and obtained interviews with prominent personalities both in and out of Government. In addition to those persons eminent in Greek affairs, matters of common interest to the United States and Greece were discussed with representatives of the United States Foreign Service, the Greek press, American and foreign reporters, columnists, magazine writers, officers and men of the Greek Army and Air Force, priests, peasants, villagers, businessmen, and captured bandits.

MILITARY SIGNIFICANCE OF GREECE

Fate—in a mood of irony, perhaps—gave Greece an unproductive soil, a rugged, mountainous terrain, an unbalanced economy which has never produced a favorable balance of trade for the Hellenes, and then set the nation in what must be considered one of the most strategic areas in the entire world.

It is not sufficient to consider Greece as an entity in this day of the atom. The whole problem of Greece must be studied from the standpoint of its relationship with the rest of Europe and, what is more important, from the standpoint of its geographic position with relation to the Middle East.

Greece stands on the flank of Turkey. Her island possessions dominate the approaches to the Dardanelles and the Bosphorus. Crete points like a dull dagger at our supply line across the Mediterranean. Her harbors, while not the best in the world, would offer facilities for repair and refueling in the event of a world crisis.

It is questionable whether Turkey could continue to stand alone against militaristic aggression unless her flank were covered to the west. The ancient gateway of invasion to the Middle East lies through Turkey and has since the days of Attila the Hun and Genghis Khan. The Iran-Turkey-Greece axis stands guard to the reaches not only of the Middle East but of Africa and the balance of the Mediterranean world.

It was for this reason that America went to the aid of Greece early in 1947. It was obvious that if our supply lines to the Near and Middle East were not to be placed in immediate jeopardy, we must take positive action to insure against aggression by militaristic communism and make every possible effort to insulate political and military infiltration outside the frontiers of Greece and Turkey.

Greece is a constitutional monarchy with a unicameral legislature elected by universal manhood suffrage and a responsible cabinet. On October 18, 1944, following the withdrawal of German forces of occupation, the legal Government of Greece returned from exile with the announced intention of restoring constitutional government in accordance with the constitution of 1911, which had been reinstated in 1935 but had been largely inoperative during the Metaxas regime—1936–41—and the ensuing enemy occupation—1941–44. Plans for the restoration of constitutional government were interrupted by the outbreak of civil war on December 3, 1944. During the course of hostilities, the King, who had remained abroad, authorized Archbishop Damaskinos to act as Regent. Hostilities were brought to a close by the signature on February 12, 1945, of the Varkiza agreement between the Government and the insurgents—EAM or National Liberation Front—providing for the holding of a plebiscite and of parliamentary elections. As a result of these elections and the plebiscite, the present Parliament was elected and the King returned.

In early 1947, the decision of the British Government to terminate a major part of its program of economic and military assistance to Greece, precipitated an emergency of immediate moment. Combined with a drastic economic situation within its frontiers, Greece found itself also under military attack from without as large-scale bandit operations flared throughout the country and across the frontiers of Albania, Yugoslavia, and Bulgaria.

The Greek Government appealed to the United States Government for aid in this crisis, and on May 22, 1947, the Congress of the United States approved financial, material, and technical assistance to avert "economic crisis, promote national recovery, and to restore internal tranquillity." The legislation passed by the Congress authorized the President of the United States to furnish such assistance to the Greek people with an added charge that the sovereign independence of the recipient nation was to be at all times respected and observed.

Under the terms of the agreement between the United States Government and that of Greece, an American Mission for Aid to Greece was established for the purpose of coordination, advice, and assistance. This mission has, since last July, been functioning in Athens under the direction of Mr. Dwight P. Griswold, designated by the President as Chief of the American Mission.

The economic task of reconstruction, rehabilitation, and aid has been greatly handicapped by inherent weaknesses of political structure and operation and by military considerations, largely brought about by the depredations of Communist-inspired andartes (bandits) throughout all parts of the country.

Because of obvious difficulties engendered by such bandit operations, the American Mission has made only minor progress in its several fields of operation. Generally, the Mission seeks to improve the standards of agriculture; to assist and advise in the reconstruction and repair of highways, ports, canals, railroads, communications, waterworks, and hydroelectric projects; and the development of such other legitimate work programs as may qualify under the terms of the aid agreement.

No actual starvation was seen to exist in Greece by the Members preparing this report, although ample evidence exists for the statement that malnutrition, especially among children, is widespread. The basic diet of the Greek farmers and villagers has, for hundreds of years, consisted of bread, cheese, olives, meat, and wine. A prejudice against tinned foods is almost universal throughout Greece, which fact has resulted in the appearance on store counters of hundreds of items of UNRRA foodstuffs, principally tinned. However, there is little question but that American shipments of wheat, cereals, and pulses have been a decided factor in the prevention of mass starvation, which can and unquestionably will develop rapidly should such assistance be terminated abruptly.

Large quantities of UNRRA equipment in Greece still remain unsold and undistributed. Poor selectivity and inadequate study of Greek needs resulted in many instances in the dumping on Greek docks of supply items and equipment totally unsuited to the needs of the country. These supplies remain

warehoused in Athens under the direct control of the Greek Government. Complete inventories are lacking, although the aid mission reports that every effort is being made to ascertain the type, quality, and quantity of such supplies and equipment, to the end that all such supplies and matériel may be distributed as, when, and where needed before the end of June 1948. In spite of obvious shortcomings and sometimes inefficient methods of control and distribution, there is little doubt but that UNRRA supplies were a considerable factor in avoiding widespread suffering during the postwar period in Greece. It is to be desired that such supplies and equipment still remaining in warehouses and on storage lots will be distributed within the next several months through agreement between the Greek Government and the aid mission. It should be borne in mind that UNRRA goods are not under the supervision of any American agency in Greece, but are instead under the direct control of the Greek Government rendering any absolute direction by American authorities impossible.

In all contacts established with Greek personalities, both in and out of government service, it was sought to determine whether or not undue political influence, in violation of the expressed intent of the Congress, was being exercised by any American officials or agencies. In all instances, there seemed to be a general agreement that American participation in Greek Government affairs was confined to advice and proper suggestion as to utilization of American funds, personnel, and equipment. No evidence was found to exist of undue political pressure in any instance. To the contrary, there is reason to believe that efficient operation and administration of the program of aid may suffer at times because of a reluctance of American officials to be more forceful in their contacts with the Greek Government, and to require more businesslike and direct methods of approach by Greek authorities.

The primary mission to Greece of the Members submitting this report was to be a study and report of communism, its forms, its propaganda, its strength, and its connection with the bandit activities. It became apparent immediately after arrival in the country, however, that such a study would necessarily cut across other forms of endeavor and into fields of study coming under other jurisdictions and committees. As an illustration of the point in question, the demolition by bandits of a railway bridge is not only a military problem. The reconstruction of the bridge becomes in turn an economic question of costs and accounting. Almost every difficulty confronting Greece today is of such a dual character. That a relatively stable government has been formed in the face of obstacles and adversity is a tribute to Greek determination and willingness to cooperate in rehabilitation measures.

Upon the arrival of the American mission in Greece, economic chaos was found to exist. Food was almost exhausted, foreign exchange largely expended, bandit bands gaining in strength through voluntary enlistments, a terrorized population, low civilian morale, an impossible political situation where some members of government in high office were inclined to be party men first and Greeks secondly.

Since that time the mission has succeeded in achieving some measure of financial stability, with the assistance of the majority of Greek Government officials. Voluntary recruitment for the bandits has almost ceased, with replacements being on the basis of forced service from which the individual concerned escapes at the first opportunity offered. Food, due largely to American imports, has increased in quantity, and basic rations are sufficient to maintain life. The Greek export trade gives evidence of improvement, and a system of export-import licenses has been instituted by the Government on the advice of American officials. Income-tax reform legislation has been passed, such legislation being intended to distribute more equitably the tax load, much of which is presently escaped by rich Greeks abroad, whose holdings under present law evade the force of taxation measures.

Contracts for public works have been awarded, and work is in progress on several projects, including the dredging of the Corinth Canal and the clearing of harbor debris. A major general strike was recently avoided by mutual arbitration.

A high degree of economic stability will be impossible to achieve without pacification of the bandit bands. The military operations continue at present on such a widespread scale as to render planting and harvesting of crops impossible in many areas. Limited harvests may be secured in those areas garrisoned by the Greek National Army, but forced recruiting of villagers and farmers by the bandit bands will have the ultimate effect of removing additional thousands of acres of arable land from cultivation. Planned chaos appears to be the goal of the Communist elements within and without Greece, and the serious dislocation of the economy, plus the problems created by refugee movements, may be said to represent a major achievement in this direction.

UNRRA supplies still remaining undistributed are a source of irritation to Greeks and foreigners alike, and offer substantial grounds for criticism of the Greek Government.

Hidden assets in the forms of disguised holding companies, registry of shipping under foreign flags, stocks, bonds, and securities held by Greek nationals in countries other than Greece, represent a great and continuing loss to the legal government of the country. The situation is not unlike that prevailing in the case of France, where millions of dollars, suitable for collateral on foreign loans, are inaccessible for such a purpose.

RECOMMENDATIONS

First. That a complete review of the situation in Greece be immediately instituted and that military pacification be accorded a higher degree of priority.

Second. That any long-range program of aid to Greece be predicated upon military considerations as well as upon economic phases.

Third. That legislation be introduced providing for the disclosure by the United States Government of all assets held by Greek nationals in this country.

Fourth. That strong representations be made to the Greek Government for the immediate distribution of UNRRA supplies into the Greek economy.

PART II. POLITICAL BACKGROUND

Unquestionably, one of the most complex political structures in the world has been built in Greece with the passage of the centuries. The great heritage of the Greek past, together with the individual Greek's love for democratic processes, have combined to make extreme individualism at once a blessing and a bane. It must be remembered that the roots of Greek political life and the fundamental bases for Greek political thought extend into the past for considerably more than 2,000 years. While the modern Greek bears slight resemblance to his forebears in dress, speech, or manner, his political philosophy, in many instances, stems direct from the Agora, the ancient marketplace forum of Athens.

POLITICAL MELTING POT

Greece is the meeting place for the East and the West. Rampant tides of invasion have swept back and forth across the mountains and the plains of Hellas. It is here that the indirection of oriental thought and action meets the direct processes of the West and in the blending of two entirely different modes of life, it is inevitable that there should have emerged a political concept equally puzzling to both of its progenitors.

MILITARY

Of the three elements made the subjects of this report, none is of greater importance in Greece today than the military. Both economic and political considerations dim into relative unimportance in the face of open and undeclared warfare throughout the country. Arrayed against Government forces are a number of bandit bands, comprising some 18,000 irregular andartes, or guerrillas.

Guiding spirts behind the activities of the bandits are most certainly the Communist elements of Greece, Yugoslavia, Bulgaria, Albania, and by indirection, the Soviet Union. Trained observers estimate that some 10 percent of the guerrillas are philosophical Communists, another 10 percent victims of rightist outrages following the occupation, while the great majority of those comprising the membership of the bands are villagers and farmers, pressed into service during the raids of the villages of northern Greece.

The policy of the Greek Communists appears to be no less than the establishment in Greece of a dictatorship of the proletariat, which will be without organized opposition. Bands are unquestionably organized and directed by the party in a brutal and outright attempt to overthrow the Government and its legal functions throughout as large an area as possible.

RED ACTIVITY ACROSS BORDERS

To achieve military confusion and civil chaos, the Communist Party has consolidated all of its agencies on both sides of the Greek northern frontier. As determined by the United Nations Investigation Committee, the Governments of Yugoslavia, Bulgaria, and Albania have actively aided the bandits who are fomenting a constant struggle within Greece. Political assassination, murder, pillage, intimidation, and propaganda are all in daily use as weapons of attack. Terrorized villagers, of all political philosophies, have deserted scores of villages in northern Greece, and have fled southward in fear of their lives. Raiding parties, operating across the national frontiers of the country, kill, loot, and burn with complete abandon, and without reference to the political beliefs of their victims.

CAMPAIGN OF TERROR

Forced service in the bands has become the standard medium for recruitment. Farmers are not only taken by force from their fields, but during the course of raids on unarmed villages they are dragged from their very homes. Roads are so heavily mined that even the usually stolid Greek farmer drives his oxen and his burros through the unharvested fields and orchards rather than trust the roadway. Railway bridges are demolished almost nightly, and no public works which serves a useful or constructive purpose in the lives of the Greek people is free from the demolition squads, who under cover of night come down from the hills and the mountains on their missions of terror.

BANDITS WELL EQUIPPED

The guerrillas, with the help and assistance of Greece's northern neighbors, are in many cases better equipped and armed than is the Greek Army. Not only does a seemingly inexhaustible supply of German Teller mines find its way across the frontiers, but the individual bandit's personal arms are in many cases not only efficient but new as well. Bandits interviewed after their desertion from bands engaged in operations against the Greek Army informed the observers making this report that they had received their equipment—1 German rifle, 150 rounds of ammunition per weapon, hand grenades, bandoleer, and canteen—across the frontier. Further they stated that they had crossed into Greece from Yugoslavia with the permission, aid, and assistance of Yugoslavian frontier guards. In addition to the military commander of the band, each unit has a political adviser, called a kapetan, whose function it is to conduct classes in Communist philosophy.

TACTICS PROVE BOOMERANG

Whatever the merits of the Communist argument, the tactics of terror employed by the bands has not strengthened the Communist Party in Greece. The so-called National Army of Liberation, lauded by the world Communist press and by the fellow travelers in every country in the world, represents nothing to the average Greek in northern Greece but gangs of murdering cutthroats.

One bandit, who had surrendered to the National Greek Army told us in Salonika, shortly after his capture: "I am and have always been a Communist I believe in the Communist doctrine. I am not, however, a murderer as well. For that reason I found it necessary to surrender myself from the band in which I had been acting as political kapetan." This was after his one and only raid on a Greek village.

It might reasonably be expected that the villagers would exact reprisals from the families of known bandits. This is, however, not the case. In every instance investigated, it was found that the families of men known to be in the hills were, aside from a certain social ostracism, granted all of the rights and privileges enjoyed by others of the community. They received their share of Government rations, and oddly enough, according to western standards of government, were permitted to draw Government funds, provided for those without visible means of support. This procedure was found necessary by the Government when impressed service on a large scale was introduced by the bandits.

THE GREEK ARMY

The Greek Army, trained and equipped by the British, is in large measure overdispersed on the Greek mainland north of Athens. In order to protect the inhabitants of the towns, it has been considered necessary to establish garrisons, which are, by the nature of their duties, highly immobile, and which do not lend themselves to offensive operations.

The most serious problem with relation to army operations is the existence of an "open" frontier, across which the bandit bands move by day and by night. Pursued closely by Government troops, the bandits simply cross the frontier, often under the cover of machine-gun and rifle fire from the opposite side. In order to prevent charges of border violations, the Greek Army forces do not pursue the bandits into the territories of Albania, Yugoslavia, and Bulgaria.

ARMY ON DEFENSE

In spite of a far greater numerical strength than that possessed by the bandit bands, the Greek Army forces have developed a defensive psychology in all operations. Upon the insistence of Greek representatives in the Parliament, the army staff has on many occasions reprimanded field commanders who took their forces into offensive action outside their garrison area. Each representative feels that the towns and villages in his district are of such great importance as to merit the constant vigilance of garrison troops.

Thus the military situation is further confused by the infusion of political preference and pressures. While the towns and villages are no doubt of the greatest importance, it was felt by the observers that the largest of these occupied places could well utilize the local manpower for defense, thereby releasing national-army forces for offensive action. The recent formation by the Government of militia battalions on the order of the American National Guard, should render it possible for the army to step up its offensive operation.

GREEK ARMY TRAINING

Individually, the Greek soldier is efficient, disciplined, and well trained. It is felt that in any direct action between the Greek Army and the bandit forces in strength, the only result could be a complete rout of the irregulars. However, the bandits themselves appreciate this fact, and avoid open action with the army wherever possible, relying instead upon the hit-and-run tactics of guerrilla warfare. This type of action is rendered effective in the extremely rugged mountains of central and northern Greece, where an able commander might well dispose an entire division of troops within a very small area by utilizing natural cover and concealment. Rocky gullies, gorges, and defiles, partially covered by scrub growth, crisscross the mountains and wend their way well into the plains of central Greece. Observation of activity is almost impossible, even from small observation planes sometimes utilized for the purpose.

The Greek Air Force, comprised of British Spitfires and various types of obsolescent bombers, has been practically grounded for many months, due to the inability of Britain to furnish spare parts and replacement items. The Greek Navy is so small as to be relatively unimportant in any assessment of the military situation in Greece.

The deplorable condition of motor transport, together with the condition of highways and roads, add further to the difficulties of the Greek National Army forces. It should be remembered that food and provender for forces which do not live off the resources of the countryside, necessitate a considerable movement of supplies and equipment. The bandit forces, raiding for provisions and living entirely off the land, are not limited in this respect. In small groups of from 100 to 500 men, the bands move rapidly from their point of entry on the frontier to the village selected for attack. Following the attack, the bandits disband if pursued and make their way back to the frontier or seek cover in the mountains during the pursuit by the army. The bandits enjoy several advantages in this type of warfare, and isolation of any considerable number of the andartes becomes extremely difficult.

CONCLUSIONS

The Greek Army, although well trained and willing to assume offensive operations, has been handicapped by political considerations. In the meanwhile the military situation has continued to deteriorate, until the present time finds the bandit bands in practical control of large areas of northern Greece.

It appears almost certain that an international conspiracy exists between the Communist elements in Greece, Albania, Yugoslavia, and Bulgaria, and that this conspiracy to dominate Greece has the active support of the governments of the last three named countries.

The bandit forces receive every measure of aid and assistance from across international frontiers, in violation of the provisions of the United Nations Charter,

and that the findings of the United Nations Investigating Commission, which assessed a measure of guilt to Greece's northern neighbors, was a valid and true statement of fact.

Unless steps are taken by the Greek Government to insure an offensive action by the Greek National Army in the immediate future, the Communist-led bands may be expected to announce the establishment of a People's government somewhere on Greek soil within a few months.

In line with the situation as we found it to exist in Greece, Mr. Speaker, and in light of the admitted fact that the United Nations has taken no practical step to implement the findings of the Border Investigation Commission I have this day placed in the hopper a concurrent resolution which calls upon the President of the United States to make renewed applications before the Security Council for the establishment of an international police force to be used in Greece for the purpose of implementing the findings of the United Nations subcommittee. Unless these findings are implemented the United Nations will in the minds of a great many people have proven its inability to cope with a situation of this kind. There is no question but that aggression goes on, aggression in violation of the United Nations charter. Either we must be prepared to do by force whatever we consider necessary in the case of Greece or we must, as all of us would prefer to do, work through the international instrumentality for peace, in this instance, the United Nations; however, the fact remains that if Greece falls not only will one small relatively unimportant country have met its fate but what is more important is that the agency which is presumed and is alleged to look out for the interests of such small countries as Greece, will suffer a blow from which it conceivably may not recover.

The moral effect of the presence of such an international police force under the direction of the United Nations would be so great it is felt in point of numbers the forces need not exceed 25,000 officers and men, certainly not a large quota to be raised among the member nations of the United Nations.

That the Soviet Union will doubtless exercise again the power of the veto is to be expected, but that knowledge should now swerve us from a persistent and continuing effort to save the United Nations.

The hour of decision, so far as this international body is concerned, is drawing very near. Its strength is going to depend to a large extent upon positive, definite action in instances of this kind where its own subcommittees bring in a report that certain acts of aggression do in fact exist.

This report is in and the whole world awaits the answer of the United Nations.

The SPEAKER. The time of the gentleman from California has expired.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. JACKSON of California, for balance of special session, on account of official business.

The SPEAKER pro tempore. Under previous order heretofore entered, the gentleman from Missouri [Mr. COLE] is recognized for 1 hour.

BARRING UN-AMERICAN PARTIES FROM THE ELECTION BALLOT

Mr. COLE of Missouri. Mr. Speaker, I have asked for this time to call attention to my bill, H. R. 4482, a bill to bar un-American parties from the election ballot, the provisions of which are as follows:

That no political party (a) which is directly or indirectly affiliated by any means whatsoever with the Communist Party of the United States of America or the Communist International, or any other foreign agency, political party, organization, or government; or (b) which either directly or indirectly advocates, teaches, justifies, aids, or abets the overthrow by force or violence, or by any unlawful means, of the Government of the United States of America; or (c) which directly or indirectly carries on, advocates, teaches, justifies, aids, or abets a program of sabotage, force and violence, sedition or treason against the Government of the United States of America shall be recognized, or qualified to participate, or permitted to have the name of any candidate printed on the ballot, in any election in the United States of America.

Mr. Speaker, this special session of Congress was convened primarily to deal with the threat of communism that now confronts our national security. Earlier today this House voted to authorize the expenditure of approximately $600,000,000 to prevent the spread of communism in Europe. Our national leaders are much concerned over the situation in Europe, and, in that deep concern, they have apparently overlooked the activities of the Communists here at home. Evidently they cannot see the forest for the trees. The earlier we wipe out every vestige of this venomous activity within our own borders, the stronger we shall keep ourselves to withstand its attacks from other sources. The threat to our national security is so great that immediate and drastic action must be taken.

There are those that will contend that my bill is unconstitutional. They will cry about civil liberties, free speech, and invasion of States' rights. To them I have this to say:

The founding fathers of our great Republic did not contemplate in their guaranty of life, liberty, and the pursuit of happiness that such pursuit should permit anyone to take away our liberty and destroy our happiness through the overthrow of our republican form of government by subversive means. There is more constitutionality in a move to prevent destruction of what we hold dear than there is in the unfettered right of communistically inspired lunatics to take it away from us. There is more plain common sense in the theory back of what I propose than there is in the whole ideology of the Soviet Republic and particularly those who reside within our borders and adhere to those ideologies; but let us take a look at the Constitution of the United States. Let us see whether or not its provisions are such as to prohibit the legislation I propose. We have only to turn to article 4, section 4, which provides:

The United States shall guarantee to every State in this Union a republican form of government and shall protect each of them against invasion.

Now let us determine what the framers of our Constitution intended a republican form of government as here guaranteed to be. James Madison defined a republican form of government as "a government which derives all its powers directly or indirectly from the great body of the people and is administered by persons holding their offices during pleasure, for a limited period, or during good behavior." It is reported in the Federalist, No. 43, that James Madison, during the debate on the adoption of our Constitution, had this to say concerning the scope and intent of article 4, section 4:

It may possibly be asked, what need there could be of such a precaution, and whether it may not become a pretext for alterations in the State governments, without the concurrence of the States themselves. These questions admit of ready answers. If the interposition of the general government should not be needed, the provision for such an event will be a harmless superfluity only in the constitution. But who can say, what experiments may be produced by the caprice of particular States, by the ambition of enterprising leaders, or by the intrigues and influence of foreign powers? To the second question it may be answered, that if the general governments should interpose by virtue of this constitutional authority, it will be of course bound to pursue the authority. But the authority extends no farther than to a guaranty of a Republican form of government, which supposes a preexisting government of the form which is to be guaranteed. As long, therefore, as the existing republican forms are continued by the States, they are guaranteed by the Federal constitution. Whenever the States may choose to substitute other republican forms, they have a right to do so, and to claim the Federal guaranty for the latter. The only restriction imposed on them is, that they shall not exchange Republican for anti-Republican constitutions; a restriction which, it is presumed, will hardly be considered as a grievance.

A more recent interpretation of this constitutional provision is found in one Willoughby, opere citato, supra, pages 214–216, where it is said:

In form, the first clause of this section would appear to be for the benefit of the States and to impose a duty upon the Federal Government, and such undoubtedly would be its effect should a foreign power attempt to impose a government of any sort whatever upon the people of one of the States against their will; or should a domestic revolution result in the establishment of a government not sanctioned by law or not freely agreed to by the electorate. In fact, however, as is elsewhere described, and as will presently be more particularly spoken of, this clause was so interpreted during reconstruction times as to give to the Federal Government for several years an almost unlimited power of control of the domestic affairs of those States that had been in rebellion against its authority.

It will be noticed that the Constitution does not itself define the term "republican form of government." It has, however, always been an accepted rule of construction

that the technical and special terms used in the Constitution are to be given that meaning which they had at the time that instrument was framed. This is but reasonable, for, in default of anything to the contrary, those who drafted the Constitution are to be presumed to have intended the words which they used to have that meaning they knew them to have. For a definition, then, of "republican government" we must discover what, in 1787, such a political form was considered to be. Certainly we may say that the Government of the 13 original States as they existed at the time the Consitution was drafted must have been considered as illustrating the republican type. Furthermore, the constitutions of all those States which have been admitted to the Union since 1787 must be regarded as having been impliedly considered republican by Congress at the time of the giving of its assent to their entrance into the Union.

In the case of *Duncan* v. *McCall* (139 U. S. 461), Chief Justice Fuller had this to say:

By the Constitution a republican form of government is guaranteed to every State in the Union, and the distinguishing feature of that form is the right of the people to choose their own officers for governmental administration, and pass their own laws in virtue of the legislative power reposed in representative bodies, whose legitimate acts may be said to be those of the people themselves; but, while the people are thus the source of political power, their governments, Nation and State, have been limited by written constitutions, and they have themselves thereby set bounds to their own power, as against the sudden impulses of mere majorities.

Now, let us determine the type of government that the Communists propose. Last March, J. Edgar Hoover, Director of the Federal Bureau of Investigation, had this to say regarding the Communist Party:

It stands for the destruction of our American form of government; it stands for the destruction of American democracy; it stands for the destruction of free enterprise, and it stands for the creation of a "Soviet of the United States" and ultimate world revolution. * * * The Communist Party of the United States is a fifth column if there ever was one.

In speaking before a group of American Communist leaders, Dictator Joseph Stalin made the following comments:

I consider that the Communist Party of the United States is one of the few Communist Parties to which history has given decisive tasks from the point of view of the world revolutionary movement. The revolutionary crisis has not yet reached the United States, but we already have knowledge of numerous facts which suggest that it is approaching. It is necessary that the American Communist Party should be capable of meeting the moment of crisis, fully equipped to take direction of future class wars in the United States. You must prepare for that, comrades, with all your strength and by every means. You must forge real revolutionary cadres and leaders of the proletariat who will be capable of leading the millions of American workers toward the revolutionary class wars.

This address of Dictator Joseph Stalin was published by the Communist Party of the United States in a work entitled "Stalin's Speeches on the American Party."

When the United States Government tried unsuccessively to deport Harry Bridges because of his Communist activities, the Department of Justice, in rendering a legal opinion on the matter, said:

The Communist Party of the United States, a section of the so-called Third International, was founded in 1919; and after its name was changed several times finally became the Communist Party of the United States of America

The Third International advocated the class struggle, which was described as entering the phase of civil war in America. Illegal methods were also advocated, where necessary, to carry on its work—systematic agitation in the Army, the renouncing of patriotism, and the revolutionary overthrow of capitalism.

The American section adopted a program declaring "The Communist Party will systematically and persistently propagate the idea of the inevitability and necessity for violent revolution and will prepare the workers for armed insurrection as the only means of overthrowing the capitalistic state."

The Communist Party teaches the violent overthrow of existing governments including the United States. The concept reaches back to the famous manifesto of Marx and Engels of 1848, which declares, "The Communists openly declare that their ends can be attained only by the overthrow of all existing social conditions."

In the theses and statutes of the Third International (1920) this doctrine is expanded. This and other documentary evidence established that it is an organization that advises, advocates, and teaches overthrow by force and violence of the Government of the United States.

Karl Marx, in his Manifesto of the Communist Party, clearly defines the aim of communism to destroy the American concept of right to individual property. He said:

The theory of communism may be summed up in one sentence: Abolish all private property.

He added:

We know very well that capitalism cannot be abolished without the use of force.

The following quotes are on the general subject of Communist threat to American security:

Over the years the American Communists have developed a propaganda machine and a nefarious and elaborate school system of their own * * * and even in the chameleon cloak with which they have now enshrouded themselves, the American Communists still proclaim their loyalty to Marxism, the antithesis of American democracy.

* * * The mere association of the names "American" and "democracy" with the Communist youth movement does not make the organization either American or democratic. (Source: J. Edgar Hoover, in an address at commencement exercises at Holy Cross College on June 29, 1945.)

These forces—

The forces of communism—

bend their efforts not to ameliorate the conditions of the American worker within the framework of our institutions, but to destroy our American system by creating dissatisfaction, discontent, and disillusionment.

The propaganda of communism is cleverly and subtly administered to our people, so that they are unintentionally seduced by it. (Source: The report of the committee on American citizenship of the New York State Bar Association, issued on January 21, 1938.)

Recently the American press has talked less and less about the Communist danger. Yet that danger has never been greater than it is today. As one who worked 20 years under the Communist dictatorship in close association with Soviet leaders, I feel it is my duty to warn the American people against this insidiously growing menace to their free institutions. (Source: Article in the Readers' Digest of October 1944, by Alexander Barmine, one-time brigadier general in the Red army.)

Lewis G. Hines, national legislative representative of the American Federation of Labor, said in a statement issued on October 4, 1945:

Communism is a social philosophy dedicated to the overthrow of our American way of life. A Communist cannot be a good union man because while he would in all outward appearances carry out the principles of the trade-union movement he would be prepared at any moment to destroy the trade-union movement in the furtherance of the program of communism, and this goes for all of our American institutions, including the church, the school, or anything that would interfere with the final consummation of the Communist program.

M. J. Olgin, Communist Party leader and editor of the Morning Freiheit, describes the Communist plan for the overthrow of the American Government in his pamphlet entitled "Why Communism":

Workers stop work; many of them seize arms by attacking arsenals. Many have armed themselves before as the struggle sharpened. Street fights become frequent. Under the leadership of the Communist Party, the workers organize revolutionary committees to be in command of the uprising. There are battles in the principal cities. Barricades are built and defended. The workers' fighting has a decisive influence with the soldiers, the workers, and the marines.

The movement among the soldiers and marines spreads. Capitalism is losing its strongest weapon—the army. The police as a rule continue fighting, but they are soon silenced and made to flee by the united revolutionary forces of workers and soldiers. The revolution is victorious.

Armed workers and soldiers and marines seize the principal government offices, invade the residence of the President and his Cabinet members, arrest them, declare the old regime abolished, establish their own power, the power of the workers and the farmers.

Herbert Morrison, British Labor Party leader and Home Secretary of the wartime Churchill cabinet, declared in a speech in June 1943:

The Communists still believe in revolution by violence. They still believe that bloodshed is necessary. You cannot mix our policy of government by persuasion with a party which fights in elections and prepares for violent revolution at the same time.

William C. Bullitt, former United States Ambassador to Russia, in his book, The Great Globe Itself, stated:

The aims of the Soviet Government, we hoped, were not those expressed in the official Communist doctrine taught in the Soviet Union. We knew that according to the Lenin-Stalin version of the Communist creed, the supreme moral goal of mankind was the establishment of communism in all nations. We knew that Lenin himself had considered this end as justifying the use of all means for its attainment; that he had written in chapter 6 of his pamphlet, The Infantile Sickness of Leftism In Communism, first published in 1920: "It is necessary * * * to use any ruse, cunning, unlawful methods, evasion, concealment of truth," and that he looked forward to wars with non-Communist states like the United States, which he called either "bourgeois" or

"imperialist," before the ultimate world triumph of communism. He had stated his views frankly: "We are living not merely in a state, but in a system of states, and it is inconceivable that the Soviet Republic should continue for a long period side by side with imperialist states. Ultimately one or the other must conquer. Meanwhile a number of terrible clashes between the Soviet Republic and the buorgeois states is inevitable."

Mr. Bullitt continued:

The Soviet Government believes in a Communist creed, which it teaches to all its children, for which it prepares them to live, and, if need be, to die. That is the Marx-Lenin-Stalin creed which denies God and claims to be based on scientific fact; but is based on the improbable assumption that the establishment of Communist dictatorship throughout the earth and the abolition of private ownership of the means of production will end all war, civil and international, and so improve the nature of all men in all nations that, in Lenin's phrase, "the state will wither away" and all men will live without a state in perfect freedom and happiness. As Engels, the collaborator of Marx, envisioning a Communist world, wrote "the machine of the state is put into the museum of antiquities, alongside of the spinning wheel and the bronze ax."

Lenin * * * believed that the state, whether in his hands or in the hands of a "bourgeois government," was an instrument of violence; but that, while living under Communist dictatorship, men could be prepared for perfect freedom. "While there is a state," he said, "there is no freedom. When there is freedom there will be no state."

* * * The Communist true-believer offers his life as gallantly as an early Christian. He believes that he is fighting for the emancipation of all humanity from all evil. He thinks he serves eternal truth. The Communist Party, to him, is a union of the faithful. His old testament is the books of Marx and Engels; his new testament, the works of Lenin and Stalin. * * *

Since the highest moral goal, according to the Communist creed, is to achieve the destruction of the state, following the establishment of Communist dictatorship throughout the earth, the highest moral duty of man is to serve to promote such dictatorship. This supreme moral end, the Communist believes, justifies all means for its achievement, including war, murder, character assassination, the pledged word given and broken. * * *

Four short statements of Lenin and Stalin contain the fundamental theses on which Soviet foreign policy is based:

1. We are living not merely in a state, but in a system of states; and it is inconceivable that the Soviet Republic should continue for a long period side by side with imperialist states. Ultimately one or the other must conquer. Meanwhile a number of terrible clashes between the Soviet Republic and the bourgeois states is inevitable. (Lenin, Collected Works, vol. XXIV, p. 122, Russian Edition. Quoted with approval by Stalin in his book Problems of Leninism.)

2. From the time a Socialist government is established in any one country, questions must be determined * * * solely from the point of view of what is best for the development and the consolidation of the Socialist revolution which has already begun. The question whether it is possible to undertake at once a revolutionary war must be answered solely from the point of view of actual conditions and the interest of the Socialist revolution which has already begun. (Lenin, Twenty-one Theses, January 20, 1918.)

3. It is necessary * * * to use any ruse, cunning, unlawful method, evasion, concealment of truth. (Lenin, the Infantile Sickness of Leftism in Communism, 1920.)

4. The comintern is the holy of holies of the working class. (Stalin, speech on the American Communist Party, May 6, 1929.)

The Soviet Government knows what it intends, and, therefore, believes that wars are inevitable between the Soviet Union and the non-Communist states which it calls bourgeois or capitalist or imperialist—that is to say, states like the United States.

Referring to the American Communist Party, Mr. Bullitt said:

Since the control of the Soviet Union by the Communist dictatorship is the chief source of strength of world communism, the interests of national Communist parties outside the Soviet Union are subordinated to the interests of the Soviet Union. They are often ordered to change their strategy and tactics and to take positions which render them ridiculous—just as a battalion of an army is often ordered to sacrifice itself for the benefit of the army as a whole.

The American Communist Party, for example, has been obliged to turn intellectual somersaults so often in following faithfully the strategic and tactical changes in Soviet foreign policy that only those who are ignorant of its actions can regard it as anything but a Soviet fifth column, the members of which are loyal to the Soviet Union, not to the United States, and are prepared to support the Soviet Union against the United States even in case of war. The American Communists are potential traitors, and would be ashamed if they were not. Their somersaults from July 1939 to October 1945 are recorded in their official organ, the Daily Worker, of New York, excerpts from which follow:

September 19, 1939—Declaration of the National Committee, Communist Party, United States of America: "The war that has broken out in Europe is the second imperialist war. * * * This war, therefore, cannot be supported by the workers. It is not a war against fascism * * * not a war with any of the character of a just war, not a war that workers can or should support. It is a war between rival imperialisms for world domination. The workers must be against this war. * * *

"* * * we must keep two guiding thoughts in mind; first, allow no single measure to be taken for purposes of giving American help to either side of the imperialist conflict; second, find the most effective means of keeping out of the war. * * * These two guiding thoughts are inseparable."

December 6, 1939—Foster: "The Communist Party opposes the administration's plan to spend $3,000,000,000 next year to strengthen the Navy, Army, and Air Forces. The reason for this opposition is that the present government is following the policy of territorial aggrandizement which leads straight toward war, with all the attendant misery, poverty, enslavement, and death for the workers and other toilers."

May 21, 1940—Foster, speech in Philadelphia on May 17: "If British-French-American imperialism should win the present war the results would be even more reactionary. * * * The Allied cause is not a lesser evil in comparison to Hitler's. * * * Nor would entry of the United States into the war democratize it and make it a real fight for freedom. * * * Its real war aims would be to grab off all possible territories for itself * * * to transform the imperialist war into a general war against the Soviet Union."

January 23, 1941—Statement of the National Committee of the Communist Party: "Defeat F. D. R.'s war-powers bill. Get out and stay out of the war. Here are the facts: This bill * * * would give the President unlimited authority to enter into foreign entanglements and secret alliances. * * * This bill would cancel the Bill of Rights and the Constitution. * * * This bill would saddle an unbearable burden of new taxes on the backs of America's workers, farmers, professionals, and small business people."

April 29, 1941—Manifesto of the National Committee of the Communist Party: "The imperialists have made the war; we, the people, must make the peace. Get out and keep out of the imperialist war; no convoys, no AEF; the Yanks are not coming; dissolve the Anglo-American war alliance; for a people's peace with no idemnities and no annexations; against the militarization of the United States under the false pretense of national defense."

June 23, 1941—Statement of the Communist Party (signed by Foster and Minor): "The Soviet Government is now waging * * * a just struggle for the cause of the freedom of all nations and peoples. * * * The American people * * * will see in the cause of the Soviet Union the cause of all advanced and progressive mankind."

June 30, 1941—Manifesto of the National Committee of the Communist Party: "The people of America are beginning to realize that to defend the Soviet Union means to defend the United States. * * *

"* * * The chief guaranty for the successful realization of this program is the struggle for the United front of the working class and the unity of the American people in a genuine people's front. Such a united and people's front would be broad enough to embrace in fraternal collaboration all honest opponents of Hitlerism, both here and abroad. * * * We, on our part, speaking in the name of the Communist Party of the United States, pledge our all to work and struggle as a part of the American people for the realization of this program. * * *

"* * * Stop all Government attacks on the Communist Party."

August 5, 1945—Sunday Worker; Foster, the Communist Party convention: "A few of the more important aspects of the party's new policy are as follows: (a) Recognition of the aggressive role of American imperialism on a world scale, which Browder's policy tried to hide; (b) a realization that a progressive collaboration among the Big Three powers will depend primarily upon the role of labor and all other democratic forces in the world, instead of upon the good will or intelligence of the American big bourgeois; (c) a Marxian analysis of the war against Japan which differentiated between the imperialist aims of American big capital in the war and the democratic aims of the peoples of Asia and the United States to maintain the national liberation character of the war in the Pacific."

In a speech opening the Presidential nominating convention of the Communist Party in Chicago on May 28, 1932, Earl Browder, general secretary of the Communist Party of the United States, made the following statement:

The Communist Party is the only party which organizes the workers and farmers to create a revolutionary government which will confiscate the industries, banks, railroads, etc., from the parasite capitalists, who have proved they do not know how to run them, and to put the industrial machinery to work for the benefit of the masses of workers and farmers.

The present head of the American Communist Party, William Z. Foster, has frankly characterized the political plans of the Communists as follows:

At the Eighth Congress of Soviets, in 1920, Lenin declared that "Communism is the

Soviet power plus the electrification of the country." In the United States the problem of the American working class in achieving socialism may be summed up, as Browder has put it, as the present American industrial technique plus soviets.

In the hearings before the House investigating committee in 1930, Foster was even more outspoken. This is a quotation from his testimony taken down by an expert stenographer:

The CHAIRMAN. Now, are the Communists in this country opposed to our republican form of government?

Mr. FOSTER. The capitalist democracy—most assuredly. We stand for a workers' and farmers' government; a government of producers, not a government of exploiters. The American capitalist government is built and controlled in the interests of those who own the industries, and we say that the government must be built and controlled by those who work in the industries and who produce.

The CHAIRMAN. They are opposed to our republican form of government?

Mr. FOSTER. Most assuredly.

The CHAIRMAN. That is, what you advocate is a change of our republican form of government and the substituting of the soviet form of government?

Mr. FOSTER. I have stated that a number of times.

That the American Communists have not given up the plan of reaching their goal by the use of force and violence was recently once more admitted by Earl Browder in his book What is Communism? He wrote:

We believe that the needs of the masses would be best served by such a party; that is why we are fighting for it. Because they are as yet not ready to accept our full program, we propose a program which they themselves are beginning to voice. This does not mean that we Communists are abandoning the idea of the revolution. We believe that such a farmer-labor movement would give a revolutionary education to the masses.

In 1932, William Z. Foster, at that time candidate for President on the Communist ticket, said the following:

We Communists are unscrupulous in our choice of weapons. We allow no consideration of legality, religion, patriotism, honor, duty, etc., to stand in our way to the adoption of effective weapons. We propose to develop, and are developing, regardless of a capitalistic conception of legality, fairness, right, etc., a greater power and then wrest from them, by force, the industries. (Source: Hearings before the House Un-American Activities Committee, 75th Cong., 3d sess., p. 172.)

During the same 1932 campaign, Mr. Foster wrote Toward Soviet America, in which he stated:

Engels * * * states in his 1888 preface to the Communist Manifesto: "One thing especially was proved by the (Paris) commune, viz, that the working class cannot simply lay hold of the ready-made state machinery and wield it for its own purpose." The capitalistic state must be broken down and the workers' state built from the ground up on different principles, and this was done in the Union of Soviet Socialist Republics (p 135).

To put an end to the capitalist system will require a consciously revolutionary act by the great toiling masses, led by the Communist Party; that is, the conquest of the state power, the destruction of the state machine created by the ruling class, and the organization of the proletarian dictatorship. The lessons of history allow no other conclusions (p. 213).

* * * the history of the American capitalistic class offers ample evidence that the toilers can defeat the ruling class only in an open struggle (p. 216).

The leaders of the Communist Party, United States of America, would have you believe that there is no connection between their party and the recently reestablished Comintern of the Communist Party of the Soviet Republic, but do not be fooled. Let us look at the record again. The very first sentence in the preamble to the Communist constitution adopted in New York July 26–28, 1945, states:

The Communist Party, United States of America, is the political party of the American working class, basing itself upon the principles of scientific socialism, Marxism-Leninism.

Marxism-Leninism to the American Communists is whatever Joe Stalin decrees it to be. J. Edgar Hoover, Director of the Federal Bureau of Investigation, has testified under oath that he has evidence from within the Communist organization dated within the past year that the Communist leaders are on record as saying:

In the event of war between the United States of America and Russia, the Communist Party, United States of America, would be with Russia and make no mistake about that.

I have heretofore referred to the principles of Karl Marx and Nikolai Lenin, but in order to make clear just what the Communist Party, United States of America, intended by adopting the principles of Marx and Lenin, I would like to touch briefly on this again:

In 1841 Karl Marx, in the preface to his doctoral thesis, openly declared: "I hate all the gods." Nine years later, in an address before the League of the Communists, he said:

It may be taken for granted that bloody conflicts are coming. * * * The arming of the workers with rifles and ammunition must be carried out at once and steps taken to prevent the rising of the army which would be directed against the workers. * * * If the small middle class propose to purchase the railways and the factories, the workers must demand that such railways and factories, being the property of the reactionaries, shall be confiscated by the state without compensation. * * * The workers need not be misled by democratic platitudes about freedom. * * * Their battle cry must be "the revolution in permanence."

Nikolai Lenin said:

A morality taken from outside of human society does not exist for us; it is a fraud. For us, morality is subordinated to the interests of the workers' class struggle. (Religion, New York edition, 195.)

In The Infantile Sickness of Leftism in Communism, Lenin further said:

It is necessary * * * to use any ruse, cunning, unlawful method, evasion, concealment of the truth.

And in Problems of Leninism, Generalissimo Stalin said approvingly:

Dictatorship means nothing more or less than the power which directly rests on violence, which is not limited by any laws or restricted by any absolute rules.

In 1945 we had been warned by 10 Catholic bishops and archbishops to be constantly on guard against the dangers of Marxian totalitarianism, on which Russian communism is based. We were told:

To reckon with the active, cleverly organized and directed opposition of Marxian totalitarianism to genuine democracy. This system herds the masses under dictatorial leadership, insults their intelligence with its propaganda and controlled press, and tyrannically violates innate human rights. Against it, democracy must be constantly on guard, quick to detect and penetrate its camouflage.

Several months later, Louis F. Budenz, who left the Communst Party of America, in which he was a leader, to rejoin the Roman Catholic Church, said that communism destroyed the "thinking and integrity of the individual," that it was "irrevocably set up for the ending of religion," and that it had cultivated "lust for power." He said "Communist arrogance, with which the world is now familiar, arises out of this destructive viewpoint."

In a radio address on February 2, 1947, Rt. Rev. Msgr. Fulton J. Sheen said:

It may very well be * * * that unless there is a moral revival in our western world, a fulfillment of the pledges of the Atlantic Charter, a rebirth of family life, communism will be the instrument for the liquidation of a bourgeois civilization that has forgotten God. Communism is not to be feared just because it is anti-God, but because we are Godless; not because it is strong, but because we are weak; for if we were under God, then who could conquer us?

So for us:

To fight communism is to recognize the eternal struggle between the doctrines of God's moral law and the materialistic concept of man as a biologic creature conditioned ethically by his environment. (These Days, by George E. Sokolsky, Washington Times-Herald, Mar. 18, 1947.)

Mr. Speaker, the place to fight communism is here at home. The time to fight it is now. Let us remember the advice of Abraham Lincoln that if this Nation is ever destroyed it will not be from without but from within. If President Lincoln were alive today, I believe he would say as General Washington said:

Put none but Americans on guard tonight.

Let us heed the warning expressed years ago by Edwin Markham:

I fear the vermin that shall undermine senate and school and citadel and shrine.
I fear the worm of fraud, the fatted worm of ease, and all the crawling progeny of these.
I fear the vermin that shall honeycomb the walls and towers of state in unsuspecting hours.

Because, Mr. Speaker—

No man escapes
When freedom fails,
The best men rot
In filthy jails;
And they who cried,
"Appease, appease,"
Are hanged by men
They tried to please.

—*Mann.*

HOUSE JOINT RESOLUTION 273

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BUCHANAN. Mr. Speaker, earlier this afternoon due to inclement flying weather, I missed voting on House Joint Resolution 273; however, had I been present I would have voted against it because of the fact that the whole dispute arises over the voluntary versus the mandatory method in allocation and priorities. In proposing these schemes of voluntary agreements they said they would do the job, but they will not.

On last Thursday in committee I offered specific language spelling out just what mandatory allocation methods should be prescribed, so far as tin and tin products are concerned, and iron and steel products and in grain and grain products, and freight cars and other railroad facilities and equipment.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

ADJOURNMENT

Mr. COLE of Missouri. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 10 minutes p. m.) the House adjourned until tomorrow, Tuesday, December 16, 1947, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1148. A communication from the President of the United States, transmitting supplemental estimates of appropriation for the fiscal year 1948 in the amount of $1,340,000 for the Federal Security Agency (H. Doc. No. 476); to the Committee on Appropriations and ordered to be printed.

1149. A communication from the President of the United States transmitting supplemental estimates of appropriation for the fiscal year 1948 in the amount of $29,375,000 for the Department of the Interior, Bureau of Reclamation (H. Doc. No. 477); to the Committee on Appropriations and ordered to be printed.

1150. A letter from the Director, Philippine War Damage Commission, transmitting the Second Semiannual Report of Philippine War Damage Commission, covering the period ending July 1, 1947; to the Committee on Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WOLCOTT: Committee on Banking and Currency. H. R. 4675. A bill to amend the National Housing Act, as amended; with an amendment (Rept. No. 1159). Referred to the Committee of the Whole House on the State of the Union.

Mr. WOLCOTT: Committee on Banking and Currency. House Joint Resolution 273. Joint resolution to aid in the stabilization of commodity prices, to aid in further stabilizing the economy of the United States, and for other purposes; with an amendment (Rept. No. 1160). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARTLEY: Committee on Education and Labor. Interim report filed pursuant to House Resolution 111, relating to James C. Petrillo and the American Federation of Musicians (Rept. No. 1162). Ordered to be printed.

Mrs. ROGERS of Massachusetts: Committee on Veterans' Affairs. H. R. 4651. A bill to authorize the reinstatement of lapsed 5-year level-premium-term national service life insurance on a comparative health basis until December 31, 1948; without amendment (Rept. No. 1164). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALBERT:

H. R. 4720. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

By Mr. ANDREWS of New York:

H. R. 4721. A bill to remove the statutory limit of appropriation expenditures for repairs or changes to a vessel of the Navy; to the Committee on Armed Services.

By Mr. CARROLL:

H. R. 4722. A bill to provide for the utilization as national cemeteries of surplus Army Department-owned military real property at Fort Devens, Mass.; Fort Logan, Colo.; and Fort Lewis, Wash.; to the Committee on Public Lands.

By Mr. CASE of South Dakota:

H. R. 4723. A bill to authorize the recruitment of certain qualified workers needed in the United States and to reduce the burden of supplying relief in Germany, Austria, and Italy; to the Committee on the Judiciary.

By Mr. COLMER:

H. R. 4724. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

By Mr. D'EWART:

H. R. 4725. A bill to confer jurisdiction on the several States over offenses committed by or against Indians on Indian reservations; to the Committee on Public Lands.

By Mrs. DOUGLAS:

H. R. 4726. A bill to provide a cost-of-living credit under the individual income tax, to impose a tax on the excess profits of corporations, to repeal certain excise taxes, and for other purposes; to the Committee on Ways and Means.

By Mr. JONES of Washington:

H. R. 4727. A bill to provide additional compensation for employees of the Federal Government and of the government of the District of Columbia; to the Committee on Post Office and Civil Service.

By Mr. KENNEDY:

H. R. 4728. A bill to continue rent control until March 1, 1950, and for other purposes; to the Committee on Banking and Currency.

By Mr. MERROW:

H. R. 4729. A bill making appropriations to provide supplemental funds for the Department of the Army to be expended for and on behalf of the Department of the Air Force; to the Committee on Appropriations.

By Mr. MULTER:

H. R. 4730. A bill to equalize Federal income, estate, and gift taxes; to the Committee on Ways and Means.

By Mr. PETERSON:

H. R. 4731. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

By Mr. ROBERTSON:

H. R. 4732. A bill authorizing the transfer of title of the Wahpeton Indian School to the State of North Dakota; to the Committee on Public Lands.

By Mr. WILLIAMS:

H. R. 4733. A bill to amend the Veterans Regulations to provide additional compensation for World War II veterans who suffer the loss of a creative organ; to the Committee on Veterans' Affairs.

By Mr. ALMOND:

H. R. 4734. A bill to provide additional compensation for employees of the Federal Government and of the government of the District of Columbia; to the Committee on Post Office and Civil Service.

By Mr. BEALL:

H. R. 4735. A bill to provide additional compensation for employees of the Federal Government and of the government of the District of Columbia; to the Committee on Post Office and Civil Service.

By Mr. D'EWART (by request):

H. R. 4736. A bill to provide adjustment of repayment contracts with respect to lands within the Flathead irrigation project, Montana, and for other purposes; to the Committee on Public Lands.

By Mr. HOPE:

H. R. 4737. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

By Mr. PFEIFER:

H. R. 4738. A bill to provide additional compensation for employees of the Federal Government and of the government of the District of Columbia; to the Committee on Post Office and Civil Service.

By Mr. AUGUST H. ANDRESEN:

H. R. 4739. A bill to amend paragraph 1629 of the Tariff Act of 1930 so as to provide for the free importation of exposed X-ray film; to the Committee on Ways and Means.

By Mr. BLATNIK:

H. R. 4740. A bill to reduce postage rates on parcels containing food, clothing, or medicines mailed to certain foreign countries; to the Committee on Post Office and Civil Service.

By Mr. CRAVENS:

H. R. 4741. A bill to authorize the Secretary of the Army to permit the mining of coal on the land now occupied by Camp Chaffee, Ark.; to the Committee on Armed Services.

By Mr. McMILLAN of South Carolina:

H. R. 4742. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

By Mr. LANDIS:

H. R. 4743. A bill to maintain prosperity, to promote full employment and kill inflation; to the Committee on Banking and Currency.

By Mr. REES:

H. R. 4744. A bill to amend the Veterans' Preference Act of 1944, as amended, to include administrative reorganizations within the provisions of the act relating to reduction in personnel, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 4745. A bill to amend the Veterans' Preference Act of 1944, as amended, to provide compensation for preference eligibles illegally separated from the Federal service; to the Committee on Post Office and Civil Service.

By Mr. HOPE:

H. J. Res. 275. Joint resolution to authorize the Regional Agricultural Credit Corporation

of Washington, D. C., to make loans to fur farmers, and for other purposes; to the Committee on Agriculture.

By Mr. JACKSON of California:

H. Con. Res. 122. Concurrent resolution relating to the formation of an international police force for action in Greece; to the Committee on Foreign Affairs.

By Mr. MITCHELL:

H. Res. 402. Resolution for the relief of Minnie E. Beatty; to the Committee on House Administration.

By Mr. MACY:

H. Res. 403. Resolution to authorize and direct the Public Works Committee, or any subcommittee thereof, to make a study of black markets; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. JACKSON of California:

H. R. 4746 A bill for the relief of Miguel U. Royo; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. R. 4747. A bill for the relief of Czeslaw Luniewski; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

919. By Mr. FORAND: Petition of Mrs. Florence A. Smith and 18 other members of Stark Parker Unit No. 21, East Providence, R. I., American Legion Auxiliary, in favor of universal military training; to the Committee on Armed Services.

920. By Mr. GRAHAM: Petition of 14 residents of Beaver County, Pa., in support of legislation establishing a system of universal military training; to the Committee on Armed Services.

921. By Mr. HOPE: Petition of Rev. C. R. Vasey and 11 other residents of South Haven, Kans., against H. R. 4278, a bill to enact the National Security Training Act of 1947; to the Committee on Armed Services.

922. By Mr. KILDAY: Petition of Adolph J. Specia and 56 others, of San Antonio, Tex., urging the establishment of a system of universal military training; to the Committee on Armed Services.

923. Also, petition of Alamo Post, No. 2, American Legion, San Antonio, Tex., containing 67 names, urging the establishment of a system of universal military training; to the Committee on Armed Services.

924. By Mr. CASE of South Dakota: Petition of Mrs. M. S. Hamre, Willow Lake, S. Dak., and 18 others, requesting legislation to prohibit advertising liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

925. Also, petition of Mrs. J. S. Vevory, president, Ladies Aid of Grace Lutheran Church, Watertown, S. Dak., and 32 other members, urging legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

926. Also, petition of Mrs. Thomas Ostrem, Centerville, S. Dak., and 16 others, urging the enactment of legislation which would prohibit advertising liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

927. Also, petition of Mrs. Claude C. Davison and 28 other members of the Bethany Lutheran Congregation, Howard, S. Dak., urging enactment of legislation to prohibit advertising liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

928. Also, petition of Mrs. B. L. Ness, president of St. John's Ladies Aid, Bruce, S. Dak., and 15 other members, urging the enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Commitee on Interstate and Foreign Commerce.

929. By Mr. REED of Illinois: Petition of Ralph H. Wilson, of Joliet, Ill., and 17 others, protesting the enactment of House Joint Resolution 229, joint resolution proposing an amendment to the Constitution of the United States with respect to religious freedom; to the Committee on the Judiciary.

930. By Mr. BRADLEY: Petition of 477 residents of the Eighteenth Congressional District of California, urging that the excise tax on cosmetics, leather goods, and jewelry be repealed; to the Committee on Ways and Means.

931. By the SPEAKER: Petition of Miss Emma MacKay, Boynton Beach, Fla., petitioning consideration of her resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

932. Also, petition of Coconut Grove Townsend Club, No. 1, Coconut Grove, Fla., petitioning consideration of their resolution with reference to signing of Discharge Petition No. 7, relative to the Townsend plan; to the Committee on Ways and Means.

933. Also, petition of Mrs. Frances B. Turner, Miami, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

934. Also, petition of Oliver A. Hays, Orlando, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

935. Also, petition of Rev. J. A. Logan, Geneva, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

936. Also, petition of Henry A. Morris, Houston, Tex., and others, petitioning consideration of their resolution with reference to protesting the abolition of the right of the RFC to purchase secondary GI mortgages; to the Committee on Banking and Currency.

937. Also, petition of the City Commissioners of the City of West Palm Beach, Fla., petitioning consideration of their resolution with reference to the recent flood conditions in the Everglades of Florida; to the Committee on Appropriations.

938. Also, petition of J. C. Warlick and various citizens of the State of North Carolina, petitioning consideration of their resolution with reference to request for amendment of the Social Security Act; to the Committee on Ways and Means.

939. Also, petition of members of Local 165, United Packinghouse Workers of America, CIO, petitioning consideration of their resolution with reference to requested lower prices; to the Committee on Banking and Currency.

SENATE

TUESDAY, DECEMBER 16, 1947

(Legislative day of Thursday, December 4, 1947)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Peter Marshall, D. D., offered the following prayer:

Lord Jesus, in the hush of this moment, we pray that Thy tender Spirit may steal into our hearts and reveal to us how near and how dear Thou art.

There are times when Thou art not real to us, and we know why. It is not because Thou hast withdrawn from us, but because we have wandered away from Thee; not because Thou art not speaking, but because we are not listening; not because Thy love for us has cooled, but because we have fallen in love with things instead of persons.

O Lord, melt the coldness of our hearts that we may again fall in love with Thee who didst love us. Amen.

THE JOURNAL

On request of Mr. WHITE, and by unanimous consent, the reading of the Journal of the proceedings of Monday, December 15, 1947, was dispensed with, and the Journal was approved.

ENROLLED BILL SIGNED DURING RECESS

Under authority of the order of the Senate of the 15th instant,

The PRESIDENT pro tempore announced that on today he signed the enrolled bill (S. 1774) to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries, which had previously been signed by the Speaker of the House of Representatives.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, December 16, 1947, he presented to the President of the United States the enrolled bill (S. 1774) to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, anounced that the House had agreed to the amendment of the Senate to the bill (H. R. 4627) to authorize an appropriation for the immediate relief of the Navajo and Hopi Indians, and for other purposes.

The message also announced that the House had passed a bill (H. R. 4651) to authorize the reinstatement of lapsed 5-year level-premium-term national-service life insurance on a comparative health basis until December 31, 1948, in which it requested the concurrence of the Senate.

TWO ADDITIONAL ASSISTANT SECRETARIES OF AGRICULTURE

The PRESIDENT pro tempore laid before the Senate a letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to establish two additional offices of Assistant Secretaries of Agriculture, and for other purposes, which, with an accompanying paper, was referred to the Committee on Agriculture and Forestry.

PETITION

The PRESIDENT pro tempore laid before the Senate the petition of John C. Burt, of New York City, N. Y., praying for the restoration of his civil rights, which was referred to the Committee on the Judiciary.

PROHIBITION OF LIQUOR ADVERTISING—PETITION

Mr. CAPPER. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in

the RECORD a petition signed by sundry citizens of Belcit, Kans., praying for the enactment of Senate bill 265, to prohibit the transportation of liquor advertising in interstate commerce, introduced by me.

There being no objection, the petition was received, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

PETITION

To Our Senators and Representatives in Congress:

We respectfully request that you use your influence and vote for the passage of S. 265, a bill to prohibit the transportation of alcoholic-beverage advertising in interstate commerce and broadcasting of alcoholic-beverage advertising over the radio. The most pernicious effect of this advertising is the constant invitation and enticement to drink. The American people spent $7,770,000,000 for alcoholic beverages in 1946, as compared with $3,700,000,000 for alcoholic beverages in 1942. During the same period there was a corresponding increase each year in crime. There is every reason why this expenditure should not be increased, but decreased. We want this Capper bill with no changes. No exemptions to beer.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

(Mr. BARKLEY introduced Senate bill 1881, to amend the Commodity Exchange Act, as amended, to grant the Secretary of Agriculture authority to regulate margin requirements with respect to speculative transactions in commodity futures on commodity exchanges, which was referred to the Committee on Agriculture and Forestry and appears under a separate heading.)

(Mr. BARKLEY also introduced Senate bill 1882, to authorize a food and feed conservation program, which was referred to the Committee on Agriculture and Forestry and appears under a separate heading.)

By Mr. MYERS:

S. 1883. A bill for the relief of G. Brinton Fagen,

S. 1884. A bill for the relief of the estate of Luke A. Treacy;

S. 1885. A bill for the relief of Gerardo Picardi; and

S. 1886. A bill for the relief of William M. Looney; to the Committee on the Judiciary.

(Mr. HATCH introduced Senate bill 1887, to amend section 5 of the act of July 19, 1940, to prohibit the receipt by any person from any contractor with the United States, during the period of his performance under the contract, of any contribution for a political purpose or use, which was referred to the Committee on Rules and Administration and appears under a separate heading.)

(Mr. BARKLEY introduced Senate bill 1888, to provide for the temporary control of prices on certain vital commodities in short supply that basically affect the cost of living or agricultural or industrial production, and for other purposes, which was referred to the Committee on Banking and Currency and appears under a separate heading.)

(Mr. BARKLEY introduced Senate Joint Resolution 168, to authorize Commodity Credit Corporation to promote the production of foods, agricultural commodities, and products thereof, in non-European foreign countries, which was referred to the Committee on Banking and Currency and appears under a separate heading.)

PROPOSED LEGISLATION RELATING TO FOOD AND FOOD PRODUCTS

Mr. BARKLEY. Mr. President, I ask unanimous consent to introduce a joint resolution and two bills which I shall merely describe by calling attention to their purposes.

The joint resolution is to authorize the Commodity Credit Corporation to promote the production of foods, agricultural commodities, and products thereof, in non-European foreign countries.

I presume the joint resolution will go to the Committee on Banking and Currency as it deals with the Commodity Credit Corporation.

The first bill is to amend the Commodity Exchange Act by authorizing the Secretary of Agriculture to regulate certain matters pertaining to commodity margins in the purchase and sale of commodities on commodity exchanges and authorizing him to fix margins with respect to the purchase and sale of such commodities.

The second bill provides for the establishment of food- and feed-conservation programs in the United States. I presume that the bills will go to the Committee on Agriculture and Forestry, but I ask that they be appropriately referred.

The PRESIDENT pro tempore. Without objection, the joint resolution and bills introduced by the Senator from Kentucky will be received and appropriately referred.

There being no objection, the joint resolution and bills were received, severally read twice by their titles, and referred, as follows:

S. J. Res. 168. Joint resolution to authorize Commodity Credit Corporation to promote the production of foods, agricultural commodities, and products thereof, in non-European foreign countries; to the Committee on Banking and Currency.

S. 1881. A bill to amend the Commodity Exchange Act, as amended, to grant the Secretary of Agriculture authority to regulate margin requirements with respect to speculative transactions in commodity futures on commodity exchanges; and

S. 1882. A bill to authorize a food and feed conservation program; to the Committee on Agriculture and Forestry.

AMENDMENT OF ACT RELATING TO PERNICIOUS POLITICAL ACTIVITIES

Mr. HATCH. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to amend section 5 of the act of July 19, 1940, to prohibit the receipt by any person from any contractor with the United States, during the period of his performance under the contract, of any contribution for a political purpose or use.

There being no objection, the bill (S. 1887) to amend section 5 of the act of July 19, 1940, to prohibit the receipt by any person from any contractor with the United States, during the period of his performance under the contract, of any contribution for a political purpose or use, was received, read twice by its title, and referred to the Committee on Rules and Administration.

Mr. HATCH. Mr. President, I ask unanimous consent to be permitted to make a brief statement in connection with the introduction of the bill.

The PRESIDENT pro tempore. Without objection, the Senator from New Mexico may proceed.

Mr. HATCH. The particular bill I have just introduced is to amend an act entitled "An act to prevent pernicious political activities." One section of that act, Mr. President, made it a crime for any person having a contract with the Federal Government to make a contribution to any political party or for any political purpose during the progress of the contract. It also made it subject to a penalty for any person to solicit any such contribution. For some reason, which I cannot now recall, there was left out of the act the words "or receive." Certainly, Mr. President, if it is wrong to make a contribution or to solicit such a contribution in the situation referred to, it would be wrong for a person to receive it. Therefore, the amendment I now propose corrects that omission. It merely adds to the existing law the words "to receive."

HOUSE BILL REFERRED

The bill (H. R. 4651) to authorize the reinstatement of lapsed 5-year level-premium-term national-service life insurance on a comparative health basis until December 31, 1948, was read twice by its title and referred to the Committee on Finance.

INVESTIGATION OF DISTILLING INDUSTRY SHUT-DOWN

Mr. LANGER. Mr. President, I ask unanimous consent to submit for appropriate reference a resolution to investigate the present shut-down in the distilling industry.

There being no objection, the resolution (S. Res. 175), submitted by Mr. LANGER, was received and referred to the Committee on Banking and Currency, as follows:

Resolved, That the appropriate committee of the United States Senate or a subcommittee thereof be empowered to investigate (1) the present shut-down in the distilling industry, and (2) proposals for continuing such shut-down, and to report to the Senate:

1. Whether or not such shut-down and/or its continuance has resulted or will result in unjust enrichment to certain individuals or companies at the expense of the public.

2. To what extent the shut-down and/or its continuance has resulted or will result in promoting monopoly and raising consumer prices by cartelizing the distilling industry by the continued artificial allocation of grain.

3. Whether or not such shut-down has resulted in any saving of grain for human or animal consumption.

4. Whether or not such shut-down and/or its continuance has resulted or will result in placing American industries at a competitive disadvantage as against similar industries in other countries in view of (a) the continued operation of distilleries while American distilleries are shut down; (b) the unrestricted purchase of American grain shipped to Canada for such purpose; (c) the reduction in tariff on Canadian liquor made in whole or in part from American grain denied to American distilleries; (d) the comparative requirements of American as compared to Canadian whisky-labeling regulations.

5. Whether or not American grain shipped to Europe is being used directly or indirectly for making whisky by European distilleries.

6. How much of the grain being requested by European nations in front of and behind the iron curtain will be used directly or indirectly for distilling purposes rather than to feed human beings.

INVESTIGATION OF LEGALITY OF EXPENDITURES MADE BY BUREAU OF RECLAMATION

Mr. DOWNEY submitted the following resolution (S. Res. 176), which was referred to the Committee on Expenditures in the Executive Departments:

Resolved, That the Committee on Expenditures in the Executive Departments, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation with a view to ascertaining (1) whether expenditures of public funds have been made by the Bureau of Reclamation, or by any officer or employee thereof, in violation of the provisions of section 6 of the act of July 11, 1919 (41 Stat. 68); (2) the extent to which employees of the Bureau of Reclamation and the Department of the Interior have been guilty of issuing false and misleading statements for the purpose of influencing Congress with respect to pending legislation; and (3) whether employees of the Bureau of Reclamation have been guilty of the misuse of public funds for purposes of propaganda and publicity. The committee shall report to the Senate at the earliest practicable date the results of its study and investigation together with such recommendations as it may deem desirable.

SEC. 2. For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to employ upon a temporary basis such technical, clerical, and other assistants as it deems advisable. The expenses of the committee under this resolution, which shall not exceed $, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

THE ROLE OF THE UNITED STATES IN ECONOMIC AFFAIRS—ADDRESS BY SENATOR HAWKES

[Mr. HAWKES asked and obtained leave to have printed in the RECORD an address entitled "The Role of the United States in Economic Affairs," delivered by him at the sixty-second annual dinner of the American Tariff League, October 17, 1947, which appears in the Appendix.]

UNIVERSAL MILITARY TRAINING—EXCERPTS FROM ADDRESS BY ROBERT M. HUTCHINS

[Mr. CAPPER asked and obtained leave to have printed in the RECORD excerpts from an address on universal military training delivered by Robert M. Hutchins, chancelor of the University of Chicago, before the National Council for the Prevention of War, December 14, 1947, which appear in the Appendix.]

GRAIN EXCHANGE "GAMBLING"—LETTER FROM C. M. YAGER AND EDITORIAL FROM MODERN MILLER AND BAKERS NEWS

[Mr. BROOKS asked and obtained leave to have printed in the RECORD a letter from C. M. Yager and an editorial entitled "Grain Exchange 'Gambling,'" from the Modern Miller and Bakers News, for December 13, 1947, which appear in the Appendix.]

SURVEY OF EFFORTS TO CONSUMMATE THE IDEAL OF HEMISPHERIC DEFENSE

Mr. THOMAS of Utah. Mr. President, on Monday, December 8, the Senate of the United States, with but a single vote in opposition, gave assent to a treaty providing for hemispheric defense, thus fulfilling in formal document a century-and-a-quarter-old pronouncement of Thomas Jefferson: "Make our hemisphere one of freedom. An attack on one is an attack on the whole." These words have, for several years, been inscribed on the Thomas Jefferson Memorial in Washington, D. C.

Mr. President, because of illness, I was not able to be present in the Senate on that day. I, therefore, deem it now not out of place to ask unanimous consent to have inserted in the body of the RECORD as part of my remarks what might be termed a historical survey of the efforts of the great statesmen of the Americas to consummate this ideal which has been borne in the hearts of so many of them and been so often expressed throughout our history to such an extent that it was not difficult to weave the American theory for peace and defense out of this one story.

To those who have assumed that the United States has had no foreign policy a mere reading will display their lack of information. America has, at all times and under all circumstances and under varied leadership, responded unitedly to the hopes and aspiration and the dreams of those among our founding fathers who saw in the establishment of the United States the political techniques and governmental devices that would create the means toward attaining liberty and freedom for man and dignity and independence for the state, tempered only by the state's duty to a community of states or the sisterhood of nations.

Treaties, of course, have not guaranteed peace; neither have boundaries; neither have any of the devices or techniques of government. But there never can be peace unless men and governments are taught to keep their promises, to live and let live, and to develop a spirit which at all times insists that agreements must be met.

Mr. President, it would not be right to detain the Senate with a historical recital. I, therefore, ask unanimous consent to have it inserted in the body of the RECORD as a part of my remarks.

There being no objection, the statement prepared by Mr. THOMAS of Utah was ordered to be printed in the RECORD, as follows:

On the walls of the Jefferson Memorial in our National Capital are inscribed the words: "Make our hemisphere one of freedom. An attack on one is an attack on the whole."

In these few words are embodied the philosophy of Thomas Jefferson as it applies to the position occupied by the United States and other independent countries of the Western Hemisphere in relation to Europe and the rest of the world. This philosophy can be found in the statements of Washington, Madison, Monroe, Wilson and many other eminent American statesmen and is now contained in the words of the Treaty of Continental Peace and Security signed at Rio de Janeiro and passed by the Senate with but one dissenting vote on Monday, December 8, 1947.

The foreign policy of the United States, as a leader of the Western Hemisphere since the establishment of independent republics in the Americas, has always been dominated by a single principle. This principle is based on the theory that the Western Hemisphere constitutes a separate area of international action apart from the rest of the world and particularly in relation to Europe. As a consequence of this theory, our foreign policy has kept our political contact with the Old World at a minimum. This principle is apparent in the history of our foreign relations since our inception as an independent Nation.

George Washington, with the Neutrality Proclamation of April 22, 1793, and in his famous Farewell Address, was one of the first of our statesmen to give public acknowledgment to a point of view that had already found expression in our newly founded Republic. When Washington asserted "It is our true policy to steer clear of permanent alliances with any portion of the foreign world" he was not thinking so much in terms of a policy of isolation as he was of the exclusion of foreign influence in the development of the United States.

Thomas Jefferson furthered this policy in his inaugural address in 1801 by his warning against entangling alliances. Jefferson was strongly opposed to European involvements and throughout his term as President, inaugurated a policy that strengthened American nationality and aroused a new respect for the United States.

Up to the time of the establishment of independence by the countries of Central and South America, our policy had largely been aimed at avoiding involvement in European affairs. The circumstances surrounding the revolt of the Spanish colonies marked the rounding out of this principle to include the idea that Europe should also stay out of American affairs. This aspect of our foreign policy which was the logical counterpart to the maxim of no entangling alliances was publicly announced in President James Monroe's message to Congress that has since come to be known as the Monroe Doctrine.

In advocating the recognition of the independence of the revolted Spanish colonies, Henry Clay made the following statement in the House of Representatives on May 10, 1820. "We should become the center of a system which would constitute the rallying point of human wisdom against all the despotism of the Old World."

Congress passed a resolution on January 15, 1811, to carry out the recommendation of President Madison made in a secret message to Congress on January 3, 1811. President Madison's message dealt with the Floridas and the congressional resolution "taking into view the peculiar situation of Spain, and of her American provinces" and "the influence which the destiny of the territory adjoining the southern border of the United States may have upon their security, tranquillity, and commerce," resolved that the United States could not "without serious inquietude, see any part of the said territory pass into the hands of any foreign power."

The most famous statement of this philosophy is contained in President Monroe's message to Congress on December 2, 1823:

'The American Continents, by the free and independent condition which they have assumed and maintain, are henceforth not to be considered as subjects for future colonization by any European powers.

"The political system of the allied powers is essentially different in this respect from that of America. * * * We owe it, therefore, to candor and to the amicable relations existing between the United States and those powers to declare that we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety. * * * With the governments who have declared their independence and maintained it, and whose independence we have, on great consideration and on just principles, acknowledged, we could not view any interposition for the purpose of oppressing them, or controlling in any other manner their destiny, by any European power in any other light than as the manifestation of an un-

friendly disposition toward the United States."

Simon Bolivar, the South American revolutionary hero, in his invitation to the Congress of Panama issued at Lima on December 7, 1824, to the Governments of Colombia, Mexico, Central America, Buenos Aires, Chile, and Brazil, proposed an assembly of plenipotentiaries that would act as a council in great conflicts, to be appealed to in case of common danger, and be a faithful interpreter of public treaties, when difficulties should arise, and conciliate, in short, all our differences." In his instructions to the Peruvian delegates to the Congress issued by General Bolivar on May 15, 1825, he directed them as follows:

"You shall see that the proclamation which, under article 7 of these instructions, must be issued and published by the Great Congress of the Isthmus, contains such an energetic and efficient declaration as that made by the President of the United States of America in his message to Congress of last year in regard to the necessity for the European power of abandoning all ideas of further colonization on this continent, and in opposition to the principle of intervention in our domestic affairs."

The Treaty of Perpetual Union, League, and Confederation between the Republics of Colombia, Central America, Peru, and the United Mexican States, signed at Panama on July 15, 1826, stated that its object will be "to maintain in common, defensively and offensively, should occasion arise, the sovereignty and independence of all and each of the confederated powers of America against foreign subjection, and to secure to themselves from this time forward the enjoyment of unalterable peace, and to promote in this behalf better harmony and good understanding as well between the countries, citizens, and subjects, respectively, as with the other powers with which they should maintain or enter into friendly relations." Article 3 of the same treaty states:

"The contracting parties obligate and bind themselves to mutually defend themselves against every attack which shall endanger their political existence, and to employ against the enemies of the independence of all or any of them all their influence, resources, and naval and land forces, in the proportion which, according to the separate convention of equal date, each is bound to contribute to the maintenance of the common cause."

The United States and the Latin-American Republics began the joint consideration of their mutual welfare at the series of International Conferences of American States, popularly known as the Pan-American Conferences, starting at Washington in 1889. The President in calling that Congress acted in pursuance of the act of Congress of May 24, 1888, specifically requesting him to call such a conference. Historically, the most outstanding act of the first conference was its recommendation outlawing conquest. The conference had drafted an arbitration treaty and along with this treaty a recommendation was made that "the principle of conquest shall not, during the continuance of the treaty of arbitration, be recognized as admissible under the American public law." A second paragraph of the recommendation declared "that all cessions of territory made during the continuance of the treaty of arbitration shall be void if made under threats of war or in the presence of an armed force." This recommendation, adopted April 18, 1890, was in reality the beginning of the American doctrine of nonrecognition of acts contrary to treaty obligations which, when later applied to the Japanese aggression on China, became known as the Stimson doctrine.

Subsequent inter-American conferences in this series have reiterated the foregoing principle, and in later years have coupled with it another principle, that of American continental solidarity. A resolution of the Sixth Conference, held in Habana in 1928, declared that "war of aggression constitutes an international crime against the human species."

At the Third International Conference of American States held at Rio de Janeiro in 1906, Elihu Root, then Secretary of State of the United States, made the following celebrated statement disclaiming any claim of the United States to hegemony in the Western Hemisphere:

"We deem the independence and equal rights of the smallest and weakest member of the family of nations entitled to as much respect as those of the greatest empire; and we deem the observance of that respect the chief guaranty of the weak against the oppression of the strong. We neither claim nor desire any rights or privileges or powers that we do not freely concede to every American republic."

President Wilson's great pronouncement at Mobile, Ala., on October 27, 1913, gave birth to what has been later called the good-neighbor policy. At that time, he said:

"The future, ladies and gentlemen, is going to be very different for this hemisphere from the past. These states lying to the south of us, which have always been our neighbors, will now be drawn closer to us by innumerable ties, and, I hope, chief of all, by the tie of a common understanding of each other. Interest does not tie nations together; it sometimes separates them. But sympathy and understanding does unite them, and I believe that by the new route that is just about to be opened, while we physically cut two continents asunder, we spiritually unite them. It is a spiritual union which we seek.

"Do you not see now what is about to happen? These great tides which have been running along parallels of latitude, and that opening gate at the Isthmus of Panama will open the world to a commerce that she has not known before, a commerce of intelligence, of thought and sympathy between north and south. The Latin-American States, which, to their disadvantage, have been off the main lines, will now be on the main lines. I feel that these gentlemen honoring us with their presence today will presently find that some part, at any rate, of the center of gravity of the world has shifted.

"What these states are going to see, therefore, is an emancipation from the subordination, which has been inevitable, to foreign enterprise and an assertion of the splendid character which, in spite of these difficulties, they have again and again been able to demonstrate. The dignity, the courage, the self-possession, the self-respect of the Latin-American States, their achievements in the face of all these adverse circumstances, deserve nothing but the admiration and applause of the world. In the future they will draw closer and closer to us because of circumstances of which I wish to speak with moderation and, I hope, without indiscretion.

"We must prove ourselves their friends and champions upon terms of equality and honor. You cannot be friends upon any other terms than upon the terms of honor. We must show ourselves friends by comprehending their interest whether it squares with our own interest or not. It is a very perilous thing to determine the foreign policy of a nation in the terms of material interest. It not only is unfair to those with whom you are dealing, but it is degrading as regards your own actions.

"Comprehension must be the soil in which shall grow all the fruits of friendship, and there is a reason and a compulsion lying behind all this which is dearer than anything else to the thoughtful men of America. I mean the development of constitutional liberty in the world. Human rights, national integrity, and opportunity as against material interests—that, ladies and gentlemen, is the issue which we now have to face. I want to take this occasion to say that the United States will never again seek one additional foot of territory by conquest. She will devote herself to showing that she knows how to make honorable and fruitful use of the territory she has, and she must regard it as one of the duties of friendship to see that from no quarter are material interests made superior to human liberty and national opportunity. I say this, not with a single thought that anyone will gainsay it, but merely to fix in our consciousness what our real relationship with the rest of America is. It is the relationship of a family of mankind devoted to the development of true constitutional liberty. We know that that is the soil out of which the best enterprise springs. We know that this is a cause which we are making in common with our neighbors, because we have had to make it for ourselves.

"Reference has been made here today to some of the national problems which confront us as a nation. What is at the heart of all our national problems? It is that we have seen the hand of material interest sometimes about to close upon our dearest rights and possessions. We have seen material interests threaten constitutional freedom in the United States. Therefore, we will now know how to sympathize with those in the rest of America who have to contend with such powers, not only within their borders but from outside their borders also.

"I know what the response of the thought and heart of America will be to the program I have outlined, because America was created to realize a program like that. This is not America because it is rich. This is not America because it has set up for a great population great opportunities of material prosperity. America is a name which sounds in the ears of men everywhere as a synonym with individual opportunity because a synonym of individual liberty. I would rather belong to a poor nation that was free than to a rich nation that had ceased to be in love with liberty. But we shall not be poor if we love liberty, because the nation that loves liberty truly sets every man free to do his best and be his best, and that means the release of all the splendid energies of a great people who think for themselves. A nation of employees cannot be free any more than a nation of employers can be.

"In emphasizing the points which must unite us in sympathy and in spiritual interest with the Latin American peoples we are only emphasizing the points of our own life, and we should prove ourselves untrue to our own traditions if we proved ourselves untrue friends to them. Do not think, therefore, gentlemen, that the questions of the day are mere questions of policy and diplomacy. They are shot through with the principles of life. We dare not turn from the principle that morality and not expediency is the thing that must guide us and that we will never condone iniquity because it is most convenient to do so. It seems to me that this is a day of infinite hope, of confidence in a future greater than the past has been, for I am fain to believe that in spite of all the things that we wish to correct the nineteenth century that now lies behind us has brought us a long stage toward the time when, slowly ascending the tedious climb that leads to the final uplands, we shall get our ultimate view of the duties of mankind. We have breasted a considerable part of that climb and shall presently—it may be a generation or two—come out upon those great heights where there shines unobstructed the light of the justice of God."

Again, on December 7, 1915, President Wilson said in an address to Congress:

"The States of America are not hostile rivals but cooperating friends, and their growing sense of community of interest, alike in matters political and in matters economic, is likely to give them a new significance as factors in international affairs and in the political history of the world. It presents

them as in a very deep and true sense a unit in world affairs, spiritual partners, standing together because thinking together, quick with common sympathies and common ideals. Separated, they are subject to all the cross currents of the confused politics of a world of hostile rivalries; united in spirit and purpose, they cannot be disappointed of their peaceful destiny. This is pan-Americanism. It has none of the spirit of empire in it. It is the embodiment, the effectual embodiment, of the spirit of law and independence and liberty and mutual service."

The Covenant of the League of Nations specifically recognized regional understandings like the Monroe Doctrine. Article 21 of the Covenant reads as follows:

"Nothing in this Covenant shall be deemed to affect the validity of international engagements, such as treaties of arbitration or regional understandings like the Monroe Doctrine, for securing the maintenance of peace."

In the report of the Senate Foreign Relations Committee of January 15, 1929, recommending ratification of the Kellogg Pact, it is specifically stated that "the United States regards the Monroe Doctrine as a part of its national security and defense."

Following the conclusion of the Chaco War between Bolivia and Paraguay, President Franklin D Roosevelt, on January 30, 1936, proposed the convening of an extraordinary Inter-American Conference at Buenos Aires.

In his circular letter of January 30, 1936, proposing the conference, President Roosevelt expressed the conviction that "the moment has now arrived when the American Republics, through their designated representatives seated at a common council table, should seize this altogether favorable opportunity to consider their joint responsibility and their common need of rendering less likely in the future the outbreak or the continuation of hostilities between them, and by so doing, serve in an eminently practical manner the cause of permanent peace on this Western Continent." He added: "These steps, furthermore, would advance the cause of world peace, inasmuch as the agreements which might be reached would supplement and reinforce the efforts of the League of Nations and of all other existing or future peace agencies in seeking to prevent war." (International Conferences of American States, First Supplement, 1933-40, pp. 129-130.)

The conference was held December 1-23, 1936. It adopted, among others, a Declaration of Principles of Inter-American Solidarity and Cooperation (p. 160) which proscribed territorial conquest and intervention by one state in the affairs of another. It also adopted a Convention for the Maintenance, Preservation, and Reestablishment of Peace (p. 138) which provided for consultation in the event that the peace of the American Republics is menaced from within or without.

(5) At the Eighth International Conference of American States held at Lima, December 9-27, 1938, a declaration was adopted to improve the procedure of consultation established by the preceding conference.

(6) The Ministers of Foreign Affairs of the American Republics have met for consultation under the inter-American agreements of Buenos Aires and Lima on several occasions.

(a) Following the outbreak of the war in Europe on September 1, 1939, they met at Panama, September 23-October 3. Among other acts, they adopted a Joint Declaration of Continental Solidarity, a General Declaration of Neutrality of the American Republics, and a Declaration of Panama in which "as a measure of continental self-protection" it was declared that the American Republics are as of inherent right entitled to insist that the waters adjacent to the American Continent remain free from the commission of any hostile act by any non-American belligerent nation. The Declaration delimited the so-called neutrality zone which extended around the American continents for a distance varying from 300 to 1,400 miles. They agreed to consult together to determine the measures to be taken individually or collectively to secure the observance of the provisions of this Declaration (International Conferences of American States, 1st supp., 1933-40, pp. 334-336).

(b) A second meeting of the Ministers of Foreign Affairs of the American Republics was held at Habana, Cuba, July 21-30, 1940, to consider, among other things, measures for the protection of the peace of the Western Hemisphere. In a Declaration on Reciprocal Assistance and Cooperation for the Defense of the Nations of the Americas (p. 360), the second meeting declared, "that any attempt on the part of a non-American state against the integrity or inviolability of the territory, the sovereignty or the political independence of an American state shall be considered as an act of aggression against the states which sign this Declaration." The second meeting also adopted a convention which declared "That any transfer, or attempted transfer, of the sovereignty, jurisdiction, possession, or any interest in or control over any such region to another non-American state, would be regarded by the American Republics as against American sentiments and principles and the rights of American states to maintain their security and political independence." (Pp. 373-374.) The treaty further provided that no such transfer would be recognized or accepted by the American Republics and stipulations were agreed upon for the provisional administration of Eruopean colonies and possessions in America in case of any such transfer or attempted transfer.

Following this meeting, the United States Congress, on April 10, 1941, adopted a joint resolution reading as follows:

"1. That the United States would not recognize any transfer, and would not acquiesce in any attempt to transfer, any geographic region of this hemisphere from one non-American power to another non-American power; and

"2. That if such transfer or attempt to transfer should appear likely, the United States shall, in addition to other measures, immediately consult with the other American Republics to determine upon the steps which should be taken to safeguard their common interests."

(c) The third meeting of the Ministers of Foreign Affairs of American Republics was held at Rio de Janeiro, January 15-28, 1942. The action of this meeting dealt largely with continental problems following the attack on Pearl Harbor and the entry of the United States into the war as a belligerent. The meeting reaffirmed previous declarations that any act of aggression by a non-American state against one of them was an act of aggression against all of them, and their complete solidarity and determination to cooperate jointly for mutual protection. A resolution recommended that the American Republics break off diplomatic relations with Japan, Germany, and Italy. (American Journal of International Law, supplement, vol. 36 (1942), p. 61.)

(7) (a) Following the publication of the Dumbarton Oaks proposals for the establishment of an international organization and prior to the convening of the United Nations Conference on International Organization at San Francisco, an Inter-American Conference on Problems of War and Peace was held in Mexico City in February and March 1945. The most important act of that Conference is what is known as the Act of Chapultepec, approved March 6, 1945. Its full title is "Reciprocal Assistance and American Solidarity." This act summarized the principles agreed upon at American international conferences since 1890. It reiterated the previous declaration "that every attack of a state against the integrity or the inviolability of the territory or against the sovereignty or political independence of an American state shall be considered as an act of aggression against the other states which sign this act." It added a definition of flagrant acts of aggression, that is, "Any invasion by armed forces of one state into the territory of another, trespassing boundaries established by treaty and demarcated in accordance therewith." It also repeated the provision that in case of acts of aggression or belief that such an act is about to be committed the signatories should consult together.

The history of the Rio Treaty from this point on is too well known to be repeated here. It can be seen, however, from the sources quoted that the provisions of this treaty embody the principles that have been followed by our own country since our establishment as an independent nation.

UNITED STATES INFORMATION PROGRAM OVERSEAS

Mr. WILEY. Mr. President, on December 4 last I submitted four suggestions of ways and means adequately publicizing America abroad. I am glad to say that there was very widespread interest in my suggestions. Following up on them on December 10, I wrote a letter to Secretary of State Marshall describing my thoughts in somewhat greater detail and presenting certain specific proposals on which I sought his reactions and the reactions of other Government agencies. Because of the widespread interest in this subject, I ask unanimous consent that there be printed in the RECORD the text of my letter to General Marshall.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
December 10, 1947.

Gen. GEORGE C. MARSHALL,
Secretary of State,
Washington, D. C.

MY DEAR GENERAL MARSHALL: Knowing, of course, of your deep interest in bringing about an adequate United States information program overseas through a Voice of America, I am writing to you to respectfully submit some specific proposals which I made in the Senate along this line on December 4. These proposals might, of course, and undoubtedly will, if only in part, be incorporated in the ultimate Voice of America program. I have, however, not seen any mention recently of these specific features and/or practical plans for bringing them about. What I have seen are a lot of generalities about bringing to the attention of foreign peoples the truth about America through the medium of adequate publicity.

I know, however, that you are interested in any concrete plans and devices by which we can sell America to Europe rather than to have America sold short. I believe that there will be substantial agreement on the general proposal of adequate United States publicity of the right sort, but where we will fall down and where we have fallen down, I believe, is on the matter of executing our plans, concretely and, very important, economically.

As I see it, the major pitfalls we should avoid are:

1. The building up of a vast bureaucracy for alleged information purposes whereas a relatively small but adequate amount of personnel might be able to do the job in collaboration with private news-gathering and news-disseminating sources.

2. The wasteful squandering of a vast amount of money for information purposes

simply because our foreign aid involves billions of dollars.

3. The dissemination of partisan type United States Government propaganda, in which the truth might be distorted by the particular political philosophies of Government officials.

On the occasion of my address in the Senate on December 4, the following were my four suggestions:

1. Air delivery to key cities and keymen in Europe of the latest issues of the big cosmopolitan dailies of America. (At present only issues many weeks old—"museum pieces"—can be secured.)

2. Dissemination of news about America through newspapers published in Europe, for example, through a regular American half page or full page in those foreign papers.

3. Air delivery and distribution of the great magazines of American.

4. Word-of-mouth circulation of the truth about America by Americans visiting in Europe.

Of course, items 1 and 3 are very similar, although the distribution problem for newspapers and magazines varies in some essentials.

It is, however, on point 1 that I want principally to confine these comments. I ask your kind indulgence in reviewing these somewhat lengthy thoughts.

In the Senate I asked the question: What is the single best organ of publicity about America overseas? My answer was: The daily newspaper. Not only are foreigners interested in general news about America but they would, of course, be particularly interested in the news about happenings in our land concerning groups of related national origins, as reported in our great dailies, whether they be the New York Times, the New York Herald Tribune, the Milwaukee Journal, or other papers.

The following, then, are proposals which have been submitted to me, on which I would like to get your reactions. I do not endorse these proposals (a) because I have not had the opportunity to study them in full, (b) because they are complex, and (c) because they involve both many private sources and numerous Government agencies—the Civil Aeronautics Board, the Post Office Department, the Commerce Department—as well as your own Department, from whom I am seeking to get well-qualified reactions.

1. The possibility of a United States Government subsidy of the shipment of United States periodicals abroad by air. (Obviously, it would be impossible to ship now, let us say, a 72-page issue of an American newspaper by air, for the cost would be prohibitive at present mailing rates in mass quantities.)

2. The possibility of suspending or reducing the United States tariff restrictions on the movement here of foreign periodicals. We would not, of course, allow the entry of any printed matter advocating the overthrow of our Government.

3. An amendment to all future foreign-aid legislation requiring that countries receiving the benefit of United States aid similarly suspend their tariff and other restrictions on the importation of United States printed matter. Freedom of port must be assured or else the air shipments will be made a farce by interminable customs delay.

4. The submittal by the United States to the International Postal Union of proposals for cooperation among all the nations for the free entry of air-borne periodicals.

5. Arrangement with foreign countries so that present exchange restrictions of those countries (preventing the shipments of dollars abroad for the purposes of payment for printed matter) be suspended. (Of course, I well recognize the financial plight of many of these countries, and this may seem to some to be requesting preferential treatment for the publishing industry. Nevertheless, I believe that, if the free flow of newspapers and magazines is cut because of restrictions on exchange, foreign peoples will not be able to get the benefit of frank United States reactions to the world situation. These foreign peoples may thus be misled as to the United States position on international affairs.)

6. Arrangement for interlibrary loans of United States books overseas, particularly from our Library of Congress, wherever possible and appropriate.

7. Cooperation with the leading private individuals and organizations who are vitally concerned with selling the American idea. I have in mind such groups as the American Newspaper Publishers Association, the Associated Press, United Press, International News Service, and similar services, the National Association of Magazine Publishers, American Book Publishers' Council, etc., to handle both common problems of newspapers, magazines, and books, and problems unique to each medium.

8. Cooperation with the United Nations Educational, Scientific, and Cultural Organization along the above lines.

The big problem, as I see it here, is to stimulate our private groups insofar as possible so as to tap our private American genius, at the same time that Government handles those aspects of the news-distribution problem which it alone can handle.

You know, of course, of the magnificent service which has been rendered to international understanding by both American newspapers and by foreign editions of American periodicals and American books. We have not, however, done anything but skim this market from any standpoint. The world is hungry for news about America and by America, as you know.

I believe that merely continuing our previous foreign publicity efforts abroad will not serve our present purposes nor our future needs. We are in a tremendous battle of ideas with a totalitarian power which is a past master at propaganda art. We need new devices, new media, new approaches to our overseas information program.

I do not believe, of course, that we can afford to squander or dissipate our money in this or any other program, but I do believe that we can invest it in ways best calculated to insure maximum returns for the American taxpayer. I do not believe either that we should try to substitute the propaganda of our Government for the propaganda of the Russian Government. On the contrary, I believe that America's great press wire services, her leading magazines, and similar institutions can do a magnificent job for us without involving us in the possibilities of a Government "propaganda mill" with a partisan approach.

I submit these thoughts to you for whatever value they may have. I sincerely seek your frank reactions, although I do not ask specific answers to any of these subjects because your responsibilities are, of course, tremendous during chaotic postwar conditions. Please be assured of my highest esteem in your vast endeavors.

Sincerely yours,

ALEXANDER WILEY.

LEAVES OF ABSENCE

Mr. LUCAS asked and obtained consent to be excused from attending the sessions of the Senate during the remainder of this week.

Mr. GEORGE. Mr. President, I am advised by the majority leader that the Senate will probably not be in session tomorrow. I therefore take this occasion to submit a unanimous-consent request for leave of absence from the Senate on account of illness in my immediate family until the 6th of January, beginning with tomorrow at noon.

Mr. WHITE. Mr. President, I should like to say a word. A while back I did express the opinion that the Senate will not be in session tomorrow. I would not wish the Senator from Georgia to place too much reliance upon that statement of mine. There are uncertainties respecting the situation in the Senate. There is an effort to reach adjournment during the week and one cannot be sure what will come before the Senate. I simply wish to speak that word of caution.

Mr. GEORGE. Mr. President, I modify my request and ask unanimous consent for leave of absence beginning at the conclusion of tomorrow's business.

The PRESIDENT pro tempore. Without objection, the order is made.

SECTIONAL DISCRIMINATION BY A GOVERNMENTAL AGENCY

Mr. HAWKES. Mr. President, I have received a letter from Mr. Edwin J. MacEwan, executive vice president of the Paterson Chamber of Commerce, Paterson, N. J., in which he raises a question which I feel should be brought to the attention of the Senate. Apparently, some of our Government agencies are entering into the sphere of high-powered salesmanship on a sectional basis. They are trying to induce the people of one section of the country to move to other sections, claiming that the West offers greater opportunities for profitable expansion than the East or any other section of the country. If they were in private business I should have no objection to their solicitations, but it certainly is not within the province of government as I have known it to become partisan in favor of any State or any section of the Nation. The people have always been permitted as free people to choose the place, State or section of the Nation in which they wish to live and work.

I desire to read Mr. MacEwan's letter because I am certain every Senator is interested in protecting and preserving the rights and opportunities of the citizens of their individual States, allowing those citizens to choose for themselves where they wish to live and where they wish to work and develop business.

Mr. MacEwan's letter is dated December 5, 1947, and reads as follows:

MR. ROBERT M. LITTLEJOHN,
Administrator, War Assets Administration, Railroad Retirement Building, Washington, D. C.

DEAR MR. LITTLEJOHN: Within the last few days a brochure has come to my attention which was addressed to this office and which apparently has been issued by the Office of the Zone Administrator, 1182 Market Street, San Francisco, Calif. It is dated November 1947, and is entitled "Go West for Profitable Expansion."

We in the Paterson Chamber of Commerce are definitely opposed to this sort of propaganda emanating from a Government agency. We do not take exception to the attempt on the part of the War Assets Administration to dispose of any and all plants for which it may be responsible. We do object strenuously, however, to the phrase "Go West for Profitable Expansion," just as we would object to the phrase "Go South, or North, or East."

The section of the country where profitable expansion may take place is a matter of personal opinion and in our opinion no Government agency nor any Government official

has any right to hold up one section of the country against another section. As a matter of fact, inasmuch as the bulk of our Nation's population and the bulk of our Nation's taxpayers are located in the eastern part of the United States, it seems rather paradoxical that the money spent to build war plants in the far West, and which in a major part came from the eastern taxpayer, should now be used as a basis for attempting to raid the East in order to peddle the western plants.

Whether or not expansion in the West is profitable depends entirely on the economics of the industry, and for any Government official to imply that one may have profitable expansion by going west is, in my opinion, taking liberties far beyond the prerogatives of a Government bureau employee.

Most of these plants were built during the war regardless of the normal peacetime economics, for the purpose of scattering these establishments in the case of an attack by the enemy, without regard for availability of employees or any of the normal standards used in determining plant location in peacetime. Many industries could not operate profitably in some sections of the country regardless of how cheaply they might purchase or lease industrial space. Proximity to market, skill and productivity of employees and other human and economical factors more than offset inexpensively acquired real property.

It might be far less expensive to the American taxpayer if some of these plants were forgotten and charged off to the expense of carrying on war which we hope will not be repeated.

Sincerely yours,

EDWIN J. MACEWAN,
Executive Vice President.

Mr. President, I have written a letter to the Acting Administrator of the War Assets Administration, Mr. Jess Larson, bringing this matter to his attention and asking that he advise me if, in his opinion, it is proper for any agency of the Government, or administrator thereof, to solicit the people in any section of the Nation to go to some other section for profitable expansion. It seems to me if the time ever comes when such action is necessary and, therefore, proper, then the decision should be one for the Congress of the United States to make.

I assure the Senate I have a great respect for the West, and will say that some members of my family live in California, so my statement should not be construed as being opposed to any section of the country. but rather as questioning the wisdom of such a solicitation as the one contained in Mr. MacEwan's letter.

Great harm could come from ill-advised solicitation of this kind because if people moved from one section to another on Government advice and found that the opportunities which they were led to believe existed did not in fact exist, they might have just grounds for criticizing any agency of the Government or the Government itself for permitting such solicitation before the governing body of the people—the Congress—determined that it was right.

I am not advocating that the people remain in any particular part of the Nation, or any particular State, but as one of the Senators from New Jersey, I am saying that the people of New Jersey feel that New Jersey offers as great an opportunity for development in business and industry as any other State in the Union, and that it has by no means reached the limits for profitable expansion. If the Government is going to do advertising such as that imputed to the War Assets Administrator by Mr. MacEwan, then I should like to be certain that New Jersey receives its share of honorable mention.

ADJOURNMENT OF THE LONDON MEETING OF THE FOREIGN MINISTERS

Mr. GEORGE. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial entitled "End of the Road," published in this morning's New York Herald Tribune. The editorial refers to the sine die adjournment of the Conference of Foreign Ministers.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

END OF THE ROAD

On Secretary Marshall's motion the conference of Foreign Ministers has adjourned sine die. For the first time since it was established by the Yalta Conference, early in 1945, as a continuing medium of great-power consultation, it has risen from a total deadlock without setting any date for a resumption of its discussions. We have thus reached the end of another road.

It is worth while looking back toward its beginning. It was Hitler's attack on Russia in June 1941, which forged the coalition between Soviet Russia and the democratic west. At least one purpose of the Atlantic conference (which followed in August) was to clarify the terms on which this coalition would be conducted and to state what the United States could expect in return for the heavy lend-lease contributions which she was about to make. The Soviet Union's acceptance of the Atlantic Charter, when she joined the United Nations at the beginning of 1942, seemed to make the position clear, and large quantities of lend-lease aid were subsequently extended to her.

Unfortunately, it became more and more apparent that the position was not clear. An early effort by the Roosevelt administration to secure, under the terms of the Charter, the independence of the small Baltic States ended in the air, with an appearance of success which was soon to prove illusory. The difficulties accumulated as the war progressed. The earlier conferences were primarily military in purpose, but finally at Yalta President Roosevelt realized that the political differences would have to be solved; and no one can re-read his report to Congress on that gathering without the conviction that he believed they had been solved, in a great compromise of statesmanlike proportions. "We achieved," he said, "a unity of thought and a way of getting along together," and he added at a later point that "under the agreement reached at Yalta there will be a more stable political Europe than ever before."

From the early winter of 1945 until today the effort, in essence, has been to make the Yalta agreement work. The Council of Foreign Ministers was to have been the continuing, working instrument of that agreement. It has now ended in deadlock. This means that the age of Yalta has come to an end; the agreement has proved to have been no agreement, the compromise actually compromised nothing, the basic diversity of the two great systems has proved too great to be bridged by any of the principles or diplomatic adjustments upon which Yalta relied. We are in fact confronted by two worlds. It is better to accept the fact than to play any longer with the pretenses that it does not exist.

It was on Mr. Marshall's motion that the Council broke up; but the Russians had offered no basis on which it might have been continued. It is better so. The immediate result will be to double forge the iron curtain that has already long separated the west from the Soviet systems, but at the very least that will for the first time afford us the opportunity to make the western system function on its own resources. The division of Germany will at least free us to incorporate western Germany into a viable western system; it will make many other problems easier, but it will also impose upon us a more compelling responsibility than before to see that our western system does function, to the best of its immense latent abilities, in the interests of those who live by it. One road ends. Another opens before us.

Mr. GEORGE. Mr. President, I also ask unanimous consent to have printed in the RECORD an editorial entitled "Failure at London," published in the New York Times of this morning, which is very similar in its conclusions to the editorial published in the New York Herald-Tribune.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FAILURE AT LONDON

After 3 weeks of futile debate, the London meeting of the Foreign Ministers Council has adjourned indefinitely. The Ministers' deputies are still supposed to meet today to explore the possibility of agreement on a treaty for Austria. But even in that matter it seems most unlikely that the deputies can succeed where their chiefs have failed, and unless a last-minute miracle takes place the London Conference may be considered at an end.

The failure at London is more than a failure of a conference, such as has occurred repeatedly before. This was a last-chance, show-down session, and its collapse marks also the collapse of the whole Yalta-Potsdam policy in both substance and procedure. It is a failure in substance because it has been unable to accomplish what it set out to do, namely, organize a united but disarmed, deindustrialized and decentralized Germany under four-power control as a basis for continued collaboration between Russia and the west. And it is a failure in procedure because the Foreign Ministers' Council, by giving Russia an absolute veto in all peace negotiations, has proved to be a costly blunder. It has already cost the world more than 2½ years of delay in peace, and its actual accomplishments have been so negative that even its author, Mr. Byrnes, is now willing to disown it.

Responsibility for the outcome at London has been identified correctly by Secretary Marshall. Three delegations, he declared—namely, those of the United States, Britain and France—have been able to agree and were willing to make the necessary decisions then and there. The Soviet Union alone refuses to agree. It refused to agree on a boundary commission to determine what territory the postwar Germany is to comprise—certainly a necessary preliminary to any kind of treaty. It refused to agree to stop its unilateral exploitation of Germany for its own benefit and at the expense of Germany, of the other victors, and of Europe as a whole. It even refused to provide information on this subject. On the contrary, it sought by every means to prevent or delay any kind of agreement, while it pursued its own aims by direct action in every European country where either its own troops or its Communist Fifth Columns could exert their influence. The events have amply demonstrated that these aims are nothing less than the establishment of a Russian hegemony over the whole European continent.

In these circumstances the Western Powers must now proceed with organizing peace and reconstruction as best they can. The first step in that organization must be the

political and economic unification of Germany, insofar as that is possible. That must mean, first of all, a merger of the three western occupation zones into an economic and political unit as a basis for the unification of all Germany, and the establishment of a provisional German government in the west as a foundation for an all-German Government on the federal basis agreed upon by the Western Powers. It must likewise mean the abolition of the allied military governments, which have proved to be as big failures politically and economically as the whole Potsdam system, and their transformation into purely occupational and military control authorities. Finally, it must mean the abolition of the Foreign Ministers' Council and the transfer of all future peace negotiations to what has always followed any war—a general peace conference in which all the belligerents, and not just the Big Powers, participate. That procedure is already being adopted in the case of Japan. There is no reason why it should not be followed in the case of Germany. If Russia wants to participate, well and good. If not, then the other nations will have to proceed without her. The world cannot wait for one power endlessly, or forever submit to Russian bluster and obstruction.

Mr. GEORGE. Mr. President, I think it would perhaps be too strong an expression to say, "Failure at London," because now that perhaps we have reached the end of the Potsdam program, henceforth there may be a peace conference of all the peoples of the earth who are interested in the peace, the foreign ministers having failed to make any progress in the last meeting. These two editorials call attention in a most forceful way to the two strategic or policy mistakes which we, understandingly, made. First of all, our conclusion to reduce Germany to a pastoral state. It is quite understandable why that conclusion should have been reached. It is very proper of course to destroy militarism as such, but the complete destruction of German economy was a vital mistake so far as the peace of western Europe and the world is concerned.

The second mistake which is recognized in both editorials is that we wholly misconceived the aims of Soviet Russia. Having been associated with Soviet Russia in a high military enterprise we naturally assumed that she shared somewhat our democratic ideas, at least our main objectives and purposes. Events have very clearly demonstrated that in both these conclusions we were in error, grievously in error, although our error was an understandable one.

EXECUTIVE SESSION

Mr. WHITE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

Mr. WHITE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Buck	Connally
Baldwin	Bushfield	Cooper
Ball	Butler	Cordon
Barkley	Byrd	Donnell
Bricker	Cain	Downey
Bridges	Capper	Dworshak
Brooks	Chavez	Eastland
Ecton	Lodge	Robertson, Wyo.
Ellender	Lucas	Russell
Ferguson	McCarran	Saltonstall
Flanders	McCarthy	Smith
Fulbright	McClellan	Sparkman
George	McFarland	Stennis
Green	McKellar	Stewart
Gurney	McMahon	Taft
Hatch	Magnuson	Taylor
Hawkes	Martin	Thomas, Okla.
Hayden	Maybank	Thomas, Utah
Hickenlooper	Millikin	Thye
Hill	Moore	Tobey
Hoey	Morse	Umstead
Holland	Murray	Vandenberg
Ives	Myers	Watkins
Jenner	O'Conor	White
Johnson, Colo	O'Daniel	Wiley
Johnston, S. C.	O'Mahoney	Williams
Kem	Overton	Wilson
Kilgore	Reed	Young
Knowland	Revercomb	
Langer	Robertson, Va.	

Mr. WHITE. I announce that the Senator from Maine [Mr. BREWSTER] and the Senator from Indiana [Mr. CAPEHART] are necessarily absent.

The Senator from Nevada [Mr. MALONE] is absent by leave of the Senate because of official business.

The Senator from Nebraska [Mr. WHERRY] is absent by leave of the Senate because of the death of his father, David E. Wherry.

Mr. LUCAS. I announce that the Senator from Rhode Island [Mr. MCGRATH], the Senator from Florida [Mr. PEPPER], and the Senator from Maryland [Mr. TYDINGS] are absent on public business.

The Senator from New York [Mr. WAGNER] is necessarily absent.

The PRESIDENT pro tempore. Eighty-eight Senators having answered to their names, a quorum is present.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. VANDENBERG, from the Committee on Foreign Relations:

Lt. Gen. Matthew Bunker Ridgway (brigadier general, U. S. Army), Army of the United States, to be senior United States Army member of the Military Staff Committee of the United Nations with rank of lieutenant general;

Herbert S. Bursley, of the District of Columbia, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to Honduras;

Avra M. Warren, of Maryland, now Envoy Extraordinary and Minister Plenipotentiary to New Zealand, to be Envoy Extraordinary and Minister Plenipotentiary to Finland;

Robert M. Scotten, of Michigan, to be Envoy Extraordinary and Minister Plenipotentiary to New Zealand; and

J. Russell Andrus, of California, and sundry other Foreign Service reserve officers, for promotion in the diplomatic service.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

DEPARTMENT OF LABOR

The legislative clerk read the nomination of David A. Morse to be Under Secretary of Labor.

NORTH DAKOTA AND ITS RECORD IN PEACE AND WAR

Mr. LANGER. Mr. President, some months ago I brought to the attention of the Senate the fact that more than half the members of the Cabinet at that time were residents of the State of New York. I also called attention to the fact that from the time North Dakota attained statehood, no member of the President's Cabinet had ever been appointed from that State. I brought out the fact that in 57 years no Ambassador had ever been appointed from the State of North Dakota. I also disclosed the fact that in all that period of time no first assistant to any Cabinet member had ever been appointed from the State of North Dakota.

Today I pick up the Executive Calendar and find that out of 10 nominations 3 are from the State of New York and 2 from the State of Utah. I know that Senators are sympathetic; I know they believe that every State in the Union should have a square deal; I am sure they feel that the people of every State should be treated fairly in the matter of appointments.

I call the attention of the Senate to the fact that the confirmation of the nomination of the Postmaster General yesterday was made after consideration by the Senate Committee on Civil Service. Some of us have made a determined effort to see to it that at no time in the future shall any Cabinet member, including the Postmaster General, be chairman of the national committee of any political party in the United States. I might add we went further and said we believe that postmasters should be appointed in the various towns from the rank and file of the men who had made the post-office business their career, and that the lowliest mail carrier, and the lowliest clerk, should feel that sooner or later, on the basis of merit, he might be appointed postmaster in his town.

Mr. President, I dislike very much to object to the appointment of David A. Morse, or to any other that is upon the Executive Calendar today. I certainly am not going to object to the confirmation of the appointment of Abe Murdock, of Utah. I shall vote to confirm his nomination.

Mr. President, I want to bring to the attention of the Senate once more the proud record of the State of North Dakota.

Three years ago today all America was holding its breath. The Battle of the Bulge was raging. The turning point in the war had been reached. The arsenal of democracy was undergoing its supreme test.

And now, 3 years later, democracy is being put to another test. We are called upon to make secure the peace which our armed forces so nobly won. But today the mightiest weapon in the arsenal of democracy is bread—not bullets.

Feeding the hungry people of the world is the No. 1 problem in the world today. One needs only to have listened to the debates in the Senate Chamber during the past several weeks to realize that fact. The continent of Europe is still on its knees, begging for food. Food is the foundation of the Marshall plan. Food will check the creeping paralysis of communism. And on the amount of food which this country can share with starving millions abroad may well hinge the history of the world for generations to come.

These facts are known to all of us. They have been pointed out many, many times by the Members of this body. My

own position has been that our country should send every ounce of food that can be spared for the relief of hunger and suffering in other parts of the world. We have already sent huge quantities. We can and should send more. There is not the slightest doubt in my mind that the great heart of America will answer the plea for food.

I wish at this time to invite the attention of the Senate to another aspect of the food problem.

During all the debate and newspaper comment on our aid-to-Europe program and the Marshall plan, it has seemed to me that one very important factor has been pretty largely overlooked. It is all very well to talk glibly about sending thousands upon thousands of tons of food to Europe, but I say it is time we gave a little credit to the men and women on our farms who produce the food, the men and women without whose help all the talk about feeding the hungry would be so many empty words.

As you know, Mr. President, I represent in part the great farming State of North Dakota. I want to take my hat off this afternoon to the farmers of North Dakota and to the farm people in other States for the truly magnificent job they have done in recent years in producing the food which is now so sorely needed.

One could very easily receive the impression, from reading the metropolitan newspapers here in the East, that all the food we are sending to Europe would miraculously become available by turning on a faucet, or by pressing a button some place; or one could be led to believe that these mountains of wheat were coming off the ticker tape at the Chicago Board of Trade, or that the Department of Agriculture was going to get this food out of a hat with the aid of a little Government hocus-pocus.

I wish it were as simple as that. But it is not. Every bushel of grain we send to Europe, every pound of meat, potatoes, butter, and eggs was produced on an American farm and represents the work and effort of an American farm family. I am happy, of course, that we do have food to spare. I am happy that our farmers have produced such good crops that newspaper editorial writers do not have to worry about where they are going to get the food they so freely give away. All I am asking is that they give the farmers a little credit. They should not become so absorbed in the problem of where the food is going that they completely forget where it came from.

For example, consider the ship loaded with wheat coming out of the mist in New York Harbor, bound for Europe. The history of the wheat in its hold does not begin in the harbor; it begins on a North Dakota farm. It is a part of Jim Thoreson's crop out near Valley City, N. Dak. Another part of it came from Tony Schmidt's farm near Napoleon. Bill Crockett hauled in 500 bushels to the elevator at Langdon. Another 500 bushels came out of Bill Kamrath's granary on his farm near Leith. Joe Allmares, near New Rockford, put in plenty of long hours to produce a part of it.

Mr. President, my colleague, the distinguished junior Senator from North Dakota [Mr. YOUNG] has produced thousands upon thousands of bushels of wheat upon his farm by actual hard work, and by devoting long hours to the task. What he has produced on his farm is typical of what the farmers do all over the great State of North Dakota.

These farmers and others like them on North Dakota's 70,000 farms, are the world's champions, when it comes to producing hard spring wheat. They cannot be beat.

I am proud of the record which these men and women on the farms of North Dakota have made in food production. I am proud of the contribution they have made, and are making, toward keeping thousands of men, women, and children from starving to death in Europe this winter.

And as one of the representatives of these farmers in the Senate of the United States, I am taking the floor this afternoon to call the attention of the Senate to their record, to pay tribute to their accomplishment, and to say that they have not been properly recognized in the matter of appointments by Chief Executives of the United States, both past and present.

The farmers of North Dakota produce more hard spring wheat than is produced in any other State of the Union. The farmers of North Dakota produce more durum wheat than any other State. They produce 90 percent of all the durum wheat grown in the United States.

This year we had another bumper crop. So much wheat that the elevators could not hold it all, and the railroads could not find enough boxcars to haul it. The crop exceeded 154,000,000 bushels, a total wheat production which is second only to that of the great State of Kansas.

In that connection I may say that Kansas raises soft wheat, not the fine hard spring wheat we produce in our State. When the people of Kansas want to bake good bread they add a handful of flour produced in North Dakota to the flour produced in Kansas in order to bake good bread.

The record made by the farmers of North Dakota in wheat production during the war years was even more spectacular. That record was made, incidentally, in spite of a great many obstacles. The farmers could not get help. Thousands of their sons had marched off to join the Nation's armed forces. They could not get equipment, tractors, trucks, or combines; but old men went back into the fields, even women and children pitched in, and by working long hours, patching up old equipment, and getting along as best they could, the farmers harvested an all-time record crop of approximately 162,000,000 bushels of wheat in 1944. The following year, 1945, they did even better.

One hundred and sixty-two million bushels of wheat. I wonder how many Senators have any conception of what that amount of grain represents in volume, or in the number of people for whom it will provide bread. Perhaps I can help Senators have in their minds a clearer picture of why North Dakota is known the world over as the breadbasket of the Nation.

A few weeks ago, it will be remembered, the Friendship Train started out from the west coast. As it rolled along eastward, communities along the way collected contributions of food for shipment overseas to those in need. By the time the train reached New York, it was 214 boxcars long.

Now let us suppose we decided to make up another Friendship Train with a North Dakota wheat crop of 162,000,000 bushels.

That train would be 900 miles long.

With the caboose at Fargo, N. Dak., this train would extend clear across the State of Minnesota, clear across the State of Wisconsin, through Chicago, clear across the State of Indiana, and halfway into the State of Ohio, and the engine of the 900-mile train would be chugging into the railroad yards at Columbus, Ohio.

It would be a train of 108,000 boxcars.

It would be the equivalent of 500 Friendship Trains of the size that pulled into New York the other day. And that represents only 1 year's wheat production in North Dakota.

Take another illustration. Suppose we were to put all that wheat into one big bin. We would need a bin 1 mile long, 1 mile wide, and 7½ feet deep.

If we built three more Washington monuments and used these and the old one as corner posts for our bin, it would be 555 feet high, a mile long, and 70 feet wide—filled to the brim with 1 year's crop of the finest wheat grown anywhere in the world. Our 162,000,000-bushel wheat crop would provide bread for more than 46,000,000 people for a whole year.

Argentina has been much in the news lately as a big wheat producer. And rightly so, but let me point out in passing that my State of North Dakota alone produces more wheat than the whole nation of Argentina.

In the last 8 years, since the beginning of the war, the farmers of North Dakota have poured into the world's grain bin 1,174,000,000 bushels of wheat, more than the total production of wheat in the United States in the record year of 1945.

These illustrations will give a graphic idea of the big and important part the North Dakota farmer has in the program for aiding Europe—and in helping to relieve the hunger, suffering, and misery so rampant in the world today.

Lest Senators get the idea that wheat is the only thing we produce in the land of the long furrow, let me say that until this year North Dakota led the United States in the production of flax, another crop vital to the Nation's economy. Since the war there has been a world-wide shortage of fats and vegetable oils. To help meet this need the country called upon the farmers to raise more flax. Flax is used in making linseed oil.

How the farmers of North Dakota responded to that call is told in statistics prepared by the Department of Agriculture. They almost tripled their production. The average crop between 1934 and 1943 was 4,500,000 bushels. Last year it jumped to eleven and a half million bushels. Only our neighboring

State of Minnesota exceeded that production.

North Dakota produces more barley than any other State. Until 1943 it ranked first in the production of rye. It is rapidly coming to the fore as a corn-producing State, but we must acknowledge that the farmers of Iowa and Illinois are champions in that field.

North Dakota is the Nation's largest producer of certified seed potatoes, and it ranks third among all the States in total potato production.

In 1946 our dairy farmers put 74,000,000 pounds of butter on the Nation's tables. Before the war, only three other States produced more turkeys than we did, and in 1946, our contribution to Thanksgiving and Christmas dinners totaled 961 000 birds. Our sheep and wool industry is also an important contributor of food and clothing. Out on our western ranges where once the buffalo roamed—and not so many years ago, at that—our farmers and ranchers now have herds of cattle totaling 1,800,000 head.

From this record of diversified agricultural production it can be seen that North Dakota can be counted upon to do its share of the big job ahead—the job of filling Europe's empty stomach, and of keeping our own people well fed and well clothed.

This record of agricultural production is really amazing when we stop to think of it, and when we realize that North Dakota is such a young State. There are many men in the Senate who are older than the State of North Dakota. My young friend and colleague, the Senator from Kansas [Mr. CAPPER] was 25 years old and just getting started on his newspaper career in Topeka, Kans., when North Dakota was admitted to the Union back in 1889.

North Dakota's progress can be attributed to two things: First, we have some of the finest people in the world living out there. They are a courageous people—men and women who, in spite of hardship and adversity like the droughts of the 1930's, have conquered a raw prairie wilderness in three generations to build their homes, churches, and schools. I may add that a few years ago the Saturday Evening Post, in an article dealing with religion in this country, stated that in Trail County, N. Dak., there were more rural churches than there were in any other place in the United States. There were 12 churches in 3 townships—all of them country churches.

The people there are a progressive-minded, hard-working people, with the proud heritage of northern European countries in their blood—Norway, Sweden, Germany, Russia, Poland, England, France, and others.

North Dakota's roster of notable men includes such names as the late Dr. E. F. Ladd, president of our agricultural college, later a member of the United States Senate, and the man who pioneered the Nation's pure food and drug laws. Because of the fact that Professor Ladd had been president of the agricultural college, today all over the United States we have pure food and drug laws, and, for that matter, all over Europe, because even the League of Nations sent for him.

Vilhjalmur Stefansson, the famous explorer, grew to young manhood in North Dakota. So did Maxwell Anderson, the noted playwright and Pulitzer prize winner.

When the Government gets into a really tight place it sends for a North Dakota man to help out. When Woodrow Wilson was President he suddenly discovered that the men who were buying the supplies for the Navy were a bunch of crooks and grafters. The President of the United States wanted an honest man to take charge of the buying of billions of dollars' worth of property for the United States Government, so President Wilson came out to North Dakota, to the little town of Emerado, a town of less than 100 people. There he picked out John M. Hancock. Mr. Hancock did the job so well that he was one of the few men decorated by both the Army and the Navy.

When President Roosevelt took office he found that all the banks in the United States had to be closed, and he declared a bank holiday. In Detroit Henry Ford alone had $164,000,000 in one bank and could not get it out. Hundreds of thousands of men in the State of Michigan were out of employment. The President of the United States looked all over the country and picked out J. F. T. O'Connor, a young man reared in the State of North Dakota. To show the sterling character of this man, when he was a young man his family was so poor that when he went to school he carried his shoes in his hands until he got within a short distance of the schoolhouse, when he put them on. At that time he stuttered. Like Demosthenes, he placed a pebble in his mouth and learned to speak. He went out into the pasture and cured himself of the habit of stuttering, to such an extent that shortly after he graduated from the University of North Dakota he was employed as professor of oratory at Yale, and made an outstanding record there.

I repeat that when President Roosevelt had to find a man who could solve the problem confronting the banks of our country he sent for Mr. J. F. T. O'Connor. Mr. O'Connor, former Comptroller of Currency and now a Federal district judge in California, is a graduate of the State University of North Dakota and practiced law in that State. John Burke, three times Governor of the State, was United States Treasurer under Woodrow Wilson. Sveinbjorn Johnson, former justice of the North Dakota Supreme Court, was later professor of law at the University of Illinois.

Then there is Dr. H. L. Bolley, of the North Dakota Agricultural College, the man who developed the variety of wilt-resistent flax which benefited farmers by millions of dollars in reducing crop losses. John Hancock, the well-known New York banker and partner of Barney Baruch, is a graduate of the University of North Dakota.

Brig. Gen. Albert Hartl, who distinguished himself in the Aleutian campaign and later in the Pacific theater, was a North Dakota farm boy. A. C. Townley, the man who organized the Nonpartisan League back in the early twenties and who led the farmer's battle for economic justice in a movement that swept through a dozen States, was a citizen of North Dakota, as was Daniel F. Bull, president of the Cream of Wheat Corp. in Minneapolis.

I might mention Lynn J. Frazier, who served with distinction in this Chamber for many years; Usher L. Burdick, his colleague in the House of Representatives; Carl Ben Eielson, the noted Alaskan aviator; and many other citizens of North Dakota who became leaders in their chosen fields—education, science, medicine, engineering, music, the law, and in other lines of endeavor.

Mr. President, whether it be in the arts or the sciences, medicine, or newspaper work, almost invariably there will be found at the very top of the ladder a North Dakota man. If today one of the Senators upon the floor should become ill and no one knew what was wrong with him, and he should go to the Mayo Brothers Hospital at Rochester, Minn., where so many people go, if there the doctors were baffled regarding the disease from which he might be suffering, if they did not know what kind of an operation to perform, a boy from North Dakota, born on a little farm in that State, would be the one who would make the ultimate decision as to whether there should be an operation or should not be an operation. He would be the man who in the last analysis would make the diagnosis.

Again, Mr. President, if one should go to the General Motors Company to buy a truck upon which he could absolutely depend to haul enormous loads, or a truck which might be expected to be sent across the sea in time of war, where would he go? The head of the truck division is a man who was born in Fargo, N. Dak., a young man by the name of Grant, who, when this magnificent truck was built by the General Motors Co., called it after the town in which he was born, the Fargo truck.

Population considered, more North Dakota men received the Congressional Medal of Honor in the Spanish-American War, than did men from any other State of the Union.

When World War I was over and France sent here a committee to choose the typical American nurse, the committee went to each one of the 48 States, and when they got all through they selected a little 18-year-old girl, Frances Lauder, of Wahpeton, N. Dak., the daughter of a district judge. If today, any of us should go to Paris he would find in the public square a life-sized statue of that little 18-year-old North Dakota girl.

That is not all, Mr. President. I want to show to the Senate the type of young women we produce in the State of North Dakota.

A few years ago, in the month of March, an unexpected blizzard occurred. It became bitterly cold. There is a little schoolhouse approximately 8 miles from Center, N. Dak. The teacher of that school, because of the blizzard, dismissed the pupils about 3:30 p. m., and among the pupils was a little girl named Hazel Minor, 16 years of age. She had with

her her brother and sister, both very much younger than she. They started home and were caught in the blizzard. They were not found that night, but the next day their overturned sled with one horse disengaged was discovered. It was then disclosed that the little girl had taken off her overcoat, her rubbers, and her cap and had placed most of her clothing over the bodies of the little brother and sister, and then she lay down, knowing that she would freeze to death. But she saved the lives of her little brother and sister. Today if one should go to Center, N. Dak., he would find in the public square a statue raised to the memory of that little 16-year-old girl, paid for by the school children of the State of North Dakota.

Recurring to the ability of the men of North Dakota, if today one's wife wishes to buy a first-class refrigerator or a first-class car, such as the Nash, she would in all probability purchase it from the Nash-Kelvinator Co., the president of which is George Mason, born at Valley City, N. Dak., who was reared and educated there and whose mother still lives in that town.

North Dakotans are a patriotic people. I have told the Senate something about the tremendous contribution of food they made to help win the war, and the contributions they are continuing to make to help win the peace.

Their patriotism was demonstrated even more emphatically in the number of North Dakota men who answered the call to the colors in this country's hour of need, and in the record the State made during the Victory loan drives.

North Dakota, as is well known, is a land of wide-open spaces. We have plenty of elbow room there. There is room to expand. In 1940, the population of the entire State was only 640,000. Yet in the last World War a total of 58,500 young men marched away from our farms, towns, and cities to join the Nation's armed forces.

I point proudly to the fact that of those 58,500 men, almost one-third of them went into the service by enlistment, without waiting to be drafted. There were 42,380 North Dakota men in the Army, 14,069 in the Navy, 1,785 in the Marine Corps, and 275 in the Coast Guard. There were 607 North Dakota women in the WAVES, and several hundred more enlisted in the women's corps of the Army and Marine forces.

Many North Dakota men made outstanding records while in the service. Many have been awarded medals and have been cited for bravery beyond the call of duty. Of the thousands who flocked to the colors at the Nation's call, 1,938 of them marched away never to return. They laid down their lives on the shell-torn beaches of Normandy and the steaming jungles of the far Pacific. I pray, with you, Mr. President, that they may not have died in vain, that the supreme sacrifice which they have made in the cause of freedom will help to bring a secure and lasting peace for all the world.

I should like also to mention at this time another outstanding accomplishment of the people of North Dakota of which I am inordinately proud. I refer to the State's record in the various Victory loan and war bond drives.

Not another State in the Union can match that record. North Dakota led the Nation in oversubscribing its quota of war bonds in three of the six drives. North Dakota ranked No. 1 among all the States in the third and fourth war bond drives and in the Victory loan drive. It ranked second among all the States in the fifth and sixth war bond drives.

In the sixth war bond drive, the people of North Dakota bought more war bonds per person than the people of any other State. They ranked second in per capita purchases during the Victory loan and the fourth war bond drives. They exceeded the national average of per capita purchases in every single one of the six drives in which there were State quotas.

North Dakota's quota in the Victory loan drive was $10,000,000. The people oversubscribed that quota by $9,000,000, almost double the goal and 189 percent of the State quota. In the fourth and sixth war bond drives, E bond purchases in the State were 181 percent of quota. Its quota in each of these drives was $11,000,000; sales mounted to more than $20,000,000. It was 128 percent of quota in the third, 148 percent of quota in the fifth, and 114 percent in the seventh.

Altogether, the people of North Dakota bought more than $128,000,000 worth of war bonds, and that figure represents the issue prices of the bonds, not the maturity value.

Fine people—and good soil. Those are the two biggest factors which have contributed to North Dakota's progress. Our black prairie loam is the richest and most fertile soil to be found anywhere in the country. Give our farmers plenty of rain, and we will match our grain production with that of any other part of the globe. At the North Dakota Agricultural College, in Fargo, we have a little experimental plot on wheat research. On that piece of ground they have raised a crop of wheat every year, for 65 years, without using one pound of commercial fertilizer.

I expect that our gross farm income in North Dakota this year will approach the billion-dollar mark. I have heard some complaining about that fact, from people who think that farmers are getting rich, from newspaper columnists and radio commentators who blame the farmers for the high cost of living. Let me say a word or two about that. It is true that the farmers are making more money than they ever did before. But so, it seems, is everybody else. The salaries of newspaper editors and radio commentators are up. The workingman's wages are up. The doctors' and the lawyers' charges are up. The profits of the businessman are up. Senators' salaries are up. Everything is up. The other day I saw some figures on 1947 profits of American corporations. They were fantastic, almost unbelievable, up 200 or 300 percent in some cases. If the farmers were making as much money as some of these corporations are, Mr. President, perhaps those who criticize the farmers would have something to be critical about. But to say that the farmer is more to blame for the high cost of living than anyone else simply is not true. It does not jibe with the facts.

First let me say that it is not the farmers' fault that you have to pay 90 cents a pound for butter, 85 cents for a dozen eggs, 89 cents a pound for beefsteak, 12 cents for a pound loaf of bread, 60 cents for a pint of cream, 90 cents a pound for bacon. In the first place, the farmer did not have anything to do with setting these prices. In the second place, he does not get prices like that when he sells his products. No; the farmer does not set the prices he gets for his products. If he did he certainly would not have let the price of wheat drop to 19 cents a bushel at Bismarck, N. Dak., in 1933. The farmer has to take what he can get.

But in between the farmer and the consumer is a whole row of middlemen—commission men, transportation men, processors, jobbers, wholesalers, retailers—and obviously they are not there for the fun of it. They are there to make a profit. They render a legitimate service, and they get paid for what they do. Some of them, in my opinion, get too much.

At any rate, by the time they get through tacking on a few cents here and a few cents there, the relationship between what the farmer got and what the consumer paid is a rather distant one. Generally speaking, the price to the consumer is almost twice what the farmer got. Many people, when they start complaining about high food prices, forget that fact. The farmer gets all the blame but only half of the consumers' food dollar. The middlemen in between get the other half, without any of the blame, the latter probably due to the fact that they hire lobbyists and fancy propagandists to point out the poor farmer as the culprit.

I have here some interesting figures from the National City Bank of New York. They throw some additional light on this question of who is to blame for the high cost of living.

The net profits of the 23 largest baking companies in the United States jumped from $29,000,000 in 1945 to almost $61,000,000 in 1946—an increase of more than 100 percent in a single year.

Last year the Nation's 16 leading companies handling dairy products made a net profit of $65,454,000, as compared with $38,989,000 profit the year before—1945—a profit gain of 68 percent.

Remember that the figures I am giving you are for net income, after deducting taxes, depreciation, interest, and reserves.

The year 1946 was the year of the meat shortage and the year when the National Association of Manufacturers sounded taps over the dead body of OPA. I remember well the scene at the grave, the solemn vows and the pious promises that prices were going to be kept down.

Let us see what the big meat packers did that year, when Government price controls went off. In 1945, the net profit of 17 leading meat packers was $34,825,000. In 1946, that profit jumped to $70,461,000—another gain of more than 100 percent. I do not think I can be

accused of jumping to conclusions when I say that that gain might have had just a little to do with the high price of beefsteak.

Here are the figures on chain-store profits: The 19 leading food chains chalked up a net profit of $20,898,000 for their stockholders in 1945. But in 1946, after OPA had died a lingering death, the stockholders were able to split a profit melon of $45,446,000. That is a profit gain of 117 percent in a single year. It is just possible that that, too, might account for part of the rise in the cost of living.

Remember, Mr. President, these are the profit figures for just one set of middlemen, the processors. In addition, the farmers' products pass through four or five other handlers before they reach the consumer, and each one of them has to get paid and make a profit, too.

To those who think the farmer is largely to blame for the high cost of living, and think that the farmer is making an exorbitant profit, I want to point out this fact, taken from a report of the Bureau of Agricultural Economics: Out of the average dollar that the consumer spent for food in 1947, the farmer got only 53 cents. The other 47 cents went to somebody else—to processors and distributing agencies.

All right; the farmer gets just a little better than half the price the consumer pays for food. Let us consider for a moment what the farmer has to do with the 53 cents he gets out of each food dollar. Like anyone else who works, he is entitled to a fair wage. Nobody should expect him to put in 12 to 14 hours a day just for the fun of it, or to get up at 5 o'clock on a frosty morning to milk the cows just for the pure joy of it. So out of his 53 cents, the farmer has to get his own wages and pay the wages of his help. He finds that the hired man will not work today for what he would a few years ago. His wages are three times what they were a few years ago.

The farmer wants to buy a tractor. The tractor that he could have bought for around $1,100 back in 1939 now costs $1,600 or more. A two-bottom tractor plow that used to cost $120 now costs $170. He pays $350 for a corn binder that he used to buy for $230. He pays $253 for a grain drill, instead of $163.

A 10-gallon milk can costs $7.43, although it used to cost $4.75. If the rope on his hay sling wears out, he pays 51 cents a pound for it, instead of 25 cents a pound. His hardware dealer now charges $8.80 for a leather horse collar that used to cost $4.85. If his well goes dry and he needs new pipe, he cannot get it. But if he could, he would pay 30 cents a foot for it, instead of 18 cents. A spool of barbwire now costs $6.50, compared to $3.40 a few years ago.

The farmer's wife also finds out that she needs a lot more money to run the house and keep the children clothed and fed. She pays $5 for a pair of shoes that used to cost $2.50. A 9 by 12 rug for the living room that used to cost $31.60 now costs $67. The same mattress that she paid $9.92 for in 1939 now costs her $22.80. A dining-room set costs $184 now, instead of $56. A 10-pound bag of sugar is $1.04, instead of 55 cents.

Work socks are priced at 27 cents a pair compared to 13 cents a few years ago. Bedsheets which she used to buy for 97 cents now cost $2.78. A pair of overalls today costs $2 more than they did in 1939. Seventy-cent work shirts are now $1.85. A washing machine costs $129 compared to $59 a few years ago. Paint is $5.20 a gallon instead of $2 92.

So it goes, all down the line. Farm prices are up, but so is everything the farmer has to buy. He pays more taxes, more for upkeep and repairs, more for operating expenses generally.

It cost the North Dakota farmer $10.50 to raise an acre of wheat in 1940.

In 1945 his production cost per acre was $18, and for 1947 it probably amounted to around $20 per acre.

Translating that into production costs per bushel of wheat, in 1939 it cost the farmer 84 cents a bushel, but in 1945 the cost had jumped to an average of 95 cents a bushel.

So it can be seen that when we take everything into consideration, the farmer is not the bloated profiteer he has been painted. As I pointed out, he has nothing whatever to say about the price he gets for his product. He has to take just what he can get, come depression or boom, supposedly in accordance with the old law of supply and demand. When that law operates to ship thousands upon thousands of tons of food out of the country, when it operates to triple our exports of wheat in a single year, obviously the prices are going up, just as the price of any other commodity would rise in a comparable situation.

A word now to the ladies and gentlemen of the press and radio corps before I leave this particular phase of my subject. I hope I have not bored them with my facts and figures. I hope they will join me in righting the grave injustice that has been done to the American farmer in trying to saddle him with most of the blame for the high cost of living. I hope they will use the facts and figures I have given them in their news and radio dispatches, to counteract the misrepresentations and the distortions that have gone out, and to give the American people the true picture of the situation as it actually exists.

In this connection, Mr. President, I may say that every Senator on this floor, I am sure, is aware of the fact that my distinguished colleague the junior Senator from North Dakota [Mr. YOUNG], time and time again has risen in the Senate and has called the attention of his colleagues to the fact that as a member of the Committee on Agriculture and Forestry he has made investigations abroad. He has made visits to other countries investigating the conditions in those lands, so that as a result of what he learned on his trips opportunities for farmers in the United States might be better. It can readily be seen that one who is a farmer himself, and is intimately acquainted with the conditions existing in this country, can go abroad and make a more thorough examination of agricultural conditions in the countries he happens to visit than could a man who had not had that hard personal experience.

I desire now to give the facts behind the story of prices, and also to point up the fact that the man who is shouldering the greatest responsibility in our current program for aiding Europe is the American farmer.

The people of North Dakota have every right to be proud of the record they have made, of the food, men, and money they contributed toward the winning of the war, and the help they have given since the war in feeding the hungry people of the world.

I want to emphasize, however, that North Dakota is not living in the glories of the past. Her people are looking forward to an even greater future. They are looking forward to the day when they will play an even larger part in contributing strength and greatness to our country.

A moment ago I mentioned North Dakota's incomparably rich soil as the State's greatest natural resource. I now wish to call attention briefly to two other State resources which are of vital importance in our long-range planning for a better America.

The first of these resources is our tremendous deposits of lignite coal, more than 600,000,000,000 tons.

Our second great natural resource is a mighty river, the Missouri.

North Dakota has lagged behind other western States in the development of her water resources, due partly to the reluctance of Congress in granting the necessary funds required for such development. We North Dakotans have realized for a long time the possibilities of developing the Missouri and other rivers in the State. We never gave up hope that some day others would see the value of such development. I remember, for example, that when I was Governor of North Dakota, back in the early 1930's, I appointed the State's first water conservation commission, and got the State legislature to make an appropriation to start work on the survey and construction of small irrigation projects. At that time, as I remember, my distinguished colleague was a member of the Senate of North Dakota, and of its committee on appropriations.

Before 1941, when I came to the Senate, not one single dollar of Federal money had been appropriated to build a major dam in North Dakota. The only Federal funds we got for that purpose came from the WPA to build small dams for stock-watering ponds. Up to that time, 1941, not one large dam had been built in the entire State of North Dakota.

I am very happy to say that that situation has changed. Today there are four major dams under construction, or on which work is about to start. One of these dams, the Garrison Dam, will be the biggest dam ever built anywhere in the world. The others are smaller dams—Baldhill Dam, Park River Dam, and Heart River Dam.

We are grateful that the "go ahead" sign has been posted on these four projects, and on behalf of the people of North Dakota I wish to thank the Members of the Senate and the House who have made it possible to undertake these developments.

Garrison Dam, in addition to providing the water for ultimate irrigation of more than a million acres of land in North Dakota, will speed the industrial development of the State through the generation of low-cost power. It will also do much to eliminate the disastrous floods which have ravaged the lower valley, with losses running into millions of dollars.

From the standpoint of future industrial development, however, our most valuable natural resource is coal. Imagine, if you can, 600,000,000,000 tons of coal. That is more than one-fifth of our total coal reserve in the whole United States. It is more coal than can be found within the borders of any other State.

It is enough coal to take care of the coal requirements of the United States for 1,000 years.

At the present time we have barely scratched the surface in developing this big coal deposit. But I make a prediction here this afternoon that the day is coming when that coal will be more precious to the people of the United States than gold. That it will become the foundation for the establishment of a great many new industries, and help this country to maintain its position as the greatest power on earth. That development will not come about in my lifetime, and probably not in the lifetime of anyone else in this chamber. But I am certain it will come eventually.

Already the experts are becoming alarmed at the rapid rate at which our reserves of petroleum, gas, and hard coal are being depleted. There is a shortage of gasoline and fuel oil in several parts of the country. We may have to go back to a rationing system for these commodities. In some sections of the country there is also a shortage of electric power to meet the expanding needs of industry and farm electrification.

That is where our North Dakota lignite coal comes into the picture, and why some day it is going to be of such vital importance to the Nation's economy. From lignite coal we can make gasoline, we can make fuel oil, we can make power alcohol.

C. Girard Davidson, Assistant Secretary of the Interior, tells me that our lignite is one of the most promising sources for synthetic liquid fuels that we have in this country. He said that the coal fields of North Dakota, South Dakota, and Montana could be converted so as to yield more than 500,000,000,000 barrels of gasoline. We get a better idea of what that means when we remember that our present total proved reserves of petroleum in the United States amount to only about 21,000,000,000 barrels.

I can foresee the day when western North Dakota will be dotted with giant extraction plants over our big coal beds, converting lignite into gasoline, fuel oil, power alcohol, and other products. I can foresee the day when another big-inch pipe line will tap this buried treasure in North Dakota to bring oil and gasoline into the heart of industrial America.

The products we can get from lignite coal are almost endless. It can be converted into gas for use in firing huge furnaces. It can be used to make plastics of all kinds. It can be made into nylon, into activated carbon and hydrogen gas. It will be used in developing sponge iron from the low-grade ores in the Minnesota iron range. It can be pulverized, and made into briquettes that have just about the same heating value as eastern hard coal. From lignite coal we can manufacture synthetic ammonia for fertilizers. Lignite can also be processed into a whole series of coal tars for use in making paints, creosote, disinfectants, dyes, and many other products.

Scientists at the University of North Dakota have done a great deal in lignite research, aided by the United States Bureau of Mines, which has several laboratories and experimental plants working out various processes for the development of our lignite resources.

No one realizes better than the American petroleum industry that we are rapidly reaching the bottom of our oil barrel in this country, and that our coal reserves will become increasingly important as a source of synthetic liquid fuels. Just last spring, the Standard Oil Co. of New Jersey announced tentative plans for the construction of a $120,000,000 plant for the conversion of bituminous coal. An experimental pilot plant is also going to be built near Pittsburgh.

So Senators can see why North Dakota, with 600,000,000,000 tons of coal in the bank, looks forward to the future with such confidence. It will continue to be "the breadbasket of the Nation," but it is also destined to become of tremendous importance in sustaining the Nation's industrial economy.

As I have said, North Dakota is a young State. We have been so busy plowing up our prairies that we have not had much time to think about industrial development. Neither have we had the capital required. And it has been only in recent years that the country has come to realize the importance or the need for industrial expansion in the west.

Some who have never been out to North Dakota may be thinking to themselves that I should not be promising all this coal for industrial development. From the various stories they have read in the newspapers, they may be thinking that we are going to need all that coal ourselves, to keep us warm during the winter months. I should like to say a few words about that.

Many persons, particularly here in the East, have a great many simply fantastic ideas about North Dakota weather. Most of them get those ideas from the fact that it sometimes gets a little cold there. The newspapers carry a story once or twice a year that the temperature at some North Dakota point dropped to 25 or 30 degrees below. People say "B-r-r-r-r," and jump to the conclusion that it is that way all the time, that from November through May North Dakota is just one big ice box, with snow drifts 20 feet high.

Personally, I believe that many persons in the East nurse along such ideas because they want to, because they want to think that we are worse off in North Dakota, because it is the only way they can reconcile themselves to the lousy winter weather that Washington, Philadelphia, New York, and Boston have to put up with.

It is going to come as something of a shock to these persons when I reveal that we really have some lovely winters in North Dakota. Our cold is a dry, crisp cold that sets the blood tingling. It is not the damp, soggy, bone-chilling cold that is experienced on the Atlantic Coast. I have seen many a winter day out in North Dakota with the temperature in the forties, a gentle chinook wind blowing and the sun brightly shining, when a jacket or light topcoat was plenty warm enough.

To be sure, there are generally 3 or 4 days of freak weather every winter, when it gets cold enough to get into the papers. And every once in a while a rip-snorting blizzard comes whipping in off the prairies. These extremely cold days and occasional winter storms are, however, the exception rather than the rule. But unfortunately, like the man who bit the dog, it is these exceptions that make the news. We publicize divorces in boxcar letters, but the only way a happily married couple every gets any publicity is by winning a quiz program.

Weather records kept at Bismarck, the State capital, for a 71-year period show that the average snowfall per winter amounts to only about 31 inches. The average January temperature varies from 14 above in the southwestern part of the State to 2 below in the extreme northeast corner. At Bismarck, on the average, the temperature is above zero on all but 17 days in January, all but 13 days in February, 5 days in March, 3 days in November, 11 days in December.

One thing we can always count on in North Dakota is plenty of sunshine—winter, summer, spring, and fall. We practically have a guaranteed delivery of sunshine at the rate of about 2,800 hours a year. Other States which compare very favorably with North Dakota on that score are California, Florida, and Texas. The average annual hours of sunshine in most parts of these States is about the same as that we get in North Dakota.

The people for whom I feel sorry are those who feel sorry for us. We North Dakotans marvel at the strength of character and the endurance of the people of New York, Philadelphia, and Washington. We marvel at how well they have managed to survive all their dreary, dark, and drizzly winter days, and how stoically they accept their fate of living in a land of wet feet and perpetual sniffles. For our part, we will take clean white snow and a dazzling sun, thank you.

The fact is—and the record proves it beyond the slightest shadow of a doubt—that North Dakota has one of the most zestful, healthful climates of any State in the Union. Anyone who is lucky enough to be born in North Dakota and live there has a pretty good chance of living to a ripe old age. Our death rate and infant mortality rate are among the lowest in the Nation.

North Dakota is a grand State, a State of wide horizons. Our people live close to nature. They are not too busy to enjoy the beauties of nature and the simple

things of life. And let me say that there is no more beautiful sight in all this world than a North Dakota sunset, or the moon coming up over a waving field of grain on a quiet, peaceful summer night.

I think that James W. Foley, our North Dakota poet, has come closer than anyone else to putting into words the spirit of our people and the love they have for their State. Here is the way he expressed it in his poem A Letter Home, telling the story of a young man in North Dakota who writes back home to his father in the East:

A LETTER HOME

Like to come and see you, daddy, and perhaps I will some day;
Like to come back East and visit, but I wouldn't care to stay.
Glad you're doing well, and happy; glad you like your country best,
But, for me, I always hunger for the freedom of the West.
There's a wholesomeness about it that I couldn't quite explain;
Once you breathe this air you love it and you long for it again;
There's a tie you can't dissever in the splendor of its sky—
It's just home to you forever and I can't just tell you why.

It's so big and broad and boundless and its heaven is so blue;
And the metal of its people always rings so clear and true;
All its billowed acres quiver like the shudder of the sea
And its waves roll, rich and golden, in upon the shore for me.
Why, your farm and all the others that we used to think so fine
Wouldn't—lump 'em all together—make a corner lot of mine;
And your old red clover pasture, with its gate of fence rails barred,
Why, it wouldn't make a grass plot in our district schoolhouse yard.

Not a foot has touched its prairies but is longing to return,
Not an eye has seen the sunset on its western heavens burn
But looks back in hungry yearning, with the memory grown dim,
And the zephyr of its prairies breathes the cadence of a hymn
That is sweet and full of promise as the "Beulah Land" we knew
When we used to sit together in the queer, old-fashioned pew,
And at eventide the glory of the sun and sky and sod
Bids me bare my head in homage and in gratitude to God.

Yes, I love you, daddy, love you with a heart that's true as steel,
But there's something in Dakota makes you live and breathe and feel;
Makes you bigger, broader, better; makes you know the worth of toil;
Makes you free as are her prairies and as noble as her soil.
Makes you kingly as a man is; makes you manly as a king;
And there's something in the grandeur of her seasons' sweep and swing
That casts off the fretting fetters of your East and marks you blest
With the vigor of the prairies—with the freedom of the West!

Mr. President, I hope that in the 45 minutes I have taken this morning I have been able to emphasize once more the great State whose people I have tried faithfully to describe. I believe Senators will know them better, as the result of what I have said about them. I hope my remarks will make every Senator zealous in seeing to it that one State out of the 48 States is not discriminated against in the matter of appointments. I hope it will be conceded, in view of the fine record North Dakota has made during 57 years of statehood, that certainly the people of that State are entitled to recognition by the executive department.

In conclusion, I simply repeat what I said on a former occasion, that no matter what the future may bring forth in this great Nation, the people of the State of North Dakota may always be counted upon by the President, whether or not they ever get a Federal appointment.

Mr. HAWKES. Mr. President, I should like to say to the distinguished Senator from North Dakota, I think his desire to have some appointments made from North Dakota is a very laudable and proper one, but I also want to remind him that the appointee under discussion, Mr. Morse, comes from New Jersey. The Senator has a very lovely daughter, who is now married and lives in New Jersey, and is one of my constituents; so that if the Senator does not get the appointment first-hand, he gets it second-hand.

DEPARTMENT OF LABOR—DAVID A. MORSE

The PRESIDENT pro tempore. The question is, Will the Senate advise and consent to the nomination of David A. Morse, of New Jersey, to be Under Secretary of Labor?

The nomination was confirmed.

JOHN T. KMETZ

The legislative clerk read the nomination of John T. Kmetz, of Pennsylvania, to be Assistant Secretary of Labor.

The PRESIDENT pro tempore. Is there objection to the confirmation of the nomination? The Chair hears none, and the nomination is confirmed.

HOUSING AND HOME FINANCE ADMINISTRATOR

The legislative clerk read the nomination of Raymond Michael Foley, of Michigan, to be Housing and Home Finance Administrator.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

FEDERAL HOUSING COMMISSIONER

The legislative clerk read the nomination of Franklin D. Richards, of Utah, to be Federal Housing Commissioner.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

NOMINATIONS IN THE ARMED SERVICES

Mr. GURNEY. Mr. President, the Senate Armed Services Committee has this morning approved the nominations of junior officers in the armed services, all below the rank of general or admiral. I ask unanimous consent for immediate consideration of the nominations, without printing their names on the Executive Calendar.

Mr. WHITE. As I understand, the nominations come to the Senate with the unanimous report of the Armed Services Committee?

Mr. GURNEY. The nominations are unanimously approved by the Armed Services Committee.

The PRESIDENT pro tempore. Is there objection to the request made by the Senator from South Dakota? The Chair hears none, and, without objection, the nominations in the armed services are confirmed without printing the names on the Executive Calendar.

NATIONAL LABOR RELATIONS BOARD

The legislative clerk read the nomination of Abe Murdock, of Utah, to be a member for a term of 5 years, pursuant to Public Law 101, Eightieth Congress.

The PRESIDENT pro tempore. The question is, Will the Senate advise and consent to the nomination?

Mr. WATKINS. Mr. President, the nominations of members of the National Labor Relations Board, and of the general counsel, which are before this body for action today prompt me to make some observations germane to the policy of the Senate in the performance of its constitutional duty in "advising and consenting to" or rejecting Presidential appointments. I also intend to say something about the President's action in making these appointments.

First, let me assure the Senate that I am not going to fight the confirmation of the nominations. I do not consider it my duty to do so, nor is it advisable for reasons which will appear in this statement. But I do want to speak my mind on the way matters of this kind are disposed of by the Senate and the manner in which these nominations were handled by the President.

I hope it will not be thought that in doing so I am without respect for the President, for this great deliberative body, or for the men who make up its membership. I have respect for all.

I have been disturbed, and not a little chagrined, at the vehemence of the criticism which has been leveled at the Senate—or probably it is more accurate to say at some of the Members of the Senate for their conduct in considering Presidential appointments.

In commenting on the famous Lilienthal case which was before the Senate at the last session a leading newspaper of the United States carried a highly critical editorial, from which I quote pertinent statements:

The Lilienthal affair has become something more than a Senate squabble over affirmation of a Presidential appointment. It is a national disgrace and has placed this country in a dangerous international position. The entire perfection and promotion of America's vital atomic-energy program has been held up by the idiotic jockeying of a small group of Senators who are putting personal and political advantage ahead of the welfare and safety of the Nation. * * * Led by an irresponsible Member of the Senate, MCKELLAR, of Tennessee, a willful minority is holding up the appointment of a man whose qualifications have been certified by leaders in all parties. * * * Federal and State authorities are being roundly condemned for failure to close down unsafe coal mines until disaster struck at Centralia. How much more culpable are these Senators who are fiddling while a world catastrophe draws ever near. * * * These headstrong Senators are playing the enemy's game, whoever that enemy may turn out to be. They are killing time while the fate of

the Nation—of the whole world—hangs in the balance.

That, Mr. President, is very strong language. Numerous other newspapers in the United States were equally outspoken, and biting criticism from all sides poured in on the Senate of the United States, and, I may add, on the party which was in control of the Senate at that time.

I had heard statements of this type before I became a Member of this body. I had heard denunciations of the so-called senatorial courtesy custom of the Senate; that it was of more importance to Senators than the actual welfare of the Nation; that the Senate was a sort of a gentlemen's club and that Members of the Senate would stand by each other come what may; and that senatorial courtesy was extended to former Senators as well.

The editorial from which I have just quoted aroused in me a determination to find the truth of the matter, and if the charges proved to be true, what, if anything, could be done about correcting conditions. As a result I wrote a statement on the subject which I intended to deliver in the Senate, but never did. I now ask unanimous consent to have that statement placed in the RECORD at the conclusion of my present remarks. It contains my findings which indicated that the editorial writer was not acquainted with the record. If he had been, he would not have made such statements.

The PRESIDENT pro tempore. Without objection, the statement will be printed, as requested.

(See exhibit A.)

Mr. WATKINS. I found that there were more witnesses for Mr. Lilienthal than there were against him. The time consumed at the hearings before the Atomic Committee was about evenly divided between those in favor of Mr. Lilienthal and those against him. The role played by the senior Senator from Tennessee was greatly overemphasized by the press because it was a colorful story.

Apparently the committee considered its function to be that of a jury which was to hear the evidence presented by the prosecutor and by the defendant, and from this determine the qualifications of the nominee. Under this theory, the senior Senator from Tennessee was the prosecutor, and Lilienthal, the defendant.

That my conclusions are correct is borne out by the following quotation from a very effective speech by the senior Senator from Michigan [Mr. VANDENBERG] made in behalf of Mr. Lilienthal. Said the Senator:

> Since it is impossible for all Senators to know the record developed in 7 weeks of utterly exhaustive hearings, I respectfully suggest that fair-minded men cannot wholly ignore the impact of the cold hard fact that eight out of nine of the Senate's own jury, commissioned by the Senate to pass upon the facts, report, regardless of party lines, in favor of confirmation.

That illustration was carried out to a great extent in subsequent language in the speech to which I have referred.

It will be noted that the Senator said to "pass upon the facts." Had the committee made its own investigations, the "prosecutor" in this case would have been relegated to a very minor role indeed.

May I respectfully suggest that if there is to be any jury role played at all it should be by the entire Senate, and not by one of its committees.

As it was, the senior Senator from Tennessee carried the burden of the investigation apparently because no one else was willing to do so. He was permitted to set the pace and the direction of the hearings, although it should be said in fairness that he and his witnesses used no more time than did the friends of the nominee. But what he did had a big influence on the time used by the so-called defendant in the case.

What were the net results of the long-drawn-out wrangling? Lilienthal was confirmed at last, the Republican Party got a black eye because it controlled both the Atomic Committee which held the hearings and also the Senate; and the Senate itself, I regret to say, sunk to a new low in public esteem if we can believe newspaper accounts and editorials.

On the state of this record, then, is it unfair to say that in the consideration of the Lilienthal nomination that undue extension of senatorial courtesy, both in committee and in the Senate interfered with public welfare? I am convinced that the public thought it did.

Then there was the Gordon Clapp case. It will be recalled that Mr. Clapp was nominated for the position of Chairman of the Board of Directors of the Tennessee Valley Authority. This case largely paralleled that of Lilienthal—the same witnesses, the same methods, the same result.

I sat as a member of the Public Works Committee, and I know that the members of that committee were trying to do a good job; but it seemed that we were following the custom which had been established in the Senate of letting someone else bring in the evidence, and letting the man who was under charges meet the evidence. We did very little on our own initiative. I say that without any desire to criticize the chairman or the members of that committee, or the other committee, for that matter.

Over the years there have been other cases. The issues were different, but the methods of considering the nominations were the same.

Now we come to the present nominations in the labor administration. Men's memories are short, so a little background may be helpful. That these offices are important we all agree. The Taft-Hartley bill has been enacted after a long, bitter fight. The President says the law is one of the most important adopted in generations. He has condemned it as a shocking piece of legislation, one that will destroy our democratic institutions; in fact, no President, in my opinion, has ever denounced a measure in such harsh terms as the labor law has been denounced by the President. And no President ever fought harder to have a veto sustained than has the President.

Under such circumstances the President within a very few days before the day set for adjournment of Congress, last July, sent the names of the nominees now before us to the Senate for confirmation.

Only one of the appointees was known to me, former Senator Murdock, of Utah, and I had no advance information that he was to be appointed. Although my personal acquaintance with him was slight, I knew something of his record as a public official.

I made a statement before the Committee on Labor and Public Welfare of the Senate, to which the nominations were referred. In that statement I said:

> After a long, bitter struggle, the American people, through more than two-thirds of their Representatives in Congress, have enacted the Labor-Management Relations Act of 1947, but our job is only half done. Our time and effort will be utterly wasted and the people will be without relief unless we see to it that the law is properly interpreted and successfully enforced. That we can do by approving only such appointees who have ability and who can act fairly and impartially.
>
> I say "we," meaning Congress, advisedly, for the reason that it should be abundantly clear by now that the President, by his bitter denunciation of the law, his gross misrepresentation of its provisions and its effects, and his implied prediction that it will end in failure, has largely disqualified himself as a fair-minded and sincere administrator of the law.
>
> If he succeeds now in enforcing the law, and it should be a success after his bitter fight against it, he will be proving to the world that he was utterly mistaken and he will be injuring his chances for reelection.
>
> To act completely in a disinterested manner, and without bias under such circumstances is too much to ask of human nature.
>
> In a special sense under the circumstances, then, Congress must exert its full power to the end that the law shall be given a fair opportunity to succeed.
>
> One of the first and most important steps in that direction is to see to it that the members of the Board and its chief counsel are sympathetic to the law, believe in its purposes, and are convinced that it is workable. Members with any other points of view would be under a handicap too heavy to overcome.
>
> The duties of the Board under the new law are largely judicial, and in keeping with that fact, its members should be free from any bias or prejudice for or against either labor or management. They must not be men who are against the union-labor movement, and they must not be men who desire its destruction or who have a record of having worked for the repeal in toto of the Wagner Act.
>
> On the other hand, and for the same reasons, Board members should not be radically and strongly pro-labor. Open-mindedness, the ability and desire to act fairly and impartially in the discharge of their duties under the law, should be prime and essential qualifications of Board members, and to these, of course, should be added character, learning, and the proved ability to act in a judicial capacity.

I told the committee that I thought Mr. Murdock was disqualified to act as a Board member by reason of his strong prolabor bias and the heavy obligations he was under to the labor-union leaders because of the campaigns they had conducted for him. I felt that his record, which I gave the committee in some detail, showed clearly that he was unsympathetic with many provisions of the new labor law. I made it clear I opposed him as a matter of principle and not for any personal reasons.

Here I should like to digress to state that I informed Mr. Murdock in person that had the President nominated him for any office having to do with the administration of an act with which his record justified the conclusion that he was in full sympathy I would not only vote for his confirmation but would help to get him the appointment. I want to make it clear that I oppose him as a matter of principle and not for any personal reasons. He was not and is not now personally obnoxious to me. I specifically disclaim any such feelings in my mind and in the statement which I am now making.

I also seriously questioned the qualifications of Mr. Denham and Mr. Gray. These positions in my judgment require men of outstanding ability and fairness. Without intending to reflect on these men at all, I felt that they failed to measure up to the standards required for these extremely important offices. I was convinced the President had not given sufficient weight to the high requirements of these offices in making his appointments.

Congress adjourned without confirming the nominees. The President then made interim appointments of the same nominees.

Mr. President, I did not appear when the Senate committee again took up these appointments. I consider that I had done my full duty when I appeared before the Labor Committee on the occasion of their first appointment, and gave to that committee the statement that I then made. I refuse to be cast in the role of a prosecutor. I have no personal feud with any of these men. I have not changed my mind at all on the wisdom of these appointments or on the manner of their designation.

True, they have been in office for several months and have now a record by which a partial judgment of their ability to carry on may be made. This is only a partial record. Lack of time has prevented me from studying that record. I am told, however, by persons in whom I have confidence, that there is nothing objectionable in it, but I am also reminded that decisions of the Board up to date are mostly on minor matters and that decisions on more important provisions of the law involving highly controversial questions are yet to be made.

I am also reminded, as are all other Senators, of the great importance of this law and the place which it may occupy in the years to come. I think we have all been made conscious of the fact that two or three or four organizations in the United States are planning to raise vast sums of money—more money, perhaps, than has ever before been used in elections—to defeat the men who helped to enact the Labor Relations Act of 1947. So it will assume more importance in the years to come.

Since the committee has reported the nominations favorably, I assume they will be consented to forthwith. I cannot in good conscience vote for them for the reasons stated, but I do not urge anyone else to vote against confirmation, unless they wish to do so without any urging. I shall not ask at this time for a record vote.

Mr. President, I think that before I conclude this statement that I should at least suggest how I believe committees can greatly improve the procedure in considering Presidential appointments.

In making such a suggestion I do so in humility becoming a freshman Senator, and I respectfully submit it in that spirit. The suggestion is this: All investigations should, in actual fact as well as in theory, be made by and through the committee on its own initiative rather than a trial between two or more opposing factions; and a professional staff of investigators should be used to obtain proper information for committees on any appointments that might be questioned.

Under the Reorganization Act we have been given the means to set up such a staff. We can make the appropriations and the Senate can proceed in a dignified manner to make investigations on its own motion and relegate those who are fighting appointments to a minor role where they belong.

Mr. President, I extend publicly my best wishes for a successful administration to the new Labor Board members, Mr. Gray and Mr. Murdock, and to Mr. Denham, the general counsel.

I ask unanimous consent to place in the RECORD the statement which I made to the Committee on Labor and Public Welfare.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. ARTHUR V. WATKINS, A UNITED STATES SENATOR FROM THE STATE OF UTAH

Senator WATKINS. I am here today to discuss with the committee the Presidential appointments to the enlarged National Labor Relations Board.

Because one of the appointees is a resident of Utah, it has been suggested, as a courtesy to me, no doubt, that I make a comment on the appointments and particularly the one from Utah.

As a preliminary and background to my main statement, may I observe that it is one thing to enact a law, but quite a different matter to have it successfully interpreted and enforced. It is trite, but true, nevertheless, that laws do not interpret and enforce themselves.

After a long, bitter struggle, the American people, through more than two-thirds of their Representatives in Congress have enacted the Labor-Management Relations Act of 1947, but our job is only half done. Our time and effort will be utterly wasted and the people will be without relief unless we see to it that the law is properly interpreted and successfully enforced. That we can do by approving only such appointees who have ability and who can act fairly and impartially.

I say "we," meaning Congress, advisedly, for the reason that it should be abundantly clear by now that the President, by his bitter denunciation of the law, his gross misrepresentation of its provisions and its effects, and his implied prediction that it will end in failure, has largely disqualified himself as a fair-minded and sincere administrator of the law.

If he succeeds now in enforcing the law, and it should be a success after his bitter fight against it, he will be proving to the world that he was utterly mistaken and he will be injuring his chances for reelection.

To act completely in a disinterested manner, and without bias under such circumstances, is too much to ask of human nature, and the President has proven that he is very human.

* * * * *

That Mr. Murdock has always been an ardent prolabor advocate and that he was in full harmony and cooperation with his colleague, the senior Senator from Utah, Mr. THOMAS, and supported the senior Senator's stand against any remedial labor legislation, is borne out by the statement issued by the senior Senator from Utah and published in this same labor paper, Utah edition, on October 12, 1946.

The speech of the senior Senator from Georgia, Mr. GEORGE, on the Taft-Hartley bill in the closing days of the debate on this question will be remembered, I am sure, wherein the Senator said, in substance, that it had been impossible to get any amendments to the Wagner Act, although it was recognized that amendments were needed because of the opposition of the chairman and members of the Labor Committee of the Senate.

Senator HILL. Whom are you referring to?

Senator WATKINS. I am referring to the President of the United States.

In a special sense, under the circumstances, then, Congress must exert its full power to the end that the law shall be given a fair opportunity to succeed.

One of the first and most important steps in that direction is to see to it that members of the Board and its chief counsel are sympathetic to the law, believe in its purposes, and are convinced that it is workable. Members with any other points of view would be under a handicap too heavy to overcome.

The duties of the Board under the new law are largely judicial, and, in keeping with that fact, its members should be free from any bias or prejudice for or against either labor or management. They must not be men who are against the labor-union movement and they must not be men who desire its destruction or who have a record of having worked for the repeal in toto of the Wagner Act.

On the other hand, and for the same reasons, Board members should not be radically and strongly prolabor. Open-mindedness, the ability and desire to act fairly and impartially in the discharge of their duties under the law, should be prime and essential qualifications of Board members, and to these, of course, should be added character, learning, and the proved ability to act in a judicial capacity.

The question now is, Do these appointees named by the President meet these standards?

Two of the old Board members reappointed by the President have been active in fighting against the enactment of the law. They have declared it unworkable. This is not the proper function of judicial officers, and it must be remembered that at the time they made the fight they were holding at least semijudicial offices under the unamended Wagner Act.

In addition, these two members, by their strong prolabor bias in the administration of the Wagner Act, were largely instrumental in bringing about the public demand that the act be amended in the public's interest.

Clearly these members are disqualified to act under the law.

Mr. Gray, one of the new appointees, appears to be without a public record in this field on which he can be judged. His qualifications should be thoroughly and fairly scrutinized; and if he does not measure up to the necessary standards, he, too, should be rejected.

In the discussion of the qualifications of Mr. Murdock, of Utah, I want to emphasize as strongly as possible that my objection to him as a member of the Board is based entirely on principle and on his record as a

public official, and not on personalities or any unpleasantness growing out of the late political campaign.

The Utah contest in which Mr. Murdock was my opponent was a hard, cleanly fought affair, on well-defined issues.

Personalities in the sense of mud slinging were not involved, and all the principals in the contest, so far as I know, were on cordial speaking terms when the election was over.

In no sense, then, am I opposing Mr. Murdock for confirmation because he is personally obnoxious to me, as the term is used. I specifically disclaim any such objection.

But while he is not personally obnoxious to me, I want to emphasize that, knowing his record as an ardent prolabor public official, and knowing that during the recent campaign he and the labor union of Utah which strongly supported him were against any labor legislation whatever, even in the way of amendments to the Wagner Act, that I was greatly shocked, as I am sure the majority of the people of Utah were, when the announcement of the appointment of Mr. Murdock appeared in the newspapers.

That appointment by the President of a judicial officer to interpret and enforce a law the enactment of which he had opposed, not only at the last election but for most of the time during the many years he served in the Congress, seemed incredible. And the statement of the President that Mr. Murdock was in sympathy with the new law was still more astounding.

In support of what I have just said, let me cite Mr. Murdock's record:

Mr. Murdock was elected as Congressman from the First Congressional District in Utah in the election of 1932. He almost immediately became the champion of labor. He voted for the Wagnér Act.

In 1941 a committee of the House was appointed to investigate the operations of the National Labor Relations Board. Mr. Murdock was on that committee. All through that investigation, as the record reveals, he rallied to the defense of the Wagner Act and resisted to the utmost any proposal to amend it. In fact, when the committee, under Congressman SMITH of Virginia, recommended 12 amendments to the act, 7 of which have been in substance adopted in the present 1947 act, Mr. Murdock, with one of his colleagues, wrote a strong report against any such amendments.

In the Democratic primary campaign in which Mr. Murdock sought the senatorial nomination as against the incumbent, William H. King, Mr. Murdock was strongly supported by labor and won that contest. His campaign speeches on the subject were all prolabor. The labor unions and labor press supported him almost unanimously, and they gave him that support partly on his record of opposition to any change in the Wagner Act.

In the 1946 campaign he stood on his record, and that record, of course, included his opposition to any amendments to the Wagner Act or any new legislation.

During the contest over the Case bill, Mr. Murdock opposed that legislation and voted against it. His record from beginning to end was a complete support of every measure desired by labor unions and against every measure which they were against. In the 1946 campaign a paper named Labor, published by the various railroad brotherhoods in Washington, D. C., stated in a special Utah edition which was sent out to thousands of Utah union members that Mr. Murdock "has been 100 percent right on every legislative proposal which involved the welfare of the workers and their families." The paper praised his opposition to the Case bill and to all acts to which labor was opposed.

This same labor paper issued a special Utah edition supporting Mr. Murdock, which likewise was sent to thousands of Utah union members in the 1940 election.

* * * * *

This opposition prevented any bill from being considered on labor by the Senate which would make such amendments possible. While the senior Senator from Georgia did not say so, I am sure every Senator who knew the history of what had gone on in the past few years in the Senate Labor Committee knew he had in mind the senior Senator from Utah as one of those opposed to any labor legislation. That Mr. Murdock was in full agreement with the senior Senator from Utah in his stand is attested by the statement referred to above and which in part is as follows:

"'What do you think of Senator Abe Murdock?' a representative of labor asked Senator ELBERT D. THOMAS. In response, the great Utah progressive prepared the following statement:

"Senator Murdock and I were elected on the same ticket and came to Washington together in 1933. It is, therefore, not hard for me to say that Senator Murdock ought to be reelected. His program and mine for the party and the country have been identical. We have been voting together on the same issues for the past 14 years. I have always supported him in his committee stands, and he has always supported me in mine.

"PROVED FRIEND OF LABOR

"When the House of Representatives started its investigation of the National Labor Relations Board, Senator Murdock was put upon the committee. He proved himself a friend to labor from the time of his first utterance until the committee made its report.

"The work that he did then was crucial work for labor and when we consider the number of times that attempts were made during the war to remove the rights which laboring men and women had gained and to use the war as an excuse for abolishing standards, Senator Murdock's work stands out.

"He not only helped in obtaining, but also in maintaining, every gain which the ordinary worker received as a result of democratic legislation.

"In the last session of Congress no one in the Senate battled more valiantly for causes which are close to labor than Senator Murdock.—From Labor, October 12, 1944, issue."

No one probably knows more about the views of Mr. Murdock than does the senior Senator from Utah. From the statement above quoted it would appear that the senatorial delegation from Utah prior to 1947 and since 1932 was in full harmony and saw eye to eye in legislative matters. This quotation gives us further light on the acts and views of Mr. Murdock with respect to his views on legislation similar to the Labor-Management Act of 1947. That Mr. Murdock was on the side of all labor unions and their leaders in Utah is so notorious that no one in Utah would question it. Since that fact may not be so well known here, I am submitting a copy of Labor special Utah edition published in Washington, D. C., on Saturday, October 12, 1946.

I also submit a copy of a Labor broadcast, the official organ of the Utah Federation of Labor in the State of Utah, October 14, 1946, edition, and particularly the page carrying the statement "Workers work and vote for your best friend, United States Senator Abe Murdock" which appears on a copy of the Utah State Federation of Labor letterhead, and also contains a copy of a letter addressed by William Green, president of the American Federation of Labor, to the Honorable Abe Murdock, which letter was by Fullmer H. Latter, president of the Utah State Federation of Labor, sent out to all members of the Utah State Federation of Labor.

I also submit a copy of the Salt Lake Tribune under date of Friday, October 11, 1946, showing a picture of Mr. Murdock with labor leaders of Utah and a story in which union labor is reported to be pledged to Mr. Murdock.

With respect to Mr. Murdock's views on labor legislation, and particularly amendments to the Wagner Act, which were proposed by the Smith committee of the House of Representatives in January 1941, I refer the committee to the Seventy-sixth Congress, third session, House Report No. 1902, part II, containing the minority views on the National Labor Relations Board, a report which was signed by the Honorable Abe Murdock and Arthur D. Healey, who were then Members of the House of Representatives. I offer for the record a copy of this report.

Also for the record I offer a statement of the minority views signed by Mr. Murdock and Arthur D. Healey under date of January 21, 1941, as a part of the proceedings of a special committee to investigate the National Labor Relations Board. I direct attention to the fact that this report and the preceding one are expressions of Mr. Murdock's views on labor legislation and particularly amendments to the Wagner Act of the type which have been approved and incorporated into law in the so-called Taft-Hartley bill.

Senator AIKEN. Without objection they will be received for the files of the committee

Senator WATKINS. There is no contention whatever that Mr. Murdock did not have a right to make the record which he made, and I am not attempting to pass on the merits of the legislation which he favored and which he voted against. My only purpose in bringing these matters before the committee is to show how completely Mr. Murdock was tied up with labor leaders and the union movement. I think it is a fair statement to say that he has been generally regarded as labor's spokesman both in the House and in the Senate during his terms here. I believe it is fair comment to say that, had the election in Utah returned Mr. Murdock to the Senate, he would have been during the contest over the Management-Labor Relations Act of 1947 found fighting against enactment of the bill. Of this I think there can be very little doubt, and for this reason I am very much confused as to what the President meant when he said his appointees "including Mr. Murdock" are in sympathy with the act.

From the foregoing record it will be noted that over the years, because of the strong support labor leaders and unions have given Mr. Murdock, he is heavily obligated to them, even though their support was not sufficient in the last election to return him to the Senate.

The exhibits which I have placed in the record will no doubt suggest to the minds of the committee problems which may arise in connection with the interpretation and enforcement of the Labor Act. These labor endorsements published in their magazines and newspapers without expense to the candidate probably are the type of thing which has been banned by the new Labor Act. Having been the recipient of such benefits for so many years, how can Mr. Murdock fairly and without prejudice interpret such activities? And if they are found to be unlawful, how can he with good grace enter judgments against those who may possibly violate the law in the future? That I am not alone in my views on the President's appointments is shown by an editorial which was published in the Washington Star, Sunday, July 20, 1947, in which this comment was made:

"Abe Murdock has served four terms in the House and one in the Senate, having been beaten in last year's election. His record is that of a consistent New Dealer, who has been an honest and ardent prolabor man. As a Member of the House in 1940 he helped write a minority committee report vigorously opposing the proposed Smith amendments to the Wagner Act. Many of those amendments, in substance if not in form, have been adopted in the new labor law. Hence, there arises the question whether Mr. Murdock is

still opposed to them, or, if he has changed his views, when did he do so, and why? This is important, because if he does not believe without reservation in the new law, then he should not be a member of the Board charged with the duty of administering it."

And also in an editorial from the Standard-Times published in New Bedford, Mass., the editorial is as follows:

"In selecting members of the reconstituted National Labor Relations Board, President Truman has been influenced by his bitter hostility toward the Taft-Hartley law which he vetoed, and by resentment because it was passed over his veto.

"He has reappointed all three members of the old Board. Two of them took part in the fight to prevent enactment of the new law by preparing a memorandum which assailed it as unworkable. When this document was inserted in the CONGRESSIONAL RECORD, its authorship was not revealed. It came out, however, in the heat of debate, when Senator TAFT pointed out the similarity between it and the President's veto messages.

"One of these two Board members who sought to influence the action of Congress, Paul M. Herzog, has been named as chairman of the new Board. Of the two new appointees, Abe Murdock is a lame-duck New Dealer who was defeated for reelection as Senator from Utah at the 1946 election. Murdock has been rated as a supporter of Mr. Truman's policies, and his position on labor matters while he was in Congress makes it fair to believe he shares the President's detestation of the Taft-Hartley Act.

"As chosen by the President, the new NLRB is weighted 3 to 2 in favor of the ideas and policies of the old Board which contributed greatly to the abuses that led the people, last November, to demand a revision of Federal laws relating to labor.

"This newspaper has said before, and says again, that officials who have condemned and misrepresented the new law are not qualified to administer it with zeal, impartiality, and good judgment.

"The Board should be composed of men free from the handicap of bias against the law. The President, after his denunciation of the Taft-Hartley bill, said it would be efficiently administered, but his nominations belie his words.

"Fortunately, the Senate has the power to confirm or reject these appointments. It has justifiable grounds for refusing its consent to Mr. Murdock, and to Mr. Herzog and Mr. Houston of the old Board. Its power should be exercised to the end that the new labor-management policy decreed by Congress may have a fair test."

In conclusion I would like to make these observations. I am not opposing the confirmation of the President's appointees on the ground of politics. I voted for David Lilienthal and for Gordon Clapp because these men had been appointed to positions to carry on policies with which they were in full sympathy. I believed from the evidence presented at the hearings that the men were capable, and I felt that the President was entitled to have appointees who were in sympathy with the law and who would faithfully carry it out. As a matter for the record, I have never voted against any of the many hundreds of appointments the President has sent to the Senate for confirmation.

From all that has been presented here, I am convinced that a complete study of the records of Mr. Herzog, Mr. Houston, and Mr. Murdock will clearly show that these men do not meet the standards which I believe should be maintained by the members of the Board and by its general counsel. I have refrained from any discussion of the general counsel for the reason that his public record seems to be well known, and there seems to be no valid objection to him. Probably no more important court—and as a matter of fact the National Labor Relations Board is in effect a labor court—has been set up by the Congress for many generations, and only the most able and fair-minded men should be chosen to act in carrying out the provisions of the law.

It should be kept in mind that under the law the Labor Board is not an arbitration commission. Ordinarily under arbitration each side chooses someone to represent it, and they in turn choose the third, or whatever members are necessary to make up the commission. This is not that kind of law. Yet, the President seems to have had this in mind in making his appointments.

Finally, I want to make it clear that one of the principal issues in the Utah senatorial campaign last November was whether or not there should be amendments to the Wagner Act which would help work out methods whereby labor disputes might be settled without recourse to strikes and in which the labor-union members, employers, and the public would be protected and each would be able to enjoy, under the protection of the law, the rights guaranteed to them by the Constitution. The unions and Mr. Murdock, their candidate, were adamant against any amendments to the Wagner Act, or to any new labor law whatsoever. I took the opposite position and favored the enactment of amendments to the Wagner Act such as have been adopted in the present law. This issue was before the voters of my State. They sent me to the Congress under a pledge that I would do everything I could to help secure the enactment of such a law and that I would also carry on to see that under the law the people were given the relief they expected. It seems inconsistent to them and to me at this time that the President, after the people of the State have spoken, should now appoint a man who was defeated and who fought the enactment of such a law as is now upon the statute books to interpret and enforce the law which he opposed.

It has been suggested, and there is some substance for such a view, that the President might just as well have appointed John L. Lewis, William Green, or Philip Murray, or Lee Pressman to the Board as to appoint Mr. Murdock.

Mr. WATKINS. I also ask unanimous consent to place in the RECORD a statement made by David Lawrence, as published in the Evening Star, of Washington, on Friday, July 25, 1947.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

LABOR LAW MAJORITY HELD OUTMANEUVERED BY BOARD CHOICES

(By David Lawrence)

There is a good deal of chuckling in administration circles over the way the two-thirds majority which enacted the Taft-Hartley law has been outmaneuvered.

Waiting till the last few days of Congress when it seemed certain there would be a disinclination to block any nominations, President Truman appointed as the two additions to the National Labor Relations Board one man who is supposed to be friendly to management but who is not rated as big enough for the job, and another man who is the known champion of the labor-union bosses.

Former Senator Murdock, of Utah, who owed his election to the upper House largely to the political activity of labor unions, is well liked by Members of the Senate in the Senatorial Club sense, and it was the belief of the administration that, of course, the Senate would not turn down one of its own Members.

QUESTION IS NOT PERSONAL

But the question that has arisen is not personal at all. It is whether the majority in the Senate are going to close their eyes to the fact that Mr. Truman has appointed a labor-union partisan whose record in the House of Representatives and in the Senate showed clearly that he has been unsympathetic with the major provisions of the new labor law. It is not generally known but those who follow legislative matters know that the principal sections of the Taft-Hartley law were proposed by Representative HOWARD SMITH, Democrat, of Virginia, in 1940 and 1941 and that Mr. SMITH was chairman of a committee which investigated the Labor Board. Mr. Murdock was a Democratic member of that committee and acted virtually as the spokesman of and defender of the board. In the final report of the House committee he gave the very same reasons for opposing any amendments to the Wagner law as have been given by President Truman in his veto message and by labor-union pronouncements.

There would be more logic, according to some expressions from Senators on Capitol Hill, in appointing either John L. Lewis or William Green to the new labor board. At least they would represent the labor-union viewpoint forthrightly, though, to be sure, Congress did not intend to divide up the board's membership with a certain number of partisans of management and labor, respectively.

If the Senate confirms the new nominees it will not have another chance to review its action, and the damage will have been done. Mr. Truman gave Mr. Murdock a 5-year appointment so that he could not be detached from the board in the event that a Republican President comes into power.

"COURT PACKING" DEVICE

It is a curious turn of events which finds all the work of the Members of the House and Senate who favored a change in our labor-management law brought into jeopardy through a "court packing" device. This is because interpretations of the statute are about to be placed in the hands of a majority on the board who are fundamentally out of sympathy with what Congress has done, though they publicly claim they will do everything they can to interpret it impartially.

Persons who start with a preconceived prejudice cannot win the trust of those who seek justice from them. It is a tragic misuse of public power and a flat contradiction of the President's pledge to the people which finds him appointing for the two vacancies a labor-union partisan and a fifth member who has scarcely been heard of in labor-management circles. Senator IVES, Republican, of New York, who is an expert in labor relations and who conducted a legislative inquiry for the New York Legislature on labor problems, is reported to have said he never heard of the appointee from his State chosen by Mr. Truman, namely, J. Copeland Gray.

Will the Members of the Senate surrender at the last minute to senatorial courtesy and be made ridiculous or will they defer action till the next session when there will be more time, perhaps in the autumn, to give full consideration to the qualifications of the new members? It is taken for granted that the new general counsel will be confirmed. Then, with the three existing members of the board, the work of interpreting the law can go on anyway, even if the nominations of the additional two members are not acted on at this session of Congress.

EXHIBIT A

STATEMENT ON LILIENTHAL HEARINGS PREPARED BY ARTHUR V. WATKINS

By way of introduction to what I shall say today, I call the Senate's attention to an editorial which appeared in a leading daily newspaper of the United States on Wednesday, April 2, the day before the vote cast by this body on the motion of the junior Senator

from Ohio to recommit the Lilienthal and other atomic appointments to the Atomic Energy Committee for further investigation. The editorial published in the paper, which I shall not name, is typical of the views of a large part of the press of the United States and should give food for thought to this body. The editorial is as follows:

"The Lilienthal affair has become something more than a Senate squabble over affirmation of a Presidential appointment. It is a national disgrace and has placed this country in a dangerous international position. The entire perfection and promotion of America's vital atomic energy program has been held up by the idiotic jockeying of a small group of Senators who are putting personal and political advantage ahead of the welfare and the safety of the Nation.

"Uranium producers have suspended operations because of the uncertainty. A large number of scientists engaged in this important project are discouraged and threatening to resign. Led by an irresponsible Member of the Senate, MCKELLAR, of Tennessee, a willful minority is holding up the appointment of a man whose qualifications have been certified by leaders in all parties.

"Two months have passed since President Truman submitted the name of David E. Lilienthal to the Senate as Chairman of the Atomic Energy Commission. For obvious reasons Senator MCKELLAR opposed the appointment. But this would not have been serious except for the fact that several other Senators, seeing political advantage to be gained added their voices to the opposition. In spite of this, the Senate committee after 6 weeks of investigation approved Mr. Lilienthal by a vote of 8 to 1.

"Since that time nothing has been done by the Senate. Time after time action by the upper House has been postponed. In the face of warnings by military men and despite danger signals on the international horizon these representatives of the American people have delayed. Federal and State authorities are being roundly condemned for failure to close down unsafe coal mines until disaster struck at Centralia. How much more culpable are these Senators who are fiddling while a world catastrophe draws ever nearer?

"Other nations are not awaiting action by the United States Senate. Their scientists and nuclear experts are pressing forward in their quest for the secrets known already to our atomic energy specialists. These headstrong Senators are playing the enemy's game whoever that enemy may turn out to be. They are killing time while the fate of the Nation—of the whole world—hangs in the balance.

"The time is short and without American unity of the atomic energy program no world solution is possible. If the United Nations are ever to reach an agreement on the control of this dangerous power it will be when this country has perfected its own program and has appointed its own duly constituted authority to direct activity and policies."

Before I proceed to comment on the charges and biting criticisms contained in this editorial, I would like to state that I have been one of those Senators who had not made up his mind on the Lilienthal appointment but who had been waiting until the investigations have been completed and the arguments made. In other words I have been in a neutral position and have been neither for nor against Lilienthal or any of the other members appointed by the President to form the Atomic Energy Commission. I have tried to consider the matters presented on both sides of the issue in a calm, judicial light.

I am a member of the Committee on Public works, which has been investigating the appointment of Gordon Clapp as board member of the Tennessee Valley Authority. I heard most of the evidence in this matter, which for the most part paralleled the evidence given before the Atomic Energy Committee. I have also read most of the record in the Lilienthal hearing, and I have listened to much of the debate on both sides for and against Mr. Lilienthal. I have checked chronological records to ascertain just what has happened in this matter to bring on such caustic criticism as contained in the editorial just read. This record shows the following order of events:

1. January 10: The President sent the Lilienthal nomination to the Senate.

2. January 20: It was referred by the President pro tempore to the Committee on Atomic Energy.

3. January 27: Hearings by the committee on the nomination began.

4. March 4: Hearings before the committee concluded.

5. March 10: The committee reported the nomination favorably to the Senate.

6. March 24: Debate on the nomination began, and on April 3 there was a vote on the recommendation to refer the nomination back to the committee.

The President appointed Mr. Lilienthal and his associates to the Atomic Energy Commission in October 1946, but it was not until January 10 that he sent the nominations to the Senate. The record which I have just read shows the order of events with respect to these nominations. The report of the committee, which was 8 to 1 favoring the nominees' approval, certainly indicated that the committee was friendly to the nominees. So far as I have been able to determine, there was no report of any investigation by the Executive when the nomination was sent to the Senate. Owing to the reorganization of committees, apparently the Atomic Energy Committee was not ready to receive the appointments until January 20, on which day the reference was made to the committee. Even then a week elapsed before the hearings began.

From the very day the President sent the nominations to the Senate to the date when the hearings on the nominations began before the Senate committee, there is not the slightest evidence that the enemies of Mr. Lilienthal were in any way influencing the delay. The matter was taking its regular course, and so far as I have been able to learn that course was not affected in the slightest degree by those opposed to Mr. Lilienthal.

The hearings which began on January 20 took 24 days, or parts of days. The committee at all times during these hearings was in the control of those who were friendly to Mr. Lilienthal. His friends were in full control of the committee and had the power to direct the investigation being made. This committee could have closed the hearings at any time. There is no privilege of unlimited debate in a committee hearing.

The record also discloses that no Senator other than Senator MCKELLAR appeared before the committee in opposition to Mr. Lilienthal. The record also discloses that 49 witnesses testified before the committee. Thirty-seven of the forty-nine testified for Lilienthal and his associates.

It is worthy of note at this point that very little testimony was received in behalf of the other members of the Commission other than Mr. Lilienthal. Twelve witnesses were called by Senator MCKELLAR or at his suggestion. These could all be classed in opposition to Mr. Lilienthal, although only a few of them expressed any hostility toward him. The record fails to disclose that the committee itself made any special investigation that was not first suggested by Senator MCKELLAR.

It has been charged repeatedly by the press of the country, as in the editorial which I have just read, that Senator MCKELLAR and a willful minority were holding up the appointment of Mr. Lilienthal and his associates. Just who the willful minority is is not disclosed in the editorials, but the record shows that only Senator MCKELLAR of the 96 Members of this body, appeared in opposition. It has been charged that the Senate committees in both the Lilienthal and the Clapp hearings were overly generous in time allowance to the opposition because of senatorial courtesy. I am not saying that this charge is not true, but if it should be granted that it is true, then who is responsible? Surely not the enemies of Lilienthal. The Atomic Energy Committee is made up of veterans of the Senate with one exception. They could have had a short hearing if they so desired. They could have limited the testimony. They could have said to any objecting Senator, or anyone else, at any time, that the hearing would close; that the welfare of the Nation transcends any obligation of senatorial courtesy. There are many critics who felt that they should have taken this stand. I am not going to pass judgment on that, but I do say emphatically that the opposition to Lilienthal did not have it in its power to delay the hearings before the committee.

When the appointment finally came to the floor of the Senate, it was set aside several times, but in every instance by unanimous consent in order to consider pressing emergency legislation.

During the debate which was interrupted at times with emergency matters, the time consumed by the proponents and opponents of Lilienthal was fairly divided. There were more speakers against Lilienthal than there were for him. If the time consumed by the senior Senator from Tennessee should be deducted, the time consumed by the other opponents and proponents would be substantially in balance. Evidence was brought to the floor by the opposition which apparently had not been considered, or at least had not been placed in the record, by the committee holding the hearings. This evidence having to do with the record of Mr. Lilienthal raised a number of questions in the minds of many Senators and suggested at least that further investigation should be made. There was other evidence brought to the floor by the opposition which in my opinion clearly indicated the necessity for further investigation. It seemed to me that the motion made by the junior Senator from Ohio for a recommittal of the appointments was fully justified. I came to that conclusion not only because of the new evidence which was brought before the Senate, but by my consideration of how the hearings were conducted by the Atomic Energy Committee. Frankly, I have been amazed at the way the senatorial committees consider Presidential appointments, and particularly those that are seriously questioned. The hearings seem to degenerate into a contest between the proponents and the opponents of the appointees. Instead of the committee making an independent investigation of its own so that it may intelligently bring light on the appointees to the rest of the Senate, it leaves the matter almost entirely to those who are either for or against the nominees. And this custom apparently has been going on for a long time.

That I am not unfair in making the statement that the hearings are more in the nature of a trial than they are of a dignified investigation by the committee for and in behalf of the people of the United States, I quote from the able argument made by the senior Senator from Michigan before this body on April 3. Said the Senator:

"Since it is impossible for all Senators intimately to know the record developed in 7 weeks of utterly exhaustive hearings, I respectfully suggest that fair-minded men cannot wholly ignore the impact of the cold, hard fact that eight out of nine of the Senate's own jury, commissioned by the Senate to pass upon the facts, report, regardless of party lines, in favor of confirmation. I remind the Senate that these jurors consisted of the Senator from Iowa, the Senator from

Colorado, the Senator from California, the Senator from Connecticut, the Senator from Texas, the Senator from Georgia, the Senator from Colorado, and the senior Senator from Michigan. At least in respect to the others, Mr. President, I am surely entitled to say that a more representative or competent Senate jury could not have been impaneled. It seems to me that it would be highly improbable that such a jury would almost unanimously go wrong."

You will note from that quotation that the Senator says the jury was commissioned to "pass upon the facts" instead of getting the facts. From my experience on two other committees of this body, and from what investigation I have been able to make, I feel that I shall be substantially correct in saying that very little, if anything, was actually done by the Atomic Energy Committee on its own initiative to investigate the records of Mr. Lilienthal and his associates. It was actually what the distinguished Senator from Michigan said it was—a jury which sat and listened to the case as it was presented by those who favored and by those who opposed. It was not an investigating body in the sense that it did anything on its own initiative.

I am not making this statement just to be critical but to bring to the attention of this body a procedure which I sincerely believe needs to be reformed. The President, who makes the appointment, certainly is not a jury passing on the facts. He must get at the facts; he must know about the nominees. The Senate by the Constitution is given the duty of advising the President and finally consenting to his appointments if upon fair investigation the body feels the appointment shall be confirmed.

The senior Senator from Michigan described the hearings as utterly exhaustive, and to emphasize what he meant he stated:

"I repeat that I recall no such thoroughness of inquiry by a Senate committee in all my 19 years of service here. I am unable to believe the process has not been adequate or that we would be warranted in prolonging it."

The record discloses that much time was consumed by the statements and examination of witnesses who were brought in by the parties. In that sense it was thorough. But upon getting the facts on the initiative of the committee it was anything but thorough and certainly not exhaustive, as new evidence on the nominees brought in opposition by Senators to the floor of this Senate demonstrated.

Mr. President, I voted for the motion to recommit, because I sincerely believed further investigation of the nominees should be made. That motion was defeated. I am now confronted with the necessity of voting on the confirmation of the nominees without having all the facts before us, which I think would help in arriving at an intelligent decision.

Mr. BALL. Mr. President, I desire to make a brief statement on the pending nomination. I make it because last summer when the nomination came before the committee, in spite of my friendship and respect for our former colleague, Abe Murdock, of Utah, I vigorously opposed confirmation of the nomination. There was nothing personal in my position. I did so because I had observed him here in the Senate and I had studied his record in the House of Representatives, and I found that he had vigorously opposed virtually all the major provisions which were in the new law which he was appointed to administer. So I found it very difficult to believe that under those circumstances Mr. Murdock could, even if he desired to do so, give us a fair and impartial administration of the act.

Since that time, and during his service on the Board under an interim appointment, it has been the function of the Joint Committee on Labor-Management Relations, of which I am chairman, which was set up by the act, to watch closely the operations of the National Labor Relations Board. The committee itself has had several sessions with members of the Board. Our staff has followed every case and decision and the various rules and regulations promulgated by the Board. I am very happy to report to the Senate, and I wish to do so for the RECORD, that that experience and that observation have convinced me that I was mistaken, and that Mr. Murdock is doing a very fair and impartial job in his present position—in fact, he is one of the strongest and ablest members of the Board.

I am happy to make that statement for the RECORD, and say that I am now supporting strongly confirmation of his nomination.

Mr. MORSE. Mr. President, I wish to state what I should like to have the RECORD show as my reasons for favoring the confirmation of the nomination of Mr. Murdock.

I think we should keep in mind the fact that no question has been raised at any time as to the intellectual honesty of Abe Murdock. I wish to lay that down as the criterion of prevailing importance in passing judgment upon the qualifications of any man, I care not who he is, who is nominated for a quasi-judicial or a judicial office or for any other office. Is he intellectually honest? If we start with that premise, then there is a rule of legal ethics, I submit, Mr. President, which removes any doubt as to whether that individual as a lawyer is going to participate in an impartial administration of the law. Lawyers are ethically bound by the great trust imposed on them of administering justice impartially in accordance with the law applied to the facts as shown by the record of a case. I think it would be most unfortunate if the Senate should ever take the position that when it comes to pass judgment, by way of confirmation or nonconfirmation, upon lawyers who are recommended and nominated for judicial office, we should be influenced because of the position they took as legislators on what they considered to be the social and economic merits of given pieces of legislation. We should recognize very clearly that the functions of a legislator and the functions of a judge are as different as opposites can be.

Hence, at no time have I ever shared the criticism of some so-called liberals—who violate principles of liberality—when they oppose the confirmation of men nominated for judicial office who as legislators were considered as conservative in their legislative point of view on pieces of social and economic legislation.

Mr. President, I deny premise that both political liberals and conservatives are not equally qualified for judicial appointment. I do so because of the principle of legal ethics previously referred to in these comments. Lawyers, both liberal and conservative, if intellectually honest, will rise to the trust of impartial administration of justice when elevated to the bench. Give me a man who I am convinced is intellectually honest, and then I have a man who also will carry out to the highest of standards the high ethics of my profession, for he knows that when he takes the oath of office, as a judicial officer, to uphold the law and to apply the law as it is found in the statute books, he has been given a trust of such importance that we need have no doubt as to the impartiality of the justice he will administer.

Mr. President, I say Abe Murdock is a man who is intellectually honest. He is a lawyer and he understands the ethics of our profession. I am satisfied that under his administration we shall receive an impartial administration of the Taft-Hartley law in accordance with the law as he finds it applied to the record in the cases presented to him.

During the war, as a member of the National War Labor Board, I had an interesting experience, Mr. President. I saw men sit on that great quasi-judicial tribunal of this Government, representing a clear cross-section of American points of view in the field of social and economic legislation. Let me say here, because I do not wish to rise a second time today, that on the list of nominations now before us is the name of one of the employer members of the War Labor Board to whom I wish to pay tribute. I refer to Cyrus Ching, who has been nominated to head the new Federal Mediation and Conciliation Service. In serving with me on the War Labor Board, he represented industry. I wish to say that I consider him to be one of the great industrial statesmen of America, and a man who when sitting on the War Labor Board applied the two criteria of judicial judgment to which I am referring today, namely, intellectual honesty and the ethical obligation of applying the law impartially to the facts as shown by the record of a given case. I served as the enforcement officer of the War Labor Board, and I wish to say to the everlasting credit of Cyrus Ching that, although we did not always agree as to the decisions in cases, nevertheless, once we reached a decision on a case, he never failed to take the position that all members of the Board, employer and labor members, as well as public members, should unite in support of enforcing the decision. I mention that in passing only because I think it is so important, Mr. President, that we have our recollections refreshed now and then as to the differences between judicial functioning and legislative functioning. I think men such as Abe Murdock and Cyrus Ching recognize those differences.

Hence I think that as we approach the question of confirmation of these nominations and other nominations in the future, we should always ask ourselves the questions, "Are we satisfied as to the intellectual honesty of the nominee? Next, are we satisfied that the nominee—be he liberal or conservative or nondescript in political philosophy recognizes and appreciates the ethical obligation that must be maintained by our judicial officers if we are to preserve government by law in this country—namely, the obligation of handing down even-handed, impartial justice based on the judicial

record made before the tribunal in the trial of a case.

Because of my personal acquaintance with and high respect for Abe Murdock and Cyrus Ching and because I know they meet the tests of the true criteria for impartial administration of justice to which I have referred, I am happy to join in voting for confirmation of their nominations today.

The PRESIDENT pro tempore. The question is, Will the Senate advise and consent to the nomination of Abe Murdock, of Utah, to be a member of the National Labor Relations Board?

The nomination was confirmed.

The PRESIDENT pro tempore. The clerk will state the next nomination on the calendar.

The legislative clerk read the nomination of J. Copeland Gray to be a member of the National Labor Relations Board.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Robert N. Denham to be general counsel of the National Labor Relations Board.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

FEDERAL MEDIATION AND CONCILIATION SERVICE

The legislative clerk read the nomition of Cyrus Stuart Ching to be Federal Mediation and Conciliation Director.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

FEDERAL SECURITY ADMINISTRATION

The legislative clerk read the nomination of Oscar R. Ewing to be Federal Security Administrator.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

CALIFORNIA DEBRIS COMMISSION

The legislative clerk read the nomination of Col. Joseph S. Gorlinski to be member and secretary of the California Debris Commission.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed, and, without objection, the President will be notified immediately of all confirmations made this day.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House insisted upon its amendment to the bill (S. 1770) to amend the National Housing Act, as amended, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. WOLCOTT, Mr. GAMBLE, Mr. SMITH of Ohio, Mr. KUNKEL, Mr. SPENCE, Mr. BROWN of Georgia, and Mr. PATMAN were appointed managers on the part of the House at the conference.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 4627) to authorize an appropriation for the immediate relief of the Navajo and Hopi Indians, and for other purposes, and it was signed by the President pro tempore.

PROCUREMENT OF TEMPORARY OR INTERMITTENT SERVICES OF EXPERTS OR CONSULTANTS—CONFERENCE REPORT

As in legislative session,

Mr. AIKEN. Mr. President, I submit a conference report on House bill 4469, and I ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. The conference report will be read for the information of the Senate.

The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4469) to amend the Act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(b) Service of an individual as a member of the Commission or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of section 109 or 113 of the Criminal Code (U. S. C., 1940 edition, title 18, secs. 198 and 203), or of section 19 (e) of the Contract Settlement Act of 1944, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States."

And the Senate agree to the same.

GEORGE D. AIKEN,
JOHN L. MCCLELLAN,
Managers on the Part of the Senate.

CLARE E. HOFFMAN,
CLARENCE J. BROWN,
CARTER MANASCO,
Managers on the Part of the House.

The PRESIDENT pro tempore. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

Mr. O'MAHONEY. Mr. President, I desire to ask the Senator in charge of the report what happened to the Senate amendment which the Senator from Vermont and the junior Senator from Michigan [Mr. FERGUSON] accepted when the bill was under consideration by the Senate.

Mr. AIKEN. Mr. President, the conference committee approved the bill as it passed the Senate with the exception of the proviso which was suggested by the Senator from Wyoming, which provided that the attorneys and experts who might be selected by the Reorganization Commission would have to be approved by the Committees on Expenditures in the Executive Departments of both the House and Senate before they could be employed by the Commission. The conference committee unanimously decided that the Commission could do much better work if it did not have to come before the two Houses of Congress before it could employ a man to go to work for it. Therefore that provision was deleted, and the House unanimously approved the conference report yesterday.

Mr. O'MAHONEY. Of course, Mr. President, I am not surprised at the answer given by the Senator from Vermont. I had already conferred with him privately, and he had told me what the answer would be. In fact, I got the impression from what he said that the Senate conferees, who so graciously accepted the amendment which was proposed on the floor of the Senate, did not make much of a battle to sustain the amendment in the conference.

The situation, therefore, is a very simple one. In this conference report we are being asked to say that lawyers and experts employed by the Commission who may be directly or indirectly interested in claims against the Government of the United States shall be exempted from the provisions of the Criminal Code, while all the persons who are so interested, if they are employees of the Government, will be guilty of a criminal offense and subject to the penalties imposed by the Criminal Code.

If the Senate adopts the conference report, it should be clear to all concerned that we are saying that the Commission may employ lawyers who are themselves vigorously prosecuting claims against the Government of the United States, and that such lawyers shall be exempt from the provisions of the Criminal Code of the United States.

Mr. President, the amendment which was offered by the Senator from Wyoming was designed merely to provide that any person occupying the dual position of being an employee of the Government of the United States and an attorney representing claimants against the United States, or an expert in the same category, should not become an employee of the Commission until his application had been passed upon by the committees of the Congress to whom the jurisdiction of examining expenditures in executive departments is delegated.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. HATCH. The Senator will recall that during the course of the original debate I expressed myself as being against this particular provision and I am still against it. The Senator was speaking of other lawyers and employees of the Federal Government being subjected to pains and penalties if they accepted employment of the kind specified, but is it not a fact that employees of some departments, notably, the Treasury Department, are prohibited for a period of 2 years after they leave the employment of the Government from accepting employment in connection with claims involving the particu-

lar department in which they were employed? They are barred for 2 years after their employment ceases.

Mr. O'MAHONEY. The Senator is quite correct. Here we have a statute—because it will be a statute—setting up a commission to make a report to the Congress on reorganization of the whole executive branch of the Government of the United States, and the conference report as it is now written, the conferees having rejected an amendment approved on the floor of the Senate, makes it possible for attorneys who are interested personally in prosecuting claims against the Government of the United States to serve as lawyers and as experts in reorganizing the Government.

Mr. President, it seems to me that the mere statement of the case shows how utterly outrageous it is. I know that the members of the conference committee are making such a recommendation only because it is a rather annoying thing to require an applicant for appointment to subject himself to an investigation by a personnel officer of the Commission and the Committee on Expenditures in the Executive Department of each House of Congress. That is extremely annoying, but it is rather in the interest of safeguarding the Government of the United States that we erect some barrier to the employment of persons who might do what is contemplated. The annoyance which would be visited upon the Committees on Expenditures in the Executive Departments is nothing compared with the precedent which will be set if the conference report shall be approved in its present form.

Mr. President, it is the norm that the principles of legislative procedure place upon the conferees of either branch the responsibility of making a fight to sustain the branch they represent. In this instance, when I offered the original amendment, it provided that the applications of such persons should be examined by the Civil Service Commission. The Senator in charge of the bill was unwilling to accept that, and I made a concession here upon the floor when the Senator from Vermont and the junior Senator from Michigan suggested that this safeguard would be acceptable to them if instead of the Civil Service Commission, the amendment should provide that the second examination of the record should be made by the Committees on Expenditures in the Executive Departments. The Senator from Vermont is chairman of the Senate Committee on Expenditures in the Executive Departments. We are now dealing with establishing a precedent. Let it be understood that, of course, with the concentration of economic power there has come about a great growth of government; and during the war when we were using all our resources and all our manpower and all our wealth to fight the war, exemptions were granted; but now we are preparing to establish a streamlined executive branch of the Government, and, by the elimination of the amendment, the conferees come before us and say, "We want this to be so free from the criminal law that lawyers and experts, whose personal interests may be in direct contradiction to the interests of the people of the United States, may be employed by the Commission."

Mr. President, I shall ask that the full text of the criminal provisions from which exemption is granted by the conference report be printed in the RECORD. I feel deeply about this, because if we pass the bill now, then another Congress within 2 years will be extending the blanket agreement. Heretofore Congress has granted such exemptions, except during the war, to particular individuals, when they were retained, as former Justice Roberts was retained to prosecute the Teapot Dome investigation. Congress properly exempted Mr. Roberts, who was then a practicing attorney, from the provisions of the law, because it was clear that Mr. Roberts would do nothing that would bring him within the purview of the criminal code, and that it was in the public interest that, though his firm might have some case which technically would come within the jurisdiction of the statute, he himself would be engaged merely in prosecuting a particular offense against the United States, and that there would be no violation. But that is not the case now. We are asked to say, as a legislative body, that anybody whom the Commission may employ shall be so exempt. We do not know who they are.

Mr. AIKEN. Mr. President, will the Senator yield for a correction?

Mr. O'MAHONEY. I yield.

Mr. AIKEN. The provision applies only to experts and attorneys. The amendment which came originally from the House covered everybody.

Mr. O'MAHONEY. I meant to say lawyers and experts. If I said "anybody" of course I was going beyond the terms of the amendment.

Mr. AIKEN. Perhaps the Senator was right, for today everybody is an expert.

Mr. O'MAHONEY. Lawyers are experts; that is correct.

Mr. President, I am going to ask that the statutes be extended in full in the RECORD. As I was about to say, I feel so deeply about the matter and about the unwisdom of setting such a precedent, when the amendment provided only that applicants should also be subject to review by the Committees on Expenditures in the Executive Departments in the Senate and in the House that, if the Senator from Vermont intends to ask for action upon the report this afternoon, I shall have to call for a quorum.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Wyoming to print certain statutes in the RECORD?

There being no objection, the statutes were ordered to be printed in the RECORD, as follows:

UNITED STATES CODE 1940 EDITION, TITLE 18, SECTIONS 198 AND 203

SEC. 198 (Criminal Code, sec. 109). Officers interested in claims against United States: Whoever, being an officer of the United States, or a person holding any place of trust or profit, or discharging any official function under, or in connection with, any executive department of the Government of the United States, or under the Senate or House of Representatives of the United States, shall act as an agent or attorney for prosecuting any claim against the United States, or in any manner, or by any means, otherwise than in discharge of his proper official duties, shall aid or assist in the prosecution or support of any such claim, or receive any gratuity, or any share of or interest in any claim from any claimant against the United States, with intent to aid or assist, or in consideration of having aided or assisted, in the prosecution of such claim, shall be fined not more than $5,000, or imprisoned not more than 1 year, or both. Members of the National Guard of the District of Columbia who receive compensation for their services as such shall not be held or construed to be officers of the United States, or persons holding any place of trust or profit, or discharging any official function under or in connection with any executive department of the Government of the United States within the provision of this section.

SEC. 203 (Criminal Code, sec. 113). Receiving pay by Members of Congress in matters affecting United States: Whoever, being elected or appointed a Senator, Member of or Delegate to Congress, or a Resident Commissioner, shall, after his election or appointment and either before or after he has qualified, and during his continuance in office, or being the head of a department, or other officer or clerk in the employ of the United States, shall, directly or indirectly, receive, or agree to receive, any compensation whatever for any services rendered or to be rendered to any person, either by himself or another, in relation to any proceeding, contract, claim, controversy, charge, accusation, arrest, or other matter or thing in which the United States is a party or directly or indirectly interested, before any department, court-martial, bureau, officer, or any civil, military, or naval commission whatever, shall be fined not more than $10,000, and imprisoned not more than 2 years; and shall moreover, thereafter be incapable of holding any office of honor, trust, or profit under the Government of the United States.

CONTRACT SETTLEMENT ACT OF 1944, SECTION 19 (E)

(e) It shall be unlawful for any person employed in any Government agency, including commissioned officers assigned to duty in such agency, during the period such person is engaged in such employment or service, to prosecute, or to act as counsel, attorney, or agent for prosecuting, any claim against the United States, or for any such person within 2 years after the time when such employment or service has ceased, to prosecute, or to act as counsel, attorney, or agent for prosecuting, any claim against the United States involving any subject matter directly connected with which such person was so employed or performed duty. Any person violating any provision of this subsection shall be fined not more than $10,000 or imprisoned for not more than 1 year, or both.

The PRESIDENT pro tempore. The question is on the adoption of the conference report.

Mr. O'MAHONEY. Mr. President, if there is to be action on the report at this time——

Mr. AIKEN. I request action on it this afternoon. If action on the conference report is delayed, it means that the important Commission on the Organization of the Executive Branch of the Government will be unable to function for several weeks yet, because it will be unable to employ any expert or legal talent to assist it. The Senator from Wyoming is correct when he says that the Senator from Michigan and the Senator from Vermont accepted his recently proposed

amendment. We accepted it for the purpose of taking it to conference because, as the Senator will recall, we were crowded for time, and, knowing the propensity of the Senator from Wyoming to discuss amendments at length, it was felt that time would be saved by taking it to conference and then bringing it back.

Mr. O'MAHONEY. Mr. President, in view of the personal remark by the Senator from Vermont I now suggest the absence of a quorum.

The PRESIDENT pro tempore. Does the Senator yield for that purpose?

Mr. AIKEN. I yield for that purpose, because I think we ought to have more Members of the Senate present when I discuss the subject.

The PRESIDENT pro tempore. The Clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Maybank
Baldwin	Gurney	Millikin
Ball	Hatch	Moore
Barkley	Hawkes	Morse
Bricker	Hayden	Murray
Bridges	Hickenlooper	Myers
Brooks	Hill	O'Conor
Buck	Hoey	O'Mahoney
Bushfield	Holland	Revercomb
Butler	Ives	Robertson, Va.
Byrd	Jenner	Robertson, Wyo.
Cain	Johnson, Colo.	Russell
Capper	Johnston, S. C.	Saltonstall
Chavez	Kem	Smith
Connally	Kilgore	Sparkman
Cooper	Knowland	Stennis
Cordon	Langer	Stewart
Donnell	Lodge	Taft
Downey	Lucas	Thomas, Utah
Dworshak	McCarran	Thye
Ecton	McCarthy	Tobey
Ellender	McClellan	Umstead
Ferguson	McFarland	Vandenberg
Flanders	McKellar	White
Fulbright	McMahon	Williams
George	Martin	Young

The PRESIDENT pro tempore. Seventy-eight Senators having answered to their names, a quorum is present.

The question is on the adoption of the conference report.

Mr. AIKEN. Mr. President, the conference report ought to be approved because it will make it possible for the Commission on Reorganization of the Executive Branch of the Government to do a creditable job without any hindrance or handicaps.

The bill, as it is now, exempts the technical and legal assistants from certain laws which would prohibit them from being connected with any firm which might have cases involving the United States, or whose members might have such cases. As the Senator from New Mexico [Mr. HATCH] so aptly pointed out a few minutes ago, we do not want to require our experts who are employed by the Commission established by the legislative branch of the Congress to be prohibited from taking any case against the Government for 2 years thereafter. It goes without saying that we simply cannot employ a lawyer from any of the responsible law firms to take work with the Commission on that basis.

As to this amendment setting a precedent, that is not in accord with the facts, because many times in the past we have exempted certain employees or persons from the acts which are referred to in the amendment. Probably one of the more notable exceptions was the exemption from such laws of all persons serving under the National War Labor Board in per diem employment. So this proposal does not constitute a precedent. If any precedent exists, the precedent would be in the Congress of the United States establishing a commission of this importance, appropriating $750,000 for its work, and then failing to provide the Commission with the tools it needs to do a good job.

The Commission unanimously requests the Congress to amend the bill as provided for in the conference report, because the Commission feels that the results would be more satisfactory if it were permitted to hire persons or firms already established—management concerns or firms of accountants—to do some of the work of the Commission. It is obviously impossible to employ an accounting firm to do a piece of work for the Commission if all the members of that firm must stop work for anyone who happens to have a case against the Government of the United States.

The result of failing to approve the conference report would be effectively to prevent the Commission from doing the kind of work which Congress expects it to do in making a study of the executive branch of the Government and making recommendations for improving that plan.

It seems incredible to me that the Senator from Wyoming [Mr. O'MAHONEY], or anyone else, should think that this Commission would hire anyone who would work for and against the Government at the same time. I should like to read the names of the members of the Commission. There are six Democrats and six Republicans. Four were appointed by the President of the Senate, four by the Speaker of the House, and four by the President of the United States. They are prohibited from making any report of their findings or any recommendations until January 1, 1949, so the study cannot in any way enter into the election campaign.

As everyone knows, the Commission is headed by Hon. Herbert Hoover, chairman. Hon. Dean Acheson, former Under Secretary of State, is vice chairman. The other members are Secretary of National Defense Forrestal; Civil Service Commissioner Flemming; former Ambassador Joseph Kennedy; Professor Pollock, of the University of Michigan; Mr. Mead, one of Ohio's prominent industrialists; Mr. James Rowe, assistant to the late President Roosevelt; and the four congressional members are Representative Brown, of Ohio, Representative Manasco, of Alabama, the Senator from Arkansas, Mr. McClellan, and myself.

If I did not believe that the members of the Commission could be trusted to do the very best job possible in the employment of attorneys and experts, or if I thought for a moment that they would engage anyone who would use his position with the Commission to make profit for himself from any information he might obtain as an employee of the Commission, I would not want to be on the Commission.

The Congress unanimously approved the bill introduced by the Senator from Massachusetts [Mr. LODGE] and Representative BROWN, establishing this Commission. As I recall, both Houses approved it unanimously. If the Congress wants the Commission to do a good job, it will exhibit faith in the members of the Commission and give them the means to do that job. We cannot do it if we are handicapped in the employment of lawyers and experts, because they simply will not give up their time if they are to be put in jeopardy, or if all the members of their firms are to be put in jeopardy. So I ask that the Senate approve the conference report. It was unanimously approved in the House last night.

Mr. O'MAHONEY. Mr. President, the issue which is now presented is very simple and clear. It will not take me very long to make the record.

The Senator from Vermont says that it is unthinkable that the Commission—which, of course, is composed of men of very high character—would employ any lawyer or expert who had a claim against the Government, and who would thereby be in violation of one of the sections of the Criminal Code. Yet while saying that the Senator asks the United States Senate to pass a waiver of the Criminal Code. What is the sense of bringing in this amendment waiving the Criminal Code if it is not intended to open the door to the employment of men——

Mr. AIKEN. Mr. President, I resent the implication that the Commission intends to open the door for any such purpose.

Mr. O'MAHONEY. Mr. President, I withdraw any implication against the Senator from Vermont. I am merely pointing to the fact that he is asking for an exemption from the Criminal Code.

Mr. AIKEN. That is correct.

Mr. O'MAHONEY. Why does he ask it? So that persons whose employment would otherwise be in violation of the Criminal Code may be employed.

Mr. AIKEN. Mr. President, that is not true. It is not intended to hire anyone in violation of the Criminal Code.

Mr. O'MAHONEY. If that is not the intention, it seems to me quite clear that no exemption is needed.

Mr. AIKEN. I think the implications of the Senator from Wyoming are unworthy of his high office.

Mr. O'MAHONEY. I am speaking plainly of the facts. Of course, I do not cast any reflection whatever upon the character of the Senator from Vermont or of the other distinguished gentlemen whom he has named; but I know, as the Senator knows, that there will be a Personnel Section of the Commission. The employment will be handled, in all probability, by employees of the Commission. Every employee of the Senate and every Member of the Senate is bound by the provision exemption which is now being sought to be extended to the employees of the Commission. It boils down simply to this proposal: A commission has been set up by law to reorganize the executive branch of the Government. An amendment was adopted on the floor of the Senate, accepted by the Senator from Vermont, and carried to conference, which had the effect of providing that persons against whom the Criminal Code could be invoked should not be exempt until their applications had been

passed upon by the Committees on Expenditures in the Executive Departments of the Senate and the House. That amendment has been rejected. The Senator from Vermont, with great frankness, told the Senate immediately before the quorum call that the amendment was accepted merely to save time, so it could be knocked out in conference. I admire the frankness of the Senator from Vermont. But what the Senate is to decide now is whether we by our votes will indicate that we are willing to commit the task of reorganizing the executive branch of the Government to lawyers and experts who may be directly interested in claims against the Government of the United States. To me it is unthinkable that by a formal action of the Senate of the United States a provision of law of that kind could be accepted.

I shall content myself, Mr. President, by merely saying that I shall ask for a yea-and-nay vote upon this conference report. I hope that the conference report will be rejected, so that it may go back to the conferees in order that they may agree upon an amendment which will be in some harmony with the amendment adopted by the Senate which will erect a safeguard against the employment by this Commission of persons as lawyers or experts who are interested directly or indirectly in making claims or prosecuting claims and aiding and assisting in the preparation of claims against the Government of the United States. It is unthinkable that we should, by a formal vote, say that employees of the Government may also be employees against the Government.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. McMAHON. As I understand the Senator's position, it is that he would not object to the retaining of lawyers and experts to do the work of this Commission, provided both the Senate and House Committees on Expenditures in the Executive Departments certify that it is necessary and in the public interest. Is that correct?

Mr. O'MAHONEY. Or desirable. "Desirable" is the word.

Mr. McMAHON. Does the Senator in his amendment provide that any contracts which such persons might have or any retainers they might receive shall be registered with the clerk of the committee?

Mr. O'MAHONEY. Unfortunately I did not provide that in my amendment. I say to the Senator that the bill was reported to the Senate one afternoon when only a few Senators were present. No quorum call was made. I hastily glanced over the proposal of the Committee on Expenditures in the Executive Departments, and saw that there was no safeguard. So I hastily wrote down an amendment. My amendment, as I originally suggested it, provided that the Civil Service Commission should examine the applications of persons having an interest, directly or indirectly, in claims against the Government. That was objected to, and I consented to withdraw that portion of the amendment and to substitute the Committee on Expenditures in the Executive Departments. That substitution was accepted by the other side. The Senator from Vermont accepted it, but, after accepting it, he took it to conference and abandoned it.

Mr. McMAHON. He gave it the "gas."

Mr. O'MAHONEY. Yes.

Mr. McMAHON. I want to emphasize the Senator's position, as I understand it, which is that he does not dispute the necessity of retaining men who are experienced in these matters but who might possibly be interested in claims against the Government. The Senator does not take that position, does he?

Mr. O'MAHONEY. No; I do not.

Mr. McMAHON. He merely says that if it is found to be necessary, there should be some ratification by the proper committee of this body and of the House of Representatives. Is that the fact?

Mr. O'MAHONEY. Precisely.

Mr. McMAHON. So that the Senate and the House will not issue a blanket exemption in a matter of this kind. Is that the Senator's position?

Mr. O'MAHONEY. The Senator has stated my position precisely.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

Mr. HATCH. Mr. President, in the light of what I have said and in the light of the argument which has been made by the Senator from Vermont [Mr. AIKEN], I wish to say that I am opposed to this proposed exemption. The Senator from Vermont argues that we should adopt the conference report because of the high character of the members of the Commission and in order to express our faith and confidence in their character and their integrity. In substance, that is the argument which has been made by the Senator from Vermont.

Mr. President, I say that I have a very high regard for the Senator from Vermont and great confidence in his character and integrity, and the same statement applies to every member of the Commission. It is not a question of faith or confidence in the Commission. Were it so, Mr. President, every commission appointed, every official who has in charge the employment of persons, could come before us and ask for an exemption from the criminal laws upon exactly the same grounds and say, "If you refuse to grant the exemption it will be an expression of lack of confidence and lack of faith in our integrity."

That is not true. We are not acting on this proposition because of lack of confidence in the Commission. We are acting today on the proposition of whether we shall exempt attorneys and experts from the criminal laws because the Commission feels that it can more expeditiously transact its business if such an exemption should be granted. Again I say that that argument can be made by every commission which is appointed, by every official of Government who employs experts and lawyers. They can say "Give me a free choice. I am going to hire honest men who will not violate the law. If you have confidence in me, you will grant the exemption."

If that is to be the rule we might just as well repeal the law and have no such law applicable to anyone. Of course no one will advocate that, because the law is written and designed to apply to abuses and evils which creep and have crept throughout the years into commissions and departments of Government. If we will not repeal it generally, why should we repeal it in this particular instance? If it is a good law to have for one commission it is a good law for this Commission. It is a dangerous and a bad precedent to say to this particular Commission, "You are exempt from the law and we will establish a privileged class, a special few to whom the criminal laws of the land do not apply."

I want to assure the Senator from Vermont that what I am saying is no reflection upon him or his committee or upon their integrity or ability. I say the same thing for all of the responsible officials of Government. I do not think we should have one law for one group and another law for another group. For that reason, Mr. President, I shall vote against the conference report.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

Mr. McCLELLAN. Mr. President, I do not know whether any law should be repealed or any special privilege given for the benefit of this Commission. The Commission believes that in order to permit it to obtain the best possible assistants, this concession must be made, for the reason that probably some of the best qualified persons whose services will be needed will fall in this category, and thereby will not be eligible for appointment by the Commission unless this exemption be granted.

I do not know about that, Mr. President; perhaps there are plenty of experts and attorneys and others whose services might become available to the Commission, and who would not come under this ban. If so, no exemption whatsoever should be made. In other words, unless it is necessary for the Commission to employ some persons who come within this category, if the Commission is to do the best possible job in connection with the task which it has been commissioned and delegated to do, perhaps no such exemption should be made. The matter is immaterial to me; I am interested in no person who might seek appointment by the Commission.

Mr. President, that objection is not the real issue before us. I have heard no one object for that reason. But now it is said, "We must have someone check on the Commission." I do not care whether that is done under the amendment or without the amendment.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am glad to yield.

Mr. KILGORE. Should we not also bear in mind the fact that if the amendment is not adopted the result will be to deny to an American citizen the right to employ counsel of his own choice, because under those circumstances no American citizen would be able to employ as counsel an attorney who was barred by this prohibition.

Mr. McCLELLAN. Certainly, although no one is objecting for that reason to the general ban.

Mr. President, it was first voted that the Commission be required to obtain the

approval of the Civil Service Commission. Of course, a member of the Civil Service Commission serves on this Commission. So I do not understand that when the Congress creates a special commission to do a special job, and entrusts it with the power and authority to do it and charges it with the duty of doing it, then in granting a legal exemption for the benefit of the Commission, the Congress should proceed to do so by way of redelegating the power to a three-member commission. It seems to me that it is far safer to use a 12-member commission.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am glad to yield.

Mr. O'MAHONEY. The Senator from Arkansas has forgotten that the provision respecting the Civil Service Commission was eliminated during the proceedings on the floor of the Senate, and the amendment which was rejected by the conference provided only for the examination of such applications by the Committees on Expenditures in the Executive Departments of the two Houses.

Mr. McCLELLAN. The Senator from Wyoming is quite correct, except I had not forgotten. I said that it was first proposed in connection with consideration of the bill, and it was proposed by the Senator from Wyoming. Then it was proposed to have the matter come back to the two congressional committees directly concerned, and be handled by them. That would mean that it would come before the committee of which I am a member and of which the able Senator from Vermont [Mr. AIKEN] is a member. So in that case it would be placed in the hands of four members of the committee.

Mr. President, I feel confident that if the Senator from Vermont and I reported to the Committee on Expenditures in the Executive Departments that the services of a certain man were needed by the Commission and that the Commission felt they were needed, and that the corresponding House committee approved his appointment, then the Senate committee would approve the appointment.

Let us consider how much investigation they would make. I know what I would do under similar circumstances. I would take the word of my colleague, who is in a better position to know than I am. That is what the committee will do, at any rate. This proposal, if adopted, will simply slow down the process. I know of no precedent for the step now proposed; but if this step is taken, it certainly will constitute a precedent in the case of similar situations arising in the future.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am glad to yield.

Mr. AIKEN. Let us let the RECORD show that both the House and the Senate Committees on Expenditures in the Executive Departments considered the original bill and recommended that it be adopted without any crippling amendments. However, when it was found in the way that a Commission must function in order to do the greatest good, the committees began to consider broadening the law, and they unanimously approved broadening it in the way now proposed. If the committees wished to have every employee of this Commission come before them for investigation and approval, they certainly would have made provision for that in the law, to begin with.

Mr. McCLELLAN. Mr. President, I have no objections to the proposed method of procedure; but the real issue now before us is whether it is necessary for the Congress to provide that some persons or some organization or agency shall check on the operations of the Commission, now that the Congress has set up the Commission and has charged it with a tremendous duty and responsibility. Of course it is perfectly proper for Senators to say that those who advocate the making of such a check are not trusting the Commission. Senators may say that if they wish to do so. I do not think any personal reflection is intended by anyone; but I say that those who advocate the proposed step are simply saying that it is necessary to have someone check on the Commission and protect and guard against the perpetration of some grievous wrong by the Commission.

Mr. President, personally, I have no interest in the matter. The report can be rejected, if that is the desire of the majority of the Senate. But I think the members of the Commission and most other persons believe that if the Commission is to do the best possible job, it may very likely be necessary for it to employ certain persons who otherwise would come within this category, and that the present ban, if it remains in effect as to the Commission, would require it to use for its work persons who would be regarded as second choice. Obviously the Commission would take the position that it could not afford to incur the risk of violating the law by employing persons who would come within the proscribed category, so the Commission would refuse to employ such persons, regardless of the desirability of their employment.

Mr. President, it seems to me that either this entire proposal should be rejected, with the result that no exemptions would be granted and the Congress would require a rigid observance of the law, or else we should let the responsibility rest where the Congress originally placed it, so that the Commission would be free to do the best possible job in the reorganization of the executive branch of the Government.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. McCLELLAN. I am glad to yield.

Mr. HOLLAND. Is it not true that the law creating the Commission specifically provides that one-third of the membership of the Commission is to be appointed—as it was—by the President of the Senate and, similarly, one-third by the Speaker of the House?

Mr. McCLELLAN. The Senator from Florida is quite correct. The law also of the United States. Every possible precaution has been taken, both in connection with the writing of the law and in its administration thus far and in the organization and establishment of the Commission, to make it nonpartisan. I assume that the three appointing officers—the President of the United States, the President of the Senate, and the Speaker of the House of Representatives—undertook, in making these appointments, to select men whose integrity could not be questioned, and who would be just as faithful and diligent in the protection of the Government of the United States against wrong as would any member of either the Senate or House Committee on Expenditures in the Executive Departments, or all of them collectively. I do not believe there is a member of the Commission who would take any chance whatsoever, knowingly, in the appointment of any person to assist the Commission. If the Congress feels that there should be some higher supervisory power over the Commission's action, then I submit it should be the President of the United States.

Mr. HOLLAND. Will the Senator yield for a further question?

Mr. McCLELLAN. I am glad to yield.

Mr. HOLLAND. Does the Senator think that the fact that the two Houses of Congress reposed in their respective presiding officers the appointment of two-thirds of the membership of the entire Commission makes the Commission and the situation so different from that which would prevail in the case of an ordinary commission that there is no validity to the claim that we would be establishing a precedent by adopting the bill in the form now before us?

Mr. McCLELLAN. It so occurs to me. I can appreciate others may entertain honestly a different opinion, but it occurs to me that if the Congress creates a body to do a job for it, and names the personnel, and then decides by amendment that we had better delegate some power over and above the Commission to supervise its acts, to see that it does not commit a crime against the Government or permit one to be committed, it does reflect upon the Commission, though it may not intend to do so.

Mr. HOLLAND. Will the Senator yield further?

Mr. McCLELLAN. I yield.

Mr. HOLLAND. Is it not a fact that in the exercise of the discretion granted to the President of the Senate by the bill authorizing the appointment of the Commission, under which he appointed four members, the President of the Senate did appoint the chairman of the Committee on Expenditures in the Executive Departments and the ranking minority member, and that in the exercise of similar discretion the Speaker of the House did appoint as members of the Commission one of the ranking majority members of the similar committee in the House and the ranking minority member of that committee, thus placing on the Commission four of the ranking members of the two Committees on Ex-

Mr. McCLELLAN. That is correct. It is really immaterial to me what the Senate does, but I should say defeat the bill or permit the Commission to perform the mission which has been delegated to it.

Mr. ROBERTSON of Virginia. Mr. President, will the Senator from Arkansas yield?

Mr. McCLELLAN. I am glad to yield to the Senator from Virginia.

Mr. ROBERTSON of Virginia. Is it not true that the body of the bill, which exempts the employees of the Commission from sections 109 and 113 of the Criminal Code, was adopted by both the House and the Senate without a dissenting vote?

Mr. McCLELLAN. I think that is correct. I do not recall that there was a dissenting vote.

Mr. ROBERTSON of Virginia. Is it not true that the only present difference between the Senate and the House is over the amendment adopted by the Senate providing that the employees of the Commission must be approved by the House and Senate Committees on Expenditures in the Executive Departments?

Mr. McCLELLAN. That is the only difference.

Mr. ROBERTSON of Virginia. The Senate adopted that amendment, the House rejected the amendment, the conferees agreed to the House position, and we are now called upon either to adopt the conference report, which embodies the bill which was unanimously approved by both the Senate and House committees, or reject the conference report, and instruct the Senate conferees to go back and insist that the House agree that no one can be employed by the Commission until the members of the Senate and House Committees on Expenditures in the Executive Departments approve the appointment. Is that not correct?

Mr. McCLELLAN. That is correct.

Mr. ROBERTSON of Virginia. Is not this likewise true; is not the chief difficulty which confronts the Commission in securing satisfactory employees to do its essential work the fact that any person the Commission employs, who may not serve them more than 30 days, cannot for 2 years thereafter take a case involving any claim against the Government?

Mr. McCLELLAN. That applies in some instances. I am not sure about it; I have not referred to the statute. That may be correct.

Mr. ROBERTSON of Virginia. I am satisfied that the question is not so much of employing someone who is now prosecuting a claim against the Government; it is the inhibition which later develops, that for 2 years after one has served the Commission for 30 days, 60 days, 90 days, he cannot go out and practice the legal profession, or do the business he had been ordinarily doing. It puts the Commission in an absurd position when it tries to get the best talent possible. How many times have we tried to reorganize the Government?

Mr. McCLELLAN. We have made many attempts, but I call the Senator's attention to the fact that we hear a great deal now about the inability of the Government in all the executive branch to get the best talent and the ablest men to serve the Government because of many of these restrictions.

Mr. ROBERTSON of Virginia. How many times have we failed to do the job?

Mr. McCLELLAN. I do not think we have ever had a successful reorganization of the Government.

Mr. ROBERTSON of Virginia. Is not this about the last call to do something with respect to the overpowering governmental set-up that is so expensive, and in many instances so inefficient?

Mr. McCLELLAN. We must pin our hopes to this Commission for any relief in the immediate future.

Mr. ROBERTSON of Virginia. As I understand, we are now called upon to reject the conference report, and insist to the House that before the Commission can become organized and employ anyone, the committee of which the Senator and I are members—and we have not time to examine any of the employees—must examine those employed, they must then go to the House committee, and the members of that committee must examine them, and I assume a majority of both the committees must unite, and if a majority does not vote favorably, I do not suppose an employee would be approved. We do not really have sufficient time to do the legislative work that comes before us, but we will have to approve an amendment compelling the Commission to do the work of examining these employees, or we will be called upon to send the report back to the House.

Mr. AIKEN. Mr. President, if the Senator from Arkansas will yield, I may say that the proposed study of the executive branch of the Government has the wholehearted approval of President Truman.

Mr. McCLELLAN. I understand it does.

Mr. LODGE. Mr. President, as the Senator who was the author of the bill which set up the Commission on Reorganization of the Executive Branch, I think it is perhaps incumbent on me to say a word about the discussion which is now taking place.

It is a matter of satisfaction to see that this is an entirely nonpartisan issue. The debate this afternoon has shown that, and the history of the basic law has shown it, because the measure passed the House and the Senate at the last session unanimously, it was reported by the Committee on Expenditures in the Executive Departments unanimously, it was reported by the subcommittee of that committee unanimously.

The members of the Commission, as has been said, consist of six Republicans and six Democrats, and within the two divisions will be found Republicans and Democrats of various schools of opinion. In spite of that fact, the members of the Commission have been working very well together. They have made a very auspicious start on what I think we all agree is a very important and challenging task. They have begun to study the matter of Federal finance. They are making a very basic inquiry into Federal public works. They are looking into the matter of setting up new and modern standards of personnel management and procurement. They are trying to throw some light on the subject of Government corporations. A great deal of thought is being given to reorganization of the Presidential office, which now presents such a baffling and bewildering problem for any man who is President. They are seeking to introduce methods of administrative management into the departments, so that they will be responsive to the leadership of the department heads instead of being sprawling and unmanageable.

I think all agree that there is nothing more important in the long run than to have a Federal Government which is not only economical in the way in which it is run and which saves the dollars of the people, but above all a government which is effective and efficient in terms of translating into action the aims and aspirations of the people. Senators who have studied what has happened abroad and who have seen the downfall of democratic governments one by one, and who have sought to ascribe a cause for the downfall of those governments, know very well that I am speaking the truth when I say that the reason those governments in the Old World have collapsed is that they were no longer able to translate into effective action the aims and the aspirations of their people. The day that our Government becomes so clogged and so inefficient and so full of cobwebs and dust and monkey wrenches in the machinery that it cannot translate into action the aims and aspirations of the people, on that day this form of government will disappear. Therefore, in contemplating the reorganization of the executive branch, we are not engaged merely in a little cheese-paring hunt for the purpose of saving a nickel here and a nickel there; we are engaged in a great effort to keep the Government the source of national strength and national morale and national enthusiasm that it has always been and must be in the future if the country is to be true to its promise.

The point has been made here that we do not need to worry about the proposed power being misused, because the 12 members of the Commission are such eminent and distinguished men. They are eminent and distinguished men. I do not think it would be possible to select in the entire United States 12 men who are more distinguished and more responsible and of higher character. But, as was said here a few weeks ago—I think by the Senator from Wyoming—to recur to that argument is to say that we believe in a government of men rather than in a government of laws. Of course, we do not want to do that, and we do not have to do that, because even if the members of the Commission were not men of the character and distinction they are, there would still be found within the intrinsic provisions of the original act all the safeguards that could possibly be wanted to protect us against any possible abuse of the exemption which is contemplated. When these men were appointed, partly by the President, partly by the President of the Senate, and partly by the Speaker of the House, with a 50–50

division between the two parties, there was set up an automatic check. The mind of man cannot devise a greater check or a more effective safeguard than that.

The Senator from Wyoming, as he always does, has made a very able statement. In all the years that I have been here—and I came here as a Member in 1937, having been before that in the press gallery for many years—I do not think I have ever heard a Senator who excelled the Senator from Wyoming in eloquence and ability, and I have heard very few who equaled him. He is clever, he knows the law, he has great facility for expressing himself. When he addresses himself to an important question he can move men very deeply. He can also make a very substantial impression when he addresses himself to something that is not so extremely important. When he says that we are doing something very serious when we plan to do something that we have done many times before, he would almost make one believe that such was the case, if it were not for the fact that we would be doing something far more serious if we should hamstring and shackle the Commission so that it could not discharge the duty which has been imposed upon it by the Congress and the President.

If we reject the conference report—and that is what we are being asked to do; we are not being asked this afternoon to agree or to disagree to a certain amendment, we are being asked to reject the whole report—if we make it difficult, if not impossible, for the Commission to function; if we make it difficult, if not impossible, for them to obtain the services of the engineers and management experts required to give the American people the quality of governmental service they desire, then we are, indeed, doing something serious. Therefore I hope the conference report will be agreed to.

Mr. ROBERTSON of Virginia. Mr. President, if the Senator from Massachusetts will yield for a question, is it not true that, if the bill is not passed, and the Commission could find qualified experts who are so interested in economy in government that they would give their services gratis to the Commission, the Commission could not employ them without a penalty being incurred by those men, namely, that for 2 years after their employment they could not practice in any Government department? Even if they were to work for nothing, would not the 2-year penalty apply to them if the bill is not passed?

Mr. LODGE. I believe the Senator from Virginia is correct. It is an essential thing to do.

Mr. O'MAHONEY. Mr. President, the Senator from Massachusetts almost completely disarms me, but not quite. I shall trouble the Senate now only to read a few words from the statute, exemption from which is demanded by those who are urging the adoption of the conference report. This is the criminal law:

> Whoever, being an officer of the United States, or a person holding any place of trust or profit, or discharging any official function under, or in connection with, any executive department of the Government of the United States, or under the Senate or House of Representatives of the United States, shall act as an agent or attorney for prosecuting any claim against the United States, or in any manner, or by any means, otherwise than in discharge of his proper official duties, shall aid or assist in the prosecution or support of any such claim, or receive any gratuity, or any share of or interest in any claim from any claimant against the United States, with intent to aid or assist, or in consideration of having aided or assisted, in the prosecution of such claim, shall be fined not more than $5,000, or imprisoned not more than 1 year, or both.

Senators who are defending the conference report have studiously refrained from reference to the provision with respect to which they ask exemption. The Senator from Massachusetts asks the Senate to believe that this great and able commission of distinguished men cannot undertake to reorganize the executive branch of the Government without employing or having the opportunity to employ persons who, but for the exemption, would be guilty of a crime. The only provision in the amendment I offered was that before the exemption became effective, the Committees on Expenditures in the Executive Departments should review the cases.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. McCLELLAN. If the Senator's amendment were agreed to and incorporated in the law, the exemption the bill now grants with respect to all the things contained in the statute which the Senator read would still be granted, though the matter would then be subject to review by the two committees, would it not?

Mr. O'MAHONEY. But we would know that the persons employed in the work would have been scrutinized at least twice, and we would have a safeguard. There is not a Member of this body who does not know that the law offices of Washington are filled with men who are prosecuting claims against the Government of the United States. There is not a Member of either House of Congress who does not know that a lawyer who, by some chance, might be employed to help reorganize the Government of the United States and still be exempt from any penalty for prosecuting claims against the United States, would be in a pretty position to make excellent fees.

I think the report should be rejected, and I ask for the yeas and nays on the adoption of the conference report.

The yeas and nays were ordered.

The PRESIDENT pro tempore. The question is on the adoption of the conference report. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. WHITE. I announce that the Senator from Maine [Mr. BREWSTER], the Senator from Indiana [Mr. CAPEHART], and the Senator from Utah [Mr. WATKINS] are necessarily absent.

The Senator from Nevada [Mr. MALONE] is absent by leave of the Senate on official business.

The Senator from Kansas [Mr. REED] is detained on official committee business, and is paired with the Senator from New York [Mr. WAGNER].

The Senator from Nebraska [Mr. WHERRY] is absent by leave of the Senate because of the death of his father David E. Wherry.

The Senator from Wisconsin [Mr. WILEY] and the Senator from Iowa [Mr. WILSON] are unavoidably detained on official committee business.

If present and voting, the Senator from Maine, the Senator from Indiana, the Senator from Utah, the Senator from Nevada, the Senator from Kansas, the Senator from Nebraska, the Senator from Wisconsin, and the Senator from Iowa would each vote "yea."

Mr. BARKLEY. I announce that the Senator from Mississippi [Mr. EASTLAND] is absent because of illness.

The Senator from Illinois [Mr. LUCAS] is absent by leave of the Senate.

The Senator from Rhode Island [Mr. McGRATH], the Senator from Florida [Mr. PEPPER], and the Senator from Maryland [Mr. TYDINGS] are absent on public business.

The Senator from Oklahoma [Mr. THOMAS] is absent on official business at one of the Government departments.

The Senator from Washington [Mr. MAGNUSON], the Senator from Texas [Mr. O'DANIEL], the Senator from Louisiana [Mr. OVERTON], and the Senator from Idaho [Mr. TAYLOR] are necessarily absent.

The Senator from New York [Mr. WAGNER], who is necessarily absent, has a general pair with the Senator from Kansas [Mr. REED].

The result was announced—yeas 51, nays 26, as follows:

YEAS—51

Aiken	Ecton	Martin
Baldwin	Ellender	Millikin
Ball	Ferguson	Moore
Bricker	Flanders	O'Conor
Bridges	Gurney	Revercomb
Brooks	Hawkes	Robertson, Va.
Buck	Hickenlooper	Robertson, Wyo.
Bushfield	Hoey	Saltonstall
Butler	Holland	Smith
Byrd	Ives	Stennis
Cain	Jenner	Taft
Capper	Kem	Thye
Cooper	Knowland	Tobey
Cordon	Langer	Vandenberg
Donnell	Lodge	White
Downey	McCarthy	Williams
Dworshak	McClellan	Young

NAYS—26

Barkley	Johnson, Colo.	Murray
Chavez	Johnston, S. C.	Myers
Connally	Kilgore	O'Mahoney
Fulbright	McCarran	Russell
George	McFarland	Sparkman
Green	McKellar	Stewart
Hatch	McMahon	Thomas, Utah
Hayden	Maybank	Umstead
Hill	Morse	

NOT VOTING—19

Brewster	O'Daniel	Wagner
Capehart	Overton	Watkins
Eastland	Pepper	Wherry
Lucas	Reed	Wiley
McGrath	Taylor	Wilson
Magnuson	Thomas, Okla.	
Malone	Tydings	

So the conference report was agreed to.

AUTHORIZATION TO REPORT A JOINT RESOLUTION

As in legislative session,

Mr. WHITE. Mr. President, I ask unanimous consent that following the recess of the Senate today the Senator from New Hampshire [Mr. TOBEY] be authorized to report from the Committee

on Banking and Currency Senate Joint Resolution 167, to aid in the stabilization of commodity prices, to aid in further stabilizing the economy of the United States, and for other purposes.

The PRESIDENT pro tempore. Is there objection?

Mr. BARKLEY. Mr. President, I shall not object, but at this time I wish to introduce a bill dealing with the same subject, which I presume will be referred to the Committee on Banking and Currency.

The PRESIDENT pro tempore. The first request is the request of the Senator from Maine. Is there objection? The Chair hears none, and it is so ordered.

STABILIZATION OF COMMODITY PRICES

Mr. BARKLEY. Mr. President, I now ask unanimous consent to introduce the bill to which I have referred.

There being no objection, the bill (S. 1888) to provide for the temporary control of prices on certain vital commodities in short supply that basically affect the cost of living or agricultural or industrial production, and for other purposes, introduced by Mr. BARKLEY, was received, read twice by its title, and referred to the Committee on Banking and Currency.

Mr. BARKLEY. Mr. President, I wish to make a very brief statement in regard to the bill which I have just introduced. This is the bill which has been in process of preparation for several weeks, to carry out the message of the President with regard to inflation and the high cost of living. Yesterday the bill was sent to the Senator from New Hampshire [Mr. TOBEY], chairman of the committee on Banking and Currency, by the Secretary of Commerce, who has been acting in the capacity of chairman of the administrative agencies which have been working on this proposed legislation. The Senator from New Hampshire was temporarily absent from the city and did not receive it until today. I had hoped that the Senator from New Hampshire would himself introduce the bill as chairman of the Committee, but I am informed that he does not feel disposed to do so, or has not done so.

I am also advised that the Committee on Banking and Currency has today taken action, or authorized action, in regard to this subject, in the form of another proposal. I sincerely trust that before any effort is made to take up the bill which the committee is to report, it will give consideration to the bill to which I have referred, and which I have introduced. I presume that the bill will be referred to the Committee on Banking and Currency.

Mr. TAFT. Mr. President, I think the minority leader misunderstands the proposal which is being made by the majority. There is no disposition whatever to exclude consideration of the bill which the Senator is introducing.

When the President submitted his message, with 10 points, I was referred to the Secretary of Commerce as the one who would present the matter to the Joint Committee on the Economic Report and other committees, or would designate members of the administration who would testify in behalf of the various points. I discussed the subject with Mr. Harriman, and he designated various members of the administration. Mr. Eccles appeared in connection with one point. Mr. Anderson appeared in connection with others, and Mr. Harriman himself appeared in connection with certain points. It was then agreed that they would not present their case for price control and rationing during the special session, because I told Mr. Harriman that the subject presented such a substantial controversy that it would be impossible to handle it at this session, but that if he would present the other proposals, which were less controversial, we would try to handle them; and that has been done. We have now had testimony covering 6 of the 10 points, and part of a seventh.

The question we have had to consider is, How far can we deal with the points with respect to which there is, at least, less controversy? The program which is to be offered tomorrow in the Senate proposes to go as far as we can on these points at this session. It is not intended to exclude further consideration of other points, or more definite compulsions.

The first of the 10 points is:

To restore consumer credit controls and to restrain the creation of inflationary bank credit.

The Committee on Banking and Currency is reporting a bill to restore consumer credit controls. We hope that we may reach it tomorrow. Restraining the creation of inflationary bank credit is a matter which was presented by Mr. Eccles. He has an elaborate plan which has the opposition of nearly all the bankers in the United States. It presents very fundamental questions relating to the manner in which bank credit may be restrained without restraining it too much.

Mr. Eccles himself has stated that there is no hurry, because during the next 3 months approximately $5,000,000,000 of Government bonds will be retired. Almost all the surplus of the Government for the fiscal year will occur in the next 3 months, and the retirement of the bonds will furnish a restraint on bank credit. In the meantime, we shall have time to consider the more fundamental questions relating to that very difficult problem.

The second point is:

To authorize the regulation of speculative trading on the commodity exchanges.

That subject has been considered by our committee. It has not been considered by the Committee on Agriculture and Forestry, which will have to submit recommendations. It presents a direct issue of what shall be done. I myself am in favor of some extension of such controls, but it seemed to be impossible to handle the subject at this session, except on a voluntary basis, as is proposed in the bill recommended by the Committee on Banking and Currency, which will be on the calendar tomorrow.

The third point is:

To extend and strengthen export controls.

That proposal is in the bill which will be before us tomorrow.

The fourth point is:

To extend authority to allocate transportation facilities and equipment.

That proposal is in the bill which will be before us tomorrow.

The fifth point is:

To authorize measures which will induce the marketing of livestock and poultry at weights and grades that represent the most efficient utilization of grain.

Mr. Anderson testified that none of the methods proposed was satisfactory to him, and that he had nothing to propose unless there were general price control, in which case that might be used as a method of controlling the weight of livestock and poultry.

The sixth point was:

To enable the Department of Agriculture to expand its program of encouraging conservation practices in this country, and to authorize measures designed to increase the production of foods in foreign countries.

Those matters are in a bill which the distinguished minority leader presented. We are perfectly willing to pass it, but we came to the conclusion, after legal advice, that no authorization bill was necessary. As I understand, the appropriation bill coming over from the House will contain additional funds necessary to expand the program of encouraging conservation practices, which means conservation of grain in feeding, and other measures designed to increase the production of foods in foreign countries.

The seventh point was:

To authorize allocation and inventory control of scarce commodities which basically affect the cost of living or industrial production.

That presents a very fundamental and controversial question: Whether the Government shall be given unlimited power to allocate materials in every industry in the Nation. We felt that should not be done. What we are proposing is to authorize the President to work out such inventory control and allocation on a voluntary basis by voluntary agreement.

We state very clearly in the policy statement adopted by the majority conference—and I state very clearly here—that it is not intended to exclude any additional measure that may be sought when it is shown that voluntary measures have not worked and cannot work. It is in no sense presented as an alternative to the proposal of the Senator from Kentucky. It will have full consideration when presented. But certainly such a proposal of all-out price control or even price control of a particular product is something which will take many days more to debate than we can possibly have at this special session. I think it is a perfectly fair thing to say to the administration, "Here is the power. Use it on a voluntary basis. Give certain exemptions under the antitrust laws. Place some limitation on the use of steel for nonproductive purposes; some limitation on distillers in the use of grain. Here is the power to do it voluntarily." If it cannot be done, we will consider at the regular session any specific control that may be sought.

That is the proposal in substance.

The last three points are not dealt with.

They are:

8. To extend and strengthen rent control.

9. To authorize consumer rationing on products in short supply which basically affect the cost of living.

10. To authorize price ceilings on products in short supply which basically affect the cost of living or industrial production, and to authorize such wage ceilings as are essential to maintain the necessary price ceilings.

Rent control should be before the committee as soon as we return. It will require some weeks. What I have indicated is as much as I think we can do without raising some great issue tomorrow.

I want to correct the Senator's impression that it is intended to forestall the bill which he has introduced.

Mr. BARKLEY. I do not recall that I said anything about forestalling anything. I might have said it with some justification, in view of the fact that Congress has been in session for a month; that on the 17th of November the President made his recommendations with regard to the question of inflation legislation and set out 10 points which he deemed advisable and necessary in order properly to deal with the subject.

The Senator from Ohio and all the other Senators realize that notwithstand the fact that these recommendations were made by a Democratic President, the Republican Party is in control of both Houses of the Congress, and we being practical men realized that we could not pass the legislation ourselves unless we had the cooperation of the majority.

Since the Senator from Ohio has referred to the action of the majority policy committee I will say that the minority policy committee also dealt with the question and decided that it would not undertake to initiate legislation until the Republican policy committee and the Republican majority had been given a reasonable opportunity to introduce legislation in accordance with the President's recommendations, if they should see fit to do so. We have waited for that event to transpire, but it has not yet done so.

In the House of Representatives a four-point bill was introduced and reported rather hastily from a committee and was defeated yesterday. The Senator from Ohio introduced a similar bill in the Senate carrying out four points, and it was referred yesterday, I believe, to the Committee on Banking and Currency which, I understand, has agreed to act upon it with some modifications, at least as to one of the points.

We are now, it seems, in the very closing days of the session. There have been hearings for a month before the Joint Committee on the Economic Report, which is not a legislative committee, and before which Mr. Harriman was invited or requested to appear and did appear as a witness. He also appeared before the Committee on Banking and Currency of the House of Representatives, and the chairman of that committee complained because Mr. Harriman had no bill; that the administration had not submitted a bill, and that Mr. Harriman himself had not submitted a bill. I think Mr. Harriman very properly took the position that if they were too hasty in submitting a bill, or if, without the hope of cooperation with the majority, they had submitted a bill, as heretofore they would be charged with trying to cram something down the throats of Congress or bringing forward a "must" bill without giving an opportunity to the majority to work out in cooperation with the executive branch a specific piece of legislation.

On the bill which was presented yesterday to the chairman of the Committee on Banking and Currency, and which I am now introducing because the chairman indicated that he did not wish to introduce it or did not feel like introducing it and had not done so, I have no way of knowing what the action of the Congress will be. I know what the President recommended. I know that the four-point bill introduced by the Senator from Ohio, which was a copy of the bill introduced in the other branch by the chairman of the Committee on Banking and Currency, is not adequate to deal with the situation. Whether we regard it as wise to deal with it piecemeal, a point or two at a time, is a matter over which I have no control. I have tried to keep reasonably well informed through the reports of the Joint Committee on the Economic Report, by reading the hearings on both sides of the Congress, by newspaper articles, and advertisements of the National Association of Manufacturers, and other public benefactors who are anxious to barge in at the last minute in order to get some sort of legislation for the benefit of the people. But regardless of what we do the remainder of the week, certainly the proposal which has been called for time and time again by official representatives of the two Houses of Congress is entitled to be introduced and considered. I have introduced a bill for the consideration of the Congress. I understand it has been introduced in the House also. It is introduced for the consideration of the Committee on Banking and Currency. I am sorry that that committee was in such haste that it could not give consideration to the part of the program which it has voted out today. But, be that as it may, certainly if we are not prepared to have any legislation between now and the date of adjournment the country is entitled to consider the whole subject.

I have submitted this bill in the hope that it will be considered by the committee and by the Congress as a bona fide effort to deal with the subject, recognizing the controversies that exist and the differences of opinion which may lie at the basis of any legislation that may be enacted.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. I hope the Senator will consider that with regard to both the proposals which have been made they are not intended to foreclose the other matters. I happen to disagree with the bill which the Senator is introducing, because it sets up an OPA with complete power of price control. But it certainly is entitled to consideration, and there is no effort in what we propose to do tomorrow——

Mr. BARKLEY. In the first place, it does not set up another OPA. It authorizes the President to use existing agencies.

Mr. TAFT. It gives full power of price control. The Senator knows the tremendous difficulties he and I had in trying to get an OPA measure through at different times, and he knows that this measure cannot be considered to a conclusion at this session.

Mr. BARKLEY. I think I had more difficulty in trying to get an OPA measure through than did the Senator from Ohio.

Mr. TAFT. I cooperated with the Senator.

Mr. BARKLEY. The Senator did cooperate.

Mr. TAFT. I did not agree entirely with what the Senator wanted.

Mr. BARKLEY. It was not exactly what I wanted. It was possibly a little more than the Senator wanted. At least we worked together.

Mr. TAFT. In order that something may be accomplished when we consider very seriously the proposals which will be in the bill tomorrow——

Mr. BARKLEY. The bills which I introduced earlier today give the Secretary of Agriculture greater power in connection with the regulation of commodity markets under the Commodity Exchange Act. I do not know whether the Committee on Agriculture and Forestry, to which I suppose the bills were referred, will have time to consider each bill before we take a recess or adjournment.

Mr. TAFT. They have not started, and I am afraid they will not. As a matter of fact, at the present time the measures which the Secretary wishes to impose are in effect and will stay in effect until we start on this measure.

Mr. BARKLEY. They will stay in effect only if the authorization now in existence is carried out, but they can be reduced back to the 10 percent which they were before they were increased to 33⅓ percent. There is no way by which the Secretary can compel those margins to be continued.

Mr. WHITE. Mr. President, I feel that some differences might arise because of dissension among us as to the matters which have been under consideration in the last few minutes. Therefore, as in legislative session, I shall move that the Senate stand in recess until 12 o'clock.

SUSPENSION OF RULE AS TO NOMINATIONS BEFORE COMMITTEE ON ARMED SERVICES

Mr. GURNEY. Mr. President, will the Senator withhold that motion, and yield to me?

Mr. WHITE. I do.

Mr. GURNEY. I ask that the motion to recess be withheld, for the reason that this morning the Committee on Armed Services voted unanimously to hold in the committee numerous nominations of high rank in the Army, Navy, and Marine Corps. So it is my purpose to ask unanimous consent that the committee or the Senate hold these nominations during the coming recess. I

thought I would ask consent today, so that if there were any objection, I could give notice that I was asking for a suspension of the rule.

So, if the Senator from Maine will yield for that purpose——

The PRESIDENT pro tempore. What is the request of the Senator from South Dakota?

Mr. GURNEY. My present request is that the numerous nominations held by the Committee on Armed Services be allowed to remain with the committee during the coming recess. So I ask unanimous consent that paragraph 6 of rule XXXVIII be suspended, so that the nominations presently with the Committee on Armed Services may remain with the committee and be considered in the second session of the present Congress.

The PRESIDENT pro tempore. Is there objection? The Chair hears none. Without objection, the order is made.

RECESS

Mr. WHITE. Mr. President, as in legislative session, I now renew my motion that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 3 o'clock and 52 minutes p. m.), as in legislative session, the Senate took a recess until tomorrow, Wednesday, December 17, 1947, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 16 (legislative day of December 4), 1947:

DEPARTMENT OF LABOR

David A. Morse to be Under Secretary of Labor.

John T. Kmetz to be Assistant Secretary of Labor.

HOUSING AND HOME FINANCE ADMINISTRATOR

Raymond Michael Foley to be Housing and Home Finance Administrator.

FEDERAL HOUSING COMMISSIONER

Franklin D. Richards to be Federal Housing Commissioner.

NATIONAL LABOR RELATIONS BOARD

MEMBERS

Abe Murdock to be a member of the National Labor Relations Board for a term of 5 years.

J. Copeland Gray to be a member of the National Labor Relations Board for a term of 2 years.

GENERAL COUNSEL

Robert N. Denham to be general counsel of the National Labor Relations Board for a term of 4 years.

FEDERAL MEDIATION AND CONCILIATION SERVICE

Cyrus Stuart Ching to be Federal Mediation and Conciliation Director.

FEDERAL SECURITY ADMINISTRATION

Oscar R. Ewing to be Federal Security Administrator.

CALIFORNIA DEBRIS COMMISSION

Col. Joseph S. Gorlinski to be member and secretary of the California Debris Commission.

IN THE ARMY

APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES

Lt. Col. Charles Russell Broshous, Army of the United States, to be professor of military topography and graphics at the United States Military Academy, with rank from date of appointment.

APPOINTMENTS IN THE REGULAR ARMY IN THE ARMY NURSE CORPS AND THE WOMEN'S MEDICAL SPECIALIST CORPS

The nominations of Ada M. Bowers et al., for appointment in the Regular Army in the Army Nurse Corps and the Women's Medical Specialist Corps, which were confirmed today, were received by the Senate on December 15, 1947, and are shown in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date under the caption "Nominations," beginning with the name of Ada M. Bowers appearing on page 11381 and ending with the name of Olga A. Zanella appearing on page 11382.

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

Medical Service Corps

To Be Captain

Charles S Gersoni, Medical Service Corps, with rank from October 27, 1947.

The nominations of Sam Foster Seeley and others for promotion in the Medical Corps of the Regular Army of the United States which were received by the Senate on December 15, 1947, were confirmed today and shown in full in the Senate proceedings of the CONGRESSIONAL RECORD for December 15, 1947, under the caption "Nominations," beginning with the name of Sam Foster Seeley appearing on page 11377 and ending with the name of Charles Edwin Robinson appearing on page 11381.

Army Nurse Corps

To Be First Lieutenants

Mary Magdalene Matlavage, with rank from October 26, 1947.

June Florence Berryman, with rank from October 30, 1947.

Clara Mary Sullivan, with rank from November 20, 1947.

Regina Claire O'Donnell, with rank from December 1, 1947.

Women's Medical Specialist Corps

To Be First Lieutenant

Myrtle May Bates, with rank from December 5, 1947.

IN THE NAVY

APPOINTMENTS IN THE NAVY

Appointment to the permanent grade of captain in the line and staff corps of the Navy

Officers of the Line

Robert W. Cavenagh	Charles A. Buchanan
Elton W. Grenfell	Joseph B. Stefanac
Frederic A. Graf	Karl J. Biederman
John C. S. McKillip	John F. Newman, Jr.
John B. McLean	Charles Adair

Officers of the Medical Corps

Warren G. Wieand
Albert R. Behnke, Jr.

Officer of the Supply Corps

Bion B. Bierer, Jr.

Officer of the Civil Engineer Corps

Elmer B. Greey

Appointment to the permanent grade of commander in the line and staff corps of the Navy

Officers of the Line

Robert C. Sleight	Jewett O. Phillips, Jr.
John Baumeister, Jr.	William G. Holman
Allen R. Faust	Henry C. Schwaner, Jr.
Jonathan L. W. Woodville, Jr.	Thomas S. King, Jr.
Walter F. Schlech, Jr.	James S. Gray, Jr.
Robert L. Neyman	John F. Ryder
Dayton A. Seiler	Donald W. Wilson
David S. Brown	William B. Parham
Albert B. Furer	Herbert V. Burkart
Sydney R. Miller, Jr.	David C. Richardson
Dallas M. Laizure	

Officers of the Medical Corps

Charles S. Hascall, Jr.	Edward P. Irons
George L. Tabor, Jr.	Joseph J. Timmes
Lester J. Pope	Lynn S. Beals, Jr.

Officers of the Supply Corps

Richard L. Myers
Randolph Meade, Jr.

Officer of the Chaplain Corps

Harry C. Wood

Officer of the Civil Engineer Corps

Raymond B. Krum

Officers of the Dental Corps

Aaron N. Bowers, Jr.
William B. Johnson, Jr.

Appointment to the permanent grade of lieutenant commander in the line and staff corps of the Navy

Officers of the Line

James J. McMullan	Robert P. Pierson
Clifford E. Caton	George B. Stewart III
Daniel W. Abercrombie	John M. Maloney
James L. Cook, Jr.	Paul L. Vissat
Douglas G. Ewen	Manuel D. Vincent
John D. Brink	James J. McDonald
Lamar S. Taylor	Laurence R. Naegely
Leonard J. Opeil	William D. Biggers
John F. Peterson	John B. Jorgensen
Philip G. Saylor	Clifford E. Fanning
John S. Weiler	Edward V. D. Davidson
Jack L. Lowentrout	
John R. Dierker	Joseph D. Brummett
Gordon E. Hartley	Leo W. Mullane
William W. Powell	Ralph E. Elliott, Jr.
Alfred F. Blair	William W. Kelly
Lyle R. Hays	Carl D. Krantz
John McLaughlin	Albert K. Earnest
Frederick L. Yeo	Charles U. Walkley
Wilson B. Robertson	

Officers of the Supply Corps

Leonard G. Honey	Lawrence D. Wornom
Chester E. Beaver	John R. Arnzen
Alan M. Hamerslag	Horace W. Blaine
John D. Custer	

Officer of the Chaplain Corps

John Novick

Officer of the Civil Engineer Corps

Daniel E. Connolly

Officer of the Medical Service Corps

George A. Miller

Appointments to the grades indicated in the line of the Navy

Lieutenant Commander

Thomas E. Delate

Lieutenants (Junior Grade)

Donald H. Nitz
Bruce W. Robertson
Julius A. Striso

Appointments to the grades indicated in the Medical Corps of the Navy

Commander

Christopher C. Shaw

Lieutenant Commanders

Henry W. Miller
Walter R. Taylor

Lieutenants (Junior Grade)

Oliver L. Babcock	Charles L. Lear
Preston H. Bandy	Charles J. Molnar, Jr.
David D. Bennett, Jr.	John S. Neill
Leonard B. Burgess	Marion E. Nunemaker
Donald L. Burnham	
John D. Capehart	Edward E. Parker
John J. Carty	Joseph E. Rankin
Avery L. Cotton	Ernest S. Redfield
James A. Dugger	William S. Reed
Robert J. Fahrner	Leslie W. Sederstrom
Robert R. Garison	Fred A. Valusek
Hamlin G. Habib	William A. Viele
Newman A. Hoopingarner	Clay N. Wells
	Harold E. Wood, Jr.
Rupert S. Hughes	Harold S. Wright, Jr.
Roland W. Jones	Norman F. Wyatt

Appointments to the grades indicated in the Civil Engineer Corps of the Navy

Lieutenants

Harold M. Cohn
John D. Plawchan

Lieutenants (Junior Grade)

Lawrence H. Eding
Frank M. Laurenzano
Bernard L. Hansen
John J. Manning, Jr.
Benjamin T. Dibble
Robert B. Jarvis
Dean K. Marquardt
Albert R. Marschall
William B. Stephenson
Allen S. Waters
Joe R. Wilson

Ensigns

George E Livingston
Vershall A. Roy
James T Acuff
Earl I. Boyd
Robert J. Farley
Charles J. Forquer
William J. Francy
Donald G. Iselin
Albert M. LaLande, Jr.
Edward M. Saunders
Nelson C. Simonson
Walter W. Vander Wolk, Jr.

Appointments to the grades indicated in the Dental Corps of the Navy

Lieutenant Commanders

Gus J Jerkofsky
Harry E. Pump

Appointment to the grade indicated in the Medical Service Corps of the Navy

Lieutenant (Junior Grade)

Woodrow C. Manley

Appointments to the grades indicated in the Nurse Corps of the Navy

Lieutenants

Mary R. Anderson
Anna M. Dillon
Edith M. Macha
Mary F. Parker
Edna A. Reeves
Ida A. Thompson
Adelyn M. Yankowski

Lieutenants (Junior Grade)

Elois M. Duffy
Kathryn E. Lopartz
Celia Z. Pipkin

Ensign

Edith M. Devoe

Appointment to the commissioned warrant grade indicated

Chief Boatswain

John Buday

To be ensigns in the Navy with rank from June 4, 1948

Charles W. Hallagan
Thomas M. Hopkins
Edward F. Krueger
Joseph J. Paulis, Jr.

To be ensigns in the Supply Corps of the Navy with rank from June 4, 1948

Warren W. Barker
George A. Murphy

To be lieutenants (junior grade) in the Medical Corps of the Navy

Leon A. Adams
Thomas A. Anderson
Robert J. Audet
Charles E. Bancroff
Paul E. Barber
Jack Barrow
Frederick B. Becker
Paul B. Bender
Jack C. Berger
Richard C. Bishop
Walter L. Blackadar, Jr.
Billy R. Blackburn
Russell S. Boles
Murdock S. Bowman
Thomas A. Boyd
Gurdon L. Bradt
Byron L. Brown
John B. Bryan
Robert G. Busboom
John L. Butler
Dee W. Call
David B. Carmichael
Herman E. Carr, Jr.
William S. Carter
James P. Clarke
Dayton A. A. Cooper
Robert R. Cooper, Jr.
Earl E. Correll
John C. Country
Elgin C. Cowart, Jr.
Donald R. Cruse
Alfred O. Davies
Delbert R. Dickson
Milan Diklich, Jr.
David G. Doane
William C. Drennan
Arthur B. Dubois
Merlin K. Duval, Jr.
George S. Ellis
Jerome C. Evanson
Richard S. Farr
John S. Featherston
John C. Filkins
Donald R. Fitch
Gregory E. Flynn
Ralph V. Ford
Richard Foulk
Nathaniel E. Fowler
George R. Frempter
Robert E. Fultz
Paul J. Fuzy
Aubrey D. Gantt
Charles R. Gardipee, Jr.
Thomas H. Garth
Albin Gedarovich
Albert B. Giknis
Paul J. Goodwin
Orville M. Graves, Jr.
James W. Greer
Donald W. Grimes
Lawrence K. Groves
John S. Guerrant
James R. Hamilton
Paul K. Hamilton, Jr.
Duke E. Hanna
John W. Hanni
Richard H. Hardin
Kenneth L. Hardy
Byron F. Harper, Jr.
Wiley H. Harrison
Edward G. Haskell, Jr.
Earl A. Hathaway
Milford D. Hayden
John S. Hayes
Edwin A. Henck
Ray A. Henn
Carl M. Herbert, Jr.
John T. Hicks, Jr.
Raymond W. Hillyard
Harland V. Hippensteel, Jr.
Robert R. Hirst
Bert J. Hoeflich
Richard F. Hoffman
John W. Hollowell
Alden V. Holmes
Roy W. Holmes
Charles C. Houghton, Jr.
Marion B. Howorth, Jr.
James B. Hutcheson
William Ingram, Jr.
Harry S. Irvine, Jr.
Lyle F. Jacobson
Paul A. Jarand
Alvin C. Jensen
Ralph A. Jessar
Morton Johan
Harold G. Johnson
Lawrence W. Johnson
Robert L. Justice
John A. King
William E. King, Jr.
Lindsay J. Kirkham
Robert J. Kleinhenz
Martin Koeck III
Donald R. Koerner
Walter P. Kosar
Michael J. Langan
William E. Larsen
Thomas B. Lebherz
John R. Lee, Jr.
Harvey L. Lehman, Jr
Oliver S. Leinart, Jr.
Thomas H. Lewis
Robert H. Lister
Richard E. Luehrs
Dennis P. McCarthy
Francis C. McMains
Charles D. McMillan
Dan G. McNamara
Gordon B. Magill
Joseph K. Maloy
Isaac V. Manly
James H. Manly, Jr.
"C" "L" Manning, Jr.
Francis Marshall
Allen L. Miller
Lewis C. Mills
William D. Misbach
Charles W. Moffett
Robert P. Moore
James F. Morrell
Samuel L. Moschella
Thomas J. Murphy
Lincoln D. Nelson
Claude R. Nichols, Jr.
Donald J. Nollet
Leon L. North
Robert W. O'Brien
Donald O'Hanian
James S. O'Hare
Jack S. Oney
Joseph Oshman
William C. Owsley
William F. Park
William T. Patton
Donald F. Percy
Samuel R. Penn
James C. Peterson
Charles A. S. Phillips
Leonard V. Phillips
William H. Plesscher
John R. Pollock, Jr.
Jack W. Pou
James M. Poynter
Lyle H. Prenzler
Elmer M. Purcell, Jr.
John W. Reece
Walter D. Reese
Robert N. Reynolds
Stanley T. Robinson
Matthew P. Romeo
Robert C. Rossberg
Albert G. Rowe
Paul W. Scanlon
Peter W. Schneider
Morgan E. Scott
Martin A. Seidell
Robert R. Sexton
Edwin P. Shanks
Daniel M. Shook
Harrison "H" Shoulders, Jr.
Thomas A. Sinclair
Ronald B. Slater
Edward M. Smith, Jr.
Jullien L. Smith
David J. Stahl
Carl C. Stanford
Marshall K. Steele, Jr.
Marshall P. Stonestreet
Fred Sutliff
John E. Sweeney
Richard E. Symmonds
Lloyd McC. Taylor
George V. Teter, Jr.
George W. Thoma, Jr.
Clayton L. Thomas
Edwin M. Tomlin
Willard W. Tornow
Lockland V. Tyler, Jr.
Frank H. Voelz
John S. Walker
Herbert L. Walter
Stephen H. Ware, Jr.
Charles J. Watkins
Alan D. Watson
Lorrain E. Watters
Robert N. Webster
John P. Welborn
Peter F. Wells II
John F. Wetegrove
James E. Whiteside
Frederick G. F. Wiegand
Harry K. Wieman
Stewart A. Wilber
Chester A. Williams, Jr.
Robert G. W. Williams, Jr.
James "K" VanA. Wilson
Frank W. Winters
Edwin P. Woodward
Wayne "L" Wright, Jr.
Louis C. Zang
Edwin R. Zartman
George G. Zorn, Jr.

Robert F. Hause to be an ensign in the Civil Engineer Corps of the Navy.

To be lieutenants (junior grade) in the Civil Engineer Corps of the Navy

James E. Delehanty, Jr.
Albert W. Draves, Jr.
William A. Mueller
Francis B. Peacock
Robert T. Sinnott
Charles L. Souder

To be lieutenants (junior grade) in the Dental Corps of the Navy

Richard M. Batchelder
Theodore M. Behrman
Gordon G. Bennett
Lambert A. Benson
Paul W. Boudreaux
Floyd G. Dixon
Floyd G. Evans
Edward S. Flynn
Spencer A. Gedestad
Charles E. Gleason
Frank E. Grogman
Melvin L. Hermsmeyer
Everard F. Jones
Frank J. Kratochvil, Jr.
Donald E. Parry
James H. Snyder
Meyers Thornton
George Ulrich
Curtis J. Vague
John R. Waggner
Harvey P. Webre
Howard T. Williamson

To be ensigns in the Nurse Corps of the Navy

Mary F. Barrett
Elaine H. Baumann
Bettie L. Beach
Eleanor C. Beste
Anna Birardi
Virginia I. Brown
Ann M. Chamblin
Shirley A. Dobbs
Ethel C. A. Eusenbio
Grace E. Hall
Imogene Hathaway
Annie V. Hopple
Mary E. Howard
Dorothea M. Johnson
Mary L. Kleckner
Floy G Mangold
Ruby L. Morden
Lola M. Paulie
Wanda E. Pizorka
Marie Poljanac
Mary M. Rhodes
Annette Rutkosky
Nellie J. Smoogen
Alice M. Taraskas
Irene D. Walker

IN THE MARINE CORPS

To be second lieutenants in the Marine Corps from June 6, 1947

Carl R. Dennis
Harold K. Thompson, Jr.
Jack Westerman

To be a second lieutenant in the Marine Corps from June 4, 1948

Donald R. Hughes.

HOUSE OF REPRESENTATIVES

TUESDAY, DECEMBER 16, 1947

The House met at 12 o'clock noon.

Dr. Clarence W. Cranford, Calvary Baptist Church, Washington, D. C., offered the following prayer:

We thank Thee, O God, for this moment of prayer. It may seem unimportant to take time to pray in a world in which there is so much to do. But help us to believe it is never unimportant to seek the Divine Will—that unless we give attention to those spiritual matters that make for character and good will, we may succeed in building a world in which our very cleverness may be the means of our undoing. We pray in Jesus' name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate disagrees to the amendment of the House to the bill (S. 1770) entitled "An act to amend the National Housing Act, as amended," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. TOBEY, Mr. BUCK, Mr. CAPEHART, Mr. MAYBANK, and Mr. TAYLOR to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4469) entitled "An act to amend the act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof."

The message also announced that the Senate had adopted the following resolution:

Resolved, That the Senate has heard with profound sorrow and extreme regret the announcement of the death of Hon. Arthur Walsh, who served in the United States Senate from the State of New Jersey from November 2, 1943, to December 6, 1944.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased, together with a transcript of remarks made in the Senate in praise of his distinguished service to the Nation.

SIGNING OF ENROLLED BILL

The SPEAKER. The Chair desires to announce that, pursuant to the authority granted him on December 15, 1947, he did on that day sign the enrolled bill of the Senate, S. 1774.

EXTENSION OF REMARKS

Mr. McDONOUGH (at the request of Mr. Boggs of Delaware) was given permission to extend his remarks in the RECORD and include an article relative to taxation.

SPECIAL ORDER GRANTED

Mr. REES. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

THE LATE ARTHUR B. JENKS

Mr. COTTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. COTTON. Mr. Speaker, in the necessary absence of my colleague the gentleman from New Hampshire [Mr. MERROW], I feel that it is my duty to call the attention of the House to the fact that Arthur B. Jenks, a former Representative of the First District of New Hampshire, who served in this body three terms, passed away yesterday. Mr. Jenks, a successful businessman in private life, served usefully in this body. He was a humble and unassuming gentleman, and he would be the last to desire a long and glowing eulogy to be delivered in his behalf here. But, as a Representative from New Hampshire, I wish to take this opportunity to pay to him the tribute that a Christian gentleman, a fine American, and a former Member so richly deserves.

Mr. RAMEY. Mr. Speaker, will the gentleman yield?

Mr. COTTON. I yield to the gentleman from Ohio.

Mr. RAMEY. I remember with a good deal of respect and admiration the Honorable Arthur B. Jenks. A great many Members will remember him during the crucial time of his election contest. He was serene throughout the entire proceedings, and his district triumphantly returned him to Congress after he was unseated. He took the whole matter as a Christian, forgiving his enemies at all times. He was a man that was loved by every Member of the House, and as a businessman he was altruistic.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. COTTON. I yield to the gentleman from Pennsylvania.

Mr. RICH. I want to say a word in behalf of Mr. Jenks. I remember him as he stood here in the House trying to do the things that were essential and necessary for his district. He was a gentleman and a scholar. Everything he did seemed to be with the idea of trying to make this country better. I not only knew him in the House but I played golf with him, and he was just as earnest and zealous in trying to win a game of golf as he was in doing his duty here in Congress for the best interests of the American people. I loved him, and I think we shall all miss him. I feel confident he is being rewarded in heaven for the work he did for his fellow men.

EXTENSION OF REMARKS

Mr. SIMPSON of Illinois asked and was given permission to extend his remarks in the RECORD and include an editorial from the Quincy Herald-Whig.

Mr. BRAMBLETT asked and was given permission to extend his remarks in the RECORD and include an editorial by Col. Allen Griffin, publisher of the Monterey (Calif.) Peninsula-Herald, on universal military training.

Mr. TWYMAN asked and was given permission to extend his remarks in the RECORD and include a resolution.

Mr. CUNNINGHAM asked and was given permission to extend his remarks in the RECORD and include an article about the national system of interstate highways prepared by the Honorable Fred R. White, highway engineer of the State of Iowa.

Mr. AUGUST H. ANDRESEN asked and was given permission to extend his remarks in the RECORD.

SPECULATION ON COMMODITY MARKETS

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, Mr. Pauley, of Nation-wide fame, states that he intends to resign when he gets ready to resign. I demand that he resign at once, Mr. Speaker, because he has violated a trust of the American people. I trust Mr. Pauley will resign immediately, which he should do.

Mr. Speaker, there may be others in our Government who have been violating their trust. In order to have a full and complete investigation of the matter, I am today introducing a resolution directing the Committee on Agriculture to conduct a full and complete investigation as to the operations of speculators, both Government and others, in the futures commodity markets of the country. This investigation is necessary in order to protect the economy and integrity of our country and its public officials. I hope the Committee on Rules and the leadership will immediately approve this resolution so that we can go forward with the investigation during the holidays and bring to light some of the ill-advised activities that are taking place in our Nation today.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Pennsylvania.

Mr. RICH. I do not think Mr. Pauley did anything that was wrong so far as the law is concerned, but being a Government official he should have disposed of all of his commodities before he took office. He should not make a profit nor should anybody else in this country be permitted to make a profit on the grain sales today when they raise the price of food to the American people.

Mr. AUGUST H. ANDRESEN. The gentleman is right, but the Commodity Credit Corporation, which buys all these billions of dollars worth of food for the Government, dominates the market. Any Government official who has inside information, which I know some of them have, can go into the market and make hundreds of thousands of dollars, yes, millions of dollars on information received from some Government official.

Mr. RICH. The gentleman is absolutely right.

Mr. AUGUST H. ANDRESEN. That should be uncovered, and the House should direct a committee to proceed with the investigation.

RESTRICTIONS ON CONSUMER CREDIT

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DONDERO. Mr. Speaker, Pontiac, Mich., in my district, is a city of about 80,000 people. The Buckner Finance Co., one of the oldest financial institutions of the city, is taking a poll on the question of whether or not the people desire the reestablishment of wartime Federal restrictions on consumer credit. Of the first 352 ballots received, this is the record: 49 were in favor of the reestablishment of Government controls and 299 were opposed to it. Four were neutral. But the interesting part of this poll is the fact that of the 352 ballots received, 203 came from factory workers, 27 from truck drivers, 21 from housewives, 18 from city and county employees, 12 from farmers, and 11 from salesmen—and a few scattering. It would appear from the record that the people back home are not in favor of the reestablishment of consumer-credit controls similar to wartime controls.

EXTENSION OF REMARKS

Mr. MATHEWS asked and was given permission to extend his remarks in the RECORD on the death of Dr. Charles Browne, of Princeton, N. J., a former Member of the House of Representatives.

CURING INFLATION

Mr. MATHEWS. Mr. Speaker, I ask unanimous consent to address the House for half a minute.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. MATHEWS. Mr. Speaker, the President's philosophy for curing inflation while ignoring the causes reminds me of that of the woman who eats and eats, grows fatter and fatter, then looks at herself in the mirror and says, "Goodness gracious, this is bad; this is dangerous. Something must be done about it. Quick, Daddy, run out and buy me a tighter girdle."

EXTENSION OF REMARKS

Mr. MUNDT asked and was given permission to extend his remarks in the RECORD and include a radio address delivered by him on the subject of a consistent American foreign policy.

FUNDS FOR FINNISH FREEDOM

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. MUNDT. Mr. Speaker, yesterday the little Republic of Finland once again faithfully fulfilled its obligation by paying its annual interest payments to the United States. I take the floor today for the purpose of announcing that in conjunction with a number of Members of the other body, I have introduced a resolution stipulating that the payment made yesterday and all subsequent debt payments made by Finland shall be set aside in a special fund to pay scholarships, tuition fees, and expenses for people from Finland coming to the United States to study the ways and processes of freedom, and the educational and industrial developments of this country. This is in conformity with traditional American policy established during the days of the Boxer indemnity and during the days of the Hoover relief mission in Belgium, and it would afford the people of Finland the same opportunity which similar funds have so fruitfully and satisfactorily provided for the Chinese and the Belgians.

May I point out that while the body of Finland is today behind the iron curtain, the spirit of Finland is with the West. Through the integrity, honesty, and intense constructive energy displayed by the people of Finland in paying their annual payments on their war debts, Finland being the only country that has done so, it seems to me that this Republic has amply earned such consideration as we now propose on the part of the United States. Such action on our part will tend further to cement to the West those sturdy people of Finland who have so meticulously fulfilled every obligation that they have ever made. It will also be a gracious and effective method by which the United States can proclaim to the world its respect and affection for a country which pays back what it borrows.

THE GOOD ROAD

Mr. WADSWORTH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WADSWORTH. Mr. Speaker, I hope that the announcement I am about to make will prove to be agreeable to the Members. Certainly it does not involve anything of a controversial character. On Wednesday, Thursday, Friday, and Saturday, December 17 to 20 of this week, at 8:30 p. m., there will be presented at the Lisner Auditorium, at Twenty-first and H Streets NW., a musical review entitled "The Good Road."

May I say that this review is the work of an organization known as the Moral Rearmament Organization. It has had extraordinarily favorable receptions in other cities, including Boston and New York, and is to be presented here on the days I have mentioned.

I think every Member of the House has received an invitation to apply for tickets. In order that the Members may be more easily served, I suggest that those who desire to apply for tickets do so at room 1031 of the New House Office Building. May I also add that there is no admission charge.

Mr. MUNDT. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I yield.

Mr. MUNDT. In Caux, Switzerland, last summer a number of us had the privilege of seeing that tremendous drama, The Good Road. I recommend it to every Member of Congress. It is well worth seeing.

Mr. WADSWORTH. I am sure it will make a very, very strong, as well as agreeable, appeal to the better instincts of those who attend.

Mr. MUNDT. There is no question about it.

Mr. WADSWORTH. I thank the gentleman.

EXTENSION OF REMARKS

Mr. ANDERSON of California. Mr. Speaker, on yesterday I asked unanimous consent to extend my remarks and include a letter on the Marshall plan. I am advised by the printer that it is an extension of four and one-half pages and will cost $319.50. Notwithstanding the additional cost, I ask unanimous consent that the extension may be made.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. KEATING asked and was granted permission to extend his remarks in the Appendix of the RECORD with regard to a bill he is introducing today.

Mr. COLE of Missouri asked and was granted permission to extend his remarks in the Appendix of the RECORD and include a poem entitled "Not the Nation's Wish but the Will of Washington," by Horace C. Carlisle.

Mr. RAMEY asked and was granted permission to extend his remarks in the RECORD and include an article entitled "Thinking Toward Peace."

EGGS

Mr. KEATING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a statement from a mathematician.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, planned scarcity must share in the blame for high prices.

This is the sound conclusion reached by an eminent mathematician of my congressional district, Prof. Charles W. Watkeys, whose acumen is by no means confined to the academic field. He has sent to me what he describes as "A little problem in arithmetic," which, pursuant to leave granted, I set forth below.

I commend it to the thoughtful consideration, particularly of those who seek to regulate our lives primarily for the benefit of the regulators:

A LITTLE PROBLEM IN ARITHMETIC

Suppose each one of the 140,000,000 inhabitants of the United States skipped an egg on Thursday. (Not all eat eggs, some eat two or more at a meal and some do not eat eggs on Thursday, but for the sake of the argument let us make use of the above assumption.) Dividing by 12, this will give approximately 11,000,000 dozen eggs. The hens will not listen if we tell them not to lay the Thursday eggs. The eggs cannot be placed on sale on another day without reducing the price, so our Government has to buy these eggs at the market price of say, 70 cents a dozen (to be conservative).

This makes $7,700,000 that must be taken from the tax pile for the Thursday eggs, each Thursday.

Dividing $7,700,000 by 140,000,000 gives 6 cents as the amount that each inhabitant, on the average, gives to the Government for the privilege of skipping an egg on Thursday.

If we go to the grocery store and buy an egg to eat, it will cost us 6 cents.

So whether we eat the egg or do not eat the egg, it will cost 6 cents. (Can't you hear Alice from Wonderland saying, "When I go to college I'm going to concentrate in planned economy. That's the course where they learn to write with ink.")

To make room for the Thursday eggs, the 91,000,000 pounds of eggs in the warehouse can be sold to the bakers. To avoid the cost of renting the warehouses, I suggest that we bury the eggs and when they reach the stage of decay that the Chinese are said to prefer, we can send them to China as a gesture of our friendship.

P. S.—It would be an interesting research to determine what this Government of ours has bought, stored, sold, given away, and destroyed during the past 10 years. Planned scarcity must share in the blame for high prices.

INFORMATION FROM GOVERNMENT DEPARTMENTS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. HOFFMAN]?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, neither the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] nor the Congress

is going to get anywhere with any investigation until this House passes a resolution requiring the departments to give us information when we ask for it. These speculators, these fellows who are making money because they happen to be on the inside and have some information which permits them to play the market successfully, are hiding behind a well-established principle of this and preceding administrations of telling us every time we want to know something that, if they give us the information we want, the Nation will be wrecked; we are going right out of existence as a nation if Congress gets the information it seeks.

I will give you an illustration. These four gangsters, who were paroled just a few days after they became eligible, were convicted of a conspiracy to extort a million dollars from a business concern. They were sentenced to prison for 10 years. A few days after the 3 years expired and they became eligible for parole, out they went. We asked the FBI to send us a report on those fellows, as to how those paroles came about who engineered them, and who, if anyone, was paid. Do you know what they did? The FBI made an investigation and they turned it over to the Justice Department, and Tom Clark tells us, in effect, it is none of our business, and sends up a summary, which is just gossip that the information belongs to the Justice Department. I can understand why Tom Clark and the Justice Department do not want Congress to know. They settled a bunch of income-tax cases, where hundreds of thousands of dollars were due to this Government, for a few thousand dollars. I asked the Treasury Department to let us take a look at the income-tax returns and they said, "None of your business." Now, this administration is protecting the worst bunch of crooks that ever existed, at least within your memory and mine.

The SPEAKER. The time of the gentleman from Michigan has expired.

PULSES

Mr. BUCK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. BUCK]?

There was no objection.

Mr. BUCK. Mr. Speaker, during debate on H. R. 4604 my esteemed and scholarly friend the gentleman from Maine [Mr. HALE] asked me to define "pulses" of which the State Department had recommended shipment of $5,000,000 worth to Italy. My definition was not as definite as I wish it had been. The distinguished gentleman from Mississippi [Mr. RANKIN] did not make substantial contribution by opining that pulses are something which originate in Brooklyn.

I can now enlighten both gentlemen.

Webster defines pulses as "edible seeds of various leguminous crops such as peas, beans, lentils," and so forth. For the benefit of the gentleman from Mississippi, who often quotes the Bible with effectiveness, I refer him to chapter 1 of the Book of Daniel. Therein it is related of Daniel and his associates that after a 10-day diet of pulse and water "their countenances appeared fairer and fatter in flesh than all the children which did eat the portion of the king's meat."

Thus the State Department had Biblical backing for its proposal that pulses be shipped to Italy.

EXTENSION OF REMARKS

Mr. SMITH of Wisconsin asked and was given permission to extend his own remarks in the RECORD.

Mr. COX asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. JARMAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include a speech of President Collier, of the B. F. Goodrich Co., at the Goodrich plant in Mr. JARMAN'S district.

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include a newspaper item.

Mr. ANDREWS of Alabama asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. GARY asked and was given permission to extend his remarks in the RECORD and include a statement of Mr. Charles E. Heinrichs before the Fertilizer Subcommittee of the House Committee on Agriculture.

Mr. JOHNSON of Oklahoma asked and was given permission to extend his remarks in the Appendix of the RECORD.

DEPRESSION PRICES OF 1947

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Speaker, I am afraid my New Deal friends are getting themselves out on a long limb. You know we have heard here for years about the prices that prevailed in 1932 when the world-wide depression started. I have just kind of checked up in the last few days and I find that we are now back about where we were in 1932 as far as the chicken business is concerned. In my particular State they are selling at 11 cents a pound. In 1932 they were selling for 10.9 according to the official records of the BAE.

I do not want to bring up any controversial matter but I think the time has come when this administration ought to pay some attention to the laws of the land and at least follow the laws that they passed when they were in power. The Steagall amendment passed, when they had control of this Congress. I do not know how they expect us to pass any law they are going to follow if they will not even follow the ones they themselves passed.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. AUGUST H. ANDRESEN. I understand that roosters are selling for 7 cents a pound.

Mr. MURRAY of Wisconsin. I know that the price of roosters all through the Midwest is very low. They sure have not anything to crow about if they are bringing from 7 to 10 cents a pound.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

SHORTAGE OF PETROLEUM PRODUCTS

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BRYSON. Mr. Speaker, during the past several days, I have been receiving repeated calls, telegrams, letters, and other communications from my district regarding the acute shortage of petroleum products. The county road supervisors are unable to operate their road machinery by reason of the fact they cannot get necessary oil. Our roads need to be worked and otherwise looked after during the winter months more than at any other season.

During the past few years, residents of our section have been encouraged to convert their coal-burning furnaces and other heating facilities to oil. This change was advocated by reason of the shortage of coal due to strikes and otherwise and, also, by reason of the very high price now charged for coal. Many of our veterans who have been successful in getting houses, heat their homes with oil. Oftentimes a veteran has had great difficulty, even under normal conditions, getting fuel oil due to the fact that in most instances he is a new customer. The dealers seem to give first consideration to their regular customers.

Kerosene is used quite generally for cooking purposes. This is particularly true in industrial communities. Unless a greater supply of kerosene is soon provided, many will go hungry.

I have communicated with all the authorities, including the White House, urging that everything possible be done to make these necessary petroleum products available and express the hope that immediate action will be taken in this important matter.

EXTENSION OF REMARKS

Mr. BARTLETT asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. BATTLE asked and was given permission to extend his remarks in the RECORD and include an article which appeared in the Birmingham Age-Herald entitled "A New Labor League."

Mr. KEFAUVER asked and was given permission to extend his remarks in the RECORD and include an article from the Chattanooga Times.

Mr. RIZLEY asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Daily Oklahoman.

Mrs. ST. GEORGE asked and was given permission to extend her remarks in the Appendix of the RECORD and include an editorial.

Mr. BARRETT asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article by Mr. Curte Forstmann.

Mr. STEFAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article.

RESIGNATION OF MR. DRISCOLL SCANLON

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include an editorial from the St. Louis Post-Dispatch.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE of Illinois. Mr. Speaker, the "resignation" of Driscoll Scanlon as an inspector in the Illinois State Department of Mines revives a sad story, and should remind Congress that the coal miners of the Nation can hold it as being derelict in its duty if it does not soon act favorably on proposed legislation to put teeth into the Federal mine-inspection law.

Immediately following the Centralia, Ill., mine disaster of last March 25, when 111 men needlessly sacrificed their lives, Congress seemed interested in doing something to avert future mine catastrophes. But how short was Congress' interest. It seems more intent now on forgetting the whole matter.

The case of Mr. Scanlon should be the strongest evidence a congressional committee needs to establish the fact that a strong Federal inspection law is the one answer to the problem of mine safety. Scanlon dared to be an honest inspector, and for the concern he showed for the safety of Illinois miners he is rewarded by being unwanted by the State department of mines.

What need is there for further evidence to support the bill of the gentleman from Indiana [Mr. LANDIS] for a Federal inspection system with power to enforce its findings? This matter has been debated many times before, and if it had not, the record of mine disasters in recent years should be sufficient to show that it is time for the Federal Government to become more than just an adviser on mine-safety matters.

Illinois is not the only State guilty of acts that might well be termed criminal in the manner in which they fail to enforce their mine-safety codes. It is shameful the way the mine-inspection systems in many States have been used for political advantage.

The case of Illinois is pointed out because it was only a few weeks before the Centralia disaster that the State Republican political machine was exposed in the act of placing a lug on coal-mine operators to help finance the campaign for a Republican candidate for mayor of the city of Chicago.

On top of this exposure it was revealed that the Governor of the State of Illinois had failed to consider an appeal from State Mine Inspector Scanlon to act promptly to prevent a disaster at the Centralia mine. Scanlon's appeal went unheeded when Governor Green referred his report to the State Department of Mines. One hundred and eleven miners paid the price of this neglect.

A Federal system of inspection, backed by law with the power to enforce its orders, is the best way to remove politics from enforcement of mine safety.

Will it take another national mine disaster to awaken this Congress to its responsibility?

Herewith is included an editorial from the St. Louis (Mo.) Post-Dispatch of December 13, 1947:

JUST TOO HONEST

Every coal miner in Illinois and every Illinois citizen who cares how coal miners are treated by the State Department of Mines has a right to be fighting mad over Director Moses' insulting release of Driscoll Scanlon.

Ignored and then sold out by his superiors prior to the Centralia mine disaster, Inspector Scanlon has been disheartened since that avoidable loss of 111 lives by the failure of the Illinois Department of Mines to go all-out in enforcement of the Federal mine safety code. As he watched the mines in southern Illinois continue to jeopardize their employees, he at last made up his mind the struggle was useless. So he submitted his resignation and asked that it take effect December 16.

Instead of urging this heroic figure to continue as an inspector, Director Moses wrote him that the department would be glad to get rid of him at the very earliest possible moment. These were not the actual words but this is what they meant. Here is what Director Moses wrote:

"It will be especially pleasing and satisfactory to the department if you will take a vacation from the time you receive this letter to the 16th."

That is the thanks which Driscoll Scanlon gets from the Green administration at Springfield for having been an honest, faithful, and industrious inspector.

That is his thanks for posting notices at Centralia Mine No. 5 and other mines which told how the coal companies were violating safety regulations.

That is his thanks for protecting as best he could the lives of the miners in his territory.

That is his thanks for risking his own life in directing the efforts to bring out the men who were trapped by the Centralia explosion.

That is his thanks for staying on the job out of loyalty, when he knew that his superiors did not intend to back him up.

Dwight H. Green said he did not see the letter in which the Centralia miners pleaded with him a year before the tragedy to "please save our lives." Did he see the letter which Director Moses sent Driscoll Scanlon saying the sooner the inspector quit the better his administration would like it?

Governor Green may think that Illinois has forgotten the way in which he tried to dodge away from his share of the responsibility for the mine disaster. He may think that the coal miners have forgotten his use of mine inspectors as shake-down collectors for the mayoral campaign fund in Chicago. He may think that the people have forgotten his promises, before he was elected, for full enforcement of mine safety.

Governor Green is wrong. He is wrong on every count. The coal miners have not forgotten. The people of Illinois have not forgotten.

The Governor may think he is going to get away with this callous unconcern with human lives. He still has a lot to learn.

As things stand, the Department of Mines, under Director Moses, is against complying with the Federal code. It is against inspectors, who wish to enforce Federal safety provisions—if there are any left after the insult to Driscoll Scanlon.

This is as bad as the Department was under "Dear Bob" Medill. How many more mine disasters will it take to bring Dwight H. Green around to giving the miners his promised protection in the time that remains for him in the governorship?

Driscoll Scanlon's late superior told him that he was "just too damned honest." Illinois may well wish that those above him were cut from cloth half so good.

If any doubt remained as to the need for Federal mine inspection with teeth to punish safety violators it has now been removed. The Green administration alone has made Federal enforcement a necessity.

SPECIAL ORDER GRANTED

Mr. SIKES. Mr. Speaker, I ask unanimous consent that on tomorrow, after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

FINLAND

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, if I correctly understood the gentleman from South Dakota [Mr. MUNDT] this morning he stated we ought to use the money which the Government of Finland is paying the United States on its debt to import Finnish nationals and educate them.

I would like to know what the United States has to offer Finland in the way of an education that would make them better citizens than they now are. A nation that has demonstrated the good sense, the integrity, and the ability that Finland has leads me to venture that it is pretty presumptuous for a Member to get up on this floor and suggest that the Finnish people ought to be brought to this country to learn how to live.

What would the gentleman from South Dakota teach the Finlanders? New Dealism?

But is not that the very ism the pitiable Finnish people are struggling against having imposed upon them by the country adjoining theirs, the police state of Russia?

Too many of our lawmakers and citizens are suffering from a superiority complex to be good for the Nation.

PULSES, PAULEY, AND EUGENE MEYER

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, if my facetious query the other day relative to pulse had no other effect, it seems to have put the gentleman from New York [Mr. BUCK] to reading the Bible, either in person or by proxy.

We now know that pulses are not grown in Brooklyn. But the thing that interested me most was these attacks on Mr. Ed Pauley. Without defending Mr. Pauley, I want to say that the Pauley matter seems to have had one

effect: It seems to have awakened the Rip Van Winkles of the Republican Party from their 20 years of peaceful slumber. They seem to have forgotten that when Eugene Meyer was head of the Federal Reserve System he speculated through a stooge on the exchange and made himself rich, while squeezing the currency and wrecking the Hoover administration.

This Pauley issue seems to have inspired a revival of righteousness that is almost 20 years overdue.

Let me suggest to you—and I am willing to join you in it—that you go back and investigate Eugene Meyer. All you have to do is to investigate his income-tax returns for the last 30 years. I am told that he could not pay his grocery bills at the close of the First World War; but when he got through with the Federal Reserve System the Hoover administration was wrecked beyond recovery, and Mr. Meyer was able to buy the Washington Post to defend himself with.

That newspaper is now being used against the white people of the District of Columbia to stir up race trouble and to try to force Negroes into the white public schools of the city of Washington.

It is now being used, and has been used all the time, to stir up race troubles throughout the Southern States.

The other day there appeared in it an article accusing the white people of Loganville, Ga., of burning Negro schools and Negro churches. That charge was published in the left-wing press throughout the country. This morning it comes out under a UP date line in the Times-Herald that a Negro has confessed to burning those schools and those churches because he had failed to collect $180 of insurance that he claimed was due him. He told about pouring gasoline on the church while his own people were in there holding services, and then when the audience got out he burned it.

Anybody, Mr. Speaker, with any intelligence knows that the white people of the South do not destroy Negro schools or Negro churches; yet we find that kind of stuff echoed and reechoed in the Washington Post.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Georgia.

Mr. COX. If the gentleman would be interested, I can furnish him with a record made by a congressional committee in which it is disclosed how and where Mr. Meyer got the money with which he bought the Washington Post.

Mr. RANKIN. I was just going to ask the gentleman if he would be interested in supplying that information to our friends on the other side of the aisle. I am not defending Mr. Pauley.

Twenty years ago I investigated the manipulations on the cotton exchange successfully and saved the cotton farmers millions of dollars.

I do not blame anyone for protesting against a man who holds a key Government position speculating on the exchange and using the information he gets as a Government official to aid him in that respect; but I say it comes pretty late after you gentlemen have slept for 20 years on the hard pillow, supplied to you by Eugene Meyer of the Washington Post, to arouse from your 20 years of undisturbed slumbers and concentrate your fire on Ed Pauley—shooting right over the head of Eugene Meyer.

The SPEAKER. The time of the gentleman from Mississippi has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

RECESS

Mr. HALLECK. Mr. Speaker, as I announced yesterday, it was our plan to take up the appropriation bill today. The committee is delayed a few minutes in the final preparation of the bill. In view of that fact I ask unanimous consent, Mr. Speaker, that the House stand in recess until 1 o'clock.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Accordingly (at 12 o'clock and 34 minutes p. m.) the House stood in recess until 1 o'clock p. m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 1 o'clock p. m.

EXTENSION OF REMARKS

Mr. MEADE of Maryland. Mr. Speaker, I request unanimous consent to extend my remarks and include therein an address delivered last evening in Baltimore by the Honorable JOHN MCCORMACK, of Massachusetts, at a testimonial dinner given in honor of our friend and former colleague, Mayor Thomas D'Alesandro by the Italian-American Club of Baltimore. More than a thousand people were in attendance including both Maryland Senators and the Governor of Maryland, and I think that the sentiments expressed by Congressman MCCORMACK so well express the feelings that we Baltimoreans have for our Mayor that I would like to have his remarks printed in the CONGRESSIONAL RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

NATIONAL HOUSING ACT

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1770) to amend the National Housing Act, as amended, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Michigan? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs WOLCOTT, GAMBLE, SMITH of Ohio, KUNKEL, SPENCE, BROWN of Georgia, and PATMAN.

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1948

Mr. TABER, from the Committee on Appropriations, reported the bill (H. R. 4748) making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes (Rept. No. 1191), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. TABER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4748) making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate run throughout the day, the time to be equally divided and controlled by the gentleman from Missouri [Mr. CANNON] and myself.

Mr. CANNON. Mr. Speaker, reserving the right to object, I wonder if I could inquire of the gentleman from New York as to the parliamentary situation. It is my understanding that unanimous consent has been secured to report this bill at any time.

Mr. TABER. That is correct, and to take it up immediately when it is reported.

Mr. CANNON. It is also my understanding that consent has been secured to waive all points of order on the bill.

Mr. TABER. That is correct.

Mr. CANNON. There has been a general understanding for a day or two, although perhaps without any specific agreement, that we will endeavor to complete this bill today. It had been our hope to dispose of it in order to expedite adjournment prior to the holidays. We have few requests for time, and I wonder if it would be possible for us to conclude general debate this afternoon, say, about 4 o'clock.

Mr. TABER. Well, if we should, I see no objection to begin reading the bill at that time. I made no limitation in my request that there would be anything in the nature of a prohibition against reading the bill.

Mr. CANNON. Then in the event that the debate could be concluded by 4 o'clock we would proceed to read the bill for amendment?

Mr. TABER. I would hope that might result.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Mississippi.

Mr. RANKIN. I desire to propound a parliamentary inquiry to the gentleman from Missouri [Mr. CANNON] whom I regard as one of the greatest living parliamentarians. I understood him to say that points of order against the bill had been waived by unanimous consent. Is that correct?

Mr. CANNON. That is the statement of the gentleman from New York who made the request.

Mr. RANKIN. In this bill on page 4 is a section relating to the Department of Agriculture. We have run short of funds

in the Rural Electrification Administration, which is under the Department of Agriculture. We need at least $200,000,000 to carry on the work from now to the end of the present fiscal year. We need a deficiency appropriation of that amount. I should like to know if it is the opinion of the gentleman from Missouri that such an amendment would be in order on this bill?

Mr. CANNON. If it were germane.

Mr. RANKIN. The gentleman knows whether it would be germane or not. You have the Department of Agriculture in the bill, and the REA is under the Department of Agriculture.

Mr. CANNON. A bill of this character which deals with many subjects of one class is of course open to amendment on another item of the same class. It is not open to amendment on proposals of a different class. The gentleman's suggested amendment would involve two questions; first, whether there was sufficient similarity between the subject of the amendment and subjects carried in the bill to render it of the same class, and; second, then whether it was germane.

I might add that I am in heartiest sympathy with the gentleman's amendment. Money loaned for REA is the best investment the United States Government can make and ample funds should be provided to complete all pending projects as expeditiously as possible. The gentleman from Mississippi [Mr. RANKIN] has rendered notable and invaluable service to the people of the United States in this field.

Mr. RANKIN. Then the gentleman is unable to tell me whether or not in his opinion it would be germane?

Mr. CANNON. Not until he has had an opportunity to study the form in which the amendment would be presented.

Mr. RANKIN. I thank the gentleman.

Mr. CANNON. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4748, with Mr. HARNESS of Indiana in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. TABER. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, this bill carries provisions for certain items with reference to the House of Representatives, an item for the so-called emergency foreign aid or European interim aid, an item for the Federal Security Administration, an item for government and relief in occupied territories under the Army, and items for the Department of the Interior under Indian Affairs and Reclamation.

The Committee on Appropriations has reduced the budget estimate of $597,000,000 for foreign aid to Austria, France, and Italy by $88,000,000. I will discuss that in a moment. I will say to you that the authorization bill which was presented here called for interim aid to Austria, France, Italy, and China. In bringing in the report upon their bill, the Committee on Foreign Affairs said:

> This bill makes it possible for the Committee on Appropriations and the Congress to provide funds for aid to China just as soon as specific recommendations are presented by the Department of State, which Secretary Marshall has indicated will be before Congress convenes in regular session in January 1948.

With the reduction that has been made in this estimate, there will be available for appropriation for China or for any other of the three countries the balance of the authorization of $88,000,000 whenever a program may be presented that can be justified.

The question has been raised as to what will be the procedure with reference to that. If an appropriation needs to be made for China, thorough hearings will be held, and they will be held as soon as the committee can give the Department an opportunity to go into the situation and make a study of it and make a submission to us. If they do not make a submission I shall be glad to call the committee together for the purpose of hearing what information we may receive from the outside.

With reference to this bill—this reduction of $88,000,000 is made up on the following basis. The statements that have been made to the committee and the justifications that have been presented provide that France out of her funds, gold that she presently has, her credits that she has, shall pay interest on foreign debts to the tune of $26,000,000; that she shall pay Belgium on commercial accounts $17,000,000; to Brazil on commercial accounts $3,000,000; to make an additional contribution to the International Monetary Fund of $10,000,000, paying out $10,000,000 for operation of her foreign affairs and the entertainment that goes with it. That makes a total of $56,000,000.

The thing is set up in such a way that if we make the appropriation of that amount, we are, in effect, paying the debt of France on those items, and putting up funds for her to operate them. In other words, if she would use that fund for buying food and fuel for the needy, she would not be in a position where we would have to put up $66,000,000; and, therefore, in effect, by making an appropriation of that $66,000,000, we would be providing the funds to pay those items.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. JOHNSON of California. In effect, they ask us to pay some current debts they have, in order to reestablish their credit. Is that a fair statement of it?

Mr. TABER. I believe so. If we start in doing that for one country we have got to do it for every country and we have got to go down the line. Frankly, I do not like that approach.

As to Italy, there is a set-up of $22,000,000 of invisible items. That is what they call them in the State Department. Those invisible items are payment to the United States for settlement of war claims, $5,000,000.

Partial repayment of Export-Import Bank cotton loan, $7,000,000.

Interest on United States surplus-property credit, $4,000,000.

Diplomatic expenditures, prewar bond settlement, interest payments, and miscellaneous financial items, including the diplomatic entertainment, $6,000,000.

In substance, we are being asked to provide funds to buy food, fuel, fertilizer, and petroleum products for France and Italy to the tune of $88,000,000 so that they can use their own funds to meet those debts. In other words, instead of obtaining a postponement of those obligations from their creditors, they are asking the people of the United States to pay their debts, and to pay the administrative expenses of France and Italy. To my mind, that is utterly inconsistent, and I cannot go along with it. I do not believe that the people of the United States realize what this part of the bill involves, nor do I believe that the House of Representatives realized what the bill involved.

Why should we, as a relief item designed to feed starving people, pay interest on our own debt, pay for the operation of the French and Italian foreign services and entertainment connected therewith, and try to hide it under the cloak of relief for needy people?

The United States and all of the other countries involved are everyone of them members of the United Nations. In a situation of this kind there must be world cooperation and sacrifice by nations other than the United States. We are willing to go a long way, but we ought not to be willing to bail out everybody else and then let them laugh at us. I believe that it is time we began to realize what we are doing and lay out a program which would have in it some element of fairness to the American people.

The committee has provided $509,000,000, with no cut on the $59,000,000 that was estimated for Austria, and a cut of only those items which are manifestly unfair, and which we should not assume, for France and Italy.

I am frankly disturbed about the United States food situation. The Secretary of Agriculture comes before us and states that out of an estimated crop and carry-over of 1,490,000,000 bushels of wheat we are going to be obliged to have a falling off in domestic consumption. Food, 510,000,000 bushels; feed, 250,000,000 bushels; seed, 85,000,000 bushels; industrial consumption, nothing. Total, 845,000,000 bushels.

As contrasted with that, the Department of Agriculture brings out a document known as the Agricultural Outlook Charts, 1948. On page 58 of that they submit the following table of consumption in the United States: Food, 510,000,000 bushels; feed, 325,000,000 bushels, as against the Secretary's estimate of 250,000,000; seed, 87,500,000 bushels, as against the Secretary's estimate of 85,000,000 bushels; industrial uses, 5,000,000 bushels, as against the Secretary's estimate of none. Total, 927,500,000, indicating that the Department itself is 82,500,000 bushels apart within its own borders.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. AUGUST H. ANDRESEN. On the question of food estimated for human consumption, as far as wheat is concerned they have estimated 510,000,000 bushels which is based upon a population of around 141,000,000 people. We are going to have next January 145,000,000 people, and on a per capita consumption of 3.6 bushels they would need about 530,000,000 bushels of wheat instead of 510,000,000 bushels.

Mr. TABER. The consumption for the first 6 months of this year was given to me. I do not know whether it is correct or not. It was given to me by the International Emergency Food Council, Dr. Fitzgerald, yesterday morning, as 260,000,000 bushels. I do not know how far that would be reflected in the following 6 months. I would, however, anticipate that it would not be less than that but probably more on account of the longer period of colder weather that we will have in the second period.

Mr. AUGUST H. ANDRESEN. Let me say to the gentleman that that figure would be closer to being accurate than the estimate made by the Department in their outlook.

Mr. TABER. I expect that is so.

Mr. ROBSION. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. ROBSION. What consideration is given to the weather and the crops for next year? Is that taken into consideration?

Mr. TABER. I will get to that in a minute. On top of that I have a letter before me from Dr. Fitzgerald of the International Emergency Food Council addressed to the gentleman from Massachusetts [Mr. HERTER], indicating that 904,000 tons must go to Italy from the United States in the last half of the present fiscal year as against 706,000 tons set forth in the relative program that we have been holding hearings on, indicating the period is larger but it comes out of the same year's crop. That indicates that there probably will be presented an additional program for 200,000 tons of wheat for Italy, and at least that much more for France in the last half of the year, and that would mean eighteen to nineteen million bushels more.

Next year's wheat crop instead of being 1,400,000,000 bushels is going to do well to hit 1,000,000,000 bushels. If it runs 1,000,000,000 bushels the surplus is going to be small, if any, and it is not safe for us to allow our wheat supplies to become too greatly depleted. One hundred and fifty million bushels is the minimum carry-over that we can afford to have. The present program for shipments of wheat calls for 457,000,000 bushels to be shipped without counting the regular commercial shipments in the last half of the year. If there is 50,000,000 bushels in addition to that, it will make 507,000,000 bushels. At the present time 339,000,000 bushels of wheat and wheat flour equivalent have been purchased by the Production and Marketing Administration in the Department of Agriculture which means that there must be purchased, in addition thereto, between one hundred sixteen and one hundred sixty million bushels and there is grave doubt if it can be done without upsetting the whole governmental apple cart and raising the price of wheat to such an extent as to start large spirals of inflation.

Therefore, the committee has included a requirement that wheat shall not be purchased for export beyond the point where there will be less than 150,000,000 bushels carry-over into next year's crop.

There are, at the present time, enormous quantities of potatoes, dried fruits, canned and dried vegetables and dried and frozen eggs which should immediately be placed on the market so that they can stabilize the cost of living and keep it from going too high.

These surpluses are in the hands of the Commodity Credit Corporation and can very readily be used for that purpose. A provision has been adopted permitting those items to be sent abroad. The frozen eggs and potatoes should be utilized right in this country for the purpose of helping out the cost-of-living situation.

In order to prevent that situation from becoming absolutely dangerous and inflationary, the committee has adopted an amendment which would limit to $50,000,000 the amount of funds available to make good a deficiency in the Commodity Credit Corporation's books.

Very generally this bill attempts to try and bring some order out of the chaos of this foreign relief program and to put it on a sounder basis.

There will be left, if this bill passes as it stands, $88,000,000 of unused authorization which can be used for relief of China or to supplement any other program which is within the authorization, if it can be justified.

Making $509,000,000 immediately available for this purpose is a lot of money and it, together with the funds that are in the hands of the beneficiary nations, will enable them to meet their problems, insofar as it is possible to meet them and insofar as the feeds, fertilizer, fuel, and phosphates are available.

Now, Mr. Chairman, I want to take a minute or two in reference to the other items in the bill.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. We were told on the floor in connection with the discussion of the interim aid bill that no authorizations were provided in the bill for funds to France to pay dollars to Belgium or to Brazil. Now, I understand that they were included in the estimate but, apparently, erroneous information was given to the House at that time, not intentionally, but at least we were led to believe there were no such dollar-payment balances.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Chairman, I yield myself five additional minutes.

Mr. Chairman, I do not think that anybody attempted to deceive the House, but I do know that that situation is as I have presented it here.

In other words, we are being asked to make that $88,000,000 of appropriations so that France can go ahead and pay her bills and make herself solid—and the same thing is true with Italy—and provide for their administrative expenses and the entertainment connected with their diplomatic services, which are on a larger scale than ours in a great many cases.

Mr. AUGUST H. ANDRESEN. If we do it for France and Italy, certainly there will be a precedent and an obligation for us to do it for all other countries of the world.

Mr. TABER. That is just what I am afraid of.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. Is it not a fact also that apparently France has proceeded to make some payments on her commercial agreements with Belgium and Brazil and expects to recoup them out of the dollars saved by the food that we will make available?

Mr. TABER. Well, she has made payments. The last part of the question I am not sure about. It might be so.

Mr. CASE of South Dakota. The point I wanted to make was that the one table which was submitted showing dollar requirements as of October 1 showed expenditures contemplated on per dollar resources, $30,000,000 to Belgium under the commercial agreement and $10,000,000 to Brazil under the commercial agreement, whereas the later table shows some of those having been paid.

Mr. TABER. That is correct, but I do not know about the recoupment proposition.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield at that point?

Mr. TABER. I yield.

Mr. AUGUST H. ANDRESEN. France had $125,000,000 set aside to purchase wheat for the month of December, and when this bill was dated back to December 1 for France, it gave them the opportunity to use that $125,000,000 for other purposes.

Mr. TABER. That I did not know.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Ohio.

Mr. VORYS. Is it not true that the authorization bill which passed yesterday was exactly like the public aid for the $350,000,000 relief authorization bill presented last spring in this respect, that both of them were presented arithmetically as balance of payments bills in that we were asked to furnish by way of relief supplies dollar needs in these countries, so that they could in turn be able to use their own dollar resources for other purposes?

Mr. TABER. Well, I did not understand the other bill that way. I did not get that meaning of it when it was up. Maybe that is true.

Mr. VORYS. Well, the gentleman does know that in the report from the Committee on Foreign Affairs it was shown

that France, for instance, had other dollar resources and other dollar obligations but had an estimated deficit of $300,000,000 during this period, and it was that deficit which we were asked to make up subject, of course, to action by the Committee on Appropriations.

Mr. TABER. Well, I assume that that is in the report. I have not seen that part of it.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. Mr. Chairman, I yield myself 10 additional minutes.

Now, with reference to the relief in occupied territories, the picture was presented this way: First there was an item of $237,000,000 for feeding the people in the British zone of occupation. The agreement with Great Britain has not yet been signed and not yet been mapped out completely. As to that the committee felt that we should presently provide $100,000,000, so that the feeding could go along but that we should reserve the other until the agreement was signed, so $137,000,000 was reserved out of that item for that reason.

The estimates presented call for a pipe line which would extend into the middle of September or the first of October, in that territory, and there was a considerable amount of money available for that purpose. On a monthly basis it figured out to $81,000,000 a month. We deducted that pipe line beyond the 1st of July because we thought that was too far ahead for us to make appropriations. Therefore, we deducted $137,000,000 plus $162,000,000, or approximately $260,000,000 from that figure, and carried $230,000,000.

These people have a lot of money left available out of the $600,000,000 that was appropriated to them for relief in occupied territory. The amount expended down to the 1st of December was only $99,000,000, and the amount obligated was $199,000,000, leaving a balance of $400,000,000. So that with this $230,000,000 we will have available in that picture $630,000,000 to spend from the first of December on, which is enough until the committee can have another chance to look it over a little later in the year.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania.

Mr. GROSS. I have been wondering about this relief in the occupied countries. For instance, the other day in Harrisburg a German man who is an American citizen came to me and said, "Why doesn't the army of occupation let the German people work and do something for themselves?" I said, "I don't know whether they are doing that or not." He said, "I have a brother over there that wrote me and said, 'It is going to take us 43 years to rebuild ourselves.'" I wrote back and said, "Why do you say 43 years?" He said, "Well, the occupation army is going to be here for 40 years, and when they get out, in 3 years we will be back to normal life again." Maybe there is something in that.

Mr. TABER. There is an awful lot in it, and there is this picture: When I landed in Germany there were over 700,000 of their most active business people who were refused an opportunity to work because they were alleged to be Nazis. We and members of the Herter committee which had preceded us thought it was rather funny that they had not disposed of those cases. Before we left an order was issued that would reduce that number by about 500,000 cases, which might put a good many of those people to work. We have been promised that that would be cleaned up, but the trouble is that they have too many of these people who are not American citizens mixed up in those trials, and they are very hostile to the Germans. We are not getting prompt and effective results. We have been after that picture with the Department hard, and I hope it will have an effect on giving those people an opportunity to go to work. We have a great many things that handicap them in connection with their going to work.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. DONDERO. When you were in Germany, did you discover that Great Britain, France, and Russia had withdrawn from the prosecution of the war criminals and that the United States was proceeding against them alone?

Mr. TABER. I did not know that, but, if that is true, it ought not to be.

Mr. DONDERO. It seems to me that any good will that we have built up in Germany through the efforts of General Clay would be destroyed if that is the situation.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. CASE of South Dakota. That is the situation. The prosecution of the so-called war criminals at Nuremberg is being conducted by the United States alone. The British and French are not taking any part in it now.

Mr. TABER. That ought to be ended, and we ought to be through with that operation, and these people ought to go to work.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. KNUTSON. Is it not just possible that these aliens who are employed by this Government to prosecute these cases do not want to let go of a good thing?

Mr. TABER. There is no question about that. On top of that, they do not have the right kind of disposition to create good will and to get rid of the attitude that some of these people have had.

Mr. CASE of South Dakota. Mr. Chairman, if the gentleman will yield further, I might say in that connection that it is the purpose of our Government not to prosecute any cases the indictments on which have not been presented by the 1st of January. They anticipate cleaning up the pending trials by April.

Mr. TABER. That would help, but it ought to be done more quickly than that.

I will not mention the reclamation feature of the bill because I am going to leave that to the gentleman from Iowa [Mr. JENSEN].

There is another item in the bill that I should call attention to. There is a small item for the Federal Security Agency to implement the program for seamen's unemployment compensation, which was authorized by a bill passed here in the House.

There is also an item in the Interior Department part of the bill for the relief for the Navajo and Hopi Indians. We found a rather bad situation there, especially with the management of the thing by the Indian Bureau in the Department of the Interior. We were told there were 1,200 presently on relief, being paid for out of relief funds of the Department, and that there were 3,800 more who should have been on relief. They have a thousand employees on that reservation, and included in that group there was not one single doctor or a single nurse, with the exception of one school nurse. Evidently they have a very large surplus of civilian employees on that reservation. They have evidently done everything they could that would make trouble for these people. For instance, I am informed that in 1930 there were 1,200,000 goats on the reservation and these goats were able to live off of the pasture on the land. They got meat and milk and mohair from the goats and were able to take care of themselves in pretty good shape. The Indian Bureau came in, took the goats away from them, and gave them 50 percent as many sheep. The sheep are not able to get a living off of the land. That performance on the part of the Bureau of Indian Affairs, according to my information, is largely the cause of the distress among these Indians.

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has again expired.

Mr. TABER. Mr. Chairman, I yield myself four additional minutes.

We went into that and we found that under the law already, surplus products in the hands of the Department of Agriculture can be made available to those people. There are 2,500,000 bushels of potatoes on hand in the Department of Agriculture, available for such purposes. There are enormous quantities of frozen eggs, dried fruits, canned vegetables, and other foods that may be made available. After listening to the Department we felt that $10 a month would be a fair amount for each of those people who were on relief. One thousand two hundred plus three thousand eight hundred makes five thousand. We allowed $10 for cash relief for 4 months, from January to April. We felt that the 1,000 employees that they already have got, amply took care of the situation. We believe we have amply provided for that situation.

Mr. WELCH. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. WELCH. Under the title, "Department of the Interior, Bureau of Indian Affairs, Welfare of Indians," is that intended to include Indians on all Government reservations?

Mr. TABER. It is only intended to include this particular item. Frankly, under that, it could be used for other places, but that is not what our intention is and is not what the Department said it would be used for.

Mr. WELCH. The gentleman will recall that only a few days ago this House

unanimously passed an authorization of $2,000,000 to meet the terrible distress existing among the Navajo and Hopi Indians. The Senate immediately passed the bill, and it is now in the hands of the President of the United States. The Senate and the House were unanimously in accord that an authorization of $2,000,000 should be made. I will ask the chairman of the committee if he feels that $100,000, payable from funds held by the United States in trust for the Navajo Indians, is adequate to meet the distress existing at this time among the Navajo and Hopi Indians.

Mr. TABER. I have analyzed that situation carefully, indicating that we have provided $10 a month for each of those whom the Department told us ought to be on relief or ought to receive relief. If the gentleman has any better information than that, I would be glad to have it, but we were unable to find anything that indicated any larger figure.

Mr. ROBSION. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. ROBSION. How long has this condition obtained among the Navajo Indians?

Mr. TABER. It has been developing ever since this man Collier went in and wrecked the Bureau of Indian Affairs.

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has again expired.

Mr. CANNON. Mr. Chairman, Congress convened in extra session with certain definite objectives in mind.

We can enumerate them categorically: First, to avoid, or at least to delay, the Third World War with the appalling wastage of billions of property and millions of lives which such a war would inevitably involve.

Second, to rehabilitate and revive and expand American commerce throughout the world, but especially in the Eastern Hemisphere.

Third, to stop the onward march of communism and thereby protect and preserve our form of government, our way of life, and life itself.

Fourth, to support the anticommunistic governments of western Europe and Asia whose survival and maintenance are essential to the solution of the world problem confronting us today.

Fifth, to save vast numbers of people in Europe from death through starvation this winter by providing the minimum amount of food required to sustain life.

Sixth, to maintain the world leadership of the United States which has been thrust upon us, the abdication of which would leave world dictatorship in the hands of a regime more ruthless and barbaric than any which has menaced mankind since the days of Genghis Khan.

And last and seventh, to establish and effectuate an equitable and enduring peace.

Congress assembled with these seven objectives in view. They are, of course, closely related and integrated; one involves the other. Together they constitute a chain in which no link can be broken. The realization of any one of them automatically involves to that extent the achievement of all, and, conversely, the failure to attain any one of them affects adversely, to that extent, all of them. If starvation spreads unchecked through Europe this winter, the anticommunistic governments, which are maintaining their position by such a precarious margin, will be swept from power. If they fall, communism comes in. With communism comes Russian control of Europe and Asia, and with Russian control of the Eastern Hemisphere our Government and our people are in dire peril and a defensive war of survival is inevitable.

The first step, the first link in the chain, is the appropriation of funds to provide a minimum diet for famine-stricken Europe. With that in view the Committee on Appropriations brings in this bill to implement, more or less completely or incompletely, the authorization which the Congress passed with practically unanimity last week. The question before us this afternoon is whether it adequately carries out the directions of the Congress as expressed in the legislative bill.

Let us not minimize the significance of the task before us. It is neither simple nor inconsequential. We are dealing with tremendous forces and immeasurable consequences. There are Members sitting on this floor this afternoon who can recall within the scope of their service here when the daily proceedings were largely provincial and sufficient for the day thereof. But we are today dealing with questions of further reaching importance than any ever previously determined in councils of State or legislative assemblies in the annals of mankind. And the decisions will affect history for all the centuries to come. This is the most powerful legislative body the world ever saw and it sits in the Capital of the nations. It has no time for petty trivialities.

And the situation is urgent. Lights blaze through the night in sequestered shipyards along remote Russian coast lines where the latest type of submarines are being constructed on a round-the-clock schedule. In the inaccessible hinterland of Russia modern jet planes are being fabricated on models perfected by Germany just as the war was closing. In teeming Russian laboratories covering hundreds of acres, secure from observation, every world scientist who can be recruited or impressed is engaged in research in every branch of chemistry, physics, and mechanics in an effort to devise the most destructive agencies that can be adapted to wholesale devastation.

And in every quarter of eastern Europe and northern Asia millions of men are being trained and indoctrinated for a war of extermination.

I do not have to ask you for whose benefit these continent-wide activities are being pushed with such sustained and relentless purpose. Fleets are being built, air power is being created, research is being prosecuted, and armies are being trained for what purpose? For the destruction of America.

"Oh" some say, "that is fantastic." Certainly it is fantastic. Pearl Harbor was fantastic.

No one can drive today through the wrecked and shattered streets of Berlin, once the seat of power and splendor, and a thousand other devastated European and Asiatic cities and fail to realize the fate that awaits every city in America the first day, the first hour, we are unable to defend them, the first day we lose control of the air. America is a rich and opulent country. Its cities are overflowing with treasures beyond the dreams of Midas. What a price it would be. Such spoils, such loot, such carnage, such rapine, and plunder as it would afford a modern Attila, such as sacked Vienna and Warsaw. Certainly it is fantastic. But we have lived to see in our day and time scenes beside which the sack of Rome and Carthage pale into insignificance. The Vandals left the marble magnificence of Rome still standing but in Warsaw not one stone is left upon another. It is high time we take these lessons to heart.

Let us reduce the problem to its lowest common denominator. Hitler threw 220 divisions against Russia. They were the best trained and most completely equipped armies ever marshaled in review. They were ready to the last buckle and they melted like snow—with Russia taken by surprise and half prepared. In the entire war the United States mustered only 89 divisions on both fronts. It would require futile months to again mobilize our 89 divisions. And if they marched into Russia not a man would ever get back. Hitler could tell you something about that. And Napoleon tried it a hundred years before when Russian military power was hardly more than a shadow.

"Oh," you say, "there is the Navy; we have the greatest Navy in the world." And you are right. It is more powerful than all other navies combined. But how can any navy blockade a hemisphere? You cannot go to Moscow in a battleship.

That leaves us only one other recourse—defense through the air. We used it effectively in the last war. We won through our superior production of aircraft. But we are not winning now. We are turning out today approximately 2,000 planes a year. While competent authorities estimate that Russia will produce 100,000 planes in 1948. The ratio is 2,000 American planes to 100,000 Russian planes.

And no one knows better than ourselves the potency of air power. At the close of the war we had based on the Marianas enough B–29's in service to have destroyed, with sufficient supplies of atomic bombs, every city in Japan with a population in excess of 30,000 people.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. CANNON. Mr. Chairman, I will take 10 additional minutes.

With a superiority of 98,000 planes production a year and the explosives under production in their all-out laboratories, how long would it take to destroy every city in America with a population in excess of 30,000? And if you could accomplish that as expeditiously today as we could have pulverized the cities of Japan at the close of the last war, what

opportunity would there be for recuperation if all our production centers were reduced to rubble in the first 24 hours?

You say it could not happen to us. But it has already happened to everybody else. And if it has happened once it can happen again. And we might be on the losing side next time if we are a little slow in taking off. Or if we are a little obsolete in equipment.

In other words, it is a condition which confronts us today. Not a hypothetical situation for purely academic consideration. It is a condition which we must meet and with which we must deal either now or eventually

In our approach to this situation we have two alternatives. We can enter into a race of armaments such as preceded former wars. We can build more battleships, build more planes, drill more men, and manufacture more guns. And that will, as usual, require some considerable outlay. In a report just released last week a competent military authority estimated that if we adopted a program for construction of planes sufficient to protect our borders it would cost $3,000,000,000 a year for air power alone.

That is one alternative. The other is to so strengthen the free governments of western Europe as to create a balance of power which, in cooperation with us, will preserve the peace of the world. That is the plan which this bill proposes to implement. We propose to feed starving cities in order to prevent the overthrow of non-Communist governments and maintain the integrity of the friendly powers of western Europe in order to make them self-sustaining and thereby check the further spread of communism and preserve the peace of the world. That is the purpose of this bill. It is in effect a bill for national defense.

But how far does the bill go toward the accomplishment of that purpose? Presumably it implements the authorization which was given by the Congress last week. Under that authorization, enacted after days of exhaustive debate, and the rejection of numerous amendments to increase and decrease the amount, we finally determined by a practically unanimous vote that the minimum amount necessary to implement this program was $597,000,000. But the Committee on Appropriations does not accept that figure. In a report which is noteworthy for its verbiage rather than its consequential conclusions, it proposes to reduce materially the amount provided essential for food. The legislative authorization provided barely enough to supply the minimum food requirement. If it varied in either direction it was too little rather than too much. It was conceded to be the irreducible minimum. So when we reduce the money carried in this bill for food, we to that extent hamstring the program for European recovery. To that extent we impair the program for national defense.

They say, "Here are certain hidden items." There is nothing hidden here at all. All items have been enumerated time and again. They were fully discussed in the hearings. They are listed in the report. Let us turn to page 4 of the report and consider them one at a time in the light of actual facts and common sense, having in mind all the time the tremendous responsibility resting upon us to maintain the status quo in western Europe. It is not merely a matter of people starving. In the last analysis it is a matter of preservation of the American form of government.

Let us take the first item in the allocation to France. It is service of foreign debt. And let me correct here and now a misapprehension under which some seem to be laboring with reference to these items on page 4 of the report.

There is not one dollar in this bill for the payment of this foreign debt or any other of these items. Not a penny provided in the bill or in the legislative authorization can be used for any such purpose. None of the funds in this entire list can be used for any purpose except to buy food.

The contention of the committee is that France and Italy have funds of their own with which they could buy food, but which they propose to expend for these purposes. Therefore, they argue they should use such moneys to buy food instead of spending it for these purposes, and the committee proposes to cut down the money provided in the bill for food to that extent. But to do that would defeat the whole purpose of the bill.

This payment on the foreign debt of France is interest on her loan just secured last year from the Export-Import Bank. All loans from this bank must be repaid in full with interest. It was established for that purpose, and with that in view and its operations are a fundamental part of the plan for the rehabilitation of war-wrecked nations. If France should fail to pay her interest, it would be the first default and would be a disastrous precedent. The Committee on Appropriations in this bill invites France to repudiate her obligations to the Export-Import Bank. The committee insists on it. The action of the committee in that respect is an effort to disorganize and destroy one of the key provisions for postwar recovery agreed upon by all nations. And it proposes this astounding sabotage without any compensating advantage. For even if the proposal of the committee is adopted not a penny will be saved. Practically all of the interest to be paid by France is due the United States. So we have an anomalous situation here. If we pay for the food, we get the interest. If we do not pay for the food, we do not get the interest. It is six of one and half a dozen of the other. If we pay for the food, it comes out of the United States; but the United States gets the interest in the exact amount it pays for the food. And if we do not pay for the food, it does not come out of the United States; but the United States does not get its interest—in the exact amount it does not pay for the food. It would be amusing if the consequences were not so serious.

In the case of the International Bank loan, it is necessary that France pay its interest and maintain its credit with the bank at all times and especially now when it is making application for additional loans to help meet its urgent import needs in the near future.

Take the second item, due Belgium to cover imports into France in excess of France's exports to Belgium. Belgium herself is extremely hard pressed. She is barely able to keep her head above the water. To take food away from France for this purpose means to sink both France and Belgium. And the payment to Brazil is merely the excess of imports over exports but it involves all future imports from Brazil the discontinuation of which would be disastrous beyond the comparatively small amount listed. It is the understanding that in the future such imports from Brazil to France will be financed on credit that France would arrange to avoid the accrual of a deficit.

The $10,000,000 payment to the International Monetary Fund is France's payment which renders her eligible for applications to the fund. France must make this payment or lose her standing which would amount to a disadvantage many times the amount of her contribution.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. CANNON] has again expired.

Mr. CANNON. Mr. Chairman, I yield myself 10 additional minutes.

Let us take the second $10,000,000 on page 4, listed as administrative and other expenditures. They try to tell us this is for entertainment and cocktail parties. That is thrown in merely to create prejudice. The actual purpose for which this comparatively small amount is to be used is to maintain France's diplomatic representation throughout the world. France has made tremendous and notable, and heroic progress in balancing her budget. While we were over there they told us that they were going to balance the budget, and they did do it in the face of seemingly insurmountable obstacles. They have reduced expenditures generally and they have reduced expenditures for this item to one-fifth of what it was in the last quarter. We cannot leave France without representation in the chanceleries of the world. How can the present government of France be maintained, the government which the Communists have made every effort in the last 3 months to destroy? How can we support this upstanding anti-communistic government, on which the survival of western Europe depends if we deny her this small amount for representation in the other countries of the world? Why, it is absurd to even consider such a proposition.

Now, let us take up the $22,000,000 for Italy. In the first place, $5,000,000 is provided for the settlement of claims of United States nationals against Italy under an agreement which was concluded in December 1946, last December; and it is a material scaling down of the debts which they owe our nationals. Shall we encourage the Italian Government to default in its obligations to our own citizens? Italy must do that if we take this money out of this bill as the committee proposes; there is no alternative. In view of the millions of dollars of surplus-property credits extended throughout the world we certainly should not encourage a default on this debt which is owed to our own Government, owed to us. If we put the money in food we get the money back. If we do not put the money in food we do not

get it back. Nothing is saved. The only thing that we do is to wreck the basic foundation of the plan upon which world recovery must be achieved.

Now, mind you, the Committee on Appropriations does not deny that the whole $597,000,000 is essential to provide this food. They agree that the whole $597,000,000 is essential, but they seek by subterfuge to pull this $88,000,000 out of it, and though they do not save a penny but they destroy the whole theory upon which the plan for postwar recovery is based.

Mr. Chairman, we have here a grave responsibility.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. CANNON. Mr. Chairman, I yield myself two additional minutes.

Mr. Chairman, let us take heed lest some day we again look back as we looked back after Pearl Harbor. On the afternoon of December 7, 1941 how many Members recalled votes cast against provisions for the Army, for the Navy, for the fortifications of Pacific bases? How many remembered bitter opposition to the League of Nations which would have avoided a war the cost of which will never be fully tabulated?

Stanley Baldwin and those who followed him looked back to those crucial days when Germany was arming, and England slept.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Chairman, America today is confronted by two outstanding dangers.

On the one hand, as the result of waste and extravagance and the spend-and-spend policy to which this Nation has adhered over a period of 15 years, we are confronted by the danger of serious inflation. On the other hand, as a result of decisions which have been made in the field of foreign affairs, we are confronted by the possibility of losing all that we thought we had won after 4 years of fighting, and of seeing the wave of communism sweep throughout western Europe.

Either of these results can have consequences of the greatest gravity to this Nation of ours. The role of statesmanship seems to be to try to steer a course between them.

During the past summer, like many Members of the Congress, I made a trip to the other side. In the past I have been many times to Europe, at one time putting in 4 years there working as assistant to the Agent General for Reparation Payments, representing the interests of 12 nations, including our own, creditors of Germany as a result of World War I.

The trip which I made last summer together with the gentleman from New York [Mr. TABER] and the gentleman from Missouri [Mr. CANNON], and in part with the gentleman from Illinois [Mr. DIRKSEN], took me to nine separate countries all the way from Turkey to England.

It resulted in interviews in the countries visited with practically every prime minister, foreign minister and finance minister, with other ministers, with the heads of banks of issue, with industrial leaders, labor leaders, and leaders of finance; and in the Ruhr, with workers in the mines and at the blast furnaces, and with their wives and children in the housing about the mines. We also had the benefit of the views of our diplomatic and military staffs.

Without going into detail I heard statistics indicating the alarming rate at which Russia is arming. I heard the testimony of officials from the satellite countries as to the extent to which those countries are being purged under the iron hand of Russia. I saw in country after country what to me was a vicious circle, on the one hand, economic and financial problems growing out of the war of the most severe character, and, on the other hand, political problems of the greatest severity resulting from the threat of communism either within the borders of the country or immediately outside of its borders.

Two hundred and sixty million people or more in western Europe, with a prewar production greater than this country, threatened with being overrun by the forces of communism and losing their freedom against their will.

I returned, Mr. Chairman, with the conviction that affirmative action by the Congress was imperative and imperative promptly. I believe that affirmative action is essential in the national interest. In the absence of stronger measures I see no other alternative at this time. I believe that a denial of affirmative action at this time would serve to kill the spark of hope that has been kindled in western Europe, would serve to destroy the principal psychological barrier to the advance of aggressive communism and would invite the moving of the iron curtain to the Atlantic and the Mediterranean in short order, with serious consequences to our national economy if not to our national security.

Having made that statement, Mr. Chairman, I want to qualify it as I have qualified it in other public statements that I have made.

First. I believe that what we do should be done on a short-term basis, as in this instance. A long-term basis destroys our influence. A short-term basis is not only fairer to America but, in my opinion, strengthens the hands of the leaders of those countries that we seek to aid.

Second. I believe that what we do should be so supervised as to insure that every dollar spent will be productive in terms of recuperation and not wasted for some political purpose as has happened so often in the past. I regret that the time element has prevented the setting up of adequate supervision in connection with this appropriation.

Third. Mr. Chairman, it is obvious that we must not do more than we can do in fairness to ourselves and to the rest of the world. To destroy our own economy in trying to help others would not only be suicidal but a catastrophe from the standpoint of the entire world.

AVAILABILITY EVIDENCE INADEQUATE

Now, Mr. Chairman, I have sought throughout these hearings to get some specific evidence of availability in terms of the commodities which we are to provide under this bill. I have tried to get simple tabular break-downs showing for each commodity the amount available, the amount of obligations against the amount available, the amount called for under the two programs before us in this bill, so that the Congress and the people of the country as a whole could see exactly what it is we are called upon to do.

I regret that I have been unable to obtain that information. There appears to be no single agency and no single individual in this Government that can present a simple, coordinated picture in these terms of the plan now before us.

The so-called Harriman committee, as you will recall, was asked to determine the limits within which this country could safely and wisely extend aid to western Europe. If I understand it correctly, Mr. Chairman, the report of that committee declines to take any position as to the period after December 31, 1948, and as to the period before that date approves what is requested only by implication.

The Acting Secretary of State, Mr. Lovett, was more than cooperative with this committee. He did his utmost to provide us with all information at his command. He stated specifically, however, that he was in no position to give the assurance that I desired in respect to any of the commodities. He stated that he was dependent in that respect on the Department of Agriculture and on the Department of Commerce.

The Secretary of Agriculture and the Secretary of Commerce both appeared before your committee. Neither of them, in my judgment, Mr. Chairman, gave the type of information to which the Congress is entitled in the consideration of this bill. In fact, the testimony of the Secretary of Commerce was so vague and required so much research that it did not arrive in time to be included in the hearings and, as far as I know, has not yet been received by the Committee on Appropriations.

Representatives of the Department of the Army, the Department of the Interior, the Army and Navy Petroleum Commission, and the Tariff Commission all appeared before the committee. One supplied one piece of the picture puzzle, another another, but nowhere did we get a comprehensive detailed statement such as I hoped and sought to obtain.

As a result, we are forced to rely largely, first, on what we are told is a table agreed to by the Departments of Agriculture, Commerce, and State, which you will find on page 229 of the hearings; second, on a statement by Secretary Anderson to the effect that "520,000,000 bushels of grain is a perfectly safe figure to use as a minimum that we can ship"; and, third, on a statement by Secretary Harriman, which is not in the record for the reasons I have given, to the effect that he assumes as Secretary of Commerce full responsibility for all nonagricultural items.

Mr. Chairman, before any long-term program is considered by this House I hope that someone somehow will give us a coordinated detailed picture so that we can understand and the country can understand exactly what is involved.

INTERIM AID

As has been pointed out, the bill before us carries an appropriation of $509,000,000 for implementing the interim-aid bill. It carries an appropriation of $230,000,000 for implementing a deficiency request for the occupied areas. It carries certain other items, bringing up the total to about $772,700,000, about $345,000,000 below the Budget estimates.

The purposes of the interim-aid bill by this time are well known to us all. If you want a break-down of what is contemplated in the program, you will find at pages 229 to 233 of the hearings, first, an over-all break-down for all countries involved; second, break-downs individually for Austria, France, and Italy. I may add that no program is presented for China at this time, the State Department stating specifically that it is not yet ready to come forward with any such program.

The justification of the State Department was on the basis of $328,000,000 for France, $211,000,000 for Italy, and $58,000,000 for Austria, with nothing for China. You will find at pages 267, 237, and 269 of the hearings itemized tables for Austria, France, and Italy, respectively, showing exactly how the over-all figures were arrived at, estimated dollar balances being deducted in each instance from estimated dollar needs.

The authorization bill which was passed by the Congress yesterday included not only Austria, France, and Italy, but China, and it is clear from the record that your committee was supposed to reserve part of the authorization perhaps $60,000,000, for appropriation to China when a program for China is received from the State Department.

The appropriation suggested, by your committee is in the amount of $509,000,000, or $88,000,000 less than the authorization.

I submit that the reservation or withholding of funds is not only justified but required, in large measure at least, by the situation with respect to China, to which I have referred. If I understand the gentleman from Missouri [Mr. CANNON], correctly, he would wipe out all possible help under this authorization for China, contrary to the expressed will of the Congress in the authorization bill. If $597,000,000 is appropriated for Austria, France, and Italy, obviously nothing whatsoever will be left for China.

The reservation or withholding of funds to the extent of $88,000,000 is based also on the fact that certain items are included in the program, most of which appear to represent the service of intergovernmental debt which might be deferred, and which perhaps might be more properly considered in connection with a long-range program. The items are listed in the committee report.

The reservation or withholding of $88,000,000 makes it possible in January or in February or whenever the need is demonstrated, to make any part or all of that sum available to China or to any one of the other three nations now under consideration.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from California.

Mr. HINSHAW. Would the gentleman care to discuss for a moment the occupation costs, or does he want to confine himself to the subject he is presently speaking on?

Mr. WIGGLESWORTH. I would prefer to complete my statement on interim aid first.

Mr. HINSHAW. Would the gentleman, then, when he completes his statement discuss the occupation costs in the countries occupied?

Mr. WIGGLESWORTH. I shall be glad to.

If you will turn to page 229 of the hearings, you will find from the break-down to which I have already referred that this program calls for the furnishing of grains and other food products, cotton, coal, petroleum supplies, aviation gas, fertilizers, miscellaneous agricultural supplies, medical, hospital, dental, and veterinarian supplies.

Some of these items are in short supply.

I wish it were possible to give the House the exact situation in respect to each item—that information is not available.

Grain is, of course, the major item. The testimony of the Secretary of Agriculture is important in this connection.

Starting with an over-all availability of 1,491,000,000 bushels of wheat, and deducting from that 845,000,000 bushels for food, seed, and feed, he arrives at a balance of 646,000,000 bushels. Allowing 150,000,000 bushels for carry-over, into next year, there remains 500,000,000 bushels of wheat available for export. Using four hundred and fifty million of this total and adding 70,000,000 bushels of grain, he arrives at 520,000,000 bushels of grain available for export, a total which he states is "a perfectly safe figure to use as a minimum that we can ship."

He also states that the program may go to 560,000,000 bushels. There remains to be bought about 120,000,000 bushels of wheat and 3,000,000 bushels of grain.

There appears to be nothing included in his figures for wastage or for industrial purposes. Doubt as to the accuracy of the figures is thrown by the conflict of figures appearing in the committee report and already referred to by the chairman of the committee, the gentleman from New York [Mr. TABER]. It is clear that more wheat is to be required for France and Italy than can be provided. The excess provided for must be taken care of in substitutes.

It is for this reason that this committee has inserted in substance the amendment of the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] in order to insure that there shall be a minimum carry-over at the end of the year of 150,000,000 bushels of wheat for use in this country.

I invite your attention also to the testimony in respect to petroleum products, which shows that the production, consumption, exports, and imports are almost in balance today, and that any of these products taken from this country for abroad must either come out of domestic consumption or commercial exports.

The daily production in America is 5,500,000 barrels a day. The amount said to be required for this program, if estimates are correct, is infinitesimal—1,800,000 barrels for the 4-month period.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. WIGGLESWORTH] has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. WIGGLESWORTH. Other commodities are discussed to some extent in the hearings, but for the most part, as already pointed out, we are forced to rely on the table I have referred to and the assurances of the Secretary of Agriculture and the Secretary of Commerce. We just have not got the detailed information which should be available.

The effect on our economy is consequently difficult if not impossible to predict. It probably depends largely on how the program is administered.

The Secretary of Agriculture goes so far as to indicate, at page 24 of the hearings, that in his opinion this program can be accomplished without any rise in commodity prices. I confess it is very difficult for me to escape the conclusion that an increase in the price level is inevitable. We must entrust the program to those who will have charge of it.

GOVERNMENT AND RELIEF IN THE OCCUPIED AREAS

The other most important item in this bill is for government and relief in the occupied areas, $230,000,000.

Six hundred million dollars has already been made available for this purpose. The deficiency request was for $490,000,000. Your committee recommends an appropriation of $230,000,000.

The basis for the increase requested is, first, an item of $237,000,000 representing the estimated increase in the cost of feeding in the British zone in Germany, with respect to which negotiations are now pending between America and Britain.

Second, the increase is due to higher prices, to decreased crops and similar causes. One million four hundred and thirty-six thousand tons of crops less than estimates have been produced in Germany; 453,000 tons less than estimates in Japan.

You will find the details of this program on page 144 of the hearings. It includes food products, agricultural supplies and fertilizer, petroleum products, medical supplies and equipment, other supplies, services and equipment, pay of civilian employees, travel of civilian employees and certain military personnel, transportation of civilian supplies, and incidental operating expenses.

The reduction which the committee recommends is reflected first in a reduction of $137,000,000 in respect to the estimated amount necessary for feeding in the British zone in Germany, the committee feeling that the $100,000,000 provided is ample for the time being, that we should take another look at the situation after negotiations are concluded.

It is reflected in a reduction of $122,000,000, or two-fourteenths of the amount otherwise available for a period of over 14 months, the committee feeling that it is sufficient to make funds available up to the end of the fiscal year and

to reconsider the matter of any pipe line thereafter at a later date.

I believe the funds provided for this item are ample and that any discrepancy can be taken care of upon further consideration.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. HINSHAW. Mr. Chairman, I believe the gentleman will agree that the two occupied zones, British and American, are among the most highly developed industrial areas in the world. Those people manufacture products, as I understand it, and they turn those products over at practically no cost to the Office of Military Government. The Office of Military Government sets its own price at which the products will be sold, from which 10 percent is withdrawn, 5 percent being given to the manufacturer in dollars, 5 percent being assigned to the employees at the official rate; 90 percent of the price, as I understand it, going to make up part of the cost of occupation.

Does the gentleman know how much we are receiving from that 90 percent of the goods we are receiving from the German local governments to offset the occupation cost?

Mr. WIGGLESWORTH. I am sorry, I cannot give the gentleman any information on that.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. TABER. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. HINSHAW. Does not the gentleman agree with me that if the industrial area, the industrial heart of Germany, can be started going again that with their exports they can pay their own costs? And that unless they are permitted to get started on manufactures that they can export they will be a drain on the Treasury of the United States for a long time to come.

Mr. WIGGLESWORTH. I may say to the gentleman from California that it is my opinion that a revival of Germany subject to proper control from the military standpoint is the heart of the entire problem of the recuperation of western Europe.

Mr. HINSHAW. I am glad to hear the gentleman say that because I was convinced in my brief visit that, given half an opportunity to produce peacetime goods, they could support themselves and then some.

Mr. WIGGLESWORTH. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. WORLEY].

Mr. WORLEY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. WORLEY. Mr. Chairman, it is my desire today to pay honor and just tribute to a fellow American and fellow Texan whom we all have come to hold in highest esteem, a man who as a naval officer has served his country well and wisely for 42 years and who now embarks upon a well-earned and richly deserved rest—Fleet Adm. Chester W. Nimitz.

As a youth in a small Texas town, son of a country innkeeper, Chester Nimitz had no more than the average American youth's advantages. Yet through hard work and perseverance he has reached the pinnacle of success and fame in his chosen profession and has become one of history's greatest naval leaders in the long up-hill struggle in the recent Pacific war.

His brilliant and gratifying success, however, has left him fundamentally unchanged in character and purpose. And the consummate respect he holds for the enlisted man in the service is still second only to that which he holds for the Chief Executive in the White House.

His work has always been characterized by his sound dependable judgment and by unfailing devotion to the task at hand. His calm, patient, and deliberate manner is contagious; his innate modesty and high sense of loyalty have endeared him to the hearts of all hands in the naval service; and have won for him the complete confidence and highest esteem of the American people at large.

It has been said that two of the most valuable qualities Admiral Nimitz took to the task of winning the naval war in the Pacific were "calculating common sense" and a "stoutly reasoned good opinion of his fellow men." He has been affectionately called every man's admiral. Knowing him it is not difficult to understand why.

This country was singularly blessed in having men of the caliber of Chester W. Nimitz to whom it could turn for leadership and inspiration in time of great national peril as well as in peacetime. His very stature and demeanor was instrumental in rallying the spirit and will and determination of his countrymen at the most critical hour of our history. We in this land will ever be in his debt.

Mr. Chairman, the Navy and the entire Nation will never forget but will deeply miss for a long time to come his active leadership in our defense establishment. On the occasion of his departure from active duty, we desire to wish him smooth sailing, fair winds, and snug harbors with many long years of good health and abundant happiness ahead.

Mr. FISHER. Mr. Chairman, will the gentleman yield?

Mr. WORLEY. I yield to the gentleman from Texas.

Mr. FISHER. Mr. Chairman, I am delighted that the gentleman has taken this time to pay tribute to Fleet Admiral Nimitz upon the occasion of his retirement. It happens that the Admiral was born in the district which I have the honor to represent, he having been born at Fredericksburg, Tex., in the central part of the State, on February 24, 1885. He attended school at Kerrville, a few miles away in the rugged hill country of southwest Texas. There he gained those lasting impressions that followed him throughout his great and eventful life.

The admiral's grandfather was Capt. Charles Nimitz, who was a German-born sailing ship master who built a hotel at Fredericksburg which had a boat deck and bridge looking out over the Texas prairie. With that background, it was only natural that he should fall into a naval career, though he first aspired to attend West Point. Chester Nimitz graduated in 1905 from Annapolis, seventh in his class.

The new ensign climbed steadily as his fine qualities of leadership were brought into play. The story is told that on one occasion when Nimitz was an ensign and was on board a ship, the engineer called excitedly over the tube that the ship was about to sink. "Look on page 84 of Barton's Engineering Manual," Nimitz replied. "It tells you what to do in a case like that."

Those associated with him have often asserted that two outstanding qualities were always present in the admiral's service. One, his "calculating common sense," and, secondly, "a stoutly reasoned good opinion of his fellow man." It has often been said that he was never known to become excited.

Admiral Nimitz, as we all know, immediately after Pearl Harbor was given the formidable assignment as Chief of the Pacific Fleet. He directed the painful task of building up and directing the naval strength that smashed the Japanese dream of conquest. When given that assignment, he was quoted as saying: "I have just assumed a great responsibility and obligation which I shall do my utmost to discharge."

This great naval leader received many great honors during his career. One was the Distinguished Service Medal, by special act of Congress. But among his proudest possessions is the Treasury Department's silver life-saving medal. He won it as a lieutenant March 20, 1912, when he saved Fireman 1c W. J. Walsh from drowning.

Finally, the great pinnacle of his career came on September 1, 1945, when Admiral Nimitz signed for the United States the formal Japanese surrender terms on the battleship *Missouri* in Tokyo harbor.

Fleet Admiral Nimitz has retired. He is a great American, a great Texan, and one of the great naval leaders of all time. To him and his family I extend best wishes and Godspeed during the period of his retirement.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. WORLEY. I yield to the gentleman from Texas.

Mr. RAYBURN. Mr. Chairman, I do not think that in the Army or Navy of the United States a finer type of man has ever come on the scene than Admiral Chester Nimitz. He is a great American, he is a great Texan, and we are proud of the fact that he is a Texan.

Mr. WORLEY. I thank the gentleman. Admiral Nimitz has received a great many honors in his lifetime, but not the least honor was the one he received the other day when the Governor of the State of Texas made him admiral of the Texas navy.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MAHON. Mr. Chairman, let me say this word of tribute in behalf of Admiral Nimitz, whose record will always reflect glory upon his native State of Texas, and the people of the entire Nation. I ask unanimous consent that any Member at this point in the RECORD may have permission, if he wishes to do so, to make some reference to the distinguished career of Admiral Nimitz.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas [Mr. MAHON]?

There was no objection.

Mr. CANNON. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Chairman, this bill involves something short of a billion dollars in appropriations. It is tremendously important. It has to do with implementing the foreign policy of our Nation, and at this critical hour in the history of the world, all of us are thinking about the question of foreign affairs and the course that our country should properly follow to promote our own welfare in the days that lie ahead.

During my service as a Member of the House one thing has always been paramount with me, and that is the question of national defense. I have felt throughout my service in Congress that our national defense program has been inadequate, and I have seized upon every possible opportunity to try to promote our national security by way of appropriations and otherwise.

Before the war, when there were those in this House and outside of this House who were crying, "Who is afraid of the big bad wolf?" I was among those who took advantage of every opportunity to vote for increased appropriations, including the implementation of our defenses in the islands of the Pacific in order that our country might be secure.

During the war, as a member of the Subcommittee on War Department Appropriations, with many of my colleagues, I went even to the extent, perhaps, of extravagance in an effort to make American dollars play a major part, if possible, in saving the lives of American fighting men, and as a member of that subcommittee, and following that philosophy of service, I agreed to take the gamble with a few of my colleagues on the $2,000,000,000 appropriated over the years for the atomic bomb. If there is anything fundamental in my political philosophy it is this question of a strong national defense.

Since the war I have not had occasion to change my position on that matter. On June 3, 4, and 5, 1947, in this House of Representatives, following an unsuccessful fight which I had made in the Committee on Appropriations to get an additional $40,000,000 for military aircraft, I offered an amendment in the House which would provide the additional $40,000,000 for military aircraft for the Air Forces. After 3 days of debate we were finally able to get that amendment accepted. I recite these facts in order that I may say this, that in my opinion the foreign-aid program, stripped of all the trimmings, is nothing more or less than a national defense program. If I should vote against the foreign-aid program I would feel that such a vote was a vote against national defense. It would be contrary to my record of service.

I do not think of this legislation as a foreign-aid bill, though of course, the bill is of vast importance and assistance to peoples overseas. To my way of thinking this is an American aid bill, and if I may be perfectly frank about it, I should like to say without apology that my first interest is the interest of the United States of America. I believe that if we do not look after the best interest of the United States, nobody else is going to do the job. So, I say without hesitation that the enlightened self-interest of the United States is the thing that prompts me to support this foreign-aid measure, yet in supporting it, I am fully aware that it will not work out perfectly. I know that in the future there will be those who will rise up and say, "Yes, I told you so. I told you that this or that would happen."

There is not going to be a perfect road for us to follow, but we are standing at the crossroads, and we inevitably must take one road or the other, and both roads are bad in many respects. In the old days of bad roads, when we went from one part of the country to the other, we found the traveling pretty rough regardless of the route that we finally selected for our journey, and I know full well whichever road we now take is going to be difficult, but we must do the best we can to meet a bad situation. It is one thing to sit on the sidelines and observe errors which will no doubt be made. It is another thing to find and follow the right road and fulfill the destiny of our Nation in the critical days ahead.

Yes, my objective is the welfare of our own people, and of course we have many Americans who are in want and distress today. I would not consider supporting this bill if I did not think that this bill was in their true interest. I admit that I may be wrong, but all we can do in this sort of situation is to follow our best judgment and do the best we can under all the facts and circumstances.

Is there anyone in America, or anywhere else for that matter, who would think that Gen. George Marshall, our Secretary of State, would be concerning himself so much about a foreign-aid program unless he had in mind the military security and national defense of this country? He has spent his life studying and working and fighting for the security of the United States. Like any normal person, he undoubtedly has humanitarian impulses, but I have not the slightest doubt but that his major objective is the welfare and military security of the United States.

I have all sympathy for the suffering and hungry peoples of the world, including those in our own country. I am not impatient with the impulses of humanitarianism. It is all a very wonderful thing, and that is and should be a consideration in this matter, but I am frank to say that there are motives more compelling than humanitarian motives which impel me to support this American aid bill today.

Not only am I interested in the security of our country in a military sense, I am interested in the welfare of the American taxpayers. In trying to make up my mind, and I have been much disturbed about this question, as have all of you, I have tried to detach myself from sentimentalism and think, shall I say, in a cold-blooded way about the welfare of this country and the interest of the American taxpayer. If we fail in our efforts to help bolster up the free countries of western Europe, then what happens? In other words, if Moscow moves in and takes over western Europe and the iron curtain moves to the Atlantic, what happens to us in a financial way? Overnight, we would have to come before the Congress and say, "Let us have an additional appropriation of five, ten, or fifteen billion dollars for national defense in addition to what we now have." I am fully convinced that it is to the best interest of the American taxpayer that we undertake to help preserve the integrity of the free countries of western Europe and prevent the iron curtain from moving to the Atlantic ocean. So when I speak about this matter today I speak as one who proposes to carry on his long-established record of national defense and as one who is concerned about the American taxpayer, in short the financial and military interests of the United States.

I well know that if this foreign-aid program, which I hope will prove to be an American-aid program, fails, you are going to have to double, treble, or quadruple immediately the vast appropriations which we are presently making for our Army, our Air Forces, and our Navy. So it is of the greatest importance to the taxpayer that the money we spend, considerable as it may be, achieves the results we seek, because if this money fails then it may be a mere pittance compared to the multiplied billions which will be necessary overnight in the event that Moscow moves into Paris and Rome, and the other capitals of western Europe and begins to marshal the industrial resources of that great section of the world against the Western Hemisphere. Secretary Marshall has not said that, but how can we look at the ominous world situation and come to any other conclusion?

In my capacity as a member of the Herter committee, appointed by the Speaker, I was among those who made some study of the situation in Europe. While in Italy I heard much of a man by the name of Palmero Togliatti, a citizen of Italy and a powerful Communist leader. He had received years of training in Moscow. He is the leading Communist in Italy. He was trying and threatening to take charge of the government of Italy by threats of force and violence. I am one of those who believes that if we can do so, it will save us money and, perhaps American lives in the long run if we can prevent the Communists from taking over the countries of western Europe.

What is communism? Books have been written about it, and I certainly would not undertake to define it, but communism in the sense I am talking about it is this sort of thing: It moves into other countries from Moscow and

wherever it may be found in the world it is joined up with Russia. It is never detached from Moscow. It takes over a government. It first gets control of the police force and the army. Then it makes little difference what the majority of the people think because when communism comes in freedom of speech goes out the window and freedom of the press is no more and freedom of religion is suspended as well as free elections.

In America, if the people do not like the Democrats they vote them out and vote in the Republicans, and if they do not like the Republicans they make another change at the next election. That is the American way. That is democracy. Not so with communism. If communism takes over western Europe the people cannot vote it out at the next election. It is dependent upon military forces and dictatorship and the opposition leaders are liquidated. Can we afford to take the risk of letting freedom of speech, free elections, freedom of religion, and freedom of the press be snuffed out in the countries of western Europe? I am one of those who believes that if we have trouble in the future, it will be most desirable, if not essential, to have someone on our side. I do not think America, as great as she is, can afford the luxury of undertaking to stand alone in the world. We cannot afford it from a military standpoint, from a financial standpoint, from a political standpoint, or any other standpoint. So that is the reason I say I am interested in the success of this program which I call by what I hope may be its true name, an American-aid program.

Now, I would not want our country to take over the governments of western Europe. I do not want them to be puppets of the United States in any sense of the word. I only want them to be free and independent in order that they may cooperate with us and not work against us in the perilous days that lie ahead.

Yes, America must make a choice. We can either pull out of Europe, or we can stay in Europe. Are we willing so soon after the victory has been won at so great a price in life and treasures to walk away from the victory which has been won? I say no, we are not willing to do that. Oh, yes, we can knock out the funds in this bill for aid to civilians in occupied areas of Germany. We do not have control of the so-called bread basket of Germany, but we do have control of the industrial heart of Germany. We can save several hundred million dollars by pulling out of Germany—but if we pull out of Germany and turn over the industrial heart of Germany and the industrial heart of Europe to Moscow, we will, perhaps, be making one of the most fatal and tragic mistakes that was ever made by any country, because whoever writes the ticket in the industrial heart of Germany and in the industrial heart of Europe will have a significant part in writing the ticket in Paris, in Rome, in Belgium, in Holland, eventually in London and all Western Europe.

There is, therefore, every reason why all thoughtful Americans are concerned these days about the international situation. If our present program succeeds it will be cheaper in the long run, expensive as it is, to stay in Europe and take the leading part among the nations of the world in helping to save our country from the threat of a third world war.

There are those who say, "Why don't we ignore Europe and look after the best interest of the United States?" Unfortunately, that is not possible. We have learned from two world wars that you cannot ignore Europe and the rest of the world and at the same time look after the best interest of the United States. To ignore the rest of the world, to ignore Europe, and look after the best interest of the United States at the same time is as contradictory as trying to ride in opposite directions at one time.

The thing that is desperately important is the prevention of World War III. If we fail to prevent a third world war, then all our hopes and dreams of happiness and security will be shattered. It is in the hope that this legislation will contribute toward peace and security that a vast majority of the Members of the House will vote for this legislation when the vote is taken tomorrow. I would be the last man who would want to weaken the United States. The object is to strengthen the United States. That is what this bill is about—to strengthen and not to weaken the United States. It would serve no useful purpose for a man to leap into the stream to save a drowning man if he, too, will also drown.

Now, what have we shipped abroad? We shipped abroad 40 percent of our wheat last year. We could have kept the 611,000,000 bushels of grain which we exported, in the United States. We could have said to those starving people—and that is a consideration—"We are not responsible for your plight. Starve if you care to." We could have taken that attitude and drawn our cloak about us and kept our 611,000,000 bushels of grain at home, and threatened with bankruptcy the economy of many of the States of the Union. We did not need it for American consumption. We provide in this bill for a carry-over of 150,000,000 bushels of wheat. Did this course of action unduly deplete our country? I do not think so.

Well, we exported a lot of other things. Our manufacturers, who make trucks and automobiles and one thing and another, have been sending a limited number of such things abroad. I have seen them in Europe. Our businessmen want to keep contact with their customers overseas, because they are looking to the future. They want to stay in world markets. This should be in the best interest of American industry, American labor, and the American farmers.

The CHAIRMAN. The time of the gentleman from Texas [Mr. MAHON] has expired.

Mr. KERR. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. MAHON. I was not shocked to see some of the products of American labor and industry in Europe. I was glad to see them there. I hope we may have in the future a good market for our farm and industrial products in other parts of the world. I am sorry we do not, at present, have enough to meet our own needs and the needs of others. I am sorry that we have to wait for some of these things, but I am not opposed to a continued exportation of some of our production. Not everything that goes abroad is given away or sold on credit. We are selling billions of dollars' worth of products abroad for cash.

I am told that our exports to the 16 western European nations during 1946, which they could not pay for with their exports, amounted to only about 2 percent of our total national production. We must all agree that there have been some dislocations at home by reason of our foreign policy but certainly we have not wrecked our economy by the course which we have thus far pursued. We must exercise great care in safeguarding our own resources.

In this interim-aid bill we provide some money for petroleum products. Down in Texas we produce 40 percent of the petroleum products produced in the United States. Some of you in the East are concerned about fuel oil, and there is a shortage of fuel oil. How much fuel oil is provided for in the interim-aid bill now before us? One one-thousandth of 1 percent of our fuel oil production is included in the bill, and about one-third of 1 day of our production of petroleum products as a whole is included in the bill.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to my able colleague.

Mr. CASE of South Dakota. If the gentleman represented a district where the temperatures occasionally flirted with zero and he got a letter from a constituent who said:

> Some years ago, and years before the war, I put an oil burner in my house and that is the only way I have of heating my house, but now I cannot buy any.

And you wrote him and told him that he should not worry because this program provided for exporting only one one-thousandth of 1 percent of our oil production, do you suppose that would help him keep warm?

Mr. MAHON. I would have the greatest sympathy for the man because he is undoubtedly confronted with a difficult situation and I would do everything in my power to be of assistance to him. Perhaps I would write him about like this:

> DEAR BILL: I am glad to have your letter. It is true that there is some money in the interim-aid bill for petroleum products. We are exporting oil but we are importing as much or more oil than we export. In the interim-aid bill we provide for an exportation of one one-thousandths of 1 percent of our fuel-oil production. It is apparent that whether we do or do not export this relatively small quantity of oil there is still going to be a shortage. One one-thousandths of 1 percent of our production is not enough to take care of you and numerous others who are in need of more adequate supplies.
>
> Speaking of oil, American interests in Arabia have control of one of the largest oil reserves in the world—if not the largest. Petroleum is an essential product in industry and in war and it is important that we try to prevent our lifeline to that oil from being cut by an unfriendly nation. It would be very injurious to our national defense plan. As you know, many warnings have been published to the effect that there is a temporary shortage of fuel oil and that people should delay installing fuel oil furnaces. However, I note that yours was installed several years ago.

Let me say while we are talking about oil that we are trying in our work here to look after the best interest of America. We desperately need to prevent a third world war and to do that some sacrifices will be necessary on our part, but I hope a way can be found to remedy the situation which you describe and I would like to assist in any way possible. I do not want your boy and your neighbor's boy to have to go forth to fight again. If we could spend billions of dollars to win the war I feel that we can afford to spend a few hundred millions now to try to keep our boys at home and prevent future difficulties.

At any rate, if I were in the position of the gentleman from South Dakota, I would do, as I am sure the able gentleman has done—I would do the best I could to provide information and assistance. The average American is tolerant and understanding and he doesn't expect more than can reasonably be done for him under the circumstances.

Mr. CASE of South Dakota. I am sure the gentleman has suggested a very helpful answer—at least it might generate a little heat while the letter is being read. But seriously, how will this man heat his home? He lives in the country and milks a large number of cows. He wrote me that when he cannot warm the water they drink in freezing weather, the milk yield goes down sharply. What is he to do?

I asked the same question of the Under Secretary of State in our hearings the other day. I am not sure whether his answer was on the record or not. He said that he could appreciate the situation because he too has an oil furnace in his own home but he has a couple open hearth fireplaces so his family can keep warm.

However, the gentleman referred to the reserves of oil. In the hearings I asked the Assistant to the Secretary of the Interior to supply figures on our reserves of liquid fuels in oil shale and lignite. The figures came too late to put in the hearings, but I have the letter and hope to make it a part of the record. He said the amount of liquid fuel we could obtain from shales is five times that of existing petroleum deposits and the liquid fuel we could obtain from lignite coal was 25 times. So the 69 years estimated for the petroleum reserves can be augmented by these other sources of liquid fuel, and it seems to me in preserving the independence and freedom of the United States it would be better to develop those resources of shale and lignite than to depend upon that tenuous line to Saudi Arabia.

Mr. MAHON. I think we should depend on all available resources. I believe in trying to look after every eventuality as best we can. I believe we are going to be able to come through.

Now there are those who, perhaps like the gentleman, cannot get all the fuel oil they want, and some who are saying, "Who won the war, after all?" In going with members of the Herter committee from England over the North Sea to Berlin by plane we were served a little basket lunch. By that time we had all become very conscious of the fact that there was a shortage of food in Europe. We did not want to waste anything. I said to the sergeant, "I do not need all this food. Is there not some way you could save part of it?" He said, "Do not bother about that, Congressman; when we land in Berlin and throw this stuff out of the plane the Germans will lick the platter clean." I thought then, and I say now, I would hate to contemplate the situation being reversed and an occupying foe being in control of my own country and American boys and girls having to lick the platter clean of an invading and occupying force in an effort to sustain life. So, despite our disappointments, I say that the victory, after all, was not a hollow victory. But we must make the victory sure.

I am just as impatient with Europeans as are many others. I do not like many things that are transpiring in Europe. I think we would all like to be isolationists if we could safely afford to be, but we cannot afford the luxury. It is easy to be critical and say, "Why do you not go to work?" But from my observation, the farmers of Europe are doing the best possible job in cultivating their land, certainly as good a job as I have seen anywhere. I think they are doing the best they can to feed themselves. I know there are a lot of mistakes and maladjustments. But it does not behoove us to say, "You would have everything you need if you would just go to work." We have been working pretty well in this country and we cannot get all the new automobiles we want. We have been working pretty well but we cannot get boxcars to move our grain. We have quite a lot of factories and they are in operation, but they cannot produce all the gadgets we want even in this country. Why, one raid over England destroyed 2,000 factories. Not a bomb dropped in this country on an American boxcar or upon an American factory; yet with all our power and ingenuity we have not been able to meet all of our local demands.

It is impossible to expect people who have been devastated by war, countries wherein 90 percent of the transportation facilities have been destroyed, where cities have been burned and hundreds of factories wrecked, to produce within a few months everything they require. The devastated countries have not fully recovered. They will not recover for many, many years, though remarkable progress toward recovery has been made in many of the areas overseas.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. KERR. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. MAHON. Mr. Chairman, we have all learned by sad and bitter experience that weakness and appeasement are not signposts on the road to peace. Weakness and appeasement, on the contrary, are signposts on the road to war. So we must stand firm, we must do the best we can with a bad situation and we must expect disappointments in the future because we are going to have them.

The morning paper announcing as it did the break-up of the Conference of Foreign Ministers in London only adds emphasis to the fact that we must assume our position as the dominant power on earth in promoting peace, security, and stability. It is not so much a question of helping people in far away lands, rather it is a question of helping Tom, Dick, and Harry, and their families, and all our people in our own country.

Mr. CASE of South Dakota. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Obviously a quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 148]

Allen, Ill.	Cravens	Lynch
Allen, La.	Crosser	McConnell
Andrews, N. Y.	Davis, Tenn.	McDonough
Auchincloss	Dawson, Ill	McDowell
Bates, Ky.	Dorn	Morrison
Bell	Eberharter	Norton
Bland	Fellows	Potter
Bloom	Fletcher	Powell
Brooks	Fulton	Rabin
Buck	Gathings	Reed, N. Y.
Buckley	Harrison	Rivers
Busbey	Hartley	Rooney
Case, N. J.	Hébert	Sabath
Celler	Hendricks	Scoblick
Chapman	Hinshaw	Shafer
Chiperfield	Jackson, Calif.	Short
Clements	Jenison	Sundstrom
Clippinger	Kearns	Taylor
Coffin	Keogh	Thomas, N. J.
Colmer	Lanham	Trimble
Cooley	Lesinski	West
Courtney	Ludlow	Wilson, Ind.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HARNESS of Indiana, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 4748, and finding itself without a quorum, he had directed the roll to be called, when 367 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The SPEAKER. The Committee will resume its sitting.

Mr. TABER. Mr. Chairman, I yield 30 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, today I listened with great interest to the very splendid talk made by my colleague and good friend the gentleman from Texas [Mr. MAHON]. I may say that in what he said I find myself in almost complete agreement. In this period when our thoughts turn to the Christ Child, and the spirit of Christmas invades our thinking, I wish that it were possible for me to picture Uncle Sam engaging in this great international enterprise for pure idealistic principles. There are those who contend that the spirit which prompts the giving of relief as proposed in one part of the pending appropriation bill is in order that the great heart of America, swelling with charitable impulses, may bring relief and succor to the hungry people of France, Italy, and Austria.

I have always had a lot of idealism in my faith, but in dealing with Joe Stalin we are dealing with a man who is practical, and to whom idealism, as such, is entirely foreign. So far as I am concerned, while I want relief to go to the suffering people of France, Italy, and Austria, I would never be able to justify in my own heart, or to the people whom I am honored to represent, my vote for

a continuation of this international program, unless it was coupled directly to the interest and welfare of the people of the United States. I am glad to say that I have been privileged to make a great many speeches in this country and in sections where they were bitterly opposed to a continuation of our intervention in foreign affairs, but when the real purpose of this bill was explained and the real interest of America disclosed, I found, inevitably and invariably, an aroused and awakened interest in the efforts that your country and mine is making to try to stop the forward march of Communist penetration. When the Greek-Turkish matter was before this House, I asked in a conference with General Marshall and Mr. Lovett a simple question: "I want to know whether or not this program which you propose is an implementation of the military strategy of the United States Government." The answer which I received categorically from Mr. Lovett was: "Yes."

On that basis, Mr. Chairman, stripping this bill of all the puerile and idle talk we have heard, idealistic as it may be, and beautiful as the concept may be, we can approach the consideration of this bill by asking ourselves a simple question, does this bill do anything to protect the interests of the people of the United States of America. If it does, then it is the policy of my country. I may harangue and argue about that policy all I please, but when I am put in the position of making a choice between the policy of my country and the policy of Stalin there is going to be but one answer as far as I am concerned. So I voted for the authorization legislation and I am here urging the adoption of this appropriation.

Does that mean that I must be foolish? Does it mean that I must be utterly oblivious to the facts of the situation in protecting the welfare and the interests of my people? You would think from the speech that was made by the gentleman from Missouri, the ranking man on this committee, that we have completely destroyed the efforts of the State Department to bring proper and orderly relief to Austria, to France, and to Italy. We are asking in this bill for an appropriation of $509,000,000 for foreign relief. The authorization bill is $597,000,000. We are therefore eliminating $88,000,000. The gentleman said that is going to destroy this bill.

Let us think back for just a moment. The Committee on Foreign Affairs brought in a bill with a maximum limitation of $590,000,000. They struck from the consideration items totaling $67,000,000 and then substituted $60,000,000 for China, bringing the total back to $590,000,000. What were the items the Committee on Foreign Affairs struck out? They are the items that were referred to by the gentleman from New York [Mr. TABER]. They are listed here in the justifications under this bill.

The situation is just simply this: France has about $226,000,000 of her own dollar exchange available to purchase supplies and goods. She says to us, in effect, "We need so much food and we cannot buy it. In addition to that, we owe our subscription to the international monetary set-up, we owe our subscription of $2,000,000 to the International Labor Organization and some other international groups. We cannot support our embassies and our consulates, and we need $10,000,000 for that. We owe Belgium $17,000,000 under a contract that was made in 1945. We owed them $40,000,000 but we paid them a part of it and it is down to $17,000,000 now. We owe a balance of $3,000,000 under a trade agreement with Brazil. So we are asking you, Uncle Sam, to make this contribution of ours good to the international monetary bank; we are asking you to pay our interest to the Export-Import Bank; we are asking you to pay up the principal we owe the Export-Import Bank; we are asking you to pay the expense, or make it possible for us to pay the expense, of maintaining our consulates; and we are asking you to make good, or make it possible for us to make good, what we owe to Belgium and what we owe to Brazil. The whole thing totals up to $66,000,000. We have the money to buy $66,000,000 worth of food, but if we buy this food, we cannot meet these obligations out of our dollar exchange. So we want you to furnish us the food, so that we can take our money and meet these obligations.

"In other words, you make it possible for us to pay these $10,000,000 to the International Bank, and then we can go to the International Bank and get credit and we can borrow $30,000,000 more, about 75 percent of which Uncle Sam will pay. We want you to make our credit good with the Export-Import Bank so that if we go to make another loan, we will have good credit and good standing."

Now what did the committee do? Your Committee on Foreign Affairs of the House decided that they would not include most of those items and they struck out the whole $66,000,000. That is the amount they had when they brought the bill here. Now your committee on Appropriations has simply said, "We do not believe that we ought to saddle the American taxpayers with the responsibility of paying these obligations, indirectly, of course, and if we are living in a group of nations of which Belgium and Brazil are a part, let them defer their obligations and at the same time maintain the good credit of France instead of asking the United States and its people to bear the whole burden. Insofar as what they owe us, let us defer. Insofar as what they owe the International Bank, let us defer payments and let them spend their money for food because this thing was designed as a pure interim proposition for relief and never was presented to the Congress as part of the Marshall plan for the reconstruction of France or any other country in Europe."

So your committee has seen fit to eliminate those items from the bill. There was another reason why—you voted that you wanted to do something for China. If you vote the entire authorization of $597,000,000 for France, for Italy, and for Austria, how are you going to do anything for China, pray tell? So we have a reserve here—when the State Department brings to the committee a justification and a program for expending money for China, and so far as I am concerned as one member of that committee, I want the opportunity to provide funds for China—then this will make it possible.

The other $22,000,000 in this item was for Italy. We struck those items out. What were they? Five million dollars payment to the United States for the settlement of certain war claims of United States nationals against Italy. I do not know what it is—Lombardo agreement, December 1947. Partial repayment of Export-Import Bank, $7,000,000. Interest on the United States surplus property credit, $4,000,000. Then again $6,000,000 to maintain her diplomatic agencies in the dollar exchange countries. The total is $22,000,000.

What I have said with respect to France applies with equal force to Italy because they have about $126,000,000 available in dollar exchange which they can use themselves, or if they do not have the money, let them defer to their creditors—whether we are their creditors or not. How do we treat our own people, pray tell? In the name of God, have we not been pretty good? Since VJ-day we have made available to Austria $341,300,000. We have made available to France $1,976,000,000. We have made available to Italy $1,692,000,000, or a total since VJ-day of $4,900,300,000 to which we now propose to add $509,000,000 more.

How do we treat our own folks? I do not know how they do it in New York or in Kentucky, but I know how they do it at home. An old couple walk into the headquarters for relief and say, "Here, I am 67 or 70 years of age. We cannot work any more, and we need old-age assistance pensions." The first thing that they are asked is, "What have you got?" They say, "Well, we have saved up $300 for our burial expenses, and we have a little home with a mortgage on it that we live in."

We tell them, "If you turn that home over, that $300 over, we will give you a little pension." That is the law. That is what they do. That is how we treat our own people, but when we are dealing with this international situation, there are some people in the Congress who think that the Congress of the United States ought not to ask a single question; that we ought to give everything that is asked, without any strings tied to it whatsoever. We have tried to give you some facts explanatory of the action of your Appropriations Committee. I do not think I am disclosing any secrets when I say that the distinguished gentleman from Texas [Mr. MAHON] did raise some questions with respect to how this would operate if we held out this $88,000,000, but that was the only question raised in the committee; and in the full committee there was not a single word said by anyone. Yet on the floor of this House it would be made to appear by the gentleman from Missouri [Mr. CANNON] that we are just stripping and killing this foreign-aid bill.

Mr. Chairman, we are doing pretty well by France, Italy, and Austria, and as far as I am concerned I want to do

the thing that will preserve those countries. As one who is so interested, I believe that we have fulfilled our obligation, and there are many people in this ccuntry who are suffering and will suffer this winter who will inquire why it is that we must continue to go on and on and on. with no end in sight, nothing in the foreseeable future changing the foreign ministry situation in a complete breakdown, no end to these demands in the foreseeable future.

So, when we wrote the bill in the full committee this morning, thinking in terms of America, we wrote into the bill a little language, a part of which was offered by the gentleman from Mississippi [Mr. WHITTEN] and the other part offered by the gentleman who is now addressing you, by which we asked, as in the case of wheat, that the President survey the situation in this country as to fertilizer and as to petroleum products and let the American people know the facts as to what we are facing as a result of the shipments of these things abroad. In order to do what? In order that the people of America may know the real facts and know and understand that every gallon of petroleum that leaves this ccuntry must be taken away from the possible consumption of the people of America. These facts appear without controversy, in the hearings before our committee. I think the American people will be willing to make such sacrifice as may be necessary, but they ought to be acquainted with the facts, and the amendment which we have offered merely requires the President to make those facts available and known to the American people.

The amendment, with respect to petroleum products, has for its purpose the thought behind the amendment offered in the House by the gentleman from Minnesota [Mr. H. CARL ANDERSEN], who at all times has vigorously pressed for some action to protect the users of gasoline and fuel oil in America.

There is another phase of this thing that I just do not understand. The Army asked for $490,000,000, supplemental estimate, for feeding in the occupied areas of Germany. France likewise comes in and says, "We want some help to feed the civilian population in our occupied part of Germany." They did not come in as Britain did, through the Army, but they come in through the State Department; and included in these estimates is over $28,000,000 to enable France to continue to feed the civilian population in Germany in her zone of occupation.

We did not strike that out, but it raises a lot of serious questions as far as I am concerned. How long, pray God, are the American people going to be called upon without any voice in the conduct of the affairs of French occupied Germany, to pay the cost of feeding the civilian population?

Now let us look at the situation as to the other part of Germany. We have a bipartite pact with England that she should share expenses. I asked the question where England got her money to pay her share of that expense. Where? Why, the only place she could get it was to get it here. We lent her $3,750,000,000. That has all been used up. So she comes in and says, "We cannot any longer pay our cost of maintaining the civilian population in our occupied areas; so, Uncle Sam, you have got to take that burden over." We did the feeding before, but we did it under the surreptitious device of lending the money to England and then through a bookkeeping transaction it was charged out of what we lent her. We all know, of course, that that loan will never be repaid. It is a gift. So now the thing is out in the open and we have got to pay the cost of maintaining the civilian population in British-occupied Germany. That is an obligation of Great Britain as an occupying power under the Hague Convention. What did we do about it? They wanted $490,000,000 additional. About $237,000,000 of it was on account of our assumption of the British obligation to support and maintain the population in her area.

They told us, Mr. Chairman, "We are negotiating an agreement with Britain."

"Well, what is the agreement?"

"Well, we do not know yet. A lot depends on what happens in the council of foreign ministers, and so on."

Mr. Chairman, we would like to see that agreement before we go any further. We want these people fed, we want to see that provision is made for them to be fed, but we ask them: What about the horde of civilian employees you are maintaining in Germany? What about the policy with respect to the operation of the coal mines and the sale of coal in your area? What about a thousand and one other things? We do not know a thing about it at present, but we are being asked to maintain out of American funds the cost of feeding the civilian population.

We have simply said this, "We want that program to continue. Here is $100,000,000 to continue it. You have got enough money to run on; it will run you up to about the end of the fiscal year. After you have negotiated this agreement you come back to the committee. We will then know what the crop prospect is in Germany, we will have some idea as to what they can produce indigenously, and we will then get another look at this situation. And we are doing it in the interest of conserving and protecting the interests of the people of America to see if we cannot save a few dollars. If we are to be compelled to take over the entire feeding, especially in British-occupied Germany, then I for one want to insist that in the contract between the United States and Germany there shall be some provision made by which we will have some voice in the conduct of the civil affairs of that part of Germany. So we have reduced the amount of that request temporarily until we can get another look at the situation. Those are the big items in this bill and the items in reference to which there might possibly be some ground for argument or dispute.

Mr. Chairman, I want you to know that I have never had anything in the 9 years I have been a Member of Congress that has weighed so heavily upon me as has this very situation. You and each of you want to do the right thing for your country. So do I. I want to know, please God, that we are doing the right thing. It is a tremendous responsibility. The very fate of the world may be determined by what we do. To me it is just that serious.

Your committee has approached this thing from that point of view. We have given for foreign relief and for relief in occupied areas every dollar that the taxpayers of the United States ought to be called upon to give. I hope that this committee, when it gets to the reading of the bill, will not be swayed by some emotional appeal and will support the committee.

I ask that you look on page 5 of the bill and you will see that the committee struck out the provision beginning in line 1 and ending before the word "Provided" in line 3. Personally, I do not think it makes very much difference whether it is in there or out, but there were those people who were interestd in the livestock industry and in the poultry business who were adverse to putting the seal of approval in advance of any legislation on the subject to any proposal that would give the right and power to the Department of Agriculture to establish weights and grades that represent the most efficient utilization of grain. The matter is clearly a voluntary proposition.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Kansas.

Mr. SCRIVNER. The reason for that amendment. as the gentleman will remember, is that this program of establishing weights and measures reads, as will be seen on the bottom of page 4, "under existing law."

Mr. KEEFE. Yes.

Mr. SCRIVNER. We felt that as far as we could see there are no existing laws which would empower the President to take action like that, and knowing some of the gentlemen who might carry on part of this program we thought the better part of judgment was not to give any stamp of approval or any congressional idea that there might be some existing law of that nature.

Mr. KEEFE. I think that was explained to the committee. It is contended that there is no law that would give authority to impose any such regulations. Anything that might be done in that regard would have to be through purely voluntary action and in the absence of any legislation on the subject the committee felt that it could very well be stricken from the bill.

I may say to the gentleman that his very persuasive argument in the committee convinced me, and should convince the Congress, that we ought not to

take any step that would by implication or otherwise place the seal of approval of the Congress upon any such regulations to be imposed on the poultry and livestock industry by the Department of Agriculture. I congratulate the gentleman from Kansas [Mr. SCRIVNER] in the very firm and adequate presentation which he made in behalf of these two great agricultural interests.

The other little item in the bill with respect to the Federal Security Agency of $1,300,000 and $40,000 for miscellaneous expenditures is an item to which there is no objection because it simply requires an appropriation to meet a definite obligation of the Government to pay employment compensation to seamen who are paid their compensation by the respective States of the Nation. This is to reimburse the States for the amount of money which they have paid.

We may get into an argument and amendments may be offered to the bill when it is read for amendment.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. KEEFE. Mr. Chairman, I hope when we get to a consideration of the bill, and the main part is involved in this foreign-relief program, in the direct appropriations for relief and in the request of the Army for supplemental money for relief in the occupied areas, the committee will not be diverted from supporting the action of your Appropriations Committee which has labored for weeks, as a matter of fact, ever since the Congress came back into special session, to try to get the real truth and the facts.

Now, all we are asking is this: "Mr. President, when you spend this money for wheat, we want you to be sure before you complete all your shipments under this program that you are going to have a 150,000,000-bushel carry-over for the protection of the people of the United States." Is that not fair? That is 50,000,000 bushels less than they ought to have as a normal carry-over, and all we say is, "Mr. President, when you are shipping those amounts of fertilizer and nitrogenous fertilizer abroad, we ask that you investigate the situation of the needs of America just a little bit and let the American people understand and know the relationship between these shipments abroad and the needs here at home, and when you are shipping these millions of gallons of fuel oil abroad, that are so desperately needed to heat the homes here in America, we ask you, Mr. President, in administering this law, that you look into the needs of the people of America just a little bit and tell us whether we can safely go on and make these shipments and still at the same time do what we ought to do for the protection of our own people."

I think when you view it that way you will find that the committee has done a pretty good job in bringing this bill to you.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, the gentleman from Wisconsin has pretty well covered some of the features in the bill which I had intended to cover, and I may not use the 10 minutes. I would, however, call the attention of the Committee to some of the things which the Congress should keep in mind as we deal with this whole problem of foreign aid:

Attention has already been directed to this question of the assets in dollars which these countries have that they would apply to the purchase of food or would apply to some of these other purposes if we provide food. There are a couple of other things which should be kept in mind, and I mention them at this time because as this matter of foreign aid develops, we should watch them.

The first is that the dollar crisis in Italy and France was precipitated by the decision of the British to suspend sterling convertibility, and the last $400,000,000 of our loan to England was held up when the British suspended convertibility on account of conditions when the loan was made. Very recently the balance of the loan has been made available to England. The understanding is, as we have been notified in the press, that Britain expects to resume convertibility under certain conditions. When the convertibility was suspended, the dollars which Italy and France expected to get out of converting their sterling balances, of course, were not available to them. If the resumption of the loan and the resumption of the convertibility makes additional dollars available to France or Italy, then I believe that the United States Congress should know about it in order that we may take that into consideration in dealing with further requests under the foreign-aid program.

The second thing that we should keep in mind is the assets that these countries have in the United States, in securities. Before we get any deeper in this foreign-aid program we should have a definite report upon that.

The gentleman from Missouri, in objecting to the cuts made in this bill, said it would be a bad precedent to say to these other countries that they should not pay their debts. The United States is not saying that, but even if that were true, it would also be a bad precedent for the United States to say, "No; do not pay your debts; we will pay them for you, and you can owe us." Of course, actually they are not going even to owe us, because they are to put up some inflated currency which will be available only for expenditure in those countries for relief purposes there, for such purposes as they agree to. May I say to the House that if we adopt the philosophy suggested and say to these countries, "If you get a little alarmed about your political status, come to us and we will put up the money so you can meet all your obligations," we will have established a bad precedent for blackmailing the pocketbook of Uncle Sam.

There are some tables which were in the justifications submitted to the committee which I shall place in the RECORD, with permission which I expect to obtain in the House, which put this picture before you clearly and factually. Actually, we did not cut the bill as much as we should on this point, and the evidence of that will be in the tables which I shall submit.

(The matter referred to follows:)

APPENDIX E

(P. 43, justification)

France—Dollar requirements and available resources—Oct. 1, 1947–Mar. 31, 1948

[In millions of dollars c. i. f.]

Expenditures for supplies:	
Cereals from United States	139
Cereals from other sources	41
Milk and other foods from United States	8
Fats and oils	43
Coal from United States	176
Coal from Germany	14
Petroleum products	70
Cotton	55
Fertilizers	9
Other raw materials	95
Imports of food supplies for French zone, Germany	28
Imports for French overseas areas (excluding cereals, coal, petroleum supplies)	52
Subtotal	730
Other expenditures:	
Payments to Belgium for Belgians under commercial agreement	30
Payment to Brazil under commercial agreement	10
Interest on foreign debt	26
Administration and other expenses	10
Additional contribution to International Monetary Fund	10
Subtotal	86
Total expenditures	816

France—Dollar resources available—Oct. 1, 1947, to Mar. 31, 1948

[In millions of dollars]

Resources available:	
Earnings from exports of goods and services	60
Stabilization fund balance as of Oct. 1, 1947	50
Possible drawings on International Monetary Fund	30
Balance of International Bank loan available for purchases of supplies	21
Estimated liquidation of French dollar securities	80
U. S. Army payment	50
Export-Import Bank credit available for purchases of supplies	93
Restitution of gold from Germany	104
Total resources	488

Mr. CASE of South Dakota. Subtracting the four hundred and eighty-eight from eight hundred and sixteen, you get three hundred and twenty-eight millions. That is the amount of the request for France.

(P. 23 from the justifications)

It is proposed here that the difference of $328,000,000 be supplied by the United States as interim aid.

It is now anticipated that this amount of interim aid, if forthcoming by December 1, 1947, will be used to purchase the following commodities:

TABLE V.—*Commodities to be financed for France under interim-aid program, Dec. 1, 1947, to Mar. 31, 1940*

[Millions of dollars]

1. Bread grains	115
2. Milk products	3
3. Other special foods from United States	3
4. Fats and oils	16
5. Coal from United States	116
6. Coal from Ruhr	9
7. Petroleum products	22
8. Cotton	35
9. Fertilizers	9
Total	328

If the foregoing products are supplied to France under the interim-aid program, France's own resources should suffice to cover its other essential outlays, as is indicated in Table VI.

TABLE VI.—*Outlays to be covered by France and resources available for that purpose during period Dec. 1, 1947, to Mar. 31, 1948*

[Millions of dollars]

(P. 24)

Requirements: [1]	
1. Cotton	30
2. Fats and oils	12
3. Petroleum products	23
4. Food imports for French zone in Germany	13
5. Essential supplies for French overseas areas	32
6. Imports of industrial materials	52
7. Service of foreign debt	26
8. Payment to Belgium on commercial account	17
9. Payment to Brazil on commercial account	3
10. Additional contribution to International Monetary Fund	10
11. Administrative and other expenditures	10
Total	228
Available resources:	
12. Balance available on Dec. 1, 1947	153
13. Liquidation of French dollar securities	35
14. Earnings from exports and services	40
Total	228

[1] Equipment items are not listed since it is contemplated that the French will, during the interim period, restrict their equipment imports to the funds becoming available exclusively for this purpose. These will consist of approximately $100,000,000 of funds from outstanding loans from the Export-Import Bank and the International Bank for equipment purchases, available for this purpose as of Oct. 1, 1947.

When you look at the tables, note the items under the heading "Other expenditures" which total $86,000,000 in the October 1 table labeled "Appendix E." Then compare them with items 7 to 11, inclusive, in the December 1 table VI. You will note they then total only $66,000,000, meaning that France has paid $20,000,000 in those items. But $328,000,000 was requested for France. To get that $328,000,000 figure you have to use the table for the 1st of October, shown as appendix E. In that table, showing requirements between October 1 and March 31 France had demands of $816,000,000, against possible dollar assets of $488,000,000. You subtract one from the other and you get $328,000,000, which was the item that was requested. Since the 1st of October, France has paid $20,000,000 on these obligations, but the requests for France are based on her dollar deficits as of that date. The cut, however, which amounts to $66,000,000, is found by totaling the other expenditures of the character discussed in the table for December 1—table VI.

Since the $328,000,000 which she requested was based upon the October table, it is evident that France expects to recoup some of these payments out of the dollars saved by the food we provide. So in my judgment, the appropriation is not cut as much as it should be. It should have been a cut of eighty-six million at this point instead of sixty-six.

The situation in Italy is much the same, and I shall ask permission to put in the tables on Italy, too. They speak for themselves and readily show where the twenty-two-million figure was suggested.

(From p. 49 of the justifications)

TABLE X.—*Dollar outlays to be covered by Italy and dollar resources available for that purpose during the period Dec. 1, 1947–Mar. 31, 1948*

[Millions of dollars]

Requirements:	
1. Cereals	25.0
2. Coal	13.0
3. Petroleum supplies	15.0
4. Cotton and other textile fibers	15.0
5. Raw materials for chemical industry	10.2
6. Rubber and carbon black	5.1
7. Industrial fats and oils	1.3
8. Hides and leather	4.0
9. Ferrous metals	11.0
10. Nonferrous metals	9.4
11. Minerals	1.0
12. Lumber	4.4
13. Other industrial materials	18.6
14 Other foodstuffs	4.0
Total commodity requirements	137.0
Invisible items on current account	22.0
Total payments	159.0
Available resources:	
1. Exports of goods and services	77.0
2. Export-Import bank loans	55.0
3. Liquidation of blocked assets in United States	10.0
4. Treasury suspense account	2.0
5. POW's trust fund account	15.0
Total receipts	159.0

Explanatory data on invisible items on current account (table X, item 15).

The $22,000,000 invisible items on current account include:

Payment to United States for settlement of certain war claims of United States nationals against Italy (Lombardo agreement, Dec. 1947)	$5,000,000
Partial repayment of Export-Import bank 1946 cotton loan (Dec. 1947–Mar. 1948)	7,000,000
Interest on United States surplus property credit (Jan. 1, 1948)	4,000,000
Diplomatic expenditures, prewar bond settlement, interest payments, and miscellaneous financial items	6,000,000
	22,000,000

With respect to the sections in the bill that deal with the occupied countries, I wish to point out that we have a responsibility in the occupied countries where our troops are that is greater than we have in France and Italy. France, Italy, and Austria have governments of their own. We are in Germany, Japan, and Korea, and to an extent in Austria, as an occupying power where we have a responsibility under international law to provide a minimum of subsistence for the civilian populations. The countries which have their own governments determine their own policies. But where we are the occupying power we determine the policies. We determine the capacity of these countries to get on their feet and their capacity to balance their exports against their imports. In determining those policies, under international law, we accept the responsibility for feeding them.

With respect to the British zone in Germany, where it is proposed that we take on $237,000,000 additional, as the gentleman from Wisconsin has pointed out, we are advancing $100,000,000, and are saying to the British, "Before we take on the full load and before we take on an irrevocable commitment, we want to know what voice we are to have on the policies to be pursued in the zone."

The fair-minded people of England recognize that the United States in taking on a larger share of the dollar responsibility should have a larger voice in the policies to be followed.

There is the matter of personnel.

The gentleman from Ohio [Mr. CLEVENGER] a moment ago reminded me that in the British zone there were reported to be 1,040 agricultural agents, whereas in the United States zone we have 52. When the subcommittee for Germany and Austria of the Select Committee on Foreign Aid asked questions about the personnel in the British zone, repeatedly we found that the British personnel was greater than ours—often about double—for it is also true in the bizonal set-up.

THE ECONOMIC POLICIES PURSUED DETERMINE THE RATE OF ECONOMIC RECOVERY

In the operation of the North German Coal Commission, the policies which the British were following were policies which many of our people seem to feel were expensive. It was with reluctance, apparently, that the British offered incentives for increasing the production of coal. They were opposed to the use of incentives in operating the coal mines in England, and they wanted to carry that same policy over in the operation of the coal mines in Germany. For many months German coal production went along on a level of about 200,000 tons per day.

Finally the commission did agree to offer incentives in the form of CARE packages. Almost immediately that brought coal production up to about 243,000 tons per day. There it leveled off again.

Then the United States representative on the North German Coal Commission in a liaison capacity proposed other policies which the British were reluctant to adopt. Among them was the placing of the management of the mines in the hands of a German who had considerable experience and the knowledge to deal with his own people. Finally, about the week that we were leaving Germany, a decision was made by the British ac-

ceding to the suggestion of the Americans. Within the space of 6 weeks, coal production went up to approximately 280,000 tons per day.

The Germans told us at the time that if they could operate these coal mines the way they believed they ought to be operated, that they would have the production up to 300,000 tons a day by the first of February, if not by the first of January. Everyone knows that increased coal production is the key to recovery over there.

Why is it important that we have some understanding as to the policies that will be followed in the British zone if we take over the bill? It is because these policies of management and these policies of operation and these practices with regard to the number of personnel determine the size of the bill that the American taxpayer will be called upon to pay. That is why the committee felt that before we committed ourselves irrevocably to the entire bill, that may be presented by the British, we should know what the terms of the agreement are, and we should have an increased voice in determining the policies that are to be followed.

There is another angle to the proposition, and that is the dismantling of industrial plants in Germany. I have pending before the Committee on Foreign Affairs two resolutions which deal with that subject, one a resolution of inquiry, and the other proposing a temporary suspension of the dismantling of plants until Congress can review the situation.

Under the Potsdam Agreement, and under prior agreements, Germany surrendered or was compelled to surrender a great deal of her area to Russia and to Poland, East Prussia, and a great deal of Silesia. Those areas which were surrendered contained about 30 percent of the industrial potential of Germany. The Potsdam agreement also permitted Russia to get all of the dismantled plants taken from her own zone and 25 percent of the plants dismantled in the western zones. Of the remaining 75 percent in the three western zones, Russian satellite countries get an additional 14 percent. The total result is that Russia has access to about 55 percent of the industrial potential of old Germany.

Of course, that policy was initiated on the ground of demilitarizing Germany, but by the very same term, if it disarms Germany, it rearms Russia.

There is reason for thinking that many of the plants should have remained in Germany on simple economic grounds. There was one very large ballbearing plant which was so large that it was split. One half of it went to Russia and half of it went to the Western Powers. Under the agreement based upon the Potsdam agreement, no ballbearings are to be manufactured in Germany. Now, no one can contemplate the industrial recovery of Germany in any degree unless she has a few ballbearings. When the request is made for the Marshall plan you will find that the United States will be required to furnish ballbearings which otherwise would have been made in Germany.

I brought to the attention of the Foreign Affairs Committee a large soap manufacturing plant that is on the list for dismantling.

Mr. DONDERO. Will the gentleman yield right there?

Mr. CASE of South Dakota. I yield.

Mr. DONDERO. If half of that ballbearing plant went to Russia, where did the other half go?

Mr. CASE of South Dakota. To various powers of the west, but not the United States.

Mr. DONDERO. It was completely removed from Germany?

Mr. CASE of South Dakota. It was completely removed from Germany. Under the current rationing in Germany, they are allowed about 50 percent of the soap and cleaning powders which they had during the war. That is, the current rationing is only 50 percent of what they had during the rationing of war, yet this soap factory is one of those now to be dismantled. And we have testimony that women and children are dying in Germany today because of unsanitary conditions in German hospitals, due to the lack of proper cleansing agencies.

Mr. SMITH of Ohio. Will the gntleman yield?

Mr. CASE of South Dakota. I yield.

Mr. SMITH of Ohio. Is that not the precise policy that was adopted by our Government, to starve to death and to destroy all vestige of the German people? Is that not what the Morgenthau plan was?

Mr. CASE of South Dakota. I think that is probably a part of what has been referred to as the Morgenthau plan. Of course, we say today we are not following the Morgenthau plan.

The CHAIRMAN. The time of the gentleman from South Dakota has again expired.

Mr. TABER. I yield the gentleman two additional minutes, Mr. Chairman.

Mr. CASE of South Dakota. I realize that this whole question of reparations goes into the related question of security for the Western Powers. I know France has her fears about Germany, but I want to express the thought here that if security for the small powers of western Europe is to be established, if security for France is to be established, if stability in Europe is to be established, it will require the reimplementation of some of Germany's industrial capacity. Germany does not have the raw materials to establish a balanced economy by exporting them alone.

If Russia ever wants to move to the west, she will not be stopped if our reliance for stopping her is France, Holland, and Belgium. She will be stopped from moving to the west only if there is strength in Germany, too. That does not mean that you must rebuild a strong nationalized Germany, but it does mean that you must permit economic development along with her neighbors east and west.

Personally, I hope that out of this situation there can come the development of the free states of Europe, which will include Bavaria, Hesse, Wurttemberg-Baden, Westphalia, and the other old states of Germany, along with Belgium, Luxemburg, the Netherlands, and France, and thereby build a bulwark for western civilization to hold the line until mankind, some way, with more wisdom than now seems apparent, finds a way for all the peoples of the world to live together in peace.

Mr. KERSTEN of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. KERSTEN of Wisconsin. In the hearings was any consideration given to the increase or change of that amount allotted to Germany with regard to education of children?

Mr. CASE of South Dakota. There is about $1,450,000, but the main part of the educational program is carried on in the funds originally appropriated for the fiscal year. The estimates before us were primarily for subsistence, as far as Germany is concerned now. In the funds provided for Austria I would not say that that is true because she shares in both funds. Austria's share in the money for occupied areas goes largely for informational and educational purposes. It is quite substantial and is in addition to the $58,000,000 for relief.

Mr. KERSTEN of Wisconsin. Was any consideration given to any change in the amount allowed for protective clothing for workers in Germany and so on?

Mr. CASE of South Dakota. I do not recall any testimony on that at all.

Mr. KERSTEN of Wisconsin. It was purely on a food basis; is that right?

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, the President of the United States, under the power he claims was delegated to him by the Trade Agreements Act, has just issued a proclamation which will reduce tariff duties on imports into this country to the lowest level in many, many years.

It is quite apparent that he feels confident the Congress will not upset any foreign commitments he has made, regardless of how disadvantageous they may prove to us, and therefore the Congress will not dare meddle with any one of the thousands of new low rates of duty he has agreed to.

The State Department has presented the President with one massive trade agreement which has not yet been accepted by a number of the negotiating countries. I am not at liberty to give names, but I have information from a high Government source that Mr. Truman is very anxious to put these new rates into effect as of January 1, 1948, and he is having considerable difficulty in finding how he can sign only part of the agreement and yet adhere strictly to the rules.

Reports from the State Department as late as yesterday indicate that the President will refuse to name the separate countries to which individual concessions were made, but that he will temporarily exempt certain products in his proclamation, possibly until more

nations formally accept the terms of the agreement.

Because of the importance of the pending agreement to the American farmer, laboring man, and industrialist, and the uncertainty of its status, and also because the Ways and Means Committee has held extensive hearings to determine whether the Trade Agreements Act, which expires next June, should be renewed, I wrote the President a courteous letter on December 8 requesting from him certain information which I felt would be helpful to our committee. My letter was inspired by a sincere desire to secure light on what appears to be a chaotic situation. Without taking time to read my letter, which was prompted by information given me by American officials who were closely connected with the negotiations at Geneva, I will insert it at this point:

DECEMBER 8, 1947.

The PRESIDENT,
The White House.

MR. PRESIDENT: I have been hearing persistent rumors from reliable sources that you will soon proclaim the tariff concessions the United States recently made in the negotiations at Geneva. These same rumors indicate the possibility that you will sign all of the concessions listed in schedule XX of the general agreement regardless of how many nations will have actually formally accepted the agreement.

It is difficult for me to believe that the executive department would make tariff concessions effective unless the principal supplying nations had offered at least some token or quid pro quo. I am sure I speak for a substantial number of my colleagues when I say that such action would be contrary to the intent of Congress which passed or extended the Trade Agreements Act.

The Ways and Means Committee was given assurance by certain of the United States delegates to Geneva that negotiations would only be conducted with principal supplier nations. Neither the United Nations' publications nor the documents released by the State Department give any indication of which concessions were made to each individual nation. Until the Congress can identify each individual concession with the country to which it was granted, we will not have the information necessary to appraise the value of extending the Trade Agreements Act.

I would appreciate knowing whether it is planned to make all of the concessions listed in schedule XX effective on January 1, 1948, and whether there will be released the name of each country to which the United States made individual concessions.

Respectfully,

HAROLD KNUTSON.

In reply I received from the President a most amazing reply. I read:

THE WHITE HOUSE,
December 11, 1947.

DEAR CONGRESSMAN KNUTSON: Replying to yours of December 8, rumors from reliable sources are not much on which to come to conclusions.

When the Trade Agreements Act is ready to be approved and implemented you will be informed officially through channels which will have no foundation through rumors.

Sincerely yours,

HARRY S. TRUMAN.

Mr. Chairman, I do not want to comment on the composition of the letter, but rather, the spirit that prompted its writing.

Mr. Chairman, May I say parenthetically that the term "reliable rumors" to which the President and I have referred were more than rumors. The information came to me from highly placed Americans who were at Geneva during the negotiations and were at all times fully advised as to what was being done to us.

Mr. Chairman, I had not come to any conclusions with reference to an extension of the Trade Act, or I would not have written to the President in the first place.

The iron curtain of secrecy behind which the agreement was negotiated, is a travesty on the word democracy. The President's letter can only mean that he will continue to keep the Congress in the dark until he is sure there is nothing the Congress can do about it.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Nebraska.

Mr. CURTIS. Regardless of what merit is found in these trade agreements, the State Department must stand convicted of not showing its hand to the American people. It lacks forthrightness. It heralded from one end of the country to the other the fact they had secured a concession from Great Britain that Great Britain would reduce or eliminate certain of their imperial preferences. They never told the American people that this concession was conditioned upon our synthetic rubber program in this country. But in the reports published by the United Nations it was revealed that if at any time the United States Government required the use of more than 25 percent synthetic in our rubber consumption Great Britain would be relieved from the concession she granted to eliminate or reduce imperial preferences.

This particular concession is rendering it very embarrassing to the Congress in extending the Synthetic Rubber Act which expires in some 60 or 90 days.

Mr. KNUTSON. Well, it may be well to note at this point that we have about seven or eight hundred million dollars invested in our synthetic rubber industry which we had to build up from scratch after the attack on Pearl Harbor and as a war measure. It is my opinion that the action agreed upon at Geneva is such as will practically destroy the synthetic rubber industry that we have so carefully nurtured and built up in this country in the last 6 or 7 years against future contingencies and emergencies.

Mr. GEARHART. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from California.

Mr. GEARHART. Is it not a fact that every concession we have been able to obtain, or very nearly every concession we have been able to obtain, from other countries has been conditioned upon the sacrifice of an American industry. The synthetic-rubber industry is but one example. The wool industry is another; the American jewel and watch industry is another. The list could be greatly enlarged upon.

Mr. KNUTSON. How about the dairy industry when they cut the tariff in two on butter for 6 months each year and it will be effective during the winter months when our production costs are at the peak?

Mr. GEARHART. The list could be enlarged many times, but the result all along the line, in obtaining concessions for this country, has been to the detriment and sacrifice of American industry.

Mr. KNUTSON. The gentleman is quite right. I well recall back in 1913, after the Democrats got control of the Government, they passed the so-called Underwood Free Trade Act, which gradually dried up industry in this country, and had it not been for the outbreak of World War I early in August 1914, we would have had a depression such as we went through back in the 1930's.

Mr. GEARHART. Mr. Chairman, will the gentleman yield further?

Mr. KNUTSON. Yes, gladly.

Mr. GEARHART. We came out of the blighting effects of the Underwood tariff only when the war broke out. During the war, of course, we had what was in effect an embargo tariff, and that was the war itself. But, when we came out of the war and the outside world got back into production, America became the dumping ground of the world.

Mr. KNUTSON. Right, I well recall it.

Mr. GEARHART. It became so critical to American business, labor and agriculture, that it was necessary to assemble the Congress of the United States in special session and enact an emergency tariff law. Now, since we have a tariff, as a result of all these agreements, which is lower than the Underwood tariff adopted in 1913, which precipitated dumping in this country, is it not to be anticipated in the days that lie ahead, when the outside world gets back in full production, that America will again become the dumping ground of the world, and again we will have to take drastic measures to remedy the situation.

Mr. KNUTSON. Yes. Unfortunately we Americans have short memories and we do not seem to learn from past experiences. Of course, we must have a certain amount of protection for the American producer, and more particularly since we are on a 40-hour basis, and all overtime is paid at the rate of time-and-one-half and double time. But, we will probably have to go through all that painful experience again because the do-gooders and the bleeding hearts are in the saddle, and they are not happy unless they are playing Santa Claus to the peoples of other countries. Today we voted to appropriate $2,000,000 to relieve the starving Navajos, wards of the Government, who are dying from disease and hunger. I believe I was the first man to take the floor and plead for them. I have never heard one of the bleeding hearts get up on this floor and plead for our starving people at home. The farther away the suffering is the more tears they shed and the more their sympathies are aroused. It does not arouse them that thousands and thousands of American children in this country cannot go to school because of insufficient clothing. That does not interest them because it is not front page stuff. It is only when you propose to do something for other lands that our sob sisters become

aroused. Henry Wallace had the idea: A bottle of milk in front of every Hottentot for breakfast every morning. Nothing was said about a bottle of milk in front of each American child each morning, many of whom are badly undernourished. No, that would be too prosiac.

The Trade Agreements Act is due to expire in June—unless renewed. Mr. Truman sends word to the Congress that—and I quote:

> When the Trade Agreements Act is ready to be approved and implemented you will be informed.

He has basked so long in artificially-created emergency powers that he unconsciously assumes that the renewal of this act is his prerogative—after which the Ways and Means Committee will be notified officially.

The President is evidently a little worried about having considerably overstepped the authority Congress granted him and I offer his letter as evidence of that. He is going to have great difficulty in explaining his actions when the full impact of these radically lowered tariff rates strikes the American farmer, toiler and producer.

The United States of America is not yet ready for unrestricted free trade. Neither are we ready to surrender to other countries the great American market, which is the only cash market in all the world.

The Republican party in Congress is dedicated to the maintenance of the American standard of living and that can only be done by protecting the producers in America in their jobs and markets.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. CLEVENGER].

Mr. CLEVENGER. Mr. Chairman, I am glad that some of this emotionalism has subsided. I thought some of you might be interested a little bit in the asset side of this European situation.

Many of you are wondering how long this is going to continue. I want to give you just a few observations as one who has been more or less trained in agriculture and business generally.

I want to disabuse you of the idea many of you have that Europe is a poorhouse. If you would stop to think, many of you would realize that she could not have enjoyed a war about every generation had she been a poorhouse. She has had the greatest example in the world of a way of life right in the center of Europe for more than a century. I refer to the Swiss Republic. The rest of Europe might have followed and expanded the example of the Swiss Government and Swiss culture and enjoyed an economy fully as strong as ours; a United States of Europe, and save a century of bloodshed and suffering.

I had a lot of misleading information from my own Government before I went abroad. By way of preface, may I remind you that I was on the Scarce Foods Committee of the House Committee on Agriculture. We were told last January, as you remember, that it would be impossible to lift the rationing of sugar. This committee, under the leadership of the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN], did nothing but lay facts before the American people and the American Congress in regard to the supply of sugar in the world, and out of the window went sugar rationing and 38,000 jobs of rationing sugar and bedeviling and bothering the American people. Our memories are short about that. Sugar goes where it is wanted, naturally and readily.

Then this same committee was told that it would be necessary to take from 7½ to 8 pounds of fat away from every American, cooking fats and oils, and this committee after research in that field developed information as to the supply of fats and oils in the world. We now have soap chips and we have shortening and we have cooking fats. Such is the force of truth when people and their Representatives know the truth.

When we got ready to go to Europe I think everybody on the committee except myself bought food to take with us, because we were told there was a great shortage of food in Europe, but the Scottish side of me sort of rebelled at that and I carried nothing with me but about half a dozen bars of soap, which were really the thing we needed. Did we find a poorhouse in Europe? We were told that the flooded polders of Holland would be sterile for 30 years, well 75 percent of them produced better than normal in 1947—all will produce in 1948. I am excepting the occupied areas of Europe, Austria and Germany, from any remarks I make. By way of comment on that, I think it is going to be to the everlasting shame of this Government as long as men's memory lasts at the operation of this hard peace on a fallen foe. I think it will make us blush a century from now when the story of that is told. Most of the suffering you have heard of and most of the shortage of food you have been told about is the story of Germany and the occupied areas. For that someone besides ourselves must make atonement.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. CLEVENGER. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Is it true that a number of European countries that are now applying for more aid from America have between 20 and 24 billion dollars invested in gilt-edge securities in this country?

Mr. CLEVENGER. I cannot make reply to the chairman of the Committee on Ways and Means as to that. His information should be better than mine. I am speaking now just for a moment about food, because this bill relates mostly to food.

Mr. KNUTSON. They do have enormous sums invested in this country. Why not make them sell their securities and feed their own people before they ask us to feed them?

Mr. CLEVENGER. I am quite willing to do that. I think it makes a man smile when he talks about carrying relief to Antwerp, Brussels, or Rotterdam, probably three of the greatest centers of capital in all this world.

I want to tell you a little something of the trip of this committee. After going through Colonel Hester's—United States commander in charge of food and food production—gardens, 8,000 acres of them in Berlin, we went down into the Austrian area first. I want to show you now something about the effect of the worthless currencies. In the exchange of farmers' produce, and this is true in France and Italy as well, and the product of men's hands in industry suffer likewise. Driving by car from Berchtesgaden through the French occupied area of Austria, we came upon a sale of cattle. To my amazement most of those cattle were 3- or 4- or 5-year-old steers. In speaking with the men there I found that the auction at the behest of the French Government was largely a sale of cattle from one owner to another, and that many of the cattle would go back to their rightful owners as soon as the French departed. But there they were, being sold. If you were a peasant, which would you rather have, a handful of wallpaper which they call money, or a 1,400-pound steer? One of the things they have got to do is to get rid first of all of these currencies and restore value to the new—and thus confidence to the producer.

I can say to you without any fear of contradiction that probably three-quarters of the French wheat crop is still in bundles. They do not thresh their wheat the way we do here. They either thatch them in the field so that they can stand for years without taking any moisture, or it is under cover and it is threshed as they need it. I say to you I am done, in the absence of an act of God or a drought, with voting any more money to western Europe outside of the occupied areas. They would not have needed this now except for this drought which was an excuse, and if the Frenchmen had planted a full crop of wheat instead of about three-quarters of a crop of wheat.

I am tired of seeing people in this country, many of them old, tired people 80 years old in my district, for example, raising this wheat to send over to these people in the cities who work only 4 days a week. Three days of holiday per week is too long. I told them in several places if they would mine more coal and raise more wheat and less hell, they would have more coal for heat and power and more wheat for bread. But we are off on a do-gooding spree, and there is no question about that. No; there are not dead and dying in the streets from starvation.

We went to Denmark. The story of Denmark is the story of Scandinavia. The first thing they talk about needing is coal. The second is steel products. The third is fertilizer, and the fourth is agricultural implements. The next thing is the restoration of Germany, because Germany was their best customer. That was true in every country except France. They admitted it openly. Down in south Germany we came to a place in Bavaria where 50,000 tons of fruit and vegetables used to be traded across the line with Italy. A commerce centuries old and now forbidden. Now that was forbidden for some reason or another, because the French and the British do not even seem to want the people in the German area to taste fruit or to have

fruit. The story was told that the fruit decayed and vegetables could not be used because for some reason or another the frontier was closed. We must get rid of these economic bloodclots in the European economic system or else we will have to go on supplying them forever and a day. I want to tell you if anybody thinks for a moment that we have a city of a million population which will compare with Copenhagen, much less with Stockholm, they are deluded and foolish. There you have a million people who are housed better than any million people that you could find in America, with not a slum area in either one of those cities of like millions of our ill-fed, ill-clad, and ill-housed here at home. Generally, their farmers are better housed than ours here at home. You will find the same if you go to Belgium or Holland. Belgium, by virtue of being brave enough to have a free economy, is so far ahead of the rest of occupied Europe that they will never catch up with her. In these countries when we started to make a survey on the basis of the questions in the questionnaire which the chairman sent along for information regarding the Marshall plan, they politely told us, "We asked your Government for nothing. We were invited to come down to Paris and tell you what we could use." One of the Scandinavian countries was quite bold about it, and they so stated that without any varnish. I say to you that we had better stop this unnecessary relief or we will have the same thing that exists in Paris and Rome where you cannot stop to look at a store window but what there is a money changer who wants to sell you the currency at 40 percent of the going rate. I do not want to see that here, and it can happen here if we forget the caution lights and keep up the spending.

Mr. KNUTSON. Mr. Chairman, if the gentleman will yield, does he recall after the war when the GI's would go to a United States Employment Office to get a job, they would say, "Why take a job? Draw your $20 a week for 52 weeks." That is precisely what we are doing in Europe. We are telling them, "Why produce? We will take care of you."

Mr. CLEVENGER. Certainly let us encourage them to produce; France and Italy are finally facing up to the strike situation as we did here. They have handled that manfully as our Congress did here. They must face up to a sound currency, cut civil expenses, restore frugality and honesty in government.

We have nearly broken Europe in their "keeping up with the Joneses," that is ourselves in extravagant domestic and foreign government policies we pursue. Let us set an example on that. On one farm in Italy we saw 600 fine Holstein cows, the herd headed by a $25,000 Carnation bull from the United States. They were selling young bulls at $1,000 each to other breeders, and again on another state farm were 2,200 dairy cows, fine stallions, jacks, and 5,500 people living on this farm of 14,000 acres in the Pontine Marshes, reclaimed under Mussolini. No; Europe is not a poorhouse.

I want to say to the gentleman that in the city of Stockholm one lady minister of the government gibed at the committee about our having a tariff so high that they could not sell their products in America. I waited for seniority to take its course, and then I asked this lady minister what it was that they could not send to America because of the tariff. She said, "Steel products and steel."

The CHAIRMAN. The time of the gentleman from Ohio [Mr. CLEVENGER] has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. CLEVENGER. I asked her to tell me what it was in steel products that she could not ship to America, because God knows all Europe wanted steel if they could get it. Finally she said, "Ball bearings." I said to the lady, "That is SKF." She said, "Yes." I said, "I am sure if the people in America working in the SKF plants were asked, they would not want our Government to admit Swedish ball bearings that would cut their wages during the high cost of living or destroy their employment." Then she rode over to the American Embassy with me, and she said, "I know you have ball bearings on your mind." But she said, "You are the first American that has been over here that seemed to know about it." We know Sweden expanded her bearing production many fold for Germany during the war. She now makes them for Russia under her 10-year trade treaty with that country.

That is what alarmed me, all over Europe, the fact that our State Department attachés do not go to bat for America. They can be gibed at all over the country and they do not seem to react in the way of speaking up for America. You cannot tell what country they are working for. That was an alarming thing to me. They seem ready to plead America guilty before she is charged.

Down in France and Italy I say to you I agree with Dr. Heiser formerly of the United States Public Health Service, that these people are probably eating better today than they have in 30 years. Their hungry time is not here. It will come in March, April, and May. I would like to see some of this grain conserved. We talked to them about conserving some food. The agriculture official said, "You know, our people are like children. They say a great ship was in from America last week and there will be another one next week." So they eat, drink, and are merry. I am afraid possibly we will turn up with a shortage of wheat in the world, along about June or July.

Then, the same minister, when asked by Mr. ANDERSEN what steps had been taken to make use of potatoes to piece out, he said, "Potatoes are not so important in our diet." Well, they are 45 percent of the diet in Germany in peacetime and they are very important here. I do not want our people led astray by emotionalism and by all this story that this is a great poorhouse. If it has the sense to live a proper existence, follow the example of Switzerland, they can have an economy just as good or better than ours. I am wondering how much they are afraid of communism. To me, their fear seemed to be not of communism but fear that the Russians might come over and take their pigeon. After all, what kind of governments are we subsidizing and supporting over there. Communism, socialism, fascism, nazism, New Dealism, they are Marxist in theory, they vary only in degree in their practice. They all proceed toward the same end result, a loss of property, of liberty, ultimately of life itself. Let us rededicate ourselves to the Republic here at home. Let government of the people, by the people, for the people not perish from the earth.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. MAHON. Mr. Chairman, I yield such time as he may desire to the gentleman from North Carolina [Mr. BONNER].

Mr. BONNER. Mr. Chairman, I have requested this time to announce to the House that tomorrow is the forty-fourth anniversary of the first air flight made by the Wright brothers at Kitty Hawk, N. C. The Government has erected a beautiful monument on Kill Devil Isle to commemorate this event. In North Carolina what is known as the Wright Memorial Association was organized some years ago. Each year this association holds proper exercises commemorating this event. There was planned a small delegation of the Members of this House to go down tomorrow to attend these exercises. Due to the important business that has arisen, this trip has been called off. Each year these exercises are held, and I take pleasure in inviting such Members of the House as may be able to attend in the future to visit Kitty Hawk and visit the shrine of the Wrights, visit the shrine of this great event.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. TABER. Mr. Chairman, I ask that the bill be read.

The Clerk read down to and including page 1, line 6.

Mr. TABER. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HARNESS of Indiana, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4748) making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes, had come to no resolution thereon.

AMENDMENT OF NATIONAL HOUSING ACT

Mr. WOLCOTT submitted a conference report and statement on the bill S. 1770, an act to amend the National Housing Act, as amended, for printing under the rule.

EXTENSION OF REMARKS

Mr. WIGGLESWORTH asked and was given permission to revise and extend the remarks he made in the Committee of the Whole today and to include certain tables.

Mr. HALLECK asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article from the Washington Times-Herald.

Mr. BOYKIN (at the request of Mr. HAVENNER) was given permission to extend his remarks in two separate in-

stances and in each to include extraneous matter.

Mr. MILLER of California asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and in each to include two articles.

Mr. SCHWABE of Missouri asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter from a constituent.

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent that I may revise and extend the remarks I made in the Committee of the Whole this afternoon and insert certain tables from justifications which were presented and also that I may extend my remarks and insert a letter supplied by the Office of the Secretary of the Interior relative to our petroleum resources.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to have inserted in the RECORD as part of my remarks an address I gave at Arlington, Mass., regarding Good Neighbor Day and Pearl Harbor Day. It should have gone in earlier but the previous permission granted me has expired.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

INQUIRY AS TO PROGRAM

Mrs. ROGERS of Massachusetts. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentlewoman will state it.

Mrs. ROGERS of Massachusetts. What is the program for the remainder of the week?

The SPEAKER. The Chair is unable to answer that parliamentary inquiry. That is a matter within the jurisdiction of the leadership of the House.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I rise to ask the Republican floor leader what the anticipated program will be for the rest of the week.

Mr. HALLECK. We will, of course, continue with consideration of the appropriation bill tomorrow. How long it will take I do not know. I cannot make any further statement as to the program for the balance of the week.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. O'HARA, for the balance of the week, on account of official business.

SPECIAL ORDER

The SPEAKER pro tempore (Mr. CANFIELD). Under the previous order of the House the gentleman from New York [Mr. JAVITS] is recognized for 30 minutes.

(Mr. JAVITTS asked and was given permission to revise and extend his remarks and to include as part of his remarks an article in the New York Times Magazine by Prof. Sumner Slichter.)

UNITY OF UNITED STATES DOMESTIC AND FOREIGN POLICY

Mr. JAVITS. Mr. Speaker, like so many of my colleagues this summer and early fall, I spent some weeks in the work of the Congress on a mission of inquiry in the occupied areas of Germany and Austria, and in Czechoslovakia, Poland, France, Belgium, Switzerland, Great Britain and Eire. I have now been back for 2 months and have had an opportunity to observe the juxtaposition of the domestic problems with which I am well familiar and the foreign situation. I find they are of one piece and that they demand such urgent action by the Congress that I am impelled to speak out for a policy of boldness and vitality on the part of our country at this moment without which western Europe and perhaps the world may be lost to the forces of democracy and individual freedom for which we stand. For just as the crises in western Europe are politically and economically at their height, so we are facing in the midst of unprecedented plenty, an abnormal crisis in our country, the fear that somehow the present situation will not last and that we shall have an economic crash even greater than that which followed 1929.

The high priests of communism are dinning into the ears of Europe and the world, the certainty of just such a cataclysmic depression, and by any evidence of fear and hesitation at this juncture we may underscore their every charge. Unless we kick ourselves loose and act the part which our position and our resources, material and moral, demand of us in the world of today we are in real danger of losing the initiative, if we have not lost it already, and of seeing democracy yield western Europe and Asia to the Communists by next spring.

As a member of the Economic Policy Subcommittee of the Foreign Affairs Committee and on the detailed job of inquiry on the International Trade Organization, which I shared with Congressman FULTON in Europe, I paid close attention to Europe's economic problems. At the root of these problems is the catastrophic destruction of Europe's economy.

Immediately following the war, the production of the individual nations of western Europe other than Germany had fallen to unbelievable lows. In France and the Netherlands this production stood at about 30 percent of normal. In Italy it was 20 percent. The whole transportation system of Europe had come close to destruction; for example, out of 2,000,000 freight cars normally in use, 1,100,000 were either damaged or destroyed. In addition to the factors of actual destruction of homes and factories, economic prostration was also attributable to the complete distortion of the European economic machine; for the Nazis had channeled all of Europe's production into Germany to feed their war machine, and with its collapse Europe found itself channeled into a ruin with the need for completely changing the direction of its economy.

If this were not enough, the Nazis had critically damaged the European economy in yet another way. Production needs management, and in Europe the Nazis had liquidated all the leaders they could find who would not collaborate and as a result there had been an enormous destruction of managerial talent. Despite these factors leading to economic paralysis there was some recovery in 1946 in western Europe, but the 1947 drought which cut western Europe's already inadequate food supply in half, effectively halted recovery and turned the situation perilously downward. For example, France, which normally produces about 9,000,000 metric tons of bread grains produced only 3,800,000 metric tons in 1947, and Italy, which normally produces seven and one-half million metric tons of bread grains, produced in 1947 about 4,700,000 metric tons. These deficiencies in grain production coincided with a drastic rise in the price of bread grains in the United States and other world dollar markets, and placed a great strain on the meager available dollar resources of the affected countries leaving them helpless.

The result, as I saw it, this summer has been a wave of fear in western Europe reflecting the complete lack of confidence of the people in their own governments and in their own futures. This fear and lack of confidence is reflected in the fall of currency values which depend almost entirely on credit standing, and has brought in its train the flourishing black market and the refusal of farmers to exchange their produce for francs and lire. Under such circumstances city people come close to the use of force in order to obtain grain collections, and as soon as that happens it is a short step to the police state. Without substantial United States aid this very winter, that is exactly what would have happened in France and in Italy.

Yes, western Europe is prostrate and must have our help if we are all to survive as free peoples; but there are some crying needs in the United States, and the question is whether we are going to do something about these, too.

I have fought for major Federal aid to housing through the T-E-W bill which I offered in the House, but so far to no avail. Housing construction is inadequate to meet the need even of the veterans of World War II. As against a demonstrated minimum need of at the very least 2,000,000 new home units in 1947, we shall be lucky to get 850,000. Two million to four million veterans, it is authoritatively estimated, urgently and immediately need adequate shelter. Not less than 20,000 of them are in my own district.

Inflationary forces at work in our economy are driving up the cost of living so as to multiply the difficulties of people with low and moderate incomes and to imperil the savings and security of millions of civil servants, retired workers, and others dependent on fixed incomes. Food prices stand almost double what they were before World War II at 196.5 percent of the 1935–39 price and are at the point above the highest range in the inflation which followed World War I. Construction materials are almost double their normal price, and

manufactured goods are 40 to 60 percent higher than before the war. Added to all of this, taxation, Federal, State, and local, is taking between 25 and 30 percent of the income of all the people. Under these circumstances the people of the United States have a right to ask, "What of the foreign problems—they are very great but must we not do something about our own great problems, too?"

There is, indeed, grave danger that right now our whole will to aid in avoiding hunger in western Europe, in helping China, and in economic cooperation with Latin America may be jettisoned by the insistence of our people that action must be taken on our own problems, first. Now that the interim aid for western Europe has been approved, the American people have a perfect moral right to expect action on domestic problems.

The American people must be assured of stability in prices. At least they will then know where they are and so prices of industrial and food products as well as wages should be frozen for a year with such adjustments in wages as may be necessary to retain the standard of living enjoyed in 1946. As production in some items is short of demand and additional work may increase it, that work should be applied but without breaking down existing wage structures. In order to bring about suitable balance between what we have and what we export and in order to avoid hoarding and profiteering, the Government should have renewed powers of export and transportation controls and the right to allocate scarce items and to control inventories in key items.

One of the greatest deterrents to runaway inflation has been national rent control. The Federal rent control law passed last spring has many loopholes. Nevertheless, it is a rent control law. It must be extended for at least a year, as the pressing housing shortage is still with us, but at the same time the loopholes which experience has demonstrated to be real must be closed. So serious are these loopholes that in New York City the municipal government acted to close some of them, but ensuing legal difficulties have imperiled this action. The present rent control law does not adequately protect tenants against eviction. Further, landlords have neglected maintenance and decoration of rented premises even every 3 years as is contemplated by present laws, and this obligation must be recognized and enforced. Finally, there has been much abuse of the so-called voluntary 15-percent increase which landlords have tried to make mandatory by their own actions. Especially bad is that section which states that when an increase agreement is made by the landlord and tenant, the particular premises affected are promptly removed from rent control. The extension of Federal rent control will bring home to the individual citizen the determination to protect him against inflation, and we must fight for its reform as indicated.

The run-away cost of food must be dealt with decisively. First—we all have a right to help ourselves, but such a movement needs leadership. As a result we must have not a superficial 60-day food-conservation program such as we have just had under the direction of the President's Food Conservation Committee, which has already ceased operations, but an agency for food conservation to take us through the emergency and which will really guide consumers in their own best interests to avoid by their own actions further boosting the price of food.

But this alone under present conditions is unlikely to be a whole cure in items like butter, milk, and meat, prices have already skyrocketed so far that we must be ready to face rationing and price control even in peacetime. The President has asked for blanket powers to impose rationing and price control in his discretion on selected items. Our experience with the President in 1946, when the rationing and price-control program was taken off at a time when it should not have been taken off, and which has largely contributed to our present troubles, does not inspire confidence or warrant the grant of authority now requested. It is the Congress which is to legislate for the people and the Congress which must protect the people. Accordingly, the Congress itself should enact the necessary rationing and price controls, specifying the items to be covered. That will be the best assurance that such controls will have a broad base of acceptance with the people and that administration and enforcement will be vigorous and well financed. Administration and enforcement should, of course, rest with the President, but the responsibility for establishing the controls should rest with the Congress.

One other group in the community fully entitled to the solicitude of the Congress are the veterans who are studying at schools and colleges or as apprentices in business. They are sorely pressed by the high cost of living, and allowances to them must be reviewed with this in mind.

How can we balance the solution of the problems of our own country with the urgent demands upon us of the world and the real necessity—in the interests of our national security and to preserve the freedoms we hold dearer than life itself—for taking that position of leadership which our resources and our capabilities demand?

Before we can answer this question we must consider the alternatives. It is by now clear that if we fail to take world leadership the Soviets will take it. They are already on the offensive in every quarter of the world. They have taken over the eastern European countries and made them satellites. Now their ideological brothers seem to be trying, through the revolutionary activities of Communist-dominated trades unions, to take over the Governments of France and Italy and ultimately of all Europe. The only hope of leadership other than that of the U. S. S. R. is that of the United States. The essential difference between these two kinds of leadership is that whereas communism is the counsel of despair, democracy is the counsel of hope; whereas the Soviets can win by default, by default we must as surely lose.

Should Europe and Asia fall into the Soviet orbit we shall be cut off, not only politically but economically, too, from our natural friends and allies, and as the Soviets preach that the existence of a Communist and a private economy side by side in the world are incompatible, we shall have to proceed thereafter to protect against heavy attacks from within or without. The United States will have to be put on a strict defense footing and enormous sums will have to be spent for defensive operations in the whole Western Hemisphere, as well as in Africa, if that still remains feasible, and in Oceania. As an estimate it would call for tripling our present national-defense budget, increasing it from about eleven to about thirty billion dollars per annum, and tripling our manpower in the armed services from the present 1,500,000 to 5,000,000. Nor would this be all, for in its train would be required such discipline internally that many individual freedoms would have to be surrendered voluntarily or involuntarily in aid of the national effort. The need for such a large defense establishment would very materially reduce our standard of living both through the diversion of money and the necessary manpower for defense purposes and would deprive us of many of the very freedoms for which we fought. The Soviet temper being what it is, that kind of cold war, far more serious to us than the present one, could be waged for 10 or 20 years or more, until in sheer exasperation we might ourselves attack and the Armageddon of the world would indeed be on.

This is not a pretty picture, but those are the alternatives for all who will to read. Under these circumstances, it is clear that the time is not for fear or vacillation; the time is for a policy of vitality and boldness. Some counsel the boldness of attack on the Soviets in the seat of their power, and its destruction now. We all realize that this is unthinkable for us. Our people are, quite naturally, against it; and if it were done, it would fail disastrously, for it would enlist the sympathy of the whole world in the Soviet cause and would result in such destruction as to multiply inconceivably the problems of already prostrate Europe. But the policy of boldness now called for is a boldness of which we are uniquely capable. It is a boldness in production, a boldness in planning, and a boldness in management. We must at the same time deal with the problems of our own economy and lead in the solution of the problems of the European economy, of the Latin-American economy, and ultimately, of Asia's economy. We must share fairly, even short items like fertilizer, steel, farm machinery, and electrical generators and motors with western Europe and Asia, on the theory that we shall all prevail or hang together, and just as we shared to win the war in exactly the same way, must we share to win the peace.

The first principle we must accept is that of striking a rough balance of equity. We shall have to share not only what we have in plentiful supply but what we have in short supply, because what is short with us is short with the rest of the world, too; and in this way we

can most strongly emphasize our position that democracy delivers while Communist promises.

But we must go much further than that, for Americans were never people to be content with items in short supply, but always people to struggle until that which was in short supply became plentiful. It is exactly at this point that our policy, one of boldness, comes in; for not only is Europe in the depths of a production crisis but we are here, and the very root of our own difficulties and our own lack of confidence in ourselves is our production deficiency.

A distinguished economist, Sumner H. Slichter, Lamont University professor at Harvard, and chairman of the Research Advisory Board of the Committee for Economic Development, writing in the New York Times in an article entitled "Is America's Industrial Plant Too Small?" which I am inserting as part of my remarks, says that we are producing one-third to one-half less than we ought to produce with our labor force, because our machinery and equipment and production methods are in a material way obsolete, and that we are employing about one-fifth less capital per worker today than in 1929.

Professor Slichter calls for an expenditure in American industry of about $50,000,000,000 to raise capital per worker to the level of 1929 and a considerably larger outlay to raise capital per worker to the level which would be normal in view of the long-term tendency of capital per worker to increase at the rate of about 2 percent per year." He points out that though our steelmaking capacity at 91,000,000 tons per year is greater than that of the rest of the world combined, it has still increased only two-thirds over what it should have increased since 1929, and has been materially less than the increase of industrial production generally, which it paralelled closely before 1929. With the raw materials of South and Central America, Africa, Asia, and the East Indies available and with a vastly increased production here and in the other nations under the democratic system the chance to save them for democracy, and to establish their peoples on a new plateau of a higher standard of living is greater than ever, and we can assure for ourselves a century of the greatest prosperity mankind has ever known.

An analysis of the income figures of the United States and of other democratic nations indicates how much room there is for improvement and what a great deal, even a little improvement will mean. The United Nations Conference on Trade and Employment now meeting in Habana has gotten together some interesting figures on national income in terms of United States dollars. Our national income of $1,200 per year is probably the greatest attained by any people at any time in history. Contrast that with the national income of peoples of other democratic nations. In France it is $300 per year, in Great Britain it is $400 per year, in Italy and in Austria it is but $100 per year and in Greece it is about $70 per year. Among our neighbors in Latin America the situation is no better, in Argentina, probably the richest country in South America, the national income per person is $300 per year, in Brazil it is less than $100 a year, in Chile it is about $150 per year. The world is in its infancy insofar as the development of its resources and of its standards of living are concerned. Certainly if we rest supinely on the theory that as long as we are doing fairly well that is all we have to worry about, Communist promises though empty will seem more glittering all the time and will gain converts by the millions.

To appraise what we must do at home and abroad, it is essential that we reorient our whole thinking to figures based on the new productive factors in the world. The single most important figure in the world today is the increase in the productivity of the United States industrial machine by not less than 50 percent in the years from 1929 to 1947, yet we may take it from Professor Slichter's analysis that this should be not 50 percent but 75 percent now, and should increase more rapidly in the future. If we adopt a policy of boldness and a policy of investment in our own productive machine with confidence as to its role in the world, we have a right to look forward to a national income not at the rate of $200,000,000,000 which it is now, but at the rate of $300,000,000,000 within 10 years, or about $1,800 per annum for every man, woman, and child in the United States. What is more, if we increase our productive machine in this way and utilize our productive and managerial talents to increase the productivity of other democratic nations who look to us for leadership, we can raise the standards of living in western Europe, and among the other American republics who rely on us for economic leadership, by not less than 50 percent in the same period of time and in this way sustain our own economy.

This is a time when domestic inflation and foreign affairs come close to being one and the same problem. Accordingly, I suggest the following seven-point program relating our foreign policy to the fight against domestic inflation and shortages:

First. That the President issue a call for conferences of industry and labor to be held in key industries—steel, automobiles, textiles, petroleum, construction, and so forth—to agree upon a freeze of prices and wages for 1 year to December 31, 1948, with necessary wage adjustments, to maintain living standards at the 1946 level; and that the trades unions agree on working overtime where increased production is possible in industries in which the unsatisfied demand is greatest.

Second. That the Government seek to bring about agreement with food producers and processors to freeze prices for 1 year, and use the farm-credit and farm-price stabilization programs to implement this freeze.

Third. That the Congress enact export, transportation, and bank-credit controls; restore powers of allocation and inventory control of key items like steel; extend the Federal rent-control law for 1 year to February 29, 1949, and close loopholes in the present law favoring landlords regarding rent increases, eviction of tenants, and obligations of maintenance and decoration on the part of the landlords; provide for the quicker amortization out of taxes payable by industry and agriculture of production facilities required to increase production of goods in short supply, and otherwise modernize the income-tax law, for instance, by permitting husbands and wives to report jointly the husbands' income and to reduce their taxes accordingly. As selected items like steel, grain, butter, milk, and meat are being subjected to much greater demand against limited supply, the Congress should itself authorize rationing and price control on these items, leaving only administration to the President.

Fourth. In the spirit of sharing and the willingness to accept some sacrifice to accomplish great objectives, that an over-all adequately financed food-conservation program be established under a food administrator to seek to reduce by voluntary action the pressures of demand which are increasing drastically the family food budget.

Fifth. That the Taft-Ellender-Wagner comprehensive housing bill be promptly enacted; and that a broad-scale housing program for veterans and other middle-income families be authorized providing assistance by the Federal Government in cooperation with State and municipal governments to bring down the cost of new homes to reasonable levels.

Sixth. That the program for aid to veterans be reviewed with special emphasis on the increase of subsistence allowances for students and learners to enable them to meet higher living costs, and for correction of inequalities in the veterans program.

Seventh. That as part of this program we declare and implement the following foreign-policy principles:

(a) Our forces intend to remain in Europe and we intend to assist in Asia until our international responsibilities have been discharged; and we will "sit out" the refusal of the Soviets to work out the world's problems for as long as it takes.

(b) We are ready to back with resources of production management, and with appropriate amounts of goods and money, a recovery program of self-help and mutual cooperation without political conditions, for the democratic nations of Europe, Asia, and Latin America, in proper regional groupings, and under conditions adequate to guarantee that our skill and money, and the investments of our citizens, will be used for purposes of increasing the production of goods for the benefit of the peoples of these nations, and not as a WPA program.

(c) The doors of the democratic world will remain open to commercial interchange with eastern Europe and the U. S. S. R., if they will cooperate in economic self-help and will not abuse economic relations or the hospitality afforded in the course of economic relations.

A policy of vitality and boldness with our first purpose, the enormous expansion of our own production and that all the countries we would help, will be the greatest adventure, the greatest exploration the American people have ever

known. Our people are young and virile, they are not old and stodgy, their imagination will not be captured by timid counsels of safety; their imagination will be captured by the world magnitude of a great job and by the goal of a world really secure which affords greater satisfaction to the individual. If we will undertake the job in this fashion, we will have a hundred years of the most productive and most rewarding work any nation or government on earth was ever privileged to undertake. Such a program will fire the American people and spur them on to the kind of magnificent effort which will surely do this job. With that spirit and that surge in our hearts we will make the "fishmongering abuse" of the police state look as puerile and reactionary as it really is. If we advance with such a program all mankind will have no trouble distinguishing its friends from its enemies.

[From the New York Times Magazine]

IS AMERICA'S INDUSTRIAL PLANT TOO SMALL?

PROFESSOR SLICHTER, BELIEVING THAT IT IS, HERE OUTLINES A PROGRAM FOR ITS SAFE EXPANSION

(By Sumner H. Slichter)

At the present time American industry is producing 10 percent more goods and services than the Brookings Institution recently estimated it would be able to produce by 1950 and about 2.5 percent more than the careful estimates of capacity in 1950 made by the Twentieth Century Fund. This high rate of production is not the result of a rapid rise in output per man-hour. In fact, the postwar increase in output per man-hour has been slower than was generally expected. The high level of output is the result of the large number of people at work. During the war the labor force was expanded to about 7,000,000 above normal by prewar standards. Many wartime employees have remained at work, with the result that during 1947 the labor force will average about 2,800,000 above normal by prewar standards. It will average about 1,800,000 more than the Bureau of the Census estimated it would be in 1950.

Despite the huge production of goods, demand substantially exceeds supply. The total expenditures of the country for goods and services are even running about 10 percent above the wartime peak of 1945. Best indication of the excessive demand, of course, is the rise in prices. Since the beginning of 1947, the average price of finished manufactured goods has risen about 13 percent and the entire wholesale price level by about the same amount.

Does the inability of the American economy to meet the demand for goods, even with a labor force of 2,800,000 above normal, mean that the plant of American industry is too small, too old, and too inefficient? Should American industry promptly enlarge and speed up its programs for plant expansion and improvement? Or is the present demand for goods largely a temporary and inflated one—the result of needs which accumulated during the war and of abnormally large and temporary buying by the rest of the world? If industry were greatly to expand and to improve its plants now, would it soon find itself burdened with large excess capacity?

In most industries every available man and machine is working, except as lack of raw material may force shutdowns. Would an attempt by industry to step up the building of plants and machines aggravate the current shortages of houses, automobiles, and many other things which consumers are insistently demanding? Would it push up the price level still higher, and make more difficult the shift which the economy must eventually make to more normal conditions?

There can be no doubt that the plant of industry is too small for the present labor force and that much of it is old and obsolete. During the last 18 years (from 1929 to 1947) there has been very little net capital formation in American industry. It is true that large amounts have been spent on plant and equipment. Indeed, had not capital worn out, the expenditures during the thirties would have increased the plant and equipment of American industry by over 80 percent. In most of the last 18 years, however, plant and equipment were wearing out or becoming obsolete at a faster rate than they were being replaced. Furthermore, the work force was increasing so that today about 9,000,000 more people are employed in private industry than in 1929—a rise of about 23 percent.

Of course, the capital which wore out or became obsolete was in many cases not scrapped but kept as stand-by equipment. Consequently, America has more machines and other equipment in place than it had in 1929. Otherwise, it would not today be possible for industry to give jobs to so many men. If one measures capital, however, as one should, by its unused life, American industry has about one-fifth less capital per worker today than in 1929. An expenditure of about $50,000,000,000 would be required to raise capital per worker to the level of 1929 and a considerably larger outlay to raise capital per worker to the level which would be normal in view of the long-term tendency of capital per worker to increase at the rate of about 2 percent per year. The unsatisfactory rise in output per man-hour during the last year or two undoubtedly reflects in part the large amount of ancient and obsolete equipment which is still in place and which must be used in order to give employment to the present record-breaking labor force.

Although industry as a whole has been producing at substantially above prewar rates, some parts of industry have been unable to do so. The automobile industry is an example. Although the country now has only about the same number of cars as at the time of Pearl Harbor, and the backlog of demand is greater than ever, the automobile industry in 1947 will produce less than three-fourths as many cars as in 1929. The principal limit on the output of cars is said to be the supply of steel. Furthermore, shortage of steel is said to be limiting the output of many other industries.

Whether past earnings and present and prospective break-even points justify steel companies in risking new capital on expansion is a question which the management of each steel producer must decide for itself. There can be no doubt, however, that the capacity of the steel industry is low in relation to the capacity of manufacturing as a whole, and to the durable-goods industries in particular. Between 1900 and 1930, for example, the capacity of the steel industry increased at about the same rate as industrial production—each roughly trebling. Since 1929, however, the capacity of the steel industry has increased only 25 percent and output of the steel industry about 41 percent. Industrial production in the summer of 1947 was running about 73 percent above 1929, and the output of durable manufactured goods about 61 percent above 1929.

A rise of capacity in the steel industry, however, would make possible only a limited increase in the output of industry as a whole, because a gain in steel output would quickly reveal other bottlenecks. If the automobile industry, for example, were given substantially more steel, it would soon be short of lead for batteries, copper for electrical parts, tin, and many other items. Indeed, if the steel industry were to give the automobile industry enough steel for 6,000,000 cars a year and were able to supply other steel users in proportion, the expansion of output would be retarded by shortages of railroad cars. The railroads should be thankful that shortages of steel have gone far to conceal the limited capacity of the country's transportation system.

Does the fact that the industrial plant of the country is too small for the present labor force and that much old and inefficient equipment must be used in order to give men work mean that the plant should be enlarged? Is not the present work force abnormally large and is not the present great demand for goods in large measure the result of temporary conditions?

The increase in the labor force has occurred largely in the older and younger age groups. At the present time, as during the peak of the war, nearly half of the males above 65 are in the labor force. Before the war the proportion was about 40 percent. It is safe to say that the present labor force will stay as large as it is so long as the demand for labor enables the present number of workers to find jobs. The reason is that working is popular. The 40-hour week, improvement in plant conditions, and the spread of trade unions, which protect workers from arbitrary treatment by managers, all help to increase the popularity of working.

But will the demand for labor hold up? Is not the present demand for goods abnormally large—the result in large measure of the great needs which accumulated during the war? It is true that only moderate progress has been made in satisfying the huge accumulated need for goods—in fact, in some fields, such as automobiles and housing, very limited progress has been made. It does not follow, however, that the present expenditures for goods are larger than will be maintained in the long run. The pent-up demand, huge as it is, has thus far very incompletely affected the amounts which people are spending for goods. This is shown by three facts:

1. Present prices of goods are low relative to incomes, and are still rising.

2. The present rate of saving is abnormally high, which means that less than the normal proportion of incomes is being spent for consumer goods.

3. The present rate of private domestic spending for capital goods is not abnormally large relative to present incomes, which means that the demand for capital goods by industry is not abnormally large.

Let us examine these three facts:

1. Most prices are still low relative to incomes. Prices of consumer goods on the whole have risen about 60 percent since 1940. In the same period, per capita incomes, after taxes, have risen over 100 percent. In view of the great accumulation of needs, people would undoubtedly be willing to pay considerably higher prices in relation to their incomes than they paid in 1940. The steady rise in prices indicates that prices are too low to equate supply and demand and that the present volume of production could be sold at higher prices.

2. The present rate of saving is abnormally high. In the case of individuals, the rate of saving is about normal. In the first half of 1947 the proportion of incomes after taxes which was saved was almost 50 percent greater than in 1929—6.8 percent against 4.5 percent in 1929. The purchasing power of per capita incomes after taxes, however, was about 37 percent greater than in 1929. As incomes go up, the rate of saving tends to increase, but a rise of 37 percent in the purchasing power of incomes would scarcely be expected to produce more than a 50-percent rise in the rate of saving. Hence, the rate of saving by individuals must be regarded as about normal.

The rate of saving by business corporations, however, is far above normal. During the first half of 1947, corporations retained in the business about 64 percent of profits after taxes and disbursed about 36 percent in dividends. Dividends are usually over 60 percent of profits.

3. The present rate of private domestic spending for capital goods is not abnormally large. Private-investment spending represents the demand for capital goods by business enterprises plus expenditures of individuals on housing. During the first half of 1947, domestic investment (including expenditures for replacements) was 13.1 percent of the gross national product in comparison with 12.9 percent in 1940, 12.5 percent in 1937, and 15.2 percent in 1929. Expenditures to increase inventories were above normal and so were expenditures on industrial equipment. Expenditures on industrial plant and housing, however, were below normal.

In the long run, the volume of investment opportunities, and hence expenditures for capital goods, depends less upon the level of income than upon the rate at which technological discoveries are creating new needs for capital. Industrial research is growing by leaps and bounds. Nearly twice as many people were engaged in it in 1946 as in 1940. Between 1920 and 1940, expenditures on industrial research increased ninefold. Hence it is reasonable to expect that technological research will create investment opportunities even faster in the future than in the past and that the expenditures of industry on capital goods will be at least as large as in the first half of 1947 and probably larger.

In one important respect the present demand for goods is far above the long-run normal. That is demand by foreign countries. During the first half of 1947, the exports of goods and services by the United States was running at the rate of $10,000,000,000 a year above imports. By September the excess of exports over imports had dropped to an annual rate of well below $8,000,000,000, but that was still far above normal. Indeed, in the long run, the United States should endeavor to avoid any net export balance because such a balance introduces instability.

This analysis may be summed up thus: Expenditures on consumer goods are still below normal, expenditures on capital goods are fairly close to normal but probably below it, and the expenditures of foreigners in this country are abnormally high relative to the expenditures of Americans for foreign goods. All of this means that approximately the present volume of output, and possibly more, could be sold more or less indefinitely (subject to cyclical ups and downs) at present prices or better. Hence the present labor force, though large by prewar standards, seems to be needed, and the plant of industry ought to be substantially enlarged in order to raise capital per worker to the prewar level and more. In addition, huge quantities of old and inefficient equipment are badly in need of replacement.

Does it follow that business should immediately step up its expenditures on plant and equipment? It may sound like Alice-in-Wonderland economics, but the answer to that question is "No." The very fact that the plant is too small, too old, and too inefficient for the present demand for goods limits the rate at which industry can safely expand and improve its plant. Business, foreigners, and consumers are attempting to buy goods faster than industry can produce them. An attempt by business to raise its expenditures on plant and equipment would intensify the present stiff competition for goods—except as business might reduce its expenditures on inventories or cut its dividend payments to stockholders.

Incidentally, so stiff is this competition for goods that consumers and business concerns are seeking to increase their purchasing power by borrowing from banks. Personal loans and commercial, agricultural, and industrial loans have increased over one-third during the last year and are rapidly rising. The growth in consumer and business debts is stimulating to the economy today, but eventually the demand for additional credit will fall off and repayments of old debts will exceed the amount of new debts. Then paying debts will become a powerful deflationary influence. That will be "the morning after" the present inflationary spree.

Quite different would be the situation, of course, if consumers could be persuaded to reduce temporarily their purchases of automobiles, houses, television sets, radios, washing machines, and other goods and to increase the amount of money which they were willing to invest in industry. Productive capacity in the steel industry, coal industry, railroad industry, lumber industry, and other industries, which is now being used to make goods for consumers, would become available to increase the output of industrial plant and equipment.

What conclusions and policies are indicated by this analysis?

1. The plant of industry is too small and inefficient both for the present labor force and the present demand for goods and also for the prospective labor force and the prospective demand for goods.

2. Business is already attempting to improve and enlarge its plant at a rate which is too fast in view of the large demand for goods by consumers and foreigners.

3. In order to reduce the competition between business and consumers for goods, either the community needs to increase its rate of saving or business needs to reduce the rate at which it attempts to expand and improve its plant.

4. Business should assume a major part of the responsibility for controlling the present dangerous competition between business and consumers for goods by postponing expenditures of capital and equipment which do not promise a quick reduction in costs or a quick increase in production and by postponing dividend increases. The postponement of dividend increases would limit the increase in consumer purchasing power and would also diminish the necessity of enterprises' borrowing from the banks.

5. It is high time that the Government act vigorously to help control the keen competition between business and consumers for goods. Two steps should be taken. A vigorous effort should be made to increase the sales of Government savings bonds and a small forced saving levy should be added to the income tax—say 5 percent on all incomes above $8,000 a year. The securities given in return for the forced levy should be nonnegotiable and also nonredeemable (except in certain emergencies) within 3 years. Since the levy would be a forced one, the Government should pay the savers substantially more than current artificially depressed interest rates—say 6-percent exempt from Federal income taxes.

With part of the proceeds from Government savings bonds and the forced levy, the Government would be able to pay off some of its debt held by the Federal Reserve banks, thus limiting the reserves of member banks and controlling at long last the dangerous expansion of bank credit. Some increase in private bank loans, however, would be possible because the rest of the proceeds of the bond sales and the forced levy could be used to pay off part of the public debt.

This would permit them to expand private loans, but there would be no net increase in demand deposits. The temporary reduction of incomes available for the purchase of consumer goods would enable business to increase its expenditures on plant and equipment without pushing the general price level still higher. The drop in the demand for consumer goods induced by the forced saving levy would tend to hold down the price of consumer goods so that the immediate net loss of purchasing power by consumers would be small. Consumers receiving less than $3,000 a year would gain in purchasing power. Furthermore, the acquisition of more Government savings bonds by millions of consumers would give them future purchasing power that would help sustain the long-run demand for goods.

6. The problem of controlling the competition between business and consumers for goods will be greatly aggravated if Congress reduces the personal income tax this winter, as is likely. The income tax is undoubtedly unfairly high, particularly on persons in the middle and upper income brackets. It is difficult, for example, to justify the Government's taking more than half of any increment in income which a man may receive. The present, however, is not a good time to reduce taxes. If a reduction is made, the size of the saving levy should be increased above 5 percent. It should be sufficient to prevent reductions from raising purchasing power.

The Communists assert that capitalism is inherently unstable and that its instability will bring about its collapse. Today the community has an opportunity to demonstrate that the Communists are wrong. Let us not look back in 1950 or 1951 and wish that we had shown more foresight and more self-restraint in the fall of 1947. Now is the time to act. By limiting competition between consumers and business for goods, by checking the dangerous increase in short-term debts, and by making the process of expanding and improving the plant of industry and of aiding Europe increase the future purchasing power of consumers, the community can halt the developments which are slowly laying the foundation for a future depression and can make the economy less susceptible to recession.

The SPEAKER pro tempore (Mr. CANFIELD). Under previous order of the House, the gentleman from Kansas [Mr. REES] is recognized for 10 minutes.

UNITED NATIONS SESSIONS SHOULD OPEN WITH PRAYER

Mr. REES. Mr Speaker, we will, in a few days, celebrate another Christmas, the most widely observed religious festival in the world. If Christmas means anything beneath outward forms and customs, it is the guidance of God in human life and history. So I feel prompted to address the House on a matter that deeply concerns the welfare of the world. It is the success of the United Nations.

My attention was recently called to the fact that prayer for the guidance of God does not appear on the agenda of the United Nations. We humans too often act as if we are owners of this planet instead of guests for a few years. In this connection I was interested in an editorial appearing in the Lutheran, a nationally circulated religious magazine, written by Dr. Oscar F. Blackwelder, pastor of the Lutheran Church of the Reformation in this city. Dr. Blackwelder is one of the outstanding religious leaders in this country. This editorial refers to recent correspondence between W. M. Ritter, of this city, with the White House and State Department. Mr. Ritter is one of the country's outstanding businessmen. Mr. Ritter urged the placing of prayer on the agenda of

the UN. I shall refer to the reply from the State Department in a moment. Mr. Ritter is on sound ground in his position.

The State Department refers to the Constitution and its philosophy of complete religious freedom. May I remind the Department and the Congress that the Constitutional Convention of our country was in session from May to September, unable to compose their differences. The majority of the delegates had returned home in despair. Patrick Henry cried out, "Plague on both your houses." He then returned to Richmond. Then Benjamin Franklin addressed George Washington, who presided over the assembly, substantially as follows: "Mr. President, it seems to me the longer we are debating the issues before us the wider and deeper we seem to be apart. I have been wondering what might be the reason for our lack of unity and I think, sir, I have found it. Not once has the voice of prayer been heard within these four walls. If the Almighty knows of every sparrow that falls and if even the very hairs of our heads are numbered, He knows all about our feeble attempts to lay the foundations of a Nation. I move, Mr. President, that a chaplain be appointed and that every succeeding session of this convention shall be opened with prayer, seeking that wisdom that cometh down from above, from the Father of lights in whom is no variableness, neither shadow of turning." The motion carried. In addition, and at the suggestion of Mr. Franklin, a service of prayer was held in Christ Church and the Holy Communion observed. Returning to Independence Hall, differences, were composed, and in a comparatively few days, the Constitution was adopted. The remainder is a matter of history.

We have all been gravely concerned with many evidences of lack of unity in the UN. Perhaps we have failed because we have not done what Benjamin Franklin proposed. And yet the following two paragraphs are contained in the letter from the State Department to Mr. Ritter, taken from the Lutheran to which I have just referred:

> The advisability of suggesting that prayers be included on the agenda of such meetings has been the subject of a thoughtful and thorough study by officers of this Department. Although the matter remains under consideration, it is believed that in view of the varying religious beliefs of the different representatives and of long-established international tradition, the United States at the present time should make no formal proposal that meetings of the United Nations be opened with prayer.
>
> Great difficulties would arise, as I am sure you realize, in attempting to arrange for any international gathering a religious observance which would be acceptable to the many different religious faiths and philosophies of the participating delegates. In order to ensure that the representatives of international conferences have complete freedom to seek guidance in any of the ways consistent with their beliefs, the tradition has long been established that religious ceremonies are not included on the agenda. The continuation of this practice seems entirely consistent with our basic American philosophy of complete religious freedom as expressed in the Constitution, and with the United Nations Charter which emphasizes tolerance and respect for "fundamental freedoms for all without distinction as to race, sex, language, or religion."

Mr. Speaker, I am prompted to ask some questions and make several observations. This reply from the State Department reads well until you carefully analyze it. Is not the omission of prayer from the UN agenda freedom from religion rather than freedom of religion? Is not the response of the State Department only another illustration of democracy's effort to face its job apart from the religious rootage that gave it birth?

Take a look at the State Department's quotation from the UN Charter—"fundamental freedoms for all without distinction as to race, sex, language, or religion." Race is certainly respected at UN sessions. Both sexes are heard. All languages are translated. Why must the fourth freedom alone, that of religion, be silent?

Why could not all of the various viewpoints and practices of religion, represented in the UN, be given a chance to lead in prayer in their several individual ways?

A world of justice, freedom, and peace will never be built by people whose intellectual ceilings are so low that a public prayer for the guidance of God is an offense.

ENROLLED BILLS SIGNED

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled, bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 4469. An act to amend the act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof; and

H. R. 4627. An act to authorize an appropriation for the immediate relief of the Navajo and Hopi Indians, and for other purposes.

ADJOURNMENT

Mrs. BOLTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 37 minutes p. m.) the House adjourned until tomorrow, Wednesday, December 17, 1947, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

1151. Under clause 2 of rule XXIV, a letter from the Secretary of Agriculture, transmitting a draft of a proposed bill to establish two additional offices of Assistant Secretaries of Agriculture, and for other purposes, was taken from the Speaker's table and referred to the Committee on Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TABER: Committee on Appropriations. H. R. 4748. A bill making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes; without amendment (Rept. No. 1191). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. REEVES: Committee on the Judiciary. S. 99. An act for the relief of John T. Hollandsworth, Jr.; without amendment (Rept. No. 1165). Referred to the Committee of the Whole House.

Mr. REEVES: Committee on the Judiciary. S. 258. An act for the relief of Troy Charles Davis, Jr.; without amendment (Rept. No. 1166). Referred to the Committee of the Whole House.

Mr. REEVES: Committee on the Judiciary. S. 339. An act for the relief of Lucy Jefferson Weil; without amendment (Rept. No. 1167). Referred to the Committee of the Whole House.

Mr. REEVES: Committee on the Judiciary. S. 957. An act for the relief of Col. William J. Kennard; without amendment (Rept. No. 1168). Referred to the Committee of the Whole House.

Mr. REEVES: Committee on the Judiciary. S. 1039. An act for the relief of Ada B. Foss; without amendment (Rept. No. 1169). Referred to the Committee of the Whole House.

Mr. REEVES: Committee on the Judiciary. S. 1043. An act for the relief of Frank J. Shaughnessy, collector of internal revenue, Syracuse, N. Y.; without amendment (Rept. No. 1170). Referred to the Committee of the Whole House.

Mr. REEVES: Committee on the Judiciary. S. 1100. An act for the relief of Frankie Stalnaker; with an amendment (Rept. No. 1171). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. H. R. 350. A bill for the relief of Caffey Robertson-Smith, Inc.; without amendment (Rept. No. 1172). Referred to the Committee of the Whole House.

Mr. REEVES: Committee on the Judiciary. H. R. 927. A bill for the relief of the estate of Mary D. Briggs, deceased; with an amendment (Rept. No. 1173). Referred to the Committee of the Whole House.

Mr. CRAVENS: Committee on the Judiciary. H. R. 1169. A bill for the relief of Samuel W. Poorvu; without amendment (Rept. No. 1174). Referred to the Committee of the Whole House.

Mr. CRAVENS: Committee on the Judiciary. H. R. 1286. A bill for the relief of Lawrence Reves; with an amendment (Rept. No. 1175). Referred to the Committee of the Whole House.

Mr. REEVES: Committee on the Judiciary. H. R. 1516. A bill for the relief of A. S. Osten, certifying officer, and for the relief of Guy F. Allen, former chief disbursing officer; without amendment (Rept. No. 1176). Referred to the Committee of the Whole House.

Mr. REEVES: Committee on the Judiciary. H. R. 1653. A bill for the relief of Edward W. Bigger; with an amendment (Rept. No. 1177). Referred to the Committee of the Whole House.

Mr. REEVES: Committee on the Judiciary. H. R. 1747. A bill for the relief of Mrs. Harry L. Novick and others; with an amendment (Rept. No. 1178). Referred to the Committee of the Whole House.

Mr. CRAVENS: Committee on the Judiciary. H. R. 2009. A bill for the relief of Michael Abarno; with an amendment (Rept. No. 1179). Referred to the Committee of the Whole House.

Mr. CASE of New Jersey: Committee on the Judiciary. H. R. 2269. A bill for the relief of Frank A. Constable; with an amendment (Rept. No. 1180). Referred to the Committee of the Whole House.

Mr. REEVES: Committee on the Judiciary. H. R. 2386. A bill for the relief of Oran Curry; with an amendment (Rept. No. 1181). Referred to the Committee of the Whole House.

Mr. CRAVENS: Committee on the Judiciary. H. R. 2479. A bill for the relief of Hardy H. Bryant; without amendment (Rept. No. 1182). Referred to the Committee of the Whole House.

Mr. CRAVENS: Committee on the Judiciary. H. R. 2489. A bill for the relief of James W. Adkins and Mary Clark Adkins; with an amendment (Rept. No 1183). Referred to the Committee of the Whole House.

Mr. CASE of New Jersey: Committee on the Judiciary. H. R. 2697. A bill for the relief of E. W. Eaton Coal Co.; with an amendment (Rept. No. 1184). Referred to the Committee of the Whole House.

Mr. CRAVENS: Committee on the Judiciary. H. R. 2729. A bill for the relief of the legal guardian of Rose Mary Ammirato, a minor; with an amendment (Rept. No. 1185). Referred to the Committee of the Whole House.

Mr. CRAVENS: Committee on the Judiciary. H. R. 3067. A bill for the relief of E. J. Brennan and Janet Howell; without amendment (Rept. No. 1186). Referred to the Committee of the Whole House.

Mr. REEVES: Committee on the Judiciary. H. R. 3159. A bill for the relief of Mrs. Mae H. Fitzgerald; with amendment (Rept. No. 1187). Referred to the Committee of the Whole House.

Mr. REEVES: Committee on the Judiciary. H. R. 3300. A bill for the relief of Martin A. King; without amendment (Rept. No. 1188). Referred to the Committee of the Whole House.

Mr. CRAVENS: Committee on the Judiciary. H. R. 3550. A bill for the relief of Jesse L. Purdy; without amendment (Rept. No. 1189). Referred to the Committee of the Whole House.

Mr. CRAVENS: Committee on the Judiciary. H. R. 3937. A bill for the relief of William C. Reese; without amendment (Rept. No. 1190). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. S. 84. An act for the relief of Mrs. Clinton R. Sharp; without amendment (Rept. No. 1192). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. S. 136. An act for the relief of Ioannis Stephanes; without amendment (Rept. No. 1193). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. S. 166. An act for the relief of Anna M. Kinat (Mrs. John P. Taylor); without amendment (Rept. No. 1194). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. S. 167. An act for the relief of Mrs. Yoneko Nakazawa; without amendment (Rept. No. 1195). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. S. 185. An act for the relief of Thomas Abadia; without amendment (Rept. No. 1196). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. S. 186. An act for the relief of Santiago Naveran; without amendment (Rept. No. 1197). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. S. 187. An act for the relief of Antonio Arguinzonis; without amendment (Rept. No. 1198). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. S. 189. An act for the relief of Simon Fermin Ibarra; without amendment (Rept. No. 1199). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. S. 190. An act for the relief of Pedro Ugalde; without amendment (Rept. No. 1200). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. S. 191. An act for the relief of Julian Uriarte; without amendment (Rept. No. 1201). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. S. 192. An act for the relief of Juan Llona; without amendment (Rept. No. 1202). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. S. 298. An act for the relief of certain Basque aliens; without amendment (Rept. No. 1203). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. S. 1579. An act for the relief of Damian Gandiaga; without amendment (Rept. No. 1204). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 358. A bill for the relief of Hilario A. Goitia; with an amendment (Rept. No. 1205). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 421. A bill for the relief of Betty Isabel Schunke; with an amendment (Rept. No. 1206). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 892. A bill for the relief of Michel Ferapontow; without amendment (Rept. No. 1207). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 896. A bill for the relief of Viktor A. Kravchenko; with an amendment (Rept. No. 1208). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 1572. A bill for the relief of Basque aliens; with an amendment (Rept. No. 1209). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 1859. A bill for the relief of Philip Lee Sjoerdt Huizenga; without amendment (Rept. No. 1210). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 1927. A bill for the relief of Margaret Katherine Hume; without amendment (Rept. No. 1211). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 3039. A bill for the relief of Mrs. Marian D. McC. Plein; with an amendment (Rept. No. 1212). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. TABER:

H. R. 4748. A bill making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes; to the Committee on Appropriations.

By Mr. MILLER of California:

H. R. 4749. A bill to provide additional compensation for employees of the Federal Government and of the government of the District of Columbia; to the Committee on Post Office and Civil Service.

H. R. 4750. A bill to reduce postage rates on parcels containing food, clothing, or medicines mailed to certain foreign countries; to the Committee on Post Office and Civil Service.

By Mr. HUGH D. SCOTT, JR.:

H. R. 4751. A bill to amend the Social Security Act to permit lump-sum death payments to be made in certain cases to nonprofit institutions to the extent they have paid certain burial expenses; to the Committee on Ways and Means.

By Mr. DIRKSEN:

H. R. 4752. A bill to improve and maintain the soil resources of the Nation and their use through the establishment of a National Fertilizer and Soil Fertility Laboratory, and for other purposes; to the Committee on Agriculture.

By Mr. KEATING:

H. R. 4753. A bill to amend section 23 of the Internal Revenue Code (26 U. S. C., sec. 23), as amended, to provide for deductions from gross income of the fair value of relief parcels sent to persons in foreign countries, and for other purposes; to the Committee on Ways and Means.

By Mrs. LUSK:

H. R. 4754. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

By Mr. YOUNGBLOOD:

H. R. 4755. A bill to provide the most expeditious transportation and delivery of first-class mail; to the Committee on Post Office and Civil Service.

By Mr. DAVIS of Georgia:

H. R. 4756. A bill to provide additional compensation for employees of the Federal Government and of the government of the District of Columbia; to the Committee on Post Office and Civil Service.

By Mr. KERSTEN of Wisconsin:

H. R. 4757. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

H. R. 4758. A bill to control the export to foreign countries of all goods and materials, including building materials, coal, fuel oil, food, farm machinery, grain, meats, metals, fats, motor vehicles, scientific equipment, scrap iron, wood products, steel products, lumber, steel, or iron from the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. SPENCE:

H. R. 4759. A bill to provide for the temporary control of prices on certain vital commodities in short supply that basically affect the cost of living or agricultural or industrial production, and for other purposes; to the Committee on Banking and Currency.

By Mr. HAVENNER:

H. R. 4760. A bill to exempt from income tax compensation and benefits paid to seamen on account of their internment by the enemy; to the Committee on Ways and Means.

By Mr. MEADE of Kentucky:

H. R. 4761. A bill to provide that pensions shall be extended to the widows and children of deceased World War II veterans on the same conditions as they are now extended to the widows and children of deceased World War I veterans; to the Committee on Veterans' Affairs.

By Mr. MUNDT:

H. J. Res. 276. Joint resolution to provide that any future payments by the Republic of Finland on the principal or interest of its debt of the First World War to the United States shall be used to provide educational and technical instruction and training in the United States for citizens of Finland; to the Committee on Foreign Affairs.

By Mr. HORAN:

H. Con. Res. 123. Concurrent resolution to provide for an annual pay-out test on all reimbursable public-works projects; to the Committee on Rules.

By Mr. AUGUST H. ANDRESEN:

H. Res. 404. Resolution creating a select committee to investigate transactions on commodity exchanges; to the Committee on Rules.

By Mr. PLOESER:

H. Res. 405. Resolution to provide funds for the expenses of the investigation and study authorized by House Resolution 18; to the Committee on House Administration.

By Mr. JOHNSON of Illinois:

H. Res. 406. Resolution directing the United States Department of Agriculture to release its estimate of the numbers of livestock on farms and ranches as of January 1 each year, by not later than January 18 of each year; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BYRNE of New York:

H. R. 4762. A bill for the relief of the estate of Robert W. Hewitt, deceased; to the Committee on the Judiciary.

By Mrs. DOUGLAS:

H R. 4763. A bill for the relief of Anna and Solomon Lagstein; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. R. 4764. A bill for the relief of Theodoros Manolis Sofios; to the Committee on the Judiciary.

H. R. 4765. A bill for the relief of Carl Eggers; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

940. By Mr. BUCK: Petition of Arthur E. Buchanan, commander, Livingston Post, No. 1369, American Legion, and 185 other residents of Staten Island, N. Y., in support of legislation establishing a system of universal military training as recommended by the President's Advisory Commission on Military Training; to the Committee on Armed Services.

941. By Mr. CASE of South Dakota: Petition of Mrs. William Dahl and 22 others, of Clear Lake, S. Dak., urging legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

942. Also, petition of Mrs. Ransom Knutson and seven others, of Ralph, S. Dak., urging the enactment of legislation which would prohibit advertising liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

943. Also, petition of Mrs. Andrew Pederson and eight others, of Firesteel, S. Dak., and vicinity urging the enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

944. Also, petition of Mrs. Ray Dalen and 12 others, of Colton, S. Dak., urging enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

945. Also, petition of Mrs. Grant Hogie, Astoria, S. Dak., and 18 others, urging the enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

946. By Mr. HART: Petition of National Committee of Americans of Polish Descent, Inc., Local Chapter No. 9, of Jersey City, N. J., regarding decisions reached at the Yalta, Tehran, and Potsdam Conferences; to the Committee on Foreign Affairs.

947. By Mr. MILLER of California: Petition of Glen D. Oppie, of San Pablo, Calif., relative to taxes; to the Committee on Ways and Means.

948. By Mr. SMITH of Wisconsin: Petition by residents of the First Congressional District of Wisconsin, urging passage of universal military training legislation; to the Committee on Armed Services.

949. By Mr. TOWE: Petitions of Norwood Unit, No. 272, American Legion Auxiliary, Norwood, N. J.; National Defense Unit, No. 106, American Legion Auxiliary, Hasbrouck Heights, N. J.; Ladies' Auxiliary, North Bergen Post, No. 33, American Legion, North Bergen, N. J.; American Legion Auxiliary, Camp Merritt Post, No. 21, Cresskill, N. J.; Ladies' Auxiliary, Fairview Memorial Post, No. 365, Fairview, N. J.; Wallington Memorial Post, No. 381, American Legion, Wallington, N. J.; all in support of legislation establishing a system of universal military training; to the Committee on Armed Services.

950. By the SPEAKER: Petition of Mrs. C. E. Cooley, Townsend Club No. 1, St. Cloud, Fla., and others, petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

951. Also, petition of Orlo Vista Townsend Club, No. 1, Orlo Vista, Fla., petitioning consideration of their resolution with reference to signing of Discharge Petition No. 7, relative to the Townsend plan, H. R. 16; to the Committee on Ways and Means.

952. Also, petition of Dover Townsend Club, No. 1, Dover, Fla.; petitioning consideration of their resolution with reference to endorsement of the Townsend plan, H. R. 16; to the Committee on Ways and Means.

953. Also, petition of Sanford Townsend Club, No. 1, Sanford, Fla., petitioning consideration of their resolution with reference to endorsement of the Townsend Plan, H. R. 16; to the Committee on Ways and Means.

954. Also, petition of Emmet Arthur Hinkelman and Robert Davis Best, petitioning consideration of their resolution with reference to enactment of H. R. 4459; to the Committee on Post Office and Civil Service.

SENATE

WEDNESDAY, DECEMBER 17, 1947

(Legislative day of Thursday, December 4, 1947)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Peter Marshall, D. D., offered the following prayer:

Let us now rejoice, most gracious God, in the love Thou hast shown toward us, opening up to us a way whereby we might be delivered from our sin and foolishness. We have found out that we cannot do wrong and feel right. By our tolerance of some wrongs, we have come close to being intolerant of the right. Make us bold enough to confront the face of evil and of wrong, even when it bears our own image. May we see that in every choice we make we are for Thee or against Thee. God, help us to keep our moral voting record straight. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. WHITE, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, December 16, 1947, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H. R. 4469) to amend the act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof, and it was signed by the President pro tempore.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

PERSHING HALL MEMORIAL FUND

A letter from the Secretary of the Treasury, transmitting, pursuant to law, an itemized report covering transactions during the fiscal year ended June 30, 1947, for account of the Pershing Hall Memorial Fund (with an accompanying report); to the Committee on Armed Services.

SUSPENSION OF DEPORTATION OF ALIENS

A letter from the Attorney General, transmitting, pursuant to law, a report reciting the facts and pertinent provisions of law in the cases of 145 individuals whose deportation has been suspended for more than 6 months by the Commissioner of Immigration and Naturalization Service under the authority vested in the Attorney General, together with a statement of the reason for such suspension (with accompanying papers); to the Committee on the Judiciary.

PETITIONS

Petitions, etc., were laid before the Senate by the President pro tempore and referred as indicated:

A letter in the nature of a petition from Harbaugh Miller, chairman, Public Affairs Committee, Federation of Social Agencies of Pittsburgh and Allegheny County, Pittsburgh, Pa., relating to the so-called Taft-Ellender-Wagner national housing bill (with an accompanying paper); to the Committee on Banking and Currency.

The petition of Thomas J. Reardon, of Hartford, Conn., praying for the enactment of legislation to stop inflation; to the Committee on Finance.

The petition of Thomas J. Reardon, of Hartford, Conn., relating to the national economy; to the Committee on Banking and Currency.

The petition of Thomas J. Reardon, of Hartford, Conn., relating to the extension and maintenance of credits for the purchase and carrying of securities; to the Committee on Banking and Currency.

A resolution adopted by the Conference of Eastern College Libraries, New York City, N. Y., relating to the freedom of conscience and of free inquiry; to the Committee on the Judiciary.

PROTEST AGAINST COMPULSORY MILITARY TRAINING

Mr. CAPPER. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a brief letter from P. L. Mawdsley, of Udall, Kans., transmitting a memorial signed by 116 residents of

that community expressing their opposition to compulsory military training.

There being no objection, the letter was referred to the Committee on Armed Services and ordered to be printed in the RECORD, as follows:

UDALL, KANS., *November 21, 1947.*
Senator ARTHUR CAPPER,
Washington, D. C.

DEAR SENATOR CAPPER: It just came to my notice that there was a bill, either before Congress or to come before it at once, requiring young men, even 17 and 18 years of age, to take military training. Since I feel that would not be the thing to do, I presented the enclosed petition to my friends and acquaintances here, with the results as you see. Gathered these names in just a few hours. With a bit more time, I could have many, many more. The sentiment is very strong here, apparently, against compulsory military training. But thought I better get this on to you, as the bill might come up any time, and we want you to know how we feel as to this matter.

Can you show it to your colleague and our Representative, or at least tell them how we feel about the matter?

With all good wishes, I am,

Very sincerely,

P. L. MAWDSLEY.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. WILEY, from the Committee on the Judiciary:

S. 922. A bill for the relief of Ruth Grossman; with an amendment (Rept. No. 796);

S. 944 A bill for the relief of Oran Curry; with amendments (Rept. No. 802);

S. 1031. A bill for the relief of Antonio Zamora, Mrs. Antonio Zamora, Antonio Zamora, Jr., Mrs. Juan Chavez, John Chavez, Jr., Roland Chavez, Selso Trujillo, and Dr. M. G. Wright; with amendments (Rept. No. 803);

S. 1267. A bill for the relief of Eleonore M. Hannon; with an amendment (Rept. No. 797);

S. 1347. A bill for the relief of Burks L. Fielder; with an amendment (Rept. No. 798);

S. 1411. A bill for the relief of Willie Ruth Chapman; without amendment (Rept. No. 781);

S. 1716. A bill for the relief of Mrs. Iola Veach; with an amendment (Rept. No. 799);

H. R. 369. A bill for the relief of the dependents of Carl B. Sanborn; without amendment (Rept. No. 782);

H. R. 645. A bill for the relief of Ben W. Colburn; without amendment (Rept. No. 783);

H. R. 769. A bill for the relief of the estate of Ruth Horton Hunter; without amendment (Rept. No. 784);

H. R. 1155. A bill for the relief of the estate of W. H. Rodgers, deceased; without amendment (Rept. No. 785);

H. R. 1175. A bill for the relief of the estate of Daphne Ward Pope, deceased; without amendment (Rept. No. 786);

H. R. 1319. A bill for the relief of Calvin J. Frederick; without amendment (Rept. No. 787);

H. R. 1531. A bill for the relief of William P. Gillingham; without amendment (Rept. No. 788);

H R. 1645. A bill for the relief of Mrs. Leona McMinn Winkler; without amendment (Rept. No 789);

H. R. 1799. A bill for the relief of Eva L. Dudley, Grace M. Collins, and Guy B. Slater; with amendments (Rept. No. 804);

H. R. 1933. A bill for the relief of Mrs. Elizabeth F. McCombie; without amendment (Rept. No. 790);

H. R. 2056. A bill for the relief of J. C. Bateman; without amendment (Rept. No. 791);

H. R. 2192. A bill for the relief of the Massman Construction Co.; with an amendment (Rept. No. 800);

H. R. 2348. A bill for the relief of Charles J. Smith; without amendment (Rept. No. 792);

H. R. 2891. A bill for the relief of Mattie A. Horner; without amendment (Rept. No. 793);

H. R. 3068. A bill for the relief of Alfred Thomas Freitas; without amendment (Rept. No. 794);

H. R. 3111. A bill for the relief of Louis H. Deaver; with an amendment (Rept. No. 801); and

H. R. 3754. A bill for the relief of Oscar and Anna Carlblom; without amendment (Rept. No. 795).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MAGNUSON:

S. 1889. A bill for the relief of the Pacific Coast Railroad Co.; to the Committee on the Judiciary.

S 1890. A bill for the purpose of erecting a Federal building in Vashon, Wash.;

S. 1891. A bill for the purpose of erecting a Federal building in Gig Harbor, Wash.;

S. 1892. A bill for the purpose of erecting a Federal building in Port Orchard, Wash.;

S. 1893. A bill for the purpose of erecting a Federal building in Silverdale, Wash.;

S. 1894. A bill for the purpose of erecting a Federal building in Poulsbo, Wash.;

S. 1895. A bill for the purpose of erecting a Federal building in Chelan, Wash; and

S. 1896. A bill for the purpose of erecting a Federal building in Cashmere, Wash.; to the Committee on Public Works.

By Mr. PEPPER:

S 1897. A bill to amend the Internal Revenue Code to increase personal exemptions for income tax purposes, and for other purposes; to the Committee on Finance.

By Mr. BUTLER:

S. 1898. A bill to provide a civil government for the insular possession of American Samoa, and for other purposes; to the Committee on Public Lands.

By Mr. FLANDERS (for himself and Mr. MCCARTHY):

S. 1899. A bill to provide for the establishment of a plan under which consumers may cooperate in the voluntary rationing of meat and meat products; to the Committee on Banking and Currency.

(Mr. BARKLEY introduced Senate Joint Resolution 169, to authorize the Secretary of Agriculture to publish the names of persons transacting business on the boards of trade and the amounts of commodities purchased or sold by each such person, which was ordered to lie on the table, and appears under a separate heading.)

DONATION OF PART OF SANTA ROSA ISLAND TO OKALOOSA COUNTY, FLA.—AMENDMENTS

Mr. PEPPER submitted amendments intended to be proposed by him to the bill (H. R. 3735) to authorize and direct the Secretary of War to donate and convey to Okaloosa County, State of Florida, all the right, title, and interest of the United States in and to a portion of Santa Rosa Island, Fla., and for other purposes, which were referred to the Committee on Armed Services, and ordered to be printed.

PRINTING OF SURVEY OF EFFORTS TO CONSUMMATE THE IDEAL OF HEMISPHERIC DEFENSE (S. DOC. NO. 114)

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent that the material on pages 11432–11434 of the RECORD of December 16, 1947, entitled "Survey of Efforts to Consummate the Ideal of Hemispheric Defense," be printed as a Senate document.

The PRESIDENT pro tempore. Without objection, it is so ordered.

STOCK PILING OF CRITICAL MATERIALS—ARTICLE BY JOHN GERRITY

[Mr. KNOWLAND asked and obtained leave to have printed in the RECORD an article entitled "Stock Piling Critical Materials," written by John Gerrity and published in Pathfinder Magazine for December 17, 1947, which appears in the Appendix.]

THEY'RE OUT TO GET TAFT—EDITORIAL FROM PHILADELPHIA INQUIRER

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an editorial dated December 17, 1947, from the Philadelphia Inquirer, entitled "They're Out To Get Taft," which appears in the Appendix.]

HEARING BY COMMITTEE ON APPROPRIATIONS

Mr. BRIDGES. Mr. President, I ask unanimous consent that the Committee on Appropriations may meet this afternoon if the Senate is still in session at the time of the proposed meeting.

The PRESIDENT pro tempore. Without objection, the order is made.

MEETING OF SUBCOMMITTEE OF THE CIVIL SERVICE COMMITTEE

Mr. LANGER. Mr. President, I ask unanimous consent that the subcommittee of the Civil Service Committee, consisting of the Senator from New Mexico [Mr. CHAVEZ] and the Senator from Montana [Mr. ECTON] be permitted to sit this afternoon. We have summoned witnesses to appear before the subcommittee and they have come from a long distance.

The PRESIDENT pro tempore. Without objection, the order is made.

THE HOUSING SHORTAGE AT THE CHRISTMAS SEASON

Mr. TOBEY. Mr. President, this is the Christmas season. I hold in my hand a Christmas greeting extended by Omar B. Ketchum, director, the Veterans of Foreign Wars national legislative service, which I wish to read into the RECORD because it is timely and challenging, and very pertinent to America's foremost problem, the need of adequate housing for people in ordinary circumstances. I read:

As I pause to extend greetings, I am conscious the present is not dissimilar to a day nearly twenty centuries ago when a holy mother found no room for her Babe in the inn. The shortage of housing was acute then. Centuries have not improved conditions much. Builders' greed, landowners' avarice, and social inequalities still menace the future. Although babes and children are being reared in quonset huts and in hovels, let us look toward a time when there will be room in the inn, and when all our people can have a happy Christmas. As we press hopefully toward this end may we become conscious of a new joy.

OMAR B. KETCHUM,
Director, VFW National Legislative Service.

AUTHORIZATION FOR SECRETARY OF AGRICULTURE TO MAKE PUBLIC CERTAIN NAMES

Mr. WHITE obtained the floor.

Mr. BARKLEY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Maine yield to the Senator from Kentucky?

Mr. WHITE. I yield.

Mr. BARKLEY. I wish to introduce a joint resolution and ask unanimous consent for its present consideration. I might state that it grows out of some controversy over the authority of the Secretary of Agriculture to make public the names of persons who are transacting business in the purchase and sale of commodities, feed, food, and the like, on the commodity exchanges. In view of the controversy over his authority in regard to that subject, if the Senator from Maine will yield to me for the purpose, I wish to send forward a joint resolution which clears up the matter, and authorizes the Secretary of Agriculture to do what there is dispute as to his authority to do.

Mr. TOBEY. As I understand, the joint resolution will give the Secretary the authority which he asks.

Mr. BARKLEY. That is correct.

Mr. TOBEY. And clear him?

Mr. BARKLEY. That is correct.

Mr. TOBEY. And the joint resolution would include everyone?

Mr. BARKLEY. It would include everybody who is engaging in speculation or other dealings upon the commodity-exchange markets.

Mr. TOBEY. Would Senators and Representatives be exempt?

Mr. BARKLEY. They would not.

Mr. President, I ask for the present consideration of the joint resolution.

Mr. TAFT. I object.

The PRESIDENT pro tempore. The Senator from Kentucky asks unanimous consent to introduce the joint resolution, which is granted. He further asks unanimous consent for its present consideration, the request being objected to. What does the Senator wish done with his joint resolution?

Mr. BARKLEY. I desire to introduce it. I may offer it as an amendment to the bill or joint resolution which is to be brought up today. I think there can be no objection to my offering it as an amendment to that measure.

Mr. TOBEY. I take it that the Senator from Kentucky expects that the measure which the Senator from Ohio will call up will pass.

Mr. BARKLEY. I am not making any predictions about that, but inasmuch as the Senator from New Hampshire is chairman of the committee which reported the joint resolution, I assume he wants it passed.

I ask unanimous consent that the joint resolution lie on the table for the time being, because I may decide to offer it as an amendment.

There being no objection, the joint resolution (S. J. Res. 169) to authorize the Secretary of Agriculture to publish the names of persons transacting business on the boards of trade, and the amounts of commodities purchased or sold by each such person, introduced by Mr. BARKLEY, was received, read twice by its title, and ordered to lie on the table.

PROPAGANDA BY WAR ASSETS ADMINISTRATION FOR RELOCATION OF INDUSTRIES

Mr. LODGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Maine yield to the Senator from Massachusetts?

Mr. WHITE. I yield to the Senator from Massachusetts.

Mr. LODGE. Mr. President, yesterday the senior Senator from New Jersey [Mr. HAWKES] informed the Senate about a paper issued by the War Assets Administration urging industry to move west. Today I have received a paper from the War Assets Administration urging industry to move south. I suppose that in the next few days there may be other publications by that agency of the Government urging industry to move to other points of the compass. This particular publication I have received this morning says:

LOOK SOUTH—OVERHEAD IS LOW—LABOR IS FRIENDLY

Favorable laws, low taxation, abundant natural resources and raw materials make the location of these commercial units desirable.

Then comes a brief statement of the advantages of that particular section of the country. I ask to have the statement printed in the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

LOOK SOUTH—OVERHEAD IS LOW—LABOR IS FRIENDLY—WHY NOT INVESTIGATE?

Favorable laws, low taxation, abundant natural resources and raw materials make the location of these commercial units desirable.

The information contained herein is believed to be correct but no guarantee is made.

Timber: 54 percent of the State is in timberland—thus assuring an ever-replenishing and almost inexhaustible supply of raw material.

Dairying: Mississippi is rapidly becoming a leading dairying State. The 526,000 dairy cattle in the State in 1946 produced 155,797,478 gallons of milk.

Textiles: Cotton affords an endless supply of annually replaceable industrial raw material. Over 2,292,749 acres of cotton were planted in 1945.

Ceramics: Mississippi has a wide variety of nonmetallic minerals which offer many commercial opportunities. Vast undeveloped clay deposits await further development.

This offering is subject to the Surplus Property Act of 1944 and pertaining WAA regulations.

For complete information and for arrangements to inspect the property, address War Assets Administration, Office of Real Property Disposal, 7020 Franklin Avenue, Station D, New Orleans, La.

Mr. LODGE. Mr. President, it is manifestly improper for any agency of the Government to urge industries to move from one section of the country to another. The War Assets Administration is set up to help the American people and not to cause economic dislocation. I say that, of course, without regard to the admiration and affection which I entertain for the South, for the West, and for every other section of our country. I say that we should put this agency on notice as publicly as possible that when it spreads propaganda seeking to have industries move from one section of the country into another it is doing something improper.

STABILIZATION OF COMMODITY PRICES AND THE NATIONAL ECONOMY

Mr. TAFT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Maine yield to the Senator from Ohio?

Mr. WHITE. I yield.

Mr. TAFT. I move that the Senate proceed to the consideration of Calendar No. 833, Senate Joint Resolution 167, a joint resolution to aid in the stabilization of commodity prices, and to aid in further stabilizing the economy of the United States, and for other purposes.

Mr. President, this measure was referred to yesterday, and I may say that I plan to present the reasons why I think it should be passed. I understand that the distinguished Senator from Kentucky has various amendments to offer, some of which seem to be entirely satisfactory. After the joint resolution has been explained, if the amendments have not been printed—and they may not have been—I shall move to lay the joint resolution aside temporarily and take up the bill dealing with regulation W and proceed with it until it is completed. I hope the amendments may be ready and that they will be presented, so that we may perhaps consider the joint resolution and get it through today, by reason of the fact that if the House may have 2 days in which to consider it, perhaps the joint resolution can be passed by that body. If the House has only 1 day, Friday, to consider it, perhaps it cannot pass the joint resolution.

I hope we may conclude consideration of the measure today, but it can be set aside temporarily for the convenience of the Senator from Kentucky to prepare his amendments, and we can proceed with the bill dealing with regulation W in the meantime.

Mr. BARKLEY. I thank the Senator from Ohio.

The PRESIDENT pro tempore. Let the Chair first get the record straight. Does the Senator from Maine yield to the Senator from Ohio to make the motion?

Mr. WHITE. I yield.

The PRESIDENT pro tempore. Then the Senator yields the floor. The Senator from Ohio is recognized, and yields to the Senator from Kentucky.

Mr. BARKLEY. I wish to make a statement. I shall not oppose the motion to take up the joint resolution. We on this side do not propose to attempt to delay consideration of the measure, or its adoption by the Senate in any form in which the Senate may finally complete the joint resolution. It was introduced only a day or two ago, and was reported yesterday. We did not see copies of the joint resolution as reported from the committee until this morning.

The joint resolution takes care of only 2 of the 10 points set forth in the President's message, that is, the extension of the export controls beyond the 28th of February, and power to allocate transportation. So, in order that we may undertake to provide so far as possible for the accomplishment of the President's program insofar as we can agree upon it, we have in process of preparation some amendments, which I hope will be acceptable to the Senate and to the sponsors of the joint resolution and to the committee. They will not be ready probably before 3 o'clock, and as a result I have called an adjourned meeting of our policy committee for 2 o'clock, to go over the amendments, in the hope that we may speedily agree upon them, and submit them for the consideration of the Senate.

I thank the Senator from Ohio for his courtesy in this regard.

Mr. TAFT. Mr. President, may we have the question stated?

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Ohio that the Senate proceed to the consideration of Senate Joint Resolution 167.

The motion was agreed to; and the Senate proceeded to consider the joint resolution (S. J. Res. 167), to aid in the stabilization of commodity prices, to aid in further stabilizing the economy of the United States, and for other purposes, which had been reported by the Committee on Banking and Currency with amendments.

Mr. TAFT. Mr. President, I wish to make a brief statement of the reason why I objected to the request of the Senator from Kentucky for the immediate consideration of the joint resolution repealing or amending the law which, it is alleged, prevents the Secretary of Agriculture from giving information regarding traders in grain on commodity exchanges. This matter was considered by the Chairman of the Committee on Appropriations and others this morning, and by the Republican Policy Committee, and, after studying the law, we came to the conclusion that under the law the refusal was wholly unjustified. I do not want to argue the point, but it seemed most unwise to establish the precedent that every time a member of the Executive Department refuses to give information, we immediately have to pass a special law in order to require him to give it. We feel very strongly that the subpenaing powers of the committees of Congress are adequate for the purpose, and that we ought not, as a matter of precedent, to admit the insufficiency of those powers in any case. I do not care to argue that question at the present moment. If the Senator offers his resolution, as he has a perfect right to do, as an amendment to the bill, of course that point will be a subject for argument, but I only wanted to explain why it was that I objected, namely, that there is a substantial point of argument which I did not want to become involved in the motion for immediate consideration.

Mr. BARKLEY. Mr. President, I think there is legitimate ground for doubting the authority of the Secretary of Agriculture to make public the names of those who trade on commodity exchanges. The law provides that he may make investigations and reports, but it makes an exception that he cannot divulge the names of individual traders or their transactions on the commodity markets. There is even doubt as to whether a committee of the Congress can compel him to do so in the face of that exception and prohibition But even if the committee can do so, no committee of Congress ought to be allowed to make a selective list which it would require the Secretary of Agriculture to divulge, without calling for the entire list. In order that there may be no doubt about his authority to do it, I have introduced the joint resolution. Certainly there ought not to be any objection to his authority to do it, if there is now any ground for questioning it. I am informed that the Solicitor of the Department of Agriculture has advised the Secretary that under the present law he does not have the authority, and what I am seeking to do is to authorize him to do it regardless of any exception in the existing law.

Mr. FERGUSON. Mr. President——

Mr. TAFT. I yield to the Senator from Michigan on this particular subject.

Mr. FERGUSON. I merely wanted to mention the fact that there is no intention on the part of the Appropriations Committee to ask for a limited list. The letter to the Secretary of Agriculture was very broad. It not only asked for all the names and the amounts, but it asked for all the information he had collected through his investigations and examination. There was no attempt, and there is no attempt whatever, to limit the investigation, or to have it anything other than a full investigation.

Mr. BARKLEY. The Senator will agree that if the law prohibits the Secretary of Agriculture from divulging the information, the law cannot be repealed or nullified by a letter written by a committee to the Secretary of Agriculture.

Mr. FERGUSON. I agree entirely to that statement; but the law is clear. I should like to read its first sentence:

For the efficient execution of the provisions of this chapter, and in order to provide information for the use of Congress, the Secretary of Agriculture may make such investigations as he may deem necessary to ascertain the facts regarding the operations of boards of trade, whether prior or subsequent to the enactment of this chapter, and may publish—

It will be noted there are two parts to this provision—

and may publish from time to time, in his discretion, the result of such investigation and such statistical information gathered therefrom as he may deem of interest to the public except data and information which would separately disclose the business transactions of any person and trade secrets or names of customers.

Mr. BARKLEY. That is the very exception.

Mr. FERGUSON. Mr. President, there are two parts to that section. The one is that he is to furnish all the information to the Congress; the other part, that he may in his discretion publish the report. When, in his discretion, he publishes reports not in relation to action by Congress, but generally, then he cannot divulge the names.

Let me read what the able Senator from Kentucky proposes to do. He does not propose to broaden the law, so that Congress may obtain this information. He proposes to allow the Secretary of Agriculture to give a partial list. Let me read it:

That section 8 of the Commodity Exchange Act, as amended, is amended by adding at the end thereof the following new paragraph—

This is what he proposes to do now:

Notwithstanding the foregoing provisions of this section or of any other law, the Secretary of Agriculture is authorized to publish from time to time the names of any—

Note, Mr. President, the words "of any"—

or all traders on the boards of trade and any other information in his possession relative to the amounts of commodities purchased or sold on such boards of trade by each such trader.

In other words, Congress, by this method, would authorize the Secretary of Agriculture to give a partial list of traders. That is not what Congress seeks today. I have no objection to it, but I believe the subpena of Congress should be sent to the Secretary of Agriculture, requiring him to produce not only all the names but all the information. I agree with the able Senator from Ohio that if Congress, every time it wants a scrap of paper or wants any information from the executive branch of the Government, must pass a law in order to obtain the paper or information, then Congress cannot function. I think action should be taken today, and that we should have such data immediately, instead of being required to await the passage of a law permitting the Secretary of Agriculture to publish generally to the public a partial list of names or any information. What we want is all the information, and, under the law which is upon the books today and which is clear, we should be able to obtain it by subpena. If we are unable to get it in that way, we should take every step that is possible, and we should do it as soon as possible, to investigate this matter fully, because, in my opinion, it is vital to the United States.

Mr. BARKLEY. Mr. President——

Mr. TAFT. I yield to the Senator from Kentucky.

Mr. BARKLEY. I wish merely to make this observation: I am not interested in the technicalities of a resolution, or of the present law, except to try to clarify the matter. Congress passed a law which is now on the statute books, authorizing the Secretary of Agriculture to make certain investigations. It authorized him to report the facts to the Congress, but it excepted the power of the Secretary of Agriculture to report the names of individuals who trade on the commodity exchanges. The Senator

from Michigan desires now to issue a subpena against the Secretary of Agriculture. The subpena is issued; it is executed; the Secretary comes before the Appropriations Committee, and he refers to the law, about which he has been advised, and which seems to me to justify the advice, that he cannot make public the individual names. What I am seeking to do is to authorize him to do it, whether before a congressional committee or in the newspapers or in any other way that he may think is in the interest of the public. It might be to the interest of the public to know the names, even without any investigation by the committee or any requirement of a committee or a subpena issued by a committee to the Secretary of Agriculture.

Mr. FERGUSON. I submit, Mr. President, the joint resolution of the Senator from Kentucky does not do that. It does not authorize the Secretary of Agriculture to produce before a committee all the information.

Mr. BARKLEY. If the Senator from Michigan is correct, such authority is unnecessary. He claims the Secretary has that authority now, and therefore the resolution will only broaden that authority, if the Senator from Michigan is correct, by authorizing him to publish the names.

Mr. FERGUSON. It would merely allow him to publish from time to time the names of any or all the traders, but not to give them to Congress, which is what Congress wants today.

Mr. BARKLEY. If the Senator from Michigan is correct, I, or any other Senator, could offer an amendment including the committees of Congress; so there could be no technical point in the position he now takes.

Mr. FERGUSON. I certainly shall offer such an amendment, if the joint resolution comes to a vote.

Mr. BARKLEY. I may say to the Senator that I would agree to broaden it. I asked the Legislative Drafting Service to draft the joint resolution to accomplish what I have in mind. This is the measure they have drawn. It is subject to amendment, and I probably would agree to broaden it.

Mr. FERGUSON. I certainly would ask that it be broadened.

Mr. TAFT. In any event, as I understand, the Appropriations Committee proposes to subpena Mr. Anderson to come before the committee and bring with him all the data of every kind he has, every list, every name in connection with purchases of grain. I ask the Senator from Michigan if that is not the present intention of the Appropriations Committee.

Mr. FERGUSON. Mr. President, the Appropriations Committee has called a meeting for 2 o'clock today, at which time the matter will be considered. I do not think it is necessary for the chairman to ask the committee for authority to do so, but he is going to ask for authority to issue a subpena duces tecum to the Secretary to bring in all the information, all the names, all the data, everything in connection with the subject matter, so the Congress may have access to the information in connection with this important question.

Mr. WHITE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	Myers
Baldwin	Hawkes	O'Conor
Ball	Hayden	O'Daniel
Barkley	Hickenlooper	O'Mahoney
Bricker	Hill	Overton
Bridges	Hoey	Pepper
Brooks	Holland	Reed
Bushfield	Ives	Revercomb
Butler	Jenner	Robertson, Va.
Byrd	Johnson, Colo.	Robertson, Wyo.
Cain	Johnston, S. C.	Russell
Capehart	Kem	Saltonstall
Capper	Kilgore	Smith
Chavez	Knowland	Sparkman
Connally	Langer	Stennis
Cooper	Lodge	Taft
Cordon	McCarran	Taylor
Donnell	McCarthy	Thomas, Okla.
Downey	McClellan	Thomas, Utah
Dworshak	McFarland	Tobey
Eastland	McGrath	Umstead
Ecton	McKellar	Vandenberg
Ellender	McMahon	Watkins
Ferguson	Magnuson	White
Flanders	Martin	Wiley
Fulbright	Maybank	Williams
George	Millikin	Wilson
Green	Moore	Young
Gurney	Murray	

Mr. WHITE. I announce that the Senator from Maine [Mr. BREWSTER], the Senator from Delaware [Mr. BUCK], the Senator from Oregon [Mr. MORSE], and the Senator from Minnesota [Mr. THYE] are necessarily absent.

The Senator from Nevada [Mr. MALONE] is absent by leave of the Senate on official business.

The Senator from Nebraska [Mr. WHERRY] is absent by leave of the Senate.

Mr. HILL. I announce that the Senator from Illinois [Mr. LUCAS] is absent by leave of the Senate.

The Senator from Tennessee [Mr. STEWART] is absent on public business.

The Senator from Maryland [Mr. TYDINGS] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The PRESIDENT pro tempore. Eighty-six Senators have answered to their names. A quorum is present.

Mr. TAFT. Mr. President, Senate Joint Resolution 167 is on the desks of Senators. It is a measure to carry out some of the provisions of the President's proposals, and to carry out in part some of the other provisions of the President's proposals. I should like to discuss the entire situation with regard to the President's proposals, which were contained in his message to the Congress on November 17, and the present status of each of those items.

The President said:

In summary, the immediate anti-inflation program that I recommend calls for the following legislative action:

1. To restore consumer-credit controls and to restrain the creation of inflationary bank credit.

The measure to restore consumer-credit controls is on the desk, and probably will be considered later today.

"To restrain the creation of inflationary bank credit" is a subject so broad that it is impossible to complete it at this session of Congress. Mr. Eccles presented a very elaborate plan to increase bank reserves by more than 100 percent, or by 25 percent in addition to the existing reserves, to be held in short-term Government bonds. Mr. Snyder does not agree with that proposal, and the whole subject is open to discussion. Mr. Eccles testified that in his opinion there was no hurry, that the fact that during the next 3 or 4 months between $5,000,000,000 and $7,000,000,000 of Government bonds would be redeemed, and deposits reduced accordingly, was a sufficient deterrent and deflationary effect on the growth of bank credit for the present.

I do not believe that anyone feels that the committees or individual members have as yet sufficiently made up their minds to determine what should be done in that field. The House bill contained a provision increasing the gold reserve against Federal Reserve notes and Federal Reserve bank deposits to 40 percent, as it was 2 years ago. I did not include that subject in this measure, because it seemed to me that it fell in the same general field of inflationary bank credit, and required further consideration, so it is omitted from the pending measure. Therefore, under the President's first point, we propose to consider one of the two questions, and postpone the other.

The President's second point is:

2. To authorize the regulation of speculative trading on the commodity exchanges.

The pending measure authorizes the continuation of the present voluntary agreement. It does not go further than that because there is a substantial difference of opinion, and I am afraid a very considerable controversy, as to whether authority to increase margins should be given. Personally, I am in favor of granting some such authority, up to a reasonable limit. I do not feel that there is any particular rush, because, as I understand, the grain exchanges will continue the present voluntary agreement. Mr. Mehl, head of the Commodity Exchange Authority under the Secretary of Agriculture, has testified that it is working satisfactorily, and he would not propose to raise margins today, even if he had the power; so we saw no emergency which required immediate consideration.

The President's third point is:

3. To extend and strengthen export controls.

That subject is covered by the pending measure. Senators will find the provision on page 3, section 3. It extends the present power for export control to February 28, 1949. The committee has inserted the following amendment, which was in the original House bill, and was requested by Secretary Harriman, dealing with the prices at which foreign goods are sold in relation to domestic prices:

(b) Notwithstanding any other provision of law, the President in the exercise of the powers, authority, and discretion conferred upon him by such act of July 2, 1940, as amended, is authorized to use price criteria in the licensing of exports, either by giving preference among otherwise comparable applications to those which provide for the lowest prices, or, in exceptional circumstances, by fixing reasonable mark-ups in export prices over domestic prices.

Mr. Harriman testified that he was embarrassed in South America, for example, by the fact that American exports were being sold at such high prices. When we appeal to the Argentineans to reduce the price of wheat, they point to the prices which they have to pay for American manufactured goods of various kinds. The provision in the joint resolution is not a price-fixing proposal. Mr. Harriman's proposal was that he approve an export license perhaps only if the mark-up over domestic prices was what he considered to be a reasonable price. He recognizes that the export business is a risky business. It is more trouble. Usually, it is conducted at a slightly higher price than domestic sales. His effort would be merely to prevent the margin over domestic prices from becoming unreasonable.

Personally, I doubt the effectiveness of such a measure, because it seems to me that any exporter who intended to charge a large margin could sell the goods at a low margin, and when he got them into a foreign country he could transfer them to some other company which he controlled, and take the additional margin there. But I suppose it may have some value as a gesture of good will, saying to other countries, "We are going as far as we can to prevent outrageous profiteering over and above what is charged here." The committee thought the provision should go in the joint resolution, and I agree that it is a proper provision. I feel that even today the Secretary could use price criteria in granting licenses. I think he could refuse or grant licenses, depending upon the price which was being charged. However, he has doubt of his power, and under the circumstances I see no reason why it should not be made express.

I may point out that for the past year the President has had full power to control and limit exports; and in my opinion the failure to exercise that power effectively is one of the reasons why we now have the present high prices.

The President's fourth point is:

4. To extend authority to allocate transportation facilities and equipment.

That subject is covered in the joint resolution under section 4, which extends that power until February 28, 1949, or such earlier date as the Congress by concurrent resolution, or the President, may designate.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. TAFT. I am glad to yield to the Senator from Florida.

Mr. PEPPER. The Senator stated that the export situation had a material effect upon high prices. Can the Senator give me some idea of the commodities and the quantities involved?

Mr. TAFT. I do not quite understand the Senator's question.

Mr. PEPPER. The Senator, as I understood him, said that the failure to curb exports, to exercise some authority over exports, apparently had been responsible, in a measure at least, for the present high prices. I wondered if he had any data which he might disclose at this point as to the commodities affected, and could give us some idea as to the quantity.

Mr. TAFT. I can give the data contained in the last report of the President's economic advisers, dealing with the Harriman plan. Those figures show that in the year 1947, at the rate at which we have been going, there will be exports of goods and services from the United States in the approximate amount of $19,000,000,000, and imports into the United States in the approximate amount of $8,000,000,000. We have taken out of our supply $11,000,000,000 worth of goods with nothing against that figure of $11,000,000,000. No matter how great our economy may be, we cannot take out $11,000,000,000 without its having a very substantial effect on all prices. Our manufacturers are making things. They and their employees receive wages and returns for making them. They have money to spend, and no goods are available to them for which to spend the money. Consequently we have an increased demand against a reduced supply, and that has a substantial effect upon prices.

I may add that the figures also show that of the $19,000,000,000 of exports somewhat less than $8,000,000,000 worth went to Europe. Approximately $11,000,000,000 or $12,000,000,000 of exports have gone to other parts of the world, and the deficit of imports from other parts of the world is in the magnitude of five or six billion dollars. There has been practically no restraint on exports. It has not all been a matter of relief. Some of the other countries have accumulated dollars during the war and obtained additional credit and, in one way or another, have been bidding up the prices of our goods.

Mr. PEPPER. I dare say that those countries would be glad to send us something if we would buy their goods.

Mr. TAFT. Not at all. No one can point to any tariff restriction or otherwise on such imports this particular year. Other countries have not produced goods to ship here. We have been producing goods, and they have not been producing goods. That is the real difficulty.

Mr. PEPPER. The point I wanted to make was that exports from this country include all that went to occupied areas and all that went in furtherance of the aid program.

Mr. TAFT. That is correct. Approximately 40 percent of all the exports went to Europe. The deficit of imports from Europe is approximately $5,000,000,000. The deficit from the rest of the world is about $6,000,000,000. Those are offhand figures. I shall be glad to insert in the RECORD the figures contained in the report of the administration's economic advisers.

Mr. ROBERTSON of Virginia. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from Virginia.

Mr. ROBERTSON of Virginia. I recently saw a statement dealing only with goods and not with services. The Senator knows that the freight charge on coal is more than the cost of coal. We exported in 1946 approximately 4 percent of our production, and it was estimated that in 1947 we would export approximately 3 percent of our total production. Has the Senator any figures in accordance with that statement?

Mr. TAFT. I did not hear the Senator's last figure.

Mr. ROBERTSON of Virginia. It was estimated that we would export 3 percent of our total production of goods in 1947.

Mr. TAFT. I think that in 1947 we will have exported, of goods and services, $12,000,000,000 worth, which would be approximately 6 percent of our total production.

Mr. ROBERTSON of Virginia. Is there any break-down between goods and services?

Mr. TAFT. I correct my statement. We will export approximately $19,000,000,000 worth, which is nearly 10 percent of our total production.

Mr. ROBERTSON of Virginia. All the figures which I have seen in the early part of the fall indicated that our exports were falling off. The reason given was that Latin-America and some other countries, including Canada, which had been heavy buyers, were running out of dollars and had to curtail their purchases. Is that correct?

Mr. TAFT. That is correct. Exports in the last quarter of 1947 are less than they were in the third quarter. The largest export amount was in the second quarter. We have not reached in either the third or fourth quarter the amount shipped in the second quarter.

Mr. ROBERTSON of Virginia. I understood that we exported more goods—I am not dealing with services—in 1946 than we did in 1947. In 1946 exports amounted to approximately 4 percent and in 1947 to approximately 3 percent of our production; and I understand that if the Marshall plan shall be carried out as recommended by the administration it will involve approximately 2½ percent of our production.

Mr. TAFT. I am afraid the Senator is incorrect, according to my information. Exports in 1946 amounted to approximately $13,000,000,000 as compared with $19,000,000,000 as estimated in 1947. It is anticipated that 1948 exports will not be so large in amount.

Mr. ROBERTSON of Virginia. According to the figures I saw, we exported in 1945 $19,000,000,000 worth of goods, less in 1946, and still less in 1947.

Mr. TAFT. I am afraid the Senator is incorrect. I shall be glad to insert the figures to which I have referred.

Mr. ROBERTSON of Virginia. I should appreciate it if the Senator would do so.

Mr. TAFT. I have already covered point No. 4. Point No. 5 is as follows:

5. To authorize measures which will induce the marketing of livestock and poultry at weights and grades that represent the most efficient utilization of grain.

Secretary Anderson testified that various methods had been proposed for him to do that, but he did not see at the moment any way to do it except in connection with some method of price control of grain and livestock. So that matter is not dealt with except that it may

be made a part of the voluntary program.

I now read point No. 6:

6. To enable the Department of Agriculture to expand its program of encouraging conservation practices in this country, and to authorize measures designed to increase the production of foods in foreign countries.

Those are two entirely different items. The first one is to expand the program in encouraging conservation practices in this country, which of course means grain conservation, to include voluntary handling of limitations on grain, livestock, and poultry.

By the way, no one can think of any manner in which it would be possible to limit the weights and grades of poultry. That is entirely abandoned. But otherwise this program would be included in the voluntary program.

In discussing this matter with Members of the House of Representatives, I found that they felt that the Department of Agriculture already had authority to continue this particular program. As a matter of fact, the Department has been spending money on it. So the plan was to put it in the appropriation bill which is coming before the Senate, and which I understand will contain an appropriation for the purpose. The distinguished Senator from Kentucky [Mr. BARKLEY] has introduced an authorization measure, however, and has stated a possible intention of offering it as an amendment to the pending joint resolution. I certainly would have no objection. The only reason why it was not included in the pending measure was our feeling that it already was authorized.

The second part of No. 6 provides for authorizing measures designed to increase the production of foods in foreign countries, and that is covered in the same way in the appropriation bill. Again an authorization bill may be offered as an amendment, and again I would have no particular objection. I think it should be pointed out that it really has nothing to do with inflation at the present moment, because any program to encourage the production of foods in foreign countries would not be effective and would not produce any food for the world or for us probably for some 18 months. So it is not anything that has any bearing at all, I would say, on present high prices.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. Inasmuch as the Senator from Ohio has included it as one of his points—and let me say that the points he is elucidating in his statement do not correspond to the sections of the joint resolution, it seems to me——

Mr. TAFT. That is correct. Two sections cover points 3 and 4. I now go to point 7.

Mr. BARKLEY. Inasmuch as the Senator from Ohio has included in a general way the matter of promoting the production of foods and feeds in foreign countries, I would say it would be just as applicable to an amendment, if I were to offer one, covering the same subjects as those covered by the joint resolution.

Mr. TAFT. That is correct.

Mr. BARKLEY. The Senator from Ohio may be correct in that it would not have any immediate effect upon prices; but considering that there is likely to be a considerable period of time in which there will be a shortage of food all over the world, it has been thought desirable to authorize specifically some agency of the Government—either the Commodity Credit Corporation or the Department of Agriculture or some other appropriate agency—to promote the production of foods and feeds in other countries outside Europe.

Mr. TAFT. The Department of Agriculture did that in one case, beginning about 2 years ago, immediately after the war. The Department encouraged in every manner the production of copra in the Philippine Islands, and very successfully. Today we are very grateful for the work that was done 2 years ago; and I agree with the Senator from Kentucky that it is a very good thing to be done for the good of the world. I was merely pointing out that it had no immediate effect on prices today.

7. To authorize the allocation and inventory control of scarce commodities which basically affect the cost of living or industrial production.

That is a proposal which is contained in a bill which was offered, I think, by the Senator from Kentucky; and it would give the Government the same kind of power—complete power—which the War Production Board had to limit inventories and set up material allocation programs and plans and allocate the distribution of all goods—an over-all control of an extremely totalitarian character, if it should be entirely used.

It is stated by the Secretary that it will be used only selectively in a few cases. There is very considerable opposition. We had many requests from industries to be heard in opposition to it. It became apparent very early in this session that we could not possibly complete consideration of that question at this special session of Congress before the Christmas holidays. So we searched to see what we could do to get this matter started.

The pending joint resolution proposes that the President shall begin to undertake to do this voluntarily, so far as possible. The witnesses before the committee and the President himself have indicated that they hope to accomplish the great bulk of what can be done in this field—that is, removing bottlenecks by allocating commodities to places where they are particularly needed—on a voluntary basis. The proposal of this measure is that we give them now the authority to do so on a voluntary basis, and then proceed to consider where compulsion may be necessary; and if compulsion is found to be necessary, we should take up that question following this session, in any particular field or place where such compulsion may be necessary. Personally I would not be in favor then of granting selective power. If selective power to allocate is to be used, I think the Congress should make the selection, because my experience is that if we grant over-all powers to an executive agency, a new bureau is set up to administer them or an existing bureau is designated to administer them, and gradually that agency spreads out until it comes to exercise those powers over the whole field.

So the theory of this joint resolution in respect to the allocation and inventory control of scarce commodities which basically affect the cost of living or industrial production is to have the program go as far as possible on a voluntary basis, and then if it is found that it cannot be successfully applied in certain fields on a voluntary basis, to grant compulsory authority as to those fields.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. ELLENDER. Is it not a fact that except for possible violation of the antitrust laws, the President already has authority to do everything that it is now suggested that he do under the pending joint resolution?

Mr. TAFT. That is correct.

Mr. ELLENDER. As I understand the proposal, it is that the President himself shall initiate the whole plan, that is to say, he will ask various manufacturing concerns to enter into voluntary agreements as provided for in the joint resolution. Suppose such voluntary agreements are entered into in the way that is contemplated, what penalties, if any, will attach for violation of such agreements?

Mr. TAFT. The first penalty would be the granting of authority to put it on a compulsory basis. If the industry is not going to cooperate, we shall have to ask for additional authority to enforce the agreements.

Mr. ELLENDER. Mr. President, will the Senator further yield?

Mr. TAFT. I yield.

Mr. ELLENDER. But until that is done—which would mean additional legislation—there would be absolutely no way by which any agreements thus entered into could be enforced. That is correct, is it not?

Mr. TAFT. I think it would be possible to write an agreement so that the other parties could sue the violator for damages. Yes; that could be done. In such an agreement there could be a penalty clause for liquidated damages. I think that could be done.

Mr. ELLENDER. But there would be no obligation, would there, which would require all manufacturers of one product or commodity, let us say, to join in such an agreement?

Mr. TAFT. No; there would not. This is to be on a voluntary basis.

Mr. ELLENDER. It is to be purely voluntary. So that the producer of one product could not force his competitor to join in any agreement. Does the Senator from Ohio think it will work?

Mr. TAFT. Yes; it will work. Let me read what the witnesses have said. Mr. Chapman, Acting Secretary of the Interior, said this:

First, Congressman, we would be extremely hopeful that it would not be necessary to apply them at all.

He was speaking of these controls.

First, we would like very much——

Mr. ELLENDER. Mr. President, let me inquire what the witness was talking about at that point.

Mr. TAFT. He was talking about the application of inventory controls and allocation controls.

Mr. ELLENDER. I see. But that is not provided in this measure. He is talking about a different method of approach, one that can be enforced. No penalty is to attach, as I understand, and therefore, I repeat, the language there used is not applicable.

Mr. TAFT. That is correct.

Mr. ELLENDER. I repeat it is all to be on a voluntary basis, and there would——

Mr. TAFT. That is correct.

Now let me continue to read what Mr. Chapman said:

First, we would like very much—and it is not in the process of discussion with the industry—to work out as many voluntary factors as possible between the industry and the Government to see if we cannot relieve some of these pressure areas now.

We are hoping that these voluntary factors will in and of themselves answer this problem. But where you have a shortage of a commodity, as we have here, and the commodity is so basic to the whole industry of America, it is obviously most likely to affect the price. Therefore, we would have to move probably to the next level. If the first efforts did not prove successful, we would then have to move there to the next step, which would probably be allocations.

What he is saying is that first the voluntary procedure should be tried. What we are saying is, "Very well; while we are considering compulsory controls, we give you the power to proceed on this voluntary basis; and when we return at the next session, we will consider going further, if necessary."

Now let me read further:

Mr. CHAPMAN. We would immediately attempt, first, as I tried to explain, the voluntary efforts, to see if that would not meet the emergency. And we hope that they would.

He is the Under Secretary of the Interior, and he favors controls, but he is describing how he is going to start the system. He is going to start it entirely on a voluntary basis.

Mr. HAWKES. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield to the Senator from New Jersey.

Mr. HAWKES. From what I have heard the Senator from Ohio say, he is simply taking the plan of these Government agencies at par. They say they want to try the controls on a voluntary basis, and hope and believe they will work. Is that correct?

Mr. TAFT. That is correct.

Mr. HAWKES. The Senator is saying, "If that be so, let us proceed along that line." We believe it to be so. We believe that the difference between America and the rest of the world is that the United States of America is a voluntary-cooperation nation as compared with regimentation and dictatorship which has failed in Europe. Our people want to try the voluntary system before we go into any other system. Is that correct?

Mr. TAFT. That is a correct statement. We do not care to grant over-all controls unless it is proved to be necessary, and if the administration officials think most of the work can be done on a voluntary basis, let them try that first, which is the proposal contained in the joint resolution, particularly because the whole question is a highly controversial one. If we got into the question of basic controls, we would debate it for 2 weeks, at least. It is impossible to consider that question at this session. But what is proposed is something for which the administration asked, something it seemed possible to grant, something which will enable them to get started probably a month earlier than they could otherwise get started. The pending measure was drawn with that purpose in view.

Mr. HAWKES. Mr. President, will the Senator yield further?

Mr. TAFT. I yield.

Mr. HAWKES. We are merely saying, "Acting on the spur of the moment, under pressure, we are going to take the first part of your suggestion and see if it will work; that is, see if what is desired can be done voluntarily."

Mr. TAFT. That is correct. Let me read what Secretary Harriman said about the necessity of the anti-trust-law provision. He said:

Secretary HARRIMAN. I think you have to put the controls on, sir, and work cooperatively and simultaneously—work to get full cooperation. The President has inaugurated a food-conservation program which is off to a good start. It will take some time, however, before its full effects will be felt. It is impossible, in terms of dealing with some of the cooperative action that I speak of, with industry, not to have at least the reserve powers which I described in order to make effective, in many cases, the desires of the majority of an industry, because it is necessary, in many cases, to get all of the members of industry to conform to the program, as otherwise those who wish to work cooperatively are unable to do so.

In addition, the inhibitions of our antitrust laws frequently make it impossible for industry to sit down and discuss production and distribution questions without jeopardizing themselves and placing themselves in the position of possibly being accused of violation of our antitrust laws.

That is Secretary Harriman's statement. That explains very clearly the necessity for the clause which provides that they may be exempted. If, for instance, the steel companies agree that they will limit their supply of steel to some nonessential industry, if they sit down around the table and agree to that, the nonessential industry can bring a suit against them for triple damages tomorrow, under the Sherman Act. But if we exempt them from the effect of the antitrust laws, with the approval of the President only they can enter into such an agreement on allocation of priorities which have an injurious effect perhaps on some other industry—but only with the approval of the President.

Mr. COOPER. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield to the Senator from Kentucky.

Mr. COOPER. In support of the argument the Senator is making, I should like to say that in the hearings on the proposal of Mr. Harriman testimony was heard on the voluntary allocation of steel for freight cars, the shortage of which constitutes, as everyone admits, one of the great bottlenecks. Testimony was presented from the Office of Defense Transportation that since January of this year two requests have been made of the steel industry for voluntary allocation for the manufacture of cars, one for 215,000 tons in the month of January and later for 250,000 tons, in July.

Mr. TAFT. For freight cars?

Mr. COOPER. Yes. The testimony was given that in each case the administration had the full cooperation of the steel industry. The witnesses for the Office of Defense Transportation went further and testified that one factor which had prevented greater success in the car-building program was the fear of the steel people that they would be subject to prosecution under the antitrust laws because of their voluntary agreements. They indicated an exemption from such antitrust provisions would bring about better results in voluntary agreement.

Second, I should like to say that in the testimony that was heard, several representatives from the various governmental departments stated that it would take at least 3 months to organize their departments and to organize agencies which could effectively administer compulsory controls, even if the Congress should adopt them today. For this reason it seems to me that voluntary agreements provide a method of securing action now, while more drastic methods are being considered.

Mr. TAFT. I agree with the Senator. Incidentally, it would take nearly 2 or 3 months to set up the machinery actually to undertake the control of inventory production. It took the War Production Board nearly 2 years to get around to what they considered effective controls.

Mr. BARKLEY. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. BARKLEY. Under the language of the joint resolution, how long will it take the President to consult all the industrialists of the United States and get them together to enter into a voluntary agreement? How much longer would it take to set up some sort of machinery by which he might impose compulsory or mandatory allocations, than for him to consult them, under the language of the bill, and bring about the same result voluntarily?

Mr. TAFT. The President can go at only one thing at a time.

Mr. BARKLEY. It would take longer for him to cover the whole country in these consultations, and then have them make an agreement, than to set up some sort of machinery by which it might be done by some kind of mandatory regulation.

Mr. HAWKES. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield to the Senator from New Jersey.

Mr. HAWKES. I merely wish to bring to the attention of the Senator some of the conditions which were disclosed before the subcommittee of the Senate Committee on Interstate and Foreign Commerce when it held hearings in connection with the shortage of coal and fuel oil. People are facing a shortage of these important commodities, particularly in the New England States, in New Jersey, Pennsylvania, and some points in

the Midwest. Without the power the Senator from Ohio is asking, which would afford opportunity for conference and allocation, the situation in regard to fuel has become very difficult in the New England States. For instance, the Governor of Massachusetts testified before our committee a few days ago that there is a substantial surplus of coal in Massachusetts. The Governor of Maine testified that there is a substantial shortage, a very substantial and very aggravating shortage, in Maine. Representatives from New Jersey testified that in some places there is more fuel oil than is needed, and that in other places the supply is short, and some people must suffer.

My point is that the people of the United States, who are faced with the high cost of living, and with a shortage of fuel, and shortages of other important articles, do not want a lot of rigid laws to prevent them from having something to eat and something to keep them warm. I am sure they expect sufficient intelligence on the part of their representatives to see that such obstacles are waived temporarily, in the face of an emergency.

I merely wanted to say to the Senator from Ohio that that matter has come to my mind, and it seems very pertinent to the issue he is discussing.

Mr. TAFT. I thank the Senator.

Mr. ELLENDER. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield to the Senator from Louisiana.

Mr. ELLENDER. A moment ago I desired to interrupt the distinguished Senator when he was reading excerpts from some witness' testimony. I think that was prior to his reference to the testimony of Mr. Harriman. As I understood this witness' contention, it was that he was desirous, first, of making an effort to control inflation on a voluntary basis, and if that method did not work, then it was his intention to advocate controls. Is that what the Senator read?

Mr. TAFT. Not quite. All the witnesses asked for the power, which is the program of the administration; that is admitted. Other parts of their testimony indicate that they want the power to exist. They may think it will help them get voluntary control. All of them say, "We will first try to do it on a voluntary basis," and all we are trying to do here is to make it easy for them to go ahead and do it on a voluntary basis, while we are considering the question of whether there are particular fields to deal with.

I may say that this provision is not so much directed to the question of price control or inflation, but of clearing up bottlenecks, which will increase production; for instance, an agreement that will get a greater volume of nails, so that there will not be the hold-back on production of various kinds of things that require nails, particularly housing. It is an indirect effect on inflation that we are dealing with in the question of allocations and priority controls.

Mr. ELLENDER. But if the voluntary method does not work, the Senator himself will advocate, in the near future, as I understand, methods by which it can be done legally and by force?

Mr. TAFT. In the field of allocation and priority control, yes. But I should like to do it in a particular case; that is, I do not want to grant general authority to do it. If the steel industry requires it done, then I would confine it to the steel industry. It might be that in the steel industry it could be limited, say, to the assignment of 10 percent of the total production for special purposes required. I am always in favor of limiting powers, and I think Congress ought to proceed along that line. The Price Control Act was full of provisions for voluntary agreements with industry, but the OPA entirely ignored them. For all practical purposes no such agreements were ever attempted to be made, because the OPA had the power to act without them, and they preferred to use the power. I suggest that it is better to provide first for a voluntary procedure which the departments say they desire first to use, and then, if that fails, when we come back here we can take further action. One Senator asked me whether the statement of general policy, which is contained in the statement of the Republican Policy Committee, indicated that we might consider the rationing of meat, we will say. I said "Yes, a showing could be made probably that there was not any voluntary method by which consumer rationing could be brought about, and so if that was desired, probably express authority, would have to be granted." I do not know; but perhaps a voluntary method can be successful in an effort to reach 140,000,000 consumers. Therefore, the policy here is simply to make a start on the general question of allocation, with the idea that if it is impossible to do what is desired on a voluntary basis—I think it can be done in most cases voluntarily—then further action can be taken. In this measure itself there is one case in which we are already finding that it cannot be done on a voluntary basis, because I understand the branches of the industry cannot agree with each other, and so we are providing compulsory authority in the case of a limitation on grain for use in distilling. That is an instance in which apparently, after strenuous efforts, the Secretary is now about ready to make the statement that he cannot proceed on a voluntary basis. That is a typical instance showing the good faith of our profession that when voluntary controls break down we shall be prepared to face the question of compulsory control.

Mr. ELLENDER. In other words, Mr. President, I imagine the proposed voluntary method of inflation controls is to be used somewhat in the nature of a big stick, that unless it is done by big business on a voluntary basis, look out. Take heed. We are coming back in January.

Did the committee itself give any consideration at all to imposing a penalty as to all signatories to an agreement who violate it, who fail to carry it out?

Mr. TAFT. No. I had not heard that suggestion made until the Senator made it.

Mr. ELLENDER. Would the Senator be opposed to such a provision?

Mr. TAFT. Does the Senator mean a provision that any man who violated such an agreement, approved by the President, should be prosecuted?

Mr. ELLENDER. Yes. That any signatory violating any of the provisions of the agreement should be punished in some manner.

Mr. TAFT. I should not object to that, if it were a willful violation.

Mr. ROBERTSON of Virginia. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. ROBERTSON of Virginia. Does the Senator from Ohio think the voluntary program would be improved if we struck out the prohibition against an agreement to fix prices? The President, of course, would not approve an agreement to increase prices. What good purpose would be served by prohibiting his approving an agreement to lower prices, if the major suppliers of a given item were to get together and agree, "We are going to cut down the prices; we will stick together to cut them down?" Why could not those three or four words constituting the prohibition be eliminated?

Mr. TAFT. We considered at some length, originally, with the House, the question of whether a voluntary agreement should extend to the question of price. After long consideration we thought it should not. That would be in effect going back to the days of the NIRA. If an effort is to be made to affect price at all, my inclination is to think it should be by a compulsory control. I do not like to return to something similar to the NIRA, which I do not think worked successfully. I think, in that field, it may well get to a point where industry has too much to say about fixing prices. It is our theory that either the price system is right and will itself correct inequities, or the Government should be allowed to regulate it. If the price system is right, we had better let it operate free from the controls of industry, as well as free from the controls of the Government, or of Government and industry jointly. I think that the moment we try to authorize an agreement respecting prices, we run into a much greater violation of the spirit of the antitrust laws. I think it would be a mistake to go into the question of voluntary agreements to fix prices, even if it were in order to obtain lower prices.

Mr. ROBERTSON of Virginia. Is it not true that we face a situation which is just the opposite of what was faced in 1934? The NIRA agreements were to raise prices; they were to take care not only of the efficient operator, but the inefficient operator. It was the vice of the NIRA that an agreement was made that would take care of a reasonable profit for the inefficient operator. The essence of inflation is that prices are rising too high. All the proposals for legislation in the Senate I assume are aimed at keeping prices from going higher and perhaps at finding some way of bringing them down again.

Mr. TAFT. I think the major issue of price control will have to be debated by the Senate at some length, with a considerable reference to whether prices are too high, and to a determination of what prices are too high. That cannot be done at the special session. I do not like, even by voluntary agreement, to go into the

question of giving people the power to fix prices, or of giving it jointly to Government and industry. That itself is, I think, open to serious question. I am willing to admit that the question is open to debate.

Mr. ROBERTSON of Virginia. I am wondering what would be accomplished under a voluntary agreement with respect to prices, if it were an agreement to lower prices. What could be agreed upon that would help keep prices down?

Mr. TAFT. It might be an agreement for the allocation of goods, the effect of which might be to increase production in such a way as to bring prices down. After all, the whole price question in its ultimate analysis is one of supply and demand. It is a question of whether there are sufficient goods, or of whether the supply of goods is greater than the demand. If the supply can be increased sufficiently, it will solve the price question.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. PEPPER. I think the Congress and the country appreciate any step toward meeting this very serious situation, but I think the country is going to be disappointed in the probable effectiveness of the program the Senator from Ohio is now outlining. The Senator has said that he has made this moderate, modest, and reasonable approach because it seemed nothing else could be accomplished at the special session. I was going to suggest two things that I thought might very well have been put into the bill, and it could be adopted in that language as well as it could be adopted in its present form, if it is to be adopted at all. The first is, the Senator from Ohio says, "Let us try moderate proposals; let us see if they work." The Senator seems to overlook the fact that we are dealing with a fire that is growing more intense and spreading farther all the time. It is already a conflagration, and if we allow more and more time, the danger and the menace become all the greater to the American people. Now to stop that inflation, if the Senator wants to provide a fair opportunity for voluntary control to work, why not freeze all prices and all wages and everything else at a given level, and prevent them from going higher during the period of experimentation which the Senator from Ohio contemplates? That could be done. There could also be immediately set up, by the bill, an equalization authority which would have immediate power, once the freeze went into effect, to permit raising of prices or wages in particular instances where it might be found to be proper. In that way we could at least stop the acceleration of price increases. We could provide authority for immediate adjustments, because raises upward can always be made, simply by giving authority to someone to make upward raises. It seems to me that in that way we could at least stop the spread of the conflagration, and achieve some kind of stabilization, even though it had to be upon a higher level.

The alternative action that might be taken, it seems to me, if the program were intended to be most effective, would be to give to the President authority to fix prices in certain selective fields, either by forcing concurrence in a so-called voluntary agreement, or by prescribing what is a fair price, and simply to order that price put into effect, at least in the selective fields, in the case of steel, for example, and in the case of certain other commodities which might be regarded as key commodities. But if we continue without one of the emergency measures being adopted by the Congress in the present session it simply means more time will pass and the situation will become far worse, and we shall still be tinkering with some sort of questionable procedure.

Mr. TAFT. Mr. President, I do not desire to enter into a general debate on the subject of price control. I think I am quite prepared to answer the Senator, and to answer him at great length. What I am trying to do here is to go as far as we can without that kind of discussion. The Senator proposes, because it is a very simple thing to do: "Do not permit prices to go up. Simply fix them." In the first place, such a procedure will not work. The taking of such a step will not keep prices from going up in peacetime. In the second place, if such a procedure did work it would increase demand and decrease supply, instead of the opposite. It is not a proper and fundamental method of meeting the causes of inflation. There are four or five other things that ought to be done. We cannot hope to continue the causes and the policies that create inflation and then arbitrarily prevent their operation by fixing prices. I do not think any such thing can be done. As I said, I do not want to enter into that general discussion at the present time, because I think the committee will give full consideration to that question and will make a report, and it should do so at the earliest possible time after the return of Congress in January.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. I was very much interested in the inquiry propounded by the junior Senator from Virginia [Mr. ROBERTSON], because when I read the provisions of the bill authorizing agreements, authorizing the President to consult industry in order to make agreements, I was somewhat surprised to find a provision at the end of one of the paragraphs prohibiting any agreement or prohibiting the President from approving any agreement to fix prices.

What we are all talking about now and what the country is thinking about is prices. The average man may not understand all the ramifications of inflation. He may not know the technical definition of inflation. He may not know just how it comes about. Every man and every housewife knows when prices go up. They know how to compare prices at this time with those which prevailed a year ago or 2 years ago or 5 years ago. So it seems to me the committee has gone out of its way to say to the President and to industry, "You may agree on everything; you may come before the country with an agreement in regard to everything; but do not touch the sacred precinct of prices, because if you do the President is prohibited from approving any such agreement."

Mr. TAFT. I wish to make a suggestion to the Senator from Kentucky. The moment an agreement with respect to prices is made, whether it provides for lower prices or not, that agreed price becomes the price in the industry. That agreement fixes the price. It eliminates the whole element of competition.

Mr. BARKLEY. Not necessarily.

Mr. TAFT. Yes; in effect it does. The moment an agreement is entered into with respect to price it fixes a price, even though it is a maximum price.

Mr. BARKLEY. The Senator knows that one industry, or one component part of the industry, hesitates to take the initiative in regard to reducing its own prices. Very naturally it will say, "Everyone else is getting this high price. Why should we voluntarily reduce ours?" So there will be no voluntary reduction in prices unless the industry engaged in the production of certain commodities agrees upon it.

The Senator has said that no matter how much an industry might justify cooperative action in the reduction of prices, the President cannot approve such an agreement as that, and the members of an industry cannot enter into it. It seems to me that such a prohibition is wholly unnecessary, and that industry and the President, according to the theory of the bill, ought to be left free to determine what sort of agreements are to be made, if action is to be on a purely voluntary basis, which frankly I do not think would be very effective.

Mr. TAFT. My feeling is very strong that we want to keep competition alive. The moment we permit the members of an industry to get together and fix a price, even though it is a maximum price, it becomes the minimum price, and competition therefore is eliminated in that particular industry. I do not think it is true that people do not reduce prices because others are not reducing them. Many people have reduced prices without waiting for other members of the industry to do so. What we must bring about is an increase in the supply and a decrease in demand, which will make competition operate to force people to reduce prices. My own belief is that a voluntary agreement about prices in effect fixes the prices and removes competition, and in the end will do more harm to the cause of low prices than good.

Mr. BARKLEY. Mr. President, will the Senator again yield?

Mr. TAFT. I yield.

Mr. BARKLEY. I should like to discuss for a moment the Senator's other proposition respecting the voluntary features of the bill, with a sort of a big stick held behind the congressional control, that "if you do not behave under the voluntary system we will come in and take the stick from behind the door and use it." Is it the Senator's viewpoint that, if the voluntary system is tried out, and if Congress then discovers that in the steel industry the plan does not work satisfactorily, therefore a bill should be passed providing for compulsory imposition of controls, or allocations, or priorities in the steel business; then a month

or two later, if we find that the voluntary system had not worked in the meat industry another bill should be brought before Congress which would accomplish the same purpose, and so on ad infinitum? That would simply be like Congress, by legislation, trying to fix railroad rates one at a time. Especially would that be true if Congress were not in session for the period, under the Reorganization Act, from July until January. Then whenever it was discovered that the voluntary arrangement had not worked Congress would have to be called back into extra session to pass another law providing compulsory controls in some particular fields It seems to me the Senator's position in that respect is subject to the charge that it is a most tenuous sort of treatment of the whole subject over a long period of time by dealing one at a time or two or three at a time with the proposals in regard to compulsory allocations.

Mr. TAFT. So far as allocation and inventory controls are concerned, I may say that the representatives of the Government have been wholly unable to point out more than one or two industries in which they think they are needed. Why on earth should we give power over a thousand industries in order to meet the Government's request with respect to one or two industries? I think we ought to ask the representatives of the Government, "Why do you want to control steel? Why do you want to control this other commodity? What are the problems?" If there are a number of problems, they can all be lumped together and provided for in one bill. I do not care about one bill at a time being considered. But it seems to me that before we impose this kind of control on any industry someone ought to come before Congress and say why it is necessary, and what kind of plan cannot be carried out voluntarily. Today there is no such evidence respecting allocation or inventory control before Congress. Mr. Harriman cited a few instances, mostly in the steel field and in the distilling field. Outside of that I know of no case where anything can be accomplished by the control of allocation and inventory.

Mr. President, on this general subject I invite attention to section 7 of the bill prepared by Secretary Harriman and sent here for introduction. Section 7 provides as follows:

SEC. 7. (a) Whenever a governmental officer or agency which is authorized to and could exercise mandatory powers and to impose mandatory controls with respect to a given material, commodity, or facility, under this act, determines that a plan of voluntary action with respect to such material, commodity, or facility is practicable and is appropriate to the successful carrying out of the policies set forth in said act and would make unnecessary an exercise of the mandatory power conferred thereby with respect to such material, commodity, or facility, that agency or official may request in writing compliance by one or more persons with such plan of voluntary action as may be approved by the Attorney General. Any act or omission by such person or persons in compliance with a written request made pursuant to this section and with a voluntary plan promulgated thereunder shall not be the basis at any time for any prosecution or any civil action or any proceeding under the antitrust laws of the United States or the Federal Trade Commission Act.

In the first place, Secretary Harriman's bill very clearly implies that he thinks a plan of voluntary action may be successful and may make unnecessary the exercise of any mandatory power; and if that is so there ought to be exemption from the operation of the antitrust laws. What we are doing is exactly the same thing. If there is objection to the particular language used in this measure to accomplish that purpose I am perfectly willing to consider an amendment along the line of the Secretary's bill.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. That language is coupled with language of the bill which the Senator did not read, giving the President authority to bring about mandatory allocations.

Mr. TAFT. That is correct. The Harriman bill contains both proposals.

Mr. BARKLEY. So it is a combination of the voluntary and the mandatory. It seems to me that that is a wise alternative. With the power to allocate, provide priorities, and so forth, if the President or the department which would be designated under the act to enforce the law should find that the voluntary system was workable and practicable, authority could be granted to institute it. But in the event that it was not workable and did not succeed, they would have this mandatory power, which is granted in the proposed bill, which would not make it necessary for them to come back to Congress every time they found a failure in the voluntary system.

Mr. TAFT. I quite agree that the proposed bill covers both.

Let me point out that the price-control bill does not contain any voluntary authority. It does not contain any right to obtain exemptions from the operations of the Sherman antitrust law. So the administration has made exactly the same distinction we are making in this measure between voluntary agreements dealing with allocations and priority and voluntary agreements dealing with prices.

Mr. BARKLEY. That would indicate that the proposal so far as prices are concerned is in harmony with the Senator's viewpoint that when it comes to prices there must be compulsory action or none at all.

Mr. TAFT. That is my general theory.

Mr. President, there is one further question. I referred to the provision in the joint resolution which limits the use of grain for the production of distilled spirits for beverage purposes. The committee amendment reads as follows:

(b) Notwithstanding any other provision of law, title III of the Second War Powers Act, 1942, is hereby revived and reenacted for the exercise of the powers, authority, and discretion conferred on the President by such title III with respect to the use of grain for the production of distilled spirits for beverage purposes. The authority granted by this subsection shall expire on January 31, 1948.

That merely confers the power to limit the use of grain in distilling.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. Let me complete the historical statement.

As I understand, a voluntary agreement was reached, in which all distilling of grain was stopped for a period of perhaps 60 days, which agreement expires on the 25th of December. After that, distilling will be wide open, and distillers may use a very large amount of grain, although there is a very large amount of distilled spirits and whisky already in storage. I believe that today the Secretary of Agriculture is trying to reach an agreement to extend that arrangement, at least in some limited form. There is a substantial difference of opinion in the industry. Some members of the industry want either a complete shut-down or completely wide-open operation. The other part of the industry wants to operate on a restricted basis, the restriction to be based, perhaps, on the historical manufacture of whisky or distilled spirits for beverage purposes. It seems to be impossible to reconcile that difference. The Secretary told me yesterday that he thought a resolution should be prepared in case these negotiations should fail. If we do not do anything before we leave here, we shall be up against the situation of a large amount of grain being used between the 25th of December and the time we return and are able to take action.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. We are all familiar with what happened in regard to the restriction of the use of grain in the production of alcoholic beverages. There were many conferences between the Secretary of Agriculture and the distilling interests prior to the lifting of all restrictions as to the use of grain. Finally—I think it was last September—the restriction was entirely removed. The amount of grain used per month during that period of 9 or 10 months by the entire distilling industry was about 4,500,000 bushels. When the food-shortage situation developed and became acute, a voluntary agreement was sought with the distilling industry to shut down for 2 months, which was done. That did not include the producers of what is called neutral spirits. Neutral spirits is an alcohol used in the blending of whisky by blenders. They take about 75 percent neutral spirits and add 25 percent of real liquor, put some coloring agent in it, and make it look like the real article. That arrangement did not apply to the producers of neutral spirits, and, as a result, during the 2 months in which the distilling interests were shut down with a view of saving grain for food, one concern in the United States which produces neutral spirits consumed 8,000,000 bushels of grain in the production of neutral spirits, which was twice as much as was consumed each month by the entire distilling industry, and was as much as would have been consumed by the entire industry during the months of October, November, and December. That production of neutral spirits was sold

to those who blend it with whisky and make a blended product.

Whatever is done in regard to regulation, whatever is done in regard to the law, ought not to make it possible for one institution to profit by the sacrifice made by others who, either voluntarily or by compulsion, restrict or reduce or completely eliminate the production of liquor while one concern which can sell a product to those who do not make it, but blend it, is enabled to reap a windfall because of the law or regulation. That is what happened during the 2 months of voluntary operation.

Mr. TAFT. That certainly is not the intention. I should suppose that the neutral spirits to which the Senator refers would be covered by the term "distilled spirits for beverage purposes."

Mr. BARKLEY. It is not drinkable as a beverage while in the form of neutral spirits. It has to be blended with something else.

Mr. TAFT. I shall be glad to accept any amendment which the Senator wishes to offer in that regard.

Mr. BARKLEY. I want to be sure the amendment covers the point. I am sure it was not intended on the part of the Department of Agriculture that the Government should cut down the consumption of grain by the historic or legitimate distillers of liquor while at the same time a producer of alcohol which could be blended with a certain proportion of liquor could double or quadruple his profits.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from Vermont.

Mr. AIKEN. It is my understanding that if there are no restrictions at all placed upon the distilling industry, the use of grain for the manufacture of alcohol may and probably will reach as high a point as 10,000,000 bushels a month after the voluntary agreement shall expire. I am told they will attempt to reach a voluntary agreement today, but I think that appears very doubtful.

Mr. BARKLEY. If I may interrupt, I will say that I do not know the basis for the statement as to 10,000,000 bushels a month.

Mr. AIKEN. I believe that was the testimony.

Mr. BARKLEY. During a period of 9 or 10 years when there was no restriction at all they used an average of four and a half million bushels a month.

Mr. AIKEN. I believe that testimony came from the Department of Agriculture and was given before one of the committees.

Mr. BARKLEY. I do not know how accurate it is. But there is another question in connection with it. I do not know how much grain is used by the brewing industry in the making of beer, but it is a considerable amount. Does the Senator from Ohio have any information as to that?

Mr. TAFT. No.

Mr. BARKLEY. Does the Senator know whether there would be a saving of grain in connection with that?

Mr. TAFT. I am not advised. I do not have the information. I think that beer cannot be manufactured and stored practically; it has to be produced for current consumption.

Mr. BARKLEY. The result of this restriction has been to the infinite damage of the old-time historical producers of whisky. I happen to know that, because my State is a large producer of that commodity and, as a matter of current information, it is part of my duty to keep advised with respect to it. But it so worked out that many of the small producers have either been compelled to go out of business or to sell out to the large aggregations which apparently are trying to consolidate and control the entire production of that commodity in the United States.

Mr. TAFT. I think the Senator will find that the Secretary of Agriculture is fully in sympathy with the distillers to whom the Senator has been referring. I am certain that they will get a fair deal from him, judging from the way he discussed the matter with me.

Mr. BARKLEY. He understands the problem and sympathizes with their situation. He understands the circumstances under which many smaller producers have been compelled to operate over a period of years. I do not know of any loopholes by which there can be an escape by those who take advantage of the sacrifice made by the legitimate producers by increasing their own profits and thereby nullifying the effort to save grain for food purposes.

Mr. TAFT. I think the words "including neutral spirits" would cover the Senator's point.

Mr. AIKEN. Will the Senator yield further?

Mr. TAFT. I yield.

Mr. AIKEN. I had not completed my statement. If a voluntary agreement by the trade is reached with Secretary Anderson, no injury will be done anyone by enacting this provision of the bill which gives the Secretary the right to allocate grain for the next 6 weeks. If no voluntary agreement is reached by the trade today, then this provision will be necessary in order to save at least the use of several million bushels of grain, regardless of how much of it would otherwise go into the manufacture of alcohol instead of into food.

I have received a protest against this provision, presumably from the same company to which the Senator from Kentucky has referred, which manufactures neutral spirits. I have also received communications from many other distillers supporting the provision because they feel that while they are willing to comply with the request for a voluntary agreement they want to be sure that those who are less willing do not have any unfair advantage over them while they may be shut down.

Mr. BARKLEY. I hope that their conversion to the doctrine of fairness is permanent, although very recent. I have in mind a company—I do not wish to call names—which has been named in public. I almost named it then.

Mr. AIKEN. As a matter of fact, some of them do not want to continue using grain for the manufacture of alcohol in the face of public opinion which is against it.

Mr. BARKLEY. Whatever regulation or restriction may be put into effect should apply to all of them alike.

Mr. AIKEN. That is correct.

Mr. BARKLEY. And it ought not to be possible to circumvent the regulation by permitting the selling of something to others which would not be permitted if it were covered in the law.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the junior Senator from Kentucky.

Mr. COOPER. So far as my own position is concerned, I believe that today when a shortage of grain is affecting prices, savings of grain must be made in those places where they can be made with as little damage to the economy of the Nation as is possible. For that reason I know that savings of grain must be made in the field of production of distilled spirits and in my own opinion they should be made in this field.

However, in following up what the senior Senator from Kentucky has said, I believe there is nothing in the provision of the pending bill now being considered which if it should be passed would prevent any equitable allocation. The investigation which I have made leads to the conclusion that if this measure should become law it will be to allocate grain solely in the discretion of the Secretary of Agriculture. If he acts upon the basis of capacity of plants rather than upon the historical basis, then it will be a discrimination against the historic producers, as the Senator has suggested. If he acts upon the basis of capacity it will favor those who have not been in the industry for the purpose of manufacturing beverages but for the purpose of manufacturing industrial alcohol. I think if this measure shall become law it will effect a great saving, if the Secretary of Agriculture shall make his decision upon the historical basis rather than upon the basis of plant capacity.

Mr. BARKLEY. If my colleague will permit me, I appreciate his observations and agree entirely with his statement. I am not seeking to have this provision eliminated, if the language is sufficiently broad to include the point to which I made reference a while ago. The Secretary of Agriculture and the representatives of distillers are conferring today. I do not know what the result will be; but if such an agreement be entered into and grain be allocated on the basis of present capacity, there is one company in this country which would use three-fourths of all the grain available. It is a company which took over a Government plant which was built during the war for the production of industrial alcohol for war purposes. It is obvious that that particular plant has enough capacity to produce sufficient to equal that which would be produced by forty or fifty of the smaller operators in the United States. Of course that would be an obviously unfair distribution. I think the Secretary realizes that. The voluntary shut-down to which I referred a while ago has resulted in that one concern being able to use twice as much grain as all of them would have used

in any 1 month and equal approximately to what they would have used during the 2 months of the shut-down.

Mr. COOPER. Mr. President, will the Senator yield once more?

Mr. TAFT. I yield.

Mr. COOPER. It is my information that, when the shut-down occurred, the one concern to which the Senator refers and which manufactures neutral spirits doubled the price of the neutral spirits.

Mr. BARKLEY. They quadrupled their production, doubled the price, and sold neutral spirits to the blenders who sold their product in competition with those who were shut down for patriotic reasons in order to effectuate food conservation. It is against that sort of thing that I hope we shall be able to guard.

Mr. TAFT. I should like to conclude my statement. I have covered the bill. In summing up the whole matter, when we get through we shall have dealt with 6 of the President's 10 points. One of them has been dropped, except on a voluntary basis. We deal with only half of one of them, because we do not deal with the creation of inflationary bank credit. As to one of them, we grant only voluntary power, under allocation and inventory control, instead of compulsory power.

In effect, we deal with everything the President has proposed, except compulsory power, the reinstallation of the war powers of the Government to regulate allocation, inventory control, the rationing of commodities, and the control of prices. The main question—namely, whether in attempting to solve this problem we shall turn back to a policy of compulsion, or whether we shall attempt to use other means that get at the causes of inflation—is left for consideration at the next session of Congress.

If we pass this joint resolution, I think we shall have cleared away all of what may be called the incidental and minor features, and we shall confront the basic question when the next session begins.

I have stated my belief that we cannot solve this problem by means of controls, and that we have inflation because of tremendous governmental expenditures and taxes that ultimately go into prices, because of the Government's program of making large purchases of commodities for export to foreign countries, because of a steadily increasing amount of bank loans at the rate of $5,000,000,000 a year, and because of a steadily increasing housing credit at the rate of $5,000,000,000 a year. Each one of the policies thus tending to produce inflation has much to be said for it; but we cannot have everything we want at the same time in the full amount in which we have them, and still hope that we can avoid the dangerous result—inflation—or the high prices which come from it, and still try to do more than the country can possibly do at one single time.

When we reach that question, we shall debate it. All I say today is that the policy of seeking the solution of this situation by imposing Government controls is a policy which I think has failed in every foreign country in which it has been tried in time of peace, for it has decreased production, instead of increased it, and has made the decrease of production all the more permanent because of the action which must be taken when controls are removed. So that problem will face us at the next session of Congress. In my opinion, we cannot act on it now; I think we must postpone action on it, unless we are prepared to remain here all during the Christmas holidays. But at this time I think we should act on the matters on which we stand in agreement, in working on the problem of prices, which today is so serious.

Mr. BARKLEY. Mr. President, the Senator from Ohio agreed earlier that we might suspend consideration of this measure for a while, in order that we might perfect some amendments that we were considering offering.

Mr. TAFT. That is entirely satisfactory to me.

Mr. BARKLEY. I should be glad to have the Senator move to suspend the consideration of this measure until 3 o'clock. I understand that there is another measure which is to be taken up in the meantime.

TEMPORARY REGULATION OF CONSUMER CREDIT

Mr. TAFT. Mr. President, at the request of the Senator from Kentucky, I move that the consideration of the pending joint resolution be temporarily laid aside, and that the Senate proceed to the consideration of Senate Joint Resolution 157, Calendar No. 830, providing for the regulation of consumer credit for a temporary period.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Ohio.

The motion was agreed to; and the Senate proceeded to the consideration of the joint resolution (S. J. Res. 157) to provide for the regulation of consumer credit for a temporary period, which had been reported from the Committee on Banking and Currency with amendments.

Mr. TAFT. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	Myers
Baldwin	Hawkes	O'Conor
Ball	Hayden	O'Daniel
Barkley	Hickenlooper	O'Mahoney
Bricker	Hill	Overton
Bridges	Hoey	Pepper
Brooks	Holland	Reed
Bushfield	Ives	Revercomb
Butler	Jenner	Robertson, Va.
Byrd	Johnson, Colo.	Robertson, Wyo.
Cain	Johnston, S. C.	Russell
Capehart	Kem	Saltonstall
Capper	Kilgore	Smith
Chavez	Knowland	Sparkman
Connally	Langer	Stennis
Cooper	Lodge	Taft
Cordon	McCarran	Taylor
Donnell	McCarthy	Thomas, Okla.
Downey	McClellan	Thomas, Utah
Dworshak	McFarland	Tobey
Eastland	McGrath	Umstead
Ecton	McKellar	Vandenberg
Ellender	McMahon	Watkins
Ferguson	Magnuson	White
Flanders	Martin	Wiley
Fulbright	Maybank	Williams
George	Millikin	Wilson
Green	Moore	Young
Gurney	Murray	

The PRESIDING OFFICER (Mr. LODGE in the chair). Eighty-six Senators having answered to their names, a quorum is present.

The question is on agreeing to the first amendment of the committee to Senate Joint Resolution 157, to provide for the regulation of consumer credit for a temporary period. The amendment will be stated.

The CHIEF CLERK. On page 1, line 7, it is proposed to strike out "June 30, 1948" and to insert "March 15, 1949."

Mr. TOBEY. Mr. President, the pending joint resolution is one of the pieces of legislation asked for by the President in the 10 points which he set forth in his special message to the Congress at the opening of the special session. The Banking and Currency Committee of the Senate has been considering the measure, and has reported it to the Senate. We held extensive hearings on it. We had before us such men as the Governor of the Federal Reserve Board, Mr. Eccles, Mr. Sproul, president of the Federal Reserve Bank of New York, and many other authorities.

There is a difference of opinion as to the wisdom of the proposed legislation. Personally, I am strongly for it. In effect, the joint resolution seeks to put back into force regulation W, so-called, which was in the hands of the Federal Reserve Board for administration up to November 1 of this year. It then expired.

The matter of consumer-installment credit now represents in volume about $2,500,000,000. It is a volatile thing. It can expand and mushroom very rapidly.

The testimony, in the form of exhibits affecting leading retail stores in this city, in Chicago, and in other cities, shows that they are publishing full page advertisements, soliciting the buying public to come in and buy radios, expensive phonographs, radio combinations, television machines, clothing, lamps, and so forth, and in large type at the bottom this is found:

Come in and buy. No money down.

There is the invitation. There is the power of suggestion. So men and women are tempted, in these lush times, so to speak, to take advantage of the free credit thus afforded and become involved in an indebtedness which, when and if we enter upon a period of depression and recession—which, please God, may not happen—will constitute a millstone around their necks.

We have seen an advertisement—

Come in and buy clothing for yourself and family on 30 days' time. Nothing down. Two electric lamps will be given free to any purchaser of $30 worth of clothing.

I have heretofore said facetiously, and now I repeat, that the day may come in America when we will find retailers offering a $10 bill to anyone who will cross the threshold of their stores.

What we seek by the pending measure is to give back to the Federal Reserve Board flexible power, in their own discretion, to apply the controls as they see best to limit installment credit buying. They did have the power before November 1 which expired, so today we would, by this legislation, restore the powers,

but limited to such things as automobiles, clothing, phonographs, and radios, and other consumer goods, but not to charge accounts, which were covered before November 1.

I have in my hand some charts prepared by the Federal Reserve Board showing that the total consumer credit of this country today is slightly less than $12,000,000,000, while the total installment credit is a little less than $6,000,000,000. The total installment credit is made up of two factors, installment sale credits and installment loans. The legislation we seek to have enacted today would cover not only purchasers, but retailers. It would cover anyone who went into a bank or lending agency to borrow money—$500, for illustration—to be paid back in monthly installments, according to the privileges accorded by the lending agency.

There comes a time in the course of human economy when we have to save people from themselves, and I believe in the uncertain era in which we are now living, when we are tried and worried about the future, there comes a time to set up some barriers, some restrictions on unlimited credit, and that the present is the time to do it.

I may add that the committee reported the joint resolution favorably by a vote of 9 to 4, and it is now before the Senate for consideration. There are other Senators who wish to speak upon it. I shall be glad to answer any questions I can. I now take my seat and relinquish the floor.

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment.

Mr. TOBEY. The first committee amendment is, on page 1, line 7, to strike out "June 30, 1948", and insert "March 15, 1949."

Mr. BUTLER. Mr. President, I should like to address a question to the chairman of the Committee on Banking and Currency. I have, as he knows, and as everyone else knows, the greatest esteem for his ability and his authority to speak on the question of credit. I do not want the Senator to think that because I am questioning, I do not appreciate the importance of credit in our economy, but we are here dealing entirely with domestic credit. The total amount that has just been stated is not really a terrific amount, but it apparently does affect our domestic economy, otherwise we should not have before us the pending joint resolution. My question is, Does the Senator think that the extension of credit to foreign buyers has the same direct effect on inflationary spirals here as the extension of domestic credit?

Mr. TOBEY. I think the extension of credit on an undue basis, or on a too-liberal basis, has an effect on inflationary forces beyond question, whether it be foreign credit or domestic credit.

Mr. BRICKER. Mr. President, I voted against regulation W in the committee. I think we ought to look squarely at regulation W both as to its provisions and as to its effect on our economy. I approach it from the point of view of some very simple fundamentals. There is no real merit in Government controls merely for the sake of giving more power to a department of Government. There certainly is no merit worthy of our consideration in imposing the power of Government or of a bureau of the Government upon one segment of our society, unless such imposition of power is in the general interest.

Certainly the Congress does not want at this session, in the name of controlling inflation, to impose the power of Government on the very segment of our society which is most unable to fight back and impress its opinion upon our consideration.

Let us review for a moment what regulation W is, how it comes before the Congress, and the misinformation which has been given to the public, all of which, I am afraid, may lead the Congress into making a mere political gesture. The President in his message to the Congress said:

> Consumer credit is increasing at a disturbing rate. The amount outstanding has risen from $6,500,000,000 in 1945 to more than $11,000,000,000 today. Even more rapid expansion is under way now because the controls on consumer credit exercised by the Federal Reserve System expired November 1. These credit controls should be restored.

The very first recommendation of the President in his summary was:

> To restore consumer credit controls and to restrain the creation of inflationary bank credit.

Then, in the testimony of Secretary Snyder before the Joint Committee on Economic Report, he referred to the President's recommendation in the following language:

> As to item one, restoration of consumer credit controls and restraint on inflationary bank credit, these matters have been discussed by Federal Reserve officials. As to consumer credit controls, I am in favor of their restoration.
>
> The most effective types of credit control are those which strike at the individual forms of credit extension which are contributing to inflationary pressures. The most important single form of such credit extension at the present time is in consumer credit.

Let me emphasize that statement by Secretary Snyder. He continues:

> Total consumer credit outstanding at the end of September reached an all-time peak of $11,400,000,000. At the end of 1945, it amounted to only $6,600,000,000. Prior to December 1946, total consumer loans outstanding at any one time had never reached the $10,000,000,000 level.

After that statement of the President and the statement of Secretary Snyder, the radio was filled with announcements that regulation W would affect $11,500,000,000 of consumer credit in our country, and, therefore, it would have an appreciable effect upon the inflationary trend of prices. That, Mr. President, is not the fact.

Chairman Eccles, of the Federal Reserve Board, came before the Committee on Banking and Currency and recommended restoration of regulation W, limited to the control of consumer credit buying. Regulation W was first imposed on our economy about 3 months before Pearl Harbor. It was imposed for the purpose of forcing a conversion of our domestic production to a war production program. After Pearl Harbor, of course, it was not necessary, because of the impetus of war, which made that transition a necessity, and it needed no encouragement from law. The very fact that there was no production during that period limited per se the increase of consumer credit buying throughout the country, because there was very little to buy.

Regulation W has gone through several amendments and changes. The last amendment was in December 1946, when the Federal Reserve Board removed certain of the controls. Regulation W as it is now before the Senate in the pending joint resolution, and as it was requested by Chairman Eccles and the members of the Federal Reserve Board, covers automobiles, refrigerators, cooking stoves and ranges, washing machines, ironers, dishwashers, air conditioners, radios, phonographs, sewing machines, suction cleaners, furniture, and carpets. I say that practically all those are utensils and things used in the home.

Reference was made a moment ago by the distinguished chairman of the committee to the fact that advertisements have appeared in the newspapers offering unusual inducements to people to come into the stores to purchase radios for instance, with nothing down and a dollar when they catch the purchaser. I do not know of anything that is more encouraging under our economy than the fact that we see such advertisements in the newspapers. There is only one way to force down prices without a debacle, and that is by adequate production of the things people want to buy and which they now have the money to buy. So the fact that we see advertisements in the newspapers showing that there is plenty of merchandise on the shelves of the stores is an indication to me that production is catching up with demand.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. BRICKER. I yield.

Mr. TOBEY. The Senator made the statement that it is an indication of a healthy condition when industry makes goods and the people have money to buy them. I quite agree. But the case we are considering is that of those who are catering to people who have no money with which to buy. They take the goods which are offered to them on deferred payments, walk home with the goods, and thus go into debt. With respect to those who have money with which to buy merchandise, what the Senator suggests is sound economy, but the danger signal is raised when those who have no money with which to pay cash, buy goods on credit, paying nothing down, and then take the goods home from the store, and go into debt for those goods.

Mr. BRICKER. I do not think the purpose of the bill, as considered by our committee, was to discourage purchases by the man who has money with which to make them. The purpose was to put a brake on the inflationary trend, upon increase in prices. Nor was it the purpose to discourage a man from using his

credit to buy a radio, a cooking stove, a carpet for his floor or anything in the durable goods line. If any such purpose exists, then I shall approach the matter from the point of view as to whether or not it is the purpose of the Government to say to a man "You shall not buy what you want to buy and what you have money or credit to buy."

Mr. TOBEY. Does the Senator agree that according to all indices production is leveling off in many lines in this country?

Mr. BRICKER. That is most encouraging.

Mr. TOBEY. And that a further addition to purchasing power resulting from an unchecked expansion in bank lending will therefore add to the upward pressure on prices without offsetting increases in volume of salable goods? And that a further increase in installment credit and the free disposition thereof will not result in increasing production at all?

Mr. BRICKER. On the other hand, I do not think an increase in installment buying will decrease production. Production is encouraged by letting people buy the products. If we shut off the market for durable goods even to the limited degree here proposed—and I contend that it is a very limited degree—we discourage production. Before our committee came the representative of the Suction Sweeper Co., for instance.

Mr. TOBEY. Yes; I remember, of the Hoover Co.

Mr. BRICKER. And of the radio companies. They said "If we cannot have this available market for the purchase of our products the result will be that the shelves will be overstocked. There will be a crowding back to the manufacturer, there will be unemployment, and there might be a downward trend that would be more disastrous than any danger of consumer credit purchase."

Mr. TOBEY. But the sound distinction in all installment buying consideration should be that when the initial purchase takes place, the purchaser should thereby create an equity which is a sound, substantial equity, and then by subsequent payments maintain that equity as an equity when reverses come. But under the procedure which we seek to correct there is no equity created at all. Merely a debt is created, and that debt becomes a millstone around the neck of the buyer on installment credit, and if a depression should come, that millstone would drag him down. Then the circle would be complete, and he would be sunk.

Mr. BRICKER. Again it is a question whether the purpose is to control inflation, or to prevent some individual who has the money with which to buy from buying the goods he wants to buy.

Mr. TOBEY. Let me say to the Senator from Ohio that this is only one facet of the whole inflationary situation and the potential depression situation. We are trying, in a small measure I will agree, to preserve a sound economic system in our country. What is now involved is a small matter. It amounts to only $2,500,000,000. But, after all, inflation must be attacked all along the line. This is only a small arrow in our quiver. It is one arrow, but it will reach certain weaknesses. The bill does not propose to deal with the whole matter; but, little by little, piece by piece, line on line, precept on precept, principle on principle, we get somewhere as an assurance against bad times ahead.

Mr. BRICKER. In this instance, if I may so suggest, I think we will completely nullify any good that might be done by the control of consumer credit in the over-all picture. We have spent a great deal of time during the past 3 or 4 years trying to encourage small business in our country, trying to enable the returned soldier to start in business. The Government has been loaning him up to $4,000. It has been encouraging him in many fields. Many ex-soldiers have gone into the field of consumer goods. Many of them are selling radios, electrical equipment, and the like. Many of them, of course, are selling automobiles, and that is a classification unto itself that we will discuss a little later. But regulation W, which is attempted to be imposed by this measure, will not strike the big stores which are advertising in the manner mentioned a moment ago. They have plenty of loss leaders which they can offer for sale. But the little fellow who has to depend upon the man who does not have very much credit, who must sell his goods to the lower group of credit risks, will be the first to be affected and caught with an oversupply of material, and he will likely go out of business, and the big fellow will gobble him up.

We are talking about the control of dangerous inflation and of the rise in prices. Yet this very measure may cause inflation. Regulation W would tend to the extent of $2,250,000,000 to prevent the public from buying consumer goods which are not used up when they are bought. A radio, for instance, may last for 10 or 15 years, a stove may last for 25 years, an automobile may last for 10 years, and other articles in a shorter or a longer degree of time. If the consumer is prevented from using his credit in buying consumer durable goods, what is he going to do? He is going to use that money for food. He is going to use it for the things which are spiraling upward in price more rapidly now than consumer credit goods are spiraling, and the result might well be, if there is any effect upon inflation, to encourage inflation in the very fields in which it ought to be held down.

Mr. TOBEY. Mr. President, the argument is made—and I think the distinguished Senator from Ohio mentioned this in the committee hearings, but not here today—that the little men—and I speak of them respectfully—cannot buy because they do not have the money to make the down payments. I happen to come from New England, which I believe the Senator from Ohio well knows. In New England, even to this time, we put a premium on thrift and prudence. If a man is a little man, as I have been all my life—and back in my early days I had to indulge in a considerable struggle to obtain a foothold—and wants to buy something for himself and his family, he does not buy it on credit, thus going in debt, and having a millstone about his neck. No; such a little man in New England would put $5 or $10 or whatever the sum may be, aside, in the family stocking, thus saving until he had enough money to pay for what he needed to buy, or to make a substantial down payment, thus creating an equity for himself in the article—a piano, for instance, which he bought. What has been done of late is to make it easier and easier for a man to get into debt all along the line, with no substantial limitation placed upon him at all. The bars are down. The doors to credit are wide open. Danger signals are showing all over the country to stop, look, and listen in respect to installment credit. I want the Senate and the country to take heed of those signals.

Mr. BRICKER. No doubt the Senator's frugality in his early days is the reason for his being where he is now.

Mr. TOBEY. It is not a question of cause and effect, Mr. President. It is common sense.

Mr. BRICKER. The Senator from New Hampshire has set a good example, but he knows as well as I do that in the last 4 or 5 years we have had a Government which had a different idea.

Mr. TOBEY. Then should we keep on in that direction, or should we call a halt?

Mr. BRICKER. But we are keeping on.

Mr. TOBEY. By the measure now before us we would not be keeping on. We would be calling a halt to one phase of it.

Mr. BRICKER. This week in the Senate, in passing a bill reported by our committee, we authorized a further expansion of credit of three-quarters of a billion dollars for the purpose of building homes. That is an essential program, I grant you; but when under it a home is built and someone buys it under the credit of the Government and moves into it, he is obliged to have furniture, he is obliged to have some of the conveniences of life in his home, and if he is restricted by the pending measure, if he does not have sufficient credit to put down on his home more than 10 percent of the purchase cost, certainly he will not have sufficient credit to put down 33 percent, as was required under regulation W, to furnish his home. In instance after instance, as was testified to before our committee in the original hearings last year, veterans and other purchasers of the guaranteed homes were paying more on their furniture than the total monthly payment under the 30-year credit plan on the houses in which they live today. So that we are merely confusing ourselves, we are merely making a gesture which in the end will accomplish nothing, and may do a great deal to curb the home-owning program in which we are all interested.

We talk about the little man and depriving him of credit rights and credit risks. I should like to refer to the hearing before our committee on regulation W, held at the last session of the Congress. I should like to read a statement which was placed in the RECORD by the Senator from Wisconsin [Mr. MCCARTHY]. It is taken from the testimony given before the House committee. This is a statement by Mr. Joseph W. Padway, general counsel for the American Fed-

eration of Labor, and expresses my thinking in regard to imposing the power of Government on the little fellow who has no credit. Certainly we do not want to do that in the name of controlling inflation if it has no effect upon inflation. This is the statement:

Mr. PADWAY. Mr. Chairman and members of the committee, I do not want to go into a discussion of the economic and social implications involved in regulation W. I am rather here to report to you how most of our people feel about this regulation. Only yesterday I took the matter up with Mr. Hushing. Mr. Hushing is the chairman of the legislative board of the American Federation of Labor, and its function and business is to read these bills and see what effect they have on labor and to come to conclusions respecting them; that is, whether they are bills that ought to be supported or otherwise.

The CHAIRMAN. Is that William Hushing?

This statement will be found on page 62 of the report of the hearings before the Committee on Banking and Currency:

Mr. PADWAY. Yes. Only yesterday he informed me that he had received information from State federations of labor affiliated with the American Federation of Labor to the effect that they are opposed to regulation W.

The State federations—there are 48 of them—act in the same manner as the American Federation of Labor acts nationally. The State federations act within the borders of their States.

From such personal study as I have been able to give to the subject I am of the opinion that regulation W is not altogether in the interests of labor. I think it would be much better to have the regulation abolished.

There may be arguments that can be made for some control, and some people may go as far, even within our own movement, as to support the retention of regulation W, but on the whole, viewed from the various angles, pro and con, Mr. Hushing and I have come to the conclusion that it would be better to have it done away with.

Then he continues with regard to imposing restrictions on those who are less able to sustain themselves.

Mr. Eccles came before our committee with this proposal. Up until that time we had been led to believe that the total amount involved would be about eleven and one-half billion dollars. We had been led so to believe by the President's speech and also by the testimony of Mr. Snyder. He came before our committee asking authority to reimpose regulation W, not for a limited period, but permanently. A member of the Board of Governors of the Federal Reserve Board supported him in that contention. It was proposed permanently to fix upon the American society the power of the Federal Reserve Board to regulate the purchasing credit of a segment of our population, a power which might be very detrimental if a less wholesome or sincere board than the one we have at the present time should some day come into power. It could be used to affect industry here or there, to say to one segment of society, "You may buy," and to another, "You may not buy." It could be used to say, "This you may buy, but that you may not buy, except under certain terms." It is a power which we should not impose unless it is actually in the public interest.

Is it in the public interest? We were told publicly that the proposal affected eleven and one-half billion dollars of credit. When we got into the testimony we learned that at the present time there is approximately $200,000,000,000 of purchasing power in our country, and that regulation W, at the outside, would affect only about two and a quarter or two and a half billions of purchasing power. If regulation W is reimposed, there will still no doubt be an increase of consumer credit. If it is not reimposed the increase of consumer credit will amount, according to the testimony of one witness, to $500,000,000. According to Mr. Eccles' own statement to me in writing—and the committee has a record of it—it would amount to approximately $1,200,000,000 in the next year, and $2,100,000,000 in the next 18 months, an insignificant amount of credit as compared with the $200,000,000,000 total purchasing power in our economy at the present time.

I do not believe that this body ought to raise the flag of accomplishment by imposing a credit regulation upon the segment of our society least able to stand it in order to make the American people think that we are doing something in regard to price increases and inflation. Particularly is that true when our effort is only a mere gesture, and will not affect prices one way or the other, except possibly to increase the price of consumer goods, because we release an amount of credit for consumer purchase of food and other things which are now most dangerously increasing in price.

The rights of the American people are the first interest of the Congress of the United States. I for one am opposed to imposing the power of government upon a segment of our society which cannot be vocal at the present time, and cannot fight back politically. First, it is unnecessary; second, it is dangerous; and third, I think we ought to strike at the basic causes of inflation, rather than lead the American people into false thinking that we are actually accomplishing something when we are merely making a gesture. I want the people of America to know that they have been misinformed as to the amount of credit which is being affected. They have been misinformed both by the President's speech and by Mr. Snyder's testimony. We are dealing, not with eleven and a half billion dollars, but with an amount between $500,000,000 and $1,200,000,000 in the next year.

The PRESIDING OFFICER. The question is on agreeing to the first committee amendment, on page 1, line 7.

Mr. TOBEY. Mr. President, touching upon what the distinguished Senator from Ohio has just said, the credit covered by the proposed legislation is a total of $5,000,000,000.

When it is said that we are doing nothing, that statement is not relevant, in my judgment. What we are doing is damming up a hole in the dike which might become serious if we were to get into serious difficulties. Without controls there is danger of grave abuse.

I should like to read to the distinguished Senator the last paragraph from our committee report, which I filed yesterday. This is a report from the Committee on Banking and Currency, of which the Senator and I are both members:

The committee recognizes that this legislation cannot do the full job of stopping inflation. It is only one weapon to be used in that fight. It is not a cure-all, and it will not mean an immediate end of all cases of inconvenience or hardship. The committee is convinced, however, that this legislation, by helping in the fight on inflation, will tend to reduce the instances of real hardship.

The Senator mentioned Joseph Padway, who has now passed on, and his comments with respect to installment buying. I point out that in the hearings on this legislation, held before our committee in the past 3 weeks, a distinguished and able man representing the American veterans came before us. He was counsel for them. I refer to Robert Nathan. He pleaded for this legislation. Speaking as an economist and as a witness for the organization of veterans, he thought it would be very good legislation to put into effect.

Mr. CAIN obtained the floor.

Mr. BRICKER. Mr. President, will the Senator yield to me so that I may ask a question of the chairman of the Committee on Banking and Currency?

Mr. CAIN. I yield.

Mr. BRICKER. The Senator states that this proposal would affect $5,000,000,000 of credit. When we eliminate that portion under $50 and that portion over $2,000, and when we eliminate the installment loans which do not go for consumer goods, we find, according to the testimony of practically all the witnesses before the Committee on Banking and Currency, that it would affect—but not control—only $2,250,000,000 of credit at the present time.

Mr. TOBEY. Would the Senator take exception to the illustration which I used from the Federal Reserve Board's map, that this measure covers the two factors of installment sale credit and installment loans to an aggregate of $5,000,000,000 plus?

Mr. BRICKER. But that does not take into consideration all the purchases below $50 or above $2,000; nor does it take into consideration credit granted for other purposes in installment loans.

Mr. TOBEY. That is correct.

Mr. BRICKER. So the testimony of the bankers and the Federal Reserve Advisory Board opposes Mr. Eccles unanimously in this proposal. The testimony of that Board was to the effect that the total amount affected by Regulation W, with the limited consumer factors involved, would be from $2,250,000,000 to $2,500,000,000.

Mr. TOBEY. $2,250,000,000! We are so accustomed to talking in terms of billions that we do not know what it means. The other day, when a gentleman appeared before our committee and talked in terms of trillions, I said, "Hold! Enough! Congress has just got used to talking in terms of billions. Forget about trillions." We speak of $2,500,000,000 under the scope of this legislation. That is not peanuts or chicken-feed. It is a considerable factor in the total economy of this country.

I believe very strongly that the passage by the Senate this afternoon of this proposed legislation would be the part of wisdom.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. BRICKER. The fact is that with regulation W in effect two and one-half billion dollars of credit has been granted. With regulation W reimposed there would still be two and one-half billion dollars of credit. So what we are interested in is the extent to which credit would be expanded if the regulation were discontinued, above what would be the result if it were reimposed. The testimony of the bankers was that it would not amount to more than $500,000,000. So that is what we are talking about, rather than about the total amount of credit. Chairman Eccles wrote me—and I think the Senator from New Hampshire has a copy of the letter—that it would be approximately $1,200,000,000 in the next year and approximately $2,100,000,000 in the next 18 months or 2 years.

Mr. TOBEY. The Senator will agree with me that one of the most amazing features in connection with our work together on the Hill has been the wide disparity in the testimony of eminent gentlemen on the same subject. Some witnesses are as far apart as from Dan to Beersheba or from Alpha to Omega. Eminent authorities on this side say "Thus saith the Lord," and equally eminent authorities on the other side say "Thus saith the Lord." We poor listeners on the Banking and Currency Committee must sift the wheat from the chaff and do the best we can. The Senator who is now speaking has listened to the evidence, and honestly believes in his heart that this provision ought to be placed in the law.

Mr. BRICKER. No one doubts the sincerity of the chairman. Least of all do I.

Mr. TOBEY. I thank the Senator.

Mr. BRICKER. On the other hand, in my consideration of the testimony of witnesses, I have not been content merely to take their word. I attempt to follow fundamental considerations in the policy of our Government.

Mr. TOBEY. The Senator recognizes that there has been that differentiation, does he not?

Mr. BRICKER. Yes.

Mr. CAIN. Mr. President, the junior Senator from Washington would like to support as strongly as possible the position taken by the very distinguished Senator from Ohio [Mr. BRICKER]. He wants to support the position which was supported by the Senator from Ohio by himself and two other Senators. We found ourselves, as the chairman of the committee has already pointed out, outvoted in the committee by a score of 9 to 4. Regardless, however, of the position which we necessarily assumed at the beginning of the debate, the Senator from Ohio, the Senator from Washington, and the other two Senators, if and when they come, would like to change the minds of as many as possible of those who now feel they want to support regulation W.

Were I as an individual Senator—and I say this in all sincerity and conviction to the chairman of the Senate Banking and Currency Committee—to support regulation W at this time I should of necessity in the future vote, if logic and reason mean anything at all, sight unseen for any regulation or control or restriction which might be advanced or forwarded or recommended by the administration. I think, at least from my point of view, I can prove a fairly adequate case in a few brief moments.

My first reason for being in opposition to regulation W is that the regulation is relatively unimportant. It is important to the Senator from Washington that he thinks the regulation is unimportant. But more important, I think, in the interest of being objective and disinterested in this debate, is that I remember no proponent of regulation W who said on any occasion that this measure was other than relatively unimportant, particularly when it was viewed in its relationship to the other inflation control measures which have been proposed and which we have been discussing within the Banking and Currency Committee. Mr. Eccles says that in itself the regulation is unimportant. He said, I think—though one hesitates to quote another man for fear of being inaccurate—that "unless Congress will give us the other things we want, Congress would be doing no one any service at this time by reinstating regulation W."

Secretary Snyder has said in his written remarks before the Joint Committee on the Economic Report:

> Of course I hope Congress passes regulation W, but, more importantly, I hope it passes other deflationary measures.

Certainly with reference to the great problems of this country today we should relegate regulation W to the position it should properly assume at the bottom of the list.

That is my first reason. I do not think the regulation is important in our exploration of the deflationary measures suggested by the administration and by others.

My second reason in support of the position of the Senator from Ohio [Mr. BRICKER] is that regulation W would be extraordinarily misleading at this time to the American people. If this measure shall pass it will say, in effect, to all Americans who want to listen: "Your Congress has done something constructive, concrete, and positive in its attack upon inflation, on the one hand, and high prices, on the other."

I should like to point out on the basis of economic theory and fact that regulation W in the past, during the time it was in force from 1941 to 1947, had no effect on either high prices or inflation. It is not proper for us to pass this measure, if it is to pass, without saying to the people at the time we pass it, "Look. Do not think that prices are going to be reduced, and do not think that inflation is beginning a spiral downward because your Congress has reimposed regulation W."

Of course it will do some small amount of good at this time, but our desire—and the chairman of the committee shares this belief equally with me—is to be as careful as we can not to mislead those whom we represent. If the chairman has taken a contrary view about regulation W, I want it known that I think that this regulation will be no more important in the future than it has been in the past. What has happened to prices in this country in the last 18 months or in the last few months when regulation W, which it is sought to reimpose now because it is supposed to do something about reducing the spiral of inflation, was in effect? Prices have gone up and up and up. Regulation W did not and will not drive them down.

My third opposition reason is that it is not timely to reimpose regulation W. I say this for the reason that regulation W has only been off the books since November 1, 1947. What has been the effect since regulation W ceased to be operative? Mr. Eccles, the Chairman of the Federal Reserve Board, does not know. Mr. Snyder does not know. No one knows. All we know is that the total amount of outstanding consumer credit which this regulation in itself is designed to control is considerably less today than it was in 1939. I did not know that until I went into the figures. I take it for granted that many Senators who are here and many who will be here later are not conscious of that fact. But it belongs in this debate, because we are concerning ourselves in a major way with a problem which in its particulars is actually less of a problem than it was 7 or 8 years ago.

I do not think it timely for the further reason——

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. CAIN. Certainly.

Mr. BRICKER. Did the Senator give the figures of the prewar credit and the present credit that would be covered by regulation W?

Mr. CAIN. I have them.

Mr. BRICKER. Is the Senator going to place them in the RECORD?

Mr. CAIN. Let me say to the Senator from Ohio that I had in mind inserting them in the RECORD at a later point.

Mr. BRICKER. I simply wished to be sure that they would be placed in the RECORD.

Mr. CAIN. Mr. President, I think my reason for believing that this is not the time to consider seriously reimposing this regulation, is made the more worth while because of the comments to which I have previously referred. If it be true that Mr. Eccles is not very much concerned with regulation W except as it becomes a part of a much larger program, do we have any logical reason to reimpose regulation W before we know what we are going to do, for example, about the restriction of bank credit, as recommended by Mr. Eccles? He has recommended that the banks increase their reserves in order that there shall not be so much bank credit outstanding; but the Banking and Currency Committee, the same unit of men who have reported the measure now under consideration, have up to the present time been completely and totally unwilling to make

up their minds about the necessity for restricting bank credit, which everyone appears to be willing to admit is much more important in character and substance than the measure which now confronts us.

I wish to make it very clear, if I can do so, that until the Congress decides whether it is going to get at some of the basic causes of inflation, it should not concern itself with regulation W.

My fourth reason for opposition to the reimposition of regulation W is a realistic one. There are some 400,000 commercial outlets which would be covered, were this regulation to be reimposed at this time upon our American economy; and I suggest to the Senate, for whatever the suggestion may be worth, that it would be humanly and actually impossible to enforce this regulation on a full market.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. CAIN. Certainly.

Mr. TOBEY. Does the Senator from Washington recall that in the committee, when the point the Senator is now making was brought up, Mr. Eccles and Mr. Sproul, the president of the Federal Reserve Bank of New York, were asked a question akin to that, a question about the enforcement power necessary; and I think the Senator from Vermont [Mr. FLANDERS] will confirm what I say about their testimony, namely, that they thought that 150 men would take care of the situation. As I recall, the Senator from Vermont said that in his own Federal Bank of Boston, of which he was the distinguished president for several years, there were only six or seven men who had jurisdiction in connection with the matter of checking up on the enforcement of the regulation; and he pointed out that the reason for the apparent inconsistency between the degree of success in enforcement of the regulation and the number of men employed in enforcing it was that they used other agencies, collateral agencies, which brought the information to them, and that the procedure had worked very well in pointing out the weaknesses there.

I ask the Senator from Vermont whether I am correct about that.

Mr. FLANDERS. Yes; the experience with the regulation has been very good. Sufficient information about those who engage in violations comes in automatically, so a large investigating body is not required. What is required, on the basis of our experience with regulation W over several years, is the matter of dealing with the offenders who are brought to notice. That has not been a burdensome undertaking. Furthermore, it is not done at the expense of the Federal Government, except as the Federal Government is the residuary legatee of the reserves of the Federal Reserve System.

Mr. TOBEY. In other words, it does not cost the taxpayers anything; is that correct?

Mr. FLANDERS. It does not cost the taxpayers a cent.

Mr. TOBEY. Mirabile dictu; this is a white blackbird of ours, in fact, a rara avis.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. CAIN. I certainly shall yield in a moment, but first I should like to respond to the Senator from New Hampshire.

Mr. President, I remember very clearly the testimony to which the Senator from New Hampshire has referred. I take exception to the validity of that testimony today. During the years when regulation W was a part of our economy, as I recall there was no consumer market worthy of the name. From my point of view we are faced today with an entirely different set of facts in the field of enforcement than we were faced with from 1941 through 1947, when regulation W was in operation.

Mr. TOBEY. But Governor Sproul, of New York, testified, in looking into the matter in futuro, that on the basis of future legislation, which we are asked to pass today, only a limited amount of help would be required.

Mr. CAIN. I likewise remember Mr. Sproul's testimony, and I differ with it for the reason I suggested. I may very well be wrong, but one of the reasons—and a valid reason, too—why some of us oppose regulation W is that we think it cannot be enforced. But that is but one of a good many reasons which urge us to opposition.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. BRICKER. I simply wish to clear up any illusions we may have that the taxpayers are going to get something for nothing in this connection. The only difference is that here they pay for it in advance. Here the taxpayer simply does not get the money which otherwise would come into the Federal Treasury at the end of the year. So he is simply given the privilege of paying for something in advance, and he may never know exactly what otherwise would accrue.

But to say that we could enforce regulation W in peacetime with only 150 men, with a consumer market coming on, is simply absurd.

Furthermore, the Senator from New Hampshire, and those who join with him, have recommended not the provisions of the old law, which could be enforced through the branches of the Federal Reserve System, but they have, as they should, I think, if the regulation is to be placed into effect, provided for enforcement through the Securities and Exchange Commission, which will mean inspectors and all sorts of case preparation necessary to enforce the regulation.

During the hearings, as the Senator will remember, I further inquired as to how many prosecutions there had been during the war. So far, we have been able to find only one; and Mr. Sproul, of the Federal Reserve Bank of New York, testified there had been none in his district. So either a poor job was done or no job at all was done, or else there was very little need for the regulation because there were no goods to be purchased at that time.

Mr. TOBEY. Mr. President, the Senator will agree, will he not, that the net result of Mr. Sproul's testimony was that he wanted regulation W reimposed in the public good?

Mr. CAIN. Yes; he said that.

Mr. TOBEY. And the net result of Mr. Eccles' testimony—unless we have been quibbling—was that regardless of that, the Government ought, as a banker and as a citizen, reimpose regulation W, to protect the citizens and the country. They are two important witnesses, and that is the net result of their testimony.

Mr. CAIN. Mr. President, I point out that we have not been quibbling.

Mr. TOBEY. Well, we have been talking about a small point.

Mr. CAIN. Precisely, we are talking about a small point; but we are not quibbling.

Mr. TOBEY. But does the Senator agree that that is the testimony of Mr. Sproul and Mr. Eccles—namely, that they want this legislation, and they believe it is in the interest of the country?

Mr. CAIN. I say to the Senator that most certainly that is what Marriner Eccles said in connection with his testimony in written form, and what Mr. Sproul said; yes.

Mr. TOBEY. And is it not what Robert Nathan testified?

Mr. CAIN. Yes. Those are the positions taken by those gentlemen, and we should examine them, as we are trying to.

I am reminded of the fact that a body of 12 men, each one from a different Federal Reserve district throughout the country, 12 men, a statutory body, charged by the Congress with giving advice and counsel to the Chairman of the Federal Reserve Board and his board members, were entirely in agreement as to the unimportance of regulation W, and certainly they were in agreement that to adopt regulation W instead of first seriously considering much more important matters was only to take advantage of our conscience, and to fool the American people beyond reason.

Mr. TOBEY. The Senator will agree with me, will he not, that we are still considering the vast program of important credit legislation, but something has to come first in this world, and as this is the matter of least resistance, therefore we bring it out. It is part of the whole picture.

Mr. CAIN. That is where we have a basis for argument. It would seem to be a valid position, from my point of view, that as we attack inflation in this country, if we are to do that, we should start at the top and work down in order that we know where we are going. The Senator's position, on the basis of the record—and I can understand it—is that we should start with whatever we can get, without reference or regard to where that something may fit into the general picture. We have no quarrel between us.

Mr. TOBEY. I would not put it that way.

Mr. CAIN. How would the Senator put it?

Mr. TOBEY. I shall be glad to define my position to the Senator, and will ask him to listen carefully.

In this country today we are in a period of inflation. It is not something in the future; its rumblings are ominous; it is rolling over the country. We all agree

so far. Therefore, in order to meet the dangers of inflation, we as a Congress are charged with the deep responsibility of checking inflation, of creating a sound economy.

Now we have a program put before us by eminent authorities, Federal Reserve men, bankers, by our Republican Party, the Democratic Party, and the President of the United States. A component part of the Republican Party's recommendation is embodied in what is urged by Governor Sproul, Chairman Eccles, the Federal Reserve Board, the veterans, and others, requesting the enforcement of consumer installment credit controls. So we look the picture over, and we find five or six pieces to the picture that deal with those matters. They have been put on the table, our minds are full of them, and after the Congress returns January 6, we shall take up these larger and more complicated matters, and endeavor to reach a sound conclusion.

Meantime, one of the least of the abuses is regulation W, but it is a weapon, it will do some damage to inflation, and the extent it is good, I am for it.

Mr. CAIN. I am satisfied I would be for regulation W if I could satisfy myself it would help at this time by itself in the fight against inflation. We in this body are all agreed that inflation is tremendously harmful and important today. Yet we are about to return to our homes. Perhaps it will give us some satisfaction to think that we have done something if we pass only the measure before us.

Mr. TOBEY. The Senator and I are both members of the Republican Party—albeit some raise their eyebrows when I claim to be, and assume to wonder whether I really am. But that is a matter of my own conscience, and I am still a Republican, whether some others like it or not.

It will be recalled that we read in the papers of December 14 a statement of the Republican policy committee, which consisted of 10 points, and I read No. 5, which was in capitals:

Discourage undue increase of consumer credit.

There is the goal to shoot at, and the pending measure is the machinery to accomplish the purpose. Therefore why does the Senator wait? Come on in. The water is fine. Join us.

Mr. CAIN. Will the Senator be kind enough to read again the provision to which he referred?

Mr. TOBEY. I shall be glad to. It reads:

Discourage undue increase of consumer credit.

Mr. CAIN. And those of us in opposition are taking the position that the reestablishment of regulation W cannot be construed to restrict the undue acceleration of consumer credit, that credit being presently, in the field to be imposed upon by regulation W, less than it was in 1938 and 1939.

Mr. TOBEY. I do not see the distinguished senior Senator from Ohio present, but as the chairman of the Republican policy committee he spoke on this matter, and that has direct reference to his thought about the joint resolution. He believes that the passage of the joint resolution will square with the statement we made in the credo of the Republican Party before the American people.

Mr. CAIN. I very much trust the senior Senator from Ohio will find it possible to give us the benefit of his thinking. That we dissent is a perfectly obvious and natural thing, because all men are not expected to look at life in the same way.

Mr. BRICKER and Mr. FLANDERS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Washington yield, and if so, to whom?

Mr. CAIN. I yield first to the Senator from Ohio.

Mr. BRICKER. I think it might give us a somewhat different impression of the testimony of the chairman of the Federal Reserve Board and of his Board's recommendation if we realized that the 9 Senators who voted to report the joint resolution recommending adoption of regulation W did not follow his testimony. It will be remembered that the Federal Reserve Board, and the chairman of the Board, in concurrence, asked for permanent power to enforce or to put into operation regulation W, or similar controls, and the majority recommendation limited it to 1949.

Mr. TOBEY. I may say, in all modesty, that I think I took the bull by the horns and made that statement that morning. I quite concur with the Senator.

Mr. BRICKER. In order that the RECORD may be complete, let me say that the dollars involved before the war in commodity credits, for the articles enumerated in regulation W, amounted to $3,700,000,000, and at the present time the amount is $2,300,000,000. That emphasizes what the Senator from Washington brought to the attention of the Senate a moment ago.

Mr. CAIN. I now yield to the Senator from Vermont.

Mr. FLANDERS. Mr. President, I should like to speak to the point just raised by the Senator from Ohio, and previously raised by the Senator from Washington.

Mr. HATCH. I trust the Senator will speak loud enough so that we on this side of the Chamber may be able to hear him.

Mr. FLANDERS. The suggestion is made to me that the Senator from Washington be permitted to conclude, and that I then take the floor, if I can get it. I may say that I should like to have the Senator from Washington conclude, because he may make some other observations with which I shall not be in entire concord.

Mr. CAIN. Mr. President, on that point I wish to say to the Senator from Vermont that I trust, on the basis of what his position has been thus far, that I shall be able to make a series of observations which may be acceptable to others, if not to him.

I should like to make an observation, and from this one a number of others, in order that they might appear in the RECORD, where thoughtful and thinking people can take time to look them over. There is no pride of authorship in some of these observations. I take it that in one way or another these observations are supported by a very great many people in this country. The first observation is that inflationary pressures do not stem from installment lending. They come from shortages of goods, and from our outstanding $200,000,000,000 of purchasing power.

Bankers and finance companies in this country are presently the largest lenders, and they would actually benefit, because regulation W would improve their competitive position.

Another and reasonable observation with reference to regulation W is that it would irritate many people, and price many people out of the market, and have almost no effect on prices. The only reason why we are going to pass the pending measure, if we do so, is that Congress believes that it will reduce prices and minimize the hardships of inflation.

Charge accounts were removed from control, so far as I know, as of December 1, 1946. Mr. Marriner Eccles has testified that an enforcement became impossible because the American people did not find it possible to cooperate in that field, namely, they did not want controls in those forms. The little fellow dislikes controls, and has a right to dislike them, as much as does the wealthier man.

I think it proper to say that controls will not stop the person with cash from buying what he pleases. This regulation will stop only the American wage earner who has credit, and good credit, too, but does not have the required cash. That is discrimination. The wage earner, certainly, at this stage of our economic considerations, should be allowed to satisfy his requirements by the use of consumer credit. Wage earners constitute the great majority of our citizenry.

I want to mention a seeming contradiction which will become, if it is not presently, of importance to this body. The Federal Government today encourages long-term loans for the purchase of real estate, as we have never done before in American history. These loans cover one of the most highly inflated items on our current market. All Senators know that to be so. The loans are guaranteed by the Government. The Federal Government itself, through the Federal Housing Authority, is presently financing the purchase of refrigerators and home improvement with no down payment and with 36 months in which to pay. These items are totally exempt from Government credit control, and yet we are requested to impose a regulation which will serve the purpose of preventing the individual who has been encouraged by his Government to buy a house with long-range credit, in a good many instances, from placing furniture and furnishings in his house. I may be mistaken, but I think that is a contradiction, not necessarily in terms, but in fact, and should be argued out before further consideration is given to the pending measure.

This is a generality but perhaps there is real substance in it. Mass employ-

ment depends upon mass production, and mass production depends upon mass consumption, and mass consumption cannot exist without mass credit. Eliminate mass credit and to that extent mass consumption is eliminated, and to a like extent, mass production and mass employment. I think those observations are worthy of consideration.

I have before me a few facts and figures concerning regulation W, showing what it covers and what it means. I should like to make reference to them for the benefit of the record.

What makes up the total consumer credit volume of $11,000,000,000? The items are, installment credit, which is sales credit on the one hand and loan credit on the other. Installment credit is that portion of the total consumer credit with which we are concerning ourselves this afternoon. It approximates $5,298,000,000, which is a very large sum of money. Single-payment loans approximate $2,350,000,000. Charge accounts which no one has suggested ought to be put under regulation W, or under any other regulation, amount to $2,859,000,000. Service credit generally approximates $927,000,000. These four items make a total of $11,424,000,000.

The total of the single-payment loans, charge accounts, and service credit make up half of the total volume of consumer credit to which Governor Eccles and Governor Evans, Secretary Snyder, and Secretary Harriman, have referred in their testimony. None of these authorities have indicated any intention, desire, or wish to have such items controlled. In fact, they have said, "In heaven's name, do not consider controlling these items," which make up more than half of the consumer credit volume now outstanding.

Having thus eliminated all but installment credit from the total of consumer credit, we proceed to analyze the outstanding installment credit of $5,298,000,000. Installment credit may be subdivided into sale credit arising from the sale of goods, and loan credit representing loans repayable on an installment basis. The total of installment sale credit at September 30, 1947, was only $2,254,000,000. In 1941, installment sale credit amounted to $3,744,000,000; in fact, the outstanding installment sale credit is now less than it was in 1936, 1937, 1939, 1940, and 1941, though the sales of goods in 1947 are more than double the dollar volume of the sales in any of those years. The difference in the 1941 figure and the 1947 figure is $1,500,000,000—or the amount of sales credit this legislation could affect. That dollar volume is, I think, something less than seven-tenths of 1 percent of our national income.

The other segment of installment consumer credit consists of loans repayable in installments. In September of 1947, this item amounted to $3,044,000,000. This included loans made by commercial banks, small loan companies, industrial banks, industrial loan companies, and credit unions, and more than $500,000,000 of insured repair and modernization loans insured by Federal Housing Administration; that is, sponsored and guaranteed by the Government. After deducting $500,000,000 for the FHA loans, because they obviously would not be controlled, we have only $2,500,000,000 total of installment loans. From this $2,500,000,000, deduct those loans made for doctors, dentists, hospital, educational, taxes, and other remedial loans, and we can safely assume that not more than $1,000,000,000 represents loans made for the purchase of goods listed under regulation W.

The result is that a little over a billion dollars of installment sale credit and a billion dollars of installment loan credit would actually be subject to regulation W controls if they were restored in the form terminated on November 1. Thus, we arrive at the total of about $2,500,000,000 which would be affected by the restoration of regulation W controls, or 2.5 percent of the national income.

Mr. President, in drawing these remarks to a conclusion, I should like to summarize, on the basis of my own economic conviction. It will be unwise and unsafe for us to say to the people of America today that through regulation W we are either minimizing inflation or reducing prices. There will be no such effect or result. I think, Mr. President, in furtherance of that position, that because of a lack of experience as to what has transpired since the regulation expired on November 1, 1947, and because the total number of dollars involved, which would be covered by regulation W, is not very large, we have no cause or reason or logic to spend our time on regulation W at this stage of our game of economic warfare.

I have spoken feelingly on that position in the hope that some of us might be encouraged to settle down to a conquest of and fight to the finish with the causes rather than the results of inflation. For us to go home at Christmas time thinking that we have done something sound when what we have done has, in my opinion, been almost completely unimportant, is for us to have a happy time to which we are not entitled.

Mr. FLANDERS. Mr. President, on the question of reinstating regulation W to deal with installment buying, I find myself in almost complete agreement with the Senator from Washington [Mr. CAIN] and the Senator from Ohio [Mr. BRICKER], on everything except the end result. The figures given are correct. I do not agree with their interpretation. It seems to me to be looking at those figures in the wrong light to say that in view of the present small amount of installment buying we should measure the seriousness of the possibilities of an expansion of regulation W by looking at those figures at the end of a long period of restraint. Of course they are small, because we have had a long period of enforcement of regulation W. It is what they will grow to which is the case we are now discussing.

As to being relatively unimportant, I think any of us who desire to reinstate regulation W can accept that statement. It is more important to note that while comparatively unimportant in the total purchasing power of the country, yet the restraint on installment figures moves in the right direction. I think there is no one here who has had any experience in business who has not been told by some subordinate, "But this expenditure is relatively unimportant." There will be another expenditure which is relatively unimportant, and another and another. It is good business judgment in most cases to couple the relatively unimportant expenditures and measures with the right decisions, so that in the end there may be a really perceptible and useful movement in the right direction.

The advantage of reinstating regulation W at this time is that it moves in the right direction with an appreciable amount, and an amount which would become more and more appreciable in the wrong direction were regulation W not reinstated.

We furthermore have experience in the administration of regulation W. That experience is very favorable from the standpoint of all those who are engaged in its administration. There is a natural desire on the part of those who are trying to keep the law to furnish information concerning those who do not try to keep the law. In actual practice the dealing with infractions of regulation W has not been by bringing criminal cases; it has been by visitation and argument and threats. The work has been done, and done successfully, with a minimum of legal action.

Now as to regulation W irritating people. There is a good deal to be said for the idea that we are imposing limitations on people, rationing them, on the basis of their income rather than on any other more logical basis. That is the A. F. of L. position. The CIO position, so far as it was brought out in our price hearings, is exactly the opposite. Every CIO representative who appeared before the committee in the price hearings asked for the reimposition of regulation W. I therefore suggest that those two great labor organizations can be balanced off against each other, which will leave us about where we were before, so far as that is concerned.

There is a consideration which is incidental to the matter of making a relatively unimportant move in the right direction, and that is that besides its effect in putting brakes on the increase of purchasing power which, as my friend, the Senator from Washington [Mr. CAIN] said is a fundamental element in inflation, it will have the effect of saving a great many people from serious financial difficulties in the event of a recession.

Mr. President, I am not one of those who believe that saving people from trouble is a main function of the Federal Government. That view may be held by another group than that to which I belong. If I held that doctrine as to the duties of government wholeheartedly, I would stop horse races and dog races and some other things. I do not hold it. I only say that the reinstatement of regulation W will have a beneficial effect of the character I have indicated, which must be put on the credit side, along with the other effect which goes to the credit side, namely, that of putting a brake on the increase in purchasing power.

Mr. MAYBANK. Mr. President, I merely wish to state that the Democratic members of the Committee on Banking

and Currency unanimously supported the measure, and I trust it will be passed.

Mr. FULBRIGHT. Mr. President, I merely want to say a few words about the pending measure, inasmuch as I am a member of the committee which reported it. The argument that the pending measure deals with a small item, and will have no deterrent effect, does not seem to me to be valid. There is no single way to solve the question. The Joint Committee on the Economic Report realized that there are at least 10 major fields to be dealt with, and the one dealt with by the pending measure is one of them. It happens to be the first one coming from the joint committee. I think the argument that the matter dealt with is small, and therefore we should not take the action proposed is entirely false. I do not think the people of the country will get the idea that because we have passed this measure we have solved the problem of inflation. It ought to be very clear and the press, I am sure, will make it clear, that we are not offering the measure as the whole solution to the problem. I hope the Senate will pass the joint resolution.

The PRESIDENT pro tempore. The question is on agreeing to the first committee amendment, on page 1, line 7, after the word "including", to strike out "June 30, 1948," and insert "March 15, 1949."

The amendment was agreed to.

The PRESIDENT pro tempore. The next committee amendment will be stated.

The next amendment was, on page 1, line 10, after "1941)", to insert "insofar as it relates to installment credit."

The amendment was agreed to.

The next amendment was, on page 2, line 1, after the word "such", to strike out "consumer credit" and insert "consumer installment credit."

The amendment was agreed to.

The next amendment was, on page 2, line 3, after the words "joint resolution", to strike out "or any national emergency which is declared by the President after such date of enactment."

The amendment was agreed to.

The next amendment was, on page 2, after line 5, to insert:

All the present provisions of sections 21 and 27 of the Securities Exchange Act of 1934, as amended (relating to investigations, injunctions, jurisdiction and other matters), shall be as fully applicable with respect to the exercise by the Board of Governors of consumer installment credit controls as they are now applicable with respect to the exercise by the Securities and Exchange Commission of its functions under that act, and the Board shall have the same powers in the exercise of such consumer installment credit controls as the Commission now has under the said sections.

The amendment was agreed to.

The PRESIDENT pro tempore. That completes the committee amendments. If there be no further amendments to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "Joint resolution to provide for the regulation of consumer installment credit for a temporary period."

The joint resolution (S. J. Res. 157), as passed, is as follows:

Resolved, etc., That in order to protect the Nation's monetary, banking, and credit structure, and interstate and foreign commerce, against increased inflationary pressures, the Board of Governors of the Federal Reserve System are authorized, up to and including March 15, 1949, to exercise consumer-credit controls in accordance with and to carry out the purposes of Executive Order No. 8843 (August 9, 1941) insofar as it relates to installment credit; and no such consumer installment credit controls shall be exercised after such date except in time of war which begins after the date of enactment of this joint resolution.

All the present provisions of sections 21 and 27 of the Securities Exchange Act of 1934, as amended (relating to investigations, injunctions, jurisdiction, and other matters), shall be as fully applicable with respect to the exercise by the Board of Governors of consumer installment credit controls as they are now applicable with respect to the exercise by the Securities and Exchange Commission of its functions under that act, and the Board shall have the same powers in the exercise of such consumer installment credit controls as the Commission now has under the said sections.

SEC. 2. Public Law 386, Eightieth Congress (terminating consumer-credit controls after November 1, 1947), is hereby repealed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1770) to amend the National Housing Act, as amended.

AMENDMENT OF NATIONAL HOUSING ACT—CONFERENCE REPORT

Mr. TOBEY. Mr. President, I submit a conference report on Senate bill 1770, to amend the National Housing Act, as amended.

The PRESIDENT pro tempore. The report will be read.

The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1770) to amend the National Housing Act, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same.

CHAS. W. TOBEY,
DOUGLASS BUCK,
By C. W. Tobey,
HOMER E. CAPEHART,
By C. W. Tobey,
BURNET R. MAYBANK,
GLEN H. TAYLOR,
Managers on the Part of the Senate.

JESSE P. WOLCOTT,
RALPH A. GAMBLE,
JOHN C. KUNKEL,
BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
Managers on the Part of the House.

Mr. TOBEY. Mr. President, I should like to give a word of explanation of the conference report.

Senate bill 1770 increases the amount of money available under title VI of the Housing Act, under which the Government guarantees loans up to 90 percent. Those funds have been exhausted by builders and applicants as of last November, although not all the loans have been processed. But there is a great need for further funds to carry them through until next spring, when the act comes up anew.

The Committee on Banking and Currency is composed of 13 members, 7 in the majority party and 6 in the minority party. The bill had such a wide appeal to those Senators after they had been home for the interim recess that when it was brought up each of them asked to have his name placed on the bill as a sponsor so the bill as introduced carries the name and signature of each member of the committee.

We found that $1,000,000,000 was not necessary at this time and that we could get along with three-quarters of a billion dollars. So I offered an amendment reducing the amount to $750,000,000. Subsequently it was decided to be the part of wisdom that that should be subdivided and limited. It was originally provided in the bill that $250,000,000 should be available at once and the balance left to the President to be used at his discretion. The House changed that so as to provide for $250,000,000 to be used at once and the balance of $500,000,000 to be used at the President's discretion. That is the only difference between the two branches of Congress.

The conferees met yesterday. I think the meeting deserves mention as the shortest conference on record in my experience in the Congress. It lasted approximately 2½ minutes until the conferees could sign their names. So the brethren "dwelt together in unity."

As the bill stands $250,000,000 is to be made available at once, and $500,000,000 is to be left in the hands of the President to use in his discretion.

I move the adoption of the report.

The PRESIDENT pro tempore. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

INVITATION BY JOINT COMMITTEE ON LABOR-MANAGEMENT RELATIONS FOR PRESENTATION OF INFORMATION REGARDING OPERATIONS OF TAFT-HARTLEY LAW

Mr. BALL. Mr. President, I ask unanimous consent that a statement issued by the Joint Committee on Labor-Management Relations, of which I am chairman, at a meeting this morning, inviting any individual or organization knowing of specific inequities resulting from the provisions or operations of the Taft-Hartley law to present such information to the committee, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Any individual or organization knowing of specific inequities resulting from the provisions or operation of the Taft-Hartley law is invited to present such information to the Joint Committee on Labor-Management Relations. We invite such presentation from employees, employers, or their organizations, and the general public.

To date there has been no instance of a specific injustice created by the new law called to our attention. Opponents of the law have continued to voice their objections in public speeches, in the press, and on the air. However, their objections are still of a general and hypothetical nature. No concrete examples of inequities are cited.

We stand ready to investigate any cases that are presented to us. In fact, we welcome and invite their presentation.

The committee staff will investigate any such information, and, if justified, we will hold public hearings to bring out the facts. It should be emphasized, however, that the committee is not interested in broad, general attacks on or defenses of the Taft-Hartley law and its objectives. That subject matter was thoroughly covered in the first session of the Eightieth Congress with many weeks of hearings and debate. What we are interested in are specific, factual cases of unfairness resulting from the operation of this law. However, in line with our previously determined policy, we will not inject ourselves into disputes while they are still in progress.

One of the duties given our committee was that of watching the operation of the Labor-Management Relations Act of 1947 (Taft-Hartley). We have considered it to be one of our most important functions.

The committee staff has established a liaison with every department, bureau, and agency having anything to do with the administration of that law. We have thus kept ourselves informed on all administrative rulings, decisions, and actions. The committee has met with the heads of these agencies at various times and inquired into possible problems of administration. We are obtaining the pleadings and following every court action brought under title III of the new law.

We have visited selected individual plants in various industries throughout the country and discussed labor-management relations history and present bargaining relations with employers and union representatives.

All this has been with a view of determining whether or not the new law has created any inequities among the individual worker, the union, and management. We want to know whether the new law is meeting its objectives. So far, no serious difficulties have developed, and the provisions of the act appear adequate to solve problems arising under it.

STABILIZATION OF COMMODITY PRICES AND THE NATIONAL ECONOMY

The Senate resumed the consideration of the joint resolution (S. J. Res. 167) to aid in the stabilization of commodity prices, to aid in further stabilizing the economy of the United States, and for other purposes.

The PRESIDENT pro tempore. What is the further desire of the Senate?

Mr. TAFT. Mr. President, I assume that under the order we now return to the pending business, Senate Joint Resolution 167.

The PRESIDENT pro tempore. The Senator is correct. The pending business is Senate Joint Resolution 167.

Mr. TAFT. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	Myers
Baldwin	Hawkes	O'Conor
Ball	Hayden	O'Daniel
Barkley	Hickenlooper	O'Mahoney
Bricker	Hill	Overton
Bridges	Hoey	Pepper
Brooks	Holland	Reed
Bushfield	Ives	Revercomb
Butler	Jenner	Robertson, Va.
Byrd	Johnson, Colo.	Robertson, Wyo.
Cain	Johnston, S. C	Russell
Capehart	Kem	Saltonstall
Capper	Kilgore	Smith
Chavez	Knowland	Sparkman
Connally	Langer	Stennis
Cooper	Lodge	Taft
Cordon	McCarran	Taylor
Donnell	McCarthy	Thomas, Okla.
Downey	McClellan	Thomas, Utah
Dworshak	McFarland	Tobey
Eastland	McGrath	Umstead
Ecton	McKellar	Vandenberg
Ellender	McMahon	Watkins
Ferguson	Magnuson	White
Flanders	Martin	Wiley
Fulbright	Maybank	Williams
George	Millikin	Wilson
Green	Moore	Young
Gurney	Murray	

The PRESIDENT pro tempore. Eighty-six Senators have answered to their names. A quorum is present.

The question is on agreeing to the first committee amendment.

The first amendment was, on page 2, after line 9, to strike out:

(2) providing for the marketing of livestock and poultry at weights and grades that represent the most efficient utilization of grain.

The amendment was agreed to.

The next amendment was, on page 2, line 13, to strike out "(3)" and insert "(2)."

The amendment was agreed to.

The next amendment was, on page 2, in line 16, to strike out "(4)" and insert "(3)."

The amendment was agreed to.

The next amendment was, on page 3, line 10, after "SEC. 3", to insert "(a)."

The amendment was agreed to.

The next amendment was, on page 3, beginning in line 14, to insert:

(b) Notwithstanding any other provision of law, the President in the exercise of the powers, authority, and discretion conferred upon him by such act of July 2, 1940, as amended, is authorized to use price criteria in the licensing of exports, either by giving preference among otherwise comparable applications to those which provide for the lowest prices, or, in exceptional circumstances, by fixing reasonable mark-ups in export prices over domestic prices.

The amendment was agreed to.

The next amendment was, on page 3, line 22, to insert in the subtitle, after the word "facilities", the words "and grain."

The amendment was agreed to.

The next amendment was, on page 3, line 23, after "Sec. 4" to insert "(a)."

The amendment was agreed to.

The next amendment was, on page 4, after line 5, to insert:

(b) Notwithstanding any other provision of law, title III of the Second War Powers Act, 1942, is hereby revived and reenacted for the exercise of the powers, authority, and discretion conferred on the President by such title III with respect to the use of grain for the production of distilled spirits for beverage purposes. The authority granted by this subsection shall expire on January 31, 1948.

Mr. BARKLEY. Mr. President, I move to insert after the words "distilled spirits", in line 11, the words "or neutral spirits."

The PRESIDENT pro tempore. The question is on the amendment offered by the Senator from Kentucky to the committee amendment.

Mr. TAFT. That is perfectly satisfactory, although I think the Senator from Kentucky would accomplish what he wants a little better if he said "for the production of distilled spirits for beverage purposes, including neutral spirits."

Mr. BARKLEY. There is such a technical distinction between distilled spirits used as a beverage and neutral spirits that no one is ever sure that he has the distinction clearly.

Mr. TOBEY. Do they not sometimes become kindred spirits?

Mr. BARKLEY. Neutral spirits is not used as a beverage by itself; it has to be blended with other spirits in order to be drinkable.

Mr. TAFT. I am willing to accept the amendment offered by the Senator from Kentucky.

Mr. MAYBANK. Mr. President, would it be agreeable to change the date to March 1? I had understood that it would be postponed for 60 days until hearings could be held on the bill introduced by the Senator from West Virginia [Mr. KILGORE].

Mr. TAFT. The Senator knows that the date was fixed by the committee. I have no choice. The committee thought that was as long as it ought to be until a better opportunity for hearings could be had. The committee thought it would be very arbitrary, without hearings, to do more than extend the authority for the shortest possible time until hearings could be held. I think we had better leave it at January 31, 1948. After all, hearings can be held in a hurry in January, and the authority can be extended for 30 days at that time. However, giving the Secretary of Agriculture authority to shut down all distilleries and perhaps put people out of work is a very arbitrary power. I think it ought to be limited strictly, in view of the fact that no hearings have been held.

Mr. MAYBANK. I merely wanted to make the suggestion in the hope that hearings would be immediately commenced when we return.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Kentucky to the committee amendment on page 4, line 11.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDENT pro tempore. There are no further committee amendments.

Are there any further amendments to be offered to the joint resolution?

Mr. BARKLEY. Mr. President, I offer the following amendment:

On page 2, in line 4, after the word "to", insert "issue regulations and orders, and for this purpose to."

I think probably it might be agreeable to offer a further amendment, implementing that one, which would strike out subsections (b) and (c) of section 2; and I offer as a substitute therefor new subsections (b) and (c), which I shall ask to have read by the clerk.

I may say that the amendment which I offer on page 2, namely, to insert the words "issue regulations and orders, and for this purpose to" gives the President more power than merely to call in business and consult them about making voluntary agreements of their own. It authorizes him to issue regulations and orders with respect to the allocations and priorities and other matters dealt within the joint resolution, and that language is implemented by writing in new subsections (b) and (c), which I shall ask to have read by the clerk.

The PRESIDENT pro tempore. Does the Senator from Kentucky request that all the amendments to which he has referred be considered en bloc?

Mr. BARKLEY. I ask unanimous consent that the three proposals be regarded as one amendment and be voted on en bloc.

Mr. TAFT. Mr. President, I object to that. I think they should be considered and voted on separately.

The PRESIDENT pro tempore. Then the question is on agreeing to the first amendment offered by the Senator from Kentucky, which will be stated.

The CHIEF CLERK. On page 2, in line 4, after the word "to", it is proposed to insert "issue regulations and orders, and for this purpose to."

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Kentucky.

Mr. BARKLEY. Mr. President, there is a fundamental difference between the amendment and the proposal contained in the joint resolution as reported by the committee, which merely authorizes the President to consult with industry in regard to the making of voluntary agreements between various elements of business, industry, and agriculture, which agreements are later to be approved by him, if elements of business, industry, or agriculture make them and present them to him. If such agreements are entered into and presented to the President for his approval or disapproval, and if he approves them, the antitrust laws are abrogated or nullified or relaxed to the extent covered by the agreements he approves. If for any reason he declines to approve the agreements, of course they would not become effective. But this measure places upon the President the requirement that he take the initiative, that he canvass business and industry and agriculture to determine whether voluntary agreements shall be entered into. He is not to be a party to the agreements; under the joint resolution he could not be a party to such an agreement, except insofar as he might approve it after it had been entered into by industry, agriculture, or business, because after it has been entered into it is to be presented to him for his approval. If he declines to approve the agreement, of course he is then subject to the charge that he has undertaken to interfere with the right of business voluntarily to agree upon allocations, priorities, or other matters dealt with in the joint resolution. No matter how obnoxious those agreements might be and no matter how unfair they might be to the American people, all that the President would be authorized to do, that would be effective, would be either to approve or disapprove the agreements. The language now contained in the joint resolution places it within the power of a few men in industry or business to bring about agreements that would nullify the antitrust laws of the United States; or if the President declines to agree to any such voluntary arrangement, he subjects himself to the charge that he is seeking to interfere with these voluntary agreements.

The joint resolution provides that the agreements cannot deal with the subject of prices. Even though an agreement bringing about a reduction of prices might be entered into between industries or businesses or agricultural producers, the President is prohibited from agreeing to such an arrangement, although the whole basis or foundation of the proposed legislation we are asked to consider is the high cost of living and the high costs of industry and production in the United States. If it had not been for the skyrocketing of prices, we would not be here with this proposed legislation confronting us, and the President would not be asking for the enactment of legislation to give him authority to control allocations and priorities and prices and wages, according to his recommendation in the message he delivered to the Congress on the 17th day of November.

Mr. TOBEY. Mr. President, will the Senator yield at that point?

Mr. BARKLEY. I yield.

Mr. TOBEY. Perhaps I did not understand the Senator from Kentucky, because his back was toward me; but I want this point clarified, for I am uncertain about it in my mind: Did the Senator suggest that big business would nullify and set at variance the antitrust laws of the United States? Is it not a fact that they cannot do such a thing if the President objects? He is the eye of the needle; he is the door through which they must pass.

Mr. BARKLEY. I said the President is required either to approve the agreements under which the antitrust laws would be relaxed or he is charged with undertaking the responsibility of nullifying those agreements, because he is compelled either to approve them—and thus make the industries involved subject to a relaxation of the antitrust laws—or to disapprove them. I said that a small group in this country—and we know that some 200 concerns control the industries of the United States—would make the agreements which would be submitted to the President for his approval or disapproval, and by that sort of voluntary action on their part, they might determine the extent to which the antitrust laws would be enforced or relaxed.

Mr. TOBEY. But the President could wipe out all such agreements if he wished to do so; could he not?

Mr. BARKLEY. Of course he could; I am not disputing that at all. The point is that if the President is compelled by this measure, if it is enacted into law, to institute consultations with business in order to bring about voluntary agreements, he would automatically and obviously be in a very embarrassing situation, after taking the initiative, which he is required to do by the joint resolution, if he found it impossible to approve such an agreement which had been entered into by any group of business.

Mr. TOBEY. Under the joint resolution would it not be absolutely imperative upon big business, using that expression, before they take any steps to vitiate the antitrust laws, to get the approval of the President?

Mr. BARKLEY. Yes; they have to get his approval.

Mr. TOBEY. So we localize the responsibility with him to say "Yes" or "No."

Mr. BARKLEY. The president is required to do what I do not think a President has ever been required to do before, initiate and canvass among businessmen the question whether it might be possible to enter into voluntary agreements. I do not think the President of the United States should be required to huckster around businessmen in this country to determine whether they will enter into a voluntary agreement of any kind.

Mr. TOBEY. Let me read to the Senator from the report, very briefly:

Such agreements will be designed to limit inventories and to authorize priorities with a view to removing bottlenecks in the production of vital commodities. If it appears that voluntary controls are inadequate to meet specific problems, the committee will consider the granting of additional authority to meet such particular problems. In the next regular session of the Congress the committee intends to continue its study of the entire program and to explore its potential consequences.

Let me say to the Senator, and then I shall take my seat, that I share with him very definitely a loathing, an aversion, a hostility, if I may put it that way, to any breach of the antitrust laws of this country. He and I have worked together before on similar movements, and I still feel that hostility. The only thought in my mind in reporting the pending measure in this time of stress—and it is a time of stress—was that it might be the part of wisdom that the President should have authority, as and when a group came to him, to say, "Yes; I will suspend the antitrust laws for 60 or 90 days, but I want to see what you are doing." That was Mr. Harriman's suggestion, the Senator will remember.

Mr. BARKLEY. No.

Mr. TOBEY. The same provisions found in the pending measure were recommended by Mr. Harriman.

Mr. BARKLEY. The Senator is mistaken about that. The Harriman recommendations are embodied in an

amendment I shall offer as a companion to the pending amendment.

Mr. TOBEY. Was not the general idea the same?

Mr. BARKLEY. There was the same general idea, except that the Harriman proposal was that the President should be given the power to impose the allocations and the priorities, but having in mind also the making of an effort between the Government and business to bring about voluntary agreements which would make possible, it may be, the accomplishment of the purpose without the necessity for mandatory orders or regulations. The difference is that the pending amendment will give the President the power to do that rather than wait for Congress to reassemble and decide whether it will give him the power on the basis of failure of voluntary agreements.

Mr. TOBEY. One more question. Can the Senator from Kentucky conceive of any situation in this country in which, in his mature judgment, it would be the part of wisdom to bend, or suspend, or lift for a brief period of time, the antitrust laws for the common good?

Mr. BARKLEY. No, I cannot. I have always been an advocate of the strictest enforcement of the antitrust laws, and during my years of service in the Houses of Congress I voted for and urged the passage of legislation strengthening the antitrust laws. It was my good fortune to help write the Federal trade law, in the Wilson administration, setting up the Federal Trade Commission, to vote for the Clayton antitrust law, and all the laws which have been passed strengthening the original antitrust law. I think it is only in the rarest of circumstances, and the most extreme situations, that there should be any relaxation of the provisions of the anti-trust laws. But I think the power to relax the laws should go along with the power of the President of the United States, or some agency or department designated by him, to determine that there should be allocations and priorities, and have the power to impose them if there shall be a lack of voluntary cooperation, or if any voluntary effort should be unsuccessful.

My point is that I do not think we should try out the voluntary system first and then wait for Congress to return and pass a mandatory law, as seems to be indicated now, because no one knows when Congress will take action. I think it would be better for us to do well at this time what we have to do, or do it within a reasonable time, than to take a half bite out of the cherry and await the pleasure of Congress in strengthening the law, if it is found not to be workable.

Mr. TAFT. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. TAFT. The Senator realizes, does he not, that his amendment would change completely the whole nature of the joint resolution? He now seeks to impose compulsory controls over every industry in the United States, to prescribe allocations, to prescribe priorities, and the embodiment of his proposal in the joint resolution would make it absolutely impossible to pass the measure before Christmas.

Mr. BARKLEY. I do not know about that. I am not sure that even the milk and water proposition we are now considering will pass before Christmas. There is no assurance of that. The Senator from Ohio cannot give us any assurance of that.

Mr. TAFT. That is true, but I think there is a reasonable chance that it may pass.

Mr. BARKLEY. I think the Congress of the United States in dealing with this problem should do a thorough job, and it might well wait until a few days after Christmas rather than pass something hastily in order to be able to go back home and say, "Look what I have done as a Christmas gift." It is a phony Christmas gift.

Mr. TAFT. In presenting the joint resolution, I stated very clearly that if the minority wished to block it, it was in their power to do so, and if they think they must have all power or nothing, they have it in their power to block the measure at this session. The main question will then be debated at the next session of Congress.

Mr. BARKLEY. I stated to the Senator and to the Senate this morning that the minority had no desire to block consideration of the joint resolution; but that did not mean that we are required to accept it as it came from the committee, or from the pen of the Senator from Ohio. We are offering, in good faith, amendments which we think will strengthen the measure. If the Senate votes them down, it has that privilege. If they are adopted and the measure goes to the House, and the House will not accept the amendments, that is their privilege and responsibility.

Mr. TAFT. There is no question of the right of the Senator to offer any amendment and to have it voted on, but the particular proposal he has made attempts to change the entire character of the joint resolution, and impose compulsory allocations and compulsory priorities, to give the Government power to cut down, let us say, the percentage of milling in grain, to regulate every flour-milling industry in the United States, to regulate every industry in the United States, to set up a large bureaucratic control, to do everything the War Production Board did during the war. I should be glad to have a vote on the amendment, but I wished to point out that it does not propose merely a slight change in the joint resolution, but it would completely change the whole fundamental approach we have made.

Mr. BARKLEY. It would change the measure to the extent that the President, along with the authority to try out a voluntary system, could also bring about a compulsory system. There is no doubt about that. I am not seeking to deceive the Senate as to the effect of the amendment. It embodies what the President asked for—it was his recommendation—and we are seeking to carry out his purpose so far as we can, not completely, because, as I have said to the Senator from Ohio, although I introduced yesterday a price-control bill which had been prepared under the supervision of the Secretary of Commerce, acting with other members of the Cabinet, I have no purpose to offer it today as a substitute for or as an amendment to the pending measure. But we do feel that if we are to pass a measure now, it should have some teeth in it. It should hold out some hope that the American people would receive some relief from the intolerable burdens they are sustaining by reason of high prices and increasing prices.

Mr. O'MAHONEY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Kentucky yield to the Senator from Wyoming?

Mr. BARKLEY. I yield.

Mr. O'MAHONEY. It occurs to me to add to what the Senator from Kentucky has said that the amendment he has just offered brings the joint resolution as it came from the committee into harmony with itself. As it has been reported and recommended by the committee, in section 3 it extends the Export Control Act, and gives the Government mandatory authority to regulate exports. In section 4 the joint resolution extends the power to allocate transportation facilities, and gives to the ODT an additional period within which it may compel the owners of transportation facilities to follow out the orders of the Government.

The power to control exports is conferred in order to serve the public interest. The power to allocate transportation facilities is recommended by the committee to serve the public interest. The amendment which the Senator from Kentucky offers merely adds that the same philosophy which is applied to the right of private citizens to export, and to the right of owners of transportation facilities to use their facilities in their own way, should be extended to those commodities which are in short supply. There is absolutely no difference in logic or in principle, and certainly no difference in service to the public interest, between the amendment proposed by the Senator from Kentucky and the two provisions which have been recommended by the committee.

Mr. BARKLEY. The Senator is absolutely correct. I thank him for that addition. In other words, by the extension of the law, which expires on the 28th of February, we are providing the President and the Government with absolute power to do whatever may be thought best in the interests of our economy. We supposed it had something to do with our foreign policy, but that is left out of the measure. With regard to every exporter in the United States, he is offered an opportunity, or even required to enter into voluntary agreements with other exporters. He is placed under the mandatory control of the Government, if he is going to send something outside the United States. The railroad company or the steamship company or any other transportation company that may transport his commodity from the interior of the United States to the shores of the United States, to be loaded on boats, is likewise under the mandatory power of the Government. But it is left purely to the good will and the voluntary cooperation of all the industries of the United States to get together in a sort of mass meeting, and decide whether they will pass a resolution

embodying some sort of agreement covering some article in domestic production or some article in domestic consumption which may have some effect upon domestic production which agreement they will put on the doorsteps of the President, and require him either to approve it or to disapprove it.

Mr. O'MAHONEY. I suggest to the Senator that it does not even leave it to all the industries of the United States. It would leave this judgment about the allocation of commodities in short supply, such as steel or tin, to the judgment of the dominant corporations which are struggling to control the economy. It amounts to a delegation of the power of Congress to regulate commerce to the monopolistic groups in our economy.

Mr. BARKLEY. Theoretically, the language would leave it to industry as a whole, but as a matter of practical operation it would leave it to only a few.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. To a few, with the approval of the President of the United States.

Mr. BARKLEY. Oh, yes; I understand that.

Mr. TAFT. There is no imposition on the President of any burden to go around and beg industries. Today, the Department of Commerce is contacting industries to reach agreements of this kind. They have been doing it steadily. Secretary Harriman testified to the fact that he had been trying voluntary controls, and that he hoped to carry through the whole program on the basis of voluntary controls, except that he wanted power here and there. There is nothing new in the proposal now made. The President is not placed in any ignominious position. Secretary Harriman said:

> In the Department of Commerce we have been making use of the Industry Advisory Committees set up in the war. These committees so far have been of great value to us in bringing to us the experience and knowledge of the industry. They serve as a valuable forum for discussion of the problems facing us, in addition to suggesting alternative solutions which may be better than those we have devised, or suggesting improvements These meetings have the great advantage of setting before industry the problem facing us and of obtaining their cooperation and assistance in carrying out our program.

There is nothing in the bill, except the provision that that kind of thing may go on, and if an agreement may be reached, it may be made.

When the Senator suggested this morning that, as the measure was phrased, in some way it did not give the President quite the power to take the initiative and call the parties together, I was perfectly willing to give him more initiative to do that, but the Senator's amendment gives the absolute power to the President of the United States to shut down any industry in the United States. Under the powers proposed he could refuse to allow anything to one industry, and wipe that industry off the map. It would give him complete power, the same kind of power that was given and can be justified in time of war, to shut down any industry he thinks nonessential. I say no such powers should be granted; but certainly they should not be granted unless after extensive hearings on such a proposal. There have been no such hearings. The powers should not be granted unless the people who are to be subjected to them could have the right and opportunity to testify before a committee of Congress. Therefore, not only am I opposed to the proposal, but whether for it or not, I certainly would be opposed to enacting it at the present time, in the current session.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Indiana.

Mr. CAPEHART. Would the Senator please explain what power and authority would be conferred under his amendment. and possibly give us some examples of what the President might do under paragraph 2, on page 2, line 13?

The PRESIDENT pro tempore. The amendments of the Senator from Kentucky have not been read. Does he desire to have them read for the information of the Senate?

Mr. BARKLEY. They are not now before the Senate. The Senator from Ohio objected to their being considered en bloc.

Mr. TAFT. The first one is before the Senate.

Mr. BARKLEY. The first one, the one just referred to, on page 2, is before the Senate.

Mr. CAPEHART. My question is with regard to the amendment before the Senate at the moment. Will the able Senator from Kentucky read or interpret his amendment in the light of paragraph 2, on page 2, line 13?

Mr. BARKLEY. Mr. President, it has been suggested that I ask that copies of the other amendments be made while we are discussing this one. I do not know whether that is practicable or not. It could only be done, I suppose, by the use of the typewriter. I do not suppose the amendments could be printed.

In response to the Senator from Indiana, let me say that I am not seeking to eliminate the possibility of voluntary agreements. I recognize that there may be feasible agreements that can be entered into under the encouragement of the Government. Of course, if industry had wanted to do it, it could have done it, except for the possibility that parties might enter into an agreement that would be a violation of the antitrust laws. Therefore I suppose they have been a little tender-footed in regard to entering into agreements which might be interpreted as violations of the antitrust laws. What I am seeking to do by this amendment is to combine the mandatory power and the voluntary-agreement method.

Mr. CAPEHART. In other words, if industry is unable to agree, does it give the President the right and power to compel compliance, under paragraph 2, referred to a moment ago?

Mr. BARKLEY. It would empower the President to issue orders and regulations with reference to priorities and allocations, in the absence of any voluntary agreement. In other words, if he consulted industry, as provided in the bill, with a view to trying to arrive at an equitable agreement which would really bring some public relief, and if it were impossible to bring about such an agreement, then under this amendment, the President would have the power, by order or regulation, to bring about allocations, priorities, and so forth, which he would not have the right to do under the joint resolution.

Mr. CAPEHART. Would it give the President the right to deny materials to a given industry, or to a given factory?

Mr. BARKLEY. Of course, the Senator from Indiana and the Senator from Ohio can conjure up some impossibility.

Mr. CAPEHART. No; I am very sincere.

Mr. BARKLEY. Whenever general power is given to anybody, everything is included that might be done under it. Nobody would conceive that any President of the United States would arbitrarily or capriciously deny to any institution an allocation of goods, but that has been done by private industry, by way of a denial of supplies to industries in this country, because they desired to channel those supplies to some other company which was a favorite of theirs, or which they desired to have favored over another company. It is impossible to write any general power into any law which will not be susceptible of some imagined foolish exercise by the authority upon which it is conferred. I do not think it would be assumed that any President of the United States, regardless of his politics, would, out of malice, caprice, or for any other reason, arbitrarily deny to any plant, or company, or community, materials which it needed in order to favor some other community or institution.

Mr. CAPEHART. Then, under the Senator's amendment, we would be giving the President the power, if he cared to use it—and the Senator says, of course, that he would use it fairly and equitably, and I am not questioning that at the moment—to allocate all materials, to establish priorities on all materials in the United States, and to designate who should receive the priorities and who should not. Is that a fact?

Mr. BARKLEY. It would authorize the President to exercise the authority proposed to be conferred upon him under the pending measure, which he would exercise and have the power to exercise with regard to transportation. Under that authority he could take all the railroad cars of the country, if he saw fit to do so, and allocate them to one section of the country or to one industry, and thereby deny other industries the right to use transportation. He has not done so. He would not do so. He might, under the authority proposed to be given him with respect to exports do the same arbitrary thing. He has not done so. He will not do so. But the authority given in the amendment over allocation for domestic purposes is no greater than is proposed to be given him in the bill for allocation of exports, and no greater than proposed to be given him over transportation facilities for both export and domestic business.

Mr. CAPEHART. We might add the three or four words to the paragraph,

"and to set prices," and then we would have a 100-percent price-control bill, plus a 100-percent allocation bill, plus a 100-percent priority bill; would we not?

Mr. BARKLEY. The Senator can add anything he wants to, and I suppose it would carry whatever authority he has in his mind. I am not offering a price amendment. I had no purpose to offer it to the measure.

Mr. CAPEHART. Would the Senator be willing, if it were possible to write it briefly, to amend his amendment so it would give the President authority to take the proposed actions if in his opinion they were directed to the increase of production in a specific field?

Mr. BARKLEY. I do not think it would be necessary to spell that out in the language. He would have that authority anyway.

Mr. CAPEHART. In other words, the Senator's thought is that the President will use this power, if we give it to him, to increase production.

Mr. BARKLEY. If there were a shortage of production in an essential, basic article, which was needed in this country, the President, by making allocations could bring about an advantageous increase of such production without unnecessarily hampering some other production or some other community. He would have the power to do that.

Mr. CAPEHART. One other question. Would an example of what the President might do be to allocate materials and give priority to, let us say, the farm machinery manufacturers? Is that the thought? It is not quite clear to me how prices are going to be controlled, under the Senator's amendment, or even by paragraph (2) in section 2. I do not quite see how such provisions are going to bring down prices and how they are going to control prices.

Mr. BARKLEY. I am not saying that the joint resolution as reported by the committee, or the amendment I have offered, will materially affect prices. The committee has taken pains to provide that no agreement fixing prices can be entered into or approved by the President; so that is out. But there might be an indirect effect upon prices by more equitable distribution of the means of production, and by increasing the production in fields where there is a shortage. That might of course indirectly affect prices, and undoubtedly would affect them.

This is not, I will say to the Senator, a price-control measure. It is not so intended by the authors. I am not seeking to make it a price-control bill. I introduced a price-control bill yesterday, one which was prepared and transmitted to the Committee on Banking and Currency in line with a general request made by those who had been before the committee to present some concrete proposition. There have been no hearings upon that bill and it is entitled to very careful consideration and study. Therefore, I am not pressing it now, as I might want to make some changes in it myself after further consideration and further hearings. So the bill is not a price-control bill directly.

Mr. CAPEHART. Is it the Senator's best judgment that the Congress at the moment would be much better off if it would delay taking any action on any single angle of the subject until such time as it can study the entire problem?

Mr. BARKLEY. No; I do not think the Congress should postpone action on anything until it can act on everything. There are two proposals in the bill which are part of the President's program, and recommended by the witnesses who appeared before the committee. That is one-fifth of the President's recommendation. It is a little, not much, and may not be very effective. But I would not advocate that Congress postpone the consideration of all the recommendations made by the President until it can work out the last one, because what we can do now by legislation, if it is helpful, ought to be done. We can take up the other proposals when we return in January and have an opportunity to give full consideration to them.

Mr. CAPEHART. Would the able Senator be willing to freeze all prices at their present ceiling until we can work out the problem in its entirety?

Mr. BARKLEY. No; I think that is a subject which needs careful study and hearings, as well as the question of prices itself. I would not want to commit myself now to the Senator's proposal as made the other day, to freeze everything; prices, wages, and everything else.

Mr CAPEHART. It did not include wages.

Mr. BARKLEY. It did not?

Mr. CAPEHART. No; it did not include wages.

Mr. BARKLEY. Even so, I do not think Congress today, or this week, could deal with that proposal.

Mr. CAPEHART. Will the Senator yield for one further question?

Mr. BARKLEY. Yes.

Mr. CAPEHART. What the Senator is asking Congress to do—which may be perfectly all right—is to place in the power of the President the right to control all materials of every description in America, the right to allocate all materials, and the right to allocate them to whomever he pleases, without any declaration of principle that the powers must be used for the specific purposes of either immediately reducing the price or increasing production of specific commodities. The Senator is proposing to repose in the President broad powers to allocate materials, and to set up a priority system, without it being directed to any specific purpose other than simply to the purpose of controls. I should like to have someone give me an example of how one single priority might increase production in America and might do something toward reducing the high cost of living. I fail to see how it can do so.

Mr. BARKLEY. The Senator is a businessman. He has been in the manufacturing business. I am sure the Senator himself can think of numerous instances in which production within a certain line of business might be increased if the President had authority to deal with the materials going into production, similar to the authority which he is given under the joint resolution in dealing with transportation. There is now no less need for the authority to allocate the steel products of the country than there is to allocate railroad transportation.

Mr. CAPEHART. I agree with that. I was talking about allocating raw materials, for example, to the farm-machinery manufacturers, to the fertilizer manufacturers, for the specific purpose of growing more food. I will agree to allocation of raw materials for the purpose of increasing production. But the Congress in this instance, if we accept the Senator's amendment and pass the joint resolution with the amendment in it, is simply turning the ball of wax over to the President and saying, "Now you may allocate materials in any way you see fit. You may control all inventories, and you can do just as you please." He would have just as much power as he had during the war.

Mr. BARKLEY. I see no difference in principle between authorizing the President to allocate materials for the manufacture of products that are in short supply and allocating the transportation facilities over which they are to be transported. I see no difference whatever in principle between those two things. Of course, the President can, under any general authority, do all the things the Senator has spoken of. But it has either got to be done that way, or it will be necessary to spell out, material by material, commodity by commodity, what it is he has authority to allocate.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. CONNALLY. Let me ask the Senator from Kentucky a question. Is it not necessary in this program to have some leadership? The President of the United States is the natural one to exercise leadership in this situation. These agreements will probably not be reached in a town-meeting style of conference. It seems to me that in these consultations the President, not by arbitrary action, but by persuasion and representation to the various interests, might exert a very great influence on what they do looking toward agreements. The fact that he has a little authority might facilitate the procedure very much.

It is said that we must not do anything to prices. When we control transportation we affect prices. When we control exports abroad we affect prices, because the more exports are cut down the more it will contribute to the lowering of prices here at home. So it seems to me that if we are to get anywhere with this program we must vest a very large authority in the President of the United States and his consultants in the Department of Commerce and various other agencies. The President of the United States does not want to destroy the economy of the country. He wants us to get along at living prices. I think the Senator's amendment is entirely in order. Something of the kind is absolutely necessary if we are to do anything more than hand out a campaign document in an effort to show that we have done a great thing for the economy of the country.

Mr. BARKLEY. I thank the Senator from Texas. Suppose that under the bill as it is drawn the President calls a conference. He takes the initiative,

which he is required to do. He calls the various representatives of industry to the White House, and they meet and talk the situation over. He urges them to enter into voluntary agreements for the allocation of materials which are in short supply, and for their judicious and fair distribution, in order to aid the economy of the American people, with whatever indirect effect there may be on prices. Let us suppose that the conferees meet, consult, and make speeches, and that no one is willing to take the initiative in deciding what shall be done. Suppose the conference breaks up without any agreement. The President has called them together in a futile effort to bring about a voluntary agreement. They have disbanded, like the London Conference of Foreign Ministers, without doing anything, and under the terms of the measure which we are now considering the President still has no power to relieve the situation.

It is in that situation that the President ought to have authority. He might never exercise it, but he ought to have it so that if by persuasion and consultation in the effort to bring about a voluntary agreement he is not successful, he will have that power in instances in which it ought to be exercised to bring about allocations and priorities, so that there may be an equitable distribution of materials necessary to the American economy.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LODGE. I should like to ask the Senator a question, in the spirit of getting information, and not with any idea of arguing the merits of the amendment. I am simply trying to find out what the amendment would do.

I understood the Senator to say that in his opinion the amendment would not authorize price control. I am sure that the Senator was sincere when he made that statement. However, I have the impression that there is a bullet in the pistol, even though the proponent of the amendment does not think it is there This is why I think so:

The Senator's amendment would give the President the power to issue regulations and orders. For what purpose? "To aid in stabilizing the economy of the United States." That might require price control and rationing. "To aid in curbing inflationary tendencies." That might justify price control and rationing. "To promote the orderly and equitable distribution of goods and facilities." That certainly might require price control and rationing. So I ask the Senator, simply as a matter of information, whether his amendment actually does not authorize price control. Perhaps we should have it, but we should know what we are doing.

Mr. BARKLEY. I do not think so. I can offer an analogy to that situation. The committee reported an amendment authorizing the President to control the use of grain for the manufacture of distilled liquors, and we amended it by adding neutral spirits. There is an authority on his part to prohibit the use of grain. The amendment does not say anything about fixing the price. He may restrict the use of grain, as he has done heretofore, but no price was ever fixed on the grain used by distillers or other manufacturers of liquor. The mere power to allocate goods where needed, or to restrain their use where they may not be needed, carries no implication as to the fixing of prices.

Mr. LODGE. The Senator's amendment relates to section 1.

Mr. BARKLEY. I know; but I was citing the other amendment as an analogy, showing the conferring of power which has no price-fixing implications.

Mr. LODGE. But section 1 of the joint resolution specifically refers to stabilizing the economy, curbing inflationary tendencies, and prompting equitable distribution. The Senator's amendment relates specifically to section 1. That is where I think price control and rationing could be authorized. Perhaps we ought to do it, but we ought to know what we are doing.

Mr. BARKLEY. I do not think it carries the remote implication that there would be price fixing in any order or regulation the President might issue. The allocation of goods, even under voluntary agreements, might indirectly affect prices in certain parts of the country.

Mr. LODGE. How about rationing?

Mr. BARKLEY. Allocation is a form of rationing, except that it is not supposed to be done at the consumer level. The power to allocate goods among manufacturers is the power to ration them, in a sense, although it is different terminology.

Mr. LODGE. Would the Senator say that his amendment would authorize the rationing of meat, for example?

Mr. BARKLEY. I do not think so.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. On that point, I think the purposes of section 1 are limited by the three provisions, so I agree with the Senator that his amendment probably would not affect prices. However, I am inclined to think that under the regulations and orders providing for priority and allocation of scarce commodities which basically affect the cost of living it would authorize compulsory rationing.

Mr. BARKLEY. I do not think so, because the use of the words "cost of living" is a description of the articles which may be allocated. It identifies them in a general way—articles which are essential, vital, or basic in the cost of living and in the cost of production. Those are the articles which he may allocate. But the mere allocation of those articles, because they fall in that category, does not authorize him to fix prices upon them.

Mr. TAFT. It was on the word "allocation" that the entire rationing system of this country was based during the war. There never was a statute expressly authorizing rationing. It was all based on the power to allocate under the Second War Powers Act.

Mr. BARKLEY. As I have said, allocation is in a sense a form of rationing on a higher level. In that sense it is synonymous with rationing within the categories involved.

Mr. TAFT. Let me suggest to the Senator that after all, the crisis which we are meeting is that of high prices. Certainly in order to cure high prices, to give the President power to limit any industry in the country necessarily has an effect on prices. The President may well find that four and a half million automobiles are too many, and that the number ought to be reduced to 3,000,000 automobiles next year, in order to provide steel for a great many other uses. Economic thinkers may well say that we can get along without consumer goods of that kind. I think the Senator would admit that the President might well limit the number of automobiles to 50 or 60 percent of the number being manufactured today; and such action might be defensible. I do not say that it is not.

Mr. BARKLEY. The President would also have the authority to increase the amount of material which would go into automobiles.

Mr. TAFT. Completely so.

Mr. BARKLEY. He might find that there is not enough steel going into farm machinery and that farm machinery is more essential to the production of food and the elimination of shortages in food and feed than is the production of some other finished product. He might allocate a larger quantity of steel to the farm machinery industry.

Mr. TAFT. And he might refuse all allocations to the construction industry.

Mr. BARKLEY. He might.

Mr. TAFT. Steel girders are necessary for construction. We would be placing the entire economy of the country in the hands of the President of the United States.

Mr. BARKLEY. We must take a chance on all those things, or not give him any power at all. The Senator from Ohio seems to prefer that he have no power at all.

Mr. TAFT. No. He might agree with the industry if it were obvious that a certain thing ought to be done, and every one agreed that it ought to be done. We give him the power to accomplish it by agreement. In many cases it can be accomplished by agreement. We got the steel for freight cars by agreement. We can get steel for almost any other purpose by agreement, if the President wants to place it first on the national program.

Mr. BARKLEY. Of course, the Senator may be more optimistic than I am, but I think it will be more difficult to get competing rival institutions within the same field of industry, or as between some other industries, to agree to an allocation which would deprive them of any of the supply which they have heretofore obtained.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. BARKLEY. I do not wish to yield the floor.

Mr. CAPEHART. Why does not the Senator's amendment or some later amendment include a complete return to price control? Why should we not vote this up or down?

Mr. BARKLEY. In the first place, I do not want to offer any such amendment as that, for the reason, as I explained a while ago, that there have been no hearings on the subject. A bill was

introduced only yesterday carrying out the program of the administration in regard to the problem. If I were to offer it this afternoon as an amendment to this joint resolution Senators would have the right to complain that I was seeking to do something in connection with a matter upon which there had been no hearings and upon which Congress had no information.

Mr. CAPEHART. It has been 30 days since we returned. Why has not such a bill been introduced before?

Mr. BARKLEY. Out of courtesy and in consideration of the fact that we are in the minority we have waited for the majority Members to offer legislation to carry out the President's recommendations. Complaint has been made that the Cabinet members involved did not send to the Capitol some proposed legislation. They did not wish to take away from Congress the right and power to initiate legislation. We have waited 30 days. I am not criticizing anyone. We are supposed to adjourn on the day after tomorrow, but now we are asked at the last minute to pass a bill which, in my judgment and in the judgment of many others, is utterly inadequate and incomplete. Because we feel that way about it, it does not put upon us any mandatory requirement to cover the whole program by this bill or amendments to it. That would not satisfy the Senator. I wonder how many votes we would get, as influenced by the Senator from Indiana, if I should offer a price-control bill? Would the Senator vote for it?

Mr. CAPEHART. The Senator might be surprised.

Mr. BARKLEY. I have frequently been surprised.

Mr. CAPEHART. I am a member of the Banking and Currency Committee, which is the committee which handles price-control legislation. I have been waiting for 30 days for someone to introduce a bill to control prices. So far as I know, no one except myself has introduced such a bill. I introduced a bill a few days ago in an effort to try to control prices. I do not know why we do not vote up or down the question of whether we shall give the President of the United States the right to control prices. I introduced a bill in good faith. I cannot accept from the able Senator from Kentucky the statement that they have not had time to prepare a bill, that they have not prepared a bill because they are in the minority, or that they have not known what they wanted to do, because the President of the United States, in his message, asked for a hundred percent return to price control.

Mr. BARKLEY. There is no use for us to get into a quarrel about who is at fault for not introducing a bill a day or two sooner. The Senator himself introduced one only a few days ago on the subject of price control in which he undertook to freeze all prices where they were on a certain date. I introduced a bill yesterday for the consideration of the committee and of the Congress whenever they can give it the consideration to which it is entitled. We feel that in order for the voluntary system provided for in the pending legislation to be effective and workable the President should have the power to deal with the subject in the event that industry is inefficient or uncooperative or for any other reason such power should be exercised.

I hope this amendment will be agreed to. I do not wish to consume any more time in its discussion.

The PRESIDENT pro tempore. The question is on agreeing to the amendment submitted by the Senator from Kentucky.

Mr. O'MAHONEY. Mr. President, I should like to add a few words to those which have been said by the distinguished minority leader. I believe we are dealing with one of the most important and difficult questions ever presented to this Congress. That statement has been made several times in the last few years. That is because the world itself has been in turmoil.

The issue which is now presented in section 2 between the bill reported by the Committee on Banking and Currency and the amendments which have been offered by the Senator from Kentucky, is simply the issue of whether we shall have an economic government in this crisis by those who have controlled our economic system, privately, or whether we shall have the Government in charge. It could be stated ever more simply. It is an issue between private government and the people's government.

Mr. LODGE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LODGE. Does the Senator from Wyoming feel that the amendment offered by the Senator from Kentucky would authorize the President to put price control into effect?

Mr. O'MAHONEY. I think it would not authorize price control; I think it would authorize rationing.

Mr. LODGE. Is the Senator in favor of rationing meat?

Mr. O'MAHONEY. The Senator is, if conditions arise which make it seem that unless we ration meat the people in the lower-income brackets will be unable to obtain it. Certainly, I know that the time is coming when a substantial proportion of the people of Massachusetts will be begging for meat and for milk unless the Congress undertakes now to do something about it.

Mr. LODGE. I heartily agree with the Senator from Wyoming in that respect, and I am myself very strongly inclined to the rationing of meat. That is why I am trying to find out what the amendment means. The Senator from Wyoming says it does mean rationing, and the Senator from Kentucky says it does not.

Mr. O'MAHONEY. I think the Senator from Massachusetts mistakes the statement of the Senator from Kentucky.

Mr. BARKLEY. The Senator from Kentucky did not say that. He said that insofar as allocations may be considered as rationing, it would authorize it. Ordinarily allocation is regarded as on a higher level than is rationing, because rationing is applied largely to retail distribution.

Mr. LODGE. The Senator from Kentucky, in response to my question as to whether the amendment authorized the rationing of meat, said that in his opinion it did not. I am confident that the RECORD will so show. All I am trying to do is to find out what the amendment means. That is not an unreasonable thing for a legislator to want to ascertain.

Mr. CAPEHART and Mr. HAWKES addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Wyoming yield; and if so, to whom?

Mr. O'MAHONEY. I want to set forth in a more or less intelligible manner what I conceive to be the issue.

The PRESIDENT pro tempore. The Senator from Wyoming declines to yield.

Mr. O'MAHONEY. I shall be very happy to engage in a running commentary with any Member of the Senate who desires to interrupt me, but I am positive that our difficulty in dealing with this problem arises from the fact that Senators, instead of debating issues as they are being presented in this amendment, are debating them as they think they may be presented. I think that was true of the question of the Senator from Massachusetts. It is probably true of others. But what I should like to do is, first, to state my own position, and then answer any questions. But since the Senator from Indiana was first on his feet and since he has indicated by his speech upon the floor and by his action in introducing a bill day before yesterday to freeze prices that he realizes the gravity of the situation in which we are today, I shall be very happy to yield to him.

Mr. CAPEHART. Mr. President, I cannot quite reconcile the statement of the able Senator from Wyoming [Mr. O'MAHONEY] in respect to the shortage of meat which is going to exist in the future and the high price of meat which he anticipates we shall have in the future, with the statement which has been made by the Senator from Kentucky [Mr. BARKLEY], and I cannot quite reconcile the thoughts which have been expressed by the Senator from Wyoming with those which have been expressed by other Senators on his side of the aisle, because so far as I know neither the able Senator from Wyoming nor any other Senator on his side of the aisle, except the able Senator from Kentucky [Mr. BARKLEY], who tells us today that he introduced a bill last night, has introduced a single bill to control prices in the United States.

If the situation is as serious as the Senator from Wyoming says it is, why have Senators on his side of the aisle been sitting idly by for 30 days without introducing some legislation for the Senate to pass upon?

Mr. O'MAHONEY. Mr. President, does the Senator from Indiana wish to have an answer or an argument?

Mr. CAPEHART. I wish to have an answer.

Mr. O'MAHONEY. Very well, I shall give the Senator an answer: The President of the United States called this Congress into session on the 17th day of November.

Mr. CAPEHART. That is correct.

Mr. O'MAHONEY. In doing so, the President said he believed we ought to take certain steps with respect to foreign policy and certain steps with respect to

domestic policy. On that very night, the chairman of the Republican Policy Committee, the Senator from Ohio [Mr. TAFT], rushed to the radio to denounce the President's message and to say that the things the President recommended should not be granted. Presumably the Senator from Ohio was speaking for the Republican majority; and in the speech he made then——

Mr. CAPEHART. Mr. President, will the Senator yield at this point for a moment?

Mr. O'MAHONEY. The Senator from Indiana wished to have an answer, and now let him take it.

In that speech the Senator from Ohio indicated that there were two of the President's recommendations to which he might give his reluctant support.

In the meantime, committees of the Congress, including subcommittees of the Joint Committee on the Economic Report, acting under the authority of a resolution introduced by the distingushed Senator from Connecticut [Mr. BALDWIN], were conducting investigations of the cost of living. There is no doubt in the mind of any member of those subcommittees, whether Democrat or Republican, that the people of the United States in the lower-income groups are finding it daily and weekly more and more difficult to make their incomes stretch over the items which they must buy if they are to live according to a decent standard. All of us have heard it. Veterans who are going to school under the GI bill of rights, which was unanimously passed by Congress, and provides for payments to enable veterans to support themselves and their families while going to school—provision for those payments was rushed through at the last session—are finding it impossible to do what the Congress wanted them to do, because of the inflationary rise of prices. They are finding it difficult to buy meat; they are finding it difficult to buy milk. Those are the facts.

The eastern subcommittee, headed by the Senator from Vermont [Mr. FLANDERS], made a report which indicated that at least approximately five of the President's recommendations should be enacted into law. Some of the members of the western subcommittee—the junior Senator from Utah [Mr. WATKINS], for one—went so far as to indicate that in their belief the Government of the United States should buy the entire wheat crop.

Today the Joint Committee on the Economic Report agreed upon a statement that at least three of the President's recommendations should be enacted into law.

Mr. President, why have we on this side of the aisle not introduced bills? It is because we were waiting for the time when the majority leadership and the members of the majority in the Senate would sit down with us and draw up such a bill. In the Joint Committee on the Economic Report, at a public hearing, I turned to the chairman of that committee, who was also chairman of the Republican Policy Committee, and told him I would be willing to sit down that day with him to attempt to draw up the legislation.

Mr. President, why should we waste time trying to determine who is responsible? The people of the United States are waiting for us to act. The Senator from Indiana is willing to act. So now let us get together and act.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Certainly.

Mr. CAPEHART. I doubt very much whether the able Senator from Wyoming answered my question as to why the minority Members of the Senate, having had 30 days in which to do so, have not introduced a bill on the subject.

Mr. O'MAHONEY. Let me answer in another way. Please bear in mind that the matter of enacting legislation is a practical one. The Senator from Indiana knows that as well as anyone else does. There is always some necessity for paying attention to those whose names will be attached to a bill, for example. The chairmen of various committees have to be consulted. We have to reach a meeting of the minds.

The position of the President of the United States was simply that he had to wait, in the public interest, until it was clear in his mind what sort of cooperation he would have from the Congress. Was there any delay about the European aid bill? There was none whatsoever, Mr. President, because as to that the responsible leadership on the Republican side of the aisle was cooperating to do a job which should be done. I say now, however, that the responsible leadership on the Republican side of the aisle is not cooperating to do the job which should be done on the domestic scene.

Mr. CAPEHART. Mr. President, will the Senator further yield?

Mr. O'MAHONEY. Certainly.

Mr. CAPEHART. Some 10 minutes ago the able Senator from Wyoming said that the President of the United States delivered a message and that the able Senator from Ohio [Mr. TAFT] rushed to the radio and disagreed with it. That has been 30 days ago. During that period of time I have been a little fearful that possibly the members of the minority party in the Senate had agreed with the Senator from Ohio in that they had failed to offer any proposed legislation to cure the situation about which the President complained. Is it possible that the speech of the able Senator from Ohio had some effect upon the able Senators on the other side of the aisle?

Mr. O'MAHONEY. Mr. President, I submit to the Senator that he is not engaging in serious debate; he is simply engaging in a very humorous, perhaps, and amiable attempt to confuse the issue.

I hold in my hand the measure we are asked by the legislative majority to pass. When was it introduced? I ask the Senator to read the measure. It states on its face:

Senate Joint Resolution 167

IN THE SENATE OF THE UNITED STATES,
December 15, 1947.

Mr. TAFT introduced the following joint resolution, which was read twice and referred to the Committee on Banking and Currency.

Why do we talk about who did this today or tomorrow? The Senator introduced a bill on Monday, the Senator from Kentucky introduced a bill on Tuesday, and now on Wednesday we are discussing a bill introduced by the Senator from Ohio on Monday. Are we going to split hours, are we going to split hairs, are we merely to engage in dialectic, instead of dealing with the problem of inflation, which is affecting Republicans as well as Democrats?

Mr. CAPEHART. Mr. President, will the Senator yield again?

Mr. O'MAHONEY. Certainly.

Mr. CAPEHART. The problem is to stop inflation and to stop high prices.

Mr. O'MAHONEY. I submit to the Senator that we cannot do it by merely discussing who introduced a bill, and when.

Mr. CAPEHART. And the legislation we are considering does not attack the problem directly.

Mr. O'MAHONEY. The Senator is quite right; but why does it not attack the problem directly? Because the majority party has said it will not act upon that question; that is why. If the Senator from Indiana can persuade the Senator from Ohio to agree to his view and report his bill, we will get some action.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Connecticut.

Mr. CAPEHART. Will the Senator from Wyoming join with me——

Mr. O'MAHONEY. I will ask the Senator to wait; I have yielded to the Senator from Connecticut.

Mr. McMAHON. The Committee on Banking and Currency is in the control of the majority party, which is in control of every other committee in this body. There has been set up a time schedule when we are supposed to adjourn. Does the Senator from Wyoming know of any law that compels the Congress to leave Washington on Friday next at 5 o'clock? Why do we not remain here and finish what we should do?

Mr. O'MAHONEY. The majority leadership wants to go home for Christmas, but they do not want to put anything in the stockings of the American people for Christmas.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Certainly.

Mr. TAFT. The distinguished minority leader in the Senate and the distinguished minority leader of the House joined in informing the President that we were to adjourn on Friday. They agreed to the program, and it is not necessarily a Republican program any more than it is a Democratic program.

Mr. O'MAHONEY. Of course, Mr. President, they joined because they knew what the majority was going to do. Every day in the history of the Senate the minority leader turns to the majority leader and says, "When are you going to adjourn this afternoon?" And what the majority leader says goes. "Are you going to recess this afternoon, or are you going to adjourn?" "Are you going over until Wednesday, or are you going over until Thursday?" That is the customary procedure. The adjournment resolution was fixed in the Republican conference, and our side agreed because

it has no choice to do otherwise. We knew that if the question were voted upon, as the situation stood at the time, we would be voted down.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Let me say to the Senator from Indiana that he is merely trying to make an argument by preventing me from making an argument. That is what he is doing. I should be very glad to have the Senator ask me any question he desires to propound, but I beg of him——

Mr. CAPEHART. May I ask the Senator one question?

Mr. O'MAHONEY. Very well.

Mr. CAPEHART. When did the minority party become such shrinking violets that they refuse to introduce proposals by legislation?

Mr. O'MAHONEY. They have not; they have introduced legislative proposals.

Mr. CAPEHART. The position the able Senator from Wyoming takes is that the minority party is helpless, that they have no rights, that they cannot introduce legislation, and cannot take any part in the deliberations of this great body. That is the position the Senator is taking.

Mr. O'MAHONEY. Oh, no. The Senator's statement is typical of the refusal of Senators on the other side of the aisle to listen to what is said. Of course I have not taken that position. I have said over and over again that the bills are here, and we are ready to act on them. Will the majority act? Will the Senator from Indiana get his side to act on them? Will he ask the majority leader on his side to remain here and act upon his bill? Will he ask the Senator from Ohio to act upon his bill?

Mr. CAPEHART. Has the able Senator offered an amendment to the measure before us?

Mr. O'MAHONEY. An amendment has been offered, and I am talking about the amendment which is before the Senate. The Senator persists in arguing about an amendment which is not before us. We can do only one thing at a time, and I can answer only one question at a time.

Mr. CAPEHART. My position is that if the situation in America is as serious as some of us think it is, as serious as the able Senator from Wyoming thinks it is, then we should vote up or down the question as to whether we are going to return to price control or whether we are not. That is my position, I stand on it, and I have been working to that end for some 30 days, even to the extent of introducing a bill to accomplish that purpose.

Mr. O'MAHONEY. I compliment the Senator on the steps he has taken. I merely remark that he has not taken steps enough. The introduction of a bill is not sufficient. The next step the Senator must take is to convince the Republican conference that his bill should be passed, and I do not hesitate to say to him now that I know what the answer will be. The Senator's bill will be thrown into the waste basket by the Republican conference.

Mr. CAPEHART. Will the Senator yield for one more interruption?

Mr. O'MAHONEY. I yield.

Mr. CAPEHART. I rather think I can return the compliment by saying that if the able Senator from Wyoming would introduce an outright bill to return 100 percent to OPA, his own leadership would likewise throw it into the waste basket.

Mr. O'MAHONEY. Yes; but the Senator has not done that.

Mr. CAPEHART. I think the proof is that the minority has not introduced a bill, unless it was introduced last night by the Senator from Kentucky.

Mr. HAWKES. Mr. President, will the Senator from Wyoming yield?

Mr. O'MAHONEY. I must, before yielding, remark that the closing observation of the Senator from Indiana is simply a refusal to accept the word of the Senator from Kentucky and my word that a bill for wage and price controls has been introduced. I suggest that the clerk of the Senate present the Senator from Indiana with copies of the bills which have been introduced upon this subject.

I now yield to the Senator from New Jersey.

Mr. HAWKES. I have great respect for the distinguished Senator from Wyoming——

Mr. O'MAHONEY. The Senator is always very kind in his attitude.

Mr. HAWKES. But I do not agree with him in his answer to the question as to whether the amendment offered by the distinguished Senator from Kentucky would lead to price control. What it provides is price control. Why do we not call things by their proper names? Give me the power to allocate and control, to tell everyone in the United States what he is to do, and I will come out with price control. That is what I wanted to say.

Mr. O'MAHONEY. If the Senator from New Jersey had been on the floor when the Senator from Massachusetts addressed his question to the Senator from Kentucky, he would have heard not only the answer of the Senator from Kentucky but the answer of the senior Senator from Ohio, to the effect that the joint resolution does not affect price control, and that the amendment offered by the Senator from Kentucky does not affect price control. I will say to the Senator that is a matter of legislative construction and structure.

Mr. HAWKES. Will the Senator yield further?

Mr. O'MAHONEY. The Senator is asking for information, is he not?

Mr. HAWKES. I know the Senator from Wyoming does not want to leave a false impression before the Senate. If he does, I misunderstand him. I have been on the floor of the Senate every minute this afternoon. I heard everything the Senator from Kentucky said, everything the Senator from Wyoming has said, and everything the Senator from Massachusetts said. I know the Senator will agree that a Senator has a right to his own opinion.

Mr. O'MAHONEY. Certainly.

Mr. HAWKES. I am differing with the Senator from Wyoming and with the Senator from Kentucky, because I know that the amendment, if agreed to, would definitely lead to indirect price control.

Mr. O'MAHONEY. And the Senator from New Jersey is also differing with the Senator from Ohio [Mr. TAFT]. I point out that the senior Senator from Ohio agreed with the Senator from Kentucky [Mr. BARKLEY] that the enumerated paragraphs in section 2 constitute a limitation. So that this is not an authority to impose price controls. Moreover, if the amendment shall be agreed to, the discussion which has taken place upon the floor would amount to a legislative construction of the language of the joint resolution. The Senator need be in no doubt whatsoever. He may vote for the amendment and he will not be voting for price control.

Now, Mr. President, I may say I have welcomed the interruptions. It always flatters me when my colleagues on the floor of the Senate interrupt my discourses, which I usually like to make short, but which, because of questions, usually argumentative questions, I cannot make short.

What I undertook to say—and this is as serious a statement as I could hope to make upon the Senate floor—was that we are now called upon to determine whether, in what we all recognize to be a serious economic crisis, the steps to regulate that crisis in the public interest shall be taken by the people's Government, or shall be taken privately, by a private company.

I contend that it is no answer to this argument to say, "But the President can approve or reject. The President, under the measure before us, can call industry into session and ask them to make voluntary agreements. They may not agree to his request. If they present an agreement which he does not like, he may disapprove it." That is no answer, because in the present crisis it means only that we are delegating to the managers of big business the power to do the job which we ought to do. We are putting it into their hands to be able to make an agreement which will be disadvantageous to the little businesses of the country, disadvantageous to the areas that we represent, and then force the President to stand before the public and say, "No; I refuse to do this."

The Senator from Ohio quoted from the testimony of Secretary Harriman before the Joint Committee on the Economic Report and contended from it that the Department of Commerce is trying to have some type of voluntary agreement made by the leaders of industry, and that this is only an attempt to do the same thing by law. Ah, Members of the Senate, look at the difference between the two. The antitrust law stands today without any exemption, and when the Secretary of Commerce sits down with the heads of any industry, they know that the antitrust law stands over them, and they would not dare to present an agreement in violation of that law. But, give them the power to go into conferences agreeing upon the allocation of materials in short supply, add to that an exemption from the antitrust law, and there would be given into their hands a

weapon with which they could destroy the structure of the free economy.

That is the issue here. It is an issue which has been growing for 50 years. Oh, I know there are many Members of Congress and many others in the United States who think that free enterprise is in danger only from the Government. There is no Member of this body who will more vigorously fight arbitrary controls by Government than will I, but I know, and the record is here before the Congress, that private control over our economy has been growing by leaps and bounds.

I ask the Senators of the United States to go to the Congressional Library and take down Monograph 29 of the Temporary National Economic Committee, which shows, with facts which cannot be denied, that 200 large corporations control the economy of the United States. Those are the facts. They cannot be denied.

On Monday, I discussed the appalling increases of profits made by these groups, corporation profits running at their highest peak in history, so that 9 months of 1947 have seen exceeded the record of the whole of 1946. Since that time I have checked the figures which have been gathered by the Department of Commerce in its Survey of Current Business, for November 7. Referring to Table No. 5, that table shows that the profits after taxes of the 200 largest manufacturing corporations in the United States have increased 32.7 percent between 1943 and 1946. The story is clear: The small businessmen of the United States, in your State and in my State, Mr. President, are compelled now to do what they are told by big business, unless the antitrust laws prevent it. Read the RECORD in the House of Representatives, when the Wolcott bill was under consideration. Read what was said there by Republicans as well as Democrats about this procedure to hand over to the big fellows in industry the right to make voluntary agreements and then put them in the lap of the President to say, "Take them or leave them."

I read in the press—I do not know whether it is true—that the majority leadership on the House side reported the Wolcott bill and said to the Members of the House of Representatives, "You may not amend it—take it as it is, or leave it." That is the pattern we are now asked to present to the people of the United States and to the President of the United States. Are we fearful of giving the President a little authority?

Mr. President, the Joint Committee on the Economic Report today agreed unanimously, I think, upon certain recommendations that had been made by the President. In that report were certain expressions which seem to me to apply directly to the issue here presented. Let me read. This was the discussion of the recommendation of the President to restore consumer-credit control. The Senate has adopted that recommendation, so far as installment credit is concerned. This is the sentence in the unanimous report of the Joint Committee on the Economic Report, presided over by the distinguished and able senior Senator from Ohio:

> Voluntary efforts to curb the liberalization of credit practices, with consequent expansion of installment credit, have not been adequate, as is demonstrated by the prompt loosening of installment-credit terms with the ending of regulation W on November 1, 1947.

My point is that voluntary regulation of the allocation of commodities in short supply will likewise be inadequate.

The same group endorsed the President's recommendation for an extension of export controls. What do export controls mean? They mean only that the Congress of the United States has given to the executive branch of the Government, that is to say, to the President, the mandatory power to say what a private owner of goods in the United States may send abroad. Is that not right? It is Government interference with the freedom of export trade by individuals.

Listen to the discussion by the Joint Committee on the Economic Report of the necessity for export control:

> Under normal conditions the markets for foreign exchange can be relied upon to keep the purchasing power of money in one country nearly enough in line with that in other countries so that significant volumes of goods are not shipped around the world in response to monetary rather than industrial differences. But in the present situation foreign exchanges have not reached equilibrium and the markets for foreign exchanges are not free, so it is possible to make abnormal profits by exporting goods from countries with a lower to those with a higher degree of inflation. Under these conditions—

Unanimously say the members of the Joint Committee on the Economic Report, and I should like to call this particularly to the attention of the Senator from Florida [Mr. PEPPER] and his able assistant from the Legislative Drafting Service—

> Under these conditions trade must be supervised so that goods will move for reasons of foreign policy or economic reasons rather than strictly monetary reasons.

What are we talking about, Mr. President? Here is a document from the Joint Committee on the Economic Report which says in words that cannot be misunderstood that export controls must be imposed and that trade must be supervised. Why, that is precisely the situation with which we are here confronted.

Take the case of steel. Mr. President, I have in my hand a statement which was issued on the 12th of September by the distinguished Senator from Pennsylvania [Mr. MARTIN] who is a member of the steel subcommittee of the Senate Small Business Committee. In greeting the representatives of the steel industry on September 12, 1947, the Senator from Pennsylvania [Mr. MARTIN] said:

> I am glad to see you here today and wish to express to each of you my sincere appreciation of your splendid response to the committee's invitation.

This is the Senator from Pennsylvania speaking to the leaders of the steel industry.

> The investigation into the steel shortage by this subcommittee of the Senate Small Business Committee would not be complete without hearing from the outstanding officials of the industry. Better than anyone else in the United States you are qualified to give expert testimony on several of the matters we have been looking into for the past 6 months.

"For the past 6 months" I repeat.

> We have come to a point in the investigation where it seems timely and reasonable to discuss the findings made by the subcommittee with the men in the steel industry—the men who are in a position to correct certain situations which endanger the survival of smaller, independent users of steel and the maintenance of free, competitive enterprise.

I applaud the statement of the Senator from Pennsylvania.

> This committee has uncovered a definite grey market in steel. Some industry witnesses who appeared before us early in our hearings twisted and squirmed in an effort to avoid admitting the existence of this gray market. It did them no good. Why they tried the head-in-the-sand technique of the ostrich I do not know.

Why should the gentlemen of the majority now try the head-in-the-sand technique of the ostrich themselves? I do not know.

> I do know, however, that we have sound estimates of well above 2,000,000 tons of steel which have been diverted into the gray market this year. I do know that many small fabricators of steel products have been pushed through the wringer by the pressure of the gray market operators.

And now, Mr. President, we are asked to commit, by act of Congress, the allocation of steel to the very leaders of this industry who, as long ago as September 12, were accused by the Senator from Pennsylvania of sitting by while the gray market was operating.

> We have had men before the committee who testified under oath they were paying an average of $280 to $300 per ton for steel. We had testimony of some cases on the Pacific coast where the price paid was as high as $600 a ton. These prices are outrageous as compared to a legitimate mill price of $75 to $90 at that time. Our staff has examined the books of companies substantiating these facts. It is a vicious condition.

This is the condition which has been in existence. I read yesterday or the day before the front page story from the New York Times telling of the increasing magnitude of this gray market in steel. And we are asked to turn the control over to these gentlemen.

Mr. President, I do not intend to read the entire statement. I ask unanimous consent that the entire statement may be printed at the end of my remarks.

The PRESIDENT pro tempore. Without objection, the order is made.

(See exhibit A.)

Mr. O'MAHONEY. I do, however, want to read two paragraphs from the very vigorous, forthright and frank statement by the junior Senator from Pennsylvania [Mr. MARTIN]:

> Those of you who know me, know that I am a strong advocate of the American free enterprise system. I want it to continue and I want it to expand. But I want it to function with proper regard for the public interest. It must not run riot over the prone bodies of the little men in business.

I tell you this frankly. Your Government and your Congress are reluctant to add new disruptions to our free-enterprise system. But if evils like the steel gray market and other abuses which have developed, and similar racketeering in other lines of business do not end, don't be surprised when Uncle Sam moves in as a traffic cop.

Mr. President, I applauded the statement of the Senator from Pennsylvania when I read it in the press. It was a courageous statement, and, more than that, it was a true statement. Months have passed since it was issued. The gray market is getting worse and now the majority party asks us to turn the interests of the little fabricators of America and the small people of America over to the tender mercies of those in industry who direct the supply of these materials.

Mr. President, no one can tell me that the heads of the great steel companies of the United States do not know how the gray market is constructed. I for one am not willing by my vote in this body to say to them, "We shall take away from the Secretary of Commerce and from the President of the United States the influential power of the antitrust laws and let you make your voluntary agreements."

I acknowledge that it might be possible for the President of the United States and the Attorney General, with the power of compulsion over the allocation of scarce commodities—just as they have the mandatory power over exports and the mandatory power over freight cars—to induce those people to make voluntary agreements with respect to priorities and allocations which would be in the public interest. It may be difficult; but I know the Attorney General of the United States. I know the antitrust division. I know the sentiment of Congress; and I know that the President of the United States and the antitrust division will not consent to any agreement which will be a monopolistic restraint of trade.

So, Mr. President, it is my hope that the amendment offered by the Senator from Kentucky [Mr. BARKLEY] will be adopted. I hope that the United States Senate, by adopting that amendment, will say to all the people of the country, "We are not ready to strike down the antitrust laws now so that in this crisis of inflation big business may control the allocation of scarce commodities and establish priorities."

EXHIBIT A

REMARKS BY SENATOR EDWARD MARTIN, REPUBLICAN, OF PENNSYLVANIA, CHAIRMAN OF THE STEEL SUBCOMMITTEE OF THE SENATE SMALL BUSINESS COMMITTEE, IN CONNECTION WITH THE SUBCOMMITTEE'S MEETING WITH OFFICIALS OF LEADING STEEL PRODUCING COMPANIES ON SEPTEMBER 12, 1947

Gentlemen, I am glad to see you here today and wish to express to each of you my sincere appreciation of your splendid response to the committee's invitation.

The investigation into the steel shortage by this subcommittee of the Senate Small Business Committee would not be complete without hearing from the outstanding officials of the industry. Better than anyone else in the United States you are qualified to give expert testimony on several of the matters we have been looking into for the past 6 months.

We have come to a point in the investigation where it seems timely and reasonable to discuss the findings made by the subcommittee with the men in the steel industry—the men who are in a position to correct certain situations which endanger the survival of smaller, independent users of steel and the maintenance of free, competitive enterprise.

This committee has uncovered a definite gray market in steel. Some industry witnesses who appeared before us early in our hearings twisted and squirmed in an effort to avoid admitting the existence of this gray market. It did them no good. Why they tried the head-in-the-sand technique of the ostrich I do not know. I do know, however, that we have sound estimates of well above 2,000,000 tons of steel which have been diverted into the gray market this year. I do know that many small fabricators of steel products have been pushed through the wringer by the pressure of the gray market operators.

We have had men before the committee who testified under oath they were paying an average of $280 to $300 per ton of steel. We had testimony of some cases on the Pacific coast where the price paid was as high as $600 a ton. These prices are outrageous as compared to a legitimate mill price of $75 to $90 at that time. Our staff has examined the books of companies substantiating these facts. It is a vicious condition.

As the heads of steel companies you cannot be expected to bear the entire blame for all that has been happening in the regular—and in some cases, the highly irregular—channels of distribution. As leaders of your industry, however, you certainly cannot escape all the responsibility for the abuses revealed by this investigation. We have the opinions of able people, that though you did not cause the gray market, you have the power to cure it by the exercise of your leadership and your authority.

Those of you who know me, know that I am a strong advocate of the American free-enterprise system. I want it to continue and I want it to expand. But I want it to function with proper regard for the public interest. It must not run riot over the prone bodies of the little men in business.

I tell you this frankly. Your Government and your Congress are reluctant to add new disruptions to our free-enterprise system. But if evils like the steel gray market and other abuses which have developed, and similar racketeering in other lines of business do not end, don't be surprised when Uncle Sam moves in as a traffic cop.

This conference is an effort to bring about greater self-regulation so as to avoid the entanglements and confusion of bureaucratic governmental regulation. It is to seek by free and frank discussion, a method by which defects in the present system of supply and distribution may be corrected. Most important, it is to obtain your suggestions for the protection of the small businessman who is being crushed ruthlessly between the upper millstone of the gray market and the nether millstone of a distorted distribution pattern.

I realize that steel is a tough business. But in the steel business, or in any other business, management has no more right to adopt a "public-be-damned" attitude than labor or government. In the face of the growing pressure for nationalization of such big industries as steel, coal, and the railroads, it would be downright stupid for your business to take that position. Bear this in mind—such nationalization has been suggested even on the floor of the United States Senate.

The American people do not object to bigness so long as it is used for better service and to improve our way of life. Opposition to bigness in the United States comes only when it creates monopoly—when it is used to fix prices, to stifle competition, to destroy initiative, or to warp our way of life. Big business, if wise, polices itself by recognizing its responsibilities to the public welfare.

It is worth remembering that every big corporation started small. Without an opportunity to grow, they would have been throttled in their swaddling clothes. Equal opportunity to grow and prosper in a healthy atmosphere of competition must be given to small business today.

The main responsibility of the Senate Small Business Committee is to aid in the survival of independent enterprise, and in the continuation of the competitive process. Where small business has been squeezed out of existence in the world today, human liberties have suffered.

The war intensified the trend toward concentration in industry. This was particularly true of steel. The war is over. Now we must correct the unbalance.

In exploring the dislocation of steel distribution, we have found these things:

1. The gray market, in which many legitimate manufacturers have been subjected to exorbitant prices and commissions or victimized by swindlers posing as steel brokers.

2. Diversion of steel into other than normal channels by firms which obtained steel on the historical quota basis; steel sales under priorities where the steel was not used for priority purposes; barter deals in which mills accepted scrap in trade for finished steel which was sold on the gray market.

3. Established users of steel, even those with priorities, unable to obtain their basic quotas from their normal suppliers. The crack-down on newcomers into the manufacturing field who had no historical quota of steel and who have been forced either to go out of the market or to pay gray-market prices. At the same time some others, without historical quotas, were supplied.

4. Expansion of integrated operations by some of the larger steel companies which has contributed to loss of supply for small manufacturers and erecting concerns. Steel mills have withdrawn distribution from certain areas, ruthlessly leaving former customers high and dry. In many cases, historical quotas have been totally ignored.

5. The problem of how much exporting should be continued at this time in view of the fact that in the first 6 months of this year more than 10½ percent of our entire production was shipped abroad. Upon recommendation of this committee the extension of export controls on critical steel items were adopted and certain administrative practices with regard to export licenses in the Department of Commerce were corrected.

6. The question of whether our present steel capacity is adequate for the future, a question to which we have several times obtained the answer, "No." This answer has come from economists, industrialists, and representatives of organized labor. I feel that the sound solution of this problem is one of the serious questions confronting us.

Gentlemen, I did not invite you here to read you a lecture. I have spoken this way because I feel so strongly on the subject of free enterprise and protecting our way of life. Preservation of small business is fundamental to this objective

I asked you to come in the hope you could help us find solutions to these problems.

The PRESIDENT pro tempore. The question is on agreeing to the first amendment offered by the Senator from Kentucky [Mr. BARKLEY].

Mr. BARKLEY. Mr. President, it is obvious that there cannot be a vote on the amendment this evening. I ask

unanimous consent that the amendment may be printed for the information of Senators when they assemble tomorrow.

The PRESIDENT pro tempore. Does the Senator's request refer to his entire amendment?

Mr. BARKLEY. The entire amendment; that is, the one which is now pending and the other one which I shall offer. I ask that they be printed and lie on the table.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PEPPER. Mr. President, the Senator from Kentucky now has asked that his amendment go over until tomorrow. I had made the statement earlier in the day, which I repeat for the attention of the Senator from Ohio [Mr. TAFT], that the country expects something to be done by the Congress at this session which will have some immediate practical effect.

It is late in the day. I would not propose anything to which I expected to devote any considerable discussion; but I have had the legislative counsel's office draft an amendment purporting to provide a ceiling for prices and wages until the 28th of February. If the Senator from Ohio would accept that amendment, or if he would allow a vote upon it immediately, or before the conclusion of today's session, I think we could give the country something to which it could look as preventing the situation from becoming worse and keeping the fire from spreading further. I wonder if the Senator from Ohio would allow a vote on that amendment before the conclusion of today's session, if the proponent of the amendment will engage in no further explanation than what has already been given.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. PEPPER. I yield to the Senator from Indiana.

Mr. CAPEHART. Mr. President, there is already pending a bill introduced by myself a few days ago to freeze prices at their high ceiling as of midnight on December 13. However, that bill does not freeze wages and salaries. I purposely omitted them because I question the advisability of doing so at this time. I do not think it is necessary. I think if we were to freeze the ceilings as I suggested in my bill labor would not ask for increases and would not strike. For that reason I did not place the freezing of wages in my bill. I happen to be opposed to freezing wages at this time. However, I am in favor of freezing prices at their ceiling of last Saturday night, December 13, and I have introduced a bill to that effect.

Mr. TAFT. Mr. President, will the Senator from Florida yield to me?

Mr. PEPPER. I shall be glad to yield to the Senator from Ohio. First, let me say that if he will allow me to make a brief explanation I shall appreciate it.

Mr. TAFT. Certainly.

Mr. PEPPER. I make the request for the consideration of the amendment now because, unhappily, due to a necessity which carries me to my State, I shall be unable to be present tomorrow. I had hoped that if we did not engage in debate the Senator from Ohio might allow this amendment to be considered and voted upon by the Senate today.

Mr. TAFT. Mr. President, I prefer to consider one question at a time. We have an important question before us. I think we should dispose of it. I would like to have got it out of the way this afternoon, but evidently that is impossible. I think we had better consider the various amendments in an orderly way.

Mr. PEPPER. Mr. President, there is no amendment pending at the present time.

The PRESIDENT pro tempore. There is an amendment pending.

Mr. PEPPER. I thought the Senator from Kentucky asked that his amendment go over until tomorrow.

Mr. BARKLEY. That does not mean that it is withdrawn. It is the pending amendment. We are unable to vote on it today.

Mr. PEPPER. Mr. President, I should like to say just a word further.

With respect to what the Senator from Indiana [Mr. CAPEHART] has said, I think we all agree that wages have not risen to a fair relationship to prices. I believe that the right and proper thing to do would be to freeze prices without freezing wages; yet I know there would be no chance whatever of having that kind of an amendment adopted in the Senate, because there would be those who would say that we cannot in any way freeze prices without our policy having some effect on the stability of wages.

My thought is this: As we are proceeding now, we are not going to do anything which will have any effect to curb the growing conflagration of inflation. I respectfully submit that none of the measures now pending would stop spiraling prices. When we return in January they will be higher than they now are. My hope and thought was, therefore, that if we could stop the spiral at its present level, at least we could assure the people that the situation would not grow worse by the time we return.

So, Mr. President, at least as a declaration of what I believe would be the desirable policy, and one which is in the public interest, I submit the amendment to which I have referred. I ask unanimous consent that it lie on the table and be printed, and also that it be printed in the RECORD at this point as a part of my remarks.

There being no objection, the amendment submitted by Mr. PEPPER was received, ordered to lie on the table and be printed, and to be printed in the RECORD, as follows:

Amendment intended to be proposed by Mr. PEPPER to the joint resolution (S. J. Res. 167) to aid in the stabilization of commodity prices, to aid in further stabilizing the economy of the United States, and for other purposes, viz: At the proper place in the bill insert the following:

"PRICE CONTROL

"SEC. —. (a) It shall be unlawful for any person to sell, barter, exchange, or otherwise dispose of any commodity at a price in excess of the price at which he last sold, bartered, exchanged, or otherwise disposed of such commodity subsequent to December 31, 1941, and prior to December 17, 1947, or in excess of the price for such commodity determined under the provisions of subsection (b) of this section, whichever may be the higher price. In the case of any commodity which is traded in on any board of trade the price at which a person last sold, bartered, exchanged, or otherwise disposed of such commodity prior to December 17, 1947, shall be deemed to be the closing price of such commodity on December 17, 1947, on that board of trade which is nearest to the place of the person disposing of such commodity.

"(b) (1) In the case of any person who was not engaged in the business of selling a particular commodity on December 17, 1947, the maximum price at which he may sell, barter, exchange, or otherwise dispose of such commodity shall be the highest price prevailing for such commodity on December 17, 1947, in the locality in which such person may dispose of such commodity, or in any case in which the commodity was not sold in such locality on December 17, 1947, the price at which such commodity was last sold in such locality subsequent to December 31, 1941, and prior to December 17, 1947.

"(2) In the case of any new commodity first offered for sale subsequent to December 17, 1947, or in the case of any new model or design of a commodity, the maximum price at which such commodity may be sold, bartered, exchanged, or otherwise disposed of, shall be the price determined by the Secretary of Commerce upon application made by the seller of such commodity.

"(3) In any case in which the Secretary of Agriculture determines that due to market surpluses the prevailing price of any agricultural commodity on December 17, 1947, did not provide a fair return to the growers of such commodity, the Secretary may determine a price for such commodity which will result in a fair return to the growers of such commodity, and may determine fair prices for commodities processed or manufactured in whole or in part from such agricultural commodity, and the prices so determined shall thereafter be the maximum prices at which such commodities may be sold, bartered, exchanged, or otherwise disposed of.

"(c) Any person who willfully violates any provision of subsection (a) or subsection (f) of this section shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished for each violation by a fine of not more than $1,000 or by imprisonment for not more than 1 year, or by both such fine and imprisonment.

"(d) As used in this section—

"(1) the term 'commodity' means commodities, articles, products, and materials (except materials furnished for publication by any press association or feature service, books, magazines, motion pictures, periodicals, and newspapers, other than as waste or scrap), and it also includes services rendered otherwise than as an employee in connection with the processing, distribution, storage, installation, repair, or negotiation of purchases or sales of a commodity, or in connection with the operation of any service establishment for the servicing of a commodity: *Provided*, That nothing in the preceding subsections of this section shall be construed to regulate (1) compensation paid by an employer to any of his employees, or (2) rates charged by any common carrier or other public utility, or (3) rates charged by any person engaged in the business of selling or underwriting insurance, or (4) rates charged by any person engaged in the business of operating or publishing a newspaper, periodical, or magazine, or operating a radio-broadcasting station, a motion-picture or other theater enterprise, or outdoor advertising facilities, or (5) rates charged for any professional services; and

"(2) the term 'person' includes, an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing, and includes the United States or any agency thereof, or any

other government, or any of its political subdivisions, or any agency of any of the foregoing: *Provided,* That no punishment provided by this section shall apply to the United States, or to any such government, political subdivision, or agency.

"(e) It shall be unlawful for any employer to pay wages or salaries to any of his employees with respect to any employment at a rate in excess of the highest rate paid by him to any of his employees for the same employment during the period subsequent to December 31, 1941, and prior to December 17, 1947, or to pay wages or salaries to any of his employees with respect to any employment in which he did not employ employees during the period December 31, 1941, to December 17, 1947, at a rate in excess of the highest rate paid by any employer in the same locality for the same employment during such period.

"(f) The provisions of this section shall cease to be effective on February 29, 1948."

INTERIM REPORT OF JOINT COMMITTEE ON THE ECONOMIC REPORT

Mr. TAFT. Mr. President, I present an interim report from the Joint Committee on the Economic Report. The report has been placed on the desks of all Senators. It covers some of the points involved in the pending measure. I ask that the report be printed in the RECORD at this point as a part of my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

JOINT COMMITTEE ON THE ECONOMIC REPORT

(Resolutions dealing with certain of the President's recommendations adopted December 15, 1947)

This is only an interim report covering some of the less controversial points in the President's program to deal with the problem of inflation. The committee is still studying the other points, together with the basic causes of inflation, and possible solutions therefor. The fact that this report does not cover all the points in the President's program implies no judgment either way on the points not covered.

RECOMMENDATION NO. 1

The committee endorses in principle the restoration of consumer credit controls.

The President has recommended restoration of consumer credit controls (message of November 17, 1947; recommendation No. 1, first part).

The committee agrees that one means of reducing inflationary pressures at this time is through restraints on excessive expansion of consumer credit. Specifically, it approves for immediate enactment an extension of consumer installment credit controls similar to the system in effect under regulation W.

Voluntary efforts to curb the liberalization of credit practices, with consequent expansion of installment credit, have not been adequate, as is demonstrated by the prompt loosening of installment credit terms with the ending of regulation W on November 1, 1947.

The committee emphasizes that its endorsement of credit controls is directed only to the restraint of excessive granting of consumer installment credit at a time of inflationary pressures. It does not wish to see all installment credit prohibited, to the disruption of normal business activity.

Nor does it now endorse proposals to continue consumer credit controls indefinitely as a means of protecting businessmen from other businessmen's competitive use of credit as a sales promotion device. Regulation of the plane of competition involves entirely different issues from restriction of credit inflation, and these have not been studied by the committee.

RECOMMENDATION NO. 2

The committee recommends that appropriate committees of Congress proceed immediately to study measures to regulate improper or excessive speculative trading on the commodity exchanges, with due recognition of the responsibility of maintaining an adequate hedging market.

The President recommended legislation to authorize the regulation of speculative trading on the commodity exchanges (recommendation No. 2).

The committee and two of its subcommittees have heard considerable testimony on speculative trading in commodity futures. Experienced and responsible witnesses, including representatives of the administration, the grain trade, and the milling industry, agree on the importance of maintaining efficiently functioning, hedging markets, and on the fact that commodity speculators as a body perform a useful economic service in this connection.

The committee recognizes the possibility that prices of specific commodities might be unduly raised or depressed, for a time, by improper or excessive speculative trading on the commodity exchanges, with potentially disadvantageous consequences. It therefore recommends that appropriate committees of Congress study this possibility and propose measures for guarding against it, with due recognition of the responsibility for maintaining adequate hedging markets.

RECOMMENDATION NO. 3

The committee approves the extension of export controls.

The President has recommended extension and strengthening of export controls (recommendation No. 3).

Continuation of export controls is necessary because of the unbalanced state of world trade, the high degree of inflation which prevails in certain foreign countries, and the great shortage of both the means of subsistence and the means of production which prevails in other countries. Whereas under normal conditions most goods are satisfactorily distributed over the world by the ordinary process of trade, in the present demoralized state of international commerce, export controls serve two important purposes:

First, they protect this country against the danger that it will be drained of goods which are of critical importance at home, and thus further increase domestic prices. Without control the desperate needs of devastated countries might lead them to concentrate an overwhelming part of their buying power in a particular narrow field. This risk is likely to arise from time to time with foodstuffs, with raw materials, or with capital goods. The second reason for controlling exports is that if there is a higher degree of inflation abroad than prevails here it may be profitable for businessmen to export goods for which the need is greater here or in some other country than in the country which is prepared to pay the higher price. Such trade, depending on differences in general price levels, arises chiefly in the trade with countries which were not subjected to the ravages of war, particularly Latin America.

Under normal conditions the markets for foreign exchange can be relied upon to keep the purchasing power of money in one country nearly enough in line with that in other countries so that significant volumes of goods are not shipped around the world in response to monetary, rather than industrial differences. But in the present situation the foreign exchanges have not reached equilibrium and the markets for foreign exchanges are not free, so it is possible to make abnormal profits by exporting goods from countries with a lower to those with a higher degree of inflation. Under these conditions, trade must be supervised so that goods will move for reasons of foreign policy or economic reasons, rather than strictly monetary reasons.

The case is accentuated when, as at present, a number of basic materials and finished products are being sold domestically at prices which do not keep the demand down in line with the available supply. This price policy increases the profit to be made by exporting such commodities to countries where there is a higher degree of general inflation and there is no legal or social ban on selling them for whatever the seller can get.

RECOMMENDATION NO. 4

The committee recommends the extension of the authority to allocate transportation facilities and equipment.

The President recommended legislation to extend authority to allocate transportation facilities and equipment (recommendation No. 4).

The Second Decontrol Act of 1947 authorizes the continuation of controls over the use of transportation equipment and facilities by rail carriers until February 29, 1948. Under this authority ODT has issued, and now has outstanding, orders which fix loading requirements for carload and less-than-carload freight; others which restrict movement of export freight to port areas, and other orders of less importance. In addition, ODT has at various times issued special orders with reference to the allocation of freight cars and is continually attempting to obtain the fullest utilization of transportation equipment. It has also requested ICC to issue service orders covering the movement of freight cars, particularly grain cars. In view of our large export program, control over movement of freight cars to ports is essential to avoid port congestion. Administration witnesses appearing before this committee have emphasized the need of control over allocation of coal cars, with a view to preventing coal shortages and facilitating essential production, especially of steel.

Although the shortage of freight cars is apparently now being alleviated to some extent, it will nevertheless continue for some time, making a continuation of the powers necessary to deal with this shortage highly desirable. It is the committee's understanding that the program of freight-car allocation and movement has been largely operated without the use of formal orders by the Government agencies concerned, through the cooperation of the Association of American Railroads and of individual railroads. It is our presumption that this practice will continue even though the authority to issue such orders is extended for a further period.

On December 2, 1947, the President transmitted a message to the Congress (H. Doc. No. 468, 80th Cong., 1st sess.) requesting that the present authority of the United States Maritime Commission to operate, sell, and charter Government-owned vessels be continued. Under present law this authority expires on February 29, 1948. The Maritime Commission is now operating 1,200 dry-cargo vessels under charter and in addition, through general agents, is operating passenger vessels and tankers. Until they are sold to private owners it is necessary to keep these vessels in operation in order to maintain vital transportation services. Therefore, the committee believes that the request of the President for extension of the authority of the Maritime Commission should be granted. Our recommendation is intended to cover this point.

RECOMMENDATION NO. 5

The committee approves the Department of Agriculture's program of encouraging the conservation of grain in this country, including the marketing of livestock at weights and grades that represent the most efficient utilization of grain.

The President has recommended legislation to enable the Department of Agriculture

to expand its program of encouraging conservation practices in this country (recommendation No. 6, first part).

The President's Food Committee, under the chairmanship of Mr. Luckman, initiated a program of enlisting the cooperation of livestock producers as part of its effort to conserve grain in the United States. Economy in the use of grain by livestock producers would doubtless be the greatest contribution possible to any program of grain conservation, as 75 to 80 percent of all the grain utilized in this country, exclusive of seed, is used for animal and poultry feeding. The Department of Agriculture made itself responsible for carrying out the informational and educational part of the program directed to livestock producers. In his appearance before the joint committee on November 17, Secretary Anderson requested specific legislative authorization for this voluntary educational program, and also mentioned the need of additional funds to finance it.

The Department of Agriculture, of course, as part of its regular extension programs gives farmers information on the most efficient utilization of grain as feed. Now that the conservation of grain is of such extreme importance the committee agrees that the Department should expand and intensify these efforts. Among the practices which appear to be especially deserving of emphasis in the Department's program are the elimination of rodents and other pests which consume grain, the culling of unprofitable livestock and poultry from herds and flocks, and improved methods of obtaining gains in the weight of meat animals and maintaining the production of milk when other feeds are substituted for grain.

Another aspect of this program is to encourage farmers on a voluntary basis, to market hogs at lighter weights and to put less finish on beef cattle, which practices also have the effect of reducing grain consumption and utilizing grain more efficiently, as recommended under point five of the President's program. The committee believes that the Department should continue, as it has done for the past few months, to emphasize this aspect of the grain-conservation program.

RECOMMENDATION NO. 6

The committee endorses the purpose of the program designed to increase the production of food in foreign countries for the purpose of reducing the drain on resources in the United States, and recommends that the Secetary of Agriculture submit a detailed program for the approval of Congress.

The President recommended measures designed to increase the production of food in foreign countries (recommendation No. 6, second part).

It should be recognized at the outset that a program of encouraging food production in foreign countries for the purpose of reducing the drain from the United States will have no effect in alleviating the present crisis because no results will be forthcoming in 1948. Nevertheless, in view of the prospect that the world food shortage may continue for some years, the committee feels that this program should be given detailed study by Congress and the executive departments.

To the extent that additional exportable food supplies become available from other countries, not only will the drain on our resources be relieved, but so will the pressure on prices, because more food will be made available for domestic consumers. Moreover, the world shortage of dollars might be alleviated somewhat in this way, since arrangements could presumably be made for foreign countries to buy food produced outside the United States for currencies other than dollars.

The committee, however, feels that the Department of Agriculture and other interested executive departments should submit to Congress a detailed statement of their intended programs, commodity by commodity. It is important that due consideration be given, not only to money costs, but to the amount and kind of scarce and essential goods that this country will have to export in order to induce foreign producers to increase their output of foods.

The committee has not been advised as to the relationship of the proposed programs to those sponsored by the United Nations Food and Agricultural Organization or its associated World Food Council, of which this Government is a member. This point should be cleared up before final approval of the proposed program.

EXECUTIVE SESSION

Mr. WHITE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of Maj. Gen. Leslie Richard Groves, Army of the United States—brigadier general, assistant to the Chief of Engineers and lieutenant colonel, United States Army—for appointment as Army member of the Military Liaison Committee to the Atomic Energy Commission and Chief of the Armed Forces Special Weapons Project with the rank of lieutenant general under the provisions of section 504 of the Officer Personnel Act of 1947, which was referred to the Committee on Armed Services.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. WILEY, from the Committee on the Judiciary:

Peyton Ford, of Oklahoma, to be the assistant to the Attorney General, vice Douglas W. McGregor, resigned;

Joe E. Daniels, of New Jersey, to the position of Assistant Commissioner of Patents;

Lawrence C. Kingsland, of Missouri, to the position of Commissioner of Patents;

Watson B. Miller, of Maryland, to be Commissioner of Immigration and Naturalization, United States Department of Justice;

Harry E. Pratt, of Alaska, to be United States district judge, Division No. 4, District of Alaska;

Sylvester J. Ryan, of New York, to be United States district judge for the southern district of New York;

Thomas P. Thornton, of Michigan, to be United States attorney for the eastern district of Michigan;

George R. Humrickhouse, of Virginia, to be United States attorney for the eastern district of Virginia;

Arthur J. B. Cartier, of Massachusetts, to be United States marshal for the district of Massachusetts, vice J. Henry Goguen, term expired; and

Charles M. Eldridge, of Rhode Island, to be United States marshal for the district of Rhode Island, vice Neale D. Murphy, resigned.

By Mr. COOPER, from the Committee on the Judiciary:

Herbert W. Christenberry, of Louisiana, to be United States district judge for the eastern district of Louisiana, vice Adrian J. Caillouet, deceased.

SUSPENSION OF RULE AS TO CERTAIN JUDICIAL NOMINATIONS

Mr. DONNELL. Mr. President, I ask unanimous consent that there be suspended with respect to the nomination of Hon. Roy W. Harper, of Missouri, to be United States district judge for the eastern and western districts of Missouri, and with respect to the nomination of Hon. John E. Parks, of Hawaii, to be third judge of the First Circuit, Circuit Courts, Territory of Hawaii, the requirement of rule XXXVIII of the Standing Rules of the Senate that nominations neither confirmed nor rejected during the session at which they are made shall not be acted upon at any succeeding session without being again made to the Senate by the President. This request meets the approval of the Senate Committee on the Judiciary.

The PRESIDENT pro tempore. Is there objection to the request made by the Senator from Missouri? The Chair hears none, and it is so ordered.

If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

UNITED NATIONS MILITARY STAFF COMMITTEE

The legislative clerk read the nomination of Lt. Gen. Matthew Bunker Ridgway to be senior United States Army member of the Military Staff Committee of the United Nations, with the rank of lieutenant general.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of Herbert S. Bursley to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Honduras.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Avra M. Warren to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to Finland.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Robert M. Scotten to be Envoy Extraordinary and Minister Plenipotentiary of the United States of America to New Zealand.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. WHITE. Mr. President, I ask that the remaining nominations in the Diplomatic and Foreign Service be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the remaining nominations in the Diplomatic and Foreign Service are confirmed en bloc.

Mr. WHITE. Mr. President, I ask unanimous consent that the President be forthwith advised of all confirmations today.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

RECESS

Mr. WHITE. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 42 minutes p. m.) the Senate took a recess until tomorrow, Thursday, December 18, 1947, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate December 17 (legislative day of December 4), 1947:

MILITARY LIAISON COMMITTEE TO THE ATOMIC ENERGY COMMISSION

Maj. Gen. Leslie Richard Groves, Army of the United States (brigadier general, assistant to the Chief of Engineers, and lieutenant colonel, U. S. Army), for appointment as Army member of the Military Liaison Committee to the Atomic Energy Commission and Chief of the Armed Forces Special Weapons Project with the rank of lieutenant general under the provisions of section 504 of the Officer Personnel Act of 1947.

CONFIRMATIONS

Executive nominations received by the Senate December 17 (legislative day of December 4), 1947:

UNITED NATIONS
MILITARY STAFF COMMITTEE

Lt. Gen. Matthew Bunker Ridgway, Army of the United States, to be senior United States Army member of the Military Staff Committee of the United Nations with rank of lieutenant general under the provisions of section 504 of the Officer Personnel Act of 1947.

DIPLOMATIC AND FOREIGN SERVICE

AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO HONDURAS

Herbert S. Bursley

ENVOY EXTRAORDINARY AND MINISTER PLENTIPOTENTIARY OF THE UNITED STATES OF AMERICA TO FINLAND

Avra M. Warren

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO NEW ZEALAND

Robert M. Scotten

CONSUL AND SECRETARY IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

J. Russell Andrus

CONSULS OF THE UNITED STATES OF AMERICA

W. Bradley Connors
Joseph B. Costanzo
G. Huntington Damon
Paul W. Frillmann
Julian P. Fromer
Frederick L. Jochem
Elmer Newton
James Dyke van Putten
Carleton W. Washburne

SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

Ronald H. Allen
Orville C. Anderson
Henry F. Arnold
Albert E. Carter
Joseph E. Charles
Morrill Cody
D. Eugene Delgado-Arias
Donald C. Dunham
George W. Edman
W. J. Convery Egan
Teg C. Grondahl
Ralph Hilton
Owen R. Hutchinson
Wallace Van Jackson
Garth P. James
William C. Johnstone, Jr.
Edwin W. Kenworthy
Theodore B. Olson
Richard I. Phillips
James J. Robbins
William G. Roll
Douglas H. Schneider
Walter K. Schwinn
E. Bigelow Thompson

VICE CONSULS OF THE UNITED STATES OF AMERICA

Sverre M. Backe
Leonard N. Caswell
Stanley R. Chartrand
Gilbert E. Clark
Wallace Clarke
Don A. Gribble
Andrew E. Hanney
Reed P. Robinson
John W. Thomason 3d
Hugh N. Whitaker
Fred M. Wren

HOUSE OF REPRESENTATIVES

WEDNESDAY, DECEMBER 17, 1947

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Lord of life and Father of the living, keep us, we pray, under the shadow of Thy holy wings. Lest our devotion lessen and wither, grant us wisdom to discern the true and commanding way. Confronted as we are by a restless and contradictory world, keep us strong, just, and courageous, with an intensity of purpose for our Republic, conscious that we are debtors, living by one another and for one another.

As we near the shadows and the sanctity of the holy manger, with its sweet serenity and heavenly humility, link our thoughts to the Christ whose star comes to light the channels of humankind. Release us from an excessive commercialism, that with open hearts and ready hands we may follow the Holy One who brings a heritage of infinite love with its tides of eternal peace and joy. In our Saviour's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. McDONOUGH (at the request of Mr. BOGGS of Delaware) was given permission to extend his remarks in the RECORD and include a brief article on veterans' reemployment.

Mr. MORTON asked and was given permission to extend his remarks in the RECORD and include an article appearing in the Louisville Courier-Journal.

PRICE CONTROLS

Mr. BUFFETT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. BUFFETT. Mr. Speaker, Government buying and exporting of grain this fall made higher meat prices in the spring of 1948 most probable.

However, reports from my district, the second largest livestock market in the world, indicate that President Truman's recent actions have changed this disturbing probability into an almost certain calamity.

By demanding price controls again, President Truman has pulled the rug out from under the cattle feeding industry.

Already prospective cattle feeders were hesitant and worried because of the high price of both feeder cattle and feed supplies. President Truman has created the final hazard to discourage and reduce cattle feeding.

And so Mr. Truman has unwittingly done it again. As in the 1946 steel and auto strike controversy, he has talked in such way that prices are going much higher as a direct result of his proposals.

If meat prices go through the roof in the spring of 1948, the responsibility should be placed where it belongs—at the door of the White House.

EXTENSION OF REMARKS

Mr. GOODWIN asked and was granted permission to extend his remarks in the RECORD and include an address recently given by Mr. Gilbert Montague.

Mr. BENNETT of Michigan asked and was granted permission to extend his remarks in the RECORD.

ANTI-INFLATION LEGISLATION

Mr. McGARVEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. McGARVEY. Mr. Speaker, 2 days ago the House failed to pass a four-point anti-inflation measure. The fact that this attempt was unsuccessful actually does not matter since it was doomed to failure anyway. The President implied at his press conference that he would probably veto the measure, in the same way that he vetoed the two tax-reduction bills which Congress sent him at the last session. The President's actions indicate startlingly his utter disregard for the welfare of the American people. They also reveal Mr. Truman's repudiation of our republican form of government which guarantees that the laws of the land shall be made by a body of representatives elected by and responsible to the people.

Mr. Truman seems to believe that all power should be vested in himself alone. He disapproves of the House bill because it does not give him the powers which he asked for in his speech on the opening day of the special session of Congress. Mr. Truman seems to forget that America is not a dictatorship, but a republic. In the same manner in which he decreed that no one could have tax relief because he did not approve the legislation which provided it—and I will not mention here Mr. Truman's jumbled mathematics in that instance—he now implies that because the anti-inflation program is not his anti-inflation program, America shall continue to suffer from the high prices which are currently working such a hardship on those who must live on fixed salaries, pensions, and annuities.

Congress was perfectly willing to listen to the views of administration aides in regard to inflation and to learn their recommendations for curbing it. But what did Congress learn from Mr. Truman's representatives? Well, we are still trying to figure that one out. We did learn that Mr. Eccles and Mr. Snyder disagree violently about economic and monetary matters, which was surprising considering the posts which they hold in the administration. Mr. Harriman, Mr.

Anderson, and Mr. Schwellenbach were less enlightening. Their excuse that the Congress must legislate does not let them off in this instance, since the President will accept only his own program and had ruled out the congressional bill before it was even introduced.

Of course, we should be used to executive double talk by this time. Another instance of it can be seen in the administration's changing attitude toward speculators on the grain exchanges. For quite some time Mr. Truman and Attorney General Clark have been raising quite an uproar about these speculators, and accusing them of being responsible for high prices. Their honest indignation and threatening attitudes were most gratifying to those who were suffering such hardship from the high cost of living. In a recent speech on the floor of the House, I charged that we would never have more than token accusations against speculators on the food exchanges, since it would be most embarrassing if the administration had to prosecute its own officials. The Senate investigation into the speculations of Mr. Pauley proves my point. Now we learn that Mr. Anderson refuses to divulge the names of big speculators since he interprets the law as forbidding the publication of such names. If this is not a recent interpretation, why was the hue and cry raised in the first place? Or am I being political when I ask that question?

Again I would like to repeat that it would be futile to invest Mr. Truman with controls since he refuses to exercise those which he already has, controls which would more effectively curb inflation than any one of his 10 points. Why does he not exercise his control over currency issuance instead of sending Mr. Eccles to Congress with absurd programs for economic reforms? Why does he not exercise his control over exports instead of having Mr. Harriman tell a congressional committee that we must export so much of a certain commodity to a certain country because we exported the same amount last year? Why does he give Congress no cooperation in their drive to reduce Government expenses, and why is he so opposed to tax reduction until the right time arrives?

The answer might possibly be that the treatment of the effects of inflation has more popular appeal than the means whereby the cause can be cured. That he is also playing politics with the welfare of the American people is, of course, only a secondary consideration.

INVESTIGATION OF SPECULATION IN STOCK MARKETS

Mr. COMBS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas [Mr. COMBS]?

There was no objection.

Mr. COMBS. Mr. Speaker, I have just introduced the following concurrent resolution:

Resolved by the House of Representatives (the Senate concurring):

1. That a joint committee of the House and Senate shall be constituted as soon as practicable after the adoption of this resolution to inquire into and make investigation of trading in the commodity markets of the United States and particularly in items of food and clothing by officials and employees of the United States Government in the executive and legislative branches thereof, including Members of the House and Senate of the United States and their employees.

2. Said committee shall consist of five Members of the House to be appointed by the Speaker of the House and five Members of the Senate to be appointed by the President of the Senate: *Provided*, That each Member so appointed before entering upon his duty with said committee shall file with the Clerk of the House of Representatives or with the Secretary of the Senate a statement in writing and under oath stating whether or not since January 3, 1947, the date of the convening of the Eightieth Congress, he has engaged in any purchases or sales of commodities either for immediate delivery or future delivery through any broker or commodity exchange in the United States; and if so, he shall state the nature of such transaction, the date thereof, the amount thereof, and the amount of any profit or loss he sustained upon each such transaction.

3. Said committee shall immediately after its appointment proceed to organize by electing a chairman and a cochairman.

4. Said committee shall be clothed with full power to summon witnesses, make inquiries, and require the production of records and to exercise all the powers and prerogatives applicable to committees of inquiry appointed by the House of Representatives and by the Senate of the United States.

5. The Secretary of Agriculture is authorized and hereby directed to furnish to said committee a list of all officials and employees of the United States Government who have heretofore, since January 3, 1947, engaged in transactions, purchases, and sales of commodities of food and clothing on the various exchanges of the United States so far as shown by the records of his office.

A great deal has been said lately about officials and employees of the Government engaging in speculation on the commodity markets. I have no personal knowledge of whether or not officials of this Government have engaged in such practices or whether or not having done so such persons had access or received information of a confidential nature from any official or department of the Government.

But I do know that these charges have created apprehension in the minds of our people which can only be dispelled by fair, forthright, impartial, and thorough investigation of the facts.

As you will observe from the resolution it specifically provides for the inclusion within the scope of the investigation of Members of the House and Senate and their employees.

From the newspapers I note it has been suggested that a congressional committee is not the proper forum to investigate Members of Congress. I take flat issue with that view. If we, in the Congress, do not provide for such an investigation how shall it be made? It is no answer to say that we Members of the Congress must stand for election and that, therefore, the people are the forum. To that I reply, how shall the people know how to judge us on this issue unless they have the facts and how shall they get the facts except the Congress ascertain them and make them public.

To my way of thinking a very vital question is here involved, the question of faith and confidence of the people of this country in their Government.

We hear a lot said these days about threats to our Government and to our free way of living. Surely these are trying times, and we must remain ever on the alert. But to my way of thinking the most serious blow that could be struck against the free institutions of this country would be for our people to reach the conclusion that our form of government has failed to serve the public interest. The people of this free country can be depended upon to do the right thing if they are given the facts. No party and no individual office seeker could ever be haled into a fairer court than the bar of public opinion, and no party, man, or issue could ever be tried before a fairer jury than the American people.

The people of this country are sound in their way of thinking and unswerving in their loyalty to the principles of freedom under the law upon which our liberties rest. Constitutional government will never be in danger in this country unless and until our people lose faith in the Government. They will be in danger only when our people believe that selfishness and greed motivate officials of the Government. It will be when they lose faith in the fairness and justice of their courts; it will be when they come to consider the Halls of their Congress the haunt of the demagog.

Personally, in spite of accusations and charges, and perhaps of failures here and there, I still have faith in our Government and in the Congress of the United States. And I think the people do. Let us sustain their faith by making the proposed investigation and giving them the facts.

THE DOMESTIC FUR FARMERS AND OTHER SMALL BUSINESS

Mr. WOODRUFF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WOODRUFF. Mr. Speaker, when the United States of America consisted of 13 charter members knit together by their interdependence and the precariousness of their position, there were no large businesses. The future of the United States of America was being prepared by the colonists, the pioneers, and to a great extent by the explorations of men during their search for fur-bearing animals. The forested regions of the territory west of the Atlantic coast were first explored and mapped by the trappers and hunters, who, as civilization followed them, moved further westward until even the mountain fastnesses of the great Northwest were thoroughly explored. At that time the fur industry of the North American Continent could have been termed a big industry, for it was large in comparison with others of that day.

Today the fur industry is definitely a small industry. And what I will say of that industry is true of a great many other small industries. During the last 15 years of depression, uncertainty, war

and turmoil, the New Dealers and other free-traders have hacked away at the devices the United States adopted generations ago to protect American industry from the products made by almost slave labor in countries with living standards which we would not tolerate in the United States. In the hearings before the Ways and Means Committee on the operation of the trade agreements and in the hearings before the Committee for Reciprocity Information, which preceded the Geneva Conference, the stock question with which the State Department answered every logical argument presented was: "Have you been hurt yet?" Frequently the answer was "Yes," and then the interrogation stopped. When the answer was to the effect that the unsettled conditions of the world had made it possible for the domestic product to still compete, the answer was: "Then, what are you crying about?"

Mr. Speaker, the fur industry of the United States is disintegrating. The large potential market for domestic furs within the United States has been practically wrecked. This domestic producing industry, which at one time enjoyed a certain measure of prosperity, and which thereby attracted independent-minded American citizens, has been so seriously affected by the floods of imports of furs that the Agriculture Department and certain congressional committees have become alarmed and are attempting to devise means of saving what is left. In 1946, imports exceeded domestic production by more than 2 to 1. Shipments from abroad were offered at whatever prices they would bring. Prices were forced down at a time when domestic costs were advancing tremendously.

Even a huge industry would be affected under such circumstances. The effect on a small industry is even greater, for this type of business, composed of a large number of small individual units, is first to feel the shock of unfair competition from abroad. The effect is immediate and serious.

I was startled, as you must be, to discover that as the war in Europe concluded a special delegation from the United States Commerce Department went to Russia and it is my understanding that a specific function of this goodwill tour was to invite shipments of furs from that country to the United States. You may be surprised to know that in 1946, 67 percent of all the imports from Russia consisted of furs unloaded on the domestic market. I know that some of you were as indignant as I when Members of the Senate from the United States were not permitted to visit Russia, and were denied entry to that country while they were studying the means of alleviating the world's suffering. Gentlemen, at about the time of that episode there were 40 American fur buyers in Russia being wined and dined by the Government of Russia, and there was no question of a visa or permission for those individuals to enter that country. The Senators were in the wrong business.

During the years of the Trade Agreements Act, the duty on furs was reduced and promises were made to various nations that those duties would not be altered except in favor of larger imports. We had no such agreement with Russia. Russia refused to participate in the Geneva Conference. Yet the country has had great financial profit and benefit from the reductions on furs at the expense of the domestic industry and at the expense of the American taxpayer.

The country has been constantly bombarded by our State Department with propaganda that in order to export we must import. Of course, this is so, and nobody ever questioned it. But when the American farmer is lulled into a sense of security and then surreptitiously divested of his market by secretly negotiated agreements which bring an overwhelming flood of imports, this makes a poor excuse. We have imported millions and millions of dollars' worth of furs from Russia so that we can export—what? And how much must we import so that the exporting industries might continue to fatten their profits?

What do you know about the cost of producing a fox fur in Russia? What does our State Department know about the cost of producing a fox fur in Russia? We do know there is a great amount of labor involved and we know that the costs of feed in the United States are high. Is it your wish that the American farmer or fur grower should make the same profits or receive the same wages as the Russian peasant? When our State Department labels the duty on furs as excessive and unduly burdening and restricting, as it must do under the law before it can make tariff reductions, it is directly accusing the American farmer and fur grower of receiving excessive profits and paying unreasonably high wages. No bureaucrat has ever been able to explain to me how we can maintain an unsubsidized industry on a free-trade basis when living standards of foreign countries permit them to pay wages one-half to one-tenth those of the United States.

I cannot but feel that we have at last come to a definite, clear-cut point of issue with the free-trade-minded individuals who benefit financially when we import in large volume or export in large volume. That point of issue is: Shall the United States continue to be a land of free enterprise, of diversified economy, and of opportunity, or shall we by the removal of all controls reduce our standard of living to match that of the rest of the world? Shall we, by destroying small industry, force every man who chooses to make a living to do so in the heavy industries, in the assembly line, in the manufacture of articles which require huge investments?

The future of this country was never more insecure. Its strength in the future as in the past will lie in its diversified agricultural and manufacturing pursuits. The free-traders continually attempt to salve the American farmers by promises of temporary subsidies to keep them in business until such time as they can shift their production to another type of material. The farmers, the fur growers of the United States, do not want subsidies. They do not want to shift from a diversified economy to the production of a few agricultural commodities which, in normal times, would be continuously surplus.

If the American fur grower goes out of business, shall he go into the production of hogs, of cattle, of sheep? Shall he shift his production to wheat or corn? Shall he be forced into the assembly line? Can we justify the faith of the framers of our Constitution and our pioneer forefathers who laid the foundations upon which this country has become the greatest in all the world if we dictate to their descendants the kind of work which they must do?

During the long period since this country was founded by individuals who preferred to suffer privation rather than be forced to worship and work according to the dictation of other individuals, during the fat years and the lean years, during the periods of internal strife and war with other nations, this country grew continually stronger because the doctrine of free enterprise was promulgated and considered a part of the inalienable rights of every American citizen. I maintain, without fear of contradiction from any section of the United States, that the American citizen has through the provisions of the Constitution itself acquired an unchallenged right to work in the occupation of his choosing, and that he is entitled to the protection of this right by his Government.

The tariff structure of this country has been in existence for so long that to remove it, to tear it down, to destroy it for the purpose of providing dubious temporary increases in foreign trade, would be to undermine the theory upon which we have become a great Nation. I thoroughly believe that any court in this great land would uphold that theory. The American producers of furs, the sugar-beet growers, the sheep raisers, the producers of peanuts, cotton, or oranges have an unquestionable moral right to reasonable assistance from this Government and to a promise from it to refrain from taking action which destroys one industry for the purpose of obtaining concessions that another might profit thereby. I maintain before you this day that that is a legal right as well, and it is high time this Congress recognized the fact.

We have recently begun to awaken from a Rip Van Winkle sleep and are discovering to our sorrow that the executive branch has not only sold us down the river, but has auctioned off our chattels, our homes, and our industries. If something is not done for the small businessman of this country, we are likely to become a socialistic, if not communistic, nation where every farmer, every laborer, every white-collar man will be told for whom he must work, what he can produce and what he must purchase from foreign countries. Those who have known me during the many years I have been a member of this body know that I am not usually in the alarmist category, but I confess to you now that I am worried, and I believe more of you ought to be worried. If the present trend toward free trade continues unbridled, this will no longer be the land of the free and the home of individuals. It will be a mass-production country

with no initiative and with little ambition.

We must adapt our economy to our people. We must not force our children into a planned economy doctored up by a group of theorists whose greatest individual business venture has involved a decision about whether the pants shall have buttons or zippers.

A dynamic, well-defined, and objective program for the continued diversification of American production and a recognition of small business is a vital necessity and is in the process of formulation. When it comes, it will deserve your careful consideration.

COMMUNISTIC ACTIVITIES

Mr. TWYMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include therein a letter from a constituent and a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. TWYMAN. Mr. Speaker, I desire to insert in the RECORD a copy of a letter from a constituent of mine relative to the activities of Gerhart Eisler, an acknowledged Communist, since his conviction. Eisler and Carl Marzani are going around the country addressing student groups. It is true that in certain places their appearance has caused resentment and disturbances. These men are not martyrs, heroes, or celebrities. Action should be taken to stop their activities.

CHICAGO, ILL., *December 15, 1947.*
The Honorable ROBERT J. TWYMAN,
House of Representatives,
Washington, D. C.

DEAR MR. TWYMAN: Here is a clipping from the Chicago Herald-American of Thursday, December 11, Gerhart Eisler talking to the students at Roosevelt College.

Ye gods and little fishes, what kind of a screwy country are we living in—convict a man of subversive activities, turn him loose and let him go into schools and talk to students. I wonder if they could get away with this under similar circumstances in Russia, or has all the propaganda about Russia been a lot of hooey?

Maybe we would be better off if we lost the next war. It might be less costly. I think you will agree this just does not add up to common sense. Why should we spend money to stop communism, go to the expense of trying a man of this kind, find him guilty, and then let him run loose around the country in this manner?

With all good wishes, believe me
Sincerely yours,

HOWARD MULL.

EISLER BOASTS OF RED PLOT TO ROOSEVELT AYD

Gerhart Eisler, No. 1 Communist in the United States, and Carl Aldo Marzani, former State Department employee and OSS officer—both recently convicted in a Federal court of secret activities for the party—addressed 300 students at Roosevelt College yesterday.

They were sponsored by the American Youth for Democracy chapter veterans, whose schooling is being financed under the GI bill of rights.

The AYD, labeled "Communist" by the FBI, has been banned from most campuses.

Eisler and Marzani, free on bail pending appeal and allowed to travel where they like, claimed their freedom is being threatened.

SENT TO UNITED STATES BY REDS

"I became a Communist after the First World War. I became a Marxist and I have remained faithful to the ideas of Marxism and communism. I was sent to the United States by the party," Eisler said.

Clarence Lipschutz, AYD chapter president, termed Eisler "an eminent anti-Fascist, a fighter, a member of the German Communist Party."

One listener commented later:

"I wonder how much freedom Russia allows enemies of its Government. Are enemies of the Russian Government allowed to go around speaking to students in the Soviet schools?"

CONDONED BY COLLEGE PRESIDENT

Dr. E. J. Sparling, president of Roosevelt College, said:

"It was a private club meeting, and although the school does not officially endorse the speakers, it does not censure them either. We think this thing will wear itself out after a while."

Eisler and Marzani recently were banned from AYD campus meetings at the University of Minnesota.

PERMISSION TO ADDRESS THE HOUSE

Mr. MASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include therein a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. MASON addressed the House. His remarks appear in the Appendix.]

SPECIAL ORDER GRANTED

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent that on tomorrow, following the regular business of the day, I may address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

EXTENSION OF REMARKS

Mr. JAVITS asked and was given permission to extend his remarks in the RECORD and include therein a comparison between the production of Soviet Russia and the production of the United States in key items.

Mr. CASE of South Dakota asked and was given permission to extend his remarks in the Appendix of the RECORD and include a radio talk.

Mr. SIMPSON of Pennsylvania asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address by the gentleman from Indiana [Mr. HALLECK] at the Pennsylvania Society dinner in New York.

Mr. REEVES asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article.

Mr. KUNKEL asked and was given permission to extend his remarks in the Appendix of the RECORD and include a radio speech he made on Sunday over Station WHK.

Mr. HOLIFIELD asked and was given permission to extend his remarks in the Appendix of the RECORD and include a short article by Assemblyman Ralph C. Dills.

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the RECORD and include an editorial from the St. Louis Post-Dispatch.

Mr. MACK asked and was given permission to extend his remarks in the RECORD and include two editorials.

Mr. KEATING asked and was given permission to extend his remarks in the RECORD in two instances, in one to include an editorial from the Rochester Democrat entitled "The Case of Edwin Pauley," and in the other an editorial from the Rochester Times-Union.

REDUCTION OF INCOME TAXES

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. Mr. Speaker, if the President wants to reduce the high cost of living he should cooperate with the Congress to reduce taxes which would help every laborer, farmer, professional and business man. Taxes on food, homes, clothing, and everything is a part of the cost of living.

A tax bill should be passed reducing our heavy wartime tax schedules from top to bottom, a bill that would take less out of the workers' pay envelopes and out of the earnings of everyone.

Mr. Speaker, we reduced income taxes each year for three successive years after the last war and repealed taxes on picture shows, telephone calls and telegrams, and so-called nuisance taxes of every kind. Business expanded, employment expanded, and we reduced the Federal debt each year by over a billion dollars. The same course should be followed now.

Instead of giving away billions of dollars in the proposed Marshall plan to other nations which will have to be taken out of the pockets of the American taxpayers, we should reduce tax rates in the interest of our own people.

Mr. Speaker, in addition to the reduction of income taxes, excise taxes should be reduced. The woman shopper who pays $5 for a handbag has to pay an additional $1 excise tax. There is a 20-percent excise wartime tax still in force on leather goods and luggage of all kinds, as well as on jewelry from the lowest priced to the highest. The American woman must also pay this 20-percent wartime excise tax on cosmetics of every kind.

I repeat, income and excise taxes should be reduced. Certainly, all of these taxes add to and increase the cost of living.

Mr. Speaker, the reduction of income and excise taxes would help to keep more laboring people employed, would reduce the cost of living to everyone; would increase the distribution and sale of thousands of articles and would help the entire economy of the Nation, in addition to reducing the cost of living.

I hope the Congress will pass a bill reducing income and excise taxes and send it to the President. He can then decide

whether to give aid to our own people, or veto the bill as he did the income-tax bill in the last session. It is more important to protect our own people than to take the money away from them by taxation and squander it on the other nations of the world.

THE CAUSE OF HIGH PRICES

Mr. HILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HILL. Mr. Speaker, days pass and the indignation of the people rises against the ill-timed and reckless food buying by the Government.

President Truman and his political campaign organization are trying desperately to escape responsibility for skyrocketing food prices.

He tries to make grain speculators the scapegoat when every thinking person knows that the Government has been and still is a steady buyer of huge quantities of food for export that is in short supply.

I hold no brief for people who take advantage of human misery and get into the commodity markets for a ride to higher prices with the Government.

Ed Pauley, former treasurer of the Democratic National Committee and now special assistant to the Secretary of the Army, admits that he, too, has taken advantage of the tight food situation to make money.

It is quite apparent that Pauley has taken the position of telling the people to go hang. He defiantly states he will resign when he gets good and ready to do so.

And from the White House the country hears only continued silence. Act now, Mr. President. Forthrightly and publicly call for Pauley's resignation. This scamp should be ousted from the inner circle of the Government.

The Republican Congress is doing its utmost to expose the wrongdoers in the Truman administration. It is high time, Mr. President, that you cooperate and do something to clean up this scandalous situation.

UNITED STATES AND SOVIET INDUSTRIAL PRODUCTION

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, in the course of the debate on the foreign-aid bill the other day I was taken to task on the floor of the House for a statement I made that the resources available for use of Soviet Russia were far inferior to the resources of the United States. But, I find both analyses quite consistent. I meant production resources, because that, I felt, is the principle measure of power in the world for the new term.

I made the statement at the time in the context that the Soviets were on the offensive, while the United States was being asked, I believed, by those arguing against the bill, to take a defensive position, and I considered such a defensive position unjustified by the facts. Following is a comparison between the industrial production resources of the United States, taken from official sources, and the estimates of Soviet production resources as contained in the current issue of World Report. I invite every Member to make the comparison for himself and to read the article on the same subject I have inserted in the Appendix:

United States and Soviet production of selected industrial commodities [1]

SOVIET PRODUCTION

Commodity	Unit	1940	1946 (estimate)	1947 (estimate)	1950 goal
Coal	Million metric tons	166.0	150.0	171.0	250.0
Pig iron	do	14 9	10.2	11.9	19.5
Steel ingots	do	18.3	12.4	13.6	25.4
Cement	do	5.8	3.4	4.3	10.5
Oil	Million barrels	223 0	148.0	179.0	255 0
Eletric power	Billion kilowatt-hours	48.0	40.0	48 0	82.0
Cotton fabrics	Billion yards	4.4	2.2	2.8	5.1

UNITED STATES PRODUCTION [2]

Commodity	Unit	1940	1946	1947 (estimate)	1950 goal
Coal	Million short tons	460 8	532.0	615.0	[3]
Pig iron	do	46 9	45.4	59.0	[3]
Steel ingots	do	67 0	66.6	85.0	[3]
Cement	Million barrels	130.3	163.8	187.6	[3]
Oil	do	499.5	719.3	754.0	[3]
Electric power	Billion kilowatt-hours	179,906.9	269,608.7	306,000 0	[3]
Cotton fabrics	Billion linear yards	6,519.5	6,941.3	6,841.8	[3]

[1] Source: World Report, Dec. 16, 1947, issue.
[2] Source: Department of Commerce.
[3] No goal set.

THE HONORABLE KENNETH B. KEATING

Mr. DEVITT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. DEVITT. Mr. Speaker, on December 13 the President of the United States nominated our colleague, KENNETH B. KEATING, of New York, for promotion to the rank of brigadier general. This is a distinctive honor paid to our able and congenial associate from Rochester, N. Y.

General KEATING lives a full and busy life. As his congressional associates we have had little opportunity to learn of his military activities which constitute such a brilliant facet in his multifarious activities.

General KEATING served as a sergeant in World War I. In April of 1942 he was commissioner a major. In October 1942 he was promoted to the rank of lieutenant colonel, and then in February 1944 he was given his eagle's wings. He served with distinction in World War II, principally in the far eastern battle areas. He went overseas in April 1943 and served as Chief of Procurement in New Delhi, India. From November 1943 to January 1946 he was executive assistant to Lt. Gen. R. A. Wheeler, now Chief of Engineers, then deputy supreme allied commander, Southeast Asia Command. During his far eastern service his tour of duty included India, Burma, China, Ceylon, Malaya, Siam, Indochina, Java, Egypt, and England.

General KEATING is entitled to wear the American, European, Asiatic ribbons with three battle stars, the Legion of Merit with oak leaf cluster, and the British OBE.

We, his colleagues in the Congress, rejoice with General KEATING in this new honor bestowed upon him. President Truman has recognized the military abilities of Congressman KEATING, and I hope that with the convening of the second session of the Eightieth Congress, the United States Senate will see fit to confirm this nomination.

On behalf of your colleagues of the House, General KEATING, we say, "Congratulations, and may you have a long and successful career in the Army of the United States and, I may add, in the Congress of the United States."

EXTENSION OF REMARKS

Mr. MACKINNON asked and was given permission to extend his remarks in the RECORD in two instances, and include in each news releases and statistics.

LUCKMAN CONSERVATION

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, I arise to criticize the Truman administration. It is constructive criticism that I offer.

We are all in favor of conservation, especially of food, in these times of Truman inflation.

There recently appeared across the Washington horizon a so-called food conserver named Charles Luckman, $300,000-a-year head of a British-owned soap company.

When he bowed out of the Truman administration he gave himself and 100 subordinates a sumptuous feast.

This is what the Luckman celebraters had as they were telling the American people to eat less so that Europe might

have more: The dinner began with cocktails in generous supply.

Then came shrimp cocktail, fried oysters, crab, shrimp and lobster gumbo, curried chicken, roast turkey, baked ham, roast beef, string beans au gratin, fried apple rings, pickled walnuts, celery, olives, pickles, mixed green salad, rye rolls, assorted ice creams, assorted finger rolls, coffee.

Luckman picked up the check for the Belshazzar feast.

The moral is obvious. Think of that kind of a feast by the Government preachers of conservation, when the President asks Congress for power to reestablish a more colossal OPA than we had even in wartime.

The American people know how OPA completely failed after the war.

They know that if OPA comes back as the administration radicals demand, the people will get black markets, old bull meat, and short shirt tails.

EXTENSION OF REMARKS

Mr. RAYBURN. Mr. Speaker, after these bipartisan remarks made by the gentleman from Illinois, I ask unanimous consent to have placed in the Appendix of the RECORD a speech by the Chief Justice of the United States entitled "The Age of Great Challenge."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CRITICISM OF FRANKLIN D. ROOSEVELT

Mr. HUBER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HUBER. Mr. Speaker, when I came here as a new Member of the Seventy-ninth Congress, one of the older Members told me this: "If somebody criticizes President Franklin D. Roosevelt, just do not pay any attention; mind your own business; he can take care of himself." But when I hear criticism from day to day like the gentleman from Illinois made regarding President Roosevelt, I am reminded that former President Roosevelt is dead, and that some of those who direct criticism even back to his grave today might be marching up Pennsylvania Avenue doing the Nazi goose step and singing the Horst Wessel song if it had not been for his courage and foresight. Some of those who criticize and berate Franklin D. Roosevelt today remind me of a lot of little dogs barking and snapping at a dead lion.

SPECULATION OF COMMODITY MARKETS

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, I, too, listened to the gentleman from Illinois with a great deal of interest a few moments ago. A lot has been said about dealings on commodity exchanges and the speculation in the grain market. There has been much talk about anti-inflation. Obviously there has been little action, and it has, I think, been properly characterized as loose talk without action.

President Truman in calling the special session asked authority to control the activities on the commodity exchange and this Congress has thus far done nothing about it.

Most of us in this House know Secretary of Agriculture Clinton P. Anderson. We served with him for several years and know him to be thoroughly reliable, honest, and courageous. He needs no defense for his actions whatsoever and is thoroughly capable of handling the responsible duties that go with his office.

He has gone before a number of the committees on the anti-inflation program. He has been ready and willing to provide the Congress with all the information that they wish and that he is permitted under the law to give.

He has been asked to reveal the names of speculators in the grain market. I also think that this information should be revealed and publicly. No one should be permitted to gamble in the market on the bread and food of the people of the United States, further endangering our economy. Certainly something needs to be done about it. The Secretary also realizes this and has challenged the Congress to adopt a joint resolution authorizing him to reveal this information.

From time to time on the floor of this House people in the executive departments are accused of willfully violating the law. Here you are requesting now that the Secretary of Agriculture violate the law when only by adopting a resolution he can legally and honestly reveal the names of those who have threatened our economy.

Evidently the majority again wish to "duck" this important issue because it is reported that other ways would be explored by the Republicans to get "all the names and all the facts" before resorting to such a resolution.

Is it lip service that is being given to the American people? Why not go all the way and let us find out just who is responsible. Is it only Ed Pauley, or is somebody else being protected? Why not have the buyers for large milling interests and the big grain dealers to come in and give information about their dealings and admit their own misgivings, as Ed Pauley has done. That is what this resolution would bring about that the Secretary of Agriculture has asked the Congress for.

This is only one phase of the anti-inflation program or an attempt to do something about the rising cost of living, on which nothing has been done thus far.

It looks like, Mr. Speaker, a "political" farce that the people of this country are not going to fall for. Why not forget for awhile the political effects and what will happen in 1948 and do something to protect our economy and for the people.

Let us adopt this resolution, and let all the facts be provided.

EXTENSION OF REMARKS

Mr. DAVIS of Georgia asked and was given permission to extend his remarks in the RECORD and include a magazine article.

Mr. BUCHANAN asked and was given permission to extend his remarks in the RECORD and include an editorial by Arthur Krock appearing in the New York Times of today.

Mr. KENNEDY asked and was given permission to extend his remarks in the RECORD and include a broadcast by George E. Raedy.

MR. PAULEY SHOULD RESIGN AND GAMBLING IN COMMODITIES SHOULD BE STOPPED

Mr. REES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES. Mr. Speaker, there have been a number of statements made concerning Mr. Edwin W. Pauley and the investigation of speculators in grain. Insofar as Mr. Pauley is concerned, I think he should resign. Less than 2 years ago Mr. Pauley failed to receive the confirmation for the post of Secretary of Navy so his appointment was withdrawn. Now we find him as assistant to the Secretary of the Armed Forces where confirmation is not required.

At a time when the country is talking about the need for curbing of prices, Mr. Pauley reveals himself as a speculator in grain, wheat, and other food in a million-dollar class. These purchases were made when the administration was calling for lower grain prices and formulating a program to feed the people of Europe.

President Truman, the leading accuser of speculators, in a Nation-wide radio address said, "The cost of living in this country must not be a football kicked around by gamblers in grain." Mr. Pauley ought to resign and save further embarrassment to the administration and to himself. He is not particularly qualified for the job anyway. People of the country would feel better if he removed himself from this position.

I am in accord with the statement by the gentleman from Arkansas [Mr. HARRIS], who just left the floor, with respect to speculating in grain. There should be a complete investigation. No one, especially those connected with the administration, should be permitted to speculate in, and thereby help manipulate, the grain market. And more especially at this time when the Government is buying grain and other food to be given to people abroad. There should be a complete investigation but, in the meantime, Mr. Pauley should step down and out.

RURAL ELECTRIFICATION ADMINISTRATION

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and insert certain tables on the subject of rural electrification.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I presume it is not out of order now to shift from the political arguments to which we have been listening and to talk about the welfare of the American farmer for a moment.

I shall offer an amendment, as I told you on yesterday, for a deficiency appropriation of $200,000,000 for rural electrification for the balance of this fiscal year. Mind you, the money you are giving to Europe is going to countries whose farms are 94 percent electrified. That is money that is being given to Europe, but these loans to the REA cooperative associations for the farmers of this country will be paid back with interest.

On December 12 there was left out of this year's $225,000,000 REA appropriation loan authorizations of only $117,000,000 to last out the remainder of the fiscal year. On that same date total applications on hand and in process amounted to $264,000,000. In other words, on December 12 applications on hand exceeded available funds by a total of $157,000,000. Furthermore, applications are continuing to be received from the cooperatives at the rate of between $20,000,000 and $30,000,000 a month.

There are still 2¼ million farms without electricity. In all, there are more than 4,000,000 farm and nonfarm rural dwellings without electricity.

The best indication of the improvement in the material situation is to be found in the rate at which cooperatives are drawing down funds approved in earlier loan authorizations. In the fiscal year 1946 the cooperatives drew down $89,000,000. In the fiscal year 1947 they drew down $190,000,000. In the fiscal year 1948, the present year, they are drawing down funds at the rate of over $300,000,000 a year.

I say that now since materials are available and they are able to build these lines, we should not hamper this great program that is doing more for the American farmers than everything else Congress has ever done for them, by refusing to approve this amendment for funds to carry on this great work.

I am inserting at this point a table showing the progress made in rural electrification by States from 1934 to 1946.

If we can get sufficient funds, we can soon electrify every farm home in America.

The table referred to follows:

U. S. Department of Agriculture, Rural Electrification Administration—Comparison of rank, percentage, and number of farms electrified with central station service, 1934 and 1946, by States, and for the United States

Area	Farms Jan. 1, 1935 number [1]	Farms receiving central station electric service Dec. 31, 1934			Farms receiving central station [illegible]			Increase in electrified farms from Dec. 31, 1934 to June 30, 1946		
		Number [2]	Percent	Rank	Number [3]	Percent	Rank	Number	Percent	Rank
United States	6,812,350	743,954	10 9	----------	3,106,775	52 9	----------	2,362,821	317.6	----------
Alabama	273,455	11,053	4.0	33	77,650	34.1	41	66,597	602 5	15
Arizona	18,824	5,577	29.6	12	9,400	71.5	20	3,823	68.5	44
Arkansas	253,013	2,943	1.2	47	61,300	30.8	43	58,357	1,982 9	2
California	150,360	81,093	53 9	1	132,700	96 2	2	51,607	63.6	46
Colorado	63,644	7,145	11.2	25	20,750	62.4	23	22,611	316.5	25
Connecticut	32,157	10,138	31.5	10	20,000	89.9	6	9,862	97 3	40
Delaware	10,381	1,791	17.3	20	6,700	72.1	19	4,909	274 1	29
Florida	72,857	5,700	7.8	26	29,200	47.3	28	23,500	412 3	19
Georgia	250,544	6,956	2 8	41	95,150	41 7	33	88,194	1,267 9	6
Idaho	45,113	13,433	29.8	11	36,700	88.4	8	23,267	173.2	35
Illinois	231,312	28,379	12.3	23	131,700	64.5	22	103,321	264 1	22
Indiana	200,835	23,476	11.7	24	147,900	83.9	12	124,424	530.0	16
Iowa	221,986	32,047	14.4	22	155,000	74 2	18	122,953	383.6	21
Kansas	174,589	13,224	7.6	28	51,100	36.1	39	37,876	286.4	28
[illegible]	278,298	8,480	3.0	39	76,650	32.1	42	68,170	803.9	10
[illegible]	170,216	2,826	1.7	46	47,800	36.8	38	44,974	1,591.4	4
Maine	41,907	13,959	33.3	8	24,000	56.9	25	10,041	71.9	42
Maryland	44,501	6,791	15.3	21	29,500	71.4	21	22,709	234.4	24
Massachusetts	35,094	14,494	41.3	7	33,300	90.0	5	18,806	129.8	37
Michigan	166,517	42,152	21.4	17	165,050	94.3	3	122,898	291.6	27
Minnesota	203,302	13,783	6.8	30	105,250	55.7	26	91,467	663.6	12
Mississippi	311,683	2,802	.9	48	65,300	24.8	46	62,498	2,230.5	1
Missouri	278,454	17,893	6.4	31	93,650	38.5	34	75,757	423.4	17
Montana	50,564	2,768	5 5	32	14,200	37.6	35	11,432	413.0	18
Nebraska	33,616	9,544	7.1	29	41,650	37.3	36	32,106	336.4	23
Nevada	3,696	946	25.6	15	1,975	57.6	24	1,029	108.8	39
[illegible]	17,695	9,495	53.7	2	15,750	83.8	13	6,255	65.9	45
[illegible]	29,375	15,162	51.6	4	25,700	98.5	1	10,538	69.5	43
New Mexico	41,369	1,350	3.3	37	10,300	24.6	40	8,950	663.0	13
New York	177,025	57,825	32.7	9	126,250	84.2	11	68,425	118 3	38
North Carolina	300,967	9,672	3.2	38	126,000	43.8	30	116,328	1,202.7	7
North Dakota	84,606	1,968	2.3	43	7,250	10.4	48	5,282	268.4	30
Ohio	255,146	48,048	18.8	19	199,500	90.3	4	151,452	315.2	26
Oklahoma	213,325	5,648	2.6	42	48,650	29.0	45	43,002	761.4	11
Oregon	64,826	17,839	27.5	14	56,100	88.9	7	38,261	214.5	33
Pennsylvania	191,284	45,182	23.6	16	128,300	74.8	17	83,118	184.0	34
Rhode Island	4,327	1,975	45.6	6	3,150	87.4	9	1,175	59.5	47
South Carolina	165,504	3,796	2.3	44	65,750	44.7	29	61,954	1,632.1	3
South Dakota	83,303	2,939	3.5	36	9,300	13.5	47	6,361	216.4	32
Tennessee	273,783	9,727	3.6	34	71,300	30.3	44	61,573	633.0	14
Texas	501,017	11,466	2.3	45	168,400	43.1	31	156,934	1,368.7	5
Utah	30,695	16,130	52.5	3	21,550	81.9	14	5,420	33.6	48
Vermont	27,061	7,945	29.4	13	19,900	75.1	16	11,955	150.5	36
Virginia	197,632	14,954	7.6	27	72,500	41.9	32	57,546	384.8	20
Washington	84,381	40,060	47.5	5	69,500	87.0	10	29,440	73.5	41
West Virginia	104,747	3,647	3.5	35	36,200	37.1	37	32,553	892.6	9
Wisconsin	199,877	39,206	19.6	18	136,350	76.7	15	97,144	247.8	31
Wyoming	17,487	527	3.0	40	6,500	52.1	27	5,973	1,133.4	8

[1] U. S. Bureau of the Census, 1935 and 1940. [2] Edison Electric Institute. [3] REA estimates.

THE NEW NRA

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, it is my understanding that the Republican leadership is determined to ram through this short session of Congress the NRA bill which the House so overwhelmingly refused even to consider 2 days ago.

I do not know all the leadership's plans, but the other body is presently considering this bill and I am informed it will again come before the House for consideration before adjournment if the Senate passes it.

Do not be deceived by the claim made by the proponents of this bill that it is different than the old NRA Act, that it provides for voluntary agreements between persons engaged in trade and industry, whereas the NRA Act provided that such agreements were compulsory.

This bill follows the pattern of the NRA Act. The Republican leadership is trying to resurrect the plague that was visited upon us by the Blue Eagle.

If the Republican leadership wants to write "finis" to the Republican Party, all it needs to do is continue in its present course and enact into law this NRA bill.

FINANCIAL CONDITION OF UNITED STATES

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I congratulate the Committee on Appropriations, headed by the distinguished gentleman from New York [Mr. TABER] for revealing to the Congress that part of the amount of $597,000,000 requested by the President is to go to some countries to repay their debts to other countries, when these debtor nations are getting along all right.

Is not that a terrible thing for Mr. Truman, President of the United States to do? I think that is one of the most outlandish and absurd things that we can be asked to do. We should not do it under any circumstances. Let other countries take care of their own debts. If this country today, in the condition we are in and in the direction that we are headed, toward financial destruction, is going to assume all the obligations of all the other nations of the world when they are getting along all right, then there is something wrong with the Congress. You just have no brains. Let me show you just where we stand in the operation of our Government. As of December 11, last year, we had a credit of $265,000,000. This year we are in the red $316,000,000. That is just over $571,000,000 between last year and this year insofar as trying to have a balanced budget. It just does not make sense that we spend so much and in such manner to pay other countries' debts in the guise of relief. If the Congress passes this bill today and adds to that the amount of money that the Committee on Appropriations cut out of the bill, then there is something wrong with the Members of Congress in paying others' debts. I want to support the Committee on Appropriations, and I hope every other Member will do likewise. We cannot remain solvent and carry out Mr. Truman's requests. They do not make sense, they are ridiculous, they will wreck us financially. They will increase your taxes. I say to you cut this appropriation still further. We must if we want taxes cut—if we want to remain solvent.

FOREIGN RELIEF

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin [Mr. KEEFE]?

There was no objection.

Mr. KEEFE. Mr. Speaker, I think some of our difficulties arise because of our inability to get a fair, clear statement of facts. Because I thought it might be helpful to the thinking of Members of Congress, I have had prepared a statement showing all the acts of Congress since the year 1812, appropriating funds for foreign relief prior to World War II. It is interesting to note that after the first great World War, in the year 1919, the Congress appropriated $100,000,000 for relief supplies for the hungry people of Europe. In the Deficiency Act of March 20, 1922, the Congress appropriated $107,746,000 for European relief. I am setting forth in this statement all the appropriations that have been made for relief purposes, in which the Government of the United States has gone to to the relief of all foreign countries since the year 1812.

The statement is as follows:

ACTS OF CONGRESS APPROPRIATING FUNDS FOR FOREIGN RELIEF PRIOR TO WORLD WAR II

Act of May 8, 1812 (2 Stat. 730, ch. 79): Appropriated $50,000 for the President to purchase and tender "such provisions as he shall deem advisable" to the Government of Venezuela "for the relief of the citizens who have suffered by the late earthquake."

Act of March 3, 1899 (30 Stat. 1069): Appropriated $100,000 for Army subsistence supplies "to be issued to inhabitants of the island of Cuba who are destitute and in imminent danger of perishing."

Act of May 13, 1902 (32 Stat. 198, ch. 787): Appropriated $200,000 to enable the President to distribute provisions, clothing, medicine, etc., among the suffering and destitute people of the islands of the French West Indies, who are in peril and threatened with starvation.

Act of January 5, 1909 (35 Stat. 584, ch. 7): Appropriated $800,000 to enable the President to distribute "provisions, clothing, medicine, and other necessary articles" among the "suffering and destitute people of Italy," suffering in consequence of an earthquake.

Act of February 25, 1919 (40 Stat. 1161, ch. 38): Appropriated $100,000,000 for purchase, transportation, and distribution of "foodstuffs and other urgent supplies" to populations in Europe outside Germany, German-Austria, Hungary, Bulgaria, and Turkey (but including Armenians and other Christian and Jewish subjects of Turkey); expenditures to be reimbursed as far as possible by the governments or the peoples to whom relief is furnished.

Deficiency Appropriation Act of March 20, 1922 (42 Stat. 460): Appropriated $107,746.17 for European food relief.

In addition to foregoing direct appropriations, Congress has given aid to foreign countries through the use of supplies, services, etc., for example:

Act of March 30, 1920 (41 Stat. 548, ch. 113) authorized the United States Grain Corporation to dispose of flour in its possession up to 5,000,000 barrels "to relieve populations in the countries of Europe or countries contiguous thereto suffering from the want of food."

Act of December 22, 1921 (42 Stat. 351, ch. 15) authorized the President to expend $20,000,000 of funds of the United States Grain Corporation for corn, seed grain, and preserved milk to be distributed "for the relief of the distressed and starving people of Russia and for spring planting in areas where seed grains have been exhausted."

Act of February 24, 1925 (43 Stat. 963, ch. 297) approved issuance of Army supplies up to $6,017,069.03 "for the relief of sufferers from the earthquake in Japan on September 1, 1923."

To further clarify the thinking with respect to some of the matters that have been discussed on the floor, I am asking permission to submit as a part of my remarks a table supplied to the Deficiency Committee, showing the daily purchases on the Chicago grain market, of wheat and flour in the period of July 1 to November 21, 1947, which will show the daily price of Chicago futures on both wheat and flour. If you will examine it carefully, you will see very distinctly the relationship between those purchases and the price on the Chicago grain market.

The SPEAKER. Without objection, the request of the gentleman is granted.

There was no objection.

The statement is as follows:

Daily CCC wheat and flour purchases, July 1–Nov. 21, 1947, with Chicago futures prices

Noon to noon	Wheat [1]		Chicago futures [2]			Flour [3]		
	Daily bushels [1]	Weekly bushels	High	Low	Close	Daily bushels [4]	Weekly bushels	Daily hundredweight
			September					
July 1-2	75,000		2.19½	2.16	2.19½	486,225		216,100
July 2-3	685,000		2.18¾	2.16¾	2.17¼	175,950		78,200
		760,000					662,175	
July 3-7	2,553,000		2.17	2.15	2.15¼	149,850		66,600
July 7-8	350,000		2.18¾	2.15¾	2.18	296,550		131,800
July 8-9	1,917		2.21¼	2.17	2.20¾	468,450		208,200
July 9-10			2.23¾	2.21	2.23	135,000		60,000
July 10-11	100,000		2.27½	2.23¾	2.26¾	22,500		10,000
		3,004,917					1,072,550	
July 11-14	1,241,667		2.36⅞	2.27¼	2.35¾	1,029,000		457,600
July 14-15	906,667		2.34¾	2.31	2.31¾			
July 15-16	185,000		2.37	2.30¼	2.35¼			
July 16-17			2.39¾	2.36	2.37			
July 17-18	800,000		2.36	2.32½	2.32¾			
		3,133,334						
July 18-21	1,835,000		2.34½	2.30¼	2.30¾			
							1,029,600	
July 21-22	751,300		2.37½	2.34	2.35	478,800		212,800
July 22-23	978,900		2.37½	2.35¼	2.36¼	2,472,300		1,098,800
July 23-24	972,833		2.38½	2.36¼	2.37	1,619,550		719,800
July 24-25	6,860,000		2.37	2.34⅞	2.35¾	458,100		203,600
		11,398,033					5,028,750	
July 25-28	15,640,425		2.35	2.33	2.33½	537,975		239,10
July 28-29	4,947,925		2.34½	2.31	2.31¼	1,210,950		538,200
July 29-30	5,588,164		2.30	2.21¼	2.22	1,130,400		502,400
July 30-31	1,700,000		2.27¾	2.23	2.27½	1,655,325		735,700
July 31-Aug. 1	2,065,000		2.32½	2.28¼	2.31¾	472,500		210,000
		27,941,514					5,007,150	

Footnotes at end of table.

Daily CCC wheat and flour purchases, July 1–Nov. 21, 1947, with Chicago futures prices—Continued

Noon to noon	Wheat [1]		Chicago futures [2]			Flour [3]		
	Daily bushels [1]	Weekly bushels	High	Low	Close	Daily bushels [4]	Weekly bushels	Daily hundredweight
			September					
Aug. 1–4	4,604,306		2.33¼	2.30½	2.31¼	48,600		21,600
Aug. 4–5	2,573,667		2.36½	2.32	2.34¼	13,050		5,800
Aug. 5–6	3,201,000		2.34½	2.31⅜	2.32	119,250		53,000
Aug. 6–7	4,235,000		2.34¼	2.32¼	2.32½	45,000		20,000
Aug. 7–8	770,000		2.33½	2.32¼	2.33	17,550		7,800
		15,473,973					243,450	
Aug. 8–11	2,441,035		2.37	2.33¼	2.35½			
Aug. 11–12	1,445,000		2.40¼	2.34¼	2.35⅝			
Aug. 12–13	3,221,340		2.38¾	2.34½	2.34¾			
Aug. 13–14	1,570,000		2.36¼	2.34	2.35	394,425		175,300
Aug. 14–15	247,400		2.37½	2.35½	2.36⅛	95,400		42,400
		8,924,775					489,825	
Aug. 15–18	3,773,769		2.39	2.36	2.38¾	3,600		1,600
Aug. 18–19	4,070,380		2.42½	2.40	2.41¼	4,950		2,200
Aug. 19–20	1,332,333		2.36	2.33½	2.35¼	27,000		12,000
Aug. 20–21	160,000		2.43	2.41	2.42⅞			
Aug. 21–22	166,666		2.45¾	2.43½	2.4[illegible]	[illegible]		30,400
		9,503,148					103,550	
Aug. 22–25	2,718,666		2.48¾	2.46	2.46¾			
Aug. 25–26	2,807,600		2.46	2.42½	2.44⅞			
Aug. 26–27	485,971		2.47½	2.44	[illegible]	[illegible]		5,600
Aug. 27–28	25,000		2.50⅞	2.47½	2.50¾	290,700		129,200
Aug. 28–29	83,163		2.52½	2.50	2.52¼	877,088		389,817
		6,120,400					1,180,388	
Aug. 29–Sept. 2	401,528		2.55¾	2.52	2.54¾	147,375		65,500
Sept. 2–3	1,830,731		2.55½	2.51	2.55½	9,000		4,000
			December					
Sept. 3–4	887,166		2.62	2.56½	2.60¼			
Sept. 4–5	40,000		2.65	2.60¾	2.64	12,600		5,600
		3,159,425					168,975	
Sept. 5–8	350,480		2.69½	2.62¾	2.68¼			
Sept. 8–9	979,000		2.69¾	2.65¼	2.[illegible]	12,[illegible]		5,600
Sept. 9–10	328,465		2.75½	2.65¾	2.73¾			
Sept. 10–11	252,500		2.62¾	2.50¾	2.57½	112,500		50,000
Sept. 11–12	216,000		2.87	2.76	2.77			
		2,126,445					125,100	
Sept. 12–16	3,380,070		2.81	2.68	2.72			
Sept. 16–17	1,293,324		2.81¾	2.76	2.79¼			
Sept. 17–18	3,172,545		2.80¾	2.75½	2.77¾			
Sept. 18–19	1,812,600		2.73	2.67⅝	2.70½			
		9,658,539					0	
Sept. 19–22	3,263,970		2.72½	2.60¾	2.69¾			
Sept. 22–23	1,866,456		2.66	2.60	2.65¾			
Sept. 23–24	1,743,674		2.72¼	2.68	2.69½			
Sept. 24–25	1,367,300		2.68¾	2.62	2.66¾			
Sept. 25–26	848,481		2.70	2.63¼	2.67½	10,350		4,600
		9,089,881					10,350	
Sept. 26–29	2,833,243		2.73½	2.69¼	2.72¼	296,550		131,800
Sept. 29–30	10,883,573		2.85⅞	2.81	2.85⅞	734,400		326,400
Sept. 30–Oct. 1	3,647,715		2.91¼	2.83	2.84¼	11,700		5,200
Oct. 1–2	4,296,864		2.92½	2.81¼	2.91¼			
Oct. 2–3	2,301,878		2.94	2.81½	2.83¾			
		23,963,673					1,042,650	
			October					
Oct. 3–6	7,946,021		2.89½	2.81	2.85	90,000		40,000
Oct. 6–7	948,000		2.80	2.74½	2.80½	267,075		118,700
Oct. 7–8	1,207,450		2.87⅛	2.79¼	2.85½	18,000		8,000
Oct. 8–9	2,628,660		2.90½	2.86¾	2.88¾			
Oct. 9–10	2,977,415		2.92½	2.88	2.91¾			
		15,707,546					375,075	
Oct. 10–13	1,395,167		2.94½	2.91¾	2.92¼			
Oct. 13–14	595,000							
Oct. 14–15	2,441,292		2.90¼	2.94	2.95¾			
Oct. 15–16	3,811,333		3.00	2.95½	2.98¾			
Oct. 16–17	3,594,448		3.05	3.00	3.02¼	427,500		190,000
		11,837,240					427,500	
Oct. 17–20	903,100		3.02¾	2.98½	2.98½			
Oct. 20–21	153,334		3.07	3.02	3.06¾			
Oct. 21–22	100,000		3.10¾	3.07	3.08½	2,488,725		1,106,100
Oct. 22–23	1,995,561		3.11¾	3.06¾	3.11¾	276,975		123,100
Oct. 23–24	2,991,507		3.12¾	3.09	3.12½	59,850		26,600
		6,143,502					2,825,550	
Oct. 24–27	4,705,420		3.10	3.02⅝	3.02⅝	23,850		10,600
Oct. 27–28	20,000		2.97½	2.93	2.97¼	379,350		168,600
Oct. 28–29	849,940		3.00⅛	2.98¼	3.00¼			
Oct. 29–30	983,827		3.01¼	2.90⅛	2.90¼			
Oct. 30–31	700,000		2.92¾	2.86	2.89¾			
		7,259,187					403,200	
Oct. 31–Nov. 3	234,581		2.94¾	2.90¼	2.94½			
Nov. 3–4	1,037,695		2.93¼	2.88	2.88¼			
Nov. 4–5	70,801		2.91½	2.86¼	2.90¾			
Nov. 5–6	70,000		2.95¾	2.92½	2.93¾			
Nov. 6–7	231,942		2.96⅞	2.91	2.93½	422,550		187,800
		1,645,019					422,550	
Nov. 7–10	1,069,000		2.97	2.94	2.96¼	197,775		87,900
Nov. 10–12	895,500		2.97¾	2.95	2.96¼	9,000		4,000
Nov. 12–13	887,000		2.99½	2.96	2.90	3,600		1,600
Nov. 13–14	3,501,533		3.03½	3.00	3.02½	427,500		190,000
		6,353,033					637,875	
Nov. 14–17	2,395,830		3.01¾	2.99	2.99¾	4,050,225		1,800,100
Nov. 17–18	88,880		3.03	2.95	3.03	342,000		152,000
Nov. 18–19	689,000		3.05⅝	3.01	3.03¼	79,200		35,200
Nov. 19–20	88,470		3.04	3.02	3.02	31,500		14,000
Nov. 20–21	130,013		3.03½	3.00	3.03¼			
		4,182,193					4,502,925	
	187,385,777					25,759,388		11,448,617

[1] Wheat purchase reports are submitted by four regional offices (Chicago, Minneapolis, Kansas City, and Portland) each day Monday through Friday, to the Grain Branch, Production and Marketing Administration. These reports cover purchases made from noon of the preceding day until noon of the reporting day, except that the reports submitted Monday cover purchases made from noon Friday through noon Monday, thus covering 2 marketing days. In some instances, wheat is contracted for on the basis of the futures market, and sellers' hedges are lifted at our discretion in later days to avoid undue pressure on the market. Such purchases are reported to this office on the day when the price is established by the lifting of hedges.

[2] Prices are as of the day shown on the left-hand side of the noon-to-noon column; i. e., the closing price of $2.19½ shown on the line "July 1–July" is the closing price July 1.

[3] Flour purchases are made in Washington and are reported on a straight day-by-day basis, rather than a noon-to-noon basis, as is the case with wheat. Thus, the first flour purchase made in the 1947–48 fiscal year, 486,225 bushels, was made on July 1, not from noon July 1 to noon July 2.

[4] In wheat equivalent at an average extraction rate of 74 percent.

EDWIN PAULEY

Mrs. DOUGLAS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from California?

There was no objection.

Mrs. DOUGLAS. Mr. Speaker, I would like to say a few words about Mr. Edwin Pauley. I think it is well known in California politics that I have opposed the various positions which Mr. Pauley has sought in the Democratic Party from the very beginning. I have opposed them on the grounds that one connected with oil was not properly qualified to serve in an official political capacity. However, I wish to stand up today and object to the kind of attack that is being made on Mr. Pauley. I do not believe in gambling on the commodity exchanges when the world is facing starvation, but I think the present attack reveals the accusers as well as him who stands accused. Are we here only trying at this very important moment in history to pin a certain label on a man who seems to have violated a trust placed in him while holding public office, or are we also seeking a solution of the most important problem that faces the people of the earth—licking old man hunger?

I want to point out some figures that I obtained from the Commerce Department, which show that in the 1946 crop year our harvest of wheat was 1,155,715,000 bushels.

In the same year, gambling on the commodity exchanges in Kansas City, Minneapolis, and Chicago was 2,237,946,000 bushels. Our production was a little over one billion and a half bushels of wheat while the gambling for the same year on the commodity exchanges was in excess of two and a quarter billion bushels. In the first part of 1947 gambling had increased to 5,068,147,000 bushels.

To what degree has this gambling on the commodity exchanges affected prices? That is something the American people ought to know. Mr. Pauley is not the only person who has gambled on the commodity exchanges, and making a scapegoat of him does not relieve Congress of its obligation.

I say it is the responsibility of this Congress to stop gambling on the commodity exchanges when the people of the world face starvation. That is the challenge.

INVESTIGATIONS OF TRANSACTIONS ON COMMODITY EXCHANGES

Mr. BROWN of Ohio, from the Committee on Rules, reported the following privileged resolution (H. Res. 404) creating a select committee to investigate transactions on commodity exchanges (Rept. No. 1219), which was referred to the House Calendar and ordered to be printed:

Resolved, That there is hereby created a select committee to be composed of seven Members of the House of Representatives to be appointed by the Speaker, one of whom he shall designate as chairman. Any vacancy occurring in the membership of the committee shall be filled in the same manner in which the original appointment was made.

The committee is authorized to conduct a full and complete investigation of purchases and sales of commodities, including transactions in the purchase and sale of commodities for future delivery, and including (a) the activities of any department or agency of the United States Government in connection with the purchase and sale of commodities, and into any other activities of any such agency or department that may have heretofore affected, or may hereafter affect, the price of food and other commodities; and (b) the private acts and official activities of any individual in the United States Government in connection with the purchase or sale of commodities.

The committee shall report to the House (or to the Clerk of the House if the House is not in session) as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable.

For the purpose of carrying out this resolution the committee or subcommittee thereof is authorized to sit and act during the present Congress at such times and places within the United States whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

INVESTIGATION OF TRANSACTIONS ON COMMODITY EXCHANGES

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, I listened with a great deal of interest to the address just made by the gentlewoman from California [Mrs. DOUGLAS] and I am happy to advise her that the first legislative action taken following her speech here in the well of the House was the filing of a report from the Committee on Rules to establish a special committee of this House to investigate gambling in grains and on the commodity markets. This resolution was approved and reported favorably by the Committee on Rules before we knew of the gentlewoman's position on this matter. However, I hope that the investigation will be pushed quickly and rapidly to a final completion so that the American people may know the truth about this whole situation.

Mr. COMBS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. COMBS. Does the gentleman's resolution include within the purview and scope of the investigation Members of the House and Senate and their staffs?

Mr. BROWN of Ohio. It is not my resolution. I reported it as the ranking member of the Committee on Rules. As I understand it, it includes everyone and anyone.

EXTENSION OF REMARKS

Mr. JOHNSON of California asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

AMENDMENT TO NATIONAL HOUSING ACT

Mr. WOLCOTT. Mr. Speaker, I call up the conference report on the bill (S. 1770) to amend the National Housing Act, as amended, and ask unanimous consent that the statement on the part of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1770) to amend the National Housing Act, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same.

JESSE P. WOLCOTT,
RALPH A. GAMBLE,
JOHN C. KUNKEL,
BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
Managers on the Part of the House.

CHAS. W. TOBEY,
DOUGLASS BUCK,
By C. W. Tobey,
HOMER E. CAPEHART,
By C. W. Tobey,
BURNET R. MAYBANK,
GLEN H. TAYLOR,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1770) to amend the National Housing Act, as amended, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Under the bill as it passed the Senate, the amount of authorized mortgage insurance under title VI of the National Housing Act was increased by $750,000,000, with $500,000,000 immediately available and not to exceed $250,000,000 additional within the discretionary authority of the President. The House amendment makes $250,000,000 immediately available, with discretionary authority in the President to increase the amount by not to exceed $500,000,000. The Senate recedes.

JESSE P. WOLCOTT,
RALPH A. GAMBLE,
JOHN C. KUNKEL,
BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
Managers on the Part of the House.

The SPEAKER. The gentleman from Michigan [Mr. WOLCOTT] is recognized for 1 hour.

Mr. WOLCOTT. Mr. Speaker, the Senate receded and accepted the House language. The House bill passed so overwhelmingly in this body that I do not believe any further explanation of the bill is necessary at this particular time.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. RICH. What protection is provided for the veterans? The contractors and the banks are being protected 100 percent by the Government. They get their money out of these projects. What protection has the veteran against being gouged by finding they have buildings not worth the money they paid for them? What are we doing to protect the veterans? If you do not do something, then some future day you are going to have to bail out about half of the veterans who bought houses.

Mr. WOLCOTT. As I understand, the FHA makes two inspections of the house while it is under construction and a final inspection to determine whether it has met FHA standards. That is the assurance which everyone has who builds a house the mortgage on which is insured by FHA. The house must be built according to those standards in order to qualify for FHA insurance. The standards have been quite satisfactory. As a matter of fact, they have been accepted quite generally throughout the trade as very desirable standards. They have modernized the standards and brought them up to date, so that if a veteran buys a house and the mortgage is insured by FHA he has reasonable assurance that the house is a pretty good house and will last beyond the period of amortization.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1948

Mr. TABER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 4748) making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 4748, with Mr. HARNESS of Indiana in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the Clerk had read the first paragraph of the bill. If there are no amendments, the Clerk will read.

The Clerk read as follows:

LEGISLATIVE

SENATE

Salaries, mileage, and expenses of Members

For additional mileage of the President of the Senate and of Senators, at the rate authorized by law, $51,000.

HOUSE OF REPRESENTATIVES

For payment to Fannie H. Gifford, widow of Charles L. Gifford, late a Representative from the State of Massachusetts, $12,500.

For payment to Nancy M. Springer, widow of Raymond S. Springer, late a Representative from the State of Indiana, $12,500.

Salaries, mileage, and expenses of members

For additional mileage of Members of the House of Representatives, Delegates from Territories, and the Resident Commissioner from Puerto Rico, at the rate authorized by law, $171,000.

Mr. WADSWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WADSWORTH: Page 1, line 7, strike out the remainder of page 1 and strike out page 2, lines 8 to 12, inclusive.

Mr. WADSWORTH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WADSWORTH. Mr. Chairman, is it in order for the Committee of the Whole to consider the two items affected by my amendment together as a single amendment?

The CHAIRMAN. No point of order having been raised against it, it is in order.

Mr. STEFAN. Mr. Chairman, will the gentleman explain the two items he is referring to? They are both the Senate and House items?

Mr. WADSWORTH. Yes.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. WADSWORTH. Mr. Chairman, I appreciate perfectly well that I am treading on delicate ground in offering this amendment. The amount involved in the two items, mileage for the Senate and for the House of Representatives, amounts to $220,000 in round figures, a sum which, of course, I am willing to admit is very, very small compared with the other vast sums carried in this appropriation bill.

The thought has occurred to me, Mr. Chairman, that at this hour we are asking the people of the United States to make very considerable sacrifices. We know that numbers of them are now making those sacrifices due to the advance in the cost of living and other elements in our economic situation. It is more than probable that the sacrifices which our people will have to make will increase in the next year or two rather than decrease. In a situation like this which, in fact, pervades the world, sacrifice is demanded of millions of people, and especially the people of the United States, in order that liberty and freedom may prevail.

These two items which I have now moved to strike out appropriate mileage which, under the precedent established, I will admit, the Members of the House and the Members of the Senate would be entitled to draw for attendance at this special session, a session which met on November 17 and will adjourn on December 19. In round figures we have been here a month, and within a couple of weeks thereafter we will come back for the regular session, and in the regular session, of course, we will be entitled to draw mileage as we drew mileage for our attendance at the first session of the Eightieth Congress which recessed in the last few days of July.

My suggestion is, in view of the shortness of this session and the imminence of the new session for which we will draw mileage, that the Congress of the United States indicate to the public that its Members, too, are willing to make a little sacrifice. I think that the psychological effect of it would be exceedingly healthy. After all, we are here doing our best to do our duty; I think the public realizes that, and thousands and thousands of other people are trying to do their duty. They will have to sacrifice. I think it would be proper and appropriate for the Congress upon this rather extraordinary occasion to indicate that its Members are willing to give up something of this sort. I think it will add to the prestige of the Congress and the respect which this great institution deserves to enjoy among the people of the United States.

Mr. O'TOOLE. Mr. Chairman, I rise in opposition to the amendment. The Members of this House when they were elected to serve in the Congress by the people of their respective districts were chosen because the electorate felt that they were men of ability and character.

They received from the electorate a mandate to be the representatives of the people in the law-making body of the land, and they were further empowered to set their own salaries and allowances. However, whenever a question arises in this House as to the proper salaries and emoluments there is always a certain amount of hypocritical breast-beating and orating from the floor. It is carried to such an extent that the people of the country lose respect for the House because many Members of the House do not respect themselves. We were sent here because we were just and courageous, and in being just and courageous we were supposed to apply those virtues to ourselves.

Every Member of this House knows that when the Congress closed last summer we left here with our families, and in some cases with our secretarial forces, under the assumption that Congress would not convene again until January. I do not believe anyone on this floor will deny that. The call that brought this House into session on November 17 was labeled a call for a special session of the Eightieth Congress. As such, the Members of this House are entitled to the usual mileage that is accorded for a session of the House. In my case it amounts to but $93 and means nothing to me. But in the cases of hundreds of Members coming from the far West, the far South, the Northwest, and the Pacific coast, it entails an expenditure of hundreds of dollars for themselves, families, and official families and should be recognized as just an expenditure as were the traveling expenses of the Members in Europe and Asia last summer.

This is a time when the membership of this House should stand up and be counted as to whether they are men or mice. Let us not be hypocrites.

Mr. KNUTSON. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am glad that the gentleman from New York offered the amendment. I shall support it. In my

case it would amount to $535. I merely mention that so that the gentleman from New York will know that I am making a bigger sacrifice than he is.

I do think that it is incumbent upon Congress to show to the country that its Members are really willing to carry their share of the burden and to make their share of sacrifices that are being demanded of the American people at this time. We are going through a critical period. The condition of the Treasury is anything but happy, and I sincerely hope that the gentleman's amendment will be adopted. I shall support the mileage resolution for the next Congress, because that is what has been done for years. But, to have two mileages in the course of 2 months is just a little bit too much, in my opinion.

Mr. GWYNNE of Iowa. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Iowa.

Mr. GWYNNE of Iowa. I agree with the gentleman 100 percent. As a matter of fact, this is not strictly speaking a special session.

Mr. KNUTSON. I hope the gentleman's amendment will pass.

Mr. GYWNNE of Iowa. I do, too.

Mr. KNUTSON. We call on others to make sacrifices. Now let us do our share.

Mr. PLOESER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am inclined to believe that despite the fact that there is an amendment on the desk to strike out that which to me seems to be honest and right and legal and customary and with precedent, despite the fact that such an amendment is on the desk, in the minds of every Member of this House there is unanimity of opinion and that opinion is against the amendment. The provision is a part of the United States Code for regular sessions of Congress. It is a matter of precedent that for special sessions they receive like provision.

This session was called not by any volunteer acts on the part of Members of Congress but by the President of the United States. Had he gone 3,000 miles across the country on the conduct of the Nation's business the Government of the United States would have paid his expenses and properly so. The people of the United States certainly do not admire people for not being frank, and I know of no citizen that does not believe that the Members of Congress are entitled to the expenses of the conduct of their office which are directly chargeable to their obligation and their duties as Members of Congress.

I find it very difficult, even in this most charitable season, to find admiration for being less than frank or less than totally honest with the people whom we represent. In the 1939 special session of the Congress, and there are other precedents although I cite only the one which I read just a few minutes ago, such allowances were made. Most people know and certainly all Members of the Congress know that you not only have your own expense returning for a special session and getting back to your home but you have the expense of your families. Many of you that I am acquainted with have had the expense of additional rentals here in Washington. This, I merely mention. You had given up your abodes and had not planned to have a new one until January. You pay the expense of moving your secretaries back and forth. The customary mileage is not adequate, but inadequate as it is, it is honest and in accordance with the law that it be allowed. I say again that I cannot bring myself even in this season to be charitable enough to find admiration for an expression of opinion which is contrary.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. PLOESER. I yield to my distinguished leader the gentleman from Indiana.

Mr. HALLECK. I do not like to take up the time of the Members unduly but I should like to say that before this item was put in this appropriation bill I talked with a great many Members on both sides of the aisle regarding what they thought ought to be done about it. As they talked to me, I became convinced that the overwhelming majority thought that this item should be in the bill and that it was entirely justifiable and entirely defensible. I am glad it is in the bill in such way that no one can say there is any subterfuge in connection with it—it is brought here in the regular and open way. I think the gentleman from New York [Mr. O'TOOLE] said it quite well when he stated that when we quit here last summer, we went to our homes in our districts as we should, to talk to our people to see what they are thinking about.

This special session was called by the President of the United States to meet an emergency which he said required immediate consideration. Now I do not care how long the session lasts—that is not the point. The fact of the matter is that each of the Members who went home was required by reason of the calling of this special session to come to the city of Washington to transact the business to be taken care of in the special session. As has been pointed out, it is generally understood and agreed on both sides of the aisle that we will conclude our work here on next Friday, the 19th. The Members will be going home, I take it, almost without exception. Then, of course, we will be coming back for the January session. So it seems to me there is no reason why this item should not be in the bill. So far as I am concerned I am perfectly willing to have my people know my attitude about it.

As a matter of fact, when we are here in session I want to point out that many times we are required to go home to take care of matters of official or semi-official business in our districts and to do all sorts of things that flow from our responsibility as Members of the House. When the Congress is in recess, it frequently has happened to me, as no doubt it happens to other Members, that we are required to come back to Washington in connection with our official business. I might point out that during this past recess I was called to the White House twice for conferences. Of course, there is no provision to take care of the expense of those trips. Of course, I am not complaining about having to come back to Washington. But I do know that Members are constantly required to travel back and forth between Washington and their districts.

I am also convinced that many times when we look over the expenses of other departments and agencies of the Government, and look at the things that we do for ourselves certainly no one can condemn us. We must recognize also, as the gentleman has pointed out, that for many of us, it is not just a matter of transporting ourselves personally from our homes to Washington and back. Many of us have families. I have a wife and two youngsters who are with me when I make these trips, and the mileage allowance granted to me is very quickly used up. I think the people ought to understand that.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. HALLECK. Mr. Chairman, I ask unanimous consent that the gentleman from Missouri may proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. PLOESER. I yield to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Chairman, I receive a mileage allowance of $204 a year for my travel expenses in attending to my work as a Member of Congress, which covers just about one-third of my actual expenses for travel to and from home and elsewhere on official business. However, I am reminded that every employee of the Government, including every civil service employee, except those in the legislative branch of the Government, not only have their mileage paid, when they change jobs or have new assignments of duties, but also have their household goods moved and all other travel expenses paid, not only for themselves but for their families as well. The same situation is true as to the personnel of the armed forces. Whenever a new assignment is given, the expense of travel for the officer and his family, and the shipping costs for his household goods as well, are paid by the Government.

Therefore, I feel that under circumstances like this, when there is a special session of Congress, when some Members have been compelled to spend a thousand or more dollars out of their own pocket to come back to Washington on official business, it is only fair that they be compensated according to the precedents and rules of the House, and I believe the Constitution of the United States as well, for the Constitution says the legislative branch shall fix the compensation of its Members and mileage allowances.

So I think the amendment is not in good form. Frankly, I am getting a little tired of having a few people object to the Congress doing anything for itself, but insist that we should do everything for everyone else in the world. It is only simple justice that the Members of the House be recompensed for the travel expenses they have incurred in attending this special session of Congress.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. PLOESER. I yield to the gentleman from Texas.

Mr. RAYBURN. In response to the statement of the gentleman from New York [Mr. WADSWORTH] about this being such a short session, it seems to me that it costs just as much to come here and return home for a short session as it does for a long one.

Mr. PLOESER. And sometimes more.

Mr. HENDRICKS. Mr. Chairman, will the gentleman yield?

Mr. PLOESER. I yield to the gentleman from Florida.

Mr. HENDRICKS. The only objection I have heard to this is the fact that we are technically still in session, but when I went to buy my ticket to come back here the railroad did not recognize that argument at all. I would like to ask the gentleman from Missouri if this House has ever denied itself traveling expenses before, for a special session called by the President of the United States.

Mr. PLOESER. Not that I can find in the RECORD. The precedents are in support of the bill as it is written.

Mr. ROBSION. Mr. Chairman, will the gentleman yield?

Mr. PLOESER. I yield to the gentleman from Kentucky.

Mr. ROBSION. I have attended many special sessions of the Congress, called by the President, and through the years, I know of no case in which this mileage was not allowed.

Some years ago in this House we had a wealthy Member from one of the States serving in the House. He was worth $20,000,000. At every session of Congress and at every opportunity he offered some amendment or some bill to cut out clerk hire, cut out mileage, and the frank. If his amendments had prevailed, only rich men could serve in Congress. Not all Members of this House are rich or well to do. In fact, most of them are poor or are in very moderate circumstances. We came to this special session on the call of the President. I must go back to my district on the 22d of December on special official business, and then later return again, so I cannot see the gentleman's point in raising this question. The Appropriations Committee in reporting this item is strictly within the law and it is just and right. If we would be as careful about giving tens of billions of dollars to foreign countries as we are in opposing this small legal and just claim, it would give real relief to the country.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. PLOESER] has again expired.

Mr. JARMAN. Mr. Chairman, I rise in support of the amendment, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. JARMAN. Mr. Chairman, first I wish to commend the gentleman from New York [Mr. WADSWORTH] for the introduction of this amendment, and to say there is no Member of this House on either side for whom I have a higher regard than I do for the gentleman from New York.

I am impressed that the whole point has been missed by the speeches I have heard, whether intentionally so or not. I do not know. It is true that in a way this is a special session. I am not a lawyer and I am not sure what the law is, but I do recall that the leadership of this House, at least on one side of the House, recessed last year rather than adjourn, in order to have a string on the President. I understood thoroughly then and I believe every Member of this House similarly understood, that under those circumstances if we came back here we would not be entitled to mileage. Consequently I have never thought of receiving it and entirely disagree with the Members who have said that we are fairly entitled to it, that it is customary and that it is legal, although I am not sure about the legal point, because of the fact, as I said, that we recessed instead of adjourned with full knowledge on the part of the leadership and everyone else that under those circumstances we were not entitled to mileage. Consequently, never having for a moment thought of collecting it until several people approached me about it, to each one of whom I replied positively that I did not think we would get it, I was surprised; yes, my colleagues, I was dumfounded when the Appropriations Committee, the committee which saves so much money, ostensibly, the committee which insists on indulging in what I regard sometimes as ridiculous cuts in other appropriations—I was dumfounded, my colleagues, when those gentlemen of all the gentleman of this House brought this bill in here against what I regard as all rhyme or reason.

The majority leader or somebody said we would have to go back home, that it would cost money. Yes. Did we not pass a law within the last year or two providing $2,500 for each of us for our expenses? I wonder if it would not be more appropriate to pay this mileage out of that $2,500 and, in the words of the distinguished gentleman from New York, be willing to pinch our belts a little while we are calling on everyone else and the rest of the world to do it.

The Committee on Foreign Affairs was seriously criticized on this floor less than a week ago by a member of the Appropriations Committee for not having held hearings on the fertilizer supply, which was the duty of the Committee on Agriculture; yet this committee, which in its wisdom criticizes everyone else, reduces the appropriations authorized by all the other committees in their wisdom; this committee, of all committees, comes to this floor with what I regard—while I would not say an unconscionable piece of legislation—legislation which I believe to be entirely out of order.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. JARMAN. I yield to the chairman of the Appropriations Committee.

Mr. TABER. I do not wish recognition.

Mr. JARMAN. Then I yield to the gentleman from North Carolina.

Mr. BONNER. I will ask the gentleman if he has any idea or if it has been estimated what the total cost of all Members traveling in Europe at Government expense may have been, or what the individual cost by any individual Member may have been at Government expense in Europe this year? And then give me his opinion whether or not that was more important than coming to this session of Congress?

Mr. JARMAN. I cannot answer the gentleman, who is a former member of the Committee on Accounts, I believe, and long-time secretary of the chairman of that committee, and who has had much more experience on such matters during many years than I. I cannot answer him as to the cost, but——

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. TABER. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto do now close.

Mr. MONRONEY. Mr. Chairman, reserving the right to object, will not the gentleman extend it about 3 minutes to give those of us who are opposed to payment of mileage a chance to be heard?

Mr. TABER. I think we should get on with the business of the House.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. WADSWORTH].

The question was taken; and on a division (demanded by Mr. WADSWORTH) there were—ayes 27, noes 143.

So the amendment was rejected.

Mr. TABER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. Mr. Chairman, I propound this parliamentary inquiry so that the membership may understand at just what point amendments may be in order. I therefore ask the Chairman to advise us at what point the paragraph to follow will end?

The CHAIRMAN. Answering the gentleman's parliamentary inquiry, the Chair may say that the end of the paragraph will be line 5, page 4.

Mr. TABER. And at that time amendments may be offered?

The CHAIRMAN. The gentleman is correct.

The Clerk read as follows:

FUNDS APPROPRIATED TO THE PRESIDENT

EUROPEAN INTERIM AID

European interim aid: To enable the President to carry out the provisions of the act entitled the "Foreign Aid Act of 1947" (S. 1774, 80th Cong.) insofar as applicable to Austria, France, and Italy, $509,000,000: *Provided*, That any administrative expenses which may be incurred by the Department of State in carrying out duties assigned to it under said act may be paid from any funds available to said Department for administrative expenses, except that funds herein appropriated shall not be available for such purpose: *Provided further*, That none of the funds appropriated or made available by this act shall be used or made available for use for the acquisition of nitrates or nitrogenous fertilizer, or petroleum products, or wheat, wheat flour, or cereal grain in the United

States or the shipment thereof from the United States unless the President shall first—

(1) survey the requirements of other countries which are dependent upon the United States for a portion of their supplies of such commodities, and

(2) estimate the quantities of such commodities which probably will be made available to such countries from the United States, and

(3) estimate the total amount of such commodities available for export from the United States to the recipient countries, after giving due consideration to the quantity thereof required in this country to meet essential domestic needs and for wastage, food, feed, seed, and industrial uses, and for the needs of other countries dependent upon the United States for supplies of such commodities. In determining the amount of such commodities available for export from the United States the President shall allow for a carry-over of wheat in the United States as of July 1, 1948, of not less than 150,000,000 bushels, and: *Provided further*, That the funds appropriated in this act shall not be made available or used to acquire a quantity of wheat, wheat flour, and cereal grain in the United States which, after taking into consideration the amount estimated for export to other countries, and the amount needed for domestic consumption in the United States, will leave a carry-over of less than 150,000,000 bushels of wheat on July 1, 1948.

Mr. WELCH. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WELCH. Mr. Chairman, there are about 280 Indian reservations under the jurisdiction of the Bureau of Indian Affairs. Distress has been known to exist among the tribes of Indians, particularly in the West, for some time in the past. The alarming degree, however, of the distress among the Navajo and Hopi Indians which cries out for immediate relief was made fully known by the Subcommittee on Indians Affairs after a recent visit to the reservation and careful study which revealed the deplorable condition, as set forth in its report to the chairman of the Committee on Public Lands.

The Navajo Indian Reservation is as large as the State of West Virginia, and consists in the main of some of the very poorest land in the West. In the treaty of 1868 between the United States Government and the Navajo Indians, according to United States Army estimates there were 9,000 Navajo Indians on the reservation. Today there is an estimated Indian population of approximately 65,000. There are 11,000 Indian families on the reservation. The population is increasing at the rate of 1,200 a year. It is estimated that the average family income is approximately $400 a year. The estimated infant mortality rate is 318 per 1,000, or more than seven times greater than the United States in general. More than half the Navajos die before they are 5 years old. For the estimated 65,000 Navajos there are no field doctors or nurses; only one school nurse and one full-time dentist. There are 16 times more tuberculosis cases on the reservation than the national average.

There are 24,000 children of school age on the Navajo Reservation and not over 8,000 have had any schooling; the average schooling of the 8,000 is aproximately 3 years. Thus it will be seen that 16,000 children are being denied school facilities.

It has been stated that the reservation is overstaffed with 1,000 civilian employees. In fairness, this number of civilian employees should include school teachers as well as many Navajos employed doing manual labor on the reservation.

I am informed that the Bureau of the Budget recommended to the Appropriations Committee that $450,000 be included in the deficiency appropriation bill to be used solely for immediate relief of Navajo and Hopi Indians. The bill provides $200,000, which under the language of the section can be used on any of the approximately 280 Indian reservations under the jurisdiction of the Bureau of Indian Affairs.

The $200,000 provided for in the bill should be increased and expended solely for the relief of the Navajo and Hopi tribes of Indians.

With immediate consideration at the next regular session of Congress of an appropriation of $2,000,000, authorized under H. R. 4627, an act for the immediate relief of the Navajo and Hopi tribes of Indians, the deplorable condition of these tribes can be tided over until the enactment of legislation improving the condition of American Indians on Government reservations and assist in making them self-supporting.

Mr. CANNON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, by way of summary, the House Appropriations Committee reduced the proposed amount of interim aid for France by $66,000,000 and for Italy by $22,000,000.

Included in the items on which the committee based its cut in the appropriation are the following:

FRANCE

Dollar interest and amortization payable on Jan. 1, 1948, as follows:	
First Export-Import Bank loan of $550,000,000:	
Principal payment due	$9,200,000
Interest due	6,300,000
Total	15,500,000
Second Export-Import Bank loan of $650,000,000:	
Interest due	7,500,000
Total due the United States Export-Import Bank	23,000,000
Interest and charges on International Bank loan of $250,000,000	$3,100,000
Total	26,100,000

ITALY

Partial repayment of Export-Import Bank:	
1947 cotton loan	7,000,000
Interest on United States surplus property credit	4,000,000
Payment to United States for settlement of war claims of United States nationals	5,000,000
Total	16,000,000
Grand total	42,100,000

In calculating the needs for interim aid it had been assumed by the State Department that the French and Italians would have to use their own resources for meeting these charges. It is understood that the Appropriations Committee assumed that these obligations would not have to be met and the funds could therefor be used by the French and Italians to procure current imports. Any such assumption involves action by the French and Italians unilaterally to default on their obligations to our own Export-Import Bank, other United States credit agencies, United States citizens, and the International Bank.

Action in disallowing the payments due for the Export-Import Bank loans and the surplus property credit amounts, in effect, to notice that France and Italy—and presumably other countries which are hard pressed—need not meet their obligations to us. In view of the billions of dollars of loans and credits which we have outstanding it would seem very unwise to set a precedent which condones default in such payments. Furthermore, failure to make the payments due results in a direct loss to the United States Government.

In the case of the $3,000,000 which France owes for interest and other charges to the International Bank, a default would have serious consequences. In the first place it would damage French credit with the bank and might well make it impossible for her to obtain further loans which she needs to procure essential imports. We have been counting heavily on the International Bank to supplement any efforts which the United States may make in aiding foreign countries. Furthermore, default on the part of one of the bank's principal borrowers might well affect the ability of the bank to obtain the private capital which it requires if it is to be successful in its program.

The payment to the United States in the amount of $5,000,000 for settlement of war claims of United States nationals is an obligation arising from an agreement made between Italy and the United States in December 1946. These claims arise on account of damage suffered by our citizens as a result of Italian action during the war. It would seem most unwise for us, in effect, to advise the Italians that they now need not make these payments.

The other items which were eliminated by the committee involve expenses which the French and Italians must pay if they are to maintain necessary services and avoid defaults which would affect their ability to obtain future credits. They do not, however, result immediately in financial benefits to the United States or our citizens, as do those listed above.

As to whether there would be sufficient wheat left in this country after shipments abroad authorized by the legislative bill and the departmental estimates, we were told emphatically and unequivocally by the Secretary of Agriculture that there are now ample reserves to supply all domestic needs after the full amount of wheat contemplated in the relief program has been shipped to Europe. There is a vast amount of

testimony in the hearings elicited by the committee in an effort to impeach testimony from different sources on amounts of shipments, and corresponding pages in the report on the subject, which in no way affect the question before us. The whole matter may be summed up in the testimony of the Secretary of Agriculture, who in response to a question from the committee said that even in the event of an extreme drought next year and resulting failures in the wheat crop which might be incurred by such a catastrophe, there would still be enough left at home to take care of all domestic requirements after this contribution was made to Europe. Likewise, inquiry as to the amount of oil available elicited the information—and no one has controverted it—that there is no shortage of oil. As a matter of fact the entire amount of oil provided in the estimates would aggregate only a third to a half of one day's consumption in the United States. The only stringency that has been experienced in some sections of the country is due to lack of transportation.

We had the opportunity in the last session to continue the activities of the Office of Defense Transportation under Colonel Johnson, perhaps the most efficient branch of the domestic defense organization which operated in the United States during the entire war. Unfortunately, we cut down that appropriation, and in fact tried to eliminate it, because some of the railroads did not like it. They did not like the restrictions placed upon them by the Office of Defense Transportation imposed in order to increase the efficiency of the railroads and the number and capacity of cars available at a time when there was a shortage of boxcars and particularly a deficit of tank cars. The only difficulty which would today involve a shortage in oil in any part of the country is due, not to lack of supply, because the supply is ample, but to the lack of tank cars and facilities for transporting the oil to the areas where there are temporary shortages.

On the whole, Mr. Chairman, there need be no concern at all, in view of the hearings, a copy of which I hold in my hand, which were contacted by the Committee on Appropriations. There need be no fear that when the full amount of supplies provided for in the original departmental estimate is sent abroad to sustain life and maintain free government in western Europe, there will be even the slightest deficit of these commodities in our own country.

In brief, Mr. Chairman, the full amount requested by the Departmental estimate, and authorized by the Congress last week, should be provided in this bill. To reduce the amount allocated for any item will not only fail adequately to meet the need but will react unfavorably on the national defense program.

Mr. MAHON. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, on page 2 of the committee report on this bill, reference is made by the committee to a supposed discrepancy in figures furnished by the Secretary of Agriculture, Mr. Anderson. It has been my observation that as a general rule the Department of Agriculture and the Secretary of Agriculture can be relied upon to give the most accurate figures available to Members of Congress and the public. The publication, the Agricultural Outlook, which is put out by the Department of Agriculture, carried one figure with respect to the disposition of our wheat supplies since July 1, 1947, and the Secretary, in his testimony before the House and Senate committees, it is claimed, gave a different figure, which was an increase in availability of wheat over the figures in the Outlook to the extent of 82 500,000 bushels. I merely wish to point out that I find in checking the matter that the figures compiled for the publication, Agricultural Outlook Charts, had to be prepared somewhat in advance of its printing, and that the figures given by the Secretary of Agriculture were the very latest revised figures. All the figures given were mere estimates of the possible distribution of our grain since July 1, 1947, to date.

In the publication entitled "Agricultural Outlook Charts, 1948", the following estimates of the disposition of wheat in the United States for the year beginning July 1, 1947, were made:

	Bushels
Food	510,000,000
Feed	325,000,000
Seed	87,500,000
Industrial uses	5,000,000
Total	927,500,000

The Secretary of Agriculture in his statement on December 6 gave the following estimates:

	Bushels
Food	510,000,000
Feed	250,000,000
Seed	85,000,000
Total	845,000,000

There is no mystery about the alteration in the estimates made by the Secretary of Agriculture on December 6. You will note that in the earlier estimate it was thought that 325,000,000 bushels of wheat would be used for feed for livestock. In the December 6 estimate the Secretary had revised the amount to a greatly reduced figure of 250,000,000 bushels. This is the principal variation, and is explained in the following statement by Mr. O. V. Wells, Director of the Bureau of Agricultural Economics, as follows:

The chief revision is in the estimated amount of wheat which will be fed to livestock. Originally, this estimate ran 325,000,000 bushels at a time when there was considerable fear that we would have an early frost and a soft corn crop and at a time when prices of wheat and corn per bushel were at about the same level. Within the last two months or so, however, the price of wheat has moved above the price of corn, good growing conditions have yielded a corn crop of good quality, and we now have available actual estimates of the disappearance of wheat for feed or farm waste during the first quarter of the year beginning July 1, 1947, which indicate that about 60,000,000 bushels of wheat was fed to livestock. As a result, our estimates of the amount of wheat used for feed have been revised down to 250,000,000 bushels for the current year, and there is some belief that it may run even lower than this.

The other slight variations in estimates are well explained by Mr. Wells but I see no necessity for elaborating with regard to them.

Mr. FULTON. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. FULTON: On page 4, line 4, strike out "150,000,000" and insert "100,000,000."

Mr. FULTON. Mr. Chairman, may I compliment the Committee on Appropriations for putting in a limitation on page 4, line 9 of $50,000,000 on losses that may be incurred by Government agencies in this program, through the sale of commodities that are in surplus. That is the recognition one of the points that I made here on the floor of the House previously, that there was no limitation on losses. Obviously some fair limitation should be set for the protection of the taxpayers.

Before going into this particular amendment, may I ask the gentleman from New York [Mr. TABER] a question as to the protection of Austria, and of the Children's Fund in Public Law 84. I notice that according to one set of committee figures, you have a grand total for Austria of $56,900,000. May I point out something that has happened in the Committee on Foreign Affairs? There were five of us who found out that the State Department was taking $16,000,000 of unprogrammed funds from the Children's Fund under Public Law 84 for use for current relief for Austria. Has that amount been figured in and added to this appropriation? Were you looking at Austria's total requirements and are you giving her all she requires here, if the State Department under the Comptroller General's ruling cannot use money for Austria from the Children's Fund?

Mr. TABER. Let me give the gentleman that figure. The amount allowed here and for which justification was presented to the committee is fifty-six million and nine hundred and some-odd thousand dollars, or $16,000,000 above what the President asked for in his original message. We did not make any suggestion that that be reduced. The gathering in of funds for Austria came out of the $332,000,000 appropriation under Public Law 84. This was to take the place of that item according to the representations that I understood to be made to the House.

Mr. FULTON. That is fine. I agree with the chairman that if Austria is taken care of in this appropriation, there will be no need of the State Department going into the children's fund money in order to make up a part of the Austrian program.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. MANSFIELD. Am I right in stating that the sum allocated to Austria by the Appropriations Committee amounts to approximately $59,000,000? I think this is very important because of the statement brought out by the gentleman from Pennsylvania [Mr. FULTON] and also because of the fact that the

American occupation authorities in Austria have a very difficult and, up to now, a very little-understood job to do.

Mr. TABER. Well, it is $58,000,000.

Mr. FULTON. Fifty-six million nine hundred thousand dollars is one figure contemplated.

Mr. CASE of South Dakota. Fifty-eight million dollars is the amount allowed for Austria, which covered $42,000,000 mentioned in the President's message, and $16,000,000 to make up for the money which was for the children's emergency fund. We made the full request for Austria.

Mr. FULTON. So that it is clearly taken care of, and there is no need for the State Department at any time going into the children's fund, because it is specifically taken care of here?

Mr. CASE of South Dakota. Yes. The report is clear on it. There is no suggestion that a cut was made in the $58,000,000 for Austria.

Mr. MANSFIELD. I thank the gentleman for his explanation. I am glad to note the full $58,000,000 is being allowed to Austria.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to my good friend from Michigan.

Mr. DONDERO. I want to join the gentleman in saying a word of commendation for the Committee on Appropriations, which eliminated $88,000,000 from this bill, which contained mostly loans to other governments. The people back home believe this bill is entirely to provide food for the starving people of Europe and not to pay the debts of other governments. I want to join the gentleman in commending the Committee on Appropriations.

Mr. FULTON. The Foreign Affairs Committee also made much the same reduction. Will the gentleman add that to his commendation?

Mr. DONDERO. I include that also.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. MAHON. I would like to point out to the gentleman from Michigan [Mr. DONDERO] that of the $88,000,000 eliminated, $39,000,000 was payable to the United States and not to other governments. The Export-Import Bank of the United States has outstanding loans to France in the sum of $1,200,000,000. France will owe us on principal and interest on these loans on January 1, 1948, the sum of $23,000,000. If this appropriation had not been cut, France would have been able to pay the principal and interest due and not default on her loan to the United States. There are some of us who are wondering whether it was a good idea to encourage by this pseudo saving the default on a loan payable to us in the full amount of over a billion dollars. In order to make a paper saving of $23,000,000, we are encouraging default on the $1,200,000,000 obligation which is in my judgment very bad business indeed.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. FULTON] has expired.

Mr. FULTON. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes to present my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FULTON. May I speak now on my amendment. On page 4, line 4, I am cutting the figure 150,000,000 bushels of wheat carry-over that is to be estimated as of July 1, 1948, to 100,000,000.

The reason I am doing that is this: That our wheat carry-over for this last year was less than 87,000,000 or 88,000,000 bushels. It started out originally with the gentleman frm Minnesota [Mr. AUGUST H. ANDRESEN] wanting 200,000,000 bushels carry-over. The figure was then reduced by amendment to 150,000,000 and my amendment would reduce it to 100,000,000, which still gives you 12,000,000, or 13,000,000 more bushels carry-over than we had last year. That is the basic limit that the program should be set on. If we have gotten along all right last year on 87,000,000 bushels, we certainly can get along this year with 100,000,000 bushels limit. I do not want to hurt the program but I do not want to waste any surplus carry-over.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. REES. Does the gentleman have any figures as to what the average carry-over was during the last 10 years?

Mr. FULTON. The average carry-over has not been 150,000,000. I did have those figures placed in the RECORD a week ago, so that the gentleman can see from my speech what the carry-over is. As a matter of fact, it is much above anything that happened either in the late twenties or early thirties.

This carry-over that I am speaking of is 100,000,000 bushels. If you could be sure of a hundred-million-bushel carry-over for safety in this country which would be sufficient to carry us over a period of 90 days, I am sure you would not want this program to fall down.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. AUGUST H. ANDRESEN. Can the gentleman give us some idea of what the crop of wheat will be in 1948?

Mr. FULTON. I believe the gentleman has all those figures. They are also detailed in a speech I gave this last week. We are talking of what the carry-over, what the surplus is. With a surplus of 100,000,000 bushels you have a good margin of safety until the next year's crop comes in. I would not want to hurt this program or have people starving while we have an excessive carry-over in addition to an all-time high of domestic consumption.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it is strange that people from city districts who are entirely dependent on the country areas for their bread offer amendments like the one proposed by the gentleman from Pennsylvania. We in the country sections can get along somehow, but unless we have a large wheat crop in 1948 the people living in the cities of Pennsylvania, New York, and elsewhere will have little bread.

The carry-over for last year was 83,000,000 bushels. That was the smallest carry-over we have had in the last 20 years. The average carry-over from 1919 to 1947 was 224,000,000 bushels of wheat. The carry-over in 1945 was 279,000,000 bushels; in 1944 it was 317,000,000 bushels; and in 1943 it was 119,000,000 bushels.

Let us have some margin of safety for the American people until we know what the next wheat crop will be in the United States. We had better keep a couple of months' supply of wheat on hand in order to feed the people in the cities and villages of the United States who are so dependent upon bread for their livelihood.

Nobody can predict today what the wheat crop will be in 1948. There has been insufficient moisture in the Southwest, the principal winter-wheat area of this country. Spring wheat will not be planted until April, May, and June of next year, and nobody can predict what that crop will be.

We shall need around 900,000,000 bushels of wheat to take care of the needs of the American people. If we export all of the wheat now requested, there will be little wheat left for the American people. This 150,000,000 bushels of wheat that the committee has provided as a carry-over into next year's crop is enough to last the American people for a little more than 2 months. If next year's winter wheat crop should fail then we would have only 2 months' supply of wheat to take care of the needs of the people of this country.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. CASE of South Dakota. In the testimony given by Secretary Anderson, as reported in the hearings, page 20, this colloquy occurred:

> The CHAIRMAN. What was the carry-over?
>
> Secretary ANDERSON. Eighty-three million, plus.
>
> The CHAIRMAN. That is a very low figure, is it not?
>
> Secretary ANDERSON. Yes.
>
> The CHAIRMAN. The lowest that we have had in a long time?
>
> Secretary ANDERSON. The lowest in 20 years, except for 1937.

And in his preliminary statement the Secretary indicated that we should work toward a carry-over of about 250,000,000 bushels.

Mr. AUGUST H. ANDRESEN. And I will say in addition that we were very fortunate to have a good crop of wheat this year, a bumper crop of wheat; otherwise, we would have gone without bread in this country and we would not have been able to take care of the needs of the people in the other countries of the world.

Mr. PACE. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. PACE. On the basis of a total domestic need of 900,000,000 bushels, 100,000,000 bushels would be just a little better than a 30-day supply.

Mr. AUGUST H. ANDRESEN. The gentleman is right. I figure it will take between seventy and seventy-five million bushels a month to take care of all of the needs of the American people. We should have a carry-over of at least 200,000,000 bushels to play safe.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the Chairman.

Mr. TABER. It would be absolutely dangerous to cut this reserve below 150,000,000 bushels, would it not?

Mr. AUGUST H. ANDRESEN. It would; and personally I feel that to play safe it should be 20,000,000 bushels, so that we would have some degree of safety; but I am satisfied to leave it at 150,000,000 bushels, and I hope the Committee will defeat the amendment.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Does not the gentleman feel that if grain is not used for say 10 months for the manufacture of alcoholic beverages it may provide the reserve he is talking about?

Mr. AUGUST H. ANDRESEN. Very little wheat goes into the manufacture of alcohol. I may say to the gentleman that other grains like barley and corn go into the manufacture of alcohol. Last year only 5,000,000 bushels of wheat were used for all industrial purposes, including alcohol.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Kansas.

Mr. REES. But the more grain you take out, the more grain you use for alcohol, the less you have for food, whether the grain is barley, rye, or whatever it is.

Mr. AUGUST H. ANDRESEN. That is true. I may say to the gentleman that I believe an amendment was offered that none of this grain that is to be shipped across shall be used for making alcoholic beverages.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. FULTON].

The amendment was rejected.

Mr. JAVITS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JAVITS: Page 2, line 18, strike out the sum "$509,000,000" and insert "$535,000,000."

Mr. JAVITS. Mr. Chairman, what I have done in offering this amendment to increase the amount from $509,000,000 to $535,000,000, is to include $26,000,000 additional. If the Members will look at page 4 of the committee report they will find the schedule of deductions made by the Appropriations Committee. My amendment restores three of those deductions, as follows: Additional contribution to the International Monetary Fund by France, $10,000,000; administrative and other expenditures by France, which I would like to explain in a minute, $10,000,000, totaling $20,000,000 for France; and then for Italy, diplomatic expenditures, prewar bond settlement, interest settlement, interest payments, and miscellaneous financial items, $6,000,000.

I have offered this amendment to restore those items. One of the things the United States must be sure of is that the world understands, and particularly that Italy and France understand, that our aid will not affect or impair the sovereignty of their peoples and their governments. These three expenditures provide for the diplomatic establishments of France and Italy abroad. They also provide for France's payment of her obligation to the International Monetary Fund, and it is from that agency, I may add, that we expect France in any general European recovery program, to get great benefits. For a country which is not a member of the International Monetary Fund cannot expect to get benefits for the stabilization of its own currency from the International Monetary Fund.

The charge the Soviets have made against us has been that by our activities in foreign aid we are trying to deprive peoples and governments of their sovereignty, that we are trying to make them subject to ourselves, that we are trying to make them United States satellites, as we have charged that the Soviets have made satellites of the eastern European countries.

I have introduced this amendment in order to crystallize the point, and to try to emphasize that that is exactly contrary to what, I believe, the United States wants to do. The United States, in my view, wants to keep each of these countries a fully integrated Nation, with a national sovereignty, each of them standing in the capitals of the world on a parity of dignity with every other nation, including the United States. I may point out that when we use the term "Big Five," when we use the term "Big Three," we also include France.

In this appropriation bill we are cutting out $10,000,000 which represents the cost of France's diplomatic establishment, the basis upon which she maintains her international position in the world. I have asked the chairman of the Appropriations Committee about this point and I should appreciate it very much if the chairman of the committee will give us his view on this matter.

Mr. TABER. Well now, my opinion is this, that they can find the money somewhere else to take care of their diplomatic institutions and their entertainment. If they are going to make a contribution to the monetary fund, they ought to be able to get it somewhere else. If they cannot make that contribution at this time, they can make it later. I was impressed, as I went around Europe, that all of these set-ups had diplomatic establishments and operated on a larger scale than the United States, and that they could well get to figuring on balancing their budgets and by getting things done within those budgets, because I have always thought that our State Department operated on a most liberal enough scale.

Mr. JAVITS. Will the gentleman join me in the view that we certainly want to keep the sovereignty of these countries completely intact?

Mr. TABER. Oh, yes; I would. There is no question about that. I want them to run along and be represented at different places and have their sovereignty intact, and I believe that they can do it and find a way to do it.

Mr. JAVITS. May I ask just one other question of the chairman? Has the Committee on Appropriations found any other source from which they could get this money?

Mr. TABER. No; but I believe they can find some.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Nebraska.

Mr. STEFAN. Does the gentleman feel that we should underwrite the expense of any foreign government for diplomatic activities in any dollar country?

Mr. JAVITS. I certainly do not, and that is not the question here. The question is whether we should prevent any recipient country from being able to maintain its diplomatic establishments because it has to use that money with which to buy food which is not being supplied under this program.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. JAVITS].

The amendment was rejected.

Mr. REES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to ask the chairman of the Committee on Appropriations two or three questions. On page 4, line 9, is an item of $50,000,000 appropriated under this bill. Now, do I understand that $50,000,000 represents a loss our Government takes in the handing over of goods now held by the Commodity Credit Corporation to be used in this foreign-aid program?

Mr. TABER. That is a limitation on the amount of losses that may result.

Mr. REES. In other words, as I understand, we have something like $100,000,000 invested in tobacco, as an example. Now, if they turn that $100,000,000 worth of tobacco over to these countries for incentive purposes, as was suggested by the House Committee on Foreign Affairs, we will just charge off $50,000,000 and let them have the whole $100,000,000 worth of commodities; is that right?

Mr. TABER. That is it.

Mr. REES. So, as a matter of fact, this country just has to consider a loss of $50,000,000, and we may turn over as much as $100,000,000 or $200,000,000 worth of these commodities; is that right?

Mr. TABER. That is right.

Mr. REES. The thing that prompts me to make this inquiry and observation is that under one of the provisions to the authorization bill that was approved a few days ago, which I questioned, those administering the act are authorized to purchase incentives not including actual needs but things to be given people in order to get the people of those countries to produce food and share it with their own people. Tobacco is one of those so-called incentives.

Furthermore this item of $50,000,000 is a direct charge against the Federal Treasury but does not include the entire

cost of the goods and commodities purchased by the Government.

The thing that concerns me is that since the people of this country foot the bill in taxes, there should be an accounting with respect to the amount and kind of commodities sent abroad under this legislation, and the real cost to the Federal Treasury.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. TABER. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read as follows:

The losses incurred by agencies of the Government through sales of commodities in accordance with the terms of subsection (e) of section 11 of the Foreign Aid Act of 1947 shall not exceed $50,000,000.

Mr. ELLIS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the President's speech before the Congress at the beginning of the session was a confession of his and his party's failure. Europe's condition, he said, has become desperate; so desperate that we must make immediate appropriations to tide Europe over the next few months and that these gifts must be followed by enormous appropriations over a period of years.

So far as the situation abroad is concerned, Mr. Truman placed the blame on Russia. He neglected to tell us however the part his own administration played in placing Russia in a position to make trouble. But there is no secret about the facts. We can find them in the protocols of the secret meetings at Moscow, Tehran, Yalta, and Potsdam. We have been told about it by former Secretary of State Byrnes. It is only because the administration leadership completely misread Russia's character and intention and were helped in doing so by their desire to hold the vote of the New York radicals. In this manner Russia was given the opportunity to make whatever trouble she has made.

The administration spokesmen have told the American people that the United Nations would create a world-wide political stability. In this they were mistaken. They said that the gift loan to Britain would lift England and, through England, all Europe out of the morass. Again the American people were misinformed.

They said the International Bank and the Currency Stabilization Fund would solve the postwar economic problem. Another mistake. Before that they made the same false promise with respect to UNRRA. Before all of this, it was lend lease that was to prevent a postwar dollar shortage throughout the world.

The total bill to the American people can hardly be less than $60,000,000,000.

Every one of these administration schemes was put forward as a cure-all, and every one of them has proven to be a dismal failure except that part of lend-lease that directly contributed to the winning of the war.

On what basis can we hope that any new proposal under the same management will accomplish any more?

Since the end of the war and up to May 9, 1947, the United States had made available for foreign aid the following sums:

Contributed to—	
United Nations	$29,289,349
UNRRA	2,700,000,000
World Bank	3,175,000,000
World Fund	2,750,000,000
Lend-lease	2,163,000,000
Other advances by—	
Surplus-property sales	1,148,000,000
Loans to Great Britain and the Philippines	4,390,000,000
War Department grants	1,771,926,293
Export-Import Bank	2,931,209,176
Total	21,058,422,818

The Eightieth Congress has appropriated for foreign aid the total sum of $1,721,573,900.

During the past week a strange situation has come to light. It is now a matter of common knowledge that little mention is made in Europe of United States aid at a time when an intense and ferocious effort is made in the United States by administration spokesmen to whip up a hysteria in this country on the idea that aid is to arrive by a certain day or all is lost.

Another paradoxical situation is confusing to the extreme.

While the relations between Russia and the United States Government are presented as being continually strained, the White House and State Department seem to be walking arm-in-arm with the Soviets. For example, the President was quoted recently as saying that he saw no reason for discontinuing the shipment of durable and consumer goods to Russia.

The administration has admitted that more than $226,000,000 in lend-lease shipments have gone to Russia since the end of the war. This conflicting policy has resulted in such general protest and public confusion that lately the administration has wrung down its own iron curtain to preserve secrecy on what is leaving the country—thus denying the American people all knowledge and information of the acts of its own Government.

When the administration joins Russia in concealing such facts from the taxpayers who are called upon to pay the bills, it is indeed difficult for me to see any sensible reason for making appropriations for further operation which in the past has resulted only in hate, frustration, and despair.

The Clerk read as follows:

DEPARTMENT OF AGRICULTURE

The Secretary of Agriculture is hereby authorized, with the approval of the Director of the Bureau of the Budget, to utilize, by transfer or otherwise, during the period between the date of approval of this act and April 1, 1948, such amounts as may be necessary (but not to exceed a total of $2,750,000) from any appropriation or fund available to the bureaus, corporations, or agencies of the Department of Agriculture, for expenses necessary to carry out (a) any laws enacted subsequent to December 1, 1947, to (1) authorize the regulation of speculative trading on the commodity exchanges and (2) authorize allocation and inventory control of scarce agricultural commodities; and (b) any programs approved by the President under existing laws to encourage conservation practices in this country: *Provided*, That, notwithstanding any other provision of the appropriation laws concerned, any funds utilized under authority of this paragraph by any bureau, corporation, or agency of such Department shall be in addition to any other funds available to such bureau, corporation, or agency: *Provided further*, That at the end of each calendar month the Secretary shall make a report to the Committees on Appropriations of the House of Representatives and the Senate of obligations incurred pursuant to this paragraph.

Mr. RANKIN. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. RANKIN: On page 5, after line 16, insert a new paragraph to read as follows:

"There is hereby appropriated out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1948, the sum of $200,000,000 to enable the Secretary of Agriculture to carry out the provisions of the Rural Electrification Act of 1936, as amended, such sum to be in addition to amounts otherwise appropriated for such fiscal year."

Mr. RANKIN. Mr. Chairman, as I pointed out a while ago, you are providing over $500,000,000 here for countries that already have practically all their farms electrified.

Italy had 94 percent of her farms electrified as early as 1936. France had 94 percent of her farms electrified at that time, and Germany, of which Austria was a part, had 90 percent of her farms electrified. That was brought out in the report of the International Power Conference held here in Washington in 1936. At that time we had about 10 percent of our farms in this country electrified.

Today we have only about 60 percent of our farms electrified, and the demand is growing every day. As I said, you are giving this money to these European countries. We are asking only for loans to construct these rural power lines. Our farmers will pay every dollar of this money back with interest, and it will add untold millions of dollars to the wealth of the Nation.

As I pointed out a while ago, on December 12, there was left out of this year's appropriations of $225,000,000 for the REA, only $117,000,000 to last for the remainder of the fiscal year. On that same date, the total applications on hand and in process amounted to $264,000,000. In other words, on December 12 applications on hand exceeded available funds by a total of $157,000,000.

Furthermore as I pointed out, applications are coming in at the rate of $20,000,000 to $30,000,000 a month. There are still more than 4,000,000 farm homes and nonfarm rural houses unelectrified in the United States. The best indications are that the improvement of the material situation is going to cause a greater demand for these funds, as time goes on. In the fiscal year 1946 the cooperatives drew only $89,000,000. In 1947 they drew $190,000,000 and in the fiscal year 1948 their demands will be far above $300,000,000. Unless the money is provided in this bill, we are going to find those cooperative power associations

without funds to build the lines that are necessary to serve the farmers whom they are trying to reach.

We have had a great deal of trouble up to now in getting materials, but those materials are now being supplied. In every section of the country farmers are appealing to us to provide funds for this rural electrification program.

I was giving you the figures that were supplied me by the Rural Electrification Administration.

The REA Power Association claims that the deficiency will amount to $345,000,000 before the end of the year. I am asking for only $200,000,000. Every dime of it will come back with interest. Every dollar spent will add to the wealth of that portion of the Nation in which these lines are constructed. It is the greatest thing that Congress has ever done for the farmers of America.

I yield to the gentleman from Alabama.

Mr. JONES of Alabama. I would like to observe at this point that the repayment schedule is $20,000,000 ahead of the amortization schedule on all the loans that have been made.

Mr. RANKIN. Yes, these funds are being repaid ahead of schedule. The Government will lose none of this money.

When we started this program 13 years ago, many Members of Congress felt that this money would be lost. This money is not lost. It all comes back with interest; and, as I said, it adds to the wealth of every community to which these lines extend.

I yield to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. I am in sympathy with the gentleman's amendment, but I am wondering why the Administration did not ask the Budget to present that to the committee when we had the bill under consideration. I think the gentleman's amendment would be in order if we could only have had it for consideration.

Mr. RANKIN. I understand that, but these demands kept piling up, and I got in touch with the Rural Electrification Administration and they gave me the figures I have quoted here.

I hope this amendment will be adopted.

The CHAIRMAN. The time of the gentleman from Mississippi [Mr. RANKIN] has expired.

Mr. TABER. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. KEFAUVER. Reserving the right to object, will the gentleman make that 10 minutes? I would like 5 minutes.

Mr. CANNON of Missouri. I would like a minute.

Mr. TABER. I withdraw the request now, Mr. Chairman. I will put it in later.

Mr. Chairman, generally when an amendment is really offered seriously, the proponent, who wants to take a large sum of money out of the Treasury, goes to the Department, the Department goes to the Budget, and the Budget submits an estimate, and the committee holds hearings and finds out what the facts are. None of that has happened in this case, there has been no request for the money. The committee has had no chance to hold hearings and go into it and find out what the picture was.

I assume that when there is such a request, the proponent really is sincere in submitting it to the Congress. But I want to call attention to what I find the situation to be. I think we might just as well be honest, even on a matter relating to rural electrification, and go by the facts rather than by conclusions.

Two hundred and twenty-five million dollars was appropriated and made available for allotment for this item last year. There was a balance of about $7,000,000, making $232,000,000 available. Since the 1st of July up to December 12, the total allotments out of that $232,000,000 were $108,000,000. That means, on the basis of 5½ months which we have operated, just about the rate of the appropriation to allow it to carry all through the year. Those allotments cannot be stepped up very much because it is absolutely impossible for the Bureau to process them any faster.

There has been paid out of the advances in that same period $105,000,000. So that there has been a little less call than the allotments in this fund. There is absolutely no reason at all for anything of this kind. There is no occasion for this coming in here. Nothing will be stopped as a result of their not having an additional appropriation at this time.

The Department tells me that there is not a single State to which allotments cannot be made and processed. One of the troubles of this situation from the standpoint of good business is that the amount of the appropriations that have been made and the money available in the Treasury to meet the allotments that have been made is a great deal bigger than the unallocated balance. There is a total available balance in the Treasury of $483,000,000, and the amount which goes out every month is about $18,000,000. So you are just building up a great big balance of reserve without anything to use it for.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. H. CARL ANDERSEN. As a member of the Subcommittee on Appropriations which had this matter under its jurisdiction, we found last year that the thing that was holding up the entire REA construction was the materials situation. In a conversation with Mr. Wickard just yesterday I found through him that the situation possibly is beginning to become a little better.

While I would like, just as the gentleman from Mississippi would, ample money for the use of REA, I see no reason for putting a huge number of millions at their disposal that will never be used in the next 6 months on account of the materials situation.

Mr. RANKIN. Oh, yes; it would be used. Every cent of it will be used.

Mr. KEFAUVER. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN. The gentleman from Tennessee is recognized for 5 minutes.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield.

Mr. ALBERT. Mr. Chairman, I am strongly in favor of the amendment offered by the gentleman from Mississippi [Mr. RANKIN] to provide a deficiency appropriation for the Rural Electrification Administration in the amount of $200,000,000. Throughout my own district hundreds of farm families who have signed up for rural electricity and many farm communities that have qualified for this service are unable to get it because of the lack of funds. Allocations are not sufficient to take care of their needs.

Mr. Chairman, electricity means more to the farm families of America than anything our Federal Government has done for them. It has lifted drudgery from every farm home fortunate enough to have it. I hope the Congress will be willing to pass this amendment, so that the present needs of our farmers for electricity can be met. I, for one, will support every measure for the extension of rural electricity that comes before this House. This is a fight which must not stop until electricity is brought to the home of every farm family that wants it. I urge the adoption of the amendment.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield.

Mr. LANHAM. Mr. Chairman, I am heartily in favor of the amendment of the gentleman from Mississippi [Mr. RANKIN], which would add $200,000,000 to the appropriation for rural electrification.

In the first place, this extension of electricity to the people on the farms has contributed more to their economic and social well-being, and has done more to enrich and make attractive the lives of the people living on the farm than anything the Federal Government has ever done for the farmer. I do not even except the rural free delivery service. There is no way to measure its benefits to the women who live on the farm. It has lifted from their shoulders the burdens that made life a drudgery instead of a pleasure.

In the second place, the people in my district are clamoring for this service, and the electric membership cooperatives are anxious to extend the rural lines as rapidly as they can get materials and the money for their construction.

In this connection let me say that while it is true that materials have been in scarce supply, they are now rapidly becoming available. Moreover this appropriation will not cost the Federal Government one penny, since all of the money will be repaid by the cooperatives with interest at the rate of 2½ percent per annum.

It has been said in opposition to the amendment that there yet remains unallocated more than half of the sum appropriated in the first session of the Eightieth Congress for rural electrification. This is true, but it is because of the fact that the Rural Electrification Administration has tried to distribute the allocation through the year to hold the same within the limits of $200,000,000 originally appropriated.

If the $200,000,000 which the amendment seeks to provide is not needed, of course, it will not be used and will be left in the Treasury to be disposed of at the next regular session of Congress as the Appropriations Committee and Members of Congress determine.

In view of these facts it seems to me that there is absolutely no reason why the amendment of the gentleman from Mississippi should not be adopted. We could not do a better thing for our farmers than to make this money available immediately to the cooperatives.

The CHAIRMAN. The gentleman from Tennessee [Mr. KEFAUVER] is recognized.

Mr. KEFAUVER. Mr. Chairman——

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield.

Mr. RANKIN. I just want to make one statement in answer to the gentleman from New York [Mr. TABER]. On the 12th of December, applications on hand in REA were $264,000,000 or $157,000,000 more than they have funds to take care of.

Mr. TABER. But they could not be processed.

Mr. RANKIN. Materials are now being made available so they can proceed with the building of these lines just as fast as they get the money.

Mr. KEFAUVER. Mr. Chairman, I rise to support this additional appropriation for the Rural Electrification Administration. I hope the amendment of the gentleman from Mississippi will be agreed to. Most of us who have rural sections have had the same experience I had this summer and fall. Dozens of families in communities where they do not have the advantages of electricity came to see me or wrote me expressing the hope that they could get electricity at an early date. They have waited a long time and they want and deserve action. Also we have talked to the managers of the electric co-ops. They have told us that they simply do not have the money or allocation available to carry out their program in order to supply the demand. They are doing their best. The program needs this additional appropriation. It is not money lost. It will be loaned on a sound investment program. It will be repaid and with large dividends.

The fact of the situation is, as was pointed out by the gentleman from Mississippi, there is quite a time lag between the date an application is filed and the date it is processed. This accounts for the reason some unused money is now on hand. This will not be the case long and the co-ops are entitled to plan their programs over a longer time.

I have been advised that if the applications now on hand and the ones reasonably expected are processed that the present money on hand for REA will be wholly inadequate and that they will need something more than $300,000,000 additional during this fiscal year. This amendment gives them only $200,000,000.

On December 12 the REA had left out of this year's $225,000,000 REA loan authorization only $117,000,000 to last out the remainder of the fiscal year. On that same date total applications on hand and in process amounted to $264,000,000. In other words, on December 12 applications on hand exceeded available funds by a total of $157,000,000. Furthermore, applications are continuing to be received from the cooperatives at the rate of between $20,000,000 and $30,000,000 per month.

There are still 2,250,000 farms without electricity. In all, there are more than 4,000,000 farm and nonfarm dwellings without electricity.

Mr. Chairman, it seems to me that additional support of this program is not only to the advantage of the farmer but is helpful to industry and the country. When a farm family or farm house gets electricity that makes business for the manufacturers of electrical refrigerators, heating units, radios, motors, and other equipment. I think it is one of the finest programs we have in this country. Thousands of farmers and home owners all over the United States are crying for electricity as soon as they can get it. Many of them have had their applications on file for 5 or 6 years and have not been able to get electric service. The demand for electricity is one of the healthiest signs of advancement in our Nation today. It makes for better living on the farm, better farms, more production in rural areas, and, by the same token, greater production in the manufacturing industries all over the Nation. It furnishes employment for millions and millions of workers.

We need to make farm life more attractive. Electricity does that. It brings the advantages of the city to the farm. Nowadays we see the wholesome trend of young people staying on the farm or of moving back to the farms. Electricity is playing an important part in this.

In the State of Tennessee the REA cooperatives are ahead in the repayment of the amounts that they have borrowed from the REA. The program payments are being kept up. They need this additional amount. We have their word for it, and those of us who have talked with the would-be consumers in our districts know that the program is behind, that it is urgent to have this additional money in order that the REA may catch up with the applications on hand.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield to the gentleman from Mississippi.

Mr. RANKIN. I am receiving appeals now from the Middle West, from the States of Iowa, Nebraska, and that area, as well as from all the rest of the country. May I say to the gentleman from Tennessee that if the money is not expended it will still be in the Treasury, but if we provide it, in my opinion, every dollar of it will be spent between now and the 30th of June next year.

Mr. KEFAUVER. That is true, and the REA has so stated.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. KEFAUVER. I yield to the gentleman from Arizona.

Mr. MURDOCK. Mr. Chairman, I am in hearty support of this amendment and ask unanimous consent to extend my remarks to be included in the RECORD at the close of the remarks of the gentleman now addressing the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. KEFAUVER. Mr. Chairman, this is an opportunity for us to make an investment which will yield great dividends. The money will be repaid to the Treasury of the United States. It is a program that got behind because of shortage of materials during the war, but now the materials are becoming more available and the cooperatives can move ahead faster if they have this money.

The best indication of the improvement in the material situation is to be found in the rate at which cooperatives are drawing down funds approved in earlier loan authorizations. In fiscal 1946 the cooperatives drew down $89,000,000. In fiscal 1947 they drew down $190,000,000. In fiscal 1948, the present year, they are drawing down funds at the rate of $300,000,000 a year. Furthermore, new consumers are going on REA-financed lines at the rate of more than 30,000 per month, the highest on record. There has been improvement in all phases of the material situation within the past year.

In the State of Tennessee there were only 9,927 farms electrified in 1934. This was only 3.6 percent of the total. Now we have 61,573 which have electric service. The number would be double that if the co-ops and the REA could take care of the demands. I hope to see the day when every farm family in Tennessee has electricity. Gentlemen, let us support this amendment.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. TABER. Mr. Chairman, I move that all debate on the pending amendment close in 19 minutes, the last 5 minutes to be reserved to the committee.

Mr. CANNON. Mr. Chairman, a point of order. The gentleman can move to close debate, but he cannot control it. If 10 minutes is agreed to it will be 10 minutes for all Members.

Mr. TABER. Mr. Chairman, I move that all debate on this amendment close in 15 minutes.

The motion was agreed to.

Mr. LECOMPTE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LECOMPTE. Will the 15 minutes be divided among those Members who are on their feet?

The CHAIRMAN. All Members will be recognized who were on their feet at the time the motion was agreed to.

Mr. JENSEN. Mr. Chairman, I rose but I rather think I was a little late. I would like to be included in the list.

The CHAIRMAN. The gentleman will be included.

The Chair recognizes the gentleman from Wisconsin [Mr. KEEFE] for 1½ minutes.

Mr. KEEFE. Mr. Chairman, I have some facts I want to present to the committee on this situation but I shall be

unable to do so. May I just simply say that we perhaps will legislate on this issue without facts.

I am a friend of the rural electrification program and have always supported it, and I want rural electrification to be continued. But, the simple fact of the matter is that there was an unallocated balance last year of $6,992,000, and we appropriated $225,000,000, a total of $231,000,000 plus, out of which allotment they have used up to December 12, $108,000,000, leaving a balance unallotted of $123,000,000 that is available for allotment to the Rural Electrification Administration.

Now, on the other side of the situation there is just this: To show the lag between allotment and construction, there is available at the present time a fund lying to the credit of the REA of $588,730,000 that they have not been able to spend, and you are being asked to add $200,000,000 more to this project. It is no wonder that neither the President of the United States nor the Bureau of the Budget failed to recommend an appropriation of $200,000,000. They have got all the money they can possibly use in accordance with the statement of the REA themselves.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

The Chair recognizes the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION. Mr. Chairman, I think the REA is one of the very best programs in which the Federal Government participates, and I think the country generally is back of the REA. I wish again to have some figures repeated so that I will have them clear in my mind.

Will the gentleman from Wisconsin answer these questions? How much money did we provide to be allotted for the fiscal year ending June 30, 1947?

Mr. KEEFE. Two hundred and twenty-five million dollars, and about six million dollars carried over from last fiscal year.

Mr. ROBSION. How much has been allotted of this sum of $231,000,000?

Mr. KEEFE. One hundred eight million three hundred sixty thousand one hundred and eighty-four dollars.

Mr. ROBSION. How much remains unallotted?

Mr. KEEFE. One hundred twenty-three million six hundred thirty-one thousand nine hundred and forty-two dollars.

Mr. ROBSION. Well, of course, all the money allotted has not been used. What was the amount of money made available for construction for the REA?

Mr. KEEFE. There was available in this fiscal year $588,730,461, out of which they had spent up to December 12, $105,200,973, leaving a balance of $483,529,488.

Mr. ROBSION. So at the present time we are using about two hundred million a year for allocation; is that it?

Mr. KEEFE. No; about $210,000,000 a year.

Mr. ROBSION. I thank the gentleman.

The amendment of our friend the gentleman from Mississippi [Mr. RANKIN] proposes to appropriate an additional $200,000,000 at this time for REA. While I do not oppose this amendment, quite a number of stanch friends of the REA, the gentleman from Wisconsin [Mr. KEEFE], the gentleman from Minnesota [Mr. H. CARL ANDERSEN], and others of the Appropriations Committee of the House, are opposing it for one reason only—that there is still $123,631,942 that has not yet been even allocated. In other words, less than one-half of the two hundred and thirty-one million for the fiscal year beginning July 1, 1947, and ending June 30, 1948, has been allocated. We can see at once that more than one-half of this sum for the fiscal year has not been allocated.

An overwhelming majority of Republicans as well as Democrats feel as I do that this is one of the very best programs ever set up and carried on by the Federal Government for the people generally of the rural sections of our country, and apparently it has been carried on in a most efficient and businesslike way. The Government has made available loans for very large sums of money to the REA at 2 percent and these loans and the interest have been promptly met by the various REA groups of the Nation. Therefore, the REA and its friends need not be alarmed. The Congress, in my opinion, will provide from time to time all the funds that may be needed to carry on this admirable program.

The two hundred and twenty-five million referred to is the new money that was provided by the Congress for new allotments for the present fiscal year as of June 30, 1947. There had accumulated and was available for construction $588,730,461 for the present fiscal year. One reason for the accumulation of this large sum for the REA was due to the fact that because of the scarcity of equipment and materials only $105,200,973 has been used. This leaves a grand total of unused funds appropriated for the REA of $483,529,488. Unless the program of the REA is greatly accelerated in processing claims and in construction, the $123,631,942 will provide ample funds for allocation to June 30, 1948, and, of course, it is physically impossible to allocate and spend all of the $483,529,488 for allocations and construction before the end of the present fiscal year, June 30, 1948.

Another reason for the opposition to the amendment of the gentleman from Mississippi [Mr. RANKIN] is that his proposal has not been submitted to, considered, or examined by the Budget Bureau or submitted to the Congress in the President's budget message, which will likely be done early in January 1948. The Congress generally considers deficiency appropriations in the months of February or March of each year. The members of the Appropriations Committee and the officials of the Government are certain that no additional money will be needed either for allotment or construction before that time, and if it shall appear at that time or any time that additional money is needed the Congress will speedily provide the funds.

It is the purpose of an overwhelming majority of the Congress, in my opinion, to give the REA such encouragement and help as may be necessary to give to all the farmers and other rural people opportunities to enjoy the benefits of this service. Many of us are especially anxious to do this in view of the amount of money that is being sent to foreign countries and in some of those countries that are being given aid in large sums which have a larger percentage of farmers and other rural people using electricity. We can render no greater service to the general welfare of our country than providing these rural people this means of heat, light, and power and to aid them in the construction of their highways. There are too many good Americans still in the mud and without the use of electricity.

I wish to commend the officials and managers of the various REA groups throughout the Nation for the efficient and businesslike manner in which they have handled the REA and wish to urge them to continue to carry on in this splendid manner, and if they do they can depend upon Congress for such aid as may be necessary.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. MORRIS].

Mr. MORRIS. Mr. Chairman, it seems to me that there should be, and actually is, one big difference between the appropriation of an item for a bureau or to any department of Government that is going to spend it all, and make no monetary returns, when compared to an item in the appropriation bill that is going to an instrumentality of Government or some other place, where the money is all going to be returned. This amendment will not cost the Government one dime if past experiences are any guide to the future, and I think they are. The REA will return all of this money. There is no expenditure. It is merely a loan, and there certainly should be a big difference.

Now, the question was raised a while ago when the gentleman from Mississippi was asked the question why he did not make arrangements to have this go through the regular channels. I concede the proposition that if he were asking for an amendment to spend money it ordinarily should go through the regular channels, but this is not spending money, this is merely loaning money, and I think there is a big difference. I think the amendment should prevail.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

Mr. H. CARL ANDERSEN. Mr. Chairman, our subcommittee last spring gave all the money we figured REA could use in view of the bad materials situation. Yesterday I talked to Mr. Wickard, head of REA, and have requested of him to let me know how we here can help break loose this tight electrical-supply bottleneck. If that hindrance to construction is removed, I will gladly help the gentleman from Mississippi [Mr. RANKIN] secure from the Appropriations Committee whatever additional funds are needed. No request has been made of our committee as yet as a supplemental for this fiscal year. I am sure our deficiency subcommittee will consider favorably any requests for additional funds, if the REA needs the money for construction

and allocation purposes. I have often shown the Congress the splendid record of repayment of loans which our REA cooperatives have made. Less than one-tenth of 1 percent of the near $1,000,000,000 advanced will be the loss to the taxpayers. Banks would be glad to be assured of similar repayment records by their borrowers.

No good can be done now for our cooperatives by giving them 200 additional millions of dollars today. If we could help push this great work faster, I would support Mr. RANKIN's motion. There is today $125,000,000 that has not been allocated, and nearly $400,000,000 that has not been used, simply because our cooperatives cannot get the materials they need.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Mississippi.

Mr. RANKIN. The materials situation is now loosening up.

Mr. H. CARL ANDERSEN. Very slightly, though, Mr. RANKIN. Mr. Wickard yesterday told me that the situation is becoming better. I hope it will improve to the extent that REA can come in this spring to the deficiency subcommittee and justify an additional allocation. I am sure that this great program will be pushed to completion as rapidly as possible. However, today, REA has not asked for any additional funds, and without such a request, it is very difficult for the Appropriations Committee to know just what is the situation. We will give them all the money REA can use. REA's record of handling the money in the past assures them of my help, personally.

Mr. RANKIN. If this money is not used, it will still be in the Treasury.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. WINSTEAD].

Mr. WINSTEAD. Mr. Chairman, rural electrification has been perhaps the greatest thing that has happened for the benefit of the rural people of the United States. I am proud that I have had a part in this great program. It is with a great feeling of pride in the action of this and preceding Congresses that I go into the communities of my district where they have electricity. Yet there is another side of the picture. In spite of this great program and what it has meant to those who have gotten current there are those who have not been able to secure this electricity.

This great program means nothing to that man until he gets current. While it is true that the REA has millions that have not been spent, I would like to call attention to the fact that the funds must be appropriated so that the REA can allocate the funds to the local REA associations before they can place their orders for equipment and material, the real hold-back to expansion. We must increased the appropriation so that the construction will go ahead at full force and rapidly as possible. Too, I would like to call attention to the fact that while we may make this appropriation and the REA may allocate the money, it actually is not spent until the material is secured and the construction made. Thus, the Government is not out anything by making these funds available so that they may be allocated, the materials ordered, and the extension of rural lines pushed in every way possible.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. WINSTEAD. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman from Wisconsin [Mr. KEEFE] undertook to tell the Committee of the Whole that the REA has over $500,000,000 on hand. The truth of the business is that all that money has been allocated. Now they are calling for more. I know what I am talking about. Today they have $157,000,000 more applications than they have funds, and the applications are coming in at the rate of $20,000,000 to $30,000,000 a month.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. WINSTEAD. I yield to the gentleman from Texas.

Mr. MAHON. Is it not true that if the money is not obligated or expended it will not be wasted, and that they need adequate funds to plan for the over-all program?

Mr. WINSTEAD. Exactly so. Further, many of our managers have been unable to take applications for the last few years for the reason that they could not get equipment without the allocation of funds.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. LECOMPTE].

Mr. LECOMPTE. Mr. Chairman, I am in favor of this amendment, although I would be willing to compromise for a lesser amount rather than fail completely. I fear the amount is too much to win approval. Of all the projects instituted in recent years I believe REA is the best. Whether this amount, $200,000,000, is the correct amount or not I do not know. Possibly it ought to be compromised on a smaller amount. But I have been down to the REA not once but several times, and I think the gentleman from Wisconsin is mistaken when he says there is $500,000,000 unallotted. There may be $500,000,000 unexpended, but not that amount unallotted.

Mr. TABER. There is $123,000,000 unallotted.

Mr. LECOMPTE. Yes; but they have a great many applications, and they are allotting the money as fast as they can approve them.

Mr. TABER. There is money enough unallotted to take them over the next 6 months, the way they are going and the way they have been going all year.

Mr. LECOMPTE. I thank the gentleman, but I think if they approve all the projects for which they have applications the $123,000,000 will be more than exhausted.

Mr. TABER. They could not do that, possibly.

Mr. LECOMPTE. I think the REA program has done more for rural life than any other one thing. Electrification has increased the production of Iowa farms by furnishing the equivalent of an extra man on every farm that is electrified. REA aided with the social problem by helping to keep the young people on the farms. To that extent I think the REA is the best project we have had in recent years.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Chairman, I wish I knew for sure whether this was an attempt to do something for the rural people of America or whether it is just for political purposes. You know, back home I have been accused of not being thoughtful enough about the farmers. There is some outfit, I do not know just what it is, that has something to do with the REA that tells the good people out there in my district that I am not for the REA. I have installed an REA myself for that matter. I would like for them to go ahead and prove it. The House appropriated money last year and I am certainly willing to go ahead and appropriate all the money that is necessary. I am not going to be frightened into appropriating money that cannot be properly used. I know every dollar of it will come back. But I do get kind of tired of finding all these people who are so interested in cooperatives all of a sudden when it is so close to election time because the REA is about the only cooperative they have. As a matter of fact, I presume in my district I have more cooperatives than most of these States have. I do not see why it is necessary every time to get the political angle in connection with rural electrification because only a little over 50 percent of the farmers of this country have lights at the present time. After they get the lights in, there are 9 out of 10 of them that will need other modern conveniences.

There is altogether too much partisan politics injected into rural electrification and not enough watts.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, I have received numerous letters from officers of the REA and other folks in my district telling me they are informed by the REA officials here in Washington that an insufficient appropriation was made for the fiscal year 1948. If that is the situation then the needed funds should be made available and quickly. I do know that a lot of farms in my district and in my State of Iowa are not now energized and that power is badly needed for full farm production now when we need it so desperately. I am very sorry that hearings have not been held to ascertain just what the true facts are in this important matter. I am sure if hearings had been held and if we had learned for sure that an appropriation is now needed in almost any reasonable amount, that the Congress would appropriate that necessary money during this special session. It leaves the House, may I say to my good friend the gentleman from Mississippi [Mr. RANKIN], in a very uncertain and confused state of mind because we have not had hearings on this matter and we have not heard the REA officials, to justify this request that you have just made right out of a blue sky. And so it is difficult for any Member of Congress to take snap judgment

and vote intelligently unless he is willing to simply shut his eyes, and vote for the amendment only because he fears the political repercussions if he does not. During my 9 years in Congress I have each session supported the full amount of funds for REA recommended by the Agriculture Subcommittee of Appropriations, because I am sure every dollar will be returned to the Federal Treasury. And what a wonderful thing light and power is for the American farmer, his wife, and family. You see I was a boy on the farm in the dark age so to speak.

The CHAIRMAN. The time of the gentleman from Iowa has expired. All time has expired on this amendment.

The question is on the amendment offered by the gentleman from Mississippi [Mr. RANKIN].

The question was taken; and on a division (demanded by Mr. RANKIN) there were—ayes 69, noes 105.

Mr. RANKIN. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the chairman appointed Mr. TABER and Mr. RANKIN to act as tellers.

The Committee again divided; and the tellers reported there were—ayes 81, noes 98.

So the amendment was rejected.

The Clerk read as follows:

DEPARTMENT OF THE ARMY

CIVIL FUNCTIONS

Government and relief in occupied areas: For an additional amount for "Government and relief in occupied areas," $230,000,000.

Mr. KERSTEN of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KERSTEN of Wisconsin: On page 5, line 41, strike out "$230,000,000" and insert "$232,000,000."

Mr. KERSTEN of Wisconsin. Mr. Chairman, the amendment I am offering at this point seeks at this time late in the special session only a modest increase in the amount of $2,000,000 in the total allocated in the bill for occupied areas. The bill allocates two hundred and thirty million. My amendment would increase it to two hundred and thirty-two million. The increase is intended for Germany; one million for additional textbooks for children in the American zone and one million for protective clothing for workers in railroad repair shops in our zone.

The condition of education in the American zone of Germany is deplorable. The children are virtually without any textbooks. There is a great shortage of teachers. There is a great shortage of paper and the regular paraphernalia necessary in primary schools.

When the American occupying forces took charge in 1945 we destroyed all the Nazi textbooks and discharged over half of the teachers. This, of course, had to be done. There was no alternative. But more than 2½ years have passed. At the present time there is only one textbook per child. There are on the average more than 70 children per teacher.

The Russians have managed to furnish seven books per child and many teachers anxious to indoctrinate young Germans with communism.

Do you gentlemen realize what this situation will lead to? The result, if not remedied, will be that Soviet Russia will raise and train a case-hardened core of new young German Communists who will, in a few years, be ready to lead all Germany into the Soviet sphere.

While we debate the Marshall plan, Russia is seriously engaged in training the German youth. She does not hesitate to spend money to carry out her daring foreign policy of taking over Europe by the most effective means.

There is no more important segment of the population than the children and youth. If Russia can train the German youth, there is little else she has to worry about. She can rely on eventually taking over Germany if she can take charge of the German youth today.

In what position is Russia if she succeeds in winning all of Germany into her orbit? That is the most dangerous combination possible for the peace of the world. Russia has tremendous natural resources and great manpower. She lacks technical genius and efficiency to implement her power. Russia's answer to fulfill her world ambitions is to acquire a people like the Germans who can supply her deficiencies.

Read Molotov's statement of December 13 at the meeting of the Council of Foreign Ministers. Observe how he attempts to woo the German people and to convince them that the United States is only interested in exploiting them and holding them down.

Similarly if you would listen to the Russian broadcasts over all Germany you would observe the strong effort being made to turn the Germans toward Moscow and to vilify the United States in their minds.

We cannot afford to permit Russia to accomplish its objective. We are merely proving the Russian case by letting the German children languish without ordinary educational help. This modest increase will permit an increase of three or four textbooks per child. You say there is enough money now there to increase the books, but my answer is that all of this money is for food and you have not increased any of the allocations over the last period.

Children growing up amid ruins without proper direction will turn to nihilism or communism. We Americans have a real responsibility in Germany.

As to the second million dollars for clothing for workers in the railway shops, we are told by those in charge of the railway repair shops in Germany that the men are required to work there this winter without gloves, without underwear, in many cases without shoes. Many of them are wearing paper for underwear and gunnysacks for socks. What does that mean? It means that those men cannot work efficiently in some of these bombed-out factories without shoes and without gloves or underwear. With warmer clothing it means that instead of the 100 or 200 wagons—that means freight cars—they will turn out double that amount. They can increase that number of 100 to 200, of 200 to 400. They can double the amount of repairs on locomotives from 15 to 30 locomotives a month. Those figures were given me by men in charge of this matter, and this may be accomplished if they can have this protective clothing.

Why is this important? It is important to get the transportation system of Germany going. They are mining more coal than they can haul away from the mines because they have not got the cars. They had 1,000,000 wagons before the war; now they have a half million. So an increase in allotment of protective clothing to the workers in the repair shops will be aid given to a very vital point where a direct effect would be noticed.

Mr. Chairman, I ask the committee to grant this very modest request of $2,000,000 for protective clothing and for the increase for the education of children.

Mr. TABER. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, there will be available if this item is carried as it stands in the bill, $230,000,000, a total of $630,000,000 for the relief of the occupied territory and for operations in the British zone. In the justifications that were submitted to the committee by the Department there is the sum of $2,000,000 for the supplying of paper and for educational textbooks in the zone. There is no reason why they cannot use that money.

As far as the clothing proposition goes, while that particular item may not have been provided for, and it undoubtedly would be a desirable thing, there is no reason why this could not be provided with the funds that are already carried in the bill. So I am going to suggest that probably the gentleman from Wisconsin has done a service in calling attention to this need; however, it can be done with what is already in the bill, and for that reason I feel we should not increase the amount.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, if the gentleman from New York [Mr. TABER] had not made the statement he just made I should vote for the amendment offered by the gentleman from Wisconsin.

Mr. Chairman, I rise also to speak of the need for automobiles by the paraplegics, and the gentleman from Wisconsin has much need of this for his veterans too. I wish we all realized the need these men have for those cars, so that they can get out of the hospitals and go home and so that they can go to and from their work. H. R. 4007, which would accomplish this, was ready for action in the last part of this last session. It was reported favorably from the Committee on Veterans' Affairs on July 2, 1947. It passed the Senate last year.

Mr. HINSHAW. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from California.

Mr. HINSHAW. The gentlewoman speaks of paraplegics. What about the quadraplegics? I understand there are about 115 of them.

Mrs. ROGERS of Massachusetts. They are included in the Mathews bill, which is the House bill, and also the amputees, who were not included when the amputee bill went through the Senate.

I have never been so befuddled and disheartened in my life as I am at the moment, because we have not as yet secured any legislation which would enable those veterans who are taking institutional training to have a slight increase in order that they may live in these days of excessively high prices.

I would like to ask the Members of the House how many of them went through the mental hospitals during the recess, through the wards where the mildly disturbed nervous cases are, and through the wards where the violently disturbed cases are? I would like to ask the Members how many boys they talked with; how many of the boys who had nervous break-downs, because they could not continue their studies, because they did not have the funds to carry on. The Meade bill, H. R. 4212, only asked for a small increase for the veterans for subsistence allowence; $10 a month additional for the single men and about $15 a month for the married veterans, and an additional $15 for veterans with several children. I would like to ask the Members who were here in 1944 to hark back to that time. Do you remember when you were asked to send the tools and implements of war to those boys in order that they might save us? One of the things that I was in four countries for in 1944 was to try to help to get those materials of war to those boys at the battle front, and those same boys now in the hospitals in England and France and Belgium and Italy asked me what we were going to do for them regarding the education that they were losing, and I promised them that we would give them something, and we did pass the GI bill of rights which gave them a chance for education. Unless they have more money many of those now in schools will have to give up their courses in January. I plead with the Democrats and the Republicans, for it is not a party matter, to do something for these veterans before we adjourn. I know every Member feels kindly toward the veterans. Let us act before it is too late.

The CHAIRMAN. The time of the gentlewoman from Massachusetts has expired.

The question is on the amendment offered by the gentleman from Wisconsin [Mr. KERSTEN].

The amendment was rejected.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I will take the time of the committee for only a minute or two. I have in my hand a report which is titled "National Income and Expenditure of the United Kingdom, 1938 to 1946" which is presented to Parliament. It states on the cover, "By the Financial Secretary to the Treasury by Command of His Majesty, April 1947," and is printed by His Majesty's stationery office of London.

It gives a report of the financial picture of the British Empire, and at page 7 it carries a table "balance of payments, table 3." Under the heading of "Government Expenditure" it has a subparagraph or item "(C), cost of Germany, net, thirty-eight million." Now, that thirty-eight million is £38,000,000. At the current rate of exchange of about $4 per pound, it would be something less than $160,000,000 as the total cost of operation in Germany for England during the calendar year 1946.

I call that to your attention and put it in the RECORD at this point as evidence that the Committee on Appropriations was justified in saying that as to the funds requested for taking over the responsibilities in the British zone, the committee would provide only $100,000,000 at this time and hold in abeyance consideration of the additional $137,000,000 which was requested in the budget estimate. The budget estimate came in for $237,000,000 for the United States to take over the costs in the British zone for a period beginning the latter part of this year and running until June 30, 1948; in other words, for slightly over 6 months, with the British still contributing approximately 10 percent of the presumed cost for the operation of the British zone, we were asked to provide $237,000,000, where the statement of the British Treasury is that it cost them less than $160,000,000 for the entire year of 1946.

That ought to be a part of the record and ought to put the Congress on notice that when we are asked for funds for this purpose we should give it a second look.

The Clerk read as follows:

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

Welfare of Indians: For an additional amount for "Welfare of Indians," including the objects specified under this head in the Interior Department Appropriation Act 1948, $200,000.

Mr. HARLESS of Arizona. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARLESS of Arizona: On page 6, line 24, strike out "$200,000" and insert "$500,000."

Mr. HARLESS of Arizona. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. HARLESS of Arizona. Mr. Chairman, it was my experience last spring to go out to the Navajo Indian Reservation and live on the reservation. You will recall that several times I brought to your attention the condition of those Indians. It is my purpose today to tell you why those people are starving to death.

In addition, I call to your attention the fact that only last week the House and Senate committees which have jurisdiction over Indian Affairs recommended and we in this House passed a bill which would provide $2,000,000 for relief of the Indians, $500,000 of which was to be used for immediate relief purposes and $1,500,000 to be used in a permanent program.

I want to go back in history and give you some facts which have brought about the present situation. In 1868 the United States had a treaty with the Navajo Tribe. We took them off good land and placed them on a barren wasteland. The United States permitted a railroad to go through the better part of what had been their pasture lands. We put them on the most worthless land that could be found in the United States. At that time there were some 8 000 of them. We captured them and gave them a treaty, at the point of a gun, to educate their children and furnish 1 teacher for every 30 students. We agreed to furnish housing for them. We agreed to provide for their welfare. We have never fulfilled that treaty.

Over a period of time, in order for these people to survive on this poor land, they grew sheep, and the number gradually increased until in 1938 they had some 1,500,000 sheep. That was their sole source of income. Finally Government agents found that overgrazing was causing the land to erode and the fine silt was going down the streams into Mead Lake and filling up the lake in front of Hoover Dam. The great White Father could not afford to have his own project destroyed. So Government agents ordered the Indians to reduce their herds, and they were forced to cut them to 300,000 head. As a result, one family could have only 61 head of sheep, regardless of the number in the family. Since that time we have not permitted any new families to obtain a sheep permit. A man who was married and has raised a family since 1938 has not been permitted to have any sheep.

When the war came, many of these people were employed in war industries. Some four or five thousand of them were working in one big project at Belmont, Ariz. Another 2,000 of them were employed on the railroad. Another 4,500 of them went to war and fought for us. As long as they had an income from war activities and dependency checks the people got along all right. When the war ended some of the war workers brought back venereal disease and other white men's diseases which are now destroying the Indians. There are between 60,000 and 65,000 of these Navajos. Almost 40 percent have tuberculosis and 35 percent of them have a venereal disease. There are not half enough doctors and nurses there to take care of them. The hospital facilities are far inadequate. There are some 22,000 children of school age. Only 5,000 of them are going to school. The school buildings and teaching staff are inadequate. Mind you, we had a treaty to educate these people. Less than 50 percent of them can speak the English language.

We stand here today and talk about relief for foreign nations when we have a national disgrace in our own country. According to the estimates of the Secretary of the Interior, the Navajo Reservation is capable of taking care of only 35,000 people, provided it is developed to the highest extent. It would cost some $75,000,000 for irrigation projects to support 35,000 people. Yet, we have some 60,000 or 65,000 people there now. By the time such projects could be provided there would be at least 75,000 Navajos. Some people have the nerve to come here and say that only 5,000 of them are hungry. Why, 5,000 of them will die of starvation this winter unless we provide this relief and in sufficient amounts.

Everybody up there is hungry. As a matter of fact, they would not have tuberculosis if it were not for malnutrition. These are the first Americans who occupied this land. We drove them onto this worthless land, and now it is proposed to appropriate only $200,000, or $3 a person, for these people. Unless we pass the amendment and provide additional funds, many will die during the next 90 days.

I yield to the distinguished gentleman from California [Mr. WELCH].

Mr. WELCH. Is the gentleman from Arizona aware of the fact that the Bureau of the Budget recommended $450,000 to be included in this deficiency bill for immediate relief of the Navajo and Hopi Indians?

Mr. HARLESS of Arizona. Yes. I thank the gentleman from California for that observation. The Bureau of the Budget asked for $450,000 for this immediate relief, and it was cut down to $200,000. Four hundred and fifty thousand dollars would not be enough. I say that $500,000 is meager enough.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. HARLESS of Arizona. I yield.

Mr. JENNINGS. I am in hearty sympathy with the gentleman. So far as I know there is not an Indian in my district but I have a letter this morning from one of the finest citizens in my district that he is aroused and indignant at the outrage that is being perpetrated on these helpless people.

Mr. HARLESS of Arizona. I thank the gentleman for his observation. I think we should hang our heads in shame at the thing that is being done to these people, and for what we have done in the past. There is need for a permanent policy for these people. It is not only necessary to have this temporary relief today, which we will pass at this time, but we need a permanent program.

I yield to my distinguished friend, the gentleman from New Mexico.

Mr. FERNANDEZ. The House committee and the Senate committee that investigated the matter this summer recommended $500,000, although they did not have to, and reported a bill recommending $500,000 for immediate relief, and $1,500,000 to provide work for the unemployed.

Mr. HARLESS of Arizona. I thank the gentleman for that observation.

This is a plain case of taking care of destitute people. If you were to go there and see the conditions, it would make your heart bleed. You people think about the Indians, of course, as being a diminishing race. This is one race of Indians that is increasing. They are energetic. They want jobs. They want their children to be educated. They want to be good citizens. I talked to many traders on the reservation. Every trader I talked to said that the Navajo people and the Hopi people are energetic and wanted to work. After we have taken care of this relief, and I sincerely believe that you will provide this necessary amount, I hope that next spring we will provide a permanent program for these people and provide some way of getting them off the reservation. I hope we will educate their children, to which they are entitled. We owe this to them not only because they are a part of America, but they were the first Americans.

Mr. CASE of South Dakota. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close in 8 minutes, the last 3 minutes to be reserved to the committee.

Mr. WELCH. I object, Mr. Chairman.

Mr. D'EWART. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Arizona.

Mr. Chairman, I regret that the Appropriations Committee has not found it possible to recommend appropriations of the full amount of $2,000,000 that was included in the relief bill for the Navajo and Hopi Indians which has been passed by the Congress.

The need for this amount, in addition to the food and gifts that have been made available by charitable organizations, the War Assets Administration, and the relief provided in the regular Indian appropriation bill, can be demonstrated beyond question. Your Subcommittee on Indian Affairs held hearings on the Navajo Indian Reservation on October 27, 1947. I had an opportunity to visit some of the irrigation projects, to drive some four or five hundred miles over the reservation, and to visit with not only representatives of the Indian Bureau but with members of the tribe, traders on the reservation, and others who are interested in the welfare of this group. The problem of relief is not a new one but one that has been growing over the years. It has been particularly pressing this winter, due to the fact that many who were in the armed forces and whose families received supplemental relief, and others who were employed during the war in off-reservation work, now find themselves without this means of support.

There are some 61,000 people on this reservation that it is estimated will not support over 30 or 35 thousand. The range has deteriorated until what has been in the past the chief means of livelihood, sheep raising, has been drastically curtailed. Other means of livelihood have not been provided.

In the hearings before the Appropriation Committee it is estimated that there will be over 3,800 people in need of direct relief this winter. I gather from reading the testimony carefully that this does not include Navajo children, but only heads of families. According to the report, it is planned to provide $15 per person per month, which will supplement the $5 provided out of the Indian relief fund, plus charity. This evidently does not include any children of which there are at least 20,000 on the reservation, one-third of whom suffer from inanition, malnutrition, neglect, and exposure.

In order to drive home to the members of this committee the desperate need for the minimum of $2,000,000 recommended by your Public Lands Committee, I want to quote from a welfare bulletin dated October 1, 1947, issued by the Bureau of Indian Affairs:

An intensive analysis of death certificates made over a 4-year period (1942 through 1946) shows 149 deaths of Navajo children primarily under 4 years of age where either the initial or the contributing cause of death was given as one of the following: (1) Dietary error and neglect, (2) feeding problem, (3) inanition, (4) lack of food and attention, (4) malnutrition, (6) neglect and exposure, (7) starvation, (8) irregular feeding, and (9) improper feeding. All the deaths occurred in a hospital and all the death certificates were signed by a medical doctor.

In the 149 deaths there were 77 instances where either malnutrition, starvation, lack of food and attention or inanition alone were given as the primary cause of death, and 38 instances where they were listed as the secondary cause of death during the 4-year period.

In the total United States population for 1944 there were only 24 deaths listed under code No. 189 which includes inanition, starvation, lack of food, and death by privation.

No stronger argument than this can be made for the need of congressional support of welfare and better health conditions for the Navajo. The Federal Government has tragically failed in this regard, and now when we have an opportunity to give a minimum of relief to these destitute people, we propose to give not the $2,000,000 that is necessary to provide relief for these destitute people and their children, but rather one-sixth of that amount.

Mr. Chairman, I sincerely hope some way can be found to appropriate the $2,000,000 that was recommended by the Public Lands Committee and authorized by this Congress after a most careful and thoughtful survey of the situation.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. D'EWART. I yield.

Mr. McCORMACK. The gentleman has made a very strong case. May I suggest to the gentleman that there is no better time of the year that this act could be carried out by this House than at this time, with Christmas and all of the joys and meaning of Christmas approaching us.

Mr. D'EWART. I thank the gentleman.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. D'EWART. I yield.

Mr. H. CARL ANDERSEN. I am glad to see the gentleman supporting this amendment. As a member of the Appropriations Committee, I intend to support it.

Mr. D'EWART. I thank the gentleman from Minnesota.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. D'EWART. I yield.

Mr. JOHNSON of California. Was your committee unanimous in your recommendation that we do something about this situation?

Mr. D'EWART. Not only was the subcommittee unanimous, but the full Committee on Public Lands was unanimous in its recommendation.

Mr. JOHNSON of California. All the letters I have had indicate that they are in a terrible shape. I want to try to help do something about it.

Mr. D'EWART. I thank the gentleman from California.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. D'EWART. I yield.

Mr. JENNINGS. I want to say to the distinguished gentleman that I feel like my Christmas turkey would choke me if I voted against this proposition.

Mr. D'EWART. I thank the gentleman from Tennessee.

Mr. JENNINGS. We strain at a gnat when it comes to helping our own people at home and we swallow a whole drove of camels for somebody in Europe.

Mr. D'EWART. I thank the gentleman.

Mr. JACKSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. D'EWART. I yield.

Mr. JACKSON of Washington. I would like to commend the gentleman from Montana for the work which his committee has done and the full committee also. I am familiar with the plight of the Indians in Arizona and I know that the amendment that has been suggested is most deserving.

Mr. D'EWART. I thank the gentleman from Washington.

Mr. LEMKE. Mr. Chairman, will the gentleman yield?

Mr. D'EWART. I yield.

Mr. LEMKE. Is the gentleman in agreement with me when I say it is the intention of your committee to make these Indians self-supporting, but that they must have some assistance?

Mr. D'EWART. The gentleman is entirely correct. There are more Indians on this reservation than the reservation can possibly support. It will take a long-time program to take care of the situation. The matter that is before us at the moment is simply a temporary arrangement to get these Indians through this winter.

Mr. POULSON. Mr. Chairman, will the gentleman yield?

Mr. D'EWART. I yield.

Mr. POULSON. Is it not true that while this is an acute situation, we have similar cases throughout the West with some of our Indian tribes?

Mr. D'EWART. That is probably true. However, it is this particular tribe that we had an opportunity to investigate and view carefully, and we know the situation that we speak of at this time. I hope this amendment will be adopted.

Mr. CHADWICK. Mr. Chairman, will the gentleman yield?

Mr. D'EWART. I yield.

Mr. CHADWICK. I represent a district about as far geographically removed from this problem as one can imagine, but throughout my district and by correspondence and personal appeal, interest in this program and the realization that we must do something for these Indians is very largely manifested. I think that is characteristic of the thinking all through the East.

Mr. D'EWART. I thank the gentleman from Pennsylvania.

Mr. Chairman, I sincerely hope this amendment will be adopted.

The CHAIRMAN. The time of the gentleman from Montana [Mr. D'EWART] has expired.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the plight of the Navajo and Hopi Indians presents a very unusual and pathetic situation. The people in my district who are far removed from these Indians want to see them properly and adequately taken care of, and I for one intend to vote for the amendment. I wonder, however, if it has ever been brought to your attention that the Congress long ago, in 1936, voted a social-security program which was designed to take care of people everywhere in America. It was supposed to relieve the aged, the crippled, the blind, the neglected and dependent children. It provided for unemployment compensation and old-age and survivors' insurance.

The States of Arizona and New Mexico are involved in this program because the reservation crosses the State lines. Each of those States submitted programs to the Social Security Board for approval, and in those programs that were approved by the Social Security Board it was provided that aid under the Social Security program should be given without discrimination.

What has happened? Why are not these people on this reservation receiving the aid under the social security program that they are entitled to?

Mr. HARLESS of Arizona. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I must ask the gentleman to let me complete my statement; then I will yield if I have time.

The situation is that in New Mexico a case is now pending before the Social Security Board to find out why the State of New Mexico is not taking care of the Indians under the law and why they are discriminating against these Indians who are citizens of the United States. I think it is high time for the Members from those States who are constantly voicing their opinions on this floor in behalf of the Indians to say something to their own States and ask the reasons why their States are refusing to administer the social security law as intended, and provide the money in the form of matching funds to see that the Indian gets a square deal in the manner in which the social security law contemplated.

I now yield.

Mr. HARLESS of Arizona. I call the gentleman's attention to the fact that the Federal Government has a responsibility towards these Navajos and Hopis that it is trying to shift onto the States of Arizona and New Mexico. They are trying to make our Social Security Board carry an unbearable burden.

Mr. KEEFE. The gentleman does not answer the question at all. His State is providing social-security benefits for people in Arizona other than Indians, but when an Indian on the reservation makes application for social-security benefits what do they do to him? What do they do to him in New Mexico? They deny him, and that is why the State of New Mexico is right now called before the Social Security Board. I believe their whole funds should be withheld until the State of New Mexico as a State sees fit to comply with the law and provide aid for these Indians without discrimination. I hope the Social Security Board will see to it that the gentleman's State, if you please, is required to meet its full responsibility under the Social Security Act. If his State does that, then he will not constantly be coming here asking the Nation to take care of his State's responsibility.

The situation is presently a critical one, Mr. Chairman. We must take care of them, they have got to be taken care of, and I want to see them taken care of. They are our people, our citizens—I am willing to vote to give them the proper amount of money, but I am calling your attention, sir, to this fact because I do not want the States of New Mexico and Arizona to foist off their responsibility in this matter on the Congress of the United States.

Mr. HARLESS of Arizona. Mr. Chairman, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. HARLESS of Arizona. This is a responsibility of the Congress. The Federal Government has a treaty with these particular Indians which it has never fulfilled.

Mr. KEEFE. The gentleman's State claims in effect—and I know what the claim is—that under the social-security law a person who is an inmate of a public tax-supported institution is not entitled to the benefits of the social-security program. The gentleman's State contends, and it is likewise the contention of New Mexico, that these Indians—to whom your heart goes out all the time—are, in effect, living in an institution supported by the taxpayers of the Nation, and, therefore, they are not entitled to social-security benefits. The gentleman can assume that attitude if he wants to, but as far as I am concerned those Indians are American citizens and they are entitled to the benefits of the Social Security Act.

Mr. HARLESS of Arizona. The gentleman wants to shift the responsibility of Congress onto the States.

Mr. KEEFE. I intend no shift of responsibility—I simply demand that existing law, that these States have agreed to, shall be enforced—if this is done and these Indian citizens are treated as Americans we may expect a great improvement in their health and education.

Mr. TABER. Mr. Chairman, I move all debate on the pending paragraph and all amendments thereto close in 21 minutes.

The CHAIRMAN. The question is on the motion offered by the gentleman from New York [Mr. TABER].

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Utah [Mr. DAWSON] for 2½ minutes.

Mr. DAWSON of Utah. Mr. Chairman, I am in favor of the pending amendment. I should also like to call attention to one or two facts I do not believe have been mentioned. A good many of you have received letters from your constituents calling attention to this matter.

Out in my own State the people are really doing something about it. Within the last few weeks we have heard a lot about our foreign-aid program. We are willing to throw money around the world, we seem to be worried about whether the people are going to receive the relief we

are putting out. However, out in my State the Mormon Church and others who are interested in this problem are going ahead with a relief program of their own and distributing these supplies directly to the Indians. They started a Friendship Train out from the north end of Utah and by the time it reached the south end of the State, at the location of the Indians, it contained a good many hundreds of tons of food. The church and other institutions out there are taking on this problem to feed these people.

Mr. Chairman, I think it is a disgrace to this country that we have to go ahead through charitable organizations to take care of people who are the wards of this Government.

In reference to the social-security problem, I raised the question in committee that the Navajos and the Piutes and the Utes, adjoining the Navajos in Arizona, were not receiving the same consideration that the Navajos and the Hopis were receiving and I was informed by Mr. Zimmerman, head of the Indian Bureau, that in Utah they were receiving social security which they did not have in Arizona and New Mexico. I think that is something that should be looked into. I see no reason why one State should pay social-security benefits while the two sister States should not pay it. I think it is time that we wake up and decide to do something here about our own people. The people in Utah, New Mexico, and Arizona who are taking care of the Indians should be commended and we should go ahead and give them the amount of assistance they need.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. DAWSON of Utah. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. Is it not a fact that the Navajos in Utah number between 350 and 500, as the record shows, and that they live on a million acres of land situated entirely different from Arizona and New Mexico?

Mr. DAWSON of Utah. I may say to the gentleman from New Mexico that the type of land is no different in New Mexico than across the river in Utah. I think the position of the Ute Indians and the Piutes is about the same as the Navajos.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, the time will hardly suffice for me to say what ought to be said on this occasion, but before I get into that I want to state, with all the commendation that I can summon, my appreciation of the work of the committees, the Committee on Public Lands, and the Subcommittee on Indian Affairs, and especially the chairman, for bringing the legislation thus far. Our subcommittee which met at Window Rock a few weeks ago on the call of Chairman D'EWART, went into this matter. It was because of that meeting and because so many Members of Congress visited the reservation this year that we were able to get this report of the needs. I want to express my appreciation to the chairman of the subcommittee and to the chairman of the full committee, Congressman WELCH, that we have gotten action so effectively as we have in the bill that was passed here the other day, which will probably be signed today, and for this implementing appropriation.

Mr. HARLESS of Arizona. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I yield to my colleague from Arizona.

Mr. HARLESS of Arizona. I just want to put in here some facts that the gentleman from Wisconsin [Mr. KEEFE], brought out concerning social security. I want to clear the record that this particular reservation has been under this treaty arrangement and that the Federal Government has a responsibility to these Indians. To shift this tribe of 65,000 Indians in their present condition onto the States of New Mexico and Arizona would break the social security of the two States. Because of the neglect of the Federal Government it would break our social-security structure and we would have to close up. Unless the Federal Government takes care of their share we could never take care of our share.

Mr. MURDOCK. I quite agree with my colleague in this. The 65,000 Navajo Indians are wards of the United States. It is my duty and yours as Members of Congress to look after the wards of the Government? Yes; I heard the gentleman from Utah say that the religious people of Utah are sending a friendship train to this vast reservation. The American Red Cross is doing the same thing. The American Legion at Phoenix is doing the same thing, and so are others, which is praiseworthy. But why should we as representatives of the American Government not look after our wards properly? It is a shame if we must depend on private and religious and charitable organizations to do it. I have seen some good work on the Navajo Reservation. I have seen the missionaries there doing their work; church organizations doing the work that we as a Government ought to do. That is why I am strongly in favor of a long-range policy suitable for these Indians, to do justice after 80 years of neglect, 80 years of repudiation of treaties that we made with them. We furnished them no adequate schools and we furnished them little means of livelihood.

Mr. Chairman, there is a great deal of misinformation about Indians in Arizona. Occasionally I am asked: "Why are your Indians not citizens?" Well, Mr. Chairman, they are citizens. This Congress passed a law in 1924, making all American Indians born in this country citizens. Another question asked is: "Why doesn't Arizona permit Indians to vote in your State?" In all fairness it must be understood that any Indian who moves off the reservation and resides in any town or community in Arizona is permitted under the law to register and vote just exactly as I register and vote. Another question often asked is: "Why doesn't Arizona include Indians under the social security provisions?" I wish to state that some Indians have applied for social-security benefits in Arizona and have been accepted in certain cases where they are living off the reservations and are otherwise qualified. About three-quarters of the entire area of Arizona is owned by Uncle Sam and about one-third of that is in Indian reservation over which the State has no jurisdiction.

At least 10 percent of the population of Arizona are Indians, the great majority of them living on reservations. These Indians are wards of the United States Government. They have no private allotment of land, in fact they have very little private property in general. The general property tax cannot apply to them. To force the State of Arizona to match Federal funds in extending social-security benefits to all Arizona Indians would be a crushing blow, absolutely unjustified, and an unbearable burden to the economy of that youngest State. Not only that, but such a move would mean that the United States Government would be shirking at least half of its responsibility to these wards of the Government. Is there any one in this body who would advocate such a course of action?

Some Members have spoken sarcastically today about those like myself, whose hearts are supposed to bleed for the poor Indians. Well, I think I am not a hypocrite in expressing my friendly attitude toward the Indians of Arizona. I am sure I have called attention to the plight of the Navajo Indians and the Hopis at least a dozen times on the floor of this Chamber, as the RECORD will show, during my 11 years of membership here. I am sure that I have earnestly called attention to the problem of these Indians in the meetings and in the hearings of the Indian Affairs Committee during my 11 years of membership on that committee. My colleagues on that committee know this to be a fact. I do not know that my heart is bleeding for the Indians, but many of my colleagues know that I have worked seriously in their behalf through these past years. Yes, I want these Indians, to be taken care of properly by the Federal Government whose wards these Indians are, and my voice has ever been raised for better care and proper care by the Federal Government. The printed records will confirm all of this.

Well, then, do I want the Indian to vote? Do I want him emancipated? Well, I have protested the use of the word "emancipated," as applied to Indians, because it connotes too much, for we in this country have never held the Indian in chattel slavery. I do want the Indian freed from wardship at the right time and on the right conditions and that as soon as it is wise to do so. It is an individual matter. I do want suffrage extended to him at the right time and on the right condition. I am a Democrat, and I think I know something of the philosophy of Thomas Jefferson, and because of that I want suffrage in Arizona extended to the largest possible group of qualified citizens within our State. Arizona has not only beneficial laws for her people but a very democratic constitution and in spirit seeks to provide a wide suffrage, yet we have in the laws of Arizona a literacy test as a qualification for voting, and I approve it. I believe that the sovereign power residing in the people should rest

upon an intelligent citizenry. Has Congress prepared these wards for the suffrage? What is the percentage of literacy among the Navajos, who were promised education for their children 80 years ago with a teacher for every 30 children? You have heard it said here today that there are now 16,000 Navajo children of school age who have never had any schooling at all. It is true that today there are about 5,000 Navajo children of school age who have had a little schooling; practically none of them have gone beyond the sixth grade, and their average schooling is not above the third grade. Let it be noted this generation of children has had better opportunity than its parents. Would you want to require Arizona to incorporate such a large body of illiterate inhabitants into our voting population at once?

Some say what a shame that Arizona does not admit all these Indians to the social-security benefits. You have heard the statements made here today that half of these Indian babies die in early infancy and that 40 percent of all the tribe are afflicted with or incline to tuberculosis. I believe it is a fact that about 90 percent of them have been afflicted with trachoma. The general Indian population is suffering from malnutrition. Is it fair to ask the State of Arizona to extend full social-security benefits to these poor victims of the Federal Government's neglect? I say as a sober fact that Arizona should not be expected to carry such a burden when plainly it is the duty of the American Government to furnish these needed benefits to its own wards. If we had done what ought to have been done through the years, or if we begin now to carry out an adequate long-range program to educate these Indians to improve their health standards and to rehabilitate them economically, they will soon become competent to live the white man's life in the white man's way and be able to be released entirely from the wardship of the Federal Government. Until the Federal Government has done that for them, the Federal Government has no justification in asking the last and youngest State in this Union to remedy the neglect and extend all the privileges of citizenship, together with the benefits, to these Indians.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

The Chair recognizes the gentleman from Pennsylvania [Mr. FENTON].

Mr. FENTON. Mr. Chairman, I had the privilege of visiting the Navajo Indian Reservation a few weeks ago, and I want to say to you that it is a disgrace on the name of our great Government to permit such conditions to exist on the Navajo Reservation. I do not know whose fault it is—whether it is a quarrel between the States and the Federal Government as to the aid that is now necessary—but I do know this: That the disease and death rate is so high there that it is a black blot on modern methods of treatment and sanitation by this great United States of ours. Over 50 percent of the babies die before they reach the ago of 6 months. The mortality rate and the disease rate is terrific, particularly dysentery, which takes an enormous toll in death of babies. Why is all this? Just because the basic thing is missing in that particular section of our country. I refer to water. Without water there is no need to try to have sanitary conditions. Water is basic in sanitation.

I cannot for the life of me understand why this great Government of ours keeps the Navajo Indians in such a spot in Arizona and New Mexico.

The Navajo Indians cannot exist or receive proper medical care or have sanitation in their present location because of insufficient water and vegetation.

Economically—being a cattle-raising people—they cannot be expected to have an increase in cattle with such a lack of water and vegetation.

As far as sanitary conditions are concerned there simply is none. Therefore, the death rate, particularly of infants, is very high and the morbidity or disease rate disgusting in these days of advanced prevention of disease and treatment. The reasons for infant dysentery is the lack of fresh milk and fresh water.

Tuberculosis with its high percentage will never be brought under control until the Navajo is given an opportunity of living in a place conducive to existence. I saw several fine hospitals and a TB sanatorium. The latter was filled. The hospitals with only a few patients because of insufficient medical personnel and being so far away from the people and the almost impossible roads—I found typhoid fever and diphtheria—no sewerage systems or anything that resembled modern disposal of human excreta. In fact there was none.

Even though a tubercular patient is lucky enough to survive after treatment in the sanatorium he has to go home—home—to what kind of a home? Well, if what I saw could be called a home—those hogans that I saw—where three and four generations of a family live in the same one-room affair called a hogan—then there is no wonder why TB is so prevalent.

I have mentioned about the hospitals not having sufficient medical personnel. Under the present system of civil service and the conditions existing in the field of the Navajo—I doubt whether a sufficient number of qualified medical personnel could be induced to tackle the job. The Veterans' Administration, you know, had to discard the Civil Service in order to have proper personnel to man their institutions. And if doctors and nurses had to go into the field, and they would, it would not be long until we would have to recruit others to take their places. They simply could not be expected to stay in the field permanently. No water. No sanitation.

There is a great need for our United States Public Health Service to get on the job—investigate for themselves and come up with a recommendation—a real recommendation. I am sure if they did they would make only one recommendation that would solve most of the trouble; and that would be, put the Navajo Indians on a reservation or reservations where they can live as human beings—where they can raise their families free from the dangers of malnutrition, disease, and premature death.

I shall not discuss at this time the lack of education amongst the Navajo—except to say that it is sadly lacking—lacking because of the present location of their reservation. Again it is no water and poor, impassable roads.

The picture is not a nice one to look at and I am sorry to have to report to you in this manner. The Department of the Interior, through its Indian Bureau, has in mind a 10-year program to correct many of those deficiencies. I hope it will include the removal of the Navajo from barren, desert land to places where they can exist like a free people.

As a medical man I am ashamed of the now existing conditions. There is but one answer to it in my humble opinion—do unto others as you would have them do unto you.

The CHAIRMAN. The Chair recognizes the gentleman from New Mexico [Mr. FERNANDEZ].

Mr. FERNANDEZ. Mr. Chairman, the gentleman from Wisconsin [Mr. KEEFE] is wholly misinformed as to the contentions of New Mexico.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. Not just now.

Mr. KEEFE. The gentleman says I was misinformed. I just got through talking to the Chairman of the Social Security Board.

Mr. FERNANDEZ. I do not yield.

If the facts as stated by the gentleman from Wisconsin were as he stated them, then I would say he is absolutely right. Not only that, I say that the States ought to take care of the Indians under social security in cooperation with the Federal Government. But the fact is, first, New Mexico has not discriminated against the Indian because he is an Indian, as the gentleman from Wisconsin says, nor does it make the contentions ascribed to it by him; and second, New Mexico is, in fact, taking care of the Indians it can process and still do justice to the Indians and non-Indians.

You will observe that the gentleman from Pennsylvania [Mr. FENTON] who visited the reservation did not say a word about the social security controversy now raging. You will observe that those who have been down there, both from the Senate and the House, have not said anything about it, because they understand the situation there.

It would be impossible for me to detail to you what the facts are and what the situation is. All I can do in 2½ minutes is ask that you reserve judgment on that particular matter until we have had an opportunity to explain that to you, and we would be very glad to do it, because right now negotiations are going on between the congressional delegation, the Social Security Board, New Mexico, and, I believe, Arizona, to find some plan by which New Mexico can participate, which it wants to do. However, the physical facts are such that they have not been able to arrive at something that is physically possible. I regret my time is up and that I cannot even start, but I shall do so fully at the first opportunity.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. JENNINGS].

Mr. JENNINGS. Mr. Chairman, it makes no difference whether these people are starving because of some maladministration on the part of the Federal Government or some failure of their respective duties on the part of the States out there.

If these Indians are starving, if one-half of them die before they reach the age of 5 years, if among them they have the highest rate of tuberculosis in the country, if they are without food, this Congress should relieve these deplorable and heart-rending conditions. It is beyond dispute that all of these conditions exist among the Navajo Indians. They have been pushed back and back and back at the point of a gun, and today they are in an area that is arid, without water, and that is not fertile enough to produce sufficient food to sustain them. These conditions exist under our flag, within the boundaries of this Republic, and they should be corrected. More than 4,500 of these Indians put on the uniform of our country and went out in defense of this Nation in the last World War. We cannot afford to fail them in the hour of their distress. For my part, I propose to vote in favor of sufficient funds to put them on the road to self-support and to relieve the wretched and intolerable conditions under which they are starving and dying like flies. We should do right by these people. We should be just with them. We should be more than just—we should be generous. Appropriate this money. It will not be wasted. I would hate to think that by pinching pennies, in order to save a few paltry dollars in the exercise of a misguided and blind economy, this Congress should cause the death of a single man, woman, or child among these people by disease, hunger, or cold.

As to whether we should extend belated relief to these people, the spirit of Christmas and the dictates of our common humanity demand that we right the wrongs that this country has so long inflicted upon these Indians. We should do it while they are yet alive and while the opportunity is ours.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. STIGLER].

Mr. STIGLER. Mr. Chairman, I am very glad to see the membership of the House so deeply concerned over the plight of our American Indians. Within the past two weeks since the plight of the Navajo Indians has come to the attention of the people of America, I have received many letters from Indians and whites of my State who are greatly distressed over what Congress is going to do for the Navajo Indians. My State has one-third of the Indian population of the United States. I think I know the Indian people. Some of my people were driven by our Government over a trail of tears 100 years ago for the benefit of the white people, who wished the land upon which they lived. They learned something about hardships. They endured many. It will be remembered that President Lincoln emancipated the Negro, which resulted in the Civil War. But here we have practically in bondage, American Indians who never have been emancipated by the Congress, and we have seen this Congress and previous Congresses appropriating billions and billions of dollars for relief abroad, to which I am not objecting, because I, too, have voted for every dollar of relief for the starving people of Europe and will do so again, if necessary, but here we have an opportunity to do something for our own people in our own land—America's first citizens if you please, by raising an appropriation to keep them from starving this winter. Mr. Chairman, how can anyone be so heartless to turn down such a plea.

I yield to my colleague the gentleman from New Mexico [Mr. FERNANDEZ].

Mr. FERNANDEZ. If the cause of these conditions is the failure of the States of Arizona and New Mexico to do their part and we deny them what they need, according to these reports, then we are punishing the Indians for what the white people of New Mexico and Arizona have done. I do not think the Congress ought to do that.

Mr. STIGLER. The gentleman is absolutely right, especially when they have no voice except the voices of those who rise in the well of the House to defend their position.

May I say something about the treaties that have been entered into by this Government with various Indian tribes? When our Government makes a treaty with any Indian tribe, the Indian regards that as a most solemn obligation. To the Indian it is most sacred. The Indians have always carried out their agreements, but not so our Government. The history has been one of broken treaty after broken treaty, and here we see another instance of our Government breaking a treaty. We should bow our heads in shame. As long as those treaties are in existence, and as long as the Indian is a ward of the Government, I say it is a Federal responsibility and not a State responsibility to look after their welfare.

To those who may feel inclined at this hour to refuse to hear the voices of distress and hunger from our first citizens I would remind them that it was those same first citizens of ours who met at our shores the good people who came over in the *Mayflower* and offered succor to them. Strangers in a strange land were these newcomers. But that didn't make any difference to our Indian people. They are that way, willing to share with others what they have.

Today we hear so much talk about promoting peace on earth and good will toward men. May I say to you, never before has there been presented such a wonderful opportunity for us to promote good will toward our native Americans than by voting for this amendment. I hope it carries overwhelmingly. By so doing we shall be rendering more than lip service to them.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, this situation was brought about by the fact that during the last hearings of the Subcommittee on Appropriations for the Department of the Interior, Dr. Beatty came before the committee and gave us a most distressing picture of the conditions on the Navajo reservation. In fact, after he had finished his testimony, a number of us on the committee became so disturbed that it was difficult for us to live with our consciences, and so I made a request that Dr. Beatty reappear before the committee. Dr. Beatty is in charge of the education of the Indians. Also we asked Dr. Snavely, who is in charge of the health of the Indians, to be brought back before the committee to tell us the whole story. They did that, and if you will look in the records of the hearings of last year of the Subcommittee on Appropriations, you will see the story in full. I tell you, it is a story that should make us hang our heads in shame. The facts are that these Indians are now on that desert land, where the soil-conservation program does not operate because of the law. We do have a little money appropriated each year for soil conservation in the Department of the Interior but it is a very small sum. So we have this terrible condition.

Regarding the schools, we appropriated for two new schools to be built down there. I am told by Mr. Zimmerman, Acting Commissioner of the Indian Bureau, that the Bureau of the Budget refused to permit them to go ahead with those schools. We have 15,000 Indian children down there without school facilities today. We have 4,500 veterans who fought gallantly in the last World War, who do not have a vote.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. JENSEN] has expired.

The Chair recognizes the gentleman from South Dakota [Mr. CASE] for 2½ minutes.

Mr. CASE of South Dakota. Mr. Chairman, I would like to speak a word in behalf of these Indians for whom these hearts have been bleeding this afternoon.

When I first came to Congress, Indians were not counted for purposes of congressional representation, because it had been held that they were not taxed. I started a movement to get Indians counted for purposes of congressional representation. As a result of that they were counted, and as a result of that, the States of Arizona and New Mexico each received an additional Congressman. But yet those States do not permit the Indians to vote.

Mr. HARLESS of Arizona. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. No; I do not yield.

Mr. HARLESS of Arizona. Last week I filed a suit to get them the right to vote.

Mr. CASE of South Dakota. I do not yield. I hope this is not taken out of my time, Mr. Chairman.

One person in eight in my congressional district is an Indian. My State was told: "If you do not provide old-age assistance for your Indians, you will not get it for the rest of the people of South Dakota." So we told the Indians to come up to the table with the whites, and we gave them old-age assistance and aid to dependent children. The authorities came back and asked for liens upon the lands of the Indians, which I think is a violation of the Sioux treaty, but that

Mr. BARTLETT. I thank the gentleman. I do not care to be heard further in view of the statement of the chairman of the Committee on Appropriations.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield.

Mr. KEEFE. As one member of the committee, Mr. Chairman, may I say I was privileged to hear the testimony upon which the committee made the appropriation referred to by the gentleman from New York.

May I say that I think the appropriation was completely and amply justified and I intend to vote for it.

Mr. BARTLETT. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the Delegate from Alaska [Mr. BARTLETT].

The amendment was agreed to.

Mr. HARLESS of Arizona. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I merely want to clear up one or two points that were brought out during the heat of debate a while ago, and also at this time, I wish to thank the Republicans as well as the Democrats who helped put over this amendment which will result in saving lives and taking care of a suffering people on the Navajo and Hopi Indian Reservations. I saw many Members on both sides of the aisle respond to this appeal, and I say it is well done.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. HARLESS of Arizona. I yield to the gentleman from Arizona.

Mr. MURDOCK. Mr. Chairman, I sought recognition to make a correction. A mistake appears to have been made by the gentleman from South Dakota a moment ago when he spoke about the treatment of the Navajo Indians regarding their right to vote in Arizona and their social security standing. I state as a matter of law that the Navajo Indians and other Indians living off the reservation in Arizona do vote. They are permitted to vote. I know some of them who are registered and who vote. I also know that applications have been taken by social security for Indians off the reservation. It is only because they on the reservations are wards that they are not so considered entitled to these benefits.

Mr. HARLESS of Arizona. I thank the gentleman. In respect to the matter of voting, may I say that in 1928 the supreme court in my State did rule that Indians who were wards of the Government and living on reservations could not vote. I do not agree with that decision.

A week ago yesterday I filed in the superior court of Maricopa County, Ariz., a mandamus action requesting that all Indians who can qualify under our voting laws shall be entitled to vote. I sincerely hope I will prevail in that action. I have one veteran and one nonveteran as plaintiffs in that suit.

So far as social security is concerned, if this burden is foisted on to the State, that is, so far as the Indians who are now on reservations are concerned, who have been neglected for some 75 years and who have a right under treaties, it would bankrupt Arizona's social-security system. You can understand that they are depleted, they are all undernourished; most of them are sick. As I told you awhile ago, more than 40 percent of them have tuberculosis because of malnutrition.

I do not believe that any reasonable Member of this Congress would want their State or my State or any other State to assume this responsibility which is a responsibility of the Federal Government, not only by treaty but due to the fact that the Government drove those people off good land and put them on land which is worthless. I understand, also, that many of the Indians in my State came from your respective States. They were driven to the far West because that was the last frontier in this country.

Mr. Chairman, I am just as anxious as you and everyone else that the standard of living of these people shall be raised up to a reasonable level, so that they can live like the other citizens in my State, so that we may be proud of them and that they will have all of the prerogatives and also some of the prosperity to which they are entitled.

Mr. CASE of South Dakota. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I would like to ask the gentleman from Arizona [Mr. MURDOCK] in order to keep the RECORD clear, a question with respect to the Indians who vote in his State. He said that the Indians off the reservation vote.

Mr. MURDOCK. Yes. Those living off the reservation may vote. There is a great deal of misinformation about that. The gentleman beside me here a moment ago asked: "Are Indians permitted to go off the reservation to work?" I explained that many Navajo Indians do live in towns off the reservation and do work, and during the war they worked extensively. The Indians who live at Phoenix or Tucson or Tempe, my town, wherever they might happen to live in Arizona off the reservation, may register and vote.

Mr. CASE of South Dakota. But how about those who live on the reservation?

Mr. MURDOCK. On the reservations they are wards of the Government and are not voters now in Arizona.

Mr. CASE of South Dakota. But they are counted for congressional apportionments today.

Mr. MURDOCK. Yes. They were so counted in the last decennial census. I want to recognize the good work that the gentleman from South Dakota did in 1939–40 to bring that about.

Mr. CASE of South Dakota. My feeling, of course, is that since the States of Arizona and New Mexico gained additional representatives by the counting of those Indians, that they ought to extend to the Indians the courtesy to vote whether they live on the reservation or not, and if the gentleman from Arizona [Mr. HARLESS] has instituted some action to make it possible for them to vote, I think it is a step in the right direction.

Certainly, in all justice, the States of Arizona and New Mexico should do their proper share in taking care of these needy people. The Sioux Indians, too, had a treaty which provided that their needy would be taken care of as long as they are in need, and the United States Supreme Court cited that pledge as the compensation for taking of their lands. Yet, in spite of that, when social security came along, they came under social security in the State of South Dakota, and we were told that if we did not provide for them the State would not get social security. On top of that, liens are taken upon their land to collect it back when they died. I, personally, do not believe in that, because I think under the treaty they were entitled to receive aid for the needy. And the Supreme Court has said so but still liens are filed against their land the same as against the white man's land. But, Indians have voted in South Dakota since the Citizenship Act was passed back in 1924, and I think they should vote in the gentleman's own State. I think that the situation here would be helped if we do not go too far until you get that problem worked out.

The point I sought to make was that the money provided would take care of the emergency situation, and provide some funds, which along with what they are already getting and the surplus commodities would take care of them until the gentlemen could get that social-security problem worked out.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. I take it from the statement of the gentleman that he thinks the gentleman from Arizona [Mr. HARLESS] and I, ought not to be in Congress. Let me remind the gentleman that when the Constitution was first adopted, they counted in the slaves to determine the proportion, and they did not vote. That has nothing to do with this question, as you will find if you read Madison's papers in the Federalist. There is a good distinction there made about that.

Mr. CASE of South Dakota. Of course, I do not think the gentleman is helping his argument too much in speaking about slaves.

Mr. MURDOCK. Mr. Chairman, if the gentleman will yield further, I think the gentleman did a fine piece of work in 1939 and 1940 in getting the Indians counted as a basis of representation, because they should be thus counted, for we were counting the inmates of the State prisons and other persons not citizens, and we were counting children under 21 years of age as a basis of representation in this body.

Mr. CASE of South Dakota. I hope the gentleman will promise us to do his best to see that the Indians do get the vote and that the Social Security Administration in his state provides for the Indians coming under it. If they voted today, I will venture the guess that the State would do something to meet its share of the responsibility.

Mr. MURDOCK. Let me remind the gentleman, to please keep in mind that one-tenth of the population in Arizona

consists of Indians. They have gone along for years without schools. Sixteen thousand Navajo children of school age have no school to go to.

Mr. CASE of South Dakota. One to eight of the population in my district are Indians, to, so the proportion runs pretty high.

Mr. MURDOCK. Some gentlemen who think of Indians may be thinking of some who are one-sixteenth or one-thirty-second Indians. They are full-blooded Indians in my State, but they have not even been brought up to the stage of citizenship in education or health standards while they are wards of the Federal Government.

The Clerk read as follows:

BUREAU OF RECLAMATION

GENERAL FUND, CONSTRUCTION

Construction: For additional amounts for continuation of construction of the following projects, to remain available until expended, and to be subject to such limitations and restrictions as may be applicable to appropriations for such purposes in the Interior Department Appropriation Act, 1948, or other law, as follows:

Davis Dam project, Arizona-Nevada, $2,800,000.

Colorado-Big Thompson project, Colorado, $4,150,000.

Central Valley project, California: Joint facilities, $1,273,600; irrigation facilities, $8,771,600, power facilities, Shasta power plant, $700,000, Keswick Dam, $145,000, Keswick power plant, $514,800; in all, $11,405,000.

Columbia Basin project, Washington, $13,584,000.

Mr. JACKSON of Washington. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. JACKSON of Washington. Mr. Chairman, I think the committee should be commended for its approval of the item in the sum of $13,584,000 for the Columbia Basin project. During the recess the Interior Appropriation Subcommittee had an opportunity to see this great project in the State of Washington. I am sure that the members of the committee realize the importance of this project and the urgency of its early completion. Without these supplemental funds much of the construction work in the basin would soon come to an abrupt end. This would have proved costly to the Government. The action of the House today should go a long way in insuring the orderly completion of this work.

Mr. ROBSION. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ROBSION. Mr. Chairman, the House has had under consideration for the last day or two supplemental appropriation bill H. R. 4748 which includes an item of more than five hundred million to be turned over to the President as a blank check and with which he is to buy food, mostly grain, fertilizer, petroleum, coal, and some other commodities and he or the person or agency selected by him will turn over this food and other commodities free to the Governments of Italy, France, and Austria and the officials of these governments have the right to sell this food and commodities to the people of Italy, France, and Austria.

Many Americans believe that we are turning over this food and other commodities free to the needy people of France, Italy, and Austria. This is not the fact. We do not dispense this food and other commodities. This is done by the officials of these governments and they have a perfect right to sell this food and other commodities to their people and it is admitted that at least 75 or 80 percent of the food and other commodities will likely be sold by these governments and the money collected by the officials of these governments. For instance, the plan is to send to them approximately 550,000,000 bushels of grain, mostly wheat. We turn this wheat over free to the officials of these three governments. They sell the wheat and other grains to the millers who then sell the flour to the bakers. The bakers then sell the bread to the people. Perhaps not more than 20 percent of the needy people will get free bread and other free commodities.

In each one of these countries they have quite a number of political parties and they have hot political contests. No one knows how much of this bounty of the American taxpayers will be used for political purposes to keep one party in power and fight other political parties. They change rulers in Italy and France often. In our own country and under the observation of Congress and the American people, we were unable to prevent the WPA funds being used on a large scale for political purposes. Furthermore, a lot of the relief we have given to Europe under UNRRA and other American relief agencies has gone into the black markets, wasted, or badly managed.

Our Nation is known throughout the world for its generosity. In fact, in recent years many leading statesmen and leading people in all parts of the world have said that our country has been the most generous nation of any nation in the world's history. It is quite a thrill to you and me and to the average citizen to act as Santa Claus. We must bear in mind, however, that we are not giving away the money, food, fertilizer, petroleum, and coal belonging to the Members of Congress. These belong to the American people. They must be paid for with the sweat and the taxes of the American people. The question arises, can we continue to meet these unusual demands on the financial and commodity resources of our Nation without bringing disaster on our own country and entailing great sacrifice and suffering on tens of millions of good American citizens? Will these evidences of our bounty reach the needy people of those countries? Will they stop war and bring peace? We can only judge the future by the past.

I am convinced that this Nation has already been overgenerous to these and other countries of the world and the continued drain upon the resources of our country will be unjust to the American people and this food will not be handled in such a way that will really benefit those who need most our bounty in France, Italy, and Austria.

AMAZING RECORD OF GENEROSITY

Austria opposed our country in World War I. Our country sacrificed tens of thousands of lives to save Italy, France, and other European countries in World War I. We loaned to them billions of dollars, which they promised to repay, but all of those countries, except little Finland, repudiated these just debts, and while they were prosperous after the war they created larger armies and navies and played world-power politics, which in the end brought us to World War II. Most of the speakers on this bill express great concern for the needs of the people of Italy, France, and Austria. There has not been enough said about the sacrifices made by the American people in World War II and the attitude of both Italy and France toward us and our allies in that war.

The officials and people of Italy urged that their nation go into the war with Hitler. France, after a brief struggle, surrendered, and a government was set up in France under Petain and Laval which cooperated in the war with Hitler and his allies. It must be admitted that this record cannot appeal strongly to the American people. Our Nation gave the lives of approximately 350,000 American boys, a million others returned home broken in health and body. We spent $350,000,000,000 in the war. Many of our boys lost their lives or were wounded fighting Italians and Frenchmen. We gave the countries of Europe in lend-lease $60,000,000,000. In addition to all of that, we have given them in cash, credits, and goods more than twenty-four billion since the shooting war ended. The Red Cross, Salvation Army, and hundreds of other churches and charitable institutions have contributed more than two billion in cash, food, clothing, and other necessities. The American people recently contributed 800 railroad cars of food and supplies for the people of Europe.

France and Italy each have received from our Government since the shooting war closed approximately two billion in cash, credits, and good, and little Austria has received about three hundred and fifty million, yet they say they are worse off than when the shooting war ended. Now they say if we contribute about $600,000,000 of supplies and credits to these three nations free, that it will likely bring peace and end wars. We have contributed altogether over four hundred billion, and this has not accomplished that noble purpose. How long will the American people continue to be misled?

OBJECTIONS TO A WORLD-WIDE WPA

My main objections to this bill are that:

First. We are setting out on a new world-wide WPA that if followed through will result in disaster, financial and economic, to our country.

Second. It will further strip this country of its resources, bring want and misery to tens of millions of American

citizens, including our defenders and their dependents.

Third. It will increase prices, lower our standard of living and accentuate the spiral of inflation and likely result in uncontrolled inflation.

Fourth. Similar demands for aid will be made by the other 13 western powers of Europe also by China, India, and many other nations. Even Greece, Turkey, and Great Britain, which have received large bounties from our hands recently, are planning to make new demands for aid, and over and above this, an insistent demand is being made by President Truman for the Congress to adopt the so-called Marshall plan, starting with approximately 17 billions. General Wedemeyer appeared before a House committee the other day and insisted on the Marshall plan for China and for every other country of the world. If we deny the demands of any one or more of these nations, we incur their hostility and enmity. If we grant their WPA demands and, later on, attempt to cut them off, we shall incur the same type of hostility from those who are cut off. These many demands will reach more than $50,000,000,000. They will demand that these bounties be given to them in cash, in food, feed, petroleum, fertilizer, machinery, and other supplies and further intensify the scarcity in this country. Of course, we will have to sell bonds and borrow the money and continue to take away from the American people in taxes approximately $45,000,000,000 a year.

Fifth. All of these demands will increase the money supply that we will turn out by our printing presses and this increased supply of money will increase the unusual and extraordinary demand for our food and other commodities and, of course, that means a rising spiral of inflation and an increase in prices to the American people. This will further disturb the financial and economic security of this Nation.

Sixth. France and Italy, and perhaps, Austria, have not made a full disclosure of their resources. Italy claimed that she must have a certain amount of wheat and other grains to meet her needs. A later investigation disclosed that she had understated her own supply by a million metric tons, or 37,000,000 bushels. She was not playing fair with this country. The Italian people have failed and refused to stabilize their currency. They simply print more and more paper money—the very thing we are doing, and the Italian farmers wanted and still want American dollars for their wheat.

French farmers produced plenty of wheat to meet their needs but they have been feeding their wheat to their livestock and then they turned their livestock into the black market. The President of France stated recently that French farmers had more livestock on their farms than they had at the beginning of World War II. Our American farmers have been urged not to feed wheat to their livestock and poultry and our Government must give it to France, Austria, and Italy.

It is generally understood that wealthy French citizens have $2,000,000,000, or more, of gold and valuable securities secreted in American banks. In this way, the wealthy people of France have escaped taxes necessary to take care of the needy people of their own country. We should require these countries to use their own resources before American taxpayers are called upon to take care of their needy.

Seventh. The French and Italian people, according to the record, have not been doing their share in taking care of their own needy people. They have been engaging in strikes and stoppages of work. They quit work before noon on Saturday and return to their jobs on the following Tuesday. In many places in France, as well as in Italy, they have the 6-hour day and the 5-day week. We placed them in control of the great coal and iron district formerly owned by Germany, but instead of going ahead and operating the mines and producing coal for themselves, they have been on strike from time to time, and this bill provides that our country will furnish free great quantities of coal to France and Italy.

I am really anxious to help those who help themselves but I am unwilling to bring disaster upon my country and our own people to aid those who will not aid themselves. We are proposing to send fertilizer to these countries. It is admitted that our own country is 20 percent short of fertilizer. We are also proposing to send farm machinery and equipment. Everybody knows how short we are in this country of farm equipment and we are short of petroleum, especially fuel oil. Some sections of this country are threatened with disaster because of their shortage of petroleum and if we continue to ship our oil and gas abroad, we will again return to oil and gas rationing in this country.

Eighth. Included in the claims submitted for relief for the needy people of France and Italy, investigation disclosed that $88,000,000 was to be used for the payment of debts of Italy and France to Belgium, Brazil, to the Export-Import Bank, a cotton loan, pay the expenses of their diplomats, pay their dues to the International Labor Organization, which had no relation whatsoever to the needy people—another clear case of attempting to deceive the American people and get money under the guise of relief for starving children. So, we are getting down to the point where we are not engaged in relief but we are paying the debts of other nations. I think I have as much of the spirit of charity as the average person in my heart, but I cannot, in good conscience, under these circumstances take from the mouths and the backs of the American people, the food and clothing that they desperately need.

WILL THE AMERICAN PEOPLE SUFFER?

I am sure many persons must have considered the suffering and sacrifices that high prices have brought and will continue to bring to tens of millions of American citizens. The matter of high prices is very simple. As commodities become more scarce and demand increases prices will go up and up. The only real solution to inflationary high prices is plenty and plenty can only be achieved by increasing the amount of commodities, the Government quit wasteful spending, and bring the amount of commodities in line with the amount of money available. We would not have had these high prices but for the policies of the Truman administration in taking billions of dollars from the taxpayers of this country and going into the markets and buying up the food and other commodities and giving them away to foreign countries.

In 1940 Congress passed an act giving the President the power to regulate exports. The President has had the power all the time and still has the power to prevent any export of food and other essential scarce commodities, but instead of exercising that power in the interest of the American people and limiting exports he has from time to time spent billions of dollars in buying up food and other essential commodities and giving them away to foreign nations.

We increased the supply of paper money in this country—purchasing power—but at the same time we cut down the supply of commodities. Those receiving these high prices and high wages have been able to get along and the country apparently is prosperous, but it is a false prosperity.

Unless we quit this unwise policy and stabilize prices on a fair level, there will be a general demand throughout this Nation for a big increase on wages and salaries, and if these demands are refused we may find our production greatly reduced and bring a lot of discord in our own country.

There are millions of people who must depend upon small social-security benefits, millions of veterans and their dependents are receiving small or no pensions, and there are hundreds of thousands of disabled persons who are receiving no pensions and who are unable to work. There are needy disabled widows and children who must depend upon the small pensions they receive, and this is true as to the needy blind, and there are literally millions of workers who are receiving very small wages, and there are literally millions of others who have put aside savings and war bonds and have savings accounts, but are forced to use them to live. Tens of thousands of veterans of World War I who are 75 or 80 percent disabled, with families, but cannot secure any pension, and there are tens of thousands of veterans of World War II who are in school or taking training under the GI bill of rights. These high prices will force many of these veterans to discontinue their training unless they are given aid.

These needy people cannot pay a dollar a pound for meat and a dollar a dozen for eggs, and comparable prices for other necessities. They have been forced to cash their bonds, go into their savings accounts that they had hoped to provide for themselves when they became old, and billions of dollars of savings that had been put away to buy homes, furnishings for homes, or to send their children to college. These savings have been and are being depleted every day, and the first thing we know we will have millions of people in this country dependent upon charity. These high prices have cost the American people and their savings billions of dollars, and as we

continue to strip this country of its supplies these prices go up; and purchasing power of their money goes down. It will mean greater hardships, greater suffering and sacrifice upon these millions of Americans. This condition in this country is largely due to the unwise policies of the Roosevelt and Truman Administrations in stripping this country of its necessities and giving them to foreign countries. He should cut out these heavy exports of food, feed and other commodities in short supply.

I think it would be very unwise as well as unjust to the American people to now enter upon a world-wide WPA as is contemplated by Mr. Truman and his Administration. Prices must come down. Prices are bound to rise and the threat of uncontrolled inflation must increase so long as this administration follows its present policy.

I heard a number of Members speak, who had visited Europe, and recite what they had seen and heard, but I do not recall any one of them stating that they had seen anyone who had starved to death or who was starving to death in France, Italy, or Austria, or any other of the unoccupied countries. We learned a few days ago that in our own country about one-half of the Navajo Indian Tribe dies before they are 5 years of age, and that it has more tuberculosis than any other spot in the United States; that more than 100 have actually died of starvation or malnutrition, and there are 15,000 Indian children without any school facilities. This tribe of Indians was placed by our own Government on this barren reservation. I wonder if it would have ever been heard of if a movement had not been put on foot to give aid to Europe? Who can estimate how many millions of needy old people died in this country within the last 2 or 3 years because of malnutrition, lack of medical care, lack of shelter and proper clothing? How many of our veterans and their dependents have suffered because of lack of proper food, shelter, and clothing? Should not our first concern be for the needy people and the needy veterans of our own country? They are not responsible for these high prices. They did not strip our country of its supplies and give them away to foreign countries, and why should they continue to suffer and in the end their savings disappear and be thrust upon public charity?

The Holy Writ declares, "He that provideth not for his own household hath denied the faith and is worse than an infidel." Whatever others may say or do, I feel that it is my duty to provide first for the household of America.

PEACE AND COMMUNISM

No one craves world peace or has worked harder according to his abilities to bring about world peace than I have. On the other hand no one has less use for communism than the people of my district and myself. We do not have Communists or communism in the Ninth District of Kentucky. We were told that these gifts to Italy, France, and Austria would bring about world peace and head off communism. These countries have embraced socialism. There is not a great deal of difference between socialism and communism. Both of these are against private enterprise and against the true American way of life. To the very great grief of myself and the American people, neither World War I nor World War II brought peace and we appear to be as far from peace today as we were the day shooting ended in World War II.

Joe Stalin, first and last, has secured about $15,000,000,000 of lend-lease from our country. No part of it has been repaid and they refuse to talk about repaying any part of it. The American armies reached Berlin before the Russian armies and were about to enter the German capital, but Stalin insisted that the American armies withdraw and permit the Russian armies to enter and take possession of Berlin and the Americans agreed. This was a bad blunder on our part. Stalin has never relinquished that control. The other part of Germany was divided among the French, British, and Americans. Stalin claims under an agreement he made with Roosevelt and Truman that Russia was to have ten billions of reparations from Germany. Stalin has taken charge of all the factories and other industrial plants in the Berlin sector. This was about 30 percent of the factories and industrial plants. He claimed that he was entitled to 25 percent of the factories and industrial plants in the sectors held by France, Britain, and the United States. In the American zone there has been dismantled, principally at the expense of the American Government, more than 600 of these plants or factories, and they have been turned over to Stalin. Therefore, Stalin is claiming 55 percent of all the industrial factories and plants of Germany and they are being sent to Russia.

Of course, the small amount we are sending now to France, Italy, and Austria is only a drop in the bucket to what Stalin is grabbing up in Germany and we are helping him to do it and still we say we are sending a small amount of this food and other supplies to help prevent communism in France, Italy, and Austria. Many Members of Congress and the other American citizens have demanded that this be stopped but the administration does not stop it. This is, of course, in addition to the lend-lease that has been flowing into Russia for many years and still continues to this day. These include more than 100 railroad locomotives, great numbers of railroad cars, steel, farm machinery, and other essential and scarce commodities in this country. It is unthinkable, yet it is a fact. Why ship these supplies to France, Italy, and Austria to check communism when we are sending this very essential and necessary machinery, equipment, and supplies in short supply in this country to Russia? Are we trying to duplicate what was done before World War II started? We shipped great quantities of scrap iron, steel, gas, oil, and other war supplies to Japan and then loaned to China a few million dollars and when the war between China and Japan was in progress.

I am one of many Americans who have insisted for months that this administration quit shipping our machinery, railroad equipment, and other supplies to Russia. We canceled our debt with Great Britain of World Wars I and II, amounting to more than $40,000,000,000. We let her have $6,000,000,000 of surplus war materials and supplies, and then we loaned her $3,750,000,000 in cash in the hope that she would avoid socialism and communism. Of course, she will not repay any part of this money. I did not vote for it. She has wasted our cash and supplies in establishing a socialistic government in Great Britain. They are against private enterprise. They believe in government ownership and have taken over the railroads, mines, and other private property, and they have fritted away our taxpayers' money in this socialistic experiment. Their officials and leaders denounce our private enterprise and our American way of life. It is my observation that no country can be saved where its people are not willing to save themselves, and I shall not vote finances taken out of the American taxpayers' pockets to do so.

Britain, France, Italy, and other countries of Europe will have the kind of government that their people want. We can destroy the credit and resources of our country and go into bankruptcy in trying to run the governments of Europe and in the end they will not be saved unless they are willing to work, produce, sacrifice, and save themselves. At least we cannot afford to destroy this great Nation and its Government and bring our people to want and misery to save any other country on the earth. We have helped them and will continue to help them in such reasonable way as we can, provided they will help themselves. We must constantly keep in mind that our people have the greatest debt and we are paying the highest per capita taxes of the people of any country in the world.

EUROPE USING GRAIN TO MAKE LIQUOR

Another important matter developed in considering this claim for relief and it has been carried in the press. There was a great demand some months ago on the part of the American people that in view of the shortage of wheat and other grains, the distillers and brewers should close down their plants and in that way save grain. They did close down their plants but information leaked out that wheat, corn, and other grains were being used in Europe to manufacture intoxicating liquors.

Fifty percent of our whiskies are made in Canada. The distillers and brewers of Europe and Canada promptly took advantage of the holiday declared by American distillers and brewers, and, of course, shipped great quantities of intoxicating liquors to the United States and for which they received fancy prices. If there is such a shortage of grains in Europe that we must deplete our grain supply and greatly increase the price of bread and feed and send 550,000,000 bushels of grains to Europe under the guise that we are to feed hungry people, it does not set well with me and the average American to know that they are using their grains over in Europe to manufacture intoxicating liquors and then to send these liquors into our own country. May we suggest Europe give her hungry

people bread instead of liquor,. Canada, instead of sending her grain free to Europe, takes advantage of the situation and provides us with about 50 percent of the liquor consumed in our country at a very low tariff. This is in line with the 37,000,000 bushels that the Italians failed to disclose and in line with the French farmers who are feeding their wheat to their livestock, and neither country making available their wheat for their needy people. With the information that I have set forth, I do not see how I could consistently support this bill.

Mr. JENSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this appropriation, supplemental or deficiency, whatever you care to call it, has been brought about by the fact that these four projects which are mentioned in the bill have been carried on at a rate faster than was anticipated originally when Congress made the appropriation last year. The facts are, of course, that the appropriations were reduced considerably on these four projects as well as on a number of other projects, but with the exception of these four projects, we are informed by the Reclamation Bureau officials, in most cases, at least, the appropriations we made are sufficient to carry on during the remainder of the fiscal year. There may be an exception or two such as the Anderson Ranch project in southern Idaho.

I will take these projects up in order:

On page 9 of the committee report, at the bottom of the page, you will see that we have recommended for the Davis Dam project a supplemental appropriation of $2,800,000, which is the amount requested by the Budget estimate. That amount is necessary, according to the Bureau of Reclamation, to carry on the construction of the Davis Dam, due to the fact that the foundation of the dam, the under strata, was discovered to be full of cracks and fissures, to the extent that they had to spend $5,000,000 to fill those fissures by grouting. So it is necessary in order to carry on that work to appropriate this money at this time.

I might say that the purpose of the Davis Dam is to live up to the treaty we have with Mexico. There is no irrigation involved. There is hydroelectric power, and, of course, some of that power will be used to pump water onto certain lands from other projects.

The work on the Colorado-Big Thompson project has gone on at a more rapid rate than they had expected. Of course, they have had unusually good weather and a late fall. This project is under construction now. The main part of it was a tunnel which was dug under a mountain, 13 miles long, to take water from the west side, where there was a plentiful supply, over to the east side, and to apply that water to a rich valley there of about 35,000 acres, for a supplemental supply of water. Unless this $4,150,000 is appropriated now, we are told, the work will stop. It is a very important project, and, I think a very worth-while one.

The next item is the Central Valley project of California. The Bureau of Reclamation requested $15,000,000 in this deficiency estimate. The Bureau of the Budget reduced that to $10,700,000. We had quite extended hearings, that is, we worked 2 days on this budget from early morning until late at night, and secured all the information we could. We found out what the Bureau of Reclamation had requested of the Budget Bureau, and their justifications for their request of $15,000,000. We took it up item for item. I can assure you that we got the information to a much better extent than we ever have received information from the Bureau of Reclamation before. Last year the Bureau of Reclamation requested $49,000,000 for the Central Valley project. That was reduced by the Bureau of the Budget to $20,000,000. When Congress finally got through appropriating and through conference and the bill became law, we gave them $9,141,288. We were told at the outset of the hearings last year or this spring that they had a carry-over of a little over $17,000,000.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. JENSEN. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. JENSEN. We discovered later that they had a carry-over of something like $22,000,000. Then a month or two ago we discovered they had a carry-over of nearly $27,000,000, and perhaps if we look again they might have a carry-over of $30,000,000 or $35,000,000—we do not know.

We had the Bureau of the Budget before the Joint Subcommittees on Appropriations for the Interior Department of the House and Senate about 2 weeks ago and we asked them why they did not apportion this money for the Bureau of Reclamation on a quarterly basis so they would not run out of money. They said, "Well, we could only do a half-baked job. We tried to do it, but could not get the information and know just what the figures were from the department." In other words, they did not have much to go on, so they said that they could only do a half-baked job. The committee increased the amount which the Bureau of the Budget allowed for Central Valley by $705,000. The Bureau of the Budget had cut out money for canal work on the Delta-Mendota Canal and the Friant-Kern Canal. The construction on those two canals has been going on the basis of "giddup" and "whoa" as Mike Straus said, like most everything else in the Bureau. They just have not been getting the job done. Last year both the Senate and House Committee and this Congress said, "Get busy on these irrigation projects and try to get something done. Try to get some water on the land out there." The Central Valley program has been going on for 10 years, yet scarcely a drop of water has been put on a single speck of land. So we took out this force-account business, where they go out and hire every Tom, Dick, and Harry and run the jobs with hired help instead of under a contract. So we have in effect a provision that no more force-account work shall be performed unless in an emergency. Consequently those contractors took those jobs and went to work and got the job done in about half the time and for a great deal less money than they used to do it by force account. We have been brought to this condition where the money has run out because of the facts as I have stated them. We feel that it is right and proper that the canal works should go on so that they will be ready to accept the water and be able to get that water on the land by the time the pumping stations and the rest of the facilities are ready.

The next project is the Columbia Basin project in Washington. The Reclamation Service asked for $15,000,000. The Bureau of the Budget cut that down to $11,725,000, and we raised it to $13,584,000.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. JENSEN. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. JENSEN. We increased that request by $1,859,000 for this very good reason: We said to the Interior Department, "Get those three generators in at Grand Coulee and get them going so that you can get that power out over the line"; but the Bureau of the Budget cut out the related facilities such as switchboards, tailraces, and things like that, that would make it possible to get that power out over the line at the time the generators were installed.

Mr. Banks, the director, the man who built Grand Coulee, one of the greatest engineers that ever lived, testified that if we did not allow this additional appropriation, those generators would sit there idle for 6 months and that each of them produced $5,000 worth of power per day, three of them $15,000 worth, or in 6 months it would amount to $2,730,000 that we would lose in revenue if we did not appropriate the amount we have appropriated for power facilities.

That is penny-wise and pound-foolish. It is poor business. I do not want to spend any more money than is necessary, but certainly you cannot justify that kind of business. You cannot justify selling an automobile or a truck to a man that he needs to support his family if you cannot give him wheels for that truck until 6 months after the truck is delivered.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. JENSEN] has again expired.

Mr. TABER. Mr. Chairman, I wonder if we cannot come to some agreement to close debate on this matter.

I suggest that all debate close in 15 minutes.

Mr. NORRELL. Mr. Chairman, reserving the right to object, I would like 5 minutes.

Mr. KIRWAN. I would like to have 10 minutes.

Mr. TABER. Well, I would not object, but it seems to me we ought to get through here sometime.

Mr. CANNON of Missouri. We would like to have 10 minutes for the gentleman

from Ohio [Mr. KIRWAN], a member of the committee.

Mr. TABER. Then, the gentleman had better take it now, and we will close debate later.

The CHAIRMAN. The gentleman from Ohio [Mr. KIRWAN] is recognized.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. KIRWAN. Mr. Chairman, along with what the gentleman from Tennessee [Mr. JENNINGS] said, the records show there were more Indians enlisted in the United States Army than from any other race in the United States. For no other reason, I am glad that we came to their rescue today, and I am very glad that we are going to offer relief to Europe and to America.

On April 21 of this year there came into the House what is known as the Interior Department appropriation bill. The Bureau of the Budget asked for $295,000,000 to carry on the work of reclamation, forestation, hospitalization, and everything connected with that Department, because every dollar in that bill was to be spent in the United States. This House cut that Budget request from $295,000,000 to $156,000,000. Whatever the commentators, comedians, and columnists say about Congress, I hope they will never accuse them of being good businessmen. I repeat, I hope they never accuse us of being a good business group or good businessmen, because after having cut the Budget estimate 6 months ago from $295,000,000 to $156,000,000, here we are today asking for more money to carry on the projects we cut.

Let us look at the record. The kids who carried the guns to save us in the last war are the young men who were working on these projects. They hauled their wives and families there and lived in trailers and work camps, working to complete these projects. What do we find? We find here the week before Christmas they are all out of jobs and that there are no funds to carry on. I doubt if in the history of this or any Congress there was ever a greater blunder than the one made 6 months ago when the Interior bill was cut from $295,000,000 down to $156,000,000. What does that do to the contractors? Some of those contracts were let as long as 8 years ago, not just now. Millions of dollars are tied up in the contractor's machinery now idle on those jobs. He has got to go out now and try to find a new force to carry on the work, for the old force, the men who had their families and children living in work camps and trailers, are scattered to the four winds. The cost to the taxpayers is increased by the fact that they have to pay rental on empty buildings and idle equipment leased by the Government.

I again repeat that when we look at this project we find that the deficiency sum here provided is equal to the money the Budget Bureau asked for originally. I think it is a disgrace that we cut the projects the way we did for we find ourselves here 6 months later asking for that money to carry on when all the projects have been damaged through the running out of funds we failed to supply and when the working force on those projects has been dispersed and the men find themselves out of jobs 1 week before Christmas.

It was my privilege to visit Yellowstone Park this summer. While I was there seven people drowned. I finally sent for one of the rangers who police the park. I asked him why he did not assist and try to help save lives. He said "We have not got one rowboat" and that in a park that taxpayers pay $3 as an entrance fee. The Park Service appropriation was cut to pieces. Yellowstone Park is 75 years old, it has been under Government supervision for 75 years, in fact its seventy-fifth anniversary was celebrated this year. Fourteen percent of all the people who visited Yellowstone Park during these 75 years again went there this year, yet Congress cut the park service appropriation in half.

Is that to be considered good business or good judgment?

One of the biggest businesses in this country is oil, a business in which many billions of dollars are invested. But when we came here and asked for a few million dollars to drill test wells and get information they cut it down to $300,000. We are producing 5,500,000 barrels of oil daily in this country, but we are consuming 5,700,000 barrels. Right today in America we are 200,000 barrels shy in our production, yet we would not grant a few dollars to provide for stripper wells to produce more oil which would then not necessitate gas rationing.

I want to pay tribute to the gentleman from Oregon [Mr. STOCKMAN]. He wanted to make a 20-percent over-all cut and then make a study to see just where the cut should be applied, but he was voted down and the cut was much deeper. When the year's operations are all added up it will be found that despite the heavy cuts that were made the final over-all saving will be much less than 20 percent, and that with all this disruption I have spoken of.

Members of the Appropriations and other committees have visited Alaska. The suffering found amongst the Indians and the whites, but especially the Indians, is unbelievable. It seems that we cut appropriations for Alaska and we cut appropriations for everything in this country that we can think of, but we do not cut a dime that is to go to any foreign country. Instead of the Interior bill being a billion dollars this year, and God knows we could spend ten billions in America we would not even spend the $295,000,000 that was asked for to improve the greatest country on earth. No; there is something wrong. When we stop and think what we did, when we do not go over our country and find out more about America, what is going on in it, we are making a big mistake. When the Interior appropriation bill again comes to the floor I hope that the Members of the House and the committee will give more consideration to the recommendations of the Budget Bureau and officials of the Interior Department, who know of the conditions and needs.

Mr. TABER. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. HOLIFIELD. Mr. Chairman, I object.

Mr. TABER. Mr. Chairman, I move that all debate on the pending paragraph and all amendments thereto close in 10 minutes.

The question was taken; and on a division (demanded by Mr. HOLIFIELD and Mr. NORRELL) there were—ayes 98, noes 46.

So the motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HOLIFIELD].

THE REPUBLICANS READJUST THEIR MANDATE

Mr. HOLIFIELD. Mr. Chairman, I am in full support of the restored funds in this section of the bill.

We are faced today with a remarkable spectacle. The Republican-controlled Appropriations Committee, with loud cries of "economy," "eliminate the bureaucrats," and "save the American taxpayers," marched up the hill last spring cutting and slashing vital western reclamation projects. One has but to look at the RECORD of the debate on April 24 and 25, 1947, to realize the ridiculous spectacle which is now presented. During the period of that debate, we find that a few members of the California delegation opposed the drastic cuts which were made on the projects within our State. However, the Republican-controlled House was successful in slashing, for instance, the $20,000,000 Central Valley appropriation to $6,900,000, or a slash of 65 percent.

It is interesting to note that on a motion to recommit with instructions to raise this amount to $13,100,000, every Democrat in the California delegation voted for the increase. Three Republicans voted with the 8 Democrats. The other 12 Republicans voted against the motion which would have restored these vitally needed reclamation funds.

During the debate on April 25 of this year, I made this statement:

> I want to say this to the Republican Party that is crucifying the reclamation projects in the 17 Western States: Mr. Chairman, in November 1948, your "mandate" is going to be showing. Do not look now, but your "mandate" is going to be showing when you go into those western places and try to send some of your people on that side back here. I think it is more important that they come back, as well as the Democrats come back from the West, than to have these reclamation projects defeated. I would rather have reclamation and all of the Republican Members from Washington, Oregon, California, Utah, and the other Western States come back, than to see your Republican Members defeated and see us fail to get reclamation.

Now, ladies and gentlemen of the House, we see the results of the lack of vision on the part of the Republican leadership. We see the cuts they made

last spring restored. Why are these cuts restored? Well, in the first place, the budget as presented in President Truman's recommendation was based on the needs of the people's projects in the area affected. The amounts involved represented the minimum needs of the projects. Time and evidence have justified the amounts requested, and we see the Republican Party marching down the hill in abject defeat before the strong and factual realities of the situation.

Why have they been forced to repudiate their former position? There is only one answer. Their former position became untenable in view of the facts which have developed according to the prediction which Members, including myself, made at that time.

I, too, realize there will be a political campaign next year and I hope the 12 Republicans from the State of California who voted against the reclamation needs of the State of California in April, will now reverse their former position and vote to sustain the reinstatement of these funds.

I prophesy that the people in California and other Western States will realize that this restoration is being made because of the lack of vision of the Republican leadership and with an eye to political expediency. It seems that the Republican Members have heard from home. I compliment them on their attempt today to readjust, along the lines of Democratic recommendations, the mandate they claimed they had received from the people.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. NORRELL].

Mr. NORRELL. Mr. Chairman, I cannot cover the subject in a minute and a quarter, so I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mr. ANGELL].

Mr. ANGELL. Mr. Chairman, I am happy that the Committee has seen fit to restore some of these funds for these projects in the West. I am particularly interested in the Columbia Basin project, and I want to compliment the Committee on its fair treatment of that project, particularly the gentleman from Iowa [Mr. JENSEN] who made such a clear explanation on the floor and to whom much credit is due for this recommendation. The fact is that we are now in the midst of a dearth of hydroelectric power in the Northwest. Unless some relief is granted in respect to power we are going to be completely without energy, not alone to carry on the ordinary operations of existing industry, but many other industries which desire to come into this area will be unable to obtain power.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. ANGELL. I am glad to yield to the gentleman from Iowa.

Mr. JENSEN. This additional money that we have allowed over and above the budget estimate is going to put water on land that the veterans have first priority on; is that not true?

Mr. ANGELL. That is absolutely true.

Mr. JENSEN. And it will rush the program by possibly 1 year in getting those veterans on that land that they want so badly.

Mr. ANGELL. That is true, and it will also provide these additional power facilities a year ahead of the time that they otherwise would have been completed.

Mr. Chairman, I am in full accord with the position taken by my colleague from Iowa [Mr. JENSEN] that it is good judgment to provide now for speeding up the bringing into cultivation the tillable lands under the Grand Coulee project. There are 1,200,000 acres in this project. The dam and the pool of water behind it have been completed for a number of years and it only remains to provide the facilities for putting the water on the land to bring into cultivation this vast area of high grade, fertile land, which will be available for veterans. We know the great need, not only in our own country, but throughout the world, for agricultural food products, and this is one way we can bring early relief in increasing the available supply. It has been estimated that the speed-up provided in this bill for this reclamation project will bring into cultivation by 1952, 326,661,000 acres with reasonable prospect of bringing into cultivation in 1948 some 53,000 acres, as compared with the present plan of 6,500 acres.

As I have said, I am deeply interested in the additional generating facilities for hydroelectric power in the Grand Coulee Dam project provided by appropriations in this bill. Dr. Paul Raver, Bonneville Administrator, recently reported that the Northwest output of hydroelectric power on December 8, 1947, was 31,740,000 kilowatt-hours as compared with the highest wartime peak of 30,690,000 kilowatt-hours and that the Northwest is in a critical power shortage. He placed as a conservative need 2,200,000 kilowatts additional capacity by 1953. A new peak demand for power in that area was recently reached when 32,303,000 kilowatt-hours of electricity were produced. At that time there was a reserve of only 16,000 kilowatts left in the area, which had already been augmented by 63,000 kilowatts received from Montana. This demonstrates the critical situation facing the Northwest for this essential lifeblood of industry. The Aluminum Co. of America recently authorized the construction of a large aluminum fabricating plant on the west coast in the Columbia River area, plans for which are already being prepared. This project will require an additional allocation of electric energy. There are a number of other industries seeking entrance into the area but they cannot perfect their plans until they are sure that hydroelectric power will be available to them.

The full generating capacity of the Grand Coulee Dam should be made available at the earliest time possible and the completion of the Hungry Horse project in Montana, McNary and Foster Creek projects in Oregon and Washington should be speeded up so that they will be brought into production as soon as practicable.

The increases in the budget estimate for the Columbia Basin project as recommended by the committee are as follows:

Additional amounts recommended by committee	
Joint facilities: Spillway bucket repairs	$120,000
Power facilities:	
Right powerhouse and tailrace	378,000
Left generating units	7,000
Right generating units	274,000
Left switchyards and equipment	2,000
Right switchyards and equipment	373,000
Irrigation facilities:	
Grand Coulee pumping plant	270,000
North Dam	25,000
Feeder canal	35,000
Reservoir rights-of-way	25,000
Columbia Basin land-purchase program	350,000
Total	1,859,000
Columbia Basin project, Washington:	
Regular appropriation, 1948	$17,500,000
Unexpended balance, June 30, 1947	9,376,274
Supplemental amount contained in bill, 1948	13,584,000
Total amount available, 1948	40,460,274

Mr. Chairman, as part of my remarks I include the following editorials from two local newspapers in my district which clearly show the urgent need for additional generating facilities in the Northwest and particularly in the Grand Coulee project as provided by this bill.

[From the Portland Oregonian of November 22, 1947]

ALUMINUM'S SHARE OF POWER

The tight power situation in the Pacific Northwest has resulted in renewed criticism of the Bonneville Power Administration for selling about half its output to aluminum plants in Vancouver, Troutdale, Spokane, and Tacoma. Interests opposed to more dam building on the Columbia are saying that there would be enough power for all if the aluminum customers were discontinued.

This page cannot go along with such a narrow, regional view. Benefits to the Northwest from the new light metals industry will not be realized fully until there is expansion of fabricating facilities, but the aluminum industry is here to stay. With proper development of hydroelectric capacities there will be no need to force it out. There is also the national defense to be considered.

Stock piling of aluminum ingots, which represents the stock piling of electricity, long has been advocated by this newspaper as a Federal policy. Business Week, November 1, reported that the Army-Navy Munitions Board plans to abandon its preference for stock piling bauxite—until recently advocated by the leading aluminum producer, Aluminum Company of America—and to begin to buy and store surplus aluminum ingot as it becomes available.

This page recently quoted from a report by Ansley Coale, published by the Social Science Research Council and Princeton University Press, which foresaw the necessity for 2 or 3 years' supply of aluminum ingot so that the Nation would not be left defenseless if atomic bombs knocked out the highly concentrated industry.

In one peak year of demand in the last war the United States used 2,500,000,000 pounds of aluminum. If another war comes, the need certainly will not be less. On the

basis of a 2-year or 3-year stock pile, the Nation should maintain a supply of from 5,000,000,000 to 7,500,000,000 pounds for military use alone. Total aluminum ingot capacity of the United States is 1,200,000,000 pounds a year—of which 46 percent is in the Pacific Northwest.

The latest figures available from the Army-Navy Munitions Board show that the Federal stock pile now is less than 50,000,000 pounds.

It is an absurdity to talk of eliminating the efficient Northwest plants from any Federal effort to build up the defense stock pile. The truth is that aluminum demand today is keeping pace with aluminum production. It may be strategically necessary for the Government to divert a sizable share of national aluminum production from civilian uses to the defense stock pile—or to buy it from the American-financed Shipshaw project in Quebec—if the civilian demand for this vital metal does not slacken soon.

[From the Oregon Journal of December 14, 1947]

INDUSTRIES KEEP AHEAD OF HYDRO POWER

There was a time—do you remember when—it wasn't so long ago—that big plans were a-building and contributions were besought to get industries to consume cheap and abundant Columbia River electric power.

(Standing off to one side were the doleful and the anti's singing the tenor and the bass of their theme song, "The Government shouldn't build Bonneville and Grand Coulee, and no one can market all the power.")

No one worthy the name of a good Golden Rulist ever says, "I told you so." It will be sufficient to rephrase the news of the day.

The Aluminum Co. of America would like to add to its Vancouver, Wash., plant another for the manufacture of aluminum rod, wire, and electric transmission cable—if it can get the power.

To start, the company would employ 200 or 300 men, and move up to 600, maybe 1,000 ultimately—if it can get the power.

And Dr. Paul Raver, Bonneville Administrator, just before taking off for Washington expressed hope that the power could be got.

Nevertheless, power demand has caused the Bonneville-Grand Coulee output to pass 1,500,000 kilowatts weekly. At the peak of war demand the output was somewhat more than 1,400,000 kilowatts a week.

And, while the statement isn't formally credited to him, Administrator Raver is understood to have remarked he could sell 200,000 more kilowatts—if only the power were available.

The power plants, private or public, have the same problem. First it was: Give us industries to use the power. Now: Give us power to keep up with the industries.

To our way of thinking, the situation constitutes the best of all arguments for prosecuting the construction of McNary Dam as an additional Columbia River power source. The need for its electric current will be an emergency before its generators begin to turn, even if not a day is lost in building.

And the demand for power that outstrips the output of the world's largest hydro-electric units is also a sign of the health of the Pacific Northwest in its mid-morning of growth.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. HORAN].

Mr. HORAN. Mr. Chairman, we of the West like the thorough and sincere way that the Subcommittee on Interior Appropriations last summer went about the business of finding out the facts about western reclamation.

Mr. Chairman, I am asking only a very brief period at this time to call the attention to the Members of this body to a concurrent resolution which I introduced yesterday, House Concurrent Resolution 123, the aim of which is to bring to an end, once and for all, the kind of difficulties we have been experiencing with regard to the bookkeeping in some of our major Federal agencies. I believe it will be helpful to the gentleman from Iowa, Chairman JENSEN, in the work which he and his subcommittee so ably began last summer.

I am asking my colleagues at this time to adopt a policy requiring an audit, or pay out test, to be applied annually to every project of a public works nature which has been authorized on a reimbursable basis. By the adoption of such a policy, we can force the Federal agencies concerned to keep business-like books which will stand up to public scrutiny. We shall also be able to determine each year, without recourse to investigations or partisan wrangling, whether the money of the taxpayers which the Congress in good faith is investing in these extremely worth while projects is actually being used in such a way as to protect the investors.

We have gone through a period of several years, Mr. Chairman, when those who sought to oppose the development particularly of reclamation and multiple-purpose projects in the West have based a large part of their argument on claims that the money put into them actually never would be repaid. These arguments forced a major issue in the fights over appropriations for western development projects in the 1945 and 1946 sessions and again this year.

In the face of these arguments, I proposed nearly three years ago that the Congress call for an independent audit of such projects as the Columbia Basin-Bonneville, to determine whether the rates charged for power and irrigation were adequate to cover the costs of repayment within the time specified in the acts of Congress authorizing their construction. That proposal was ignored and the arguments went on.

To settle the matter regarding the Columbia-Bonneville system, I asked the Secretary of the Interior to have a pay out test made on those projects. The report, made by me on the floor of the House on February 12, 1946, set forth for the first time a comprehensive statement by an independent accounting firm on this subject. That report vindicated the correctness of the rate charged for Federally-produced power in the Pacific Northwest and remained unchallenged for more than a year.

On April 30 of this year, during the discussion of funds for the 1948 fiscal year, I reported to the House the figures from a supplemental study made to bring the pay out test up to date. It indicated that revenues from Columbia River power were coming in at a rate which, over the repayment period, would pile up a surplus of some $190,000,000 in the Federal Treasury.

Throughout all this time, I have been deeply disappointed that no effort had been made to apply this same test to other projects of similar nature. I am very pleased that the Appropriations Committee, under the wise direction of its chairman, the gentleman from New York [Mr. TABER], has during the past few months been conducting an audit of the books of the Bonneville Power Administration, the TVA, and the many reclamation projects in the West. Whatever the outcome of this audit, it cannot be other than beneficial in the long run to the people whose income will repay the Federal investments made in their future.

Now, Mr. Chairman, I am formally asking this Congress to adopt the technique proposed by me 3 years ago and being used by the Appropriations Committee today as the permanent policy regarding all reimbursable projects. I think the Nation deserves to know, each year, how we stand. I know the gentleman from Iowa, Chairman JENSEN, intends that we should know just that—and I, for one, intend to do everything I can to assist.

The CHAIRMAN. The Chair recognizes the gentlewoman from California [Mrs. DOUGLAS].

Mrs. DOUGLAS. Mr. Chairman, I wish to compliment the subcommittee of the Committee on Appropriations on its decision to restore the funds that it cut from the Interior Department appropriation.

The voice of our own people is still strong, and I am glad that it has finally reached Washington. Of course we must not forget that we are very near elections.

Sound economy is to be desired in government and in business. But it is hardly economy to force the Interior Department to shut down on authorized engineering projects because Congress has failed to appropriate enough money. This is not economy. This is political chicanery.

It is hardly economy to legislate in such a way that the productive growth of this country is crippled. No, it is not economy; it is short-sighted and wicked, for it affects the livelihood and well-being of the American people.

The West was dealt a severe blow when the Committee on Appropriations of this House in the name of economy saw fit to cut the President's budget for the Interior Department from $295,000,000 to $150,000,000. Today the Republican leadership of the House has recognized that the cut for the Interior Department was false economy. The Republicans propose now not only to give what the President asked but to give more than he asked. But why the extra money? Have the Republicans abandoned their economy plant—or is this money to pay for the extra cost entailed in having to shut down? This is a day long to be remembered.

A few of us from the West warned when this cut was forced through by the Republicans last year that the appropriation then made was wholly inadequate and that it would force a shutdown of work before the year was over.

We pointed out it would cost more money to stop work and then begin again than to continue in a systematic, orderly way to finish the work that this Congress had authorized.

Well, what we predicted has come to pass. The Interior Department has run out of money to carry on work and has been forced to notify contractors that work must stop.

Let us review the record. You will remember that an amendment was offered by the Democrats to bring the appropriation of the Interior Department up to the figure asked for by the President. The amendment was defeated by a vote of 197 to 140.

Of the 197 who voted against necessary funds to continue authorized construction, 186 were Republican votes—11 were Democratic.

Of those voting for the funds, 130 were Democrats—only 9 were Republicans.

In other words, 9 Republican Congressmen in the entire country voted correctly in the all-important matter of Interior Department appropriations.

The story in California is equally unattractive for the Republicans of the State. There were 11 votes cast by California Congressmen for the funds—8 of those votes were by Democrats. There were 10 votes cast by the California Congressmen against the funds—all 10 votes were Republican.

I am glad the people's voice was loud enough to make the Republicans now see the error of their ways—a little late but better late than never.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON of California. Mr. Chairman, I want to compliment the committee on looking the situation in the face in regard to the Central Valley project and giving it an additional appropriation so the work of that great project can go on. This is not a partisan political problem, this is a business problem, a Government business problem. You have invested over $200,000,000 in this great project, and until you get it finished you will get very little, if any, money back. Therefore, to recoup our original investment and the interest on our bonds we should rush this thing through to completion.

There was no great roar in California against the cutting of this appropriation. I live right in the middle of this project. I heard very little of it from individuals, but the leadership we follow out there, and that I hope Congress will follow, is the leadership of our governor. He came here and asked for $40,000,000 to accelerate the completion of this great project.

I hope this is only a beginning of what we are going to keep doing every year until we get this great project completed. We should have it done in 5 years. I again compliment the committee on giving us this additional amount of money.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. GEARHART.]

Mr. GEARHART. Mr. Chairman, though the time allotted is woefully insufficient to adequately discuss the construction problems of the Central Valley project I think that the sound business judgment which the Appropriations Committee has displayed toward public expenditures constitutes a demonstration which will add to the confidence of the people in the Congress of the United States.

When we of the new majority assumed control of the legislative branch of the Congress it was announced that nothing would be appropriated from the Treasury the necessity for which could not be established in advance as necessary. In other words, the happy day of blind appropriations was over. The people were at the same time assured that additional appropriations of construction funds would be forthcoming as they were shown to be needed. Though there are some who are straining themselves to make political capital out of this, I am sure that it is just this sort of hard-shell business procedure the people elected the new majority to get. Now that the Central Valley project has reached the point where additional funds are needed the Congress, in accordance with its assurances heretofore given, now supplies it.

In line with this demonstration of sound business principles, I think we can look forward with confidence to the additional appropriations as their necessity is made to appear by competent and convincing evidence. We can look forward to the completion of the Central Valley project on a time schedule that will be limited only by the speed with which the contractors can perform their responsibilities. This has been a congressional demonstration of sound business and sound economy in respect to a public enterprise of great importance which will tend to restore confidence in public administration and in our representative form of government. I congratulate the committee on its splendid service to our country; upon its diligence and the promptness with which it has acted.

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read as follows:

TITLE II

GENERAL PROVISIONS

SEC. 201. No part of any appropriation contained in this act shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not, contrary to the provisions of this section, engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation contained in this act shall be guilty of a felony and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

Mr. NORRELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I regret very much that there was an effort made this afternoon to cut debate after one Member had had 12 minutes without objection on the Democratic side.

I must admit that I am in a state of confusion. I followed the Republican leadership on my subcommittee, men in whom I have the greatest of confidence, last spring. They cut the budget that had been submitted by the President of the United States, a member of my party, very drastically. I went along with them. I thought they were contributing to the campaign promises made last year and that we were making a contribution to the saving of $6,000,000,000 or $4,500,000,000 this year. When we met in this full session the President submitted a budget that simply restored, if enacted into law, the cuts that we made last year. We are still under the administration of the majority of the Republicans on this committee. Now we come in here with my good friends recommending to you not only that you restore all the cuts that were made last year—and, by the way, that may be proper; I do not know—but they go the Democrats one better and say, "Let us not only appropriate the amount of money the President has recommended, which was the amount that he recommended last spring, but let us go the Democrats one better, let us appropriate in excess of the budget estimate." So this subcommittee recommended one thing last spring and another now. I am in a state of confusion. I am not going to offer any amendment. I am sure they are trying to do the right thing. I am sure there is no politics involved. I am certain that the shadows of the November election are not beginning to hover this early over Capitol Hill. I am certain they are trying to reduce the budget and have no interest whatsoever in politics.

But I want to say that if I am going to follow the leadership of the committee, I want that committee to be consistent. I do not want to exceed the speed limit in reverse, and that is exactly what my subcommittee is doing at this time. I go along with the budget estimate. My objection is to going above the budget estimate. That is something we have not done since I have been a member of the committee except on one or two occasions.

Mr. Chairman, I believe the people of the United States want economy. I believe these western States do also. I believe they are entitled to the money they ought to have—I want to give it to them. But I do not want a single project to go without adequate funds. I do not believe that the votes of the western States are on the auction block. I do not believe you can compete in the matter of appropriations in order to get votes. They are good men and good women. I know that the people of the United States want sound, sensible procedure on the part of the Congress. If you can justify one thing in January and another in August, I admit frankly that I cannot go along with you. I had quite a speech to make on this occasion, but I was cut out of my time, but I want to say I am

reminded of what the poet said: "Oh, consistency, thou art a jewel."

Mr. TABER. Mr. Chairman, I move that debate on this paragraph and all amendments thereto do now close.

The motion was agreed to.

The Clerk read as follows:

SEC. 202. This act may be cited as the Third Supplemental Appropriation Act, 1948.

Mr. GORE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, since we have started discussing the particular item in the bill which represents such a chameleonic change of face by the Republican leadership it has suddenly become rather difficult to obtain recognition and time in which to speak. You know as a student of Shakespeare quite some time ago, I memorized some of that great bard's works, and as I witnessed this performance on reclamation I remembered something he had his Hamlet say: "Confess yourself to Heaven; repent what's past; avoid what is to come"—if you can.

I am sure my colleagues remember how like the gushing March wind and with what certainty and dispatch our esteemed Republican leaders of the Congress last winter and spring were going to slash blindly and reduce the budget by $6,000,000,000 in the legislative budget resolution. There was no room for compromise, not even with another body of Congress that concluded the reduction might be just a few dollars less than 6,000,000,000. Six billion it must be.

With that predetermined course in mind, they equipped themselves with ear muffs so that they could hear only what they wanted to hear and with glasses so colored that they could see only what they desired to see, and with a well-oiled steam roller to flatten out and brush aside all pleas of need, all pleas of justification, all reason and sound business practice. False economy seemed to have no appeal or meaning.

With this unreasoned eastern Republican attitude prevailing we of the appropriation committee began consideration of national problems and national needs for appropriated funds, reclamation projects of the West, now before us again, one of them.

I was and now am a member of the Interior Subcommittee that considered this problem. We had exhaustive hearings and began to give careful consideration to the amounts needed for economical continuation of the great projects so vital to western development and our national welfare. But a most unusual thing happened. The committee that heard the evidence was not allowed to write the bill. Indeed, the distinguished gentleman from Oregon [Mr. STOCKMAN], a member of the subcommittee said in debate here on last April 24:

The bill before you today is not a report of the majority of the committee.

And then the able gentleman from Oregon related how it was that he was threatened with the presence and nullifying action of a distinguished gentleman of the eastern Republican high command whom the gentleman from Oregon characterized as "the big bad wolf." Despite this disclosure of the lack of consideration of these projects and programs on merit, the Congress proceeded to seriously cripple most all of these great undertakings.

People of the West pleaded for better treatment. We here in Congress spoke and spoke against such short-sighted, false economy. But I seem to remember that when these pleas and warnings finally permeated the ear plugs they were characterized as "the squealing of a stuck pig."

Now we are beginning to see some of the real results the economy drive had on reclamation. Work on the Friant-Kern Canal and on Shasta Dam of the Central Valley project has already shut down because they was not enough money to continue work on contracts already in effect. Funds for other vital units of this project, including the Delta-Mendota Canal and the Tracy pumping plant, are running out and the work will have to shut down if more is not readily made available. Many force account workers on the Columbia Basin project have been laid off and with all of the stretching out the Bureau of Reclamation could legally do without incurring risk of damage suits from the contractors substantially the entire job will shut down by February 1 for lack of money. The work on Davis Dam cannot be stretched beyond May 1, and the Colorado-Big Thompson project will be out of funds by about March 1.

The American taxpayer can credit against the Republican economy program the additional costs it will take to protect this work while idle, to get it started up again after being shut down, and the losses in power revenues, food, fiber, and farm income that will be incurred by the delay in realizing reclamation benefits. The farmers and power users will also see this Republican brand of false economy and efficiency reflected in higher repayment costs.

My Republican friends cannot say that they were not warned that projects would be stopped. The facts were plainly and fully laid before this Congress. We warned, for instance, that if the Central Valley project was cut from the budget recommendation of $20,000,000 to $6,000,000 or $9,000,000, work on this worth-while project would be stopped. But it remained to be demonstrated once again that one thorn of experience is worth a whole wilderness of warning. Now that projects have been stopped, now that men are out of work, now that contractor's labor forces have been disbursed and it will cost money to reassemble them, the same leadership brings forth a bill not only to undo what they did but to appropriate more money than the budget requested, and the President is now accused by my distinguished and fine friend the gentleman from Iowa [Mr. JENSEN], the able chairman of the subcommittee, of cutting too deeply. The distinguished gentleman from Iowa now says, on the record, that the President of the United States is too strong for economy.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. GORE. I will be delighted to yield always to my distinguished friend, for whom I have the warmest affection.

Mr. JENSEN. I imagine your President will come in with a budget request next year, for the fiscal year 1949, asking that the same 2,000,000 administrators or personnel be left on the pay roll of the American people. That is exactly where the President and I are going to have a falling out, because I am going to tell you right now that if I have my way we are going to cut and cut deep on that thing, and see that we do not have a lot of no-goods, long hairs, and Socialists stuck on the pay roll of the American people.

Mr. GORE. The gentleman now says he is going to cut and cut deep. That is exactly what was done last April when you were in here with your appropriation bill, and now the gentleman and his leadership comes in, right-about face, with the gentleman leading the procession, not only undoing what they did, but going the President one better and appropriating more money than is requested. Who is for economy now? Who are the spenders now?

Mr. JENSEN. Will the gentleman yield?

Mr. GORE. Of course I will yield. If the gentleman will explain his position, I will yield him all my time.

Mr. JENSEN. I will be glad to explain. I know the gentleman is a most charitable soul.

Mr. GORE. I hope I am. I sympathize with the gentleman in his discomfiture.

Mr. JENSEN. Is not the proper thing to do, when you feel that you have possibly made a mistake, to correct that mistake? Is that not the gentlemanly thing to do?

Mr. GORE. I am delighted to have the confession of the gentleman. Of course, it is better to be right late than never at all. But the quality of leadership that this country needs is wise before the event rather than after. Hindsight is the most plentiful commodity around here, and it has not even been affected by inflation. What the country needs is more foresight to avoid debacles like this Congress made of reclamation, irrigation, and power projects of the West.

Mr. Chairman, this bill, in fact, represents the first of a long parade of bills by which the Republicans will steadily reduce their reductions of the budget. Having gone up the hill, they are now coming back down. What will the American people make of all this?

Mr. TABER. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto close in 3 minutes.

The motion was agreed to.

Mr. TABER. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, we have been accused of going up the hill and going down the hill, but they did not tell us that we did not go all the way down the hill. There is still a $68,000,000 saving on unnecessary expenses in that Department of the Interior, after the revisions that have been made as a result of the report of the committee. Sixty-eight million dollars of savings left, and that is going down the hill. Oh, I guess the gentleman will find out that most of the savings we have made will hold, and we will hold

them. I believe that when we get all through the people will be satisfied that not only have we done a good job and provided for the things that ought to be provided for, but we have cut out unnecessary waste, and that is what we are going to do.

The CHAIRMAN. The time of the gentleman from New York has expired.

All time has expired.

Mr. TABER. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with certain amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HARNESS of Indiana, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 4748) making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes, directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

Mr. TABER. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

The bill was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. RANKIN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Does any Member on the minority side of the committee desire to offer a motion to recommit?

Is the gentleman from Mississippi opposed to the bill?

Mr. RANKIN. I am opposed to the bill in its present form.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. RANKIN moves to recommit the bill to the Committee on Appropriations with instructions to report the same back forthwith with the following amendment: On page 5, after line 16, insert a new section to read as follows:

"There is hereby appropriated out of any money in the Treasury not otherwise appropriated for the fiscal year ending June 30, 1948, the sum of $150,000,000 to enable the Secretary of Agriculture to carry out the provisions of the Rural Electrification Act of 1936, as amended, such sum to be in addition to amounts otherwise appropriated for such fiscal year."

Mr. TABER. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. RANKIN. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. Twenty-eight Members have risen, not a sufficient number.

Mr. RANKIN. Mr. Speaker, I ask for a division.

The House divided; and there were—ayes 55, noes 167.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 157. Joint resolution to provide for the regulation of consumer installment credit for a temporary period.

HOUSE RESOLUTION 403

Mr. BROWN of Ohio, from the Committee on Rules, reported the following privileged resolution (H. Res. 403, Rept. No. 1221), which was referred to the House Calendar and ordered to be printed:

Whereas the continued prevalence of conspiratorial or other questionable practices seriously undermine and threaten the national economy of the United States; and

Whereas prices have been inflated and procurement of materials interfered with, by conspiratorial or other questionable practices to a point where public works of all kinds have been made exorbitantly expensive and, therefore, practically impossible economically; and

Whereas further authorization of public works by the Congress will be devastatingly retarded if not prevented altogether unless these iniquitous operations and practices can be stopped; and

Whereas it is obvious that unless these flagrant malpractices are eliminated no proper public-works program can be achieved nor can a stable economy be maintained throughout the United States and its possessions: Now, therefore, be it

Resolved, That the Public Works Committee, or any subcommittee thereof, is authorized and directed to make a study of conspiratorial or other questionable practices and to search exhaustively into the sources and causes of these destructive tendencies induced by conspiratorial or other questionable practices, with a view to reporting as speedily as possible not only their findings but their recommendations for the enactment of measures calculated to eliminate these opprobrious, destructive, and baneful practices. For the purpose of making such investigations the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places within or outside the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

And to amend the title so as to read: "To authorize and direct the Public Works Committee, or any subcommittee thereof, to make a study of conspiratorial or other questionable practices."

EXTENSION OF REMARKS

Mr. HART asked and was given permission to extend his remarks in the RECORD and include an address delivered by Senator LUCAS.

INVESTIGATION OF SPECULATION IN GRAIN MARKET

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I notice in the resolution, House Resolution 403, reported today—I assume it will come up tomorrow—it provides for a wide investigation, but the provisions of the resolution, in my opinion, do not meet the situation with reference to authorizing the Secretary of Agriculture to make public the names of those he has in his possession who have engaged in speculation in the grain market. It is important that all names should be made public.

The American public is entitled to know all the facts in this matter rather than being given only a detached part of the picture. I shall support this resolution tomorrow but I call attention to the fact that this resolution does not authorize the special committee that might be appointed to request the Secretary of Agriculture to make public the names and, as I understand it, by law the Secretary is precluded from doing so. He has in a sense challenged the Congress to give him the power to make public all the names and, in my opinion, appropriate action should be taken by both branches of the Congress before we adjourn giving the Secretary the power to make public all the names, not just a small percentage of the names.

DIVULGING GOVERNMENTAL INFORMATION

Mr. MacKINNON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MacKINNON. Mr. Speaker, there is no law on the statute books of America that prohibits the Secretary of Agriculture from divulging this information. That is just a straw man that the Secretary of Agriculture has built up.

I had previously noted in the newspapers the claim of the Secretary of Agriculture that the law prohibited him from furnishing Congress with the list of the big-time speculators in the commodity markets and so I checked the law on this point and I have come to a contrary conclusion. The applicable law reads as follows:

For the efficient execution of the provisions of this chapter, and in order to provide information for the use of Congress, the Secretary of Agriculture may make such investigations as he may deem necessary to ascertain the facts regarding the operations of boards of trade, whether prior or subsequent to the enactment of this chapter, and may publish from time to time, in his discretion, the result of such investigation and such statistical information gathered therefrom as he may deem of interest to the public, except data and information which

would separately disclose the business transactions of any person and trade secrets or names of customers: *Provided*, That nothing in this section shall be construed to prohibit the Secretary of Agriculture from making or issuing such reports as he may deem necessary relative to the conduct of any board of trade or of the transactions of any person found guilty of violating the provisions of this chapter under the proceedings prescribed in section 9 of this chapter: *Provided further*, That the Secretary of Agriculture in any report may include the facts as to any actual transaction. The Secretary of Agriculture, upon his own initiative or in cooperation with existing governmental agencies shall investigate marketing conditions of commodity and commodity products and byproducts, including supply and demand for these commodities, cost to the consumer, and handling and transportation charges. He shall likewise compile and furnish to producers, consumers, and distributors, by means of regular or special reports, or by such methods as he may deem most effective, information respecting the commodity markets, together with information on supply, demand, prices, and other conditions in this and other countries that affect the markets. (Sept. 21, 1922, ch. 369, sec. 8, 42 Stat. 1003; June 15, 1936, ch. 545, sec. 2, 49 Stat. 1491. Title 7, sec. 12, U. S. C. A.)

The substance of this provision provides that the Secretary of Agriculture may gather certain information for the use of Congress. A separate and disassociated provision provides that he may also publish some of this information in certain circumstances. To construe the limitations on his publishing to also apply with respect to furnishing the information to Congress would lead to an absurd result. The law would then be construed to say that the Secretary of Agriculture may gather this information for the use of Congress, but he cannot furnish it to Congress. Such an absurd interpretation should not be placed on the law. Absurd constructions of statutes are not favored by the courts. It is apparent to me from a mere reading of this section that the limitation imposed on the Secretary of Agriculture with respect to the publication of certain information in no way prohibits him from furnishing the information to the Congress when requested by a committee thereof. I submit that is the only reasonable construction that section can be given.

That this is the correct construction is very apparent when one reads the provisions of title 7, section 12a U. S. C. A.'s, which is the next succeeding paragraph. This section provides:

The Secretary of Agriculture is authorized—

* * * * *

(6) to communicate to the proper committee or officer of any contract market and to publish, notwithstanding the provisions of section 12 of this title, the full facts concerning any transaction or market operation, including the names of parties thereto, which in the judgment of the Secretary of Agriculture disrupts or tends to disrupt any market or is otherwise harmful or against the best interests of producers and consumers. (Sept. 21, 1922, ch. 369, sec. 8a; June 15, 1936, ch. 545, sec. 10, 49 Stat. 1500.)

Under this section the Secretary of Agriculture is authorized to furnish information to commodity markets and to publish facts concerning market operations "including the names of parties thereto which in the judgment of the Secretary of Agriculture disrupts or tends to disrupt any market or is otherwise harmful or against the best interests of producers and consumers." To show how absurd the claimed construction of the Secretary of Agriculture is we only have to reflect upon what can happen under this section if his construction were correct. Under the construction he claims he could give this information to the commodity markets and he could publish it, but he could not furnish it to Congress. That is an absurd result and I submit that no court in the land would arrive at it. All the parts of a statute are to be read together to determine their meaning, and when we look at this entire statute here involved we see the absurdity of the construction claimed by the Secretary of Agriculture.

But possibly the Secretary of Agriculture contends that these big speculators in the commodity markets are not harmful or against the best interests of producers and consumers. Does he take this position? If he does, he is at odds with the President of the United States, for the President in his opening message to this Congress complained of "excessive speculation" and requested authority "to authorize the regulation of speculative trading on the commodity exchanges." The President must have thought that there were some people engaged in excessive speculation in food commodities that were doing something that was harmful. Those are the names that Congress wants. Unless the Secretary of Agriculture disagrees with the President let the Secretary submit the names at once and let us get down to business. I believe he is under legal and moral duty to submit all names.

SPECIAL ORDERS GRANTED

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. REES. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. KLEIN. Mr. Speaker, I ask unanimous consent that on tomorrow, following any special orders heretofore entered, I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. MAHON asked and was given permission to revise and extend the remarks he made in Committee today and include brief excerpts.

Mr. ANGELL asked and was given permission to revise and extend the remarks he made in Committee today and include brief excerpts.

Mr. ARNOLD asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. MARCANTONIO asked and was given permission to extend his remarks in the RECORD and include a statement of the officers of the International Workers Order and a list of the members of the International Workers Order cited for heroism.

GRAIN SPECULATORS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Now, Mr. Speaker, it is my understanding that a resolution will be presented to the House authorizing a select committee to inquire into this matter of alleged grain speculating.

If I understand the law correctly, and I think I do—though I will be glad to be corrected by the gentleman from Massachusetts [Mr. MCCORMACK] if I am mistaken—I find in these investigations that every time we get near some individual, or close to some information that is worth while, the department tells you that you cannot have the needed facts because if it is disclosed, the disclosure will endanger the safety of the United States.

Now, I just dropped two resolutions into the hopper, one giving this select committee authority to call the secretaries of two departments, and authorizing and directing those secretaries to furnish information which that committee wants and needs, and the other relating to the Committee on Expenditures in the Executive Departments.

There is no use in calling witnesses before the select committee unless we pass that resolution relating to the so-called Anderson committee.

I hope the leadership will give a green light to that resolution.

SUBSISTENCE ALLOWANCE FOR VETERANS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, under leave to extend my remarks, I will include the following telegram which I received from some 450 students who are attending school in Cambridge, Mass., under the provisions of the so-called GI bill of rights. These students plead for immediate passage of H. R. 4212 or S. 1394 which is an identical bill passed by the Senate before recess. The telegram, in part, reads as follows:

We have seen our fellow veterans leave school because of lack of money. The GI bill of rights no longer provides the requisite

minimum of economic security to students. The Senate passed an increase in subsistence unanimously. We urge that you expedite House passage of S. 1394 during special session.

James Cameron, Jan Koh, Joseph Pamelia, Irwin Berkan, Joseph Adinolfi, F. Mead, Marty Kirsch, Harvey Cohn, Edward Benedict, Arnold Parker, E. Block, J. Alcorn, Stan Lofchie, Leon Weiss, E. Berman, Richard Reichard, Jerome J. Gelman, Walter Schenkman, Richard Gyory, Abe Wax, J. Erlbert, John Voreidberg, George Lee, D. Cavicke, Dane Wine, Francis Dolan, Seton Jarvis, Maurice Neumann, Sherburne Hart, John Teem, Russell Fraser, Howard Feigelman, Philip Rhodes, Clarence Young, W. Pickel, Robert Montgomery, Harold Weintraub, J. Peterkin, J. Rausco, R. Lenner, Robert Rockmar, T. Smyth, Edward Gilmore, Charles Overholser, R. Estes, John Miller, J. Merrill, R. Kimball, Richard Jennings R. Bingham, Frank Magulhon, Allen Devinatz, John Stephens, M. L. Gibson, Dan Blom, R. English, J. Edelman, E. Timbers, J. Young, James Ferguson, E. Margolis, W. Kennedy, Allan Newmark, A. F. Reichert, B. Middendorf, M. Godine, Ed Robertson, Lloyd Marcus, A. Baron, Reuben Siegel, John Wyant, T. Backe, A. John, C. Moeller, David Braybrooke, Seymour Berman, R. Owen, Charles Smith, E. Venberger, A. Peloyan, T. Eckelberry, Julian Wickers, J. Savoir, J. Shepardson, R. Shafer, O. Miller, Prentice Bloedel, Benjamin Greshim, S. Shiffer, A. Ecker, Jack Duluth, Augustus Walker, Jerry Rubenstein, Delbert Ofsthun, S. Funk, Eric Sokolsky, Raphael Mur, Henri Charles, Rowland Cox, Arnold Schwab, David Weden, Irving Phillips, George Gibion, R. Redwood, Lawrence Goldberg, W. Loughlin, R. Coob, B. Kalman, George Fischer, A. Reiff, Edward Stuart, Melvin Richter, A. Frank, F. Fisher, Larry Jaffa, Sidney Hoffman, Wethered Barroll, K. McAfee, Philip Nade, C. Gorlser, David Rovis, Lewis Wheelock, J. Slovin, Edwyn Silberling, William Tembry, George Chiossi, R. Pratt, E. Shreve, J. Kellogg, George Willenbrink, J. Krig, Jr., R. Donovan, Richard Kronauer, P. Reese, Lawrence Kusek, W. Gentry, Donald Page, W. Hungate, G. Fitzelle, Raymond Cavallo, R. Mason, James Smith, M. Lomask, Richard Haven, R. Rickert, A. Crichton, Warren Mankey, Arthur Danese, Raymond Sutle, C. Cavanaugh, D. Dickson, Charles Raffi, S. Krauz, Seymour Hayden, T. Stoddard, Paul Julian, Warren Heilser, Al Koff, A. Schwartz, Jr., Robert Dettar, R. Miller, C. Cook, James Diefenbeck, R. Ronsheim, Roy Gootenberg, Arnold Childs, W. Johnson, Henry Collyer, J. Price, Robert Olcott, M. Jewell, Stanley Karson, Murray Lewis, Peter Olney, Clayton Clawson, Richard Banks, Pete Hewitt, R. Doyle, Bernard O'Henberg, William Barnwell, Thomas Nuyum, Peter Swing, Stanley Silbert, Harold Paror, William Wasserman, James Myers, John Soofbourard, D. Register, Stuart Andrew, Phyllis Freeman, Gerald Gillerman, John Eustance, Dick Robbins, Thomas Connolly, R. Richardson, Gilbert Elliot, Roger Wilson, Cyril Wyche, Hammond Reed, H. Nichols, D. Demarest, H. Muller, Joseph Clifford, E. Rubing Vaughan, George Weiffenbach, James Waterhouse, Anthony Partridge, James Lewis, Walter Fader, David Young, Wolfgang Fallo, J. Held, Alexander Meigs, R. Gardner, Robert Iglauer, Gerard Fowler, D. Rugoff, H. Jensen, Nathaniel Gifford, J. Sherman, Rafael Steinberg, James Townsend, J. Allen, William Pitkowsky, Joseph Grunig, P. Houston, S. Gates, Robert Starnes, J. Golger, R. Considine, Charles Keith, Paul Richter, Gordon Neal, William Martin, H. Rankin, Norman Dudley, Frederick Torrey, G. Taylor, Norman Zierold, Paul Crine, Edward Lenahan, Donald Watt, Jerry Johnson, D. Self, Haywood Canney, R. W. Chesnut, John Ray, Thomas Brooks, Justin Fishbein, Laurence Broderick, Walter Smith, Philip Wolf, Lawrence Gray, Whitney Blair, George Gaudette, Francis Heppner, John Guidera, Warren Ingersoll, Langdon Day, C. Dunn, David Wilson, Derek O'Donoghue, Edward Cheney, Robert Lane, Alfred Eddy, C. Bacon, Richard Searle, M. J. Cohen, Chris Moore, Ed Hart, Wellington Newcomb, G. Heller, E. Bogert, John McGrath, R. Carvel, H. Mendelsohn, Theodore Turner, Don Willner, Charles Rabenold, Albert Guttenberg, Fred Lamont, Jose Massip, Francis Viegas, Clyde Engliboe, E. Siegler, Thomas Kuhn, Robert Marnoy, J. Morris, Andrew Gerrick, John Kline, David Reed, S. Mantel, William Cater, Eric Sandin, George Feeney, Eugene Crommett, M. Madway, Frank McEvoy, M. Raub, R. Klein, Frederick Neher, Victor Reed, J. Gavin, T. McNulty, Richard Lewanter, Charles Holtash, T. Parkman, John Finley, J. Guince, John Dickinson, Haskell Pary, Alan Freedman, J. Snyder, J. Lally, B. Cross, Thomas Guthrie, S. Shear, M. Brainer, Hollis French, Merton Fields, B. Fuller, Philip Thayer, L. Cramer, E. Slater, Howard Stouett, L. Hirshberg, L. Preston, Robert Fischells, W. Phillips, Eugene Buskirk, George Kover, Charles Compton, Robert Kinkaid, Harris Blanco, Arthur Levine, Howard Foster, Alan Green, Fred Glimp, Del Coleman, John Murphy, Donald Winslow, John Babcock, Somerby Dowst, R. Thickers, Paul Van Buren, Willard Goodman, Rolf Meyersohn, Peter Marcus, Leeds Frye, Louis Egelson, Ross Whistler, Forrest Selig, Edward Parker, Arthur Nichols, Richard Opdahl, M. McCormick, Alexander Simitch, Charles Kemos, Joel Rothschild, William Emerson, Louis Cutter, William Thompson, Douglas Kingston, Frank David, Herbert Spiro, Donald Mortimer, Edmond Ayres, Donald McKinney, Thomas Miley, Joseph Flynn, David Getz, Charles MacDonald, Theodosus Papleacos, John Harness, Emory Daugherty, A. Woodington, Royal Elfast, Jr., Fred Beyer, Joseph Dolan, Stephen Wechsler, J. Alain, Peter Franco, Robert Warshaw, Richard Kaye, Robert Karpues, Bertram Schneider, R. Wilentz, David Battenfeld, Jacob Nakshian, Stephen Best, E. Lincoln, William Gold, Richard Hays, Norman Fountain, Thomas Schmidt, Leon Smith, Stanley Myers, Norman Richardson, Arnold Samuel, Mark Field, Thomas Tanguen, Sam Robbins, Richard Wolcott, David Thomson, Richard Barwise, Eli Segan, F. Wilhert, R. Larson, Stanley Caywood, Wells Coggeshall, Alexander Davis, H. Russell, Charles O'Brien, J. Breyouces, J. Hodder, G. Colin, John Zwack, Lionel Jaffe, B. Martin, C. Slotznick, John Ingalls, Don Felt, W. Philbrick, Bruce Harriman, F. Castagnet, Robert James, Daniel Weany, Richard Gill, William Barben, Frank White, J. Manfredi, Richard Payne, Romulus Picciotti, Michael Rothenberg, Bill Linehan, Harry King, George Brown, John Bolton, Howard Hugo, Leonard Rose, Cameron Hollyer, J. Dudley, R. Bernard, F. Clove, A. Halperin, Milton Shore, Burton Drben, Cyrus Harvey, Jr., Vincent Brandt, G. Allgeyer, Richard Herman, Emanuel Goldberg, W. Rutter, R. Beren, M. Hull, John Williamson, Eastman Burkett.

Now, Mr. Speaker, Major Clark, the Acting Administrator of Veterans' Affairs, told our Committee on Veterans' Affairs yesterday that there will be many fewer students in the colleges next September. The load is tapering off, so it will be for a short time only that there will be any added expense to the United States Government. It is a contract that we owe these men. The passage of this legislation has the full, unqualified endorsement of the veterans' organizations.

SPECULATIVE PURCHASING

Mr. BUCHANAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BUCHANAN. Mr. Speaker, the Secretary of Agriculture, Mr. Anderson, in a reply to a gentleman from the other body, stated in this language that section (8) of the Commodity Exchange Act specifically prohibited him from disclosing "data and information which would separately disclose the business transactions of any person, and trade secrets, or names of customers."

He would supply the names, however, if Congress would remove the legal ban on his doing so. In order to set aside the language in section (8) of the Commodity Exchange Act, specifically prohibiting him from doing so, I am introducing a resolution to include all persons who have conducted private transactions on the futures, grain, and commodity markets of the country in the past 12 months. This resolution will authorize the Secretary of Agriculture to reveal to committees of the Senate and House of Representatives information on all persons with respect to speculations in commodities.

LEGISLATIVE PROGRAM FOR TOMORROW

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Mr. Speaker, several Members have asked me what we may expect in the way of a legislative program tomorrow. May I ask the gentleman from Indiana if he can give us any information on that?

Mr. HALLECK. Two resolutions providing for investigations have been filed, and it is our intention to call them up tomorrow. At the moment I do not know of anything else. Something further might come up, but at the moment I cannot say about that.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. RAYBURN. I yield to the gentleman from Michigan.

Mr. HOFFMAN. In connection with the resolution introduced by the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] I find on examining the statute and the precedents the investigation might be blocked unless we had additional authority, which can be conferred only by a joint resolution. For that reason, I have dropped into the hopper a joint resolution which I should like to see the Committee on Rules adopt and have brought up.

Mr. HALLECK. The gentleman knows that would have to go to the Committee on Rules first. I have not been apprised of it.

EXTENSION OF REMARKS

Mr. REDDEN asked and was given permission to extend his remarks in the RECORD.

Mrs. DOUGLAS asked and was given permission to extend her remarks in the RECORD in two separate instances and include extraneous matter.

Mr. MONRONEY asked and was given permission to extend his remarks in the RECORD and include a copy of a telegram from the veterans' organizations of the University of Oklahoma.

SPECIAL ORDERS GRANTED

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mrs. DOUGLAS. Mr. Speaker, I ask unanimous consent that tomorrow, following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentlewoman from California?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. JOHNSON of Oklahoma, for 2 days, on account of official business.

The SPEAKER. Under previous order of the House, the gentleman from Florida [Mr. SIKES] is recognized for 15 minutes.

ARE OUR MILITARY SERVICES DOING THEIR JOB?

Mr. SIKES. Mr. Speaker, circumstances have arisen recently which make it desirable to discuss certain aspects of our military programs and the current activities of our military services. Sensational charges, with which the public is familiar, may have obscured more important but less spectacular questions. For instance, what kind of job are our military services doing in the postwar world? Are they taking adequate care to safeguard the country in the present disturbed state of the world? Are the services keeping abreast of atomic warfare?

Can we safely entrust them with the necessary planning required to meet the sudden shock of war if it should strike again without warning?

In attempting to answer these questions I think we can find reassurance in the circumstances that Congress and the military services, in consultation, have taken a long step in the right direction in passing the so-called Unification Act. Other measures, most of which originated in the Military or Naval Affairs Committees of the House or their successor, the Armed Services Committee, have written a new chapter in opportunity and desirability of service in the armed forces.

The Joint Congressional Air Policy Board and the temporary Air Policy Commission appointed by the President, with representations made by military services, are engaged in the development of an over-all policy for the development of our air power.

The President likewise appointed an Advisory Commission on Universal Training which, under the guidance of Dr. Karl T. Compton, has given us a comprehensive, illuminating, and constructive report on our national security requirements.

Secretary Forrestal recently appointed an interservice Committee on Civilian Components, made up of an Assistant Secretary and military representative of each of the three military services, to review the requirements of these components, their relationship to one another and to the regular services.

In the field of hemisphere defense our planning necessarily entails the most complete cooperation between all of the North, Central, and South American countries. My inquiries convince me that our military services are making substantial progress in this direction.

I have reviewed these steps to suggest that, although planning for defense is by no means complete and is necessarily a continuing function, our military services are not only aware of the problem but are devoting material effort to its solution. It is reassuring to know that our defense is being planned in consonance with the developing nature of possible threats and the need for international understandings to meet those threats.

Research and development programs in the several services appear to be proceeding more systematically than before the passage of the Unification Act. We have Secretary Forrestal's assurance that they are being closely coordinated to eliminate duplication and waste effort.

Through the Army research advisory panel of the Secretary of the Army, guidance and advice is being sought also from eminent scientists, industrialists, and educators.

It is clearly unwise to discuss in detail the development of our newly coordinated intelligence system. Recognizing that intelligence is now a global responsibility, requiring the most complete coordination of all activities, we have set up the Central Intelligence Agency as a clearing house for all intelligence which might have a bearing on the national security.

It is generally accepted as a sound principle of operation that as our military strength decreases the efficiency and capabilities of our intelligence system should increase. In the Army the practical application of this principle has resulted in a proper emphasis on intelligence training, the selection of properly qualified individuals for intelligence duty, and the revitalization of the military attaché system.

It may not be amiss here to call attention to the fact that the Secretary of the Army has asked Congress for additional authority to eliminate unfit officers. H. R. 2744, now on the House Calendar, provides for a selection board of five general officers whose duty it would be to review the records of all officers on the active list of the Regular Army, to determine which of these officers should be required to show cause why they should be retained on the active list. It provides also for a Board of Inquiry and a Board of Review to consider the qualifications of officers falling below the standard set for retention.

In addition, the Army has raised its standards for recruiting and made every effort to reenlist competent men who served in uniform during World War II.

The success of these programs and of the Army's postwar reorganization generally must have impressed itself forcefully on many Members of Congress who have had opportunity during the summer and fall to observe the performance of our occupation forces both in Europe and Japan.

My own inquiries have convinced me further that we are making satisfactory progress on the home front in the development of a new industrial preparedness program, so essential to conversion from peacetime production to war production when trouble comes.

The action of the Army in accepting and implementing many of the recommendations of the Doolittle board, and in experimenting with a new philosophy of training and service as exemplified in the Universal Training Unit at Fort Knox, supply additional evidence of a purpose to keep the American Army the best in the world, with the highest standards of morality and intelligence, and incidentally of battle performance.

Mr. Speaker, our military services have been confronted since VE-day with problems of a most unusual and difficult nature. When we consider that with small numbers they have occupied and

kept the peace in nations possessing 200 millions of people; that they have repatriated perhaps 10,000,000 displaced persons in this same interval; that they are still scattered around the circumference of the globe, performing herculean tasks of organization, training, transportation, feeding, clothing, arming, and governing; and doing all of this while engaged in the necessary tasks of rebuilding and reorganization of the services, it should make all of us proud to hail them as our own.

I do not attempt to shield the services from criticism. Sometimes criticism is needed. But we should not lose our sense of proportion. We should not lose sight of the forest of excellent performance by the services because of our concentration on a few decaying trees like the unscrupulous Meyers.

We should not forget that a handful of budget-starved Regulars and Reservists from the twenties and thirties were able to organize and direct the most brilliant military mobilization and operation in the history of the world on land, sea, and in the air. That the cost was a fearsome one is directly attributable to the unpreparedness of that era. Yet with the guns hardly quiet, and with major peace treaties yet to be signed, many among us have already returned to the carping criticism of the military mind and the reactionary militarist which accompanied our suicidal policy of disarmament between the world wars.

We live in a troubled world, in much of which force is all that counts. Some of us fail to recognize this fact. In our eagerness to return to the ways of peace we already have largely torn down the services by hasty demobilization of men and materials.

Despite this, Mr. Speaker, I believe the services are giving a good account of the talents entrusted to them. But they can do an even better job if we in Congress will give more serious attention to the difficult constructive task of raising and supporting armies and of providing for the common defense, in keeping with the lessons of this fearsome new atomic age.

The services will do all they can with the men and material entrusted to them. They cannot do more. For their great records, and for the importance of the job entrusted to them, they need and deserve alert, intelligent, and active support from the Congress and the public.

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 10 minutes.

SPECULATION ON COMMODITY MARKETS

Mr. HOFFMAN. Mr. Speaker, I should like to have the distinguished gentleman and eminent lawyer from Wisconsin [Mr. KEEFE] stay just one moment to ask him to look at a copy of the resolution I dropped in the hopper and to give me his assistance tomorrow before the Rules Committee. I should like to ask the majority leader the gentleman from Indiana [Mr. HALLECK], to give us a hearing before the Rules Committee, because there is no use passing resolutions creating select committees to investigate the executive departments unless we give them authority to make the fellows downtown talk.

The gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] introduced a resolution—House Resolution 404—to make a certain investigation, the success of which will depend upon the information he will be able to secure from the executive departments.

Having been on several committees conducting investigations, I have learned that, hiding behind an Executive order, all too often the departments refuse to give committees information which is relevant, which is necessary, if the committee is to accomplish its purpose.

Invariably, the departments hide behind the fiction that the information sought, if disclosed, would impair the national welfare. The action of the department heads rests upon the false assumption that they are more zealous in protecting the national welfare than is the Congress or its committees.

They seem to assume that, though never elected to office by the people, they have a better knowledge of what is good for the people than have the people's chosen representatives.

To aid the committee which may be appointed under House Resolution 404, the resolution giving it authority to obtain information has been introduced.

BILLS PRESENTED TO THE PRESIDENT

Mr. LECOMPTE, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 4627. An act to authorize an appropriation for the immediate relief of the Navajo and Hopi Indians, and for other purposes; and

H. R. 4460. An act to amend the act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock p. m.) the House adjourned until tomorrow, Thursday, December 18, 1947, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1152. A letter from the Secretary of War and Acting Secretary of the Navy, transmitting the report of a joint Army-Navy board appointed to study the need and feasibility of an additional crossing of San Francisco Bay; to the Committee on Public Works.

1153. A letter from the Attorney General, transmitting a report reciting the facts and pertinent provisions of law in the cases of 145 individuals whose deportation has been suspended for more than 6 months; to the Committee on the Judiciary.

1154. A letter from the Secretary of the Treasury, transmitting an itemized report covering transactions during the fiscal year 1947 for account of the Pershing Hall memorial fund; to the Committee on Expenditures in the Executive Departments.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROWN of Ohio: Committee on Rules. House Resolution 404. Resolution creating a select committee to investigate transactions on commodity exchanges; without amendment (Rept. No. 1219). Referred to the House Calendar.

Mr. HOFFMAN: Committee on Expenditures in the Executive Departments. House Report No. 1220. Supplemental report on investigation of the effectiveness of antiracketeering laws and the administration thereof. Ordered to be printed.

Mr. BROWN of Ohio: Committee on Rules. House Resolution 403. Resolution to authorize and direct the Public Works Committee, or any subcommittee thereof, to make a study of black markets; with an amendment (Rept. No. 1221). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CASE of New Jersey: Committee on the Judiciary. H. R. 1009. A bill for the relief of Mrs. Florence Byvank; without amendment (Rept. No. 1214). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 3224. A bill to authorize the cancellation of deportation proceedings in the case of Frank Durante and wife, Maria Durante, and two children, namely, Paul Durante and Patsy Durante; with amendments (Rept. No. 1215). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 3742. A bill for the relief of Robert Wilhelm Gerling; with amendments (Rept. No. 1216). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 3849. A bill for the relief of Domingo Candarias; without amendment (Rept. No. 1217). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 4403. A bill for the relief of Ladislao Valda, Elena Valda, and Stefano Valda; without amendment (Rept. No. 1218). Referred to the Committee of the Whole House

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AIMOND:

H. R. 4766. A bill to provide additional compensation for postmasters and employees of the postal service; to the Committee on Post Office and Civil Service.

By Mr. BARTLETT:

H. R. 4767. A bill to provide additional compensation for employees of the Federal Government and of the government of the District of Columbia; to the Committee on Post Office and Civil Service.

By Mr. BATTLE:

H. R. 4768. A bill to provide additional compensation for postmasters and employees of the postal service; to the Committee on Post Office and Civil Service.

By Mr. BLAND:

H. R. 4769. A bill to permit the Administrator of the Housing and Home Finance Agency

to sell certain war housing projects to the Newport News Redevelopment and Housing Authority; to the Committee on Banking and Currency.

By Mr. CELLER:

H. R. 4770. A bill to provide increased Federal-aided public housing for families of low income; to the Committee on Banking and Currency.

H. R. 4771. A bill to amend the National Housing Act so as to provide increased limits on cost in the case of federally aided low-rent housing; to the Committee on Banking and Currency.

By Mr. DAVIS of Georgia:

H. R. 4772. A bill to provide additional compensation for postmasters and employees of the postal service; to the Committee on Post Office and Civil Service.

By Mr. JONES of Washington:

H. R. 4773. A bill to provide additional compensation for postmasters and employees of the postal service; to the Committee on Post Office and Civil Service.

By Mr. MacKINNON:

H. R. 4774. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans through veterans' homestead associations and the public facilities essential therefor; to the Committee on Veterans' Affairs.

By Mr. MILLER of California:

H. R. 4775. A bill to provide additional compensation for postmasters and employees of the postal service; to the Committee on Post Office and Civil Service.

By Mr. JENNINGS:

H. R. 4776. A bill to prohibit the removal from the United States of certain horses brought from Hungary; to the Committee on Armed Services.

By Mr. ROSS:

H. R. 4777. A bill to provide additional compensation for employees of the Federal Government and of the Government of the District of Columbia; to the Committee on Post Office and Civil Service.

By Mr. CELLER:

H. R. 4778. A bill to increase the guaranty by the Government of real-estate loans to veterans; to the Committee on Veterans' Affairs.

By Mr. HAGEN:

H. R. 4779. A bill to provide additional compensation for postmasters and employees of the postal service; to the Committee on Post Office and Civil Service.

By Mr. BEALL:

H. R. 4780. A bill to provide additional compensation for postmasters and employees of the postal service; to the Committee on Post Office and Civil Service.

By Mr. HAGEN:

H. R. 4781. A bill to abolish the village delivery service of the Post Office Department, to transfer village carriers to the city delivery service, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 4782. A bill to provide for an amendment to chapter 29 of the Internal Revenue Code; to the Committee on Ways and Means.

H. R. 4783. A bill to provide longevity pay for postmasters; to the Committee on Post Office and Civil Service.

By Mr. KEARNEY:

H. R. 4784. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

By Mr. PFEIFER:

H. R. 4785. A bill to provide additional compensation for postmasters and employees of the postal service; to the Committee on Post Office and Civil Service.

By Mr. REES:

H. R. 4786. A bill to amend the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945, so as to provide promotions for temporary employees of the custodial service; to the Committee on Post Office and Civil Service.

By Mr. BENNETT of Michigan:

H. J. Res. 277. Joint resolution to provide that any future payments by the Republic of Finland on the principal or interest of its debt of the First World War to the United States shall be used to provide educational and technical instruction and training in the United States for citizens of Finland; to the Committee on Foreign Affairs.

By Mr. HAVENNER:

H. J. Res. 278. Joint resolution authorizing and directing the Secretary of Agriculture to transmit to Congress the names of all persons who have engaged in transactions on commodity exchanges; to the Committee on Agriculture.

By Mr. KERSTEN of Wisconsin:

H. J. Res. 279. Joint resolution providing for the discontinuance of further plant dismantling in the American war zone in Germany, and for other purposes; to the Committee on Armed Services.

By Mr. SMITH of Virginia:

H. J. Res. 280. Joint resolution to authorize the Secretary of Agriculture to reveal to committees of the Senate and House of Representatives information with respect to certain speculators in commodities; to the Committee on Agriculture.

By Mr. BUCHANAN:

H. J. Res. 281. Joint resolution to authorize the Secretary of Agriculture to reveal to committees of the Senate and House of Representatives information with respect to certain speculators in commodities; to the Committee on Agriculture.

By Mr. HOFFMAN:

H. J. Res. 282. Joint resolution directing the executive departments herein named to make available to the House Committee on Expenditures in the Executive Departments certain information in their possession; to the Committee on Expenditures in the Executive Departments.

H. J. Res. 283. Joint resolution making available to the House Select Committee to Investigate Transactions on Commodity Exchanges, appointed by virtue of House Resolution 404, certain information in the possession of the Treasury Department and the Bureau of Internal Revenue, and in the possession of the Department of Agriculture; to the Committee on Ways and Means.

By Mr. COMBS:

H. Con. Res. 124. Concurrent resolution to create a joint committee of the House and Senate to investigate commodity speculation; to the Committee on Rules.

By Mr. AUGUST H. ANDRESEN:

H. Res. 407. Resolution to provide funds for the expenses of the investigation and study authorized by House Resolution 404; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. JACKSON of California:

H. R. 4787. A bill for the relief of Dr. Henry Mindlin, Zinaida Mindlin, and Nicholas Alexandre Bolotine; to the Committee on the Judiciary.

By Mr. PHILBIN:

H. R. 4788. A bill for the relief of Franz Eugene Laub; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

955. By Mr. BUCK: Petition of Mae Schnurr, national defense chairman, Fredrick Staats Post Auxiliary, No. 517, American Legion, and 53 residents of Staten Island, N. Y., urging the passage of legislation establishing a system of military training; to the Committee on Armed Services.

956. By Mr. CASE of South Dakota: Petition of Mrs. L. M. Larson, Zeona, S. Dak., and 12 others, urging legislation which will prohibit advertising liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

957. Also, petition of Mrs. A. R. Halseth, Madison, S. Dak., and 39 others, urging legislation which would prohibit advertising liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

958. Also, petition of Mrs. Oliver Lerseth and 25 others, of Beresford, S. Dak., urging the enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

959. Also, petition of Mrs. S. Paulsness and 20 others, of Baltic, S. Dak., urging enactment of legislation to prohibit advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

960. Also, petition of Mrs. R. I. Hokenstad, of Garretson, S. Dak., and 22 others, urging enactment of legislation which would prohibit advertising liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

961. By Mr. HART: Petition of Carroll Council, No. 1378, Knights of Columbus, Union City, N. J., protesting against the imprisonment of Archbishop Stepinac by the Government of Yugoslavia; to the Committee on Foreign Affairs.

962. By Mr. LECOMPTE: Petition of members of the American Legion, Lineville, Iowa, and others, in the interest of universal military training; to the Committee on Armed Services.

963. Also, petition of members of Duncan-Smith Unit, No. 506, American Legion Auxiliary, Lineville, Iowa, in the interest of universal military training; to the Committee on Armed Services.

964. Also, petition of sundry citizens of Grinnell, Iowa, urging the adoption of a system of universal military training; to the Committee on Armed Services.

965. Also, petition of sundry citizens of Mingo, Iowa, urging the establishment of a system of universal military training; to the Committee on Armed Services.

966. By Mr. MARTIN of Massachusetts: Petition of Commander L. Ray Hutchins and sundry citizens of Massachusetts, advocating enactment of universal military training; to the Committee on Armed Services.

967. Also, petition of Commander Pat Smith and sundry citizens of Massachusetts, advocating enactment of universal military training; to the Committee on Armed Services.

968. Also, petitions of Adjt. Samuel S. Symans and sundry citizens of Massachusetts, advocating enactment of universal military training; to the Committee on Armed Services.

969. By Mr. MILLER of Maryland: Resolution of the Del-Mar-Va Volunteer Firemen's Association, requesting exemption from the manufacturers' excise tax of articles purchased for the use of volunteer fire companies; to the Committee on Ways and Means.

970. By Mr. SMITH of Wisconsin: Petition of members of American Legion Auxiliary, Post No. 21, Kenosha, Wis., urging passage of legislation establishing a system of universal military training; to the Committee on Armed Services.

971. By Mr. TOWE: Petitions of National Defense Unit, No. 69, American Legion Auxiliary, Carlstadt, N. J.; New Milford Post, No. 217, American Legion, River Edge, N. J.;

R. Bradner Tilt Unit, No. 318, American Legion Auxiliary, Demarest, N. J; and Alan Nutt Post, No. 126, American Legion, Cliffside Park, N. J.; all in support of legislation establishing a system of universal military training, to the Committee on Armed Services.

972. By the SPEAKER: Petition of John C. Burt, of New York, N. Y., petitioning consideration of his resolution with reference to reestablishing his civil rights guaranteed by the Constitution of the United States; to the Committee on the Judiciary.

973. Also, petition of Miss Ruth Dodge and others, of Daytona Beach, Fla., petitioning consideration of their resolution with reference to enactment of H. R. 16; to the Committee on Ways and Means.

974. Also, petition of Mrs. Mary Thielbener and others, of Tampa, Fla., petitioning consideration of their resolution with reference to enactment of H. R. 16; to the Committee on Ways and Means.

975. Also, petition of Mrs. Nettie Kisir, of Port Orange, Fla., and others, petitioning consideration of their resolution with reference to enactment of H. R. 16; to the Committee on Ways and Means.

976. Also, petition of J. P. Jackson, of South Miami, Fla., and others, petitioning consideration of their resolution with reference to enactment of H. R. 16; to the Committee on Ways and Means.

977. Also, petition of Thomas J. Reardon, of Hartford, Conn., petitioning consideration of his resolution with reference to enactment of legislation concerning the substitution of "yield" for "market quotation" as a method of valuation for the extension of credit; to the Committee on Banking and Currency.

978. Also, petition of Thomas J. Reardon, of Hartford, Conn., petitioning consideration of his resolution with reference to enactment of legislation concerning the common defense of our divine national economy; to the Committee on Banking and Currency.

979. Also, petition of Thomas J. Reardon, of Hartford, Conn., petitioning consideration of his resolution with reference to enactment of legislation to combat inflation; to the Committee on Ways and Means.

SENATE

THURSDAY, DECEMBER 18, 1947

(Legislative day of Thursday, December 4, 1947)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Peter Marshall, D. D., offered the following prayer:

Our Father, let not my unworthiness stand between Thee and the Members of this body as we join in prayer.

Hear not the voice that speaks, but listen to the yearnings of the hearts now open before Thee in this moment when each one of us is alone with Thee.

May the love of God, which is broader than the measure of man's mind; the grace of our Lord Jesus Christ, which is sufficient for all our needs; and the fellowship of the Holy Spirit, who shall lead us into all truth, be with us all this day. Amen.

THE JOURNAL

On request of Mr. WHITE, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, December 17, 1947, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed a bill (H. R. 4748) making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes, in which it requested the concurrence of the Senate.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF DEPARTMENT OF LABOR RELATING TO FEDERAL TORT CLAIMS

A letter from the Secretary of Labor, transmitting, pursuant to law, a report of the Department of Labor, stating "the Department of Labor paid no claims under the Federal Tort Claims Act," fiscal year ended June 30, 1947 (with an accompanying report); to the Committee on the Judiciary.

LAWS PASSED BY MUNICIPAL COUNCILS OF ST. THOMAS AND ST. JOHN AND ST. CROIX, V. I.

A letter from the Under Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the Municipal Councils of St. Thomas and St. John and St. Croix, V. I. (with accompanying papers); to the Committee on Public Lands.

PETITIONS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the business and professional division of the Passaic, N. J., section of the National Council of Jewish Women, endorsing the report of the President's Civil Rights Committee; to the Committee on the Judiciary.

By Mr. CAIN:

A resolution adopted by the Twenty-ninth National Convention of the American Legion at New York, N. Y., favoring the enactment of legislation to amend the United States Housing Act of 1937, as amended, to exempt from family income requirements amounts received from the Veterans' Administration for service-connected disability or disabilities; to the Committee on Banking and Currency.

REPORT OF COMMITTEE ON FOREIGN RELATIONS

Mr. SMITH, from the Committee on Foreign Relations, to which was referred the bill (S. 1605) to provide for payment of compensation to the governments of foreign countries for losses and damages inflicted on neutral territory during World War II by United States armed forces in violation of neutral rights, and authorizing appropriations therefor, reported it with amendments and submitted a report (No. 805) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MURRAY (for himself and Mr. WAGNER):

S. 1900. A bill for the relief of Franz Eugene Laub; to the Committee on the Judiciary.

(Mr. CAIN introduced Senate bill 1901, to amend the United States Housing Act of 1937, as amended, to exempt from family income requirements amounts received from the Veterans' Administration for service-connected disability or disabilities, which was referred to the Committee on Banking and Currency and appears under a separate heading.)

By Mr. McMAHON (by request):

S. 1902. A bill for the relief of Athanasios Elias Cheliotis; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 1903. A bill for the extension and remodeling of the Federal building and post office in Aberdeen, Wash.;

S. 1904. A bill for the purpose of erecting a Federal building in Elma, Wash.;

S. 1905. A bill for the extension and remodeling of the Federal building and post office in Olympia, Wash.; and

S. 1906. A bill for the purpose of erecting a Federal building and post office upon a new site in Vancouver, Wash.; to the Committee on Public Works.

(Mr. FULBRIGHT introduced Senate bill 1907, repealing certain provisions of the Internal Revenue Code relating to the tax on oleomargarine, and for other purposes, which was referred to the Committee on Finance and appears under a separate heading.)

(Mr. MYERS introduced Senate bill 1908, authorizing the construction of flood-control work on the Lackawaxen River, Pa., which was referred to the Committee on Public Works and appears under a separate heading.)

By Mr. GURNEY:

S. 1909. A bill to remove the statutory limit of appropriation expenditures for repairs or changes to a vessel of the Navy; to the Committee on Armed Services.

By Mr. ECTON:

S. 1910. A bill authorizing the Secretary of the Interior to convey certain lands in Valley County, Mont., to Alfred Robert Appelgren; to the Committee on Public Lands.

AMENDMENT OF NATIONAL HOUSING ACT RELATING TO SERVICE-CONNECTED DISABILITIES OF VETERANS

Mr. CAIN. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to exempt from family income requirements covering admission to Government low-rent housing projects all amounts received from the Veterans' Administration for service-connected disability or disabilities, and I request that an explanatory statement by me, together with the bill, be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred; and, without objection, the statement presented by the Senator from Washington, together with the bill, will be printed in the RECORD.

The statement presented by Mr. CAIN was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CAIN

The purpose of this bill is to exempt from family income requirements covering admission to Government low-rent housing projects, all amounts received from the Veterans' Administration for service-connected disability or disabilities. This action is prompted because many of our disabled veterans are getting not only their disability compensation but subsistence payments under the Servicemen's Readjustment Act of 1944 which results in total income of slightly more than the criteria now established by the Public Housing Administration.

Also to be considered is the fact that compensation payments received from the Veterans' Administration for disability are not classed as income for purposes of taxation and in many other respects. Because of this, it is believed that the inclusion of these payments is not fair to the disabled veterans. I wish to point out that this proposed bill

covers only those disabled veterans receiving amounts from the Veterans' Administration for service-connected disability or disabilities.

This bill was drawn in compliance with Resolution 242 of the Twenty-ninth National Convention of the American Legion, held in New York City, August 28–31, 1947.

The bill (S. 1901) to amend the United States Housing Act of 1937, as amended, to exempt from family income requirements amounts received from the Veterans' Administration for service-connected disability or disabilities, introduced by Mr. CAIN, was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the second sentence of section 2 (1) of the United States Housing Act of 1937, as amended, is amended by inserting therein, immediately following the words "net income," the following: "(excluding any amounts received from the Veterans' Administration for service-connected disability or disabilities)."

CONSTRUCTION OF FLOOD-CONTROL WORKS ON LACKAWAXEN RIVER, PA.

Mr. MYERS. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill authorizing the construction of flood-control works on the Lackawaxen River, Pa., and I request that an explanatory statement of the bill by me may be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred, and, without objection, the statement presented by the Senator from Pennsylvania will be printed in the RECORD.

There being no objection, the bill (S. 1908) authorizing the construction of flood-control work on the Lackawaxen River, Pa., introduced by Mr. MYERS, was received, read twice by its title, and referred to the Committee on Public Works.

The statement presented by Mr. MYERS was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR FRANCIS J. MYERS, DEMOCRAT, OF PENNSYLVANIA, UPON INTRODUCING IN SENATE A BILL TO AUTHORIZE A FLOOD-CONTROL PROJECT ON THE LACKAWAXEN RIVER IN PENNSYLVANIA

The bill I have introduced authorizes the construction of flood-control work on the Lackawaxen River in Pennsylvania. It is my earnest hope that the Senate Committee on Public Works will see fit to expedite this bill in the next regular session of the Congress so that it may be possible for this project to be authorized in time for its inclusion for construction funds in the regular appropriation bill for flood control in the second session.

This project is somewhat unusual in that initial planning funds of $200,000 have already been made available for it in the civil functions appropriation for the 1948 fiscal year. The planning money was provided, even though the project has not yet been authorized by Congress, because of the extreme urgency of this project and the fact that floods have been sources of great devastation and hardship and suffering and loss of life in the northeastern section of Pennsylvania which this project will protect.

The report of Army engineers on this project points out that direct and indirect damages in this area in a sudden flood in May 1942 took a toll of $6,200,000, which is almost as much as the total estimated cost of $6,802,000 figured by Army engineers for the entire program.

The dollar sign aside, that same flood of May 1942 took 24 lives. There is no way of putting a dollar-sign value on that loss.

The project which my bill would authorize provides for construction of reservoirs on Dyberry Creek above Honesdale and a reservoir on the main stem of the Lackawaxen above Prompton. These improvements will provide protection against future loss of life and will prevent 96 percent of the tangible preventable damages from floods of the magnitude of the 1942 flood, the greatest of record.

This project is put forward as protection against hazards to life and the welfare of the people of Prompton, Seeleyville, Honesdale, and Hawley and is considered by Army engineers to be amply warranted on the basis of the resulting over-all benefits.

In the Seventy-ninth Congress I introduced a bill to authorize the project, but unfortunately too late for action at that time because the Commonwealth of Pennsylvania was not able to act on the project in time for me to try to have this project included in the omnibus authorization bill enacted in July of 1946. Although it has been the policy, I understand, in the past year on the part of the appropriate committees of the Congress to delay acting on individual authorization bills for waterways projects pending the drafting of an omnibus bill, I now feel that this matter has been allowed to drag on too long and that, since planning funds are now being spent on this project and it may soon be time to request construction funds for it, we make sure no technical point of order be raised against it because it is not authorized.

The people of Wayne County and vicinity in Pennsylvania who have suffered these periodic floods would certainly be bewildered if, now that planning work is under way on the project, the project itself is allowed to be delayed over a technicality.

EXPORTATION OF SURPLUS EGGS AND POULTRY PRODUCTS

Mr. BUSHFIELD submitted the following concurrent resolution (S. Con. Res. 36), which was referred to the Committee on Foreign Relations:

Whereas the Congress of the United States has voted to extend interim aid to the countries of Europe and Asia; and

Whereas this program has been inaugurated for the purpose of assisting in the relief and rehabilitation of the people of those countries; and

Whereas it has been reported by the Department of Agriculture that the United States will experience a surplus of approximately 5,000,000 cases of eggs in 1948; and

Whereas the price of both eggs and poultry in some sections of the United States is below 90 percent of parity as established by the Steagall amendment: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that, for the purpose of providing an outlet for the existing and anticipated surpluses of eggs and poultry products in the United States, the agencies and officials of the Government administering any foreign relief or rehabilitation program authorized by the Congress should, in the administration of such program and to the extent practicable, provide for the exportation of so much of the surpluses of such products as may be exported without adversely affecting the rate of domestic consumption of such products or causing undue rises in the prices paid for such products by domestic consumers.

INVESTIGATION OF MANUFACTURED MERCHANDISE HELD IN WAREHOUSES

Mr. LANGER submitted the following resolution (S. Res. 177), which was referred to the Committee on Banking and Currency:

Resolved, That the Committee on Banking and Currency, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation with a view to ascertaining (1) whether large amounts of manufactured merchandise are being withheld in public and private warehouses pending further general price increases; and (2) whether small retailers and those in rural areas are being discriminated against by large manufacturers and jobbers in the release and sale of manufactured merchandise. The committee shall report to the Senate at the earliest practicable date the results of its study and investigation together with such recommendations as it may deem desirable.

CHANGE OF NAME OF COMMITTEE ON PUBLIC LANDS TO COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. BUTLER submitted the following resolution (S. Res. 179), which was referred to the Committee on Rules and Administration:

Resolved, That paragraph (1) (m) of rule XXV of the Standing Rules of the Senate is amended by striking out "Committee on Public Lands" and inserting in lieu thereof "Committee on Interior and Insular Affairs."

HOUSE BILL REFERRED

The bill (H. R. 4748) making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes, was read twice by its title, and referred to the Committee on Appropriations.

SUGGESTIONS FROM NEW YORK STATE CONCERNING SOLUTION OF THE HOUSING PROBLEM

Mr. IVES. Mr. President, as we all know, the question of housing, particularly public housing, is one of the most serious now confronting the country. I do not think that New York State is in any way peculiar in the difficulties it has encountered in solving this problem. However, New York has been most fortunate in having as Commissioner of Housing one who is, I might say, preeminent in the field of housing, and who has been doing an outstanding job in that connection. His name is Herman T. Stichman.

A few weeks ago, because of my personal interest in this matter, I wrote a letter to Commissioner Stichman requesting his ideas concerning the course that might appropriately be taken by the Federal Government in dealing with this question. He has replied and his answer is so illuminating, so pertinent and altogether so constructive in the suggestions which it contains that I now request unanimous consent to have printed in the RECORD my letter to Commissioner Stichman and his reply to me.

The PRESIDENT pro tempore. Without objection the order is made, and the correspondence will be printed in the RECORD.

The correspondence is as follows:

NOVEMBER 25, 1947.

Hon. HERMAN T. STICHMAN,
Commissioner of Housing,
New York City, N. Y.

DEAR COMMISSIONER: Recognizing you to be a preeminent authority in the field of public housing in which you have been doing an outstanding job, I am writing to you for information and advice. As you know, housing constitutes one of the most serious problems now confronting the country and is one of the most vital questions before the Congress.

As you will recall, I had some experience in dealing with this problem when I was majority leader of the assembly. I remember well how I used to turn to you for assistance in the consideration of legislation. It is only natural, therefore, that I again turn to you for the same reason when I am faced once more with a similar situation.

Inasmuch as you are thoroughly acquainted with the field of public housing and are familiar with the problems connected with it, I shall not presume upon your time by going into details in this communication. I write merely to ask you for ideas, suggestions and recommendations which you may be willing to make in connection with the over-all national housing problem. Any help you may be kind enough to give will be most appreciated.

With kindest personal regards, I remain,
Sincerely yours,

IRVING M. IVES.

DECEMBER 5, 1947.

Senator IRVING M. IVES,
Senate Office Building,
Washington, D. C.

DEAR SENATOR IVES: I appreciate your letter of November 25th and your thoughtful comments. Your continuing deep interest in solving our housing problems, of which I have long been aware, will be most helpful in the future as it has been in the past.

As you know, the citizens of the State of New York have been meeting the housing problem realistically, largely through their own efforts. Governor Dewey and the legislature have not been content to let the future of good housing and of municipal improvement in their State remain dependent on the will of others, but have adopted a program of action. It is fortified by more than a half billion dollars of State funds, presently or soon to be allocated. By means of it we have provided temporary housing for veterans; we are clearing our slums, redeveloping our municipalities, providing good homes for families of low income whom private enterprise has been unable to serve, and are endeavoring to aid private builders to resume an adequate home-building program for all families.

While you are familiar with what the State of New York has done and have aided to the full wherever you could, I should like to recapitulate the housing progress of the people of this State through their Governor and legislature, since it might well serve as a beacon to others. The emergency housing program of the State of New York was launched in the fall of 1945, when it first became evident that the sudden mass release of the men in the armed forces would precipitate a housing crisis. Immediate action by Governor Dewey set in motion a Statewide plan for the conversion of surplus military installations and other unused structures into temporary dwellings for our veterans and their families in municipalities. At the Governor's request, emergency housing and educational funds totaling $69,800,000 have been provided.

Our emergency civic housing developments are designed to provide good family living conditions. They all have gas or electric cooking ranges, mechanical refrigerators, and, with one exception because of the nature of the units, central heating. All have playground space and, where necessary in the largest projects, we have provided facilities for nursery schools, child-health centers, primary classrooms, kindergartens, and other essential community activities. In three of the projects we built apartments with special facilities for paraplegic veterans so that they might live with their families instead of in hospitals. The State also undertook to provide, in cooperation with the Federal Government in some instances, additional facilities necessary practically to double the prewar full-time student capacity of our colleges on campus so as to take care of about 100,000 veterans who would otherwise be deprived of a higher education. The State has built 73 municipal emergency housing projects in 40 communities; it has constructed 161 projects at 53 colleges, including housing, classrooms, laboratories and shops, dining facilities; and it has even prepared 51 sites for Federal installations at colleges, since the Federal program did not provide for this essential. It has also developed 3 great emergency colleges at which about 8,500 students are enrolled. We are providing emergency civic and college housing for over 11,000 veteran families, and dormitory accommodations for more than 13,500 students.

With reference to permanent public housing and slum clearance, the New York State permanent public-housing program was originally based, as you know since you took such an important part in shaping it as a leader of our New York State legislature, on a $300,000,000 capital loan fund provided for under article XVIII of the New York State Constitution. At the request of Governor Dewey this fund was increased to $435,000,000 by the 1947 legislature, subject to the approval of the people by referendum at the recent election, which approval was forthcoming overwhelmingly. The law provides that public housing financed by the State be based on a program of slum clearance, and this is an integral part of each housing project which we develop. Only families in the lowest income earning groups are eligible for our public-housing projects. Low rents are maintained by subsidies paid by the State annually. Such annual permissive payments were increased to $13,000,000 by the 1947 legislature, also at the request of the Governor, and this too was approved by the electorate at the recent election.

At the present time we have entered into contracts with municipal housing authorities for the loan of $240,273,700 to build 38 low-rent housing projects which will accommodate almost 110,000 members of low-income families, clear hundreds of acres of slum dwellings, and aid private enterprise and our municipalities in the rehabilitation of a large number of substandard neighborhoods. These improvements will better family life in the immediate areas, and will improve living conditions throughout the municipalities where they are located. Nine of these projects are completed and fully occupied. About 19 new or extensions to present projects are now contemplated, for which we expect to lend another $145,000,000. Other projects will soon reach the definitive stage. New York State's permanent low-rent housing program will eventually provide good homes in pleasant neighborhoods for about 160,000 persons who would otherwise have to live in substandard housing, and it will eradicate scores of slum areas.

So much for families of low income. For those in the lower middle-income groups, New York State has a limited dividend housing law which enables private builders to construct moderate rental housing. The State waives all tax payments by such housing companies, and the municipalities may exempt such companies from taxes on the increased value resulting from the housing development for an agreed period up to 50 years. That is, there is an exemption from local taxes on the new improvements. The return on invested capital is limited to 6 percent. The State [illegible] companies law has similar provisions. These laws have resulted in the building of a substantial number of dwelling units by private enterprise.

The State is sponsoring the building of mutual housing projects by groups of veterans under our limited-dividend housing law. Under this plan veterans can use their New York State bonus payments and the cash value of their terminal-leave bonds to aid them in acquiring homes of their own at less than what they would otherwise be paying in rent. The full benefits of the tax exemptions will then go directly to the veterans, instead of to others. These exemptions will result in a saving of expense to each veteran who participates of from $4,000 to $5,000 over a 20-year period. And we hope that the veterans' mutual projects will prove to be housing laboratories, which will result in lowering home-building costs.

The State, through the Division of Housing, also endeavors to correlate all public improvements so as to bring about cooperation between municipalities and private builders in the building of new housing for all families and the development of better neighborhoods. Public housing projects, for instance, are used as the core of municipal-area redevelopment plans.

Some people think that it is up to somebody else—perhaps Government—to do the full housing job. However, as Governor Dewey said in January of 1947:

"For a whole generation the number of added units of housing, in the entire Nation as well as in this State, has failed to keep pace with the growing population and rising standard of living.

"Moreover, the art of building—particularly construction of one-family homes—has failed economically and technologically to keep pace with the ability of other industries to produce goods at constantly decreasing cost, improving quality, and increasing volume. The productive genius of modern America has, up to now, failed the home buyer.

"The retarding factors are well known. They involve practices of construction, styles of construction, restrictive building codes, slavish adherence to traditional tastes, and, above all, our failure to apply to building the ingenuity, imagination, and techniques that have made possible the productive wonders of our time.

"The housing shortage is an unmet challenge, not only to Government but to our entire economy. It is not going to be met by any single, sudden stroke of genius. It merits the most intense thought and effort of us all, combined with study and effort on a new scale to bring down the costs of construction."

We all know that private enterprise cannot provide adequate homes for families of low income at rents which they can afford, and that it cannot clear slums without some public aid. But private industry has not had a full opportunity to demonstrate to what extent it can meet the housing needs of the people in the middle- and upper-income groups. The failure on the part of the Federal authorities to permit timely reconversion for the production of building materials and its unrealistic controls with respect to new home building leave us now without the

benefit of the hundreds of thousands of dwelling units which would otherwise have been built by private builders. These would have helped all down the income line, as the housing given up by the higher-income families would have become available for others.

Housing and municipal improvement programs can best be handled at the local level and control of them should lie there. If each State were to endeavor to handle its housing and redevelopment plans as New York State has done there would be more homes and better cities at less cost. There is room for Federal aid in the field of housing and municipal improvement, but in order that this aid may be truly effective it should be administered through the States. What would you think of a plan whereby Federal aid were granted on a modified matching basis? This might well encourage the individual States to set up their own housing programs just as we have done, and this should enable them to attain results similar to ours with consequent benefits to the people. Local control would better serve local needs, eliminate opposition based on fears of centralized bureaucracy, and result in more and better housing at less cost. The savings of taxpayers' funds by such a program on a country-wide basis would be considerable.

I should be happy to discuss our program and our suggestions with you further.

Cordially yours,

HERMAN T. STICHMAN,
State Commissioner of Housing.

LIQUOR ADVERTISEMENTS IN MAGAZINES AND NEWSPAPERS—ADDRESS BY JUDGE FRED G. JOHNSON

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an address entitled "Liquor Advertisements in Magazines and Newspapers Are Not Conducive to Temperance," delivered by Judge Fred G. Johnson, of Hastings, Nebr., before the Nebraska State Convention of the Woman's Christian Temperance Union, on October 29, 1947, which appears in the Appendix.]

WESTERN POWER FOR MORE PRODUCTION—ADDRESS BY GOV. MON C. WALLGREN

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD an address on "Western Power for More Production," by Mon C. Wallgren, at the Western Governors' Conference, at Portland, Oreg., December 12 and 13, 1947, which appears in the Appendix.]

THE LATE JUDGE GEORGE DONWORTH, OF SEATTLE, WASH.

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD the proceedings in the United States district court at Seattle, Wash., October 27, 1947, in memory of Hon. George Donworth, former United States district judge, which appear in the Appendix.]

QUESTIONS IN THE MINDS OF THE PEOPLE

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD inquiries propounded by those in attendance at a recent meeting in the First Baptist Church, Seattle, Wash., which appear in the Appendix.]

COLLEGE TRAINING AMONG THE WHITE POPULATION

[Mr. JOHNSTON of South Carolina asked and obtained leave to have printed in the RECORD a table compiled from data of the Sixteenth Census, showing the percentage of the white population 25 years of age or more which has completed at least 4 years of college, which appears in the Appendix.]

AMERICAN VETERANS COMMITTEE PLANKS ON LABOR

[Mr. KILGORE asked and obtained leave to have printed in the RECORD the planks adopted by the American Veterans Committee relating to labor, which appears in the Appendix.]

NEW HOPE FOR DP'S—EDITORIAL FROM THE WHEELING NEWS-REGISTER

[Mr. KILGORE asked and obtained leave to have printed in the RECORD an editorial entitled "New Hope For DP's," from the Wheeling News-Register of December 17, 1947, which appears in the Appendix.]

MUSIC HAS NO LOBBY—ARTICLE BY CARL E. LINDSTROM

[Mr. McMAHON asked and obtained leave to have printed in the RECORD an article entitled "Music Has No Lobby," by Carl E. Lindstrom, published in the Hartford (Conn.) Times of November 26, 1947, which appears in the Appendix.]

HOW SECRECY CAN HURT—EDITORIAL FROM THE WASHINGTON EVENING STAR

[Mr. McMAHON asked and obtained leave to have printed in the RECORD an editorial entitled "How Secrecy Can Hurt," published in the Washington (D. C.) Star of December 14, 1947, which appears in the Appendix.]

ODD KIND OF CHAIRMAN—EDITORIAL FROM THE HARTFORD (CONN.) TIMES

[Mr. McMAHON asked and obtained leave to have printed in the RECORD an editorial entitled "Odd Kind of a Chairman," published in the Hartford (Conn.) Times of December 13, 1947, which appears in the Appendix.]

CONFIRMATION OF NOMINATION OF ROBERT N. DENHAM

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD a statement prepared by him with reference to the confirmation of the nomination of Robert N. Denham to be general counsel of the National Labor Relations Board, which appears in the Appendix.]

HOUSE COMMITTEE ON UN-AMERICAN ACTIVITIES AND THE PRESIDENT'S LOYALTY ORDER—LETTER FROM YALE UNIVERSITY SCHOOL OF LAW

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD a letter from the Yale University School of Law, dated November 26, 1947, addressed to the President of the United States, the Secretary of State, and the Speaker of the House of Representatives, with reference to the House Committee on Un-American Activities and the President's loyalty order, which appears in the Appendix.]

THE GOVERNMENT OF CHINA

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD an interview with Marshal Feng Yu-Hsiang by Robert S. Allen, published in the New York Times of December 14, 1947, which appears in the Appendix.]

PRESENT-DAY HYSTERIA—EDITORIAL FROM THE NEW YORKER MAGAZINE

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD an editorial from the New Yorker magazine of December 17, 1947, regarding public hysteria, which appears in the Appendix.]

MEETING OF COMMITTEE ON APPROPRIATIONS

Mr. FERGUSON. Mr. President, I ask unanimous consent that the Committee on Appropriations may be permitted to sit this afternoon during the session of the Senate.

The PRESIDENT pro tempore. Without objection, the order is made.

STABILIZATION OF COMMODITY PRICES AND THE NATIONAL ECONOMY

The Senate resumed the consideration of the resolution (S. J. Res. 167) to aid in the stabilization of commodity prices, to aid in further stabilizing the economy of the United States, and for other purposes.

Mr. WHITE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	O'Conor
Baldwin	Hickenlooper	O'Mahoney
Ball	Hill	Overton
Barkley	Hoey	Reed
Bricker	Holland	Revercomb
Buck	Ives	Robertson, Va.
Bushfield	Jenner	Robertson, Wyo.
Butler	Johnston, S. C.	Russell
Byrd	Kem	Saltonstall
Cain	Kilgore	Smith
Capehart	Knowland	Sparkman
Capper	Langer	Stennis
Chavez	Lodge	Taft
Connally	McCarran	Taylor
Cooper	McCarthy	Thomas, Utah
Cordon	McClellan	Tobey
Donnell	McGrath	Tydings
Dworshak	McKellar	Umstead
Eastland	McMahon	Vandenberg
Ecton	Malone	Watkins
Ferguson	Martin	White
Flanders	Maybank	Wiley
Fulbright	Millikin	Williams
Green	Moore	Wilson
Gurney	Morse	Young
Hatch	Murray	
Hawkes	Myers	

Mr. WHITE. I announce that the Senator from Maine [Mr. BREWSTER] and the Senator from Minnesota [Mr. THYE] are necessarily absent.

The Senator from Nebraska [Mr. WHERRY] is absent by leave of the Senate.

Mr. HILL. I announce that the Senator from Georgia [Mr. GEORGE] and the Senator from Illinois [Mr. LUCAS] are absent by leave of the Senate.

The Senator from Louisiana [Mr. ELLENDER] is absent on official business.

The Senator from Florida [Mr. PEPPER] and the Senator from Tennessee [Mr. STEWART] are absent on public business.

The Senator from California [Mr. DOWNEY], the Senator from Colorado [Mr. JOHNSON], the Senator from Washington [Mr. MAGNUSON], and the Senator from Arizona [Mr. MCFARLAND] are detained on official business at various Government departments.

The Senator from Texas [Mr. O'DANIEL] is unavoidably detained.

The Senator from Oklahoma [Mr. THOMAS] is absent because of attendance at an important committee meeting.

The Senator from New York [Mr. WAGNER] is necessarily absent.

The PRESIDENT pro tempore. Seventy-nine Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. BARKLEY].

Mr. BARKLEY. Mr. President, I have no desire to delay a vote on the amendment. I wish to modify the amendment just a little bit, because its present language might be regarded as

ambiguous. Instead of the language as it is, I offer it with this modification: "issue regulations and orders, and to", omitting the words "for this purpose." I think that clarifies the amendment, and so far as I am concerned I am ready to have a vote on it.

The PRESIDENT pro tempore. The Senator's amendment will be modified as indicated by him.

Mr. BARKLEY. I ask for the yeas and nays on the amendment.

The PRESIDENT pro tempore. Is the request for the yeas and nays sufficiently seconded?

The yeas and nays were ordered.

Mr. TAFT. Mr. President, I want to take only about 2 minutes. The amendment of course changes the whole nature of the joint resolution. As I interpret it, it would grant the President absolute and complete authority to issue orders and regulations regarding inventories and priorities and thus vest in the President complete power over the entire industry of the United States, such as existed under the War Production Board during the war. In effect it would give the President complete power to shut down an industry if he wished to do so or to limit its operations. Furthermore it seems to me to be very clear that it would give the President power to establish complete consumer rationing of any product he might select. That of course would be a compulsory control instead of the voluntary approach which we thought was the proper method to be pursued temporarily.

I may say that I understood the deliberate policy was adopted, with the approval, so far as I know, of the Democrats on the various committees, of putting off the basic question of compulsory control, in order that hearings on the subject might be had at the next session of Congress. The bill dealing with price control was introduced only a day or two ago, and our experience, from past history is that such a measure before it can be completed and acted upon requires certainly a full month of hearings, and a very considerable amount of debate on the floor of the Senate both on the proposal itself and on the numerous amendments submitted by Senators. The same thing is true with respect to the subject of priorities and allocations.

Incidentally what we are all concerned about, I may say, is high prices, and I can see that at least the argument can be made that the way to curb high prices is to fix prices. I cannot see the emergency created by a high-price situation being such as to force upon us complete control of all distribution and all industries, a determination whether they shall operate or shall not operate, how much inventory they shall have, and how they shall conduct their business. It seems to me such a general control is even less justified by the present emergency than is price control.

I may say further, Mr. President, that if the amendment offered by the Senator from Kentucky should be adopted, the chance for legislation at this session would be entirely eliminated, because the House would certainly not accept such a fundamental change in the law under such a rule as may be necessary if the legislation is to be passed by the House tomorrow. So I hope very much that the amendment offered by the Senator from Kentucky will be voted down.

Mr. BARKLEY. Mr. President, I had not intended to say anything further, but I shall merely say one additional word. The amendment does change the perspective of the legislation. It gives the President the authority which he has recommended be given him in order that he may deal with allocations and priorities. Whether they have any direct effect upon prices, or merely an indirect effect, is something we cannot very well determine at this time. The questions of allocations and priorities and high prices are all tangled up together. Obviously, the most direct way to deal with high prices is to establish price controls or ceilings. As I stated yesterday, we are not seeking to amend the bill for that purpose, because without any fault on the part of anyone—and I am not criticizing anyone, Democrat or Republican—it was impossible to have a bill drawn and ready to present to the Congress until a few days ago.

Mr. President, in this connection, inasmuch as the Senator from Indiana [Mr. CAPEHART] yesterday by implication, if not directly, charged the Democrats with some degree of negligence in drawing up a bill to regulate prices, or authorize the regulation of prices, not by setting up an independent agency, but by allowing the President to designate any existing agency or department, such a bill not being ready for introduction until 2 or 3 days ago, I wish to have a statement, prepared by me, read at the desk. I introduced the bill day before yesterday. I do not find the paper at the moment. We are not seeking to complicate the legislation with a price-control bill, because I agree that hearings must be held upon that subject. How long they will continue no one can tell, and what the Congress will ultimately do about the matter is at this moment unpredictable.

The situation is one which is flexible. I have a very strong feeling that if the situation continues to become worse, as it has during the last few months, Congress will be compelled by the very circumstances over which no one now seems to have any control, to take some action, whether drastic or otherwise. Whether it will approach it by gradual steps, and put one foot upon an elevation at a time, and see what happens, and then put another foot upon another elevation, and so on until the thing gets entirely out of control, I do not know. I am not in a position to predict what the Congress will do at the next session.

So what we are seeking to do by the amendment is to give the President authority, coupled with the conception of a voluntary approach, to exercise controls as to priorities and allocations in the event the voluntary method turns out to be a failure, without having to wait for Congress to come back and enact legislation after the voluntary method has failed, and then give the President the power to do what we seek here.

No one can predict how much effect there would be on the price of any particular commodity if the President should be able to allocate to the different sections of the country or to different industries the material which they may need or of which they may be short in the production of anything the American people may require, or that may be required in order to carry out our commitments as part of our foreign policy. I think one of the serious omissions in the joint resolution is that it makes no reference whatever to our foreign policy. It does not even tie it in with it. It treats it purely as a domestic proposition.

Mr. President, I do not care to allocate to any one or to any group responsibility for the fact that a bill on the subject was not introduced earlier.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. I do not blame anyone for not introducing a bill. In fact, I wanted to make it clear that so far as price control, at least, was concerned, it was understood that Mr. Harriman was not at this time going to present the case to our committee. He was going to present the other points, but would not present the price proposal until the next regular session because we told him that we could not possibly in the present session take care of all 10 points recommended by the President, and if we were going to do anything we ought to complete our hearings on the matters now contained in the pending measure, and act on them. He acquiesced in that idea. He presented the allocation question, of course, when he appeared before the committee.

Mr. BARKLEY. Mr. President, I do not know anything about any agreement not to present legislation on any of the 10 points raised by the President in his message. I do know that when Mr. Harriman appeared before the Committee on Banking and Currency of the House the chairman of that committee complained that he had not presented a bill, that he was vague and indefinite, and that therefore they did not know how to start—rather assuming that the committee itself could not write a bill unless Mr. Harriman or the administration presented one. Whereupon they went to work to try to draw a bill and present it in concrete form. That is what has been done.

Mr. President, the Senator from Indiana [Mr. CAPEHART] rather belabored himself in trying to intimate that we on the Democratic side were guilty of some degree of laches by not presenting a bill sooner than we did, although he had only presented his bill the day before I introduced a bill relating to price control. In order that the RECORD may be clear I wish to have read at the desk a statement which I issued on the 20th of November, 3 days after the Congress met, on the part of the minority policy committee in regard to the legislation, and to the program laid before the Congress by the President.

The PRESIDENT pro tempore. Without objection, the clerk will read.

The Chief Clerk read as follows:

The Democratic policy committee at a session this morning considered the recommendations of the President in his message on last Monday regarding the interim relief program for certain European nations and also the question of legislation dealing with inflation and the high cost of living.

The policy committee unanimously endorsed the interim program, and will support it, and expressed its gratification at the unanimity with which the Foreign Relations Committee reported the bill and the obvious cooperation which is being given by the Republican majority.

With reference to the President's recommendations of legislation dealing with inflation and the high cost of living, the Democratic policy committee feels that inasmuch as hearings have been arranged for in the two Houses and inasmuch as the responsibility for the initiation of legislation rests with the Republican majority in both Houses, we deem it advisable to wait a reasonable time for the hearings to develop what legislation may be proposed by the majority for the carrying out of the President's recommendations on the subject.

The Democratic policy committee stands ready to cooperate with the Republican majority in enactment of the President's program and hopes that joint proposals in the way of legislation sponsored by both Republicans and Democrats may be promptly forthcoming. Our policy committee recognizes that there is no partisan politics in inflation or the high cost of living and that the program should be dealt with as an economic and social program rather than a program of partisan politics.

The high cost of living affects men of all parties and all sections of the country alike and if it goes unrestricted, its inevitable effect will be to reduce production here at home as well as abroad when we all know that the objective now of all thinking men is to increase that production.

Mr. BARKLEY. Mr. President, I think that was a perfectly proper attitude to be assumed by the minority policy committee. However unfortunate it is, we are in the minority and we recognize that fact. We do not claim otherwise. We recognize, of course, that as a minority we have no power by our strength alone to put any bill through the Congress. We waited a reasonable length of time for bills implementing the President's recommendations to be introduced. I think a month was a reasonable time. When that time had elapsed bills were introduced covering the subject.

But that has nothing to do with the merits of this particular proposal. I think the President ought to be given this mandatory power in order that he may exercise it or have it in his possession in connection with any effort he may make to bring about voluntary agreements.

Yesterday I sought to introduce all these amendments as one, because they are all tied together. I believe that the provision in regard to the relaxation of the antitrust law ought to be modified, and if this amendment is adopted I shall follow it with the supplementary amendment modifying the provisions in regard to the relaxation of the antitrust law.

Mr. President, that is all I have to say, and I am ready for a vote.

The PRESIDENT pro tempore. The question is on agreeing to the first amendment offered by the Senator from Kentucky, as modified. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. REED. I have a general pair with the Senator from New York [Mr. WAGNER]. I transfer that pair to the Senator from Maine [Mr. BREWSTER] and will vote. I vote "nay."

Mr. WHITE. I announce that the Senator from Minnesota [Mr. THYE], who is necessarily absent, is paired with the Senator from Illinois [Mr. LUCAS].

The Senator from Minnesota, if present and voting, would vote "nay," and the Senator from Illinois, if present and voting, would vote "yea."

The Senator from Maine [Mr. BREWSTER], who is necessarily absent, is paired with the Senator from New York [Mr. WAGNER]. The Senator from Maine, if present and voting, would vote "nay," and the Senator from New York, if present and voting, would vote "yea."

The Senator from Nebraska [Mr. WHERRY] is absent by leave of the Senate.

Under instructions of the Committee on Appropriations, the Senator from New Hampshire [Mr. BRIDGES] is necessarily absent, presiding over the public reading of the record of an executive session of the committee held this morning with the Secretary of Agriculture as the witness. The Senator from New Hampshire is paired with the Senator from Arizona [Mr. MCFARLAND]. The Senator from New Hampshire, if present and voting, would vote "nay," and the Senator from Arizona, if present and voting, would vote "yea."

The Senator from Illinois [Mr. BROOKS] is detained by reason of attendance at a meeting of the Committee on Appropriations. If present and voting, he would vote "nay."

Mr. HILL. I announce that the Senator from Georgia [Mr. GEORGE] and the Senator from Illinois [Mr. LUCAS] are absent by leave of the Senate.

The Senator from Louisiana [Mr. ELLENDER] is absent on official business.

The Senator from Florida [Mr. PEPPER] and the Senator from Tennessee [Mr. STEWART] are absent on public business.

The Senator from California [Mr. DOWNEY], the Senator from Colorado [Mr. JOHNSON], the Senator from Washington [Mr. MAGNUSON], and the Senator from Arizona [Mr. MCFARLAND] are detained on official business at various Government departments.

The Senator from Texas [Mr. O'DANIEL] is unavoidably detained.

The Senator from Oklahoma [Mr. THOMAS] is absent because of attendance at an important committee meeting.

The Senator from New York [Mr. WAGNER] is necessarily absent.

The Senator from Illinois [Mr. LUCAS] is paired on this vote with the Senator from Minnesota [Mr. THYE]. If present and voting, the Senator from Illinois would vote "yea," and the Senator from Minnesota would vote "nay."

The Senator from Arizona [Mr. MCFARLAND] is paired on this vote with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from Arizona would vote "yea," and the Senator from New Hampshire would vote "nay."

The Senator from New York [Mr. WAGNER] has a general pair with the Senator from Kansas [Mr. REED]. The transfer of that pair to the Senator from Maine [Mr. BREWSTER], has previously been announced by the Senator from Kansas. If present the Senator from New York would vote "yea," and the Senator from Maine would vote "nay."

If present and voting the Senator from Washington [Mr. MAGNUSON], the Senator from Florida [Mr. PEPPER], and the Senator from Oklahoma [Mr. THOMAS] would vote "yea."

If present and voting, the Senator from Texas [Mr. O'DANIEL] would vote "nay."

The result was announced—yeas 32, nays 47, as follows:

YEAS—32

Barkley	Johnston, S C	O'Conor
Chavez	Kilgore	O'Mahoney
Connally	McCarran	Overton
Eastland	McClellan	Russell
Fulbright	McGrath	Sparkman
Green	McKellar	Stennis
Hatch	McMahon	Taylor
Hayden	Maybank	Thomas, Utah
Hill	Morse	Tydings
Hoey	Murray	Umstead
Holland	Myers	

NAYS—47

Aiken	Ferguson	Reed
Baldwin	Flanders	Revercomb
Ball	Gurney	Robertson, Va.
Bricker	Hawkes	Robertson, Wyo.
Buck	Hickenlooper	Saltonstall
Bushfield	Ives	Smith
Butler	Jenner	Taft
Byrd	Kem	Tobey
Cain	Knowland	Vandenberg
Capehart	Langer	Watkins
Capper	Lodge	White
Cooper	McCarthy	Wiley
Cordon	Malone	Williams
Donnell	Martin	Wilson
Dworshak	Millikin	Young
Ecton	Moore	

NOT VOTING—17

Brewster	Johnson, Colo.	Stewart
Bridges	Lucas	Thomas, Okla.
Brooks	McFarland	Thye
Downey	Magnuson	Wagner
Ellender	O'Daniel	Wherry
George	Pepper	

So Mr. BARKLEY's amendment, as modified, was rejected.

Mr. BARKLEY. Mr. President, I offer the amendments which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The clerk will state the amendments for the information of the Senate.

The CHIEF CLERK. On page 2, line 1, it is proposed to strike out the words "voluntary agreements" and in lieu thereof insert "priority allocation and inventory controls."

On page 2, line 7, it is proposed to strike out the words "approved by the President."

On page 2, line 15, it is proposed to strike out the word "or" and in lieu thereof insert the following: "*Provided, however,* That upon the exercise by the President of the priority or allocation or inventory control power herein conferred with respect to any such commodity, the President shall promptly submit to the Congress, when the Congress is in session, or if not in session, at the opening of the next session, the name of such

commodity, which from the date of issuance of the regulation or order by the President shall be and remain subject to such priority or allocation or inventory control, unless, within 30 days following such submission the Congress by concurrent resolution disapproves the application of such controls to such commodity; *And provided further*, That no authority is conferred by this section for the fixing of prices; or."

Beginning on page 2, it is proposed to strike out all following line 17 down to and including line 6 on page 3, and in lieu thereof to insert the following:

The authority conferred by this subsection 2 (a) shall expire on March 1, 1949.

(b) Any person who willfully performs any act prohibited, or willfully fails to perform any act required by any regulation or order issued under the prior provisions hereof, shall be guilty of a misdemeanor, and shall, upon conviction, be subject to a fine of not more than $10,000, or imprisonment for a term not exceeding 1 year, or to both such fine and imprisonment. Whenever any department of the executive branch of the Government has reason to believe that any person is liable to punishment under this section, it shall certify the facts to the Attorney General who may, in his discretion, after such investigation by the Federal Bureau of Investigation as he may deem necessary, cause appropriate proceedings to be brought.

(c) (1) Whenever the President, after a public hearing held upon reasonable notice, determines that a plan of voluntary action with respect to any commodity, facility, or equipment, or with respect to speculative trading on a commodity exchange, is practicable and is appropriate to the successful carrying out of the purposes declared in section 1 of this joint resolution, and would make unnecessary an exercise of the mandatory power conferred in section 2 (a) hereof with respect thereto, the President may request in writing compliance by one or more persons with such plan of voluntary action as may be approved by the Attorney General. Any act or omission by such person or persons in compliance with a written request made pursuant to this section and with a voluntary plan promulgated thereunder shall not be the basis at any time for any prosecution or any civil action or any proceeding under the antitrust laws of the United States or the Federal Trade Commission Act.

(2) Such written request may, in the discretion of the President, be withdrawn at any time by written notice to the Attorney General, and after publication of notice of such withdrawal in the Federal Register as provided in subsection (3), the provisions of this joint resolution shall not apply to any subsequent act or omission by reason of such request or voluntary plan.

(3) The Attorney General shall transmit to the President pro tempore of the Senate and to the Speaker of the House of Representatives, and shall order published in the Federal Register every such request, and any withdrawal hereof, and any plan, program, or other arrangements promulgated under, or which is the basis of, any such request.

(4) The power to make requests conferred by this joint resolution shall expire upon March 1, 1949, and any requests made and voluntary plans adopted under this act shall have no force or effect 6 months thereafter.

The PRESIDENT pro tempore. Is the Senator from Kentucky asking for consideration of the amendments en bloc?

Mr. BARKLEY. Mr. President, this is all one amendment. While it affects the different portions of the joint resolution, on page 2 and following, it is all one proposition. It ties in the authority which I want to give to the President with modifications of that authority in the form of a provision that in the exercise of such authority Congress shall have a 30-day period in which to pass upon the question, whether Congress is in session at the time the order may be isssued or whether it shall act upon it after Congress shall reassemble. So the two things are inevitably together; they are all one amendment. Therefore it seems to me that we ought to be permitted to vote on them as a single amendment, because separately the provisions have no particular relation to each other. In order to meet the objection raised yesterday by the Senator from Ohio [Mr. TAFT] and other Senators to granting this particular power to the President, I have so modified the provision as to give Congress the power, within a 30-day period, to pass upon any order that the President may have issued. Then penalties are provided for violations.

It also modifies to some extent the provision with regard to relaxation of the antitrust laws. So the amendment should be considered as a whole, because each part of it relates to the other parts, and it is not complete and cannot be complete unless all of it is considered as a single amendment. What follows in the more or less extensive language after the repetition of the amendment which was rejected awhile ago, is a modification of the authority sought to be conferred upon the President.

Therefore, Mr. President, I think the whole proposition is one amendment, and should be voted on as such.

The PRESIDENT pro tempore. In the opinion of the Chair, the Senator from Kentucky would have to obtain unanimous consent to have the amendments considered en bloc.

Mr. BARKLEY. Does the Chair hold that they are not all one integrated amendment, but that they are separable?

The PRESIDENT pro tempore. The Chair holds that, as submitted, the amendments are separable.

Mr. BARKLEY. In that case I ask unanimous consent that the amendments may be voted upon as a whole.

The PRESIDENT pro tempore. Is there objection?

Mr. TAFT. Mr. President, the first part is exactly the amendment which has just been voted upon. It seems to me we can draw the same proposal in all sorts of forms over and over again, and can thus take so long a period of time as to preclude the possibility of action on the measure.

I think the amendment is clearly separable. Having voted on the requested authority to issue regulations and orders, I do not see how other amendments relating to it are exactly in order or appropriate to the joint resolution, although I suppose anything can be offered. Certainly the second part, which proposes a fine, and the part which deals with the antitrust laws, are entirely separable.

So I think I would have to object to the request to consider all of them as one amendment. It seems to me they involve entirely different propositions.

Mr. BARKLEY. Mr. President, I wish to say to the Senator from Ohio and to other Senators that of course I would not offer the amendment which has just been rejected in the language found in the first part of this amendment, with nothing more. But in effect it is modified by the language which follows, and substantially that is based upon the assumption that the authority is granted. If the authority is not granted, the language in its present form is inappropriate.

For that reason, although technically they come at different parts of the joint resolution, and from a strictly parliamentary standpoint might be separable, as a matter of fact they are all one proposition and one amendment, which seeks to confer the authority which the Senate has refused to consider all by itself, but to confer it with the modification that the Congress shall have the power to deal with it after the President has exercised it.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. TAFT. In the event we agree to vote on all these issues—which course may have the advantage of speeding up the process—will amendments be in order to the provisions of the latter part of the amendment the Senator from Kentucky has submitted? I do not wish to have such possible amendments precluded.

Mr. BARKLEY. I may say to the Senator from Ohio, taking him, as well as the entire Senate, into my confidence, that if this amendment, as drawn, is defeated, the only other amendment I would offer to this part of the joint resolution would be one to strike out section 2, which deals with relaxation of the antitrust laws. I think there would be an advantage in voting on it altogether; and so far as I have in mind, I have no intention of offering any further amendment modifying the language, after it is voted on.

Mr. TAFT. Mr. President, a further parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. TAFT. As to the portion dealing with the antitrust laws, I have no objection whatever, as I stated yesterday, to substituting in that particular section the language of the so-called Harriman bill, in place of the language of the pending measure; and I would not like to be foreclosed from offering such an amendment by reason of the fact that the language of the Harriman bill is included in this amendment.

Mr. BARKLEY. No; the Senator would not be foreclosed, and neither would I. My remarks of a few moments ago had reference to further amendments regarding the power of the President or changing the powers outlined in the joint resolution. The Senator from Ohio and I have conferred regarding the antitrust laws provision, and favoring

the language presented to the Judiciary Committee by Secretary Harriman. That is a matter of detail as to administration.

But what I had in mind was that if this amendment is voted on as a whole and is rejected, I shall have no further amendments undertaking to modify, either by mandatory or other provisions, the power granted to the President in the joint resolution. I do have several amendments dealing with an entirely different subject, which the Senator from Ohio has indicated he would accept.

Mr. TAFT. Yes, with some little reservation which I shall make.

The PRESIDENT pro tempore. The Chair would like to answer the parliamentary question propounded by the Senator from Ohio. In the opinion of the Chair, if this amendment is voted down en bloc, the Senator would be permitted to offer any section of it subsequently as a separate entity.

Mr. TAFT. Then, Mr. President, in the interest of speed, and because this amendment as a whole is a compulsory amendment as I read it, I withdraw my objection.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request propounded by the Senator from Kentucky? Without objection, the amendments will be considered en bloc; and, being considered en bloc, the first amendment is in order, even though it has already been voted upon, because it is now part of a new amendment.

Mr. BARKLEY. Yes. I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. TAFT. Mr. President, I should simply like to point out that this amendment really renews exactly the same question which was rejected a few moments ago; namely, the question of whether we shall change the entire joint resolution from a voluntary approach temporarily, while we are considering the whole question of this vast power, into a compulsory approach. I think adoption of the amendment would mean the end of any possibility of doing anything of this sort before Christmas.

The PRESIDENT pro tempore. The question is on agreeing to the amendments offered by the Senator from Kentucky, which are to be considered and voted upon en bloc. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. REED. I have a general pair with the Senator from New York [Mr. WAGNER]. I transfer that pair to the Senator from Maine [Mr. BREWSTER] and will vote. I vote "nay."

Mr. WHITE. I announce that the Senator from Minnesota [Mr. THYE], who is necessarily absent, is paired with the Senator from Illinois [Mr. LUCAS]. The Senator from Minnesota, if present and voting, would vote "nay," and the Senator from Illinois, if present and voting, would vote "yea."

The Senator from Maine [Mr. BREWSTER], who is necessarily absent, is paired with the Senator from New York [Mr. WAGNER]. The Senator from Maine, if present and voting, would vote "nay," and the Senator from New York, if present and voting, would vote "yea."

The Senator from Nebraska [Mr. WHERRY] is absent by leave of the Senate.

Under instructions of the Committee on Appropriations, the Senator from New Hampshire [Mr. BRIDGES] is necessarily absent, presiding over the public reading of the record of an executive session of the committee held this morning with the Secretary of Agriculture as the witness. The Senator from New Hampshire is paired with the Senator from Arizona [Mr. MCFARLAND]. The Senator from New Hampshire, if present and voting, would vote "nay," and the Senator from Arizona, if present and voting, would vote "yea."

Mr. HILL. I announce that the Senator from Georgia [Mr. GEORGE] and the Senator from Illinois [Mr. LUCAS] are absent by leave of the Senate.

The Senator from Louisiana [Mr. ELLENDER] is absent on official business.

The Senator from Florida [Mr. PEPPER] and the Senator from Tennessee [Mr. STEWART] are absent on public business.

The Senator from Colorado [Mr. JOHNSON], the Senator from Washington [Mr. MAGNUSON], and the Senator from Arizona [Mr. MCFARLAND] are detained on official business at various Government departments.

The Senator from New York [Mr. WAGNER] is necessarily absent.

The Senator from Illinois [Mr. LUCAS] is paired with the Senator from Minnesota [Mr. THYE]. If present and voting, the Senator from Illinois would vote "yea," and the Senator from Minnesota would vote "nay."

The Senator from Arizona [Mr. MCFARLAND] is paired with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from Arizona would vote "yea," and the Senator from New Hampshire would vote "nay."

The Senator from New York [Mr. WAGNER] has a general pair with the Senator from Kansas [Mr. REED]. The transfer of that pair to the Senator from Maine [Mr. BREWSTER] has previously been announced by the Senator from Kansas. If present, the Senator from New York would vote "yea," and the Senator from Maine would vote "nay."

The Senator from Washington [Mr. MAGNUSON] and the Senator from Florida [Mr. PEPPER], if present and voting, would vote "yea."

The result was announced—yeas 35, nays 48, as follows:

YEAS—35

Barkley	Johnston, S. C.	O'Conor
Chavez	Kilgore	O'Mahoney
Connally	Langer	Overton
Downey	McCarran	Russell
Eastland	McClellan	Sparkman
Fulbright	McGrath	Stennis
Green	McKellar	Taylor
Hatch	McMahon	Thomas, Okla.
Hayden	Maybank	Thomas, Utah
Hill	Morse	Tydings
Hoey	Murray	Umstead
Holland	Myers	

NAYS—48

Aiken	Cain	Flanders
Baldwin	Capehart	Gurney
Ball	Capper	Hawkes
Bricker	Cooper	Hickenlooper
Brooks	Cordon	Ives
Buck	Donnell	Jenner
Bushfield	Dworshak	Kem
Butler	Ecton	Knowland
Byrd	Ferguson	Lodge
McCarthy	Revercomb	Vandenberg
Malone	Robertson, Va.	Watkins
Martin	Robertson, Wyo	White
Millikin	Saltonstall	Wiley
Moore	Smith	Williams
O'Daniel	Taft	Wilson
Reed	Tobey	Young

NOT VOTING—13

Brewster	Lucas	Thye
Bridges	McFarland	Wagner
Ellender	Magnuson	Wherry
George	Pepper	
Johnson, Colo.	Stewart	

So Mr. BARKLEY's amendment was rejected.

Mr. BARKLEY. Mr. President, I move to strike section 2 from the joint resolution.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Kentucky that section 2 be stricken out.

Mr. TAFT. Mr. President, before the vote is taken, I wish to offer an amendment to the section the Senator seeks to have stricken out.

The PRESIDENT pro tempore. The motion of the Senator from Ohio will take precedence.

Mr. BARKLEY. Mr. President, I might explain, in just a word, the effect of the amendment I am offering, which would not preclude the Senator from Ohio from offering an amendment to the language of the section.

Yesterday a number of Senators expressed their fear of, and objection to, the provisions of section 2, the section dealing with voluntary agreements, requiring the President to consult. Just what "consult" means, within the language of the section, no one knows, whom he would consult, whether consultation would be complying with the law if he talked with 1 or 40 in any given industry, and so on.

The provisions of the joint resolution in regard to consultation are so vague that I do not see how any President could know exactly what they meant. The President certainly would be the judge of whom he would consult, how many he would consult, and when he would consult them, whether he would do it in private or whether he would call a public meeting in regard to any particular industry or any given product or commodity. The meaning of the language is very vague, and in my judgment the enactment of the section would not facilitate the making of agreements. If the President should call a conference, large or small, and urge upon the participants an agreement along any particular line and they refused, it would be a practical repudiation by private industry of the request of the President to consult and enter into some sort of agreement for allocations, priorities, and so on.

Another objection to the section is that it leaves the door wide open, without any restrictions, except that the President would be required to approve the agreements in order that a relaxation of the antitrust laws might be brought about.

It has been argued that so long as the President is authorized to approve or disapprove any agreements made, the question whether the antitrust laws shall be relaxed is entirely within his control, and in a sense that is true, because he might refuse to approve an agreement,

otherwise beneficial, on the ground that he did not think the antitrust laws should be relaxed to the extent provided for in the joint resolution. Yet it would be regarded as an inconsistency on the part of any President to disapprove an agreement because the agreement itself, under the terms of the joint resolution, would relax the antitrust laws.

Therefore we feel that this section of the joint resolution is unworkable and undesirable, and that the joint resolution should be stripped down, in effect, to the two proposals recommended by the President and which have been accepted on the part of the committee, the proposal for extending the two acts which will expire on the 28th day of February, the one with respect to export controls, the other with respect to the allocation of transportation facilities. The amendment I have offered to strike out section 2 would practically have that effect.

Mr. TAFT. Mr. President, I have offered an amendment which is at the desk.

Mr.O'MAHONEY. Mr. President, will the Senator from Kentucky yield before he takes his seat?

Mr. BARKLEY. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I desired to ask the Senator from Kentucky if he does not agree with me that the language of the measure as it now stands would have the effect, as he says, of relieving all those who sign an agreement from the operation of the antitrust laws.

Mr. BARKLEY. Yes.

Mr. O'MAHONEY. With respect to any matter that is within the agreement.

Mr. BARKLEY. Within the scope of the agreement.

Mr. O'MAHONEY. Would it not have the positive effect of releasing from the Clayton Act, from the Robinson-Patman Act, and from all the other antitrust laws, any firm, corporation or individual now under a cease and desist order from the Federal Trade Commission, or under the judgment of any decree that has been made by any court with respect to any matter which might come up within such an agreement?

Mr. BARKLEY. Undoubtedly it would relieve those who are under any such process. It might also operate as an inducement for certain concerns to get in under the tent so they would be relieved of the Clayton Act and all the other antitrust laws, by merely joining in the agreement, which would then be put before the President, for him to approve or disapprove.

Mr. O'MAHONEY. I should like to call attention to the fact that one of the provisions of the antitrust law gives a private litigant who has been damaged by any act in restraint of trade the right to sue in the Federal courts. Would not the effect of this language be to kill the right to bring a private suit with respect to any such agreement?

Mr. BARKLEY. It would take away from any aggrieved person the right to institute a civil proceeding to right any wrong he felt he had suffered on account of a violation of the antitrust law, as well as at the same time relieving the guilty concern of any public prosecution on the part of the Government.

Mr. O'MAHONEY. Finally, would it not have the effect of dividing businesses of this country into two categories? First those who enter into an agreement would be freed from the operation of the antitrust laws, and those who are not brought into the agreement would be under the antitrust laws?

Mr. BARKLEY. Undoubtedly. It is conceivable that two concerns on opposite sides of the street in the same city, one of which had become party to an agreement, the other of which had not, would be put upon an unequal basis. The one on one side of the street, that entered the agreement, would be free from any prosecution or the institution of any civil action, while the one on the other side of the street would be subject to all the penalties of the law, by reason of the fact that he had not become a party to the agreement.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LANGER. Is it not true that some of the very cases the Federal Trade Commission is now considering might result in moot decisions?

Mr. BARKLEY. They would certainly be suspended. The Commission could take no further action so long as this provision continued in effect.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. MORSE. I merely want to say to the Senator from Kentucky that I intend to support his amendment to strike section 2, for the following three reasons: First, I am perfectly satisfied on the basis of the information I have already received in my office that large numbers of American businesses and a great number of American industrialists are very much opposed to this section of the joint resolution. They will be found within the automobile industry, within the farm-machinery industry, and within a great many fabricating industries dealing with steel products. They are opposed to this section, because, as they state to me, it would play directly into the hands of the already too powerful monopolistic interests of the country. I certainly do not think we can justify relaxing laws which were passed by the Congress to protect the free-enterprise system. Incidentally, it is my party, the Republican Party, that has made a great record to date in passing antitrust laws. Why endanger them now as a party policy? I do not think we have any justification for granting such tremendous power to any business combine as is proposed to be given to monopolists by this alleged voluntary-agreement section of this resolution. This section, which in reality permits of the setting aside of the antitrust laws, will give competitive advantage to those favored by big-business combines, such as the steel companies. They can invoke arbitrary discriminatory practices against large segments of American industry. I am somewhat at a loss to understand how any Senator, devoted to the ideal of a free-enterprise system and to keeping the channels of competition open, can go along with this section of the bill. I do not think we have stopped to consider fully the legal implications of the section. The Senator from Wyoming just now pointed out a very vital legal point, which indicates clearly the discriminatory practices which would be legalized by this section of the resolution.

In the second place, I am opposed to it because, to all intents and purposes, it passes the political buck to the President of the United States. I do not approve of playing partisan politics with the inflation crisis which is visiting such suffering upon the American people.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MORSE. I shall be glad to yield.

Mr. TAFT. It is a strange thing, then, that within the last few days the largest automobile companies—General Motors and Chrysler—have been opposing this bill, because they think it will enable the President to pass the buck to them. They are the monopolists to which the Senator is referring.

Mr. MORSE. The Senator from Ohio is entirely wrong. I am not charging General Motors or Chrysler with being monopolies.

Mr. TAFT. No; but the Senator said the provision would play into the hands of the large monopolistic elements of industry.

Mr. MORSE. That is exactly right, too.

Mr. TAFT. General Motors and Chrysler are not monopolies, but they are the largest elements in the industry.

Mr. MORSE. To a large extent the provision would play into the hands of powerful monopolists in this country that today control the distribution of steel, and it would put into their hands a power which I do not think it is safe to give them.

Mr. TAFT. If I may so suggest, it seems to me the objection which is made that we should not authorize the making of an agreement between the Government and an industry because somebody is going to be "put on the spot," is the weakest kind of argument against such an approach. That is the way they ought to operate. Government and industry ought to get together and ought to be authorized to make any reasonable agreement to carry out perfectly proper purposes approved by the President. I cannot understand the argument that because they are authorized to meet together, somebody is going to be "put on the spot." We do not care whether anybody is "put on the spot" or not. The question is whether desirable results could be obtained.

Mr. MORSE. Mr. President——

The PRESIDENT pro tempore. The Senator from Kentucky has the floor.

Mr. BARKLEY. I yield to the Senator from Oregon.

Mr. MORSE. Mr. President, I am at a complete loss to understand the reasoning of the Senator from Ohio [Mr. TAFT] on this point, because I submit there is only one logical result to be reached by pressing his argument, and that is that we ought to give American

monopolies the power to enter into agreements in restraint of trade. That is the net effect of the argument. I shall not be a party to such a program as that. At the present time what we ought to be doing, instead of adopting such a section as this, is tripling appropriations for the enforcement of the antitrust laws. That would be an inflation check with teeth in it. The point I want to make is that I think the program for the allocation and distribution of materials ought to be under a Government policy and legislative program. It should not be determined on the basis of alleged "voluntary agreements" entered into by the existing monopolistic combines that have caused such concern today in the automobile industry as to what is going to happen to that industry if the section proposed by the Senator from Ohio is adopted by the Congress of the United States. Also the farmers of America have great cause to be concerned over the implications of this section. The allocation and distribution of steel is vital to the production of farm machinery and equipment. The Senator from Ohio [Mr. TAFT] may characterize the argument I have been making by the use of any adjectives that suit his purpose, but I want to say, in characterizing my own argument, that I am arguing for complete support by the Republican Party of the antitrust laws as they now appear on the statute books. I do not think we, as a great political party, can justify, from the standpoint of the public interest, any relaxation of the antitrust laws. That is exactly what the proposal of the Senator from Ohio seeks to accomplish. It would have that effect.

I think the effect of the section is to pass the political buck to the President of the United States. That is partisan politics pure and simple and the American people will see through it and disapprove the political strategy. I do not think it can be justified. The allocation of basic materials should be done by the Government in the public interest. We, through legislation, should lay down the specific criteria which ought to govern any relaxation of the antitrust laws. Unless we do that, I say we cannot justify placing the proposed discretionary power in the President.

The last point I want to make is this: I feel that before we proceed to adopt such a proposal as this, it ought to be subjected to the very careful study of the Judiciary Committee of the Senate for a report on its legal implications. Today we do not have such a study and report. When anyone starts playing and tinkering with the antitrust laws by way of any proposal that permits of their being set aside to any degree whatsoever by voluntary agreement entered into by monopolists I think we should be informed in detail as to the legal effects of the proposal. As a lawyer, I do not propose to sit here and vote for such a section as this until I can have in front of me a carefully prepared report by the Committee on the Judiciary as to the legal effects of the section. After all, we are dealing with the legal rights of the American people in relation to their right to be protected from monopolies. It is very unlawyerlike for us to adopt this section before we know what legal effects it will have upon pending cases, upon future cases and upon our entire free-enterprise system. It is one thing for the Government in the public interest to allocate basic materials in short supply. It is quite a different thing to give such power to business combines. It violates the sound public policy of our antitrust laws.

Mr. BARKLEY. Mr. President, in order to show the effect of the section, I wish to read a press release given out by the Attorney General on the 12th day of August of this year. It is as follows:

Attorney General Tom C. Clark today instructed the Antitrust Division of the Department of Justice to launch an enlarged program aimed at conspiracies to maintain or to increase present prices in the food, clothing, and housing fields. Such conspiracies will be prosecuted criminally, and in those cases the Justice Department will oppose acceptance by the courts of pleas of nolo contendere, and upon conviction of the defendants, the Department will recommend jail sentences for the individual defendants and maximum fines against the corporations.

Mr. Clark stated that although the criminal provisions of the antitrust laws have been invoked in the past, jail sentences for violations have not been imposed except in a few cases. The relative ineffectiveness of past enforcement policies, together with the soaring high prices now continuing in the food, clothing, and housing fields, he indicated, require that a new and more vigorous approach be undertaken in these fields.

Mr. Clark said that the adoption of this action follows a 3-month analysis of the activities of the Antitrust Division by Assistant Attorney General John F. Sonnett, who has been in charge of the Division since May.

The Attorney General said, "In his State of the Union message in January, President Truman pointed out to the Congress that, despite half a century of antitrust law enforcement, one of the gravest threats to our welfare lay in the increasing concentration of power in the hands of a small number of giant organizations and that today we find that to a greater extent than ever before whole industries are dominated by one or a few large organizations which can restrict production in the interest of higher profits and thus reduce employment and purchasing power.

"In his recent midyear economic report, the President warned that prices, to support a prosperous economy, must be kept down to the lowest point compatible with costs and reasonable business incentives and that a free enterprise system cannot tolerate collusion in price, in curtailment of output, or in restriction of capacity expansion, or the hampering of the entry of new firms into the business life of the community.

"The antitrust program for this year will be aimed at these vital problems.

"In addition to the new program, the Division will continue its present activities aimed at breaking up monopoly power in various industries."

Since that release to the press there have been 14 proceedings instituted by the Department of Justice against various organizations in this country. I ask unanimous consent that there may be printed in the RECORD at this point as a part of my remarks a list of the cases, and comments upon them by the Department of Justice.

There being no objection, the matter, list, and comments were ordered to be printed in the RECORD, as follows:

Attorney General Tom C. Clark announced the filing today in the United States District Court for the Southern District of New York of an information charging the entering into agreements to fix the prices of tires and tubes in violation of the antitrust law by eight agreements t ofix the prices of tires and tubes eight of their officers, a tire manufacturers' trade association, and two of its officers.

The defendant corporations are: Rubber Manufacturers Association, Inc., of New York City; the Dayton Rubber Co., of Dayton, Ohio; the Firestone Tire & Rubber Co., of Akron, Ohio; the General Tire & Rubber Co., of Akron, Ohio; the B. F. Goodrich Co., of Akron, Ohio; the Goodyear Tire & Rubber Co., of Akron, Ohio; Lee Rubber & Tire Corp., of Conshohocken, Pa.; Seiberling Rubber Co., of Akron, Ohio; United States Rubber Co., of New York City.

The individual defendants are: J. L. Cochrun, vice president of Seiberling Rubber Co.; I. Eisbrouch, vice president of the Dayton Rubber Co.; George Flint, assistant secretary of Rubber Manufacturers Association, Inc.; A. A. Garthwaite, Sr., president of Lee Rubber & Tire Corp.; H. N. Hawkes, assistant general manager, tire division, United States Rubber Co.; Lee R. Jackson, executive vice president of the Firestone Tire & Rubber Co.; L. A. McQueen, vice president of the General Tire & Rubber Co.; J. J. Newman, vice president of the B. F. Goodrich Co.; A. L. Viles, president of Rubber Manufacturers Association, Inc.; R. S. Wilson, vice president of the Goodyear Tire & Rubber Co.

The information charges that the defendants agreed on prices, discounts, allowances, bonuses, classifications of customers, uniform warranties, guaranties and adjustment policies, allocation of sales to State, county, and municipal government agencies, limitations upon production of specified types of tires, and other related practices, for the purpose of eliminating price competition.

It is further charged that the defendants agreed to maintain Rubber Manufacturers Association, Inc., a defendant, as a means by which the prices of tires and tubes were fixed.

John Ford Baecher, first assistant, Antitrust Division, said: "The action taken is the result of an investigation started by the Department of Justice following the receipt of numerous complaints from independent tire dealers and others concerning the pricing practices of tire manufacturers. A grand jury in New York began issuing subpenas to the manufacturers on March 13, 1946, during the period of governmental control. These subpenas resulted in the obtaining by by the Government of evidence which disclosed studied price-fixing practices by the industry to eliminate the public benefits of competition commencing in 1935. The recent decline in the tire prices occurred about 14 months after the issuing of subpenas and at a time when the investigation was making progress."

It is pointed out that the price change occurred also at a time when there had developed a surplus of tires in excess of demand, and was accomplished in part by reductions in list prices and of dealers' discounts. The small business dealers alleged that they absorbed much of the price reductions.

The information charges for technical legal reasons that the conspiracy commenced in 1935 and that it has continued within the period of the statute of limitations. However, the investigation disclosed evidence that the violations continued during the period of governmental control.

Mr. Baecher added: "The suit should discourage agreements between the manufac-

turers to raise or stabilize tire prices with the result that prices to the independent tire dealer and the consumer will be on a competitive rather than artificial level, even after surplus stocks are gone. In view of all the evidence the Government could not consider the present prices as indicating that legal action should not be taken."

The case was prepared by Allen A. Dobey, special assistant to the Attorney General, and John A. Skiles, William H. Glenn, and C. Brooke Armat, special attorneys, under the supervision of Edward P. Hodges, Chief of the Small Business and Complaints Section of the Antitrust Division.

TECHNICOLOR FILM—ANTITRUST ACTION

Attorney General Tom C. Clark announced the filing today in the United States District Court for the Southern District of California at Los Angeles of a civil action charging Technicolor, Inc., and Technicolor Motion Picture Corp. with monopolizing the business of professional color cinematography, and with having conspired with Eastman Kodak Co. to restrain and monopolize that business, in violation of the antitrust laws.

Attorney General Clark stated:

"This case is a part of the Department of Justice's program aimed at breaking up monopoly power in industry.

"Motion pictures in color today represent from 15 to 20 percent of all feature-length pictures exhibited in theaters in the United States. The capacity of facilities for commercial color processing and other operations in the business of professional color cinematography has been inadequate to meet the demand for filming of motion-picture productions in color. The effect of the practices charged in the complaint has been to restrict the development of the art of professional color cinematography by others than the defendants, and to deprive the public of the benefits of competition in this business."

Assistant Attorney General John F. Sonnett stated:

"Technicolor does over 90 percent of all the business in professional color cinematography. Since 1934 Technicolor has produced the positive-film prints for all of the class A feature-length motion pictures and most of the short subjects and animated cartoons produced in color by the motion-picture industry of the United States.

"It has entered into a series of agreements with Eastman whereby patents, new developments, and technological information relating to color photography would be reserved for Technicolor's exclusive use in the professional field. In our view, Technicolor was thereby enabled to control and monopolize this business and was protected against potential competition from others."

Mr. Sonnett added: "Our suit asks that all the illegal arrangements and agreements be canceled and that the court order such relief with respect to patents and know-how as will dissipate the effects of the unlawful practices charged and permit the establishment of free competition in the industry."

The Government's case was prepared by William C. Dixon, special assistant to the Attorney General, and James M. McGrath, of the Los Angeles office of the Antitrust Division, Department of Justice, under the supervision of Robert A. Nitschke, Chief of the Cartel and Patent Section of the Antitrust Division.

FRICTION MATERIALS—ANTITRUST INDICTMENTS

Attorney General Tom C. Clark announced the indictment today by a Federal grand jury in the southern district of New York for violation of the antitrust laws of 20 friction materials manufacturing companies, a trade association of which they are members, and 53 of their officials, for conspiracies to fix the prices of replacement brake linings and clutch facings.

The defendant corporations are: Brake Lining Manufacturers' Association, Inc., of New York, N. Y; American Brake Shoe Co, of Detroit, Mich.; Asbestos Manufacturing Co., of Huntington, Ind.; Bendix Aviation Corp., of Detroit, Mich.; Fibre & Metal Products, Inc., of Downey, Calif.; Firestone Tire & Rubber Co., of Akron, Ohio; Firestone Tire & Rubber Export Co., of Akron, Ohio; Gatke Corp. of Chicago, Ill.; General Motors Corp., of Detroit, Mich; Grizzly Manufacturing Co., of Bell, Calif.; Johns-Manville Corp., of New York, N. Y.; Johns-Manville International Corp., of New York, N. Y.; Lasco Brake Products Corp., Ltd., of Oakland, Calif; L. J. Miley Co., of Chicago, Ill.; Pharis Tire & Rubber Co., of Ridgway, Pa.; Raybestos-Manhattan, Inc., of Passaic, N. J.; Russell Manufacturing Co., of Middletown, Conn.; Scandinavia Belting Co., of Newark, N. J.; Southern Friction Materials Corp., of Charlotte, N. C.; Thermoid Co., of Trenton, N. J.; World Bestos Corp., of Paterson, N. J.

The individual defendants are: T. E. Allen, assistant to president, Thermoid Co.; B. Asper, vice president, Johns-Manville International Corp.; P. F. Baillet, export department, Gatke Corp.; H. C. Berkely, sales manager, General Motors Corp.; E. G. Berngen, secretary, Gatke Corp.; J. A. Blake, vice president, Fibre & Metals Products, Inc.; J. G. Brown, sales manager, Grizzly Manufacturing Co.; S. F. Brown, director of exports, American Brake Shoe Co.; H. C. Butterworth, export manager, Russell Manufacturing Co; A. L. Campbell, sales department, Thermoid Co.; L. M. Cassiday, vice president, Johns-Manville Corp.; O. H. Cilley, vice president, Raybestos-Manhattan, Inc.; E. S. Crosby, president, Johns-Manville International Corp.; H. A. Davis, export manager, Thermoid Co.; Robert B. Davis, vice president, Raybestos-Manhattan, Inc.; J. S. Doyle, staff manager, Johns-Manville Corp.; William H. Dunn, comptroller, Raybestos-Manhattan, Inc.; H. G. Farwell, export department, Raybestos-Manhattan, Inc.; T. L. Gatke, president, Gatke Corp.; J. R. Glazebrook, Johns-Manville Corp.; H. Groendyke, manager, Raybestos-Manhattan, Inc.; F. C. Hepburn, brake lining department, Firestone Tire & Rubber Co.; J. R. Howie, manager, Russell Manufacturing Co.; C. M. Jorgensen, sales manager, Lasco Brake Products Corp., Ltd.; R. E. Keane, automotive division, Russell Manufacturing Co.; Fred J. Kelly, manager, American Brake Shoe Co.; L. G. Kersgard, manager, World Bestos Corp.; Norman Leeds, Jr., general sales manager, Raybestos-Manhattan, Inc.; E. W. Lenz, export division, Grizzly Manufacturing Co.; Furber Marshall, president, Pharis Tire & Rubber Co.; K. W. Nasholds, assistant sales manager, Bendix Aviation Corp.; W. Rahbeck, export department, Firestone Tire & Rubber Co.; G. M. Righter, export manager, Raybestos-Manhattan, Inc.; G. E. Ritter, sales manager, Pharis Tire & Rubber Co.; J. D. Roach, sales engineer, Raybestos-Manhattan, Inc.; A. J. Roemer, sales manager, Bendix Aviation Corp.; J. F. D. Rohrbach, vice president, Raybestos-Manhattan, Inc.; C. W. Sachs, manager, Raybestos-Manhattan, Inc.; H. T. Scheckler, Thermoid Co.; Fred E. Schluter, president, Thermoid Co.; Harry Seith, assistant manager, American Brake Shoe Co.; F. W. Shelton, Grizzly Manufacturing Co.; C. Q. Smith, assistant to president, American Brake Shoe Co.; J. B. Spencer, vice president, American Brake Shoe Co.; Donald H. Spicer, president, World Bestos Corp.; V. A. Spina, treasurer, Scandinavia Belting Co.; L. S. Sullivan, manager, Russell Manufacturing Co.; S. J. Synnott, manager, Raybestos-Manhattan, Inc.; Howard Snow, president, Southern Friction Materials Corp.; M. Steder, sales manager, L. J. Miley Co.; L. W. Tuttle, vice president, Asbestos Manufacturing Co.; G. M. Williams, president, Russell Manufacturing Co.; L. E. Wilson, secretary and treasurer. Asbestos Manufacturing Co.

Three indictments were returned, charging that the defendants conspired on prices, discounts, classifications of customers, terms and conditions of sales, and other related practices, for the purpose of eliminating competition. Two of the indictments involve domestic sales of friction materials, and the third, sales in foreign commerce.

The indictments further charge that Brake Lining Manufacturers Association, Inc., of New York was an agency through which the defendants made effective their fixing of prices and other illegal practices.

Attorney General Tom C. Clark stated:

"The indictments allege that the corporate defendants manufacture and sell approximately 96 percent of the Nation's replacement brake linings and clutch facings. Defendants' sales approximate $45,000,000 annually, and their pricing practices especially affect Federal and State governments and municipalities, and other operators of large fleets of automotive equipment. These cases are in line with the regular program of the Department of Justice to attack illegal price fixing."

It is pointed out that the present continuance in service of old automotive equipment makes replacement friction materials an essential to safety on the highways. It is also noted that the defendants through manipulated price and discount lists caused the materials to be sold abroad at prices cheaper than those demanded in the United States, though the articles were manufactured here.

John F. Sonnett, Assistant Attorney General in charge of the Antitrust Division, said:

"The annual sales value of replacement brake linings is five times that of new equipment. This is a national bill shared by every user of transportation facilities. These cases should promote safety on the highways by enabling the public to purchase brake materials at fair competitive prices.

"Cooperation in the presentation of this case was furnished the United States Government by John M. Murtagh, Commissioner of Investigation for the city of New York. Mr. Murtagh brought to us significant facts as to the cost to the public of these materials for ambulances, fire and sanitation equipment, police cars, and other essential public services."

The case was presented to the grand jury by J. Francis Hayden, Chief of the New York office of the Antitrust Division, Irving Glickfeld, Joseph T. Quinnan, and Emanuel S. Cahn, attorneys attached to the New York Antitrust Office, under the supervision of Holmes Baldridge and George B. Haddock, chief and assistant chief, respectively, of the General Litigation Section of the Antitrust Division, Washington.

Attorney General Tom C. Clark announced that a Federal grand jury in the District of Columbia today indicted the National Association of Real Estate Boards, with principal offices at Chicago, Ill., and the Washington Real Estate Board, Washington, D. C., for violation of the antitrust laws, and the filing by the Government of a civil antitrust suit against the same defendants, the executive vice president of the National Association of Real Estate Boards, and 15 members of the Washington Real Estate Board.

The grand jury charged that the National Association of Real Estate Boards and the Washington Real Estate Board have for many

years engaged in a criminal conspiracy to restrain trade in the housing field in the District of Columbia through fixing commission rates to be charged by realtors.

As a result of the conspiracy, the grand jury charges that competition has been eliminated with respect to fees for selling, exchanging, leasing, and managing real property in the District of Columbia, and that amounts paid for commissions to brokers for the sale of houses have increased by 25 to 50 percent.

The National Association of Real Estate Boards is a national trade association comprised of approximately 28,000 real estate brokers, and others affiliated with the real-estate business throughout the United States, and of about 800 local real-estate brokers associations throughout the United States. The national association is an Illinois corporation and maintains an office in the District of Columbia.

The Washington Real Estate Board, a corporation of the District of Columbia, also indicted today, is a trade association with a membership of about 250 real-estate brokers, and others affiliated with the real-estate business, all operating in the District of Columbia. The Washington Board and all of its members are also members of the national association.

In addition to the criminal prosecution of the associations, the Government's civil suit asks cancellation of the unlawful provisions of the constitution, bylaws, rules, and regulations of the national association and of the Washington Board, which fix uniform commission rates. An injunction is also sought to prevent the associations, the 16 individual defendants, and other realtors, from participating in any similar agreements in the future.

The individual defendants in the civil suit are Herbert U. Nelson, executive vice president of the National Association of Real Estate Boards, and the following members and directors of the Washington Board: J. Garrett Beitzell, Lewis T. Breuninger, Lewis F. Colbert, S. Dolan Donohoe, C. H. Hillegeist, Edward K. Jones, Willam L. Lebling, S. Miles Montgomery, F. Moran McConihe, William L. Orem, Jr., Thomas W. Sandoz, J. Hawley Smith, Raymond M. Taylor, DeVere R. Weedon, Carey Winston.

Attorney General Clark commented:

"Our inquiry into the housing field indicates that artificial restraints on competition, such as those involved in this matter, bears a definite relation to present high housing costs."

Assistant Attorney General John F. Sonnett, in charge of the Antitrust Division, stated:

"It is charged in these cases that in addition to the absence of competition among real-estate brokers with respect to commission rates, there have been uniform agreements and concerted action whereby realty commission rates have been substantially increased in recent years. Such practices in this field are especially burdensome, particularly in view of the heavy 'turn-over' in dwellings."

The cases were prepared by Victor H. Kramer and Herbert N. Maletz, special assistants to the Attorney General, and by Joseph N. Stanley, special attorney, under the supervision of Assistant Attorney General Sonnett and Edward P. Hodges, Chief of the Complaints Section of the Antitrust Division, Department of Justice.

OWENS-CORNING FIBERGLAS CASE

Attorney General Tom C. Clark announced the filing today in Toledo in the United States District Court for the Northern District of Ohio of an antitrust suit in the building material and fabric fields, charging Owens-Corning Fiberglas Corp. and Owens-Illinois Glass Co., both of Toledo, and Corning Glass Works, of Corning, N. Y., with monopoly and conspiracy to monopolize.

The complaint charges that Owens-Corning has a monopoly of United States production of glass fibers and glass-fiber products, and that Owens-Corning Fiberglas Corp. was formed jointly by Owens-Illinois Glass Co. and Corning Glass Works as part of a conspiracy to dominate and control the development of the fiber-glass industry. It also charges that the defendants entered into cartel agreements with the principal foreign producers in order to buttress their monopoly in the United States by dividing territories and getting exclusive rights to patents and technical information.

Mr. Clark stated: "The glass-fiber industry is a significant new industry in the United States. Glass fibers are threads of glass which are made into the form of glass wool, glass textiles, and glass-fiber mats. Among its important uses are insulation for housing, electrical materials, fireproof fabrics, such as draperies and curtains, and roofing construction. New uses are being discovered frequently. Accordingly, this industry should be opened to free competitive development."

The complaint requests the court to divest Owens-Illinois and Corning Glass Works of their stock interest in Owens-Corning, to enjoin future control, and to split up Owens-Corning according to a plan to be approved by the court, so as to establish independent and competitive business units in the glass-fiber industry.

Assistant Attorney General John F. Sonnett, in charge of the Antitrust Division, stated: "This action is in furtherance of the Department of Justice program aimed at unlawful concentration of economic power in national industry. The growing significance of this new product in the construction and fabrics fields is evidenced by the substantial increase in the sales of glass-fiber materials. Owens-Corning's net sales during its first year of business in 1939 amounted to $4,000,000 and have reached as high as $56,000,000 in 1 year. It does 98 percent of the national glass-fiber business in six plants, located in Newark, Ohio; Corning, N. Y.; Ashton, R. I.; Burlington, N. J.; Kansas City, Kans.; and Huntingdon, Pa."

The complaint also alleges that Owens-Corning is a jointly owned subsidiary of Owens-Illinois and Corning, two of the largest manufacturers in the glass industry. It was organized by them in 1938 for the purpose of consolidating their respective glass-fiber businesses in a single corporation which would dominate and control the development of this new industry.

It is further charged that the defendants strengthened their monopoly in the United States by means of various cartel agreements entered into with the principal foreign glass-fiber interests for the allocation of territories and the exclusive exchange of patent rights and technical knowledge. The following eight foreign corporations are named as coconspirators in the complaint: N. V. Van Deventer's Glasfabrieken, of Holland; Maatschappij tot Beheer en Exploitatie van Octrooien N. V., of Holland; Algemeene Kunstvezel Maatschappij N. V., of Holland; Societe Anonyme des Manufactures des Glaces et Produits, of France; Chimiques de St. Gobain, Chauny et Cirey of France; Chance Bros. & Co., Ltd. (Chance Bros.), and Fibreglass Ltd., of England; Societa Anonima Vetreria Italiana Balgaretti Modigliani of Italy; Fiberglas Canada, Ltd., of Canada.

It is alleged that such cartel agreements prevented importation of competing goods and hindered other potential domestic producers in getting access to foreign technology and patent rights.

Important glass-fiber products include various forms of thermal and accoustical insulation for building and industrial uses, various types of electrical insulation materials, air filters used in warm-air furnaces, and air-conditioning and ventilating systems, and decorative fabrics used in fireproof draperies, curtains, and the like.

Among the new uses recently discovered are filling for sleeping pillows for allergy victims, for interlining clothing, in frozen-food shopping bags, garment and blanket storage bags, ironing-board covers, lamp shades, and in wrinkle-resistant articles of clothing woven from glass fibers and other fibers. One of the most important potential fields is the use of glass fibers as a reinforcement in the manufacture of plastic materials.

The Government's case was prepared by George W. Wise and Frank W Gaines, Jr., special attorneys, under the supervision of Robert A. Nitschke, Chief of the Cartel and Patent Section of the Antitrust Division.

FULL-FASHIONED HOSIERY MACHINERY

Attorney General Tom C. Clark announced the filing today in the United States District Court for the Southern District of New York of an antitrust suit charging the Textile Machine Works and Berkshire Knitting Mills, both corporations of Wyomissing, Pa., and certain of their officers and directors, with monopoly and conspiracy in restraint of trade, in the full-fashioned hosiery and hosiery machinery fields.

The complaint alleges that the Textile Machine Works is the major producer of full-fashioned hosiery machinery, and that Berkshire Knitting Mills is the largest manufacturer of full-fashioned hosiery in the United States, and that the two companies are owned and controlled by substantially the same individuals. Both companies, it is charged, have been engaged in a program designed to strengthen and insure the domination of each company in its respective field and to prevent small hosiery mill operators from obtaining second-hand machines which could produce lower-priced stockings and compete with the new higher-gage machines manufactured by the Textile Machine Works.

With the same object, it is alleged, Textile required veterans who are given priorities under the veterans' rehabilitation program, as a condition to their purchase of machines, to sign an agreement not to sublease or otherwise dispose of their machinery without first offering it to Textile for a repurchase.

Mr. Clark stated: "The monopolistic activities of Textile and Berkshire have created a shortage of hosiery machinery in this country and agreements between the two in restraint of trade have limited the supply of full-fashioned hosiery."

John F. Sonnett, Assistant Attorney General in charge of the Antitrust Division stated: "There are more than 400 companies in the United States engaged in the manufacture of full-fashioned hosiery, producing annually more than 40,000,000 dozen pairs of stockings having a value in excess of $300,000,000. Berkshire is the largest manufacturer of these stockings, producing over 2,000,000 dozen a year, which is almost twice as much as its nearest competitor.

A virtual monopoly of the manufacture of machines has been acquired by the Textile Machine Works, which has about 85 percent of the Nation's production facilities for full-fashioned hosiery machines. Berkshire has twice as many machines as any other hosiery manufacturer.

The Government seeks the separation of these two businesses, which are under common control, and to prevent further machine sales to Berkshire until the restraints on trade are fully removed.

The Government's suit asks specifically that an injunction be issued restraining the defendant from continuation of the illegal activities alleged in the complaint; that the

court order a separation of the two companies and a divestiture by each company and its officials of all interests in the other company, and that Textile be enjoined, for a period of 1 year and until the effects of the offenses have been fully eliminated, from furnishing machines to Berkshire.

The individuals named in the Government's complaint today are: Henry Janssen, president of Textile and vice president, treasurer, and a director of Berkshire; John E. Livingood, vice president of Textile and secretary and director of Berkshire, Ferdinand Thun, president of Berkshire and a director of Berkshire and also secretary-treasurer of Textile; Ferdinand K. Thun, assistant secretary of Berkshire and a director of Textile.

The case was prepared by Lester L. Jay, special assistant to the Attorney General, and John D. Leddy, and Francis R. Shields, special attorneys, under the supervision of J. Francis Hayden, Chief of the New York Office, all under the general supervision of Robert A. Nitschke, Chief of the Patent and Cartel Section of the Antitrust Division.

ANTITRUST SUIT IN CAST-IRON-PIPE INDUSTRY

Attorney General Tom C. Clark announced the filing today in the United States district court in New Jersey, at Trenton, of an antitrust suit charging five corporations with conspiracy to monopolize and restrain trade in the cast-iron pressure-pipe industry by the abuse of patent rights and lease-license agreements. The defendants are: United States Pipe & Foundry Co., Burlington, N. J.; James B. Clow & Sons, Chicago, Ill.; Glamorgan Pipe & Foundry Co., Lynchburg, Va.; Lynchburg Foundry Co., Lynchburg, Va.; McWane Cast Iron Co., Birmingham, Ala.

The complaint charges that the unlawful action was carried out through lease-license agreements relating to patents, which resulted in limiting the production, types, and dimensions of cast-iron pressure pipe, controlling selling prices in the United States, and maintaining for United States Pipe & Foundry Co. a dominant position in the industry.

The pipe involved in this suit is used principally in the transmission of water and gas under pressure and is the most commonly used material for this purpose. It is essential in the development of new and all large-scale housing areas which require gas and water systems. It is also used in the transmission of crude oil, gasoline, and other liquids and gases.

The suit seeks cancellation of the illegal agreements, and relief against patent abuses, including reasonable royalty licensing.

Attorney General Clark stated: "The complaint sets forth that the defendants together produce approximately 70 percent of all cast-iron pressure pipe made in the United States. The elimination of the restraints in this field should aid in the competitive development of the cast-iron pressure-pipe industry and should have a beneficial effect on the development of housing projects."

Assistant Attorney General John F. Sonnett, in charge of the Antitrust Division, stated: "The annual sales of cast-iron pressure pipe during 1946 amounted to over $35,000,000, which represented principally purchases by municipalities, other governmental agencies, and public utilities. The defendants, under patent license agreements, have restrained and effectively monopolized the greater portion of the domestic and foreign commerce in such pipe. Our purpose in this suit is to remove the restraints on competition which have resulted from the defendants' conduct over a period of years."

The case is being handled by Victor H. Kramer and Morton H. Steinberg, special assistants to the Attorney General, and Herbert N. Maletz, special attorney, under the general supervision of Edward P. Hodges, Chief of the Division's Complaints and Small Business Section.

DEPARTMENT OF JUSTICE

Attorney General Tom C. Clark announced the filing today in the United States District Court for the Southern District of New York of a civil suit charging the Investment Bankers Association of America and 17 investment banking firms with violation of the antitrust laws. The complaint alleges that the defendants have conspired to restrain unreasonably and to monopolize the securities business in this country by restricting, controlling, and fixing the channels and methods, the prices, terms, and conditions upon which security issues are merchandised.

Named as defendants are the following copartnerships: Morgan Stanley & Co.; Kuhn Loeb & Co.; Eastman, Dillon & Co.; Kidder, Peabody & Co.; Goldman, Sachs & Co.; Lehman Bros.; Smith, Barney & Co.; Glore, Forgan & Co.; White Weld & Co.; and Drexel & Co.; and the following corporations: The First Boston Corporation; Dillon, Read & Co., Inc.; Blyth & Co., Inc.; Harriman Ripley & Co., Inc.; Stone & Webster Securities Corp.; Harris, Hall & Co., Inc.; and Union Securities Corp.

All of the defendants have their principal place of business in New York City, except the Investment Bankers Association of America, the home office of which is in Chicago, Ill.

The complaint defines an investment banker as follows: "A corporation, firm, or person engaged in the securities business who performs primarily the services of (1) rendering advice to issuers concerning financial and business matters, and (2) purchasing security issues from issuers and selling them to security dealers and to investors.

Securities are defined in the complaint as including: "Any stocks, notes, bonds, debentures, or other interests, certificate, or instrument, commonly known as a security, issued (1) by any railroad or other common carrier, or any railroad terminal corporation, (2) by any public utility corporation, (3) by any public authority or agency, (4) by any industrial, financial, service, or other business corporation or organization, or (5) by any foreign government or foreign state or municipality. The term includes revenue bonds and debentures, but does not include any other obligations of the United States or any State or municipality thereof."

During the period from January 1, 1938, to April 30, 1947, according to the complaint, the 17 defendant investment banking firms managed securities sales in the sum of $14,357,000,000, which represented about 69 percent of the security issues handled by the syndicate method.

The complaint charges that the defendant firms have agreed:

1. To eliminate competition among themselves.

2. To eliminate competition of other investment bankers, and of other prospective purchasers of securities.

3. To prevent, restrain, minimize, and discredit the use of competitive bidding, private placements, agency purchases, and agency sales in the disposal of securities by issuers.

4. To eliminate competition for security issues offered at competitive bidding and to circumvent regulatory orders of Federal and State administrative agencies requiring competitive bidding.

5. To influence and control the management and financial activities of issuers.

6. To preserve their relationships with issuers for whom defendants act as financial advisers or from whom they purchase security issues.

7. To utilize their domination and control over securities business and their influence and control over issuers to encourage and promote consolidations, mergers, expansions, refinancings, and debt refundings in order, among other things, to create an increasing volume of security issues for merchandising by the defendants.

8. To concentrate the business of purchasing and distributing security issues in a single market where sales are made to large institutional investors upon terms and conditions favorable to such buyers and with a minimum of risk to defendants.

Attorney General Tom C. Clark stated, "It is the Government's purpose in this suit to correct long-standing restrictive practices in the investment banking field, developed and followed by these 17 important firms, so as to strengthen and produce competition among this group and generally in the investment banking industry.

"The economic importance of the case is evident from the fact that since 1938 the 275 firms in the investment banking business have managed the sale of security issues having a value of over $20,000,000,000, and that the 17 firms named in this case managed groups which sold about 69 percent of that total."

Assistant Attorney General John F. Sonnett, in charge of the Antitrust Division of the Department of Justice, said: "This action follows an exhaustive inquiry, conducted for several years, into the methods and practices of the investment banking firms of the Nation which indicated that the 17 firms here involved have handled during the past 10 years about 85 percent of the 'prime securities'—that is, those generally recognized as being of good investment quality with a minimum of speculative characteristics. The Government seeks in this case a court judgment which will effectively and practicably provide for fully competitive conditions in the business, free from existing restraints."

The complaint asks the following specific relief:

1. That each defendant banking firm be enjoined from occupying the dual function of adviser to an issuer and of purchaser for resale of the securities of the same issuer; that each defendant banking firm be required to elect which of these two types of business it will conduct for a particular issuer and to stay out of the business not elected for that issuer.

2. That each of the following defendant banking firms, to wit: Morgan Stanley & Co., First Boston Corp., Dillon Read & Co., Inc., Kuhn Loeb & Co., Blyth & Co., Smith Barney & Co., Lehman Bros., Harriman Ripley & Co., and Goldman, Sachs & Co., be enjoined from participating, directly or indirectly, in any buying group formed to merchandise a security issue in which any other of said defendant banking firms is a participant; and that participation by any of the following defendant banking firms, to wit: Glore Forgan & Co., Kidder, Peabody & Co., Eastman, Dillon & Co., Union Securities Corp., Stone & Webster Securities Corp., Drexel & Co., White Weld & Co., and Harris, Hall & Co. (Inc.), in buying groups formed to merchandise a security issue, be enjoined in such manner as the court may deem necessary in order to create actual competition in the investment banking industry.

3. That each defendant banking firm be enjoined from placing any officer, director, partner, agent, employee, or nominee on the board of directors of any issuer for whom it acts either as financial adviser or as a purchaser of securities.

4. That each defendant banking firm be enjoined from interfering with the right of any issuer to select both the method by which it will dispose of its securities and the outlet through which the issue will be sold.

5. That each defendant banking firm be enjoined from interfering with the right of any institutional or other investor from choosing freely both the methods by and the

agencies through which it will purchase securities.

6. That each defendant banking firm be enjoined from refusing to negotiate with or to compete for the purchase of securities of any issuer either because some other investment banker is or has been the traditional banker for such issuer, or because the business of such issuer might be in competition with the business of some issuer for whom one of the defendant banking firms acts as adviser or handles security issues.

7. That each defendant banking firm be enjoined from asserting any right to deal in the securities of a particular issuer merely because such firm has managed or participated in the merchandising of any security issue emanating from such issuer, or from recognizing or deferring to such a claim by any other defendant banking firm.

8. That each defendant banking firm be enjoined from creating, managing, or participating as an underwriter in a so-called stand-by account, that is, a buying group with continuous existence formed to merchandise the security issues of a particular issuer if and when issued.

9. That each defendant banking firm be enjoined from participating in any overly-large buying group, that is, a buying group which is larger than necessary to handle a particular security issue, for the purpose of defeating competitive bidding.

10. That each defendant banking firm be enjoined from acting with any other defendant banking firm or with any other concern engaged in the securities business, either to select jointly or to delegate to anyone the selection of the security dealers to participate in selling groups, or the institutional investors, including insurance companies and others, to whom any part of a security issue purchased by such defendant banking firm shall be sold.

11. That each defendant banking firm be enjoined from acting in concert with any underwriter in any buying group in which such defendant banking firm participates, or with any security dealer in a selling group, to maintain retail prices for securities, and to fix and maintain uniform dealer discounts or commissions, except where such activity is permitted by an act of Congress or by the rules and regulations of an appropriate administrative agency based upon such act of Congress, for the sole protection of investors.

12. That each defendant banking firm be enjoined from engaging in, or causing others to engage in, market operations of any kind designed to stabilize and maintain the market price of securities in any issue it purchases, except where such activity is permitted by an act of Congress or by the rules and regulations of an appropriate administrative agency based upon such act of Congress, for the sole protection of investors.

13. That the Investment Bankers Association of America be ordered dissolved and the defendant banking firms be enjoined from organizing or joining any other association engaged in similar practices and having similar purposes.

The case is in the immediate charge of Roscoe T. Steffen, Henry V. Stebbins, and J. Francis Hayden, special assistants to the Attorney General, assisted by Mervin C. Pollock, Joseph Tubridy, Robert S. Fougner, and Harry Sklarsky. The case is under the general supervision of Holmes Baldridge, who is in charge of general antitrust litigation.

ANTITRUST INDICTMENTS IN HOUSING FIELD

Attorney General Tom C. Clark announced today that a Federal grand jury in Kansas City, Mo., returned antitrust indictments today against the Greater Kansas City Chapter, National Electrical Contractors Association and certain of its members located in the Kansas City area and certain other of its members located in the Springfield, Mo., area. The defendants are charged with conspiracy to restrain trade in the installation of electrical systems in housing.

The Kansas City area defendants are: Evans Electrical Construction Co., the Squire Electrical Co., North Kansas City Electric Co., A. E. Smiley & Co., C. F. Miles, John St. Clair, Charles Owsley, Arthur E. Smiley, John C. Murray, Fred E. Geiss, and Harry Young.

The defendants in the Springfield area are: Aton & Luce, Inc., Mound City Electrical Engineering Co., O F. Luce, W. B. Aton, F. S. Leidy, Victor L. Doris, C. W. Lamons, and O. M. Roper.

The Greater Kansas City Chapter, N. E. C. A. and its manager, J. W. Collins, were named defendants in both indictments. Eighteen other electrical contractors, who are members of the Greater Kansas City Chapter of the N. E. C. A., and who attended some of the meetings of the association, were named as coconspirators but not as defendants in the Kansas City area indictment.

The Kansas City area indictment alleges that the defendants and their coconspirators, in order to eliminate competition among themselves, agreed unlawfully upon escalator clauses in bids. They also agreed upon a uniform, minimum mark-up to be charged for labor when selling electrical contracting service and to include in their charges for work on prefabricated houses a sum which would represent the profit they would have made if the electrical materials already in these houses had been sold by them.

The Springfield area indictment charges unlawful agreements not to contract to supply the labor required in the installation, alteration, or repair of electrical systems unless the owner paid an additional sum representing a part of the profit the contractor would have made if the electrical materials had been supplied by him.

Attorney General Clark stated: "These cases are a part of the program of the Department of Justice to attack conspiracies in the housing field which contribute unlawfully to construction costs."

John F. Sonnett, Assistant Attorney General in charge of the Antitrust Division, stated: "The defendant contractors in the Kansas City and Springfield areas have, by means of unlawful practices, materially increased prices for electrical contracting work. Conspiracies such as these in the food, clothing, and housing fields will be vigorously prosecuted."

In charge of the cases for the Department of Justice are Edward R. Kenney, special assistant to the Attorney General, Donald P. McHugh and William E. Speer, special attorneys in the Antitrust Division, Washington, D. C. The cases are under the supervision of Edward P. Hodges and Victor H. Kramer, chief and assistant chief, respectively, of the complaints and small business section of the Antitrust Division.

ANTITRUST SUIT AGAINST VEHICLE AND INDUSTRIAL BRAKING SYSTEMS INDUSTRY

Attorney General Tom C. Clark announced the filing today in the United States District Court for the Southern District of New York of a civil action charging seven corporations with violating the antitrust laws in connection with the manufacture and sale of braking apparatus for motor vehicles and industrial equipment.

The defendants named in the Government's suit are Bendix Aviation Corp., South Bend, Ind.; Hydraulic Brake Co., Detroit, Mich.; Wagner Electric Corp., St. Louis, Mo.; E. I. du Pont de Nemours & Co., Wilmington, Del.; General Motors Corp., Detroit, Mich.; Bendix-Westinghouse Automotive Air Brake Co., Elyria, Ohio; Westinghouse Air Brake Co., Wilmerding, Pa.

Mr. Clark said: "The complaint charges the defendants, whose combined 1946 sales of braking systems and parts totaled approximately $76,000,000, were conspiring to monopolize the automotive and industrial brake business in the United States The unlawful patent and other activities with which these defendants are charged have resulted in arbitrary prices which the American automobile owners have had to pay and are still paying for the braking systems of their passenger and commercial cars, trucks, and busses."

John F. Sonnett, Assistant Attorney General in charge of the Antitrust Division, said: "This suit charges that the defendants have utilized their ownership of hundreds of patents relating to braking systems to retain and extend their control of this field; to compel their customers to purchase unpatented along with patented parts of such systems; to suppress inventions and improvements in braking systems which might adversely compete with defendants' products; and to exclude competitors by threatening and conducting harassing and oppressive patent litigation."

The complaint, according to Mr. Sonnett, recites a series of corporate acquisitions and agreements among the defendants by which they are alleged to have divided the manufacture and sale of braking systems into separate fields allocated among themselves on an exclusive basis.

With respect to passenger cars, the complaint states that every automobile manufactured in the United States is equipped with hydraulic brakes on terms and conditions imposed by Hydraulic Brake Co., a wholly owned subsidiary of Bendix Aviation, which, in turn, is partly owned by General Motors; that Hydraulic Brake Co. requires passenger-car manufacturers to purchase all or, in a few cases, most of their hydraulic braking systems and parts from Bendix Aviation and Wagner Electric, the former supplying most of the brake assemblies and the latter most of the actuating equipment; and that almost all of the fluid used in the hydraulic brakes is manufactured by du Pont and sold by du Pont and Wagner Electric.

In the commercial motor-vehicle field the situation with respect to hydraulic brakes is alleged to be the same, and, in addition, the complaint states that Bendix Aviation manufactures and sells most of the vacuum boosters employed on heavier motor vehicles, such as large trucks and busses, to increase the efficiency of their hydraulic braking systems. Wagner Electric and Bendix-Westinghouse, which is jointly owned by Bendix Aviation and Westinghouse Air Brake Co., together sell almost all of the air brakes used in commercial motor vehicles in the United States.

Mr. Sonnett said: "The Government will seek to have the defendants enjoined from enforcing the patents which they have utilized to further their control. It will also seek to unscramble, through divestitures, the intercorporate stockholdings and company acquisitions in this field by the defendants. The Government will also ask the court for cancellation of the licenses, agreements, and understandings of the defendants necessary to dissipate the effects of their alleged monopoly and illegal activities, and to establish and maintain competition in the manufacture and sale of braking systems."

The complaint was filed by J. Francis Hayden, chief of the New York office of the Antitrust Division, who was assisted in its preparation by Irving B. Glickfeld and Mervin C. Pollak, special assistants to the Attorney General, and Joseph P. Quinnan, special attorney. The case is being handled under the supervision of Robert A. Nitschke, Chief of the Division's Cartel and Patent Section.

ANTITRUST SUIT AGAINST CELLOPHANE MONOPOLY OF DU PONT CORPORATION

Attorney General Tom C. Clark announced the filing today in the United States Dis-

trict Court for the District of Columbia, Washington, D. C., of an antitrust suit charging E. I. du Pont de Nemours, Inc., of Wilmington, Del., with unlawfully monopolizing the cellophane industry in the United States. Six foreign corporations though not defendants are named as coconspirators with the defendant du Pont Co. They are: La Cellophane, Société Anonyme, of France; British Cellophane, Ltd., of England; Canadian Industries, Ltd., of Canada; Kalle & Co., A. G., of Germany; Société de La Viscose Francaise, of France; Viscose Development Co., Ltd., of England.

The Government's complaint charges that by reason of its monopoly the du Pont Co. exercises control of the domestic market for cellophane products and has excluded others in the United States from that business. Du Pont acquired and supported its monopoly through various cartel agreements allocating world markets between it and leading foreign cellophane manufacturers and providing for the exclusive interchange of technical information between du Pont and its coconspirators. The illegal activities were carried out in part by the unlawful employment of patent rights, and the fixing of arbitrary and noncompetitive prices.

The relief sought by the Government would require du Pont to sell at reasonable prices such of its plants as may be necessary to permit others to enter the cellophane field. The court is also asked to appoint receivers and trustees to execute its orders requiring the disposal of such du Pont plants and factories.

Attorney General Clark stated: "This is a major case directed at a serious monopoly condition where avenues of competition are closed. For many years du Pont's cellophane plants have produced in excess of two-thirds of all of this commodity used in this country. This illegal monopoly power stifles free enterprise and should be eliminated."

Assistant Attorney General John F. Sonnett, in charge of the Antitrust Division, stated: "This action is filed as part of the continuing program of the Division aimed at the breaking up of the unlawful concentration of economic power in the United States. During 1946 the gross sales of the cellophane industry were approximately $62,000,000 of which the defendant du Pont Co. had over $46,000,000. The du Pont monopoly is more effective because of the absence of any foreign imports of cellophane, and du Pont's only competitor in this country operated under production restrictions imposed by it. The Department expects by this suit to create for the first time conditions that will result in competition in the manufacture and sale of this essential product."

The Government's case was prepared by James L. Minicus and George W. Wise, special attorneys, under the supervision of Robert A. Nitschke, Chief of the Cartel and Patent Section of the Antitrust Division.

ANTITRUST SUIT AGAINST SHOE MACHINERY MONOPOLY

Attorney General Tom C. Clark announced the filing today of a civil antitrust suit charging the United Shoe Machinery Corp., of Boston, Mass., with violating the Sherman Act by monopolizing the shoe-machinery industry of the United States.

The complaint was filed in the United States District Court at Boston. It seeks to compel United Shoe Machinery Corp. to sell all of its plants used in the manufacture of shoe-factory supplies and some of its plants engaged in the manufacture of shoe machinery and tanning machinery; and to offer to sell its machinery to shoe manufacturers instead of only leasing, as it does now, and to make available to its competitors all patents and know-how relating to shoe machinery.

Attorney General Clark said, "By reason of the defendant's monopoly it is impossible for an American shoe manufacturer to own most of his machinery. This is contrary to our tradition and principles of free private enterprise. We are seeking to end this monopoly which has destroyed the independence of the shoe industry of the United States."

The Government's complaint states that the defendant manufactures over 90 percent of most of the important types of shoe machinery, and is the only company in this country which can completely equip a shoe factory with all necessary machinery. It charges that for many years the defendant has violated the antitrust laws by monopolizing shoe machinery, shoe-machinery parts, shoe-factory supplies and tanning machinery.

The complaint alleges that United has accomplished its illegal monopoly by the following methods:

1. Eliminating and disabling its actual and potential competitors engaged, or proposing to engage, in the development, manufacture, and distribution of shoe machinery, by acquiring their assets and employing their key men.

2. Inducing companies engaged in the manufacture and distribution of shoe machinery and shoe-repair machinery to confine their operations to certain machines, to distribute their machinery to shoe factories exclusively through United, and to refrain from selling shoe-repair machinery to shoe factories.

3. Pursuing a manufacturing and marketing policy designed to prevent the installation in shoe factories of all competitive shoe machinery and to displace with United machinery all competitive shoe machinery installed in shoe factories.

4. Engrossing patents and inventions relating to the manufacture of shoe machinery and using such patents and inventions to prevent competitors from manufacturing and distributing shoe machinery in the United States.

5. Preventing the distribution of second-hand shoe machinery.

6. Requiring lessees to purchase from United all parts for shoe machinery leased by it.

7. Acquiring the capital stock of corporations engaged in the manufacture and sale of shoe factory supplies.

8. Inducing manufacturers engaged in the manufacture of shoe factory supplies to market such supplies to the shoe trade exclusively through United.

9. Using its monopoly of shoe machinery as an instrument to monopolize the distribution of shoe factory supplies.

10. Acquiring the capital stock and assets of tanning machinery companies.

The complaint further alleges that defendant United Shoe Machinery Corp. acquired the assets of its principal competitor, General Shoe Machinery Co., by subterfuge to hide the fact that United was acquiring the assets of a competitive shoe machinery company. This was done by inducing International Shoe Co., General's largest stockholder, to purchase General's assets and simultaneously to transfer them to United, thus making it appear that United had acquired the assets of a company producing shoes instead of a competitor producing shoe machinery. As a consequence of the transaction, General was dissolved and ceased doing business.

The complaint charges that in furtherance of its monopoly United acquired some or all of the assets of 14 other competitors, namely: Reece Shoe Machinery Co., C. C. Blake, Inc., Littleway Process Co., Northern Machinery Co., Monfils Shoe Machinery Co., Brauner Manufacturing Co., General Machine Sales Co., Barge Electric Shoe Cement Press, Fitchburg Engineering Corp., Barlor Welting Co., Safety Utility Economy Co., Standard Shoe Tying Machine Co, Naumkeag Buffing Machine Co., and Gimson Shoe Machinery Co.

Other monpolistic devices used were restrictive agreements between United Shoe Machinery Corp. and other competitors, including Singer Manufacturing Co., Lamson Co., Tubular Rivet & Stud Co., Breuer Electric Manufacturing Co., and Landis Machine Co. Among these agreements was one whereby United would refrain from manufacturing or distributing upper fitting shoe machinery of the kind manufactured by a competitor and the latter would not engage in the manufacture and distribution of any other type of shoe machinery.

The complaint also states that United's monopoly has been materially strengthened by its machinery leasing system. Of the 123,000 United machines in shoe factories over 80 percent are leased instead of sold. The terms of the leases make it highly impractical for shoe manufacturers to substitute competitive machinery for United machinery.

United, it is charged, has also gained control of all patents of importance in the shoe machinery industry, and has used this control to maintain its monopolistic position.

Assistant Attorney General John F. Sonnett, in charge of the Antitrust Division, observed in this respect: "The abuse of patent rights has been a principal means whereby United has achieved and maintained its monopoly. It has acquired 4,172 patents since 1930. It uses only 363 of these in machines introduced since 1930. Most of its patents have been laid away on the shelf. United has compelled manufacturers to use obsolete shoe machinery, thus retarding the introduction of mass-production techniques in the manufacture of shoes and preventing reductions in shoe manufacturing costs by the use of modern machinery. We seek to put an end to the use of patents by United to monopolize an entire industry."

In charge of the case for the Department of Justice is Grant W. Kelleher, Chief of the New England Antitrust Office, at Boston, Mass., assisted by C. W. Rowley, Alfred Karsted, Edward M. Feeney, Jr., and Roy N. Freed, special attorneys in the Antitrust Division office at Boston. The case is under the supervision of Holmes Baldridge, Chief of the General Litigation Section of the Antitrust Division.

ANTITRUST DIVISION SUIT AGAINST ARTIFICIAL ABRASIVES INDUSTRY

Attorney General Tom C. Clark announced today the filing in the United States District Court, Buffalo, N. Y., of a civil antitrust suit charging the Abrasive Grain Association and five corporations with fixing prices for artificial abrasive substances in violation of the Sherman antitrust law.

The defendants are Abrasive Grain Association, of Worcester, Mass; Norton Co., of Worcester, Mass.; The Carborundum Co., of Niagara Falls, N. Y.; American Abrasive Co., of Westfield, Mass.; The Exolon Co., of Tonawanda, N. Y., and General Abrasive Co., Inc., of Niagara Falls, N. Y.

All of the defendant manufacturers are members of the association. Five other members of the association are named as coconspirators but not as defendants. They are, Washington Mills Abrasive Co., of North Grafton, Mass.; Abrasive Products Co., of Lansdowne, Pa.; The John W. Higman Co., of New York, N. Y.; Wisconsin Abrasive Co., of Milwaukee, Wis., and Simonds Abrasive Co., of Philadelphia, Pa.

The defendant manufacturers and coconspirators produce approximately 98 percent of all artificial abrasive grain manufactured in the United States.

Attorney General Clark said, "The artificial abrasives involved in this suit are of basic importance to United States industry. They are widely used in the manufacturing processes of the construction, automotive, plumbing supply, hardware, glass, and optical industries as well as in the polishing and finishing of stone and gems. Restrictive practices in the production and sale of this material have a direct effect upon costs in a large number of our basic industries."

John F. Sonnett, Assistant Attorney General in charge of the Antitrust Division, stated, "This industry has annual sales in excess of $18,000,000, of which the five defendants in this case do in excess of $16,000,000. The complaint charges that the defendants and their coconspirators have continuously planned and acted together through the association to eliminate price competition and have agreed upon uniform price policies, terms, and conditions of sale for artificial abrasive grain. It also charges that they have adopted a price filing program which has resulted in substantial identity of price among all the members of the association.

"The complaint seeks to have the association dissolved, to enjoin the defendants from further agreements fixing prices, terms or conditions of sale, and to prevent the defendant manufacturers from exchanging current and future price lists among themselves or with other manufacturers of such artificial abrasives."

The case was prepared by Grant W. Kelleher, chief of the Antitrust Division's Boston office, with the assistance of Special Assistant to the Attorney General Richard B. O'Donnell, and James F. Burns and Alfred M. Agress, special attorneys, under the supervision of Robert A. Nitschke, Chief of the Cartel and Patent Section.

ANTITRUST INDICTMENT OF NEW ENGLAND EGG DEALERS FOR PRICE RIGGING

Attorney General Tom C. Clark announced the indictment today by a Federal grand jury in Boston, Mass., of the Boston Fruit & Produce Exchange and 12 egg dealers in Boston for conspiracy to fix and stabilize egg prices throughout New England.

The defendants are as follows: Boston Fruit & Produce Exchange, of Boston, Mass.; H. P. Hood & Sons, Inc., of Boston, Mass.; Armour & Co., of Chicago, Ill.; Berman & Co., Inc., of Boston, Mass.; Bartlett Varney Co., of Boston, Mass.; Chapin & Adams Corp., of Boston, Mass.; E. F. Deering Co., Inc., of Boston, Mass.; H. A. Hovey Co., of Boston, Mass.; Kennedy & Co., Inc., of Boston, Mass.; A. E. Mills & Son, Inc., of Boston, Mass.; Beatrice Foods Co., of Chicago, Ill.; Brockton Cooperative Egg Auction Association, Inc., of Avon, Mass.; and New Hampshire Egg Auction, Inc., of Derry, N. H.

Attorney General Clark stated: "This indictment has been returned by the grand jury in connection with the program of the Antitrust Division to prosecute illegal conspiracies which increase or maintain the price of food. The indictment charges that the Boston Fruit & Produce Exchange is not a bona fide commodity market for the actual purchase and sale of appreciable quantities of agricultural products. The grand jury found that the exchange was being used by the defendant dealers to fix collusively egg prices throughout New England, in violation of the antitrust laws."

The indictment charges that the defendants have conspired to use the exchange as an instrumentality to determine among themselves and to establish fictitious official wholesale prices for each grade of eggs, and to purchase eggs from farmers and to sell eggs to retailers and other distributors at prices based upon and related to the so-called official price.

The indictment recites that the transactions on the exchange are only token transactions among the defendants and account for less than 1 percent of the actual volume of purchases and sales of eggs by members of the exchange. However, it is charged that the defendants agreed to revise or adjust their actual buying and selling prices each day by the amount of the charges, if any, in the rigged official prices.

The official price quotations circulated by the exchange are not the actual prices at which most eggs are being sold at wholesale, and farmers who sell their eggs on the basis of those quotations are misled, according to the indictment.

The conspiracy, the grand jury found, also had the effect of increasing retail prices of eggs to consumers throughout New England, and of stabilizing and pegging wholesale prices.

In this connection, John F. Sonnett, Assistant Attorney General in charge of the Antitrust Division of the Department of Justice, observed:

"By means of the conspiracy, prices for eggs throughout New England have been maintained at levels even above the high prices prevailing in New York and Philadelphia. In addition, during August of this year, the indictment alleges that the defendants, through the exchange, raised wholesale prices of eggs from 61 cents to 73 cents per dozen. Thus, the grand jury investigation which led to this indictment has disclosed that the exceptionally high prices for eggs prevailing in New England in recent months are the result in part at least of price-fixing activities among dealers in violation of the antitrust laws. Such unlawful practices are particularly reprehensible in the present period of inflationary high prices."

In charge of the case, with the active cooperation of William T. McCarthy, United States attorney at Boston, is Grant W. Kelleher, chief of the Boston office of the Antitrust Division. The case was presented to the grand jury by James M. Malloy, Richard B. O'Donnell, and Alfred M. Agress, attorneys in the Antitrust Division Office at Boston. The case is under the general supervision of George B. Haddock, in charge of the Food Section of the Antitrust Division.

Mr. LANGER. Mr. President, would the Senator object to having the clerk read the list? I am interested in knowing what the Attorney General has done.

Mr. BARKLEY. The compilation is quite a lengthy one, and I would not wish to detain the Senate for the considerable time which would be required to have it all read. It will be available in the RECORD so all Senators may read it.

Mr. LANGER. Could we have the titles read by the clerk?

Mr. BARKLEY. I think I might satisfy the Senator by reading the first paragraph in connection with one of these cases.

Attorney General Tom C. Clark announced the filing today in the United States District Court for the Southern District of New York of an information charging the entering into agreements to fix the prices of tires and tubes in violation of the antitrust law by eight manufacturing companies of tires and tubes, eight of their officers, a tire manufacturers' trade association, and two of its officers.

The defendant corporations are: Rubber Manufacturers Association, Inc., of New York City; the Dayton Rubber Co., of Dayton, Ohio; the Firestone Tire & Rubber Co., of Akron, Ohio; the General Tire & Rubber Co., of Akron, Ohio; the B. F. Goodrich Co., of Akron, Ohio; the Goodyear Tire & Rubber Co., of Akron, Ohio; Lee Rubber & Tire Corp., of Conshohocken, Pa.; Seiberling Rubber Co., of Akron, Ohio; U. S. Rubber Co., of New York City.

Then follow the names of individuals. In each of the cases that sort of information is provided.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. AIKEN. I should like to have some things made clear. Of course I am opposed to strengthening monopolies at any time. I should like to ask the Senator from Kentucky if in offering his amendment to strike out section 2 of the joint resolution it is his contention that no agreement could be entered into looking to a better distribution of materials without inevitably strengthening monopolies?

Mr. BARKLEY. I will say to the Senator from Vermont that I think it very questionable whether agreements can be entered into between private corporations in regard to allocation of goods or priority in the distribution of goods without to some extent strengthening monopoly. I think the balance between good and evil must be found in such cases. I do not mean to say that it might not be desirable to have some understanding with the manufacturers or distributors of certain commodities with regard to a more equitable distribution, and it may be that an agreement would cover that. But I think the possibility of evil under section 2, which I seek to eliminate, is much greater than the possibility of good that may accrue by reason of it, and having in mind what are the advantages and disadvantages, it seems to me the disadvantages are greater than the advantages resulting from retaining section 2 in the joint resolution.

Mr. AIKEN. I had felt that the section was properly safeguarded, and wanted to be sure of it. I felt it was properly safeguarded by requiring the President to approve such agreements, and I felt that he would not approve any agreement relating to the distribution of materials without the advice and approval of the Department of Justice. If the section is not properly safeguarded I desire to know it.

Mr. BARKLEY. I think it is proper to assume that no President would approve an unconscionable agreement if he knew it to be such. But the trouble about the whole section is that the agreements it contemplates, whether after or without consultation with the President, are put up to him.

I want to say to the Senator from Oregon [Mr. MORSE] that I appreciate his suggestion about putting the President on the spot. None of us want to do that. But far beyond that, I do not want to put the American people on the spot by approving a provision which may result in their damage and their injury, after an agreement has been put up to the President with respect to which he must decide whether it shall go into effect, with all the proposed relaxation of all the antitrust laws, the Clayton Act, the Federal Trade Act, and all the others, or disapprove it, with the possibility that he will be accused—and we are all human—after consultation with certain elements of business, of having destroyed an agreement in order that he might preserve the antitrust laws, which

would be relaxed in the event the agreement were entered into. So I think the advantages in this section are far less than the disadvantages, if the language is kept in the bill.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. I think the discussion would be clearer if I were permitted to offer an amendment to perfect the section before further discussion takes place.

Mr. BARKLEY. I have finished what I have to say. The Senator may proceed.

Mr. TAFT. Mr. President, I offer the perfecting amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Ohio will be stated.

The CHIEF CLERK. On page 2, it is proposed to strike out line 25 and lines 1 to 6 on page 3 and insert the following:

(c) Whenever a governmental officer or agency determines that a plan of voluntary action with respect to any material, commodity, or facility is practicable and is appropriate to the successful carrying out of the policies set forth in said act, that agency or official may request in writing compliance by one or more persons with such plan of voluntary action as may be approved by the Attorney General. Any act or omission by such person or persons in compliance with a written request made pursuant to this section and with a voluntary plan promulgated thereunder shall not be the basis at any time for any prosecution or any civil action or any proceeding under the antitrust laws of the United States or the Federal Trade Commission Act.

(d) Such written request may, in the discretion of the governmental officer or agency which made the request, be withdrawn at any time by said governmental officer or agency, by written notice from said governmental officer or agency of such withdrawal to the Attorney General, and after publication of notice of such withdrawal in the Federal Register as provided in subsection (c), the provisions of this act shall not apply to any subsequent act or omission by reason of such request or voluntary plan.

(e) The Attorney General shall transmit to the President pro tempore of the Senate and to the Speaker of the House of Representatives, and shall order published in the Federal Register every such request, and any withdrawal thereof, and any plan, program, or other arrangements promulgated under, or which is the basis of, any such request.

(f) The power to make requests conferred by this act shall expire upon expiration of section 3 of this act, and any requests made and voluntary plans adopted under this act shall have no force or effect 6 months thereafter.

Mr. TAFT. Mr. President, what this amendment does is to substitute for paragraph (c) of section 2, at the bottom of page 2 and top of page 3, the provisions of the Harriman bill submitted by the Department of Commerce, dealing with the subject of antitrust legislation I think there can be no objection to making that substitution. After that I should like to argue the general question raised by the amendment of the Senator from Kentucky.

Mr. BARKLEY. Mr. President, the language offered by the Senator from Ohio, which is taken from a part of the so-called Harriman bill, is an improvement over the language of the joint resolution, but it is not the language of the Harriman bill as it was submitted. The Harriman bill provided for mandatory controls on the part of the President, and provided also for certain relaxations in the antitrust laws where the President had exercised such mandatory control.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. The only change made is this: The Harriman bill read in this way: "Whenever a governmental officer or agency which is authorized to and could exercise mandatory power determines that a plan of voluntary action is necessary and desirable," then the antitrust law is suspended. The only difference is that the Harriman bill in other sections provided for mandatory control, and then provided, with respect to any field where the power was given, even though it was not exercised, that a voluntary agreement could be entered into, suspending the antitrust laws. So I think I am making a fair statement in saying that, so far as voluntary agreements are concerned, this is an exact copy of what Secretary Harriman's bill provided.

Mr. BARKLEY. That is correct; but the impression that is likely to be left by the Senator's statement of a moment ago is that the language which he offers taken from the Harriman bill is the whole story of the Harriman recommendations.

Mr. TAFT. No. I do not wish to leave that impression. I am simply applying to this measure the same provision with respect to exemption from the antitrust laws that Secretary Harriman applied to voluntary agreements in his bill. Of course his bill also imposed general mandatory powers.

Mr. BARKLEY. The bill authorized the President to designate the agency or departments for the exercise of such mandatory power and control. This language simply says that when any department decides that there is a field in which voluntary agreements might operate, this language shall apply; but the Harriman bill did not eliminate the over-all mandatory control power given to the President of the United States, which he might delegate to some department or agency which he might name.

Mr. TAFT. In any event, as I understand, the Senator has no objection to my substituting this language.

Mr. BARKLEY. No. I think the suggested language is an improvement over that now contained in the joint resolution. Nevertheless, with that language in, I still wish to maintain my position as to the elimination of section 2 as it will thus be amended.

The PRESIDENT pro tempore. The question is on agreeing to the perfecting amendment offered by the Senator from Ohio [Mr. TAFT].

INTERIM REPORT OF SUBCOMMITTEE ON OIL SUPPLY AND DISTRIBUTION PROBLEM (REPT. NO. 806)

Mr. IVES. Mr. President, I do not wish to go into the technicalities of the discussion now under way. However, there is one matter which I should like to bring to the attention of the Senate, which may not have received much emphasis up to the present time. I refer to the dire need of something of this nature being done immediately.

It is all very well to enter into a discussion of the over-all controls which have been contemplated in the amendments offered by the senior Senator from Kentucky; but the controls which have been suggested by way of amendments will not meet the situation to which I refer. I am speaking about the oil situation and the fuel oil shortage. At the present time if all the controls in kingdom come were granted the President of the United States and the Government of the United States to solve the question of fuel-oil distribution through rationing or any other process of distribution by the Government, action could not be done in time to avert a serious situation this winter.

The only way this can be done practically is through voluntary agreements among the oil companies. I happen to know whereof I speak, because the Subcommittee on Oil Supply and Distribution Problems of the Special Senate Committee to Study the Problems of American Small Business has been going into this matter quite thoroughly during the past several months.

One of the great difficulties which has confronted this subcommittee in reaching a satisfactory solution to this problem has been the fear of the oil companies themselves that they would be violating the antitrust laws. When we are considering the question of a violation of the antitrust laws, I think we should bear in mind the basic purpose of the legislation which we are now considering. Presumably the antitrust laws and the antimonopoly laws are aimed at avoiding any action which would restrain trade and fix prices contrary to the welfare of the consumers—the general welfare. That is quite different from what we have here in mind. What we are trying to do in this instance is to devise a plan, whereby through the voluntary approach, there can be greater and better distribution, and under which, because of the protection given in this section through the operation of the Government itself, there will be no price manipulation. There is no reason why a condition should thus arise, under which there would be any form of price manipulation whatever.

Because this question happens to arise at this particular time in the discussion, and because I should like to have it before Members of the Senate and the House prior to the adjournment of the present session, in the absence of the Chairman of the subcommittee, the Senator from Nebraska [Mr. WHERRY], who is unavoidably detained, I desire at this time to submit the report of the Oil Supply and Distribution Problem Subcommittee of the special Senate committee, to which I have previously referred. In doing so I point out that minority views will be presented by the Senator from Iowa [Mr. WILSON], who in one particular does not quite agree with the report. Therefore at this time I ask unanimous consent to submit the report.

The PRESIDENT pro tempore. Without objection, the report will be received.

DISCRIMINATORY TAXES AND LICENSING FEES IMPOSED ON OLEOMARGARINE

Mr. FULBRIGHT. Mr. President, since the joint resolution under consideration is concerned with the control of inflation, although rather remotely, I think it is appropriate to say a few words about a related matter which deals directly with the high cost of living. That matter is the repeal of the discriminatory taxes and licensing fees on margarine. I believe these restrictions are, under present conditions, wholly unjustifiable.

I am today introducing a bill which would repeal the Federal taxes and Federal license fees on oleomargarine.

This measure is similar in some respects to a bill introduced in the Seventy-eighth Congress, although that measure did not completely repeal all taxes and license fees. However, it was the subject for comprehensive hearings before a Subcommittee of the Senate Committee on Agriculture and Forestry. I have read the hearings and feel that they brought out almost all the pertinent facts with regard to this controversial question.

To those Senators who are interested in this subject and who have not read the record of the hearings referred to, I suggest that they take time to find out what was said about margarine and the margarine laws at the time.

Both points of view were brought out. The witnesses by no means were all witnesses favoring margarine. The butter interests presented their case and presented it well, and at great length.

Nevertheless, I strongly feel that the record developed before the Senate subcommittee clearly indicates that the discriminatory margarine laws have no place in the United States. They are foreign to our outlook. They are directly opposed to the spirit of free enterprise. They constitute the only case where a Federal tax is levied on one domestic product for the benefit of another competing product. There is no sound reason for them. They are inflationary. Because of them the housewife has to pay more for margarine and to waste time and food in preparing it for use.

The repeal of these taxes will act directly in two respects: One, in connection with the waste of fats and oils, which are the scarcest commodities in the world today. It has been estimated that because of the requirements regarding the coloring of margarine it, in effect, forces the housewife to color it herself, and at least 11,000,000 pounds of margarine is wasted each year. The other effect of this ridiculous requirement which forces the housewife to color her own margarine is the waste of time involved, which runs into astronomical figures when one considers the number of people why buy uncolored margarine and color it in their own homes.

The first Federal law regulating the sale and manufacture of margarine was enacted in 1886. This law imposed a 2-cent Federal tax on all margarine.

From one standpoint, there may have been some justification for the first margarine laws. At first, the product lacked flavor and appearance. It was something entirely different from the food under the same name which is made and sold today. At that time the manufacturer was unable to purify, concentrate, or make vitamin A. There were no pure food laws at the time, and unscrupulous makers of many food products victimized the public. This was not confined to margarine. Some margarine makers tried to sell their product as butter. Only the very-low-income groups used margarine in any quantity. Consequently when the butter industry demanded protection from margarine, there were few defenders for the latter. I call attention to the Pure Food and Drug Act of 1906 and to the Federal Trade Commission Act of 1914.

It will be noticed in the hearings in 1944 that the Butter Institute and its representatives placed great emphasis on what went on prior to the pure food law of 1906, in other words, in the early days around 1886. That still seems to be the criterion which they desire us to use in judging the fairness and equitable nature of the present laws.

Nowadays, the Federal and State pure food laws guarantee the proper labeling and standard of purity of food products, including margarine. The consumer is given adequate protection by the pure food laws. An official definition and standard of identity has been adopted for modern margarine. Margarine, under it, has a minimum fat content of 80 percent, the same as butter. The standard requires fortified margarine to contain a minimum of 9,000 U. S. P. units of vitamin A per pound. But 99 percent of all margarine now is fortified with 15,000 units of vitamin A, the content always being shown on the label. The only basic difference between margarine and butter is that the first is made from vegetable fat, the second from animal fat.

This is what the report on margarine by the New York Academy of Medicine states:

From a nutritional viewpoint, when it is fortified with vitamin A in the required amount, oleomargarine is the equal of butter, containing the same amounts of protein, fat, carbohydrates, and calories per unit of weight. Moreover, since the minimum vitamin A content of enriched oleomargarine is fixed, and the amount of this vitamin in butter may range from 500 to 20,000 units per pound, enriched oleomargarine is a more dependable source of vitamin A than is butter. Since it is a cheaper product than butter, fortified oleomargarine constitutes a good vehicle for the distribution of vitamin A and fats to low-income groups and should therefore be made available to them. Under the standards set by the Food and Drug Administration, oleomargarine is as clean and sanitary a food as butter. The two products are likewise equal in digestibility. Their relative palatability is a matter of individual taste.

A report on margarine by the Food and Nutrition Board of the National Research Council says:

The present available scientific evidence indicates that when fortified margarine is used in place of butter as a source of fat in a mixed diet no nutritional differences can be observed. Although important differences can be demonstrated between different fats in special experimental diets, these differences are unimportant when a customary mixed diet is used. The above statement can only be made in respect to fortified margarine, and it should be emphasized that all margarine should be fortified.

Over the years the butter industry has agitated for additional Federal legislation to restrict margarine. The principal basis for renewed attack was that margarine was colored yellow to look like butter. In 1902 the law was amended and the tax on colored margarine raised to 10 cents a pound. The tax on margarine free from artificial color was fixed at ¼ cent a pound.

In this connection I might say that only butter is exempt from certain labeling requirements of the Federal Food, Drug, and Cosmetic Act. Artificial color may be and is added without stating this fact on the label. Special dairy interests that put through the legislation on margarine were able to prevent butter from having to be labeled as margarine must be labeled. Likewise, the butter label states no grade or other standard by which the contents—a pound of butter—may be judged by the consumer.

A dairy organization cites six cases of the fraudulent sale of margarine as butter. It thus attempts to stigmatize the entire margarine industry because of the isolated actions of a handful of individuals over a period of from 20 to 30 years. The amount of margarine involved in the six cases was infinitesimal by comparison with the amount of the product which was manufactured. The records of judgments under the Federal Food, Drug, and Cosmetic Act, published by the Food and Drug Administration, show that between 1933 and June 1947 butter was seized, for various violations, 2,292 times. Margarine was seized only 21 times during this period. At no time was margarine seized for contamination, filth, addition of foreign matter, decomposition, or similar reasons, as was butter. Margarine's 21 seizures under the Food and Drug Administration have been only because of slightly less than 80 percent fat content.

During the period mentioned, butter volume was four to five times that of margarine. But the seizures were at a ratio for butter of 100 to 1 for margarine.

Today, the butter industry, when hard pressed, falls back on the contention that butter has some sort of monopoly on yellow. The contention is made that margarine is colored yellow only to imitate butter. With that assertion the butter interests seem to feel they have proved their case for the continuation of discrimination against margarine.

The color argument falls to pieces on close examination. It is as artificial as the coloring used in most butter.

In the first place, if butter has some sort of preemptive right to yellow as a color, margarine should not be allowed to use yellow at all. There should even be a prohibition against the mixing of color into margarine in the home. The Congress is inconsistent when it allows margarine to be colored on the payment of an extra 10 cents a pound. Certainly, also, there is little rhyme or reason in the license taxes which force wholesalers and retailers to pay sizable fees for the privilege of selling margarine. If butter has an inherent right to use yellow to the exclusion of any competitor, why permit wholesalers and grocers to sell yellow margarine at all?

And why is it that, under many of the State laws, it is insisted that a hospital—for example, one in New York—which colors its own margarine must pay the manufacturer's license fee of $600 a year for that privilege? That whole approach is entirely inconsistent. If the coloring of margarine yellow is intrinsically bad and fraudulent, then it should be prohibited and outlawed, and a penalty should be put on it. It is perfectly ridiculous to approach the matter by means of taxes and license fees.

Of course, the objective of the butter organization is to outlaw entirely the production of margarine. I quote now from their own statement, as contained in the Dairy Record of June 18, 1941. This is what the butter industry said about it:

> We must now all recognize that we are dealing with an implacable enemy who is never satisfied and who will seek to encroach as long as he exists. * * * The dairy industry must set as its goal the complete extermination of oleomargarine. It must never rest until the manufacture and sale of oleomargarine has been outlawed in this country.

So, Mr. President, that is the real objective. But the approach is through this indirect method of taxing margarine and making its distribution so inconvenient that it cannot be distributed to the great mass of the lower income group who really need it most, and particularly at this time.

Both butter and margarine are colored yellow to meet our food habits. Perhaps there is something instinctive in our liking for naturally yellow butter. It is the spring butter made from grass that the sun has filled with vitamin A and which, in turn, fills the butter. But, as farmers and butter makers know, not all butter is yellow. There is a lot of white butter, butter whose vitamin A content is much less than that of spring butter or margarine, and whose looks show it. The butter industry has a remedy for this situation. As I have said before, it simply adds artificial yellow coloring—the same as the manufacturers of margarine would like to do.

Why should margarine be penalized for adding artificial coloring when butter is permitted to add artificial yellow coloring, the same color, without penalty?

Of course, margarine looks like butter. Furthermore, it imitates and is a substitute for butter. But what is wrong with that? If we are to levy a tax on all products which imitate the original in color and other characteristics we are going to wreck our entire economy. The very essence of competition is to develop new products which are like the old but are better and cheaper.

If we examine the butter industry's arguments, we find they parallel the arguments of the workmen who tried to destroy the first looms, and the arguments of the wool makers who tried to prevent the manufacture of calico in England, and the arguments of the old canal operators and toll-road operators who were against the railroads. In yesterday's newspaper, in one of Ripley's "Believe It or Not" articles, I noticed that in the early days of the automobile, or, as it was then called, the "horseless carriage," at Battle Creek, Mich., there was constructed a horseless carriage which had fastened on the dashboard a mounted horse's head, so that that horseless carriage could be disguised to look like a horse-drawn carriage. No doubt that was done for various reasons, among them to prevent the frightening of horses. But I suppose the buggy manufacturers could have argued that buggies had a permanent right to the use of four wheels, and that, therefore, automobiles would have to have either three wheels or five wheels. All such arguments parallel the arguments the butter manufacturers have used about the right to the use of the yellow color, and they parallel the arguments that have been used through the years against every new invention. We can imagine what would happen in this country today if every new development were placed under a similar restriction. Patent rights, which last only 17 years, are granted for the purpose of developing new technology and new products which will increase production and improve quality. Within a comparatively short time the patent becomes common property, but such is not the case with butter, for it claims an unending right to prevent margarine from meeting consumer preferences by the use of yellow coloring.

If the principle embodied in margarine legislation is carried to its ultimate conclusion, vegetable cooking fats would be taxed if they are colored white like their competitor lard. Mr. Howard L. Roach, vice president of the American Soybean Association, Plainfield, Iowa, in hearings before the subcommittee of the Senate Committee on Agriculture and Forestry in the Seventy-eighth Congress, second session, on Senate bill 1744, at pages 72–73, discussed this matter, as follows:

> I would like to just make this statement that a number of years ago—in fact, it has only been a short number of years ago that this hydrogenated soybean oil was developed as a cooking fat; also, cottonseed oil was developed as a cooking fat along about that same time.
>
> We became quite worried, since we were producers of hogs, we became quite worried and concerned about that cooking fat taking the place of lard. There was some talk about enacting types of legislation barring the use of that particular cooking fat because it was going to ruin our hog industry.

That is exactly the same approach, I may say, as the approach of the butter industry.

I quote further from the statement by Mr. Roach:

> We gave the thing rather careful attention and finally decided that if there were a more efficient way to produce cooking fat, that we had better keep still about it and develop our interests to produce things that could only be produced on the farm, Senator, such as meat. We did see a definite change in the size and shape of our hogs. We have been developing a much finer and better meat hog, and the meat itself is of a much better quality.

Mr. President, the butter industry apparently has never taken the long-range, statesmanlike viewpoint that was taken by the hog raisers when the vegetable shortening threatened their market.

Suppose, for example, the cotton and woolen manufacturers in the United States took the same view that the butter industry does. Undoubtedly we would have them before the Senate committees urging that rayon be colored red, or not colored at all, or that nylon be colored black, and that no other colors be permitted. In this way the wool and cotton manufacturers might be protected from competition, unless the public wished to dye the materials after purchasing them. If we force housewives to color margarine if they want it yellow, should we not force them to color rayon and nylon as well?

We could go on indefinitely along this line. Consider the whisky manufacturers, who have developed a certain color for whisky. I suppose they might complain that Coca Cola is colored like it, and that henceforth Coca Cola must be colored some strange and exotic color. Of course, these ridiculous, illogical applications have not been followed out except in the butter industry.

To bring the matter nearer home to the butter industry, there has been developed a new fabric called aralac, which primarily competes with wool. This fiber is made from skimmed milk. If the wool producers followed the same theory as that followed by the butter industry, they would now be before the Congress urging a tax on aralac. The wool producers might also want the law to specify that only a very pale blue color could be used.

Other domestic industries have never raised the color issue against their competitors that is raised by the butter industry. Many of them have just as much justification. Why do we permit a special case to be made of margarine with regard to color?

There is no justification for the tax on colored margarine, just as there is no justification for the other punitive restrictions against a perfectly healthy, legitimate food product.

No other producer of goods in the United States demands the protection against other domestic goods that is demanded by the butter industry for butter.

The Federal taxes and license fees on margarine amounted to $4,932,107 in 1946. Obviously the margarine tax is not a revenue-raising measure. Yet this $4,900,000 is a direct tax on the consumer, at a time when one of our principal worries is inflation and the high cost of living.

State taxes and license fees amounted to another $1,257,000 in 1946, but they are only a small part of the cost levied by the antiquated margarine laws.

In 1946 less than one-half the retail food stores of the country sold white margarine, and only a few years ago the figure was much smaller than that. In thousands of communities margarine was not available at all.

I might add, in explanation, that, out of approximately 600,000 retail food outlets, only about 5,000 are licensed to sell colored margarine.

There is no way to estimate what the restrictions on margarine have cost consumers. One can only say that the margarine industry has not been allowed to expand for its natural market as other industries have been allowed to expand and compete. Every day in millions of homes there is extra work in coloring

margarine, and unnecessary loss of food every time the process is gone through with.

As I said before, it is estimated that approximately 2½ percent of all the uncolored margarine that is sold is wasted in the process used by housewives in adding color after they buy margarine and take it home. This would figure cut, roughly, 11,000,000 pounds of this very highly nutritious food destroyed in a year.

The world today needs food more, probably, than it ever needed it before. Restrictions upon the production of margarine are restrictions upon the production of food.

Soybean meal is a byproduct of soybeans. It contains more than 40 percent digestible protein, and today sells at approximately the same price per pound as wheat or corn. But a pound of soybean oil meal will replace from 3 to 4 pounds of corn in the livestock ration. Soybean meal is one of the basic feeds that help produce eggs, meat, and dairy products.

Ersel Walley, president of the American Soybean Association, with headquarters at Hudson, Iowa, pointed out in a recent statement that the ability of the soybean industry to produce protein meal in substantial quantities and at reasonable prices depends upon a profitable market for soybean oil. The margarine industry is affording that outlet. Yet it is obvious that the restrictions upon the use of margarine are restrictions upon the use of soybean oil and, in turn, upon the production of soybeans.

Mr. Walley pointed out something that has not been generally realized. In addition to Europe's need, the population increase in the United States during the past 10 years is almost equal to Canada's total population. This population increase probably will continue for several years. Furthermore, Americans today are nutrition conscious. With 60,000,000 employed, they are eating more and better foods than ever before.

In attempting to curtail the production of margarine, the butter industry is thinking in terms of scarcity economics. The real interest of the dairy industry lies in the expansion of the production and consumption of fluid milk.

The price received for fluid milk is higher than that received for butter and other dairy byproducts such as cheese and casein. Farmers realize this. Given the opportunity, they sell their product as fluid milk.

During the past few years there has been a steady decline in butter production. Butter, including farm-churned butter, declined from a prewar annual average in 1937–41 of 2,200,000,000 pounds to 1,500,000,000 pounds in 1946. At the same time milk production rose from a prewar—1937–41 average—of about 108,000,000,000 pounds to about 120,000,000,000 pounds in 1946.

Recently in my own State a plant has been established by the Avoset Co., which has developed a new method of preserving fresh cream which will enormously enlarge the market for that product, and I think will result in a much greater profit to the producers of milk and cream than its sale for the purpose of making butter.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. MAYBANK. I wanted to ask, since I was a little late coming into the Chamber, whether he had mentioned the large quantities of raw milk which are also used in the preparation of margarine and similar products?

Mr. FULBRIGHT. No; I had not mentioned that, but roughly 16 percent of margarine is skimmed milk, which therefore provides a very large market for milk itself. I think that is analogous to other uses that have grown up. The Butter Institute has been a dominant factor in the dairy industry, but it has refused to develop other outlets which would really be more profitable to milk producers than the sale of butter.

Mr. MAYBANK. Mr. President, I want to congratulate the Senator upon his statement. Some 3 years ago, after there had been a failure to get a bill reported by the committee, I offered an amendment to a tax bill to remove taxes on oleomargarine. The Finance Committee held extensive hearings at a time when the present President of the Senate was one of its members. After a long debate on the floor the amendment was lost, as the result of pressure by the so-called dairy interests, who seemed to be more concerned with butter than with skimmed milk and other milk products which themselves enter into the production of oleomargarine, Nucoa, and other types of fat.

Mr. FULBRIGHT. I will ask the Senator, Is it not his opinion that, if other natural markets were developed, they would be found more profitable not to the butter manufacturer but to the farmer in whom the dairy interests, so-called, pretend to be greatly interested?

Mr. MAYBANK. The Senator is absolutely correct in my opinion. If oleo and Nucoa and the other types of margarine were developed to a large extent, it would not only bring down the price of butter, but it would help to maintain the price of skimmed milk and other milk products which the farmer can easily produce. As the Senator knows, in the backwoods, most of the skimmed milk is fed to the chickens and hogs. It could be used for human consumption and thus help to reduce the cost of living. At the same time it would help the dairy industry. The only group that would be adversely affected, as the Senator has so ably said, is the butter group itself.

Mr. FULBRIGHT. I appreciate the Senator's comments. This effort on my part is certainly not original. The Senator from South Carolina has carried on the fight, and he therefore knows the power of the organization which has maintained the special position of the butter industry. I myself realize it is not an easy matter to change the present situation. I am introducing the bill largely because of changed conditions, together with the education of the public on the subject, without which I would concede the hopelessness of the effort. We now have dollar-a-pound butter, representing a great spread between the prices of butter and margarine, the latter selling for from 35 to 40 cents a pound. The public in recent years has become aware of the development in purity and of such things as vitamin A, which are now being added to margarine. Because of these facts, I feel that we may be able at this time to right this ancient wrong.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. MAYBANK. I join with the Senator wholeheartedly, and I shall assist him in every way possible to obtain passage of the bill. I think the changed conditions may help in getting a larger measure of support for the bill during the coming year. However, if we should fail in obtaining passage of an appropriate bill, does the Senator think that when the new tax bill, involving community-property tax discrimination and certain other iniquitous taxes, comes before the Senate we could obtain favorable action through the Finance Committee on remedial tax legislation affecting oleomargarine?

Mr. FULBRIGHT. I agree with the Senator 100 percent. The subject under discussion reminds me of the community-property discrimination. That is a discrimination against the great majority of citizens, for which the individual States were responsible. It did not arise through Federal action. The situation we are now discussing arises from affirmative restrictions, tax laws, and license acts, enacted by Congress itself. In regard to community property, the argument was made that a remedy should be sought in the States themselves. In the matter under discussion, the full responsibility rests upon Congress. Congress is the only legislative authority that can do anything about these particular discriminations.

In connection with the proper role to be played by the milk producer, I may say that even under the changed condition represented by the large increase in production in 1946, much more milk is needed today. The United States Department of Agriculture reports that approximately 657 pounds of milk or its equivalent is needed, in comparison with the estimated 1947 supply of 430 pounds, of which 403 pounds is fluid milk or cream. To state it another way, this country should be producing more than 32,000,000 pounds more milk annually. This is 227 pounds per capita and we would need approximately 5,800,000 additional dairy cows if production were at the high 1946 rate.

The dairy industry, in my opinion, has nothing to fear from the expansion of the margarine industry. I refer to the producers of milk. If we maintain our economy in a stable and prosperous condition, the dairy industry will expand steadily. There is room for both butter and margarine, for there is a fat deficit in this country, and in the world, I may say, just as there is a deficit of fluid milk.

The butter industry has attempted to make it appear that the fight over margarine is simply a fight between the cotton-producing South and the dairy in-

dustry. The interests of the consumers have been ignored, largely because the consumers are unorganized.

It is no longer a fight between the cotton South and the butter interests even if we do not take the vital interests of consumers into account. The soybean producers, many of them living in the Middle West, want the margarine laws repealed or modified.

Mr. Walley put the American Soybean Association on record with a recent statement in which he said:

> Modern margarine is a clean, nutritious, widely accepted product of American farms. It is the only food product on the American market upon which specific discriminatory taxation has been levied. This discrimination should be removed as quickly as possible.

In the 10-year period between 1936 and 1946, soybean production in the United States has risen from 33,000,000 bushels to 196,000,000 bushels, a sixfold increase.

In 1946, the value of soybeans harvested for beans is estimated at $520,000,000. This year the value will be even higher.

In Iowa, a leading dairy State, cash receipts for soybeans produced in 1946 were two-thirds of dairy products. The Iowa crop of harvested soybeans sold for $82,182,000; all Iowa dairy products including butter, sold for $123,752,000.

The value of soybeans produced in Illinois in 1946 amounted to $183,243,000; dairy products to $146,022,000.

The Indiana soybean crop was valued at $56,897,000.

Even if the consumers had no stake in this matter; even if the soybean producers had no interest in it, the margarine laws should be repealed. They violate our sense of fair play. They restrict competition. They are barriers to free trade among the States. How can we expect the States themselves to repeal their margarine laws when the example has been set by the Federal Government?

I know what is going to happen to these margarine laws. They are going to be repealed. They have written a principle into law which is repugnant to all that has made America great. These laws rest heaviest upon the lowest income groups. The facts about this controversy are becoming too well known. The result will be a blow at discrimination and the righting of an all too ancient wrong.

I am hopeful that Members of both parties will join in the coming session of Congress to do away with the discriminatory, repressive, and unjust Federal margarine laws.

Mr. President, at a later time I intend to present for the Senate's consideration a much more detailed development of the facts regarding the nutrition of margarine, regarding its healthfulness and purity, regarding the sanitary conditions under which it is produced, and also the provisions for inspection which already exist under the Pure Food and Drugs Act, and to show in much greater detail what I believe to be the unjustifiable discrimination which now exists.

Mr. President, I ask unanimous consent to have printed at this point in my remarks an editorial entitled "Margarine Tax," published in the Washington Post on December 8, 1947.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MARGARINE TAX

Time was when producers of margarine had to struggle against the handicap of consumer prejudice as well as tax discrimination. Wartime butter shortages that forced many butter-eaters to turn to margarine did much to dissipate a prejudice that was based partly on ignorance and partly on occasional sampling of inferior kinds of margarine. Soaring prices for butter, now approaching a dollar a pound in some cities, are daily making new friends for the no longer despised, lower-priced substitute.

Secretary of Commerce Harriman, who has been eating margarine instead of butter ever since the war, voiced the sentiment of millions of Americans when he declared that he couldn't tell the difference between margarine and butter and was surprised that people would pay a dollar a pound for butter. Since the Secretary of Commerce is one of America's wealthiest men, his favorable opinion of margarine is plainly not based on its comparative cheapness. His endorsement merely provides further evidence that the producers of margarine are winning the battle for acceptance of their product because it has proved its worth.

However, the margarine manufacturers have scored only minor victories so far in their long fight for removal of discriminatory Federal and State taxes and hampering regulations. The Federal tax of 10 cents a pound on colored margarine has heretofore been one of the chief targets of attack. But now that millions of housewives have discovered how easy it is to introduce coloring matter into uncolored margarine we doubt whether this particular tax is very much of a deterrent to an expansion of margarine sales. Much more obstructive are the Federal and State licenses, fees, and other restrictions that have made it unprofitable for many wholesalers and retailers to carry margarine. The revenue obtained from discriminatory excises is negligible; in fact, tax returns would doubtless be greater, if margarine production were encouraged by removal of these taxes, whose only purpose is to protect the dairy industry from the competition of a cheaper substitute product.

The inequity of the margarine excises from the viewpoint of the industry is obvious. The consuming public is likewise an interested party since taxes imposed on margarine are shifted to consumers. Furthermore, to the extent that such taxes hamper the production and distribution of margarine, the consumer pays the higher prices resulting from a restricted supply. Since the Government professes to be concerned about the high cost of living, there appears to be no legitimate excuse for retention of a system of discriminatory excises and license fees that add to the cost of a wholesome butter substitute. If Congress were to take the lead in abolishing restrictive Federal taxes on margarine, as Senator FULBRIGHT has suggested, the drive to eliminate similar levies and nuisance regulations imposed by various States would be greatly strengthened.

Mr. FULBRIGHT. Mr. President, I should also like to say that I have received a great many letters in connection with the subject of margarine and the margarine tax, which I will submit to the Senate for its consideration at the next session of Congress.

Mr. President, I now ask unanimous consent to introduce for appropriate reference a bill providing for the repeal of the margarine tax law.

There being no objection, the bill (S. 1907) repealing certain provisions of the Internal Revenue Code, relating to the tax on oleomargarine, and for other purposes, was received, read twice by its title, and referred to the Committee on Finance.

FUEL-OIL SHORTAGE PROBLEM

Mr. TOBEY. Mr. President, 10 days ago a subcommittee of the Committee on Interstate and Foreign Commerce was appointed to consider the fuel oil shortage problem. The subcommittee consisted of the Senator from New Jersey [Mr. HAWKES], the Senator from Oklahoma [Mr. MOORE], the Senator from Pennsylvania [Mr. MYERS], the Senator from Connecticut [Mr. MCMAHON], and myself as chairman. This subcommittee was to consider the emergency in the fuel-oil situation in the eastern Atlantic States and throughout the country. The subcommittee met and had an all-day session, with about 150 producers and distributors present. Then there was appointed a committee representing the oil industry, consisting of the following: R. G. Dunlop, president, Sun Oil Co., Philadelphia, Pa.; B. Brewster Jennings, president, Socony-Vacuum Oil Co., New York, N. Y.; M. J. Rathbone, president, Standard Oil Co. of New Jersey, New York, N. Y.; Clyde G. Morrill, executive director, Independent Oil Men's Association, of New England, Boston, Mass.; Reid T. Westmoreland, Jr., Lampson Oil Co., Providence, R. I.; John W. Scott, Buckley & Scott Utilities, Watertown, Mass.; John P. Birmingham, president, White Fuel Corp., South Boston, Mass.; J. C. Richdale, chairman, junior vice president, Colonial Beacon Oil Co., Boston, Mass.; James P. Patterson, Pan-American Petroleum & Transport, New York, N. Y.; Martin Ryan, Esq., Bridgeport, Conn.

This committee has been meeting for a week and considering the problem very earnestly, and made its report today through Mr. Rathbone, president of the Standard Oil Co. of New Jersey.

Because of its timeliness and the great importance of the subject to the whole eastern Atlantic States, as well as to many of the States of the Middle West, I ask unanimous consent to insert in the RECORD the letter from the committee and its complete report.

The report speaks for itself. It is a comprehensive study of the oil situation, and makes very earnest and definite recommendations for action—I hope it will be noted—on a voluntary plan.

The subcommittee of the Committee on Interstate and Foreign Commerce will continue to function, as will the committee of oil producers and distributors. They will keep in touch with each other, and report progress, and with the help of all the persons interested, the committees hope to make a distinct contribution toward alleviating suffering in this country during this winter.

Mr. LODGE. Mr. President, will the Senator permit me to ask a question?

Mr. TOBEY. I yield to the Senator.

Mr. LODGE. Does the report hold out any real hope that the interests of the New England section will be better taken care of?

Mr. TOBEY. It holds out a great deal of hope.

Mr. LODGE. I am glad to hear that.

Mr. TOBEY. If the machinery set up in the report is employed, I believe it will produce real results. It is important to point out that success in this endeavor must come from the voluntary efforts of people working together. If the plan does not work, the obvious alternative is something drastic in the way of controls, and God permit that we may keep away from such things in this country. Through this forward-looking effort, with the governors of the States cooperating, and with publicity through the press and radio, and possibly a statement by the President himself, I believe we can bring order out of chaos in the oil field and assure relief from threatened shortages and suffering.

Mr. BALDWIN. Mr. President, will the Senator yield.

Mr. TOBEY. I yield.

Mr. BALDWIN. As I understand the Senator's statement, it will be very helpful in carrying out the program, if not essential, that we adopt some formal legislation which will permit voluntary agreements, as proposed in the joint resolution we are now discussing in the Senate.

Mr. TOBEY. The committee which has been considering the matter does not think any legislation is necessary. If the report of the committee is followed out, there will be no violation of the antitrust laws.

Mr. BALDWIN. In other words, that situation has already been taken care of?

Mr. TOBEY. We feel so. I renew my request that the letter and report of the committee appointed by me be printed in the RECORD.

There being no objection, the letter and report were ordered to be printed in the RECORD, as follows:

DECEMBER 17, 1947.

Hon. CHARLES W. TOBEY,
United States Senator from
New Hampshire,
Senate Office Building,
Washington, D. C.

DEAR SENATOR TOBEY: I am transmitting herewith the report of the committee formed by you to consider the fuel-oil shortage problem during the present winter in the New England and Atlantic seaboard area.

For your convenience I would like to summarize the more important points brought out in this report.

1. From a study of the best figures available, the committee concludes that there is a gap of approximately 15 percent between the supply and demand for distillate fuels in the area under study over the period December 1947 through March 1948. Even though the supply of distillate fuels has increased very materially from last year, the demand has increased much more rapidly and has outstripped the increased supply by approximately the amount indicated above. In respect to heavy residual fuel the same situation exists except that the deficit in supply for this product is estimated to approximate 10 percent rather than 15 percent for the distillate fuels.

2. It is the opinion of the committee that this deficit in supply of distillate fuels can be wiped out if all the steps outlined in the report are taken and adequate cooperation and action secured, where necessary, on the part of the consuming public, the oil industry, and the various governmental agencies (both Federal and State) involved.

3. The committee believes that the indicated deficit in supply of heavy residual fuel will be much more difficult to make up although it is hopeful that at least some progress can be made in this direction.

4. Consumer cooperation in reducing fuel oil consumption probably constitutes the most important factor in closing the gap between supply and demand for distillate fuels during the current winter. It is believed if all consumers cooperate wholeheartedly in effecting savings in their oil consumption that an over-all saving of 15 percent in distillate fuel-oil requirements may be attained. It is highly important that widespread and aggressive action by all segments of the oil industry and local government agencies be taken to outline the situation to oil consumers and enlist their cooperation in saving fuel.

5. Immediate and abnormal adjustment of refinery yields to maximize the production of distillate fuel oils at the expense of gasoline should be made generally in the oil industry for the next 2 or 3 months. This will add immediately to the supply of fuel oils in the shortage areas as far as local refineries are concerned. On the Gulf coast where the major part of the refining activity is located, this increased distillate fuel production will necessitate additional transportation to become available to the shortage areas. This adjustment of refinery yields towards increased fuel oil production has already started in the industry but should be accelerated. It is believed that an increase in distillate fuel supply of 5 to 7 percent is feasible over the next few months, which would aid materially in closing the gap between supply and demand. It is recognized that this adjustment in normal refinery yields may cause some spot shortages of gasoline but it is thought that adequate heating oil supply is the more pressing and immediate problem.

6. The Maritime Commission should expedite in every way possible the release from tie-up and the repair of idle tankers. It is felt to be of secondary importance whether these idle tankers are placed in service directly by the Maritime Commission, or are sold to American or foreign buyers, since they will add to the world-wide tanker transportation availability and the American supply situation should be directly benefited by such over-all increased tanker availability.

7. As increased tankers become available, increased crude oil production in the Gulf oil-producing States is essential to fill presently idle refining capacity and the Bureau of Mines and various State Commissions should carefully review present crude production rates for the purpose of permitting increased production rates for the next 2 months to meet increased transportation availability and presently idle refining capacity.

8. The United States Government should limit its oil requirements for the first quarter of 1948 to the minimum operating requirements and seek to attain any desired stock levels later on in the year. It should also release for civilian use any stocks which it may have and which can be released without hampering military or other essential Government operations over the current winter.

9. The United States Department of Commerce which exercises export controls over oil products should make sure that only minimum export requirements are met during the next 2 or 3 months. It is recognized that some exports of oil products are essential to maintain the economies of certain foreign nations, but these should be at minimum essential levels during the present period of shortage in this country.

10. While it is believed the over-all supply and demand situation on distillate fuels can be balanced this winter by the above steps, it will at best be a close balance and distribution of available supplies is an important problem. The committee feels that this can best be handled on a local basis through the establishment by the governor of each State, where shortages appear, of an emergency fuel coordinator and adequate staff. The coordinator would first attempt to secure an undertaking from each fuel-oil supplier to supply an equitable proportion of his supplies, whatever they may be, to all his customers in the previous (1946–47) heating season. Most of the larger oil companies have already announced such a policy and it is believed that the efforts of the State emergency fuel coordinators backed up by the governors will be effective in converting most other companies and wholesale distributors to a similar policy.

This should take care of most cases. In those where no previous supplier can be identified or where previous suppliers cannot supply the necessary oil, the emergency fuel coordinator would, after carefully examining the facts, recommend to cooperating oil companies that they supply the "hardship" case. This plan contemplates that each oil company who had indicated a willingness to cooperate in such a plan would advise the fuel coordinator in each State the amount of fuel they were willing to sell to noncustomers whom the coordinator might designate. A quite similar plan has already been placed in effect in some of the New England States and could be set up very promptly in all necessary areas. The committee believes that the great majority of oil companies and wholesale distributors will recognize the need for voluntary action on their part in meeting this most pressing problem and that the problem can best be solved through the means suggested above.

In conclusion, your committee wishes to repeat its findings and beliefs that:

1. A problem definitely exists with respect to meeting distillate fuel-oil demands this winter in the New England-Atlantic seaboard area.

2. This problem can be solved by—

(a) Reduction in consumer demand by cooperation of consumers in conserving the use of fuel oil;

(b) By a temporary abnormal shift in refinery yields to increase distillate fuel-oil production;

(c) By securing increased tanker transportation as soon as possible;

(d) By increased crude production in the oil-producing States over the next few months; and

(e) By instituting local State emergency fuel organizations to insure, through voluntary action on the part of the various oil companies and fuel distributors, the equitable distribution of available supplies and the relief of bona fide hardship cases.

3. With respect to heavy residual fuels a shortage also exists which will be more difficult of solution than the distillate-fuel shortage, and while it is expected that some of this heavy-fuel shortage will be made up through increased tanker transportation and increased refinery crude runs, it is probable that there will be some shortage of this latter product all through the current winter.

If there are any points in connection with the attached report which you wish further developed or clarified, the committee will be glad to do so upon your request, otherwise it will consider that it has fulfilled its commission and is discharged.

Respectfully submitted.

M. J. RATHBONE,
For the Committee
Appointed by Senator Tobey.

REPORT

INDUSTRY COMMITTEE APPOINTED BY SENATOR C. W. TOBEY TO STUDY THE FUEL OIL SITUATION FOR THE CURRENT WINTER IN THE NEW ENGLAND-ATLANTIC SEABOARD AREAS

The Oil Industry Committee, appointed by you in letters sent to the various members on December 10, has had a number of meetings and has secured the advice and assistance of a number of qualified persons connected with the oil industry in various phases.

In a discussion of the assignment of the committee, it was felt that the first step should be to attempt to ascertain the actual situation with respect to supply and demand of various fuel-oil products in the New England-Atlantic seaboard areas. A subcommittee was appointed, consisting of three well qualified statistical experts in the oil industry. The subcommittee was asked to determine the following information:

Consumption of various fuel-oil products during the heating season 1946–47, particularly with reference to the New England-Atlantic seaboard areas.

Additional demand expected to accrue during the current (1947–48) heating season because of increased installations of oil burners and other oil-consuming devices, and also based on the assumption that this will be a normal-temperature winter rather than a warmer-than-normal one as was the case last year. A recent survey by the Oil Heat Institute has shown that new oil-burner installations in certain areas under study have run as high as 30 percent above the installations in use last year.

The total of these figures, with such other corrections and adjustments as the subcommittee felt it was essential to make, would indicate the total demand for fuel-oil products which might be expected during the current winter.

In an attempt to estimate available supply to meet these increased demands the subcommittee was unable to present any figures covering the district I area alone since such regional supply figures are not available. It was, however, possible to review supply figures covering districts I, II, and III together, since these three areas have practically a self-contained supply picture except for exports, which are readily identifiable. In the three districts over-all the subcommittee estimated that there would be, through the December 1947–March 1948 period, a shortage of approximately 10 percent in meeting the estimated demand for heating distillates. For heavy residual fuel the shortage was estimated to be a little below 5 percent for the same period. The estimates of supply were based on the current refining rates, current refining yields, and presently available transportation.

An over-all deficit of 10 percent in the distillate-fuel supply in districts I, II, and III (which districts cover the Midwest, Southwest, Gulf, Southeastern, Middle Atlantic, and New England States) is a serious one, but it is the committee's opinion that the deficit in supply of distillate fuel for the New England-North Atlantic seaboard States is appreciably greater than the average for the whole area studied and that a deficit figure of 15 percent for the New England-North Atlantic area distillate-fuel supply is a realistic one to use. With respect to residual fuel, it is felt that a 10-percent deficit in supply in this seaboard area over this winter is the minimum which should be figured on since the consumption of this product is predominantly in the seaboard area for industrial and ships' bunker purposes.

It is apparent from these supply-deficit figures that a serious situation will exist in the New England-North Atlantic seaboard areas this winter unless the gap between supply and demand is closed. This, of course, is accomplished by reducing demand or increasing supply, or both.

1. Discussing, first, reduction of demand, the committee feels that it is entirely possible for a sizable reduction in distillate-fuel demand to be accomplished by the application of simple oil conservation measures on the part of the public. The effect of these consumer conservation measures are immediately felt and are completely independent of all other factors. The crucial period in home consumption of distillate fuels will fall between the date of this report and February 1. During this period the committee recommends that all consumers of heating-oil distillates be urged to effect a reduction of 15 percent in their heating oil requirements. It is felt that this saving in oil can be readily achieved and will not impose any unreasonable hardship on consumers. During the latter part of the heating season it is believed that the effect of increased transportation and other corrective factors will permit a less drastic economy on the part of the consumer. It is estimated that an average reduction of 5° in thermostat settings will effect the desired 15-percent reduction in heating-distillate consumption, and assuming an average house temperature of 73°, the temperature need only be reduced to 68°, which is considered to be a healthful and satisfactory temperature for living quarters.

In order to secure consumer cooperation in saving fuel oil, widespread publicity must be given to the need for conservation and the ways in which it can be secured. Numerous efforts in this direction are presently under way; the most comprehensive probably being that under the sponsorship of the American Petroleum Institute. The committee believes, however, that this program should be augmented to the fullest extent possible by individual oil companies, and, most particularly, by the efforts of individual distributors of fuel-oil products in local areas, since it is felt that the efforts of local distributors would be much more convincing to the consumer than programs of more general and widespread application. There are numerous ways in which consumer cooperation can be solicited. The issuance of paid newspaper advertisements by the various oil companies and appropriate publicity by the various local governmental authorities in the shortage areas will be helpful. Each fuel-oil distributor should contact directly its fuel-oil customers through the medium of letters, tank wagon drivers' contacts, district salesmen contacts, appropriate stickers or notices on invoices and bills, radio broadcasting, and any other available means outlining the fuel situation and soliciting the customers' help in conserving fuel. Distribution of booklets specifically outlining ways for customers to save fuel oil should be a part of this program. In addition, all oil companies and fuel-oil distributors should solicit the aid of their employees in a word-of-mouth campaign for oil conservation.

2. Wide publicity should be given to the necessity for discontinuing the sale of oil burners in converting heating plants from coal or other alternate fuels during this period of short oil supply. Conversion of other coal-consuming equipment, such as locomotives, utilities, boiler plants, space heaters, etc., to oil should also be delayed during this temporary period of short oil supply, since it is obvious that when the over-all supply of oil is short during this coming winter the placing of additional demands against the industry by additional conversions to oil from alternate fuels cannot fail to aggravate an already unsatisfactory situation. In addition, restraint should be exercised in selling new oil-consuming devices which do not involve conversion from alternate fuels to oil. The committee recognizes that new homes represent an additional demand for fuel against all the fuel-supplying industries, and that all will undoubtedly have to bear a portion of this additional requirement; but it also appears obvious that efforts should not be made to add more than a minimum fair share of this additional new fuel requirement to the oil industry's picture during the present winter.

3. All oil companies and distributors of fuel oil should urge customers who have alternate or stand-by coal-burning equipment to use the same and minimize or eliminate their use of fuel oil during this winter.

4. The military and other Government agencies should be requested to reduce their fuel-oil requirements during the next 3 months to the minimum levels necessary to maintain operations and to attain such desired stock levels as they may be aiming at later on in the year. Notification by Government agencies of whatever they can do along this line should be given to contract suppliers of the Government so that they will know how much stock they formerly had allocated to Government agencies, would be available for civilian consumption. In addition, the Government should release from present stocks, wherever possible, any excess quantities of oil they may have over current needs.

5. The Department of Commerce should be requested through its exercise of export controls to make sure that no stock build-ups are made in foreign countries during the coming winter and that only minimum export requirements are met during this period. It is recognized that some exports of oil products are essential to maintain the economies of certain foreign nations, but these should be at minimum essential levels during the present period of shortage in this country.

With respect to increased product supply, the committee feels that the following factors present ways of increasing supply:

1. All tankers presently inactive should be gotten into service as quickly as possible. Information available to the committee indicates that there are presently 96 T–2 tankers and 37 converted Liberty ships owned by the Maritime Commission not in active operation. Of these 96 T–2's, 50 are presently undergoing repairs—26 under supervision of the Navy and 24 under supervision of the Maritime Commission. Of the group of 26 being repaired under supervision of the Navy, 2 have recently entered service and it is understood repairs have been completed on 4 others, which should enter active service promptly. On the remaining 44, presently estimated completion dates range from December 15 to January 24, with anticipation that 15 will be placed in service during the remaining part of this month and the other 29 being scheduled to come into service between January 1 and 24. All 50 of these ships as they come into service will be taken over by the United States Navy and it is understood that the Navy will release, in turn, for civilian use an equivalent amount of tanker tonnage. In this connection, however, the transfer of these tankers should be carefully laid out, so that there will be no lost time due to cross-ballast voyages, possibly losing considerable valuable pay-load time. If necessary, the 50 reconditioned tankers should be kept in Gulf coast-Atlantic service by the Navy until the present emergency is over. Therefore, it will be seen that the world-wide tanker transportation picture should be improved to the extent of 44 ships between now and the 24th of January. This number of additional ships in operation will more than take care of the present backed-up stocks and current supplies of crude and products available for movement to the New England-Atlantic seaboard area. On the other hand, the committee has just received reports that it has been decided by the Navy and the Maritime

Commission that it is essential to install seam strappings on the ships under repair before they are released for service in order to strengthen the hulls. This decision, however, should not delay each ship over 7 days at the maximum, and in those cases where the ordinary repairs are not far advanced, there should be no delay.

The committee urges that the Navy and the Maritime Commission be urged to expedite completion of repairs on these 44 ships with the utmost dispatch. The remaining 46 ships in the tied-up fleet have been scheduled for sale to noncitizen purchasers, but there has been considerable delay with respect to effectuating these sales due to questions regarding the legality of such sales to noncitizens. The office of the Attorney General has, within the last few days, advised the Maritime Commission that the proposed sales have met the legal requirements of the Merchant Ship Sales Act of 1946 and that the Commission has legal power to proceed with the sales. Now that the Maritime Commission has announced the completion of its sales program, it is felt that whether these ships are sold to noncitizen or American-citizen buyers, the result will be an increase in available tanker tonnage in the world-wide tanker fleet, and that this, in turn, immediately will have the direct effect of making additional tanker tonnage available to the United States for coastwise and import service.

The committee recommends that immediate steps be taken so that the time required at present to process tankers for sale to private purchasers be shortened by the elimination or modification of certain procedures now inherent in such transactions. Under the Merchant Ship Sales Act of 1946, the Maritime Commission is called upon to deliver the vessel to the purchaser in class (American Bureau of Shipping and Coast Guard) with armament removed, so the vessel is ready for commercial operation. All expenses to accomplish this are payable by the Commission. The administrative process calls for competitive bids for such repairs, and while this was appropriate at the beginning, sufficient data has been accumulated by the Commission and industry on costs necessary to do the Commission repairs, so that a quick agreement should be reached between the parties. Under this agreement, an allowance made by the Commission to the buyer will permit the repairs for both parties to be rushed through under ordinary commercial practice, with a saving that has been estimated at from 15 to 30 days per ship.

The committee recommends that inasmuch as certain tankers now approved for sale, or named for sale in the future, may not be in the status of processing by February 28, 1948, which is the present legal date for the discontinuance of Maritime Commission operation of tankers, that the authority of the Maritime Commission be extended to permit them to operate such tankers until title is changed.

Further in connection with the tanker situation, the committee suggests that the appropriate Government agency inaugurate at once negotiations with other foreign governments who are parties to the international load-line agreement, aimed at increasing the load limit on tankers for a limited period. This step has already been taken by the United States Government with respect to American-flag ships, and it would be helpful to have similar action taken with respect to foreign-flag ships. Through this means an automatic increase in tanker availability of approximately 3 percent would be secured at once.

The committee further recommends that immediate steps be taken by all tanker operators to increase rates of loading and discharging by close check with shore plants, throughout both operations.

Comments have been made at various committee hearings and in the public press that the American-flag tanker owners have not purchased sufficient tankers to take care of the American economy.

In this connection, we would point out that the maximum needs for the next 4 months for crude and products from the Gulf coast to the Atlantic coast ports would require 212 T-2-type tankers. An additional 48 tankers would be required for the movement of imports from Caribbean ports. This is a total of 260 tankers. With approximately 12 tankers needed for west coast service, this would require a total of 272 tankers. As of the last report, the American-flag tanker fleet consists of 273 equivalent T-2 tankers, with a large number of applications before the Commission to be processed. Some of these applications have already been approved, but ships have not passed title.

As of Wednesday, December 17, 1947, the United States Maritime Commission has announced that they have sold every tanker, aside from the T-1's, that is under the United States Government ownership. This, of course, means that they have merely approved applications to the extent that ships are available. However, in this connection, as of Wednesday, December 17, 1947, there are still 47 T-2 tankers in tie-up and 37 Liberty-type tankers in tie-up. Reducing these to a T-2 equivalent, this means that there are 64 tankers in tie-up, which should be immediately withdrawn and placed under inspection survey for sale to the approved owners.

2. Another important factor with respect to increasing supplies of fuel oils during the present winter is in connection with the abnormal adjustment of refinery yields to maximize production of the various fuel products at the expense of gasoline. It is impossible, due to the variety of refining equipment and different crude run, to estimate just how far each refiner can go in this direction, but it is definitely a fact that an appreciable contribution to the fuel-oil-supply shortage can be made through this means. The committee urges that each refiner give immediate study to this matter and immediately adjust his yields to increase the production of the various fuel oils as far as possible and practicable. Figures available from certain refiners indicate that it is readily possible to increase the yield of distillate fuels from crude-oil run. Depending on how far certain refiners can go in this direction, the increased over-all production of distillate fuels might be increased by 5 to 7 percent. The means by which this shift in yields can be accomplished are well known to all refiners and it is felt that when the refiners who supply products to this area have clearly before them the necessity for abnormally increasing yields of distillate fuels this winter, important results may be expected along this line. As a matter of fact, the most recent figures indicate that a definite shift in this direction is already taking place in refinery yields, but the committee believes that this trend should be accelerated. It is appreciated that this abnormal adjustment of refinery yields increases distillate fuel production at the expense of gasoline and may cause spot shortages of gasoline this winter, but this is not felt to be a serious problem and the meeting of heating-oil requirements this winter is considered to be the most immediate and pressing problem. The committee recommends that the motoring public be urged to economize in every reasonable way in the consumption of motor gasoline during these months to assist in meeting the critical heating-oil problem, without developing any gasoline supply problem. This abnormal adjustment in refinery yields probably needs only continue for the next 2 or 3 months.

3. Increased availability of tank cars should assist in making additional supplies available to the shortage areas during the next few months. There are presently stocks of crude and products, principally crude oil, backed up in the United States Gulf due to the current shortage of tankers and while it has been anticipated that most of these stocks would be moved by tankers, as soon as the additional ships previously referred to in this report became available, the possible delay in commissioning idle ships causes the committee to feel that additional tank-car movements of products from the Gulf coast to the east coast area should be contemplated as a safety factor. Also, there are appreciable stocks of crude oil backed up in some of the inland areas in the oil-producing regions which cannot be handled to deep-water loading ports in the Gulf by pipe lines. Additional tank cars would be helpful in moving these stocks to deep-water ports for tanker loading, when tankers are available.

It is felt that additional tank cars can be made available through improved loading and unloading operations of present users, including 6- or 7-day loading and unloading schedules, and also by adopting the wartime practice of loading additional oil into the domes of tank cars. Additional trucking movements in lieu of tank-car movements, particularly for the shorter hauls, can be resorted to in many areas. It should be pointed out, however, that the full cooperation of the railroads is essential in order to capitalize on additional availability of tank cars; this being particularly true in connection with crude-oil movements from the interior oil fields to the tanker-loading ports and in connection with the movement of trainload lots of products from the Gulf coast area into the Atlantic seaboard area.

4. It has been general practice in the industry to accumulate gasoline stocks during the winter against increased demand for gasoline in the spring and the summer and the committee believes that gasoline-stock accumulations in the New England-North Atlantic seaboard area should be minimized as far as practicable during the next few months and tanker transportation so saved utilized for the movement of fuel products from the Gulf coast.

5. The committee feels it should point out the likelihood that as additional transportation, both tanker and tank car, becomes available a limitation on supplies of crude oil and products in the Gulf coast available for movement to the east coast may become apparent. In this connection the committee suggests that the Bureau of Mines and the various State commissions in the oil-producing States give consideration to permitting increased production of crude oil for the next few months up to the extent that transportation and refining capacity are available for its utilization. As the situation stands, it appears that the immediate limitation on supplies for the east-coast area is the shortage of transportation. If this should cease to be a limitation, it is anticipated that a temporary shortage of crude and products in the Gulf coast area would rather promptly then become a limitation. Refining capacity is not anticipated to be a limitation within the next several months, since it is believed that the refining capacity in the east coast and Gulf coast areas is adequate to process all of the crude which can be produced and transported through the present winter. The east-coast refineries have run about 100,000 B/D more crude earlier this year, before tankers became a limitation, than the present operating level.

The committee believes that the sum total effect of the above-outlined methods of reducing demand and increasing supply, if fully carried out, will be adequate to effect an over-all balance between supply and demand for distillate fuels during the present winter. However, it is likely that even under the best conditions it will be a very close balance and this will be particularly true if the present winter should prove to be abnormally cold. In a situation where there

is a close balance between supply and demand, distribution becomes a very important factor to avoid temporary shortages in various areas. The solution of this distribution problem presents the most difficult aspects of the whole question and commanded the major part of the committee's deliberations. After considering all aspects of the matter, the committee feels that the following recommendations are the most practicable and believes that the situation can best be met through the following voluntary actions on the part of the industry in cooperation with the local State governments:

1. Every supplying oil company should adopt the policy of distributing equitably to all its customers of record in the 1946–47 heating oil season, its available fuel oil supplies. If this procedure is followed, every fuel oil distributor who was a customer of a supplying oil company in the previous heating season will receive an equitable portion of the available supplies and the only distributors who will be entirely without supplies under this arrangement, would be those who had bought from brokers or a supplying company who had since gone out of business.

2. To take care of distributors where no regular supplier can be established, the governor of each State where shortages develop should appoint an emergency fuel coordinator. This fuel coordinator would receive requests for aid from distributors who are insufficiently supplied. The fuel coordinator would first contact the distributor's previous supplier or suppliers who were not giving him an equitable share of their available supplies and endeavor to persuade the supplier to make an equitable allocation to the distributor. In the event that no previous supplier of a distributor could be identified, or failing to secure an equitable distribution of supplies, the fuel coordinator would request one of such oil companies as had indicated willingness to cooperate on this plan to make a certain quantity of fuel oil available to the "have not" distributor. The fuel coordinator should assure himself that such distributor, should he receive these emergency supplies, was cooperating fully in attempting to limit his customers' demands and was in turn distributing his supplies equitably and to the best advantage.

Cases of entirely new demand, such as veterans housing projects, new homes, and present consumers where no previous supplier can be identified would be handled by the emergency fuel coordinator in the same way.

An essential part of this plan is, of course, for as many oil companies as possible to allocate to the fuel coordinator a certain quantity of fuel oil in each area for allocation by the coordinator against hardship cases. Sales would be made direct by the supplying company to the distributor certified by the coordinator as a hardship case, and the coordinator would be notified of the delivery. The receiving distributor would not be considered a customer of the supplying company in the future and separate transactions would be made direct between the supplying company and the "have not" distributor at the suggestion of the fuel coordinator, with no collective action between any of the supplying companies.

It is understood that such a program would necessitate the various oil companies in the area withdrawing from their own supply picture a certain quantity of fuel oil to take care of these hardship cases. It is believed that sufficient cooperation on such a plan can be secured from the industry to take adequate care of these hardship cases. It is recognized that each company would penalize itself in connection with its efforts to take care of its own customers to the extent of the oil made available for these noncustomer hardship cases, but no other practicable solution seems possible to the committee, which again wishes to reiterate its belief that the matter can best be solved on a voluntary local basis and that any attempt to work out a broad Government allocation or rationing system would do more harm than good in solving the supply problem this winter.

The situation with respect to residual heavy fuel is more difficult to solve since relatively little effect on demand can be expected through consumer conservation. By far the greatest part of the heavy residual fuel is consumed in industrial and utility plants and as ships' bunkers. In these uses full economy of fuel oil is usually practiced. Saving can be made by hotels, apartment houses, Government buildings, and so forth, where heavy fuel is used solely for heating purposes and this should, of course, be strongly urged. The committee again emphasizes the need for industries and utilities who have coal-burning installations in addition to oil facilities utilizing the coal facilities to the maximum.

It is also true that increased refinery yields of heavy fuel can only be obtained at the expense of distillate fuels which themselves are in short supply, so little or no relief can be expected from adjustment of refinery yields in connection with meeting the heavy fuel oil shortage. The principal way in which the heavy fuel oil deficit can be made up is by increased crude oil runs at refineries, and these increased crude runs are dependent on several uncertain factors previously discussed.

In conclusion, your committee would like to reiterate its belief that the distillate fuel oil situation in the New England and Atlantic seaboard areas can be met:

1. If a widespread and aggressive publicity campaign is inaugurated immediately and consumers respond to this campaign by conserving the use of fuel oils. It is believed that it is quite possible through consumer cooperation to reduce the demand for distillate fuels by as much as 15 percent.

2. If refinery yields of distillate fuels are immediately maximized and continued on that basis for the next 2 or 3 months. It is believed that it is possible to increase distillate fuel oil supply through the temporary adjustment of refinery yields by as much as 5 to 7 percent over-all for the industry.

3. If every effort is made by the Government to place in active service at the earliest possible moment tankers now in tie-up or undergoing repair.

4. If increased production of crude oil to the extent that transportation is available can be secured over the next 2 months to fill up idle refinery capacity.

5. If voluntary action on the part of the industry to achieve the most equitable possible distribution of all available supplies in the shortage areas can be secured, in cooperation with local State emergency organizations.

With respect to heavy residual fuel, the committee expects a deficit in supply over the current winter of approximately 10 percent and while it is probable some of this deficit will be made up through increased crude runs the outlook for eliminating this deficit is less favorable than is the case with respect to distillate fuels.

The committee feels that the uncertainties with respect to realizing fully the benefit of all the corrective measures outlined are such that all corrective measures bearing on reducing demand and increasing supply and equalizing distribution should be taken as insurance against the failure of certain factors to materialize as planned and against the possibility of an abnormally cold winter occurring this year.

DECEMBER 17, 1947.

REDUCTION OF POSTAGE RATES ON CERTAIN PARCELS—REPORT OF COMMITTEE ON CIVIL SERVICE

Mr. LANGER. Mr. President, from the Committee on Civil Service I ask unanimous consent to report favorably with amendments the bill (S. 1813) to reduce postage rates on parcels containing food, clothing, or medicines mailed to certain foreign countries, and I submit a report (No. 807) thereon.

It is a unanimous report of the committee. I desire to make a general statement in connection with the bill I have just reported.

Senate bill 1813 was considered by the full committee as a result of a series of hearings which were attended by responsible representatives of various departments and agencies concerned with administering the provisions of the bill.

The bill (S. 1813) is a composite measure including features proposed in S. 1760 by the Senator from Minnesota [Mr. THYE], S. 1761 by the Senator from Rhode Island [Mr. GREEN], S. 1772 by the Senator from Connecticut [Mr. MCMAHON], and S. 1776, by myself, all designed to facilitate the transmittal of parcels containing foods, medicines, clothing, and other necessities abroad.

The Post Office Department being the pivotal branch in carrying out the program described in some detail what would be necessary to facilitate the administration of S. 1813. It was noted that in some instances additional personnel would be required, though such increases would not include employment in the railway mail service. Officials of this service were of the belief they could carry the additional load at the present personnel level.

I may say that the bill provides for reducing the postage rates to 25 percent of the present rate for mailing clothing, food, or medicines as gifts for relief purposes to Belgium, Denmark, Korea, France, Greece, Iceland, Eire, Great Britain and northern Ireland, Italy, Luxemburg, Netherlands, Norway, Free Territory of Trieste, Portugal, Sweden, Switzerland, Turkey, China, Japan, and the American, French, and British occupied zones of Germany and Austria, for a period of 18 months from the effective date of the act. I mention that so that Members of the Senate may be familiar with the purposes of the bill.

It was conceded that more carriers, post office clerks, and mail handlers in general would be required, and that these would be employed on a temporary basis the same as persons who are hired for Christmas rush seasons or at other times.

Senate bill 1813 originally contained a stipulation that the program would continue for 2 years after enactment of the bill, but this time feature was reduced to 18 months on the grounds that the Congress would be in session at the expiration of the act and would be in position to determine the advisability and feasibility of its continuance.

The Department of State previously had expressed some hesitancy in endorsing the general program in its original form, but added its support on the final hearing day, though its representative did point out what he felt would be the need for itemizing what were necessities—foods, medicines, clothing, and so forth—and what actually were in the luxury class—cosmetics, and so forth. All witnesses from whatever department refrained from suggesting what recipient

countries should be included under the program. Because of this fact, the Committee on Civil Service voted to sanction S. 1813 with the limitation that the actual scope of the plan be geared to the overall opinion of the Committee on Foreign Relations, whereupon a letter was sent to the chairman of that committee, the Senator from Michigan [Mr. VANDENBERG], which reads as follows:

The Committee on Civil Service transmits to the Foreign Relations Committee of the United States Senate, Senate bill 1813 with a request for advice

This bill proposes to grant a special postage rate for a period of 18 months for the transmission of packages bearing food to needy persons in Europe. Section 1 of the bill sets forth by name the countries to which this special postage rate will apply. It does not include Yugoslavia, Bulgaria, Czechoslovakia, Finland, Poland, Lithuania, Latvia, Estonia, or Spain. The Committee on Civil Service desires to be advised as to whether or not any or all of these countries should be included, and whether or not in the opinion of the committee any other country not herein specifically named should be included.

This bill is essentially a relief bill, and our problem is not involved with intentions, but rather with facilities and the practicability of getting relief packages by special postage rates into countries that are now within the Russian sphere.

Following is the text of the letter dated December 11 from the Senator from Michigan [Mr. VANDENBERG], chairman of the Senate Foreign Relations Committee, in response to the above communication:

This will acknowledge your letter of December 2 requesting the advice of the Senate Committee on Foreign Relations regarding S. 1813.

You raise an important point in this connection which really involves the entire basic philosophy of the proposed legislation. I frankly doubt whether the Committee on Foreign Relations would be willing to take partial jurisdiction of the bill by attempting a formal decision in response to your inquiry. Perhaps it would be preferable to transfer the bill completely to the jurisdiction of the Foreign Relations Committee. On the other hand, I want always to cooperate with you in any way I can; and if you prefer to keep this jurisdiction in your own Committee on Civil Service, I will be glad to make an inquiry into the particular phase covered by your letter of December 2 and to advise you later as soon as I can get the necessary information.

The essentials of the program under S. 1813 include a considerable reduction in the postage rates for parcels to a maximum of one-fourth of the permanent rates prevailing for mailing such matter; continued and complete observance of customs laws by filing a declaration of contents and by describing such contents with a label or uniform statement on the outside of packages declaring they are gift parcels.

It is the opinion of the Committee on Civil Service that regardless of whatever other countries are included under the program, that none behind the so-called iron curtain shall benefit in any degree.

The committee gave sympathetic thought to the fact that the Post Office Department recommended that 90 days elapse before the effective date of the act. It was the consensus, however, that the Department will be on unofficial notice of the oncoming program and that the same type of augmented operation as is used for holiday rush periods can be devised in a shorter time in view of the emergency character of the needed legislation.

Mr. Robert L. Tracy of the Budget Office, Department of the Army, described the method by which the Post Office Department would be reimbursed for additional expenses incurred under the program. He explained that necessary funds should be appropriated to the Department of the Army which thereupon would disburse amounts to the Post Office Department rather than the appropriations be made directly to the Post Office Department for sums not determined at the time of the appropriation.

Several of the original bills previously mentioned included provision for 100 percent reduction in parcel post rates under the program. On the advice of witnesses representing interested organizations and persons, it was deemed proper to reduce the postage fees drastically, though not entirely. This is on the grounds that some declaration of value needs to be placed upon the contents of such parcels both by the sender and by the beneficiary, otherwise there could be a general emptying of attics and far recesses of great quantities of no longer wanted raiment and other castoffs which would be dumped into the mail channels, though practically useless to the recipients.

The volume of international parcel post has increased tremendously within a few years. During the fiscal year 1939, according to figures supplied by the Post Office Department, such parcel post totaled nearly 26,000,000 pounds. For the fiscal year 1947, the same branch of the postal service reported the unprecedented total of nearly 402,000,000 pounds, or 16 times the volume for fiscal year 1939.

There are certain hidden cost factors in carrying out the details of the general program, for instance, the Post Office Department immediately will require additional supplies including mail bags, labels, seals, and so forth. The cost of mail bags is approximately $2.32 each if manufactured in the Government's own mail equipment shops. On the other hand if they are purchased in the open market the cost ranges from $3.18 to $5.50 each. The item of time and place utility will be important according to the number of countries which will be served under the legislation, and also the volume of parcels to be dispatched and the life of the program.

Mr. President, I am going into this subject fully at the unanimous request of the Civil Service Committee because we have adopted the unusual course of asking that this bill, after it is reported, be referred to the Committee on Foreign Relations for its action. However, I wished to make the position of the Civil Service Committee clear.

On the broad cost discussion, the Post Office Department estimates that under S. 1813, assuming the volume of international mail doubles, the postage revenues will approximate $144,000,000 annually, and that the cost of handling would be a like amount, thus representing an increase of $72,000,000 annually attributable to enactment of the bill.

I want the Senate to understand that, according to the Post Office Department, the cost will be at least $72,000,000 a year more. Thus, on the assumption that the present prevailing costs of 14 cents per pound will not be materially increased, as a result of a study being conducted and by the necessity for the sudden expansion of necessary requirements in equipment, housing, and personnel to handle the increased volume, it should be noted that the representatives of the Department of the Army expressed the view that any cost attendant upon carrying out the program under this legislation be not charged in any way to the appropriations granted that Department. The reason given is that it is desired to avoid any deprivation to any beneficiaries under the general operations of the Department of the Army abroad, and that the caloric values not being supplied through this medium be not in any degree lessened under the prevailing 150,050 units daily. The prime purpose of the bill legislation is to augment such caloric values rather than to detract from them.

The Committee on Civil Service having given full consideration to the provisions of S. 1813 recommend that the bill as amended do pass, with the provision that the bill be now referred to the Committee on Foreign Relations, with the request that it consider it at the earliest opportunity. The Civil Service Committee unanimously expresses its desire to cooperate fully and completely, realizing that whether or not these postage rates should be reduced to certain foreign countries is a question of such grave importance that the Committee on Foreign Relations, being more familiar with the facts and more familiar with conditions in foreign countries than is the Civil Service Committee, should consider the subject, and we should defer to the judgment of the Committee on Foreign Relations as to what countries should be included in the bill.

The PRESIDENT pro tempore. Without objection, the report will be received, and the bill will be referred to the Committee on Foreign Relations as requested by the Senator from North Dakota.

INVESTIGATION OF IMMIGRATION SYSTEM—EXTENSION OF TIME FOR COMMITTEE REPORT

Mr. REVERCOMB. Mr. President, at this time I desire to make reference to Senate Resolution 137, which was passed in the closing days of the first session of the present Congress. That resolution authorized the Senate Committee on the Judiciary, or any duly authorized subcommittee thereof, to make a full and complete investigation of our entire immigration system, and directed that a report be made to the Senate not later than March 1, 1948.

There was also a provision that, with respect to findings and recommendations on the subject of displaced persons, a separate report should be made on or before January 10, 1948.

The chairman of the Judiciary Committee appointed a subcommittee consisting of the Senator from Missouri [Mr. DONNELL], the Senator from Kentucky [Mr. COOPER], the Senator from Nevada [Mr. MCCARRAN], the Senator from Rhode Island [Mr. MCGRATH], and myself. That subcommittee has collected a great deal of information and data upon the subjects involved in the resolution. The majority members of the subcommittee went to Europe. The staff has collected a great deal of pertinent data upon the general subject. Meetings have been held, and we have considered the evidence and information which we have.

It is the unanimous conclusion of the subcommittee that more time is needed to make the report called for in the resolution by January 10. On behalf of the subcommittee we are seeking an extension of time to February 10, 1948.

This subject has been brought to the attention of the Senator from New Jersey [Mr. SMITH], who, under the terms of the resolution, is an adviser to the subcommittee from the Committee on Foreign Relations. He concurs in the view and conclusion of the subcommittee that the time should be extended. I have also brought the matter to the attention of the Senator from Michigan in connection with the question of the extension of time.

I therefore submit a resolution and ask unanimous consent for its immediate consideration, so that this question can be disposed of.

The PRESIDENT pro tempore. The resolution will be read for the information of the Senate.

The resolution (S. Res. 178) submitted by Mr. REVERCOMB was read, as follows:

Resolved, That Senate Resolution 137 of the Eightieth Congress, first session, is amended by striking out the word and figures "January 10, 1948", on page 2, section 2, line 12, and inserting in lieu thereof the following word and figures: "February 10, 1948."

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. HILL. Mr. President, reserving the right to object, I did not understand the purpose of the resolution.

The PRESIDENT pro tempore. The purpose of the resolution is to extend the time for a report by a committee of the Senate.

Mr. HILL. I have no objection.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

PROVISIONS OF NEW TAX BILL

Mr. MCCLELLAN. Mr. President, I have just learned that a new tax bill has been introduced today in the House of Representatives. I am much gratified with two provisions of the new tax bill introduced today by Representative KNUTSON, chairman of the Ways and Means Committee of the House of Representatives. The raising of personal exemptions and the extension of the split-income principle to husbands and wives of the 36 common-law States are essentially vital in any fair and equitable general tax measure.

The Republican leadership refused to accept either of these provisions in amendments which I offered to the two former tax-reduction bills, which they attempted to pass over a Presidential veto earlier this year. I am glad, indeed, that strong public sentiment supporting those provisions has compelled them to change their views. It now appears the majority party is willing to make the right approach to tax revision and tax reduction by granting tax relief to those in the lower-income brackets, who need it most, and by placing all married couples, irrespective of State citizenship, on an equal basis under the law for income-tax purposes.

The remaining issue for determination is whether the Government can stand the loss of some $5,300,000,000 of revenue that the bill entails. That will have to be weighed in the light of conditions that obtain at the time of vote on final passage.

Mr. President, a few days ago on the floor of the Senate I urged that in any tax bill which might be offered, the two provisions to which I have referred be included; and I hope that if the Congress should enact a tax law at the next session those two provisions will be a part of the new law.

DISMANTLING AND REMOVAL OF PLANTS IN GERMANY

Mr. EASTLAND. Mr. President, the distinguished Senator from New Hampshire [Mr. BRIDGES] and I have introduced a joint resolution which will require the approval of the Congress of the United States before industrial plants can be dismantled and shipped as reparations out of the American zone of Germany.

The joint resolution also provides that any dismantlings or removals now being undertaken shall be discontinued immediately. Section 2 of the resolution requests the President, acting through the Secretary of State, to confer with the British Government with a view to the adoption by such Government of a similar policy with respect to plant dismantlings and removal in the British Zone of Germany.

This policy of dismantling peacetime industrial plants, capital equipment, and shipping them out of Germany as reparations is done by virtue of agreements negotiated by administrative officials. This policy is illegal. It is wrong and injurious to our best interests. Under the Constitution of the United States, the executive branch of this Government does not have the power to grant reparations, or to fix the boundaries of countries as it has done in the case of Germany. The extent of its power is purely to negotiate. It can negotiate agreements of this character and then submit them to the Senate of the United States for ratification. We have here a classic example of the congressional "run-around," of the usurpation of congressional authority, and of the violation of the plain mandate of the Constitution.

The peacetime industrial plants of Germany should be held in status quo. If there are to be capital reparations, or reparations out of current production, or the plan for reparations, whatever it is, it should, before taking effect, be submitted to the Senate of the United States for ratification or the Congress should by legislation determine these questions. We alone are the policy-making branch of the Government. We alone have the power in the premises. Reparations are one of the subjects of the peace treaty and they have been handled in the peace treaties after every other war in which this country has participated.

I note in the public press that a group of bureaucrats representing our War and State Departments have met with certain other lesser bureaucrats from other countries and decided that the western zones of Germany shall permanently have an industrial production of peacetime civilian goods equal to their industrial production level of these goods in 1936. In other words, the western zones, with millions more inhabitants, due to the Russian terror, than they had in 1936, will be permanently held down to an industrial production equal to the production that year. This is high policy, Mr. President. This is a permanent program which will greatly affect the economy of this country and the entire fabric of world peace. The solution of the problem of Germany is of the utmost importance to every man, woman, and child in America for generations to come. Where did General Clay get this power? Where did the State or War Departments get such authority? It is beyond my comprehension that the Senate should permit employees in the executive departments of the Government to usurp authority and claim the right to set a permanent level of production in a foreign country. No one has the legal authority to set the limit of German peacetime industry except that it be ratified by the Senate through a treaty of peace.

Mr. President, it is the duty of the Congress of the United States to zealously guard and protect its powers and prerogatives. I feel that we are derelict in our duty when we permit the Federal departments to exercise such vast power to make policy and to set the pattern for the future Germany without coming to us for approval. Mr. President, if the American Congress does not stop this program in Germany until it is approved as provided in the Constitution, or until there is legislation, then we have sacrificed public esteem for the United States Senate and for the Congress. We have failed to preserve our powers and not only do great harm in this instance but through precedent we greatly impair the future usefulness of the Senate and permit the powers of the Senate to be whittled away by these unconstitutional encroachments.

Mr. President, the question of the future of Germany as an industrial nation is a question of the utmost importance to the United States. If heavy industry in western Germany is to be greatly limited then its swollen population, which cannot grow over one-half of its food supplies within its boundaries will have to concentrate on light consumer goods industries to make a living and survive as a people. That would make fierce competition—unnaturally fierce competition—for world markets with the light-goods industries of the United States.

We have millions of people, Mr. President, who work in these industries in this country today. Germany has historically purchased more American products than all of Latin America combined. It is historically one of our best customers. It has been a particularly good customer for the American farmer. If permitted to produce the goods of peace unhampered by restrictions, Germany in the future will be one of the best customers of the farmers of America. The people of this country have a great stake in the future of a prosperous Germany. If Germany is to be poor and unable to support herself she will continue to be a drain upon our Treasury and a menace to world order. These questions, fraught with serious implications to the people of this country, should be determined and settled in a legal way. The American Congress should not permit subordinate officials in the bureaus to wield the power of life or death over the future of Germany. The Senate should make the policy regarding dismantling the plants; the Senate should decide on the amount of reparations; the Senate should determine what country shall secure them, whether friend or foe, and then when the peace treaty is presented to the Senate for ratification we shall not be powerless and shall not be faced with a fait accompli. When the plants are gone and the people are deprived of a means to support themselves we are asked for an appropriation to prevent starvation. The Congress has no alternative except to comply.

Mr. President, it is interesting to note that in spite of the anti-Russian statements which originate from the army of occupation in Germany, in granting reparations, our officials have been definitely partial to and have favored the Soviet Union and its satellites over friendly countries. Of the 90,000 tons of reparations which have been shipped out of the American zone of Germany, more than 80 percent have gone to Russia and the countries in its sphere. In fact, Russia has received over three times her proportionate share of German reparations shipped from our zone to date. That would not have happened if constitutional mandates had been followed.

In addition, according to testimony before the Senate Appropriations Committee, authorities in charge of this program are contemplating giving substantial reparations from the German economy to Tito's Yugoslavia. There is a country, Mr. President, which in the maelstrom of postwar events has emerged as a world outlaw. In violation of her pledge to the United Nations covenants, she has armies posed on the boundaries of friendly, though weaker, neighbors. Through her actions she has already forced our Nation in pursuit of its aim of world stability to pour out its treasure, and has compelled greater sacrifices on the part of the American people. There is a nation which shot down and murdered in a most dastardly fashion five American flyers who were on a friendly mission over that country—a nation which has suppressed every individual right of its citizens, and which today stands as a great menace to world peace. It is to that nation that the bureaucrats now say we must hand over German plants and further impoverish Europe and entail further sacrifices upon the American people through our great desire to ameliorate the deadening consequences of 5 years of devastative war. Would the Senate permit this; would two-thirds of the Senate concur in such an unjustifiable program? Would two-thirds of the Senate further encourage Tito's acts of vandalism and murder, and further build up his terror?

Mr. President, the resolution provides for the creation of a joint congressional committee, to be composed of five Members of the Senate and five Members of the House of Representatives, to carry on a continuing review of the entire subject of the dismantling of plants in the occupied sections of Germany, and to report their studies and findings to the Congress for action.

The subject matter is one which presents considerable complications, and it will require considerable time and study to keep the Congress fully advised; but it is a matter of such importance that I think the creation of this special committee is justified at a time when we are considering the rehabilitation of Europe at such large cost to this Nation. It is doubtful whether any industrial plant moved from the location where it has been successfully operated to a new location can ever become a going concern. It would be senseless to move a plant from western Europe to eastern Europe unless the raw material and the skilled labor necessary for its operation were available at the new location. Why should western Europe, which now is receiving such largess at our hands, be deprived of an industrial plant merely because another nation might desire it, without giving any proof that it can be integrated into the economy of Europe in its new location? It would be the sheerest folly to say that 682 plants can be moved from the western zone of Germany to any other portion of Europe and that all 682 of those plants could be profitably operated in the new locations—to say nothing of the time spent in dismantling the plants and to say nothing of the technological loss that is always incurred in the wholesale removal of industrial plants.

If it is a matter of reparations, Mr. President, then it is almost axiomatic that it is folly. If the removal of the plants is for the purpose of reducing the industrial production of Germany to the production of 1936, then it is a matter to be handled in the peace treaty. I am certain that the Congress has not yet been convinced that the advisers to our military authorities in Germany have made so sufficient a study of this problem that we can afford to be guided solely by their decisions.

I think it imperative that such a committee be created, or, in lieu of the creation of such a committee, that the Foreign Relations Committee of the Senate arm and equip itself with experts, and take over the job itself.

Russia has breached all her agreements made with the United States and other powers. From her every action, she seems to be a nation bent upon the domination of Europe and bent upon world conquest. Since the failure of the Foreign Ministers Conference held in London, it is evident that she is committed to the creation of strife and discord and the perpetuation of starvation and suffering throughout western Europe, in the hope of achieving her aim of domination either through war or internal revolution.

It is becoming increasingly evident, Mr. President, that when she becomes industrially strong, her plans for world domination will be put into effect through aggressive warfare, with the ultimate aim of the destruction of our country and the enslavement of all like-minded people. She has checked the matter up to us. We have no alternative. Russian expansion must be stopped or the light of civilization will be extinguished in the world, to come again when no one can foretell.

In our own self-interest, this country must speedily pass the Marshall plan for the rehabilitation of western Europe and, in addition, must build up our armed forces to such an extent as to make us impregnable. We must build immediately and maintain consistently an air force large enough and strong enough to wreak havoc upon any aggressor.

From the failure of the London Conference, it is obvious that the split between eastern and western Europe has doomed the United Nations as an overwhelming factor for peace along the lines for which it was originally created, and we can no longer afford to rely upon that organization for the maintenance of either peace or our preservation.

Today the road to peace will be found only in strength. If we are strong and if western civilization is made strong, communism and the Russian imperialism will be confronted with superior forces at every point. This, Mr. President, is the only sure road to peace.

STABILIZATION OF COMMODITY PRICES AND THE NATIONAL ECONOMY

The Senate resumed the consideration of the resolution (S. J. Res. 167) to aid in the stabilization of commodity prices, to aid in further stabilizing the economy of the United States, and for other purposes.

Mr. MAYBANK obtained the floor.

Mr. TAFT. Mr. President, will the Senator yield to me for a moment?

Mr. MAYBANK. I yield.

Mr. TAFT. I simply wish to call the attention of Senators to the fact that if this joint resolution is to be passed at all, it should be passed at the earliest possible moment in order that it may reach the House of Representatives before the House adjourns, if it is to be passed by the House of Representatives tomorrow. I certainly would greatly appreciate it if Senators would refrain from making speeches on extraneous subjects. I have no desire to limit the debate on this joint resolution; but if anything is to be done about it, it should be done as soon as possible.

So I hope very much that Senators will refrain from making speeches on extraneous subjects.

Mr. MAYBANK. Mr. President, I wish to address myself to the Senator from Ohio. I shall be only too pleased to relinquish the floor and take it later to make the remarks I wish to address to

the Senate. As the distinguished Senator knows, I asked if I might be recognized, and was told that I could be. I should like to say to the Senator from Ohio that so far as I am concerned, if the Senate is ready to go forward with the business in hand, I shall be only too glad to take my seat, with the request that after the pending measure shall have been disposed of, I may be recognized.

The PRESIDENT pro tempore. In the opinion of the Chair, the suggestion made by the Senator from South Carolina has supporting validity, and the present occupant of the Chair will undertake to recognize the Senator.

Mr. MAYBANK. I thank the President pro tempore, because I am a member of the committee which considered the measure now before the Senate, and, like the Senator from Ohio, I should like to see some measure relating to the subject passed before we adjourn.

The PRESIDENT pro tempore. The question is on agreeing to the amendment submitted by the Senator from Ohio.

The amendment was agreed to.

Mr. BALDWIN. Mr. President, a short time ago the distinguished Senator from New York——

The PRESIDENT pro tempore. The Chair will advise the Senator from Connecticut that the Senate has not yet concluded consideration of the phase of the bill to which the pending amendment refers. The question now recurs on the amendment of the Senator from Kentucky [Mr. BARKLEY] to strike from the joint resolution section 2, as amended. Does the Senator from Connecticut desire to be recognized before the vote is taken?

Mr. BALDWIN. I do not.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Kentucky to strike out section 2, as amended.

Mr. MAYBANK. A parliamentary inquiry. After the pending business has been transacted, will I be recognized?

The PRESIDENT pro tempore. The Chair understands that the Senator from South Carolina wishes to be recognized after the joint resolution has been passed.

Mr. MAYBANK. In case any Senator should take the floor to make a speech on some extraneous subject, I should desire to be recognized, because I have relinquished the floor for the transaction of the pending business. Of course, any speeches which have to do with that are perfectly proper, but I think in justice to me no Senator should be recognized to make a speech on an extraneous matter.

The PRESIDENT pro tempore. The situation is entirely in the hands of the Senator from South Carolina. If he shall be on his feet first, he will be recognized by the Chair.

The question is on agreeing to the motion of the Senator from Kentucky to strike section 2 from the joint resolution, as amended.

Mr. MURRAY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	Morse
Baldwin	Hawkes	Murray
Ball	Hayden	Myers
Barkley	Hickenlooper	O'Conor
Bricker	Hill	O'Daniel
Bridges	Hoey	O'Mahoney
Brooks	Holland	Overton
Buck	Ives	Reed
Bushfield	Jenner	Revercomb
Butler	Johnson, Colo.	Robertson, Va.
Byrd	Johnston, S. C	Robertson, Wyo.
Cain	Kem	Russell
Capehart	Kilgore	Saltonstall
Capper	Knowland	Sparkman
Chavez	Langer	Stennis
Connally	Lodge	Taft
Cooper	McCarran	Taylor
Cordon	McCarthy	Thomas, Okla.
Donnell	McClellan	Thomas, Utah
Downey	McFarland	Tobey
Dworshak	McGrath	Tydings
Eastland	McKellar	Umstead
Ecton	McMahon	Vandenberg
Ellender	Magnuson	Watkins
Ferguson	Malone	White
Flanders	Martin	Wiley
Fulbright	Maybank	Williams
Green	Millikin	Wilson
Gurney	Moore	

The PRESIDENT pro tempore. Eighty-six Senators having answered to their names, a quorum is present.

The question is on agreeing to the motion by the Senator from Kentucky to strike out section 2, as amended.

Mr. BARKLEY. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. REED. I have a general pair with the Senator from New York [Mr. WAGNER]. I transfer that pair to the Senator from Maine [Mr. BREWSTER] and will vote. I vote "nay."

Mr. WHITE. I announce that the Senator from Minnesota [Mr. THYE], who is necessarily absent, is paired with the Senator from Illinois [Mr. LUCAS]. The Senator from Minnesota, if present and voting, would vote "nay," and the Senator from Illinois, if present and voting, would vote "yea."

The Senator from Maine [Mr. BREWSTER], who is necessarily absent, is paired with the Senator from New York [Mr. WAGNER]. The Senator from Maine, if present and voting, would vote "nay," and the Senator from New York, if present and voting, would vote "yea."

The Senator from Nebraska [Mr. WHERRY] is absent by leave of the Senate.

The Senator from North Dakota [Mr. YOUNG] is unavoidably detained and is paired with the Senator from Florida [Mr. PEPPER]. The Senator from North Dakota, if present and voting, would vote "nay," and the Senator from Florida, if present and voting, would vote "yea."

The Senator from New Jersey [Mr. SMITH] is detained on official committee business. If present and voting, he would vote "nay."

Mr. HILL. I announce that the Senator from Georgia [Mr. GEORGE] and the Senator from Illinois [Mr. LUCAS] are absent by leave of the Senate.

The Senator from Florida [Mr. PEPPER] and the Senator from Tennessee [Mr. STEWART] are absent on public business.

The Senator from New York [Mr. WAGNER] is necessarily absent.

The Senator from Illinois [Mr. LUCAS] is paired with the Senator from Minnesota [Mr. THYE]. If present and voting, the Senator from Illinois would vote "yea," and the Senator from Minnesota would vote "nay."

The Senator from Florida [Mr. PEPPER] is paired with the Senator from North Dakota [Mr. YOUNG]. If present and voting, the Senator from Florida would vote "yea," and the Senator from North Dakota would vote "nay."

The Senator from New York [Mr. WAGNER] has a general pair with the Senator from Kansas [Mr. REED]. The transfer of that pair to the Senator from Maine [Mr. BREWSTER] has been previously announced by the Senator from Kansas. If present and voting, the Senator from New York would vote "yea," and the Senator from Maine would vote "nay."

The result was announced—yeas 42, nays 44, as follows:

YEAS—42

Barkley	Johnson, Colo	Myers
Byrd	Johnston, S. C	O'Conor
Chavez	Kilgore	O'Daniel
Connally	Langer	O'Mahoney
Downey	McCarran	Overton
Eastland	McClellan	Robertson, Va.
Ellender	McFarland	Russell
Fulbright	McGrath	Sparkman
Green	McKellar	Stennis
Hatch	McMahon	Taylor
Hayden	Magnuson	Thomas, Okla.
Hill	Maybank	Thomas, Utah
Hoey	Morse	Tydings
Holland	Murray	Umstead

NAYS—44

Aiken	Dworshak	Millikin
Baldwin	Ecton	Moore
Ball	Ferguson	Reed
Bricker	Flanders	Revercomb
Bridges	Gurney	Robertson, Wyo.
Brooks	Hawkes	Saltonstall
Buck	Hickenlooper	Taft
Bushfield	Ives	Tobey
Butler	Jenner	Vandenberg
Cain	Kem	Watkins
Capehart	Knowland	White
Capper	Lodge	Wiley
Cooper	McCarthy	Williams
Cordon	Malone	Wilson
Donnell	Martin	

NOT VOTING—10

Brewster	Smith	Wherry
George	Stewart	Young
Lucas	Thye	
Pepper	Wagner	

So Mr. BARKLEY's motion to strike out section 2, as amended, was rejected.

Mr. FERGUSON. Mr. President, I move the reconsideration of the vote just taken.

Mr. TAFT. Mr. President, I move that the motion of the Senator from Michigan be laid on the table.

The motion to reconsider was laid on the table.

Mr. BARKLEY. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Kentucky will be stated.

The CHIEF CLERK. At the proper place in the joint resolution it is proposed to insert the following:

Notwithstanding any other provision of law, in order to alleviate and prevent shortages in foods, agricultural commodities, and products thereof, Commodity Credit Corporation is authorized to carry out projects to stimulate and increase the production of

foods, agricultural commodities, and products thereof, in non-European foreign countries. Such projects may include procurement, the making of advances and price guaranties, the furnishing of technical information and assistance, the furnishing of seed, fertilizer, machinery, equipment and other materials, and such other actions as are necessary or incident to the carrying out of such projects: *Provided*, That any such program is first submitted to Congress by the Secretary of Agriculture, and is not disapproved by concurrent resolution of Congress within 60 days thereafter.

Mr. BARKLEY. Mr. President, with the modification which has been inserted after consultation with the Senator from Ohio [Mr. TAFT], and which incorporates the proviso with respect to submitting any such program to Congress to be acted upon within 60 days, this is the joint resolution which I introduced a few days ago, providing that the Commodity Credit Corporation might promote the production of food and feeds in non-European foreign countries in order to avoid the food shortages which are so bedeviling the world today.

Mr. TAFT. Mr. President, this authorization relates to point No. 6 of the President's program. It was not included in the joint resolution only because in our opinion this program can already be undertaken. It was undertaken in the case of the Philippine Islands. Under the general program agreed to with the House, the necessary funds were to be included in the appropriation bill. This authorization was considered to be unnecessary. However, if there is any doubt about it, I am perfectly willing to have such authorization go into the pending joint resolution.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Kentucky [Mr. BARKLEY].

The amendment was agreed to.

Mr. BARKLEY. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Kentucky will be stated.

The CHIEF CLERK. At the proper place in the joint resolution it is proposed to insert the following:

(a) In order to alleviate shortages in foods and feeds, and to assist in stabilizing prices, the President shall carry out a program for the conservation of food and feed. In carrying out such program, the President is authorized, through the dissemination of information, educational and other campaigns, the furnishing of assistance, and such other measures as he deems necessary or appropriate, to encourage and promote the efficient utilization, care, and preservation of food and feed, the elimination of practices which waste food and feed, the control and eradication of insects and rodents, the consumption of less of these foods and feeds which are in short supply and more of those foods and feeds which are in abundant supply, and other conservation practices. The authority herein conferred may be exercised by the President through such departments, agencies, independent establishments, and officials of the Federal Government and such State, local, and private agencies as he may determine.

(b) There is hereby authorized to be appropriated to the President such sums as may be necessary to carry out this section. To enable the President to carry out this section for the remainder of the fiscal year ending June 30, 1948, there is hereby made available not to exceed $1,000,000 from any funds made available by the Congress for carrying out Public Law 84, Eightieth Congress, or from any funds made available by the Congress for interim foreign aid. Funds made available for the purpose of this section may be used for necessary administrative expenses, including personal services in the District of Columbia and elsewhere, purchase or hire of motor vehicles, temporary or intermittent services of experts or consultants or organizations thereof, including stenographic reporting services, by contract, without regard to the civil-service and classification laws (the compensation of any such individual not to exceed $50 per day). Funds made available for the purposes of this section may be allotted for any of the purposes of this section to any department, agency, or independent establishment of the Government, or transferred to any other agency requested to assist in carrying out this section. Funds allotted to any department, agency, or independent establishment of the Government shall be available for obligation and expenditure in accordance with the laws governing obligations and expenditures of the department, agency, or independent establishment, or organizational unit thereof concerned, and without regard to sections 3709 and 3648 of the Revised Statutes, as amended (U. S. C., title 41, sec. 5, and title 31, sec. 529).

Mr. BARKLEY. Mr. President, this is an authorization for a general food-conservation program to be inaugurated by the President. I think we all agree that such a program is desirable in order that we may coordinate all the efforts of our people and the Government to prevent the wastage of food and promote the conservation of food and feeds.

The amendment authorizes an appropriation which hereafter shall be determined by Congress in carrying out the provisions of the amendment, except that for the remainder of this fiscal year not to exceed $1,000,000 shall be allocated from the funds made available under Public Law 84, which is the post-UNRRA relief bill which we passed at the last session of Congress.

I hope the Senator from Ohio and the Senate will accept this amendment as a step in the direction of trying to concentrate all our efforts in the saving of food and the prevention of waste, either of food or feeds, or other materials necessary in the crisis in which we find ourselves.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. KNOWLAND. Does the amendment which the Senator from Kentucky has offered in any way, directly or indirectly, give the President power to ration under this conservation policy?

Mr. BARKLEY. I cannot conceive of any such interpretation. It is certainly not my intention to include language which would do that. I do not think it does.

Mr. TAFT. Mr. President, this question was not included because of our feeling that the President already had authority to do what is provided by the amendment. In fact, he has been doing it. The Department of Agriculture has been doing exactly this, without any express authorization.

Senators will find in the current appropriation bill, which is now being considered by the committee, and which will be before us tomorrow, a provision that the Secretary of Agriculture is authorized to utilize not to exceed $2,750,000,000 for various things, including any programs approved by the President under existing laws to encourage conservation practices. I suggest that if we include in the joint resolution a provision appropriating $1,000,000, perhaps the Appropriations Committee should reduce the amount in the appropriation bill. I think the suggested authorization is probably desirable, although I think perhaps we might omit the second paragraph and let the appropriation bill go through as it is, to take care of the money.

Mr. BARKLEY. Mr. President, while it is true that the President did carry on a conservation program in recent months under the direction of Mr. Luckman, a program with which we are all familiar, that program was carried on, in a sense, without specific authorization of law. This amendment contemplates a program more in the nature of a permanent program—at least for a longer period of time.

Mr. TAFT. I entirely agree with the first section, but I wondered whether the second section was not a duplication of what the Appropriations Committee is doing.

Mr. BARKLEY. The appropriation bill has not yet come to the Senate. I do not know what it will contain when it comes here. If this amendment should be agreed to, I should be perfectly willing to eliminate that much of the appropriation when it reaches the Senate. However, I dislike to eliminate it now, and run the chance of its not being in the appropriation bill when it reaches the Senate for consideration.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. KNOWLAND. Would the Senator from Kentucky have any objection to inserting in line 9, before the word "measures," the word "voluntary"? The wording appears to me to be a little broad.

Mr. BARKLEY. Mr. President, I have been talking all day and part of yesterday against the voluntary theory of legislation in regard to price controls and things of that sort. I do not think the amendment would carry the implication that the President might impose any restrictions as a result of this program, because the law does not authorize him specifically to do so.

Mr. KNOWLAND. Let me say to the able Senator from Kentucky that one of the great problems we encounter in foreign affairs is the nature of some of the fuzzy agreements which we have to consider. One of the troubles we encounter in legislating is having the legislation which is enacted subject to interpretation both ways. I understand the Senator to say that in his judgment this amendment would not confer the power of rationing. Nevertheless, I can see no harm in adding at that point the word "voluntary," because if the Senator cares to construe it so that the President, by other than voluntary means, may do thus and so, it looks as though his amend-

ment is wide enough to give someone the chance to interpret it that way. It reads as follows:

In carrying out such a program the President is authorized through the dissemination of information, educational, and other campaigns, the furnishing of assistance, and such other measures as he deems necessary or appropriate.

I say that is as wide as a barn door.

Mr. BARKLEY. Would the Senator agree that instead of the word "voluntary" the words "cooperative measures" be used?

Mr. KNOWLAND. Why not use the words "voluntary cooperative measures"?

Mr. BARKLEY. That would be tautology.

Mr. KNOWLAND. I would feel a little better with that language in the measure, because we have had considerable experience.

Mr. BARKLEY. I will agree to insert the words "other voluntary and cooperative measures."

Mr. KNOWLAND. Mr. President, I offer that as an amendment.

The PRESIDENT pro tempore. Without objection, the amendment to the amendment is agreed to.

The question is now on agreeing to the amendment as amended.

The amendment as amended was agreed to.

The PRESIDENT pro tempore. The joint resolution is open to further amendment.

Mr. BARKLEY. I have no further amendment to offer. I have no desire to delay a vote on the passage of the resolution.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield to the Senator from Vermont.

Mr. FLANDERS. Mr. President, the Senator from Connecticut [Mr. BALDWIN] and I offer an amendment to Senate Joint Resolution 167, which I desire to read.

On page 4, between lines 21 and 22, it is proposed to insert a new section as follows:

CRITICAL SHORTAGES—RECOMMENDATIONS BY THE PRESIDENT

SEC. 6 (a). Whenever the President shall determine that there is or threatens to be a critical shortage of any raw material, commodity, or product which jeopardizes the health or safety of the people of the United States or its national security or welfare and that there is no prospect that such critical shortage may soon be remedied by an increase in the available supply without additional governmental action, and that the situation cannot be solved by voluntary agreements under the provisions of this joint resolution for conserving such raw material, commodity, or product, he shall submit to the Congress in the following form:

(1) A statement of the circumstances which, in the President's judgment, require the proposed conservation measures.

(2) A detailed procedure for the administration of the proposed measures, including an additional budget and additional personnel required for their enforcement.

(3) The proposed degree of curtailment in current and prospective use of each such raw material, commodity, or product by each processor and/or user thereof, including all specific formulae proposed for such curtailment with respect to each class or classes of processors or users, and the criteria used in the establishment of such formulae.

(4) A complete record of the factual evidence upon which his recommendations are based, including all information provided by any agency of the Federal Government which may have been made available to him in the course of his consideration of the matter.

(b) Within 15 days after the submission of such proposed conservation measures, the Joint Committee on the Economic Report shall conduct public hearings thereon and shall make such recommendations to the Congress for legislative action as in its judgment the recommendations of the President and any additional information disclosed at the public hearings may require.

On page 4, line 23, it is proposed to strike out "SEC. 6," and insert in lieu thereof "SEC. 7."

I can state the purpose of the amendment in a very few words. It is to place in the joint resolution definite provision for the initiative of the President in acting in these matters and to provide a procedure which will assure prompt action.

Mr. President, I move the adoption of the amendment.

Mr. BARKLEY. There are no copies of the Senator's amendment available, and it has been difficult to follow it while the Senator read it, due to interruption, lack of order, and for other reasons. I wonder if the Senator could give the Senate a word of explanation of what it attempts to do.

Mr. FLANDERS. Yes. In a word, or in 15 or 20 or 40 words, it attempts to do this——

Mr. BARKLEY. The Senator had better make it 100 words.

Mr. FLANDERS. It gives the initiative to the President in the field of this particular legislation whenever voluntary methods are not adequate to meet an existing critical situation. It requires that the President shall prepare legislation, shall document the case with full information as to the data which he took into consideration in recommending the legislation, and that thereupon, on receipt of it by the Congress, it shall be turned over to the Joint Committee on the Economic Report, and that the Joint Committee on the Economic Report shall within 15 days hold hearings on the subject, and thereafter report to the two Houses of Congress recommended action based on the President's recommendations and on any additional information which may have been gained in the hearings.

Mr. BARKLEY. May I ask the Senator this question? The Joint Committee on the Economic Report is not a legislative committee. Bills cannot be referred to it. It may hold investigations and make reports, but it cannot consider bills. Is it the Senator's idea that we are hereby directing the President, when he finds that the voluntary system which has been voted for here on a number of roll calls is not working with respect to any particular commodity in a particular section, having in mind, no doubt, fuel in New England, he shall prepare legislation and submit it to the Congress? Is it a mandatory command that he shall prepare a bill and send it here and that the Joint Committee on the Economic Report shall hold hearings and report to the two Houses, before a bill can be introduced, and referred to the appropriate committee to take action on it? Is that what the Senator has in mind?

Mr. FLANDERS. The wording is not quite what might have been gathered from my freehand explanation. The wording is.

He shall prepare proposed measures.

That does not necessarily put it in the form of a bill. I think the Senator would be correct in saying that bills cannot be referred to the Joint Committee on the Economic Report.

Mr. BARKLEY. In other words, the Senator makes the President of the United States a member of the legislative drafting service of the Congress, to prepare bills and send them here for our consideration. The amendment would command the President to do what we have been seeking to authorize him to do during the consideration of this joint resolution, namely, that when he finds the voluntary system is a failure, to take such steps as may be necessary to bring about a compulsory regulation or order which will do the very thing the Senator has in mind. But the Senator proposes a long delay by requiring that when the President finds a failure of the voluntary system he shall prepare legislation and send it here and it shall then be referred to the Joint Committee on the Economic Report, which committee shall hold hearings. By the time winter is over and there is no longer any need for the relief which the Senator no doubt has in mind, Congress might get around to giving the President authority to impose regulations.

Mr. FLANDERS. I will say to the distinguished Senator from Kentucky that the intention of this amendment to the joint resolution is to speed action and not to delay action. From my slight experience in this body I am assured that the winter of discontent, or two winters of discontent, may easily pass by on any proposals of the President, and that the short interim of 2 weeks before hearings is a desirable improvement on what may otherwise happen to any recommendations of the President.

Mr. BARKLEY. I may say to the Senator, with the greatest respect and admiration, because I entertain for him the highest personal admiration and respect, that he could have accomplished the purpose he now has in mind more rapidly and certainly by voting for the amendment I offered earlier today.

Mr. BALDWIN. Mr. President, I rise to support the amendment which has been offered by the Senator from Vermont [Mr. FLANDERS], and I join with him in offering it. It seems to me that what we have already voted for provides a method of working out voluntary allocations. But if voluntary allocations fail, then there will be no available method other than to have the President send to Congress a general recommendation, such as was contained in his message at the beginning of this session.

The purpose of this measure, Mr. President, is to carry out and put into legislative form the spirit which the President himself expressed in his message to the Congress at the beginning of this session. He spoke of rationing and price ceilings, and then he said:

> This does not mean that price ceilings should be imposed on all items within the classes I have mentioned.
>
> To wit, food and fuel and clothing and housing.
>
> For example, price ceilings would not be necessary for staple food and clothing items not in short supply or for any delicacies or luxuries. The same principle of selective treatment would apply to industrial items. This selective treatment of a relatively few danger spots is very different from over-all wartime price controls.

Mr. President, the amendment proposed by the distinguished Senator from Kentucky was a proposal for over-all wartime price controls. It ran the gamut of the whole field of the American economy.

The distinguished Senator from Vermont and myself are trying to take the President at his own suggestion and provide the legislative machinery necessary to enable him to do what he said in that message he thought was a desirable thing to do, to wit, impose rationing and price controls on selected items.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BALDWIN. I yield.

Mr. BARKLEY. I do not wish the Senator from Connecticut inadvertently to make a misstatement, and I am sure he would not intentionally do so. None of the amendments I offered carried provision for any price controls or any authority to fix prices. They did carry authority for the President to impose allocations of materials and priorities in the supplying of materials, but nowhere was there any implication that the President was given authority to fix prices.

Mr. BALDWIN. Let me say in response to the Senator's statement that I was somewhat at a loss when the distinguished Senator from Kentucky and the distinguished Senator from Wyoming [Mr. O'MAHONEY] apparently were in disagreement on that very point; and as I read the RECORD, that disagreement, in my humble judgment, has not been resolved, at least not to my satisfaction. I remember that the distinguished Senator from Kentucky did say that this did not permit the interposition of price controls, and I remember that the distinguished Senator from Wyoming differed with him.

Mr. BARKLEY. No, Mr. President; the Senator from Connecticut is mistaken.

Mr. BALDWIN. As a matter of fact, Mr. President, when we get right down to this matter I hold the opinion that in this country some food items will be in such short supply that we must do something further. I am afraid that the matter passes the point of voluntary controls. However, until that time comes I think we should give this voluntary method a fair trial; and in the meantime we should begin to prepare legislation for rationing and possibly for price control. That is our purpose here.

Mr. BARKLEY. Mr. President, if my good friend will allow me, I should like to set him straight again. There was no disagreement between the Senator from Wyoming [Mr. O'MAHONEY] and me in regard to the question of price fixing in connection with the amendments I offered. During my attempt to explain one of the amendments, the Senator from Massachusetts [Mr. LODGE] asked me whether I interpreted the amendment as meaning that the President would be allowed to ration goods. I replied by stating that the word "allocation" might be interpreted as "rationing," but that nowhere in the amendment was there any authority to fix prices.

Later on, the Senator from Wyoming, in his own time stated that he agreed with me in regard to the question of price-fixing, but that in his judgment the amendment might allow the rationing of commodities, which was another way of defining the word "allocation."

I stand by that, and there is no fundamental difference between the Senator from Wyoming and me on either of these two propositions.

Mr. BALDWIN. Mr. President, I dislike to find myself at variance with the distinguished Senator from Kentucky, except on very fundamental issues of party policy.

Mr. BARKLEY. Of course, Mr. President, I did not know that yesterday the colloquy between the Senator from Massachusetts and myself or the colloquy between the Senator from Wyoming and myself involved any fundamental question of party policy. I thought it was a matter of interpretation of an amendment which I had offered, and which I did not consider to have any political flavor to it.

Mr. BALDWIN. Mr. President, in the RECORD I find the remarks made yesterday by the distinguished Senator from Kentucky to be as follows:

> Mr. LODGE. Would the Senator say that his amendment would authorize the rationing of meat, for example?
>
> Mr. BARKLEY. I do not think so.

Mr. BARKLEY. Mr. President, if the Senator is to get the real statement, he must read the entire colloquy, in which I stated that the word "allocation" might be interpreted in the sense of rationing, but that it was ordinarily referred to or thought of in a higher bracket than the retail rationing of foods, although it might be so interpreted.

Mr. BALDWIN. Mr. President, I think we are arguing about something that is not of great concern to us here.

Mr. HAWKES. Mr. President, will the Senator from Connecticut yield to me, because I think what we are talking about is of great concern.

Mr. BALDWIN. I yield.

Mr. HAWKES. I think the Senator from Connecticut has confused the remarks of the Senator from Wyoming and the remarks of the Senator from Kentucky with the statement I made yesterday on the floor of the Senate. I said, "Why not call things by their right names?" I said that if anyone in this Chamber thinks we can give the President of the United States the power to ration, control, allocate, and control inventories, and so forth, and that there is no price control in all that, then his experience in the United States of America has been different from mine.

Mr. President, if I am given that power, I say to you and to the Senator from Connecticut, as I said yesterday, I will show you price control.

So I think the Senator from Connecticut it talking about something very important in his amendment and I am very deeply interested in it, because it does not go to absolute arbitrary price control.

Mr. BALDWIN. Mr. President, pursuing that point further——

Mr. O'MAHONEY. Mr. President, will the Senator yield to me?

Mr. BALDWIN. I shall yield in a moment.

Mr. O'MAHONEY. The Senator from Connecticut has quoted me incorrectly. I ask him to yield to me now.

The PRESIDENT pro tempore. The Senator from Connecticut has the floor. Does he yield?

Mr. BALDWIN. I do not yield at this time. I wish to say something further before I yield.

Mr. O'MAHONEY. Mr. President, I rise to a point of personal privilege.

Mr. BALDWIN. Mr. President, have I the floor?

The PRESIDENT pro tempore. The Senator from Connecticut has the floor.

Mr. O'MAHONEY. I rise to a point of personal privilege.

The PRESIDENT pro tempore. The Chair must say that the Senator cannot obtain the floor in that fashion. The Senator from Connecticut has the floor.

Mr. BALDWIN. Mr. President, I shall be very glad to yield to the distinguished Senator from Wyoming just as soon as I have read his remarks in yesterday's CONGRESSIONAL RECORD:

> Mr. LODGE. Does the Senator from Wyoming feel that the amendment offered by the Senator from Kentucky would authorize the President to put price control into effect?
>
> Mr. O'MAHONEY. I think it would not authorize price control; I think it would authorize rationing.

Mr. President, the point I made in the first part of my remarks was that there seemed to be some differences of opinion—and I take them to be honest differences of opinion—as to just how far the power and authority purported to be granted in the amendment offered by the Senator from Kentucky would eventually go. My good friends on the other side of the aisle were apparently in some disagreement and some misunderstanding about it.

Now I am glad to yield to the Senator from Wyoming.

Mr. O'MAHONEY. I thank the Senator. The misunderstanding and the confusion, I may say to the Senator, are altogether on his side of the Chamber, as I shall now demonstrate by reading the RECORD. I read from page 11518, in the next to the last paragraph of the first column, the last two sentences of

the question propounded to the Senator from Kentucky by the Senator from Massachusetts [Mr. LODGE]. These are the words of the Senator from Massachusetts:

So I ask the Senator—

Meaning the Senator from Kentucky—

simply as a matter of information, whether his amendment actually does not authorize price control. Perhaps we should have it, but we should know what we are doing.

Mr BARKLEY. I do not think so.

If the Senator will now turn to page 11519, at the middle of the second column on the page, when the Senator from Massachusetts interrogated the Senator from Wyoming, he will find that the Senator from Massachusetts asked me:

Is the Senator in favor of rationing meat?

Mr. O'MAHONEY. The Senator is, if conditions arise which make it seem that unless we ration meat the people in the lower-income brackets will be unable to obtain it. Certainly, I know that the time is coming when a substantial portion of the people of Massachusetts will be begging for meat and for milk unless the Congress undertake now to do something about it.

And the Senator from Massachusetts responded:

I heartily agree with the Senator from Wyoming in that respect, and I am myself very strongly inclined to the rationing of meat. That is why I am trying to find out what the amendment means. The Senator from Wyoming says it does mean rationing, and the Senator from Kentucky says it does not.

Whereupon I stated:

I think the Senator from Massachusetts mistakes the statement of the Senator from Kentucky.

Mr. BARKLEY. The Senator from Kentucky did not say that. He said that insofar as allocations may be considered as rationing, it would authorize it. Ordinarily allocation is regarded as on a higher level than is rationing.

I submit to the Senator that the record makes it clear that two matters were discussed—price control and rationing. The Senator from Massachusetts asked the Senator from Kentucky if his amendment provided price control. The Senator from Kentucky said it did not. The Senator from Massachusetts asked me if the amendment provided for rationing. I said it did, and the Senator from Kentucky agreed that it did. Now the Senator from Connecticut is telling the Senate that the Senator from Kentucky was calling for price control in the amendment which he offered yesterday, and that is simply not the fact.

Mr. LODGE. Mr. President, will the Senator from Connecticut yield?

Mr. BALDWIN. I yield.

Mr. LODGE. The conflict does not occur on the words "price control." The conflict is on the question of rationing.

Mr. O'MAHONEY. Oh, no; the conflict arises on the matter of price control.

Mr. LODGE. I shall be very brief, and I should like to conclude my statement. The Senator from Wyoming, in response to my question, said the amendment authorized rationing. The Senator from Kentucky [Mr. BARKLEY] said it did not, and I quote these two sentences the Senator from Wyoming omitted:

Mr. LODGE. Would the Senator from Kentucky say that his amendment would authorize the rationing of meat, for example?

Mr. BARKLEY. I do not think so.

Therefore, the statement is correct that the Senator from Wyoming and the Senator from Kentucky are at complete loggerheads on the question of whether the amendment authorized rationing or whether it did not. It is proven in the RECORD incontrovertibly.

Mr. BARKLEY. I am very happy that the Republican majority has at last found an issue which will be no doubt major in the next Presidential campaign, as to whether the Senator from Wyoming and I agreed on the question of allocations.

Mr. LODGE. This is not a political question. It is a very serious matter in the section of the country where I live. I was not looking at it politically. I was asking questions in order to ascertain whether there was some hope in the amendment for the consuming public.

Mr. O'MAHONEY. Mr. President, will the Senator from Connecticut yield?

Mr. BALDWIN. I said at the beginning of my remarks that I was confused as to what the meaning of the amendment offered by the distinguished Senator from Kentucky was, and I submit that I am still confused, and there seem to be other Senators who share my confusion.

Mr. O'MAHONEY. Will the Senator yield?

Mr. BALDWIN. I yield.

Mr. O'MAHONEY. The confusion arises only from the fact that the Senator from Connecticut said within the last few minutes that the Senator from Kentucky had offered an amendment for price control. He did not say that the Senator from Kentucky had offered an amendment on rationing. His charge was that the amendment of the Senator from Kentucky was one which would restore wartime price controls. That is not the fact, as the reading of the amendment itself will demonstrate, and as the reading of the debate will demonstrate.

It makes no difference that the Senator from Massachusetts [Mr. LODGE] wishes to talk about rationing instead of price control. The fact is that the amendment which was voted down by the Republican majority yesterday, with the assistance of the Senator from Connecticut and the Senator from Vermont, did not provide for over-all price control.

Mr. BALDWIN. Then it did provide for over-all rationing.

Mr. O'MAHONEY. It provided authority for rationing, in my judgment.

Mr. BALDWIN. The amendment which we have now offered makes it possible for the President of the United States to lay specifically before the Congress his request and his recommendations that rationing be applied to a particular commodity, or to a series of commodities, which might be in short supply. It makes it possible for him to state a case and to lay out a program dealing with those commodities. Then it requires a committee of the Congress to hold hearings and take action by way of recommendation to the entire Congress within a period of 2 weeks.

It seems to me that is an efficacious way of dealing with what the President himself in his message said he wanted to deal with, that is, the selective rationing of some items or the selective price control of some items in short supply.

Our purpose in presenting the amendment is to add something to the joint resolution other than voluntary allocations. We believe in voluntary allocations, we believe that Government and business in this country can get together in a fair and square way and work these matters out.

Furthermore, we believe that that is a thing which can be done with the most speed. The President himself said that if we were to undertake a comprehensive system of rationing and price controls it would take months to work out the details. We cannot wait months; we must act now, provide the legislation now, and proceed by the voluntary method, which can be done immediately, as witness what has already been done by a committee of the Congress in dealing with the shortage of oil.

The amendment adds something to the measure which will make it possible for the President to pick out a specific item or a series of items and lay his specific recommendations before the Congress. In my opinion, Mr. President, the amendment adds great strength and effectiveness to the joint resolution and should be agreed to.

Mr. FLANDERS. Mr. President, the senior Senator from Kentucky [Mr. BARKLEY] has called my attention to one particular in which I shall be glad to change the amendment. He referred to the mandatory terms of the amendment, where it states that the President "shall prepare proposed measures." We shall be glad to change that to read "he may prepare proposed measures."

Mr. BARKLEY. Of course, that would improve the language, but it would still only carry out the Constitutional duty of the President with respect to recommending legislation to the Congress. I think the word "may" is preferable to the word "shall."

Now, just one further word. I think it was Hancock who said that the tariff is a local issue. It seems that allocations and compulsory allocations and mandatory regulations of the President also present a local issue, depending on the geographical section which needs them. The amendment which is now offered is in harmony with the whole theory of the amendments I offered yesterday, providing that the President should have the power to impose regulations and restrictions and allocations and priorities in respect to articles generally. The Senators from Connecticut, Vermont, and Massachusetts voted against that general authority, but now they are very enthusiastic not only about giving him the power but requiring him to exercise jurisdiction, as proposed in the legislation which was introduced authorizing him to do the very same thing. I shall

not belabor the point. I am anxious that the Senate dispose of the joint resolution one way or the other, and I submit the matter so far as I am concerned with these observations.

I wish only to add one statement which I overlooked, and I should like to have the attention of the Senator from Massachusetts. The word "allocation" in the amendment I offered yesterday was no different in its meaning or its interpretation from the word "allocation" as used in the joint resolution which has been reported by the committee. It is the same kind of allocation and the priorities are the same as contemplated in the so-called voluntary agreements, the difference being that the President could impose allocations and priorities upon the country or industry if he found it necessary to do so, in the absence of success in the voluntary scheme, so that whatever interpretation can be placed upon the word "allocation" in the bill as it now is would be applicable to the amendment which I offered, with the interpretation——

Mr. TAFT. Mr. President, I merely wish to say that the Senator——

Mr. BARKLEY. I had the tail end of the last sentence, there, that I wanted to add.

Mr. TAFT. Excuse me.

Mr. LODGE. I should like to hear the tail end of the Senator's last sentence.

Mr. BARKLEY. If the joint resolution may now be interpreted as giving the President authority to approve rationing, under the name of "allocation," then it would be possible to interpret the amendment I offered yesterday in the same sense.

Mr. LODGE. Does the Senator think the pending amendment could reach to the rationing of meat and similar scarce necessities of life?

Mr. BARKLEY. I am not so sure that the amendment offered by the Senator from Connecticut refers to meat. I do not have a copy of it, and it has been a little difficult, in my memory of its wording, to know exactly what it means. I do not know whether it has meat in mind, or fuel, but I assume all he is attempting to do is to provide that the President shall recommend legislation that would give him authority to do that.

Mr. TAFT. Mr. President, the Senator from Vermont showed me the amendment some time ago. I have no objection to it. It seems to me to be in accord with the entirely voluntary character of the bill, in this field. As I understand, it simply authorizes the President, if he has some particular matter that he thinks necessitates control, to submit a detailed program regarding that particular control, accompanying it with information as to the amount of money it may cost and the general character of the control, so the Congress may determine whether it will grant the specific control.

I stated before that if such a problem should arise, I think Congress should then consider the granting of compulsory controls; but it ought to be limited to the particular field. It seems to me this carries out the general philosophy which I have heretofore expressed.

Mr. O'MAHONEY. Mr. President, I shall support the amendment of my good friends from Connecticut and Vermont, but I hold the amendment in my hand, and I cannot refrain from making one or two brief and I think kindly comments with respect to it. I read, "Whenever the President shall decide that there is, or threatens to be, a critical shortage." The Senator from Vermont and the Senator from Connecticut have been traveling over the length and breadth of a substantial portion of the country since the recess or adjournment of the first session of the Eightieth Congress, and I judge from the report filed with the joint committee, by the very able and very amiable Senator from Vermont, that his committee was unanimous in its belief that there is now a critical shortage. The evidence before the Small Business Committee makes it clear that there is a critical shortage of steel and a critical shortage of oil, even fuel oil to heat the homes of New England. It is now here, and the Senator from Connecticut, just a few moments ago said "We cannot afford to wait months, we ought to act now." The opportunity was given to him to act now, just a moment ago, when the motion by the Senator from Kentucky was before the Senate for action.

Mr. BALDWIN. Mr. President, will the Senator yield at that point?

Mr. O'MAHONEY. I am glad to yield.

Mr. BALDWIN. I want to make it perfectly plain that when I said we must act now, I said also that the voluntary method was the one that would get the speediest action, and that methods of rationing and price control on the President's own word would take months to put into effect. That is the point I tried to make. I thank the Senator for this opportunity of stating it again.

Mr. O'MAHONEY. I thank the Senator, but the records before the Senator show that various committees, particularly the Small Business Committee, have been endeavoring to secure some kind of voluntary action, and they have been unsuccessful. The Department of Commerce has been endeavoring to secure voluntary action, but they have not been successful. Let me read, however, the next part of the sentence. I stopped with the words "critical shortage." It continues, "of any raw material, commodity, or product which jeopardizes the health and safety of the people of the United States." For what raw material, what commodity, what product does the author of the amendment ask the President to provide a plan? What raw material, commodity, or product jeopardizes the health or safety of the people? Or does the Senator mean critical shortage? If he means that critical shortages jeopardize the health and safety of the people, let me say to the Senator that critical shortages exist now, the lack of housing because of the lack of steel, the lack of many of the other commodities, are at this moment creating conditions which jeopardize the health and security of the people of the United States. The Senator's amendment merely postpones action that ought to be taken now.

The PRESIDENT pro tempore. The question is on agreeing to the amendment submitted by the Senator from Vermont [Mr. FLANDERS] for himself and the Senator from Connecticut [Mr. BALDWIN].

Mr. MORSE. Mr. President, I wish to make just a comment or two in opposition to the amendment. I think the Senator from Vermont and the Senator from Connecticut have greatly improved the amendment by the substitution of the word "may" for the word "shall", but I do not think they have in any way changed the fact that the real objective of the amendment is to pass the responsibility for legislative proposals for the control of inflation from the Congress where it belongs to the President where it does not belong. This certainly is not a desirable legislative precedent for the Senate of the United States to set. I venture the suggestion that one will look in vain for very many precedents, if any, that will support this legislative proposal, whereby the Congress of the United States attempts to give instructions to the President of the United States to draft legislation if and when Congress fails to check inflation by so-called voluntary methods. I do not care whether such a suggestion is made to a Democratic President or a Republican President, I still say it is unsound legislative procedure. I think that, after all, we ought to keep distinctly separate the respective functions and duties of the three branches of government.

Mr. TAFT. Will the Senator yield?

Mr. MORSE. I am very glad to yield.

Mr. TAFT. Did I understand the Senator to modify the amendment by substituting the word "may" for the word "shall"?

Mr. FLANDERS. I did.

Mr. TAFT. I agree with the Senator from Oregon that we cannot order the President to do this or that.

Mr. MORSE. I thank the Senator from Ohio. I think the proponents of this amendment have improved the amendment by making the change of "shall" to "may" but I do not think that in fact it really changes the ultimate objective or purpose of the amendment. I want to speak to that objective. First, I want to say that I think we need to be very careful in our legislative proposals that we do not justify the criticism so commonly heard that we are playing partisan politics with inflation. The fact that there is one party in control of the White House and another party in control of the Congress should cause us to be very careful in seeing to it that we in no way jeopardize the separation of powers vested in the three branches of our constitutional Government. The doctrine of separation of powers is fundamental to our system of government by checks and balances. I think, even with the word "shall" changed to the word "may," the amendment has the effect of infringing upon the prerogatives of the President. At least I sense in it an attempt to pass a responsibility for proposing anti-inflation legislation to the White House that I think is the primary responsibility of the Congress and not of the White House in the first instance.

The American people at this hour are confronted with a great inflation in prices, which is working tremendous

cruelties and hardships upon them. I think they are entitled to look to their elected representatives in the Congress for action in resolving that crisis. They are entitled to legislation with some teeth in it that can be used against the profiteers of the country.

It was not so many minutes ago that I believe I cast the only vote on this side of the aisle for the first amendment offered by the distinguished Senator from Kentucky [Mr. BARKLEY], I certainly offer no apologies for that vote, because I think, Mr. President, that in our system of representative self-government we certainly can trust the elected representatives of the people, including a President of an opposition party, to carry out, within the framework of our form of government, those policies which need to be carried out to protect the people from the ravages of this inflation.

As a Republican I think it is a great mistake, when everyone knows that action, and immediate action, needs to be taken to check this inflation, to spend precious weeks, because that is what it will add up to, in a so-called voluntary approach to the problem, when even before we get through voting on the program here today there is expressed on the floor of the Senate by the proponents of the pending amendment the fear that in all probability the voluntary approach will not work, at least, in some respects. So, they say, in effect, if that time comes, then they want to have some such amendment as the pending one available which will then place the responsibility on the President of the United States at that time to take action. I say, Mr. President, it is the responsibility of the Congress of the United States to take action now, not 90 days from now. It is the responsibility of Congress to act in the interest of all the people and not try to pass the political buck to the President of the United States.

I think that in the matter of the allocation of basic materials, in the matter of placing reasonable limits on the distribution of basic materials in short supply, we, the elected representatives of the people under our system of self-government, ought to assume responsibility by enacting such legislation as will insure immediate action on the part of the Government in checking inflation. I think the proposal of the Senator from Kentucky [Mr. BARKLEY] will come nearer to doing that than the proposals of the pending bill and amendment.

Why fool ourselves, Mr. President, as to what is part of the undertow of the controversy which is going on in the Congress of the United States? I may be wrong, and my criticism may be unjust, but I think not. I think there are millions upon millions of American people who are going to agree with me when I say that unfortunately too much of the present debate is characterized by principles of political strategy, because of an oncoming Presidential campaign. The pending bill fails to carry out a clear duty of the Congress to proceed now to take those steps which I think we, as individuals, know we could take to check inflation, if we wanted to get above the level of partisan politics.

I deplore what I believe to be partisan politics in the debate. I deplore the political jockeying which I think has shown itself on this floor. Jockeying to see whether or not the Republicans are going to be left with the ball of responsibility for doing nothing effective about checking inflation or the President is going to be left with the ball. I repeat that it is true that there are fears entertained in the minds of the proponents of the amendment that perhaps the voluntary system we are supposed to be putting into law in the present session may not work. At least I so understand their remarks. We ought to resolve those fears now, Mr. President. We ought to come to grips over whether or not there is any justification for those fears. I think we must agree that there are plenty of grounds for fearing that the pending bill will not check inflation. If that is true then all the pending amendment does is try to take the blame off the shoulders of Congress and place a future responsibility for anti-inflation legislation upon the President. I do not like it.

I do not want to dig up a horse which has been buried earlier this afternoon, but I want to reiterate what I said at an earlier hour this afternoon about setting aside the antitrust laws under so-called voluntary agreements. The great antitrust policy of our Government, much of which came out of the Republican Party, is now going to be waived or set aside by the action the majority took this afternoon if certain powerful industrial interests of the country see fit to enter into a voluntary agreement to set it aside. Oh, yes, the President must approve of the agreement, but there again we seek to pass the buck to the President. All I can say is that I want to express my deep regrets over the program. I think it represents a great mistake on the part of the Republican Party.

Mr. President, I may feel the pulse of America incorrectly, but wherever I go—and I appear on many platforms in this land—I find that the American people think that we as a Senate ought to put a stop to what I believe characterizes most of the debate on the issue before us, namely, strategic moves for political position. We ought to recognize that the American people are entitled to look to us, their elected representatives, to pass some compulsory legislation which is really going to check inflation, by getting after the price structure, by getting after the profit structure, and by getting after, of course, the wage structure also. Why do we not measure up to what I think is expected of us, and, that is, to pass some legislation which in effect freezes prices, freezes wages, and reduces exorbitant profits. We need legislation which will make it perfectly clear to industry that it cannot continue, in the public interest, to make the type of profits that the figures placed in the RECORD day before yesterday by the Senator from Wyoming [Mr. O'MAHONEY] show that the great business combines of the country are making at the present time.

Does any Senator think we are going to change human nature by the adoption of legislation which says, in effect, by way of a slap on the wrist, to industry, "Now, boys, just stop making such great profits. Now you get busy and lower the prices"; and to labor, "Don't start another round of wage-increase demands." If we really think that such legislation is going to work, or if we really think the American people are going to swallow it, I think we have another thought coming.

Of course, I do not believe the pending amendment advances very far the real job we have to do with regard to control of inflation. I am not going to vote for it, because I think it is but an empty gesture.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. KILGORE. I wish to ask the Senator from Oregon a question. First, I wish to say that I agree with him in his theory respecting the subject matter under discussion. Does not the Senator from Oregon think that the proposed voluntary action would represent the second voluntary step which industry has proposed to take? Is it not the recollection of the Senator from Oregon that in the earlier days of the present session of the Congress, when price controls were repealed, the leaders of big industry and other organizations promised to the Congress of the United States and promised the people of the United States a voluntary reduction of prices in a very short time—I think some said within 3 months?

Mr. MORSE. Of course, that is true.

Mr. KILGORE. So the voluntary program now proposed is really the second voluntary step.

Mr. MORSE. I think that is true. I think the CONGRESSIONAL RECORD will show that many of us warned as to what would happen if we followed such a course of action, and I think our warning has proven to be justified by the soaring prices and profits which characterize this inflation. But I may say to my good friend from West Virginia that, although I think we went too far in the releasing of Government controls and checks, on the other hand I think much of the difficulty could have been avoided, and I say this most kindly, if Members on both sides of the aisle could have gotten together in the matter of correcting some of the gross abuses which had developed under price control and other Government controls. The Senator from West Virginia will recall that for months I frequently pleaded on the floor of the Senate that the appropriate Senate committee report out a resolution I had submitted for an investigation of the abuses of OPA. I felt then that, if we could have that resolution brought to the floor and acted upon providing for needed review of OPA orders by local judicial review boards, we would be able to check the arbitrary and capricious action which had come to characterize OPA in many of its functionings throughout the country. I felt then that we could avoid what ultimately came to pass. I must say in all kindness that many Senators on the other sde of the aisle would not even permit an investigation of OPA in those days.

Senators on the other side of the aisle are not free from blame in preventing action on sound proposals that sought to correct abuses that had crept into the

price control program. There was need for checking the abuses which had developed under the price control system of the Government. I think it was the obligation of Senators on both sides of the aisle to clean up that situation, because great injustices were being done to many people in this country in business, as well as to consumers, by arbitrary practices which had developed. Then too, I think we should have taken off controls much more gradually than we did and we should have permitted of the automatic reimposition of needed controls whenever prices went up unjustifiably.

All I am trying to say this afternoon in these remarks is that I do not think we can solve the problem of inflation by adopting controls which go so far that clearly the arbitrary and capricious actions which developed under the old OPA could be reestablished. I do not think we can solve the problem by washing our hands of the whole thing and saying, "We are going to pass it over to industry and ask industry most respectfully to be good boys about the whole inflation problem." Human nature does not work that way. The only thing that those who are guilty of causing inflation understand is checks by a government which moves to take whatever steps are necessary in the interest of all the people of the country.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. CAPEHART. It is not quite clear to me exactly how the Senator would stop the inflation spiral.

Mr. MORSE. I know it is not clear to the Senator, as evidenced by our differences in vote when we did not join on the amendments offered by the Senator from Kentucky. Let me say that in contrast to the program which is being offered on this side, the program offered by the Senator from Kentucky is far superior to ours, in my judgment.

Mr. CAPEHART. Let me ask the Senator a further question. I introduced Senate bill 1873, the Price Moratorium Act of 1947, to freeze prices as of last Saturday night at their high point. This morning the Senate Committee on Banking and Currency, in executive session, voted—I believe unanimously—to hold hearings on the proposed legislation at the earliest possible moment. The committee felt that perhaps it should not report the bill today, in view of the fact that the American people have not been given an opportunity to be heard. Does the Senator feel that the committee took a wise position in saying that the American people should be heard on legislation as far reaching as this?

Mr. MORSE. I hope I am a good enough lawyer not to render a curbstone opinion on a question before I have seen the record. If what the Senator wants to ask me is whether or not I think we ought to proceed without delay to consider the principle of the Senator's proposed legislation, the answer is in the affirmative. I think we shall probably have to go much further than that. Of course, in proceeding we must secure the necessary facts on which to base a judgment as to the merits of his legislation before we vote.

Mr. CAPEHART. Does the Senator feel that I would be justified, in the absence of hearings, in offering this bill as an amendment to the pending measure, in the absence of giving the American people an opportunity to be heard?

Mr. MORSE. If the Senator thinks he has all the data which the Senate would need to vote intelligently on his proposed amendment, I think he would be justified in offering it.

Mr. CAPEHART. I have admired the able Senator from Oregon from time to time as he has risen on the floor of the Senate to object to the Senate voting without due deliberation. I have noticed that he has objected to taking up many things by unanimous consent. I wonder if he now feels that the Senate should vote upon a measure as controversial as the return to OPA, or the freezing of prices, without holding public hearings.

Mr. MORSE. As I say, I would not want to vote until I thought we had been presented, either by the Senator from Indiana or by a committee, with all the data which we should have in order to make possible an intelligent vote. I assure the Senator that I would not wish to give a curbstone opinion on the merits of the Senator's proposal. I do not vote that way.

Mr. CAPEHART. I think it is unfortunate, and has been unfortunate, that there has not been a bill before one of our standing committees for the past 2 or 3 weeks, so that that committee might have held hearings and taken testimony, which could have been before the Senate this very day for some sort of action. I think it is unfortunate that there has been nothing specific upon which we could act. We have been dealing in generalities.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. COOPER. I should like to address myself to the point which the Senator from Indiana [Mr. CAPEHART] has just mentioned, to indicate that hearings have been held upon a part of the program submitted by the President, and further to refer to the statement of the Senator from Oregon upon responsibility for legislation.

Several weeks ago there came before a subcommittee of the Committee on the Judiciary a bill to extend title III of the War Powers Act and the Export Control Act, acts which in their nature permit amendments which could carry into effect the allocation and priority points made in the President's message.

We began hearings, and in the course of the hearings heard representatives from agriculture and commerce. We discontinued hearings because the introduction of the measure which we now have under consideration raised a question as to the jurisdiction of our subcommittee.

I have great admiration for the Senator from Oregon, as he knows. I differ with him with regard to the pending measure because I believe that it is the only measure which can be passed during this special session of Congress. I am also convinced from the evidence which was submitted during the hearings to which I have referred that that is the only program which can become effective immediately as a measure against inflation, while we are considering the adoption of compulsory controls.

I wish to go a little further upon the question of responsibility. Personally, I do not believe that this measure goes far enough. From the evidence which we heard, I hold the present belief that the rationing of meat should be imposed, and also that provision should be established for the rationing of fuel, if critical shortages should develop during the winter.

I do not know the status of the committee upon which I am now serving, but until it is discharged from consideration of this question we propose to resume hearings upon the reconvening of the Congress, to continue hearings, and to make such recommendations to the full committee as we believe are called for by the hearings, in an objective way and without any political bias.

I wanted to make that statement to my great friend, the Senator from Oregon, as an indication that I share with him his belief that it is our responsibility to legislate.

Mr. MORSE. Mr. President, I have almost finished. In reply to the Senator from Kentucky, let me say that I have the utmost respect for his point of view and for the conscientious service which I feel he is performing for the people of Kentucky as a Senator from that State. If I differ with him, if I correctly understand his remarks, it is over the question of responsibility for legislation. I think we have the responsibility of passing legislation, therefore we should propose it. The responsibility is not primarily that of the President.

Mr. BALDWIN. Mr. President, will the Senator yield?

Mr. MORSE. As soon as I finish this thought.

Mr. President, I believe that the primary responsibility today rests on the legislative branch of government to come forward with legislation suitable to meeting the inflation crisis. I do not believe that the pending legislation will do that. I am perfectly willing to let time render a verdict upon my prediction. My present prediction is that if this is the only remedy we offer the country for inflation, inflation will continue to rise higher and higher until the American people, incensed, demand a decidedly different course of action on the part of their Congress.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MORSE. I yield first to the Senator from Connecticut [Mr. BALDWIN].

Mr. BALDWIN. Mr. President, I should like to invite the attention of my distinguished colleague from Oregon to something which appears in section 3 of article II of the Constitution of the United States.

He——

Meaning the President——

shall from time to time give to the Congress information of the state of the Union,

and recommend to their consideration such measures as he shall judge necessary and expedient.

What this amendment attempts to do is to implement that broad policy in the Constitution of the United States. We are dealing with a wide range of articles, and with a vast field of economic activity.

The President, in his message at the opening of this special session, said he recommended some legislation with reference to price ceilings and rationing—or at least price ceilings. He also said that he thought this should be done on a selective basis, and pointed out that not all items needed to be rationed. What we are doing here is to set up a form of procedure which the President, with all the administrative departments of the Government at his command, can follow in order to lay before the Congress his specific recommendations as to what legislation should be passed, how it should be passed, and how much money the measures will cost. That is what is being provided for. All of the administrative branches of the Government are under the executive department. They are under the President. They are his agencies. They are not the agencies of the Congress. All we do is to provide appropriations and lay down broad general policies. But in specific matters it is up to the President of the United States to say in what form, and how, when, and where he wants to deal with a particular question. This proposed legislation is designed to accomplish exactly that. It is designed to accomplish it in an expeditious manner. That is my answer to my distinguished colleague from Oregon to the proposition which he has advanced. So far as its being an empty gesture is concerned, or so far as its being a political maneuver is concerned, I do not yield to any Member of the Senate for the efforts made to combat inflation in the past 7 months. I fought to get through a resolution to have a study of this whole subject made, and I diligently worked, as has the distinguished Senator from Vermont [Mr. FLANDERS] in order to get the best agreement we could get at the moment. It seems to me now that this is the best we can accomplish as of this time. I think it is worthy of support. I think it marks an improvement to the joint resolution, and I think the joint resolution itself is an effective, forward-looking formula upon which we probably can build in the future. It is a good start in the right direction and is entitled to support.

Mr. MORSE. In reply to the Senator from Connecticut, I wish to say that I think it is an interesting constitutional hook on which he seeks to hang this particular type of legislation. Of course the Constitution of the United States authorizes the President of the United States to submit a message on the state of the Union with such recommendations as he may see fit to make by way of legislation to make effective any recommendations that he wishes Congress to carry out. However it is a complete answer to the Senator from Connecticut to say the section of the Constitution he cites does not need any legislation of implementation. The section of the Constitution which the Senator from Connecticut cites in no way removes the primary responsibility of the Congress of the United States to originate legislation in the first instance to check inflation or to meet any other crisis confronting this Nation. To say that because the Constitution of the United States contains a section which places a duty upon the President of the United States, but very discretionary in its language, to give a message to the Congress on the state of the Union and make such recommendations as he sees fit, in my judgment is not a proper section of the Constitution under which to come in with such an amendment as the Senator from Connecticut proposes and, in effect, "pass the buck" to the President of the United States to recommend compulsory inflation control some 90 days from now. The amendment in effect seeks to give the President instructions for the preparation of a legislative program thus turning him into a legislative drafting bureau. That is not my conception of the instructions the Congress of the United States on any occasion ought to give to the President of the United States. I say it is not in harmony with the constitutional doctrine of separation of powers.

As to the second part of the comments made by the Senator from Connecticut, I wish to say that I would not want him to yield to any Member of the Senate in his endeavor to find those means for checking inflation which in his best judgment he thinks are workable. Our difference simply is that I think the amendment he is proposing will have little or no effect on checking inflation in this country. He and I will have to let our difference on that point be decided by time and by the judgment of the American people.

The PRESIDENT pro tempore. The question is on agreeing to the amendment submitted by the Senator from Vermont [Mr. FLANDERS] for himself and the Senator from Connecticut [Mr. BALDWIN].

Mr. FLANDERS, Mr. BALDWIN, and other Senators asked for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Vermont [Mr. FLANDERS] for himself and the Senator from Connecticut [Mr. BALDWIN].

The amendment was agreed to.

The PRESIDENT pro tempore. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading and was read the third time.

The PRESIDENT pro tempore. The joint resolution having been read the third time, the question is, Shall it pass?

Mr. HILL. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	Morse
Baldwin	Hawkes	Murray
Ball	Hayden	Myers
Barkley	Hickenlooper	O'Conor
Bricker	Hill	O'Daniel
Bridges	Hoey	O'Mahoney
Brooks	Holland	Overton
Buck	Ives	Reed
Bushfield	Jenner	Revercomb
Butler	Johnson, Colo.	Robertson, Va.
Byrd	Johnston, S. C.	Robertson, Wyo.
Cain	Kem	Russell
Capehart	Kilgore	Saltonstall
Capper	Knowland	Smith
Chavez	Langer	Sparkman
Connally	Lodge	Stennis
Cooper	McCarran	Taft
Cordon	McCarthy	Taylor
Donnell	McClellan	Thomas, Utah
Downey	McFarland	Tobey
Dworshak	McGrath	Tydings
Eastland	McKellar	Umstead
Ecton	McMahon	Vandenberg
Ellender	Magnuson	Watkins
Ferguson	Malone	White
Flanders	Martin	Wiley
Fulbright	Maybank	Williams
Green	Millikin	Wilson
Gurney	Moore	Young

The PRESIDENT pro tempore. Eighty-seven Senators have answered to their names; a quorum is present.

Mr. BARKLEY. Mr. President, I have no desire to delay a vote on this measure, and I think the RECORD will show that I have not attempted to delay the final consideration of it. In the beginning I announced that so far as we could, we would try to improve the joint resolution during its consideration by the Senate; and we have made some serious and diligent efforts to improve it. It has not been improved to the extent which I desire, but that is due to our being in the minority, instead of in the majority.

Originally there were in the joint resolution two provisions which the President requested. One was for the extension of authority over exports, and the other was an extension of the power to allocate transportation facilities. During the consideration of the joint resolution, two other provisions have been added, one of them providing for the inauguration of a food conservation program, which the President wishes, and the other authorizing the Commodity Credit Corporation to promote the production of foods and feeds in non-European foreign countries in order to avoid and prevent shortages in food from which the world is suffering today. So there are in the joint resolution four things in which the President was interested, and which he recommended in his message to the Congress.

The provisions to which I have objected, and to which I still object, are those in section 2 which refer to voluntary agreements and the consequent relaxation of the antitrust laws insofar as those who have entered into such agreements may be concerned. I doubt the wisdom of those provisions. I have very profound fears that they may be used by some sections or some segments of our economy to get in under a tent in order that they may avoid the consequences of violation of the antitrust laws, and I think they will operate to interfere with many prosecutions and institutions of suits on civil and criminal grounds that have already been begun.

But taking the joint resolution as a whole, inadequate as I think it is, feeble as I think is the approach to deal with the problem in a sincere, broad-minded way, as the President recommended, nevertheless I feel that there is more good than bad in the joint resolution, especially in view of the improvements which have been made to it by means of the amendments which have been agreed to; and I am not willing to put myself in the position of voting against it.

I still think it is inadequate; I still think it is a feeble attempt; I have grave doubt as to its workability and wisdom. But I am willing to take a chance, in an effort to deal with the situation, realizing full well that unless there is a decided change in the economic situation and the trend of our economic life, even before we are back here in January we shall be called upon to deal with this problem in a very different way from that in which we are undertaking to deal with it now in the approach which is made by the pending joint resolution.

All of us would welcome an adjustment of our economic life without legislation. All of us might well wish that all segments and elements of our industrial and business and economic set-up might be willing by any fair and legal means to bring about a reversal of the trend in prices, which have been going up in spiral fashion for the last several months. But we know we must take human nature as it is. We know that today there are in our industrial and economic life elements that are unwilling to do what is the obvious thing to do in the interest of the public economy. But, I repeat, we must take human nature as it is, not as we would like to refashion it; and of course it might be that we would make as many mistakes in refashioning it as those which have been made in its original fashioning.

Therefore, I think we shall soon discover the inadequacy and the utter incompetence of this particular legislation to deal in a comprehensive way with the problem which faces the Congress of the United States. But I am not willing to throw any straw in the way of any effort which may be made. I am not willing to say that because I object to one part of this joint resolution, I am unwilling to vote for the rest of it.

I shall vote for the joint resolution in the hope that it will accomplish some good, in spite of my fears and in spite of the objections which I have to some portions of it. I make this statement, not for the purpose of attempting to influence any other Senator, because I realize that as the joint resolution comes to the point of final vote, every Senator must vote as his own conscience dictates. But for myself, I am taking the view that the good contained in the joint resolution outweighs the bad in it, and that, therefore, I am justified in voting for it.

Mr. O'MAHONEY. Mr. President, in order to exculpate myself for voting for a measure which contains section 2, I desire to say that I associate myself with everything the Senator from Kentucky has said. I wish to add that, in my judgment, it will be utterly impossible to carry out the provisions of section 2, and that the waiver of the antitrust laws in these circumstances is utterly improper. I wish to express the opinion that the President will find it impossible to approve any agreement drawn under the terms of this joint resolution. Although I am convinced of the impracticality of that portion of this measure, nevertheless, I think I am justified in casting my vote for the joint resolution in order that there may be an extension of the powers of the Government to control exports and to allocate transportation facilities.

Mr. BARKLEY. Mr. President, I neglected to say that the Senator from Illinois [Mr. LUCAS], who has been called away from Washington because of the death and funeral of his secretary, has just advised me that he wishes to associate himself with the sentiments I have expressed here in regard to this measure; and for the same reasons which I have given as actuating me in casting my vote, he wishes to be recorded as voing for the joint resolution if he were present and voting.

The PRESIDENT pro tempore. The question is, Shall the joint resolution pass?

Mr. LANGER. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. BARKLEY (when Mr. LUCAS' name was called). As I announced before the roll call began, I repeat, the Senator from Illinois [Mr. LUCAS], if present, would vote "yea."

The roll call was concluded.

Mr. REED. I have a general pair with the Senator from New York [Mr. WAGNER]. I transfer that pair to the Senator from Maine [Mr. BREWSTER] and vote. I vote "yea."

Mr. WHITE. I announce that the Senator from Minnesota [Mr. THYE] is necessarily absent. The Senator from Minnesota, if present and voting, would vote "yea."

The junior Senator from Maine [Mr. BREWSTER], who is necessarily absent, is paired with the Senator from New York [Mr. WAGNER]. The Senator from Maine, if present and voting, would vote "yea," and the Senator from New York, if present and voting, would vote "nay."

The Senator from Nebraska [Mr. WHERRY] is absent by leave of the Senate.

Mr. HILL. I announce that the Senator from Georgia [Mr. GEORGE] is absent by leave of the Senate.

The Senator from Florida [Mr. PEPPER] and the Senator from Tennessee [Mr. STEWART] are absent on public business.

The Senator from Oklahoma [Mr. THOMAS] is absent on official business.

The Senator from New York [Mr. WAGNER] is necessarily absent.

The Senator from New York [Mr. WAGNER] has a general pair with the Senator from Kansas [Mr. REED]. The transfer of that pair to the Senator from Maine [Mr. BREWSTER] has been previously announced by the Senator from Kansas. If present and voting, the Senator from New York would vote "nay," and the Senator from Maine would vote "yea."

I announce further that if present and voting, the Senator from Florida [Mr. PEPPER] would vote "yea."

The result was announced—yeas 77, nays 10, as follows:

YEAS—77

Aiken	Gurney	Moore
Baldwin	Hatch	Myers
Ball	Hawkes	O'Conor
Barkley	Hayden	O'Mahoney
Bricker	Hickenlooper	Overton
Bridges	Hoey	Reed
Brooks	Holland	Revercomb
Buck	Ives	Robertson, Va.
Bushfield	Jenner	Robertson, Wyo.
Butler	Johnson, Colo.	Russell
Byrd	Johnston, S. C.	Saltonstall
Cain	Kem	Smith
Capehart	Kilgore	Sparkman
Capper	Knowland	Stennis
Cooper	Lodge	Taft
Cordon	McCarran	Taylor
Donnell	McCarthy	Tobey
Downey	McClellan	Tydings
Dworshak	McFarland	Umstead
Eastland	McGrath	Vandenberg
Ecton	McKellar	Watkins
Ellender	McMahon	White
Ferguson	Malone	Wiley
Flanders	Martin	Williams
Fulbright	Maybank	Young
Green	Millikin	

NAYS—10

Chavez	Magnuson	Thomas, Utah
Connally	Morse	Wilson
Hill	Murray	
Langer	O'Daniel	

NOT VOTING—9

Brewster	Pepper	Thye
George	Stewart	Wagner
Lucas	Thomas, Okla.	Wherry

So the joint resolution (S. J. Res. 167) was passed.

Mr. TAFT. Mr. President, I ask that the joint resolution as passed by the Senate be printed, and that it also be printed in the RECORD.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the joint resolution was ordered to be printed, and to be printed in the RECORD, as follows:

Resolved, etc.—

DECLARATION OF PURPOSES

SECTION 1. The purposes of this joint resolution are to aid in stabilizing the economy of the United States, to aid in curbing inflationary tendencies, to promote the orderly and equitable distribution of goods and facilities, and to aid in preventing maldistribution of goods and facilities and basically affect the cost of living or industrial production.

VOLUNTARY AGREEMENTS

SEC. 2. (a) In order to carry out the purposes declared in section 1 of this joint resolution, the President is authorized to consult with representatives of industry, business, and agriculture with a view to encouraging the making, by persons engaged in industry, business, and agriculture, of voluntary agreements approved by the President—

(1) providing for allocation of transportation facilities and equipment;

(2) providing for priority allocation and inventory control of scarce commodities which basically affect the cost of living or industrial production; or

(3) providing for regulation of speculative trading on commodity exchanges.

(b) The President is authorized to approve any such agreement which he finds will carry out any of the purposes declared in section 1 of this joint resolution, except that he shall not approve any agreement unless such agreement specifically provides that it shall cease to be effective on or before March 1, 1949, and he shall not approve any agreement which provides for the fixing of prices.

(c) Whenever a governmental officer or agency determines that a plan of voluntary action with respect to any material, commodity, or facility is practicable and is appropriate to the successful carrying out of the policies set forth in said act, that agency or official may request in writing compliance by one or more persons with such plan of voluntary action as may be approved by the Attorney General. Any act or omission by such person or persons in compliance with a written request made pursuant to this section and with a voluntary plan promulgated thereunder shall not be the basis at any time for any prosecution or any civil action or any proceeding under the antitrust laws of the United States or the Federal Trade Commission Act.

(d) Such written request may, in the discretion of the governmental officer or agency which made the request, be withdrawn at any time by said governmental officer or agency by written notice from said governmental officer or agency of such withdrawal to the Attorney General, and after publication of notice of such withdrawal in the Federal Register as provided in subsection (e), the provisions of this act shall not apply to any subsequent act or omission by reason of such request or voluntary plan.

(e) The Attorney General shall transmit to the President pro tempore of the Senate and to the Speaker of the House of Representatives, and shall order published in the Federal Register every such request, and any withdrawal thereof, and any plan, program, or other arrangements promulgated under, or which is the basis of, any such request.

(f) The power to make requests conferred by this act shall expire upon expiration of section 2 of this act, and any requests made and voluntary plans adopted under this act shall have no force or effect 6 months thereafter.

(g) As used in this section the term "person" means an individual, corporation, partnership, or association.

EXPORT CONTROLS

SEC. 3. (a) Section 6 (d) of the act of July 2, 1940 (54 Stat. 714), as amended, is amended by striking out "February 29, 1948" and inserting in lieu thereof "February 28, 1949."

(b) Notwithstanding any other provision of law, the President in the exercise of the powers, authority, and discretion conferred upon him by such act of July 2, 1940, as amended, is authorized to use price criteria in the licensing of exports, either by giving preference among otherwise comparable applications to those which provide for the lowest prices, or, in exceptional circumstances, by fixing reasonable mark-ups in export prices over domestic prices.

ALLOCATION OF TRANSPORTATION FACILITIES AND GRAIN

SEC. 4. (a) Notwithstanding any other provision of law, title III of the Second War Powers Act, 1942, as amended, shall continue in effect to and including February 28, 1949, or such earlier date as the Congress by concurrent resolution or the President may designate, for the exercise of the powers, authority, and discretion conferred on the President by such title III with respect to the use of transportation equipment and facilities by rail carriers.

(b) Notwithstanding any other provision of law, title III of the Second War Powers Act, 1942, is hereby revived and reenacted for the exercise of the powers, authority, and discretion conferred on the President by such title III with respect to the use of grain for the production of distilled spirits or neutral spirits for beverage purposes. The authority granted by this subsection shall expire on January 31, 1948.

DELEGATION OF AUTHORITY

SEC. 5. The authority granted to the President by section 2 of this joint resolution and, notwithstanding the provisions of section 6 of the Second Decontrol Act of 1947, the authority granted to the President by section 4 of this joint resolution and by section 6 of the act of July 2, 1940 (54 Stat. 714), as amended, may, to the extent the President directs, be exercised by any department, agency, or officer in the executive branch of the Government.

CRITICAL SHORTAGES—RECOMMENDATIONS BY THE PRESIDENT

SEC. 6. (a) Whenever the President shall determine that there is or threatens to be a critical shortage of any raw material, commodity, or product which jeopardizes the health or safety of the people of the United States or its national security or welfare and that there is no prospect that such critical shortage may soon be remedied by an increase in the available supply without additional governmental action and that the situation cannot be solved by voluntary agreement under the provisions of this act, he may prepare proposed measures for conserving such raw material, commodity, or product which he shall submit to the Congress in the following form:

(1) A statement of the circumstances which, in the President's judgment, require the proposed conservation measures.

(2) A detailed procedure for the administration of the proposed measures including the additional budget and additional personnel required for their enforcement.

(3) The proposed degree of curtailment in current and prospective use of each such raw material, commodity, or product by each processor and/or user thereof, including the specific formulas proposed for such curtailment with respect to each class or classes of processors or users and the criteria used in the establishment of such formulae.

(4) A complete record of the factual evidence upon which his recommendations are based, including all information provided by any agency of the Federal Government which may have been made available to him in the course of his consideration of the matter.

(b) Within 15 days after the submission of such proposed conservation measures, the Joint Committee on the Economic Report shall conduct public hearings thereon and shall make such recommendations to the Congress for legislative action as in its judgment the recommendations of the President and any additional information disclosed at the public hearings may require.

PRODUCTION OF FOODS IN NON-EUROPEAN FOREIGN COUNTRIES

SEC. 7. Notwithstanding any other provision of law, in order to alleviate and prevent shortages in foods, agricultural commodities, and products thereof, Commodity Credit Corporation is authorized to carry out projects to stimulate and increase the production of foods, agricultural commodities, and products thereof, in non-European foreign countries. Such projects may include procurement, the making of advances and price guaranties, the furnishing of technical information and assistance, the furnishing of seed, fertilizer, machinery, equipment and other materials, and such other actions as are necessary or incident to the carrying out of such projects: *Provided*, That any such program is first submitted to Congress by the Secretary of Agriculture, and is not disapproved by concurrent resolution of Congress within 60 days thereafter.

FOOD AND FEED CONSERVATION PROGRAM

SEC. 8. (a) In order to alleviate shortages in foods and feeds, and to assist in stabilizing prices, the President shall carry out a program for the conservation of food and feed. In carrying out such program, the President is authorized, through the dissemination of information, educational and other campaigns, the furnishing of assistance, and such other voluntary and cooperative measures as he deems necessary or appropriate, to encourage and promote the efficient utilization, care, and preservation of food and feed, the elimination of practices which waste food and feed, the control and eradication of insects and rodents, the consumption of less of these foods and feeds which are in short supply and more of those foods and feeds which are in abundant supply, and other conservation practices. The authority herein conferred may be exercised by the President through such departments, agencies, independent establishments, and officials of the Federal Government and such State, local, and private agencies as he may determine.

(b) There is hereby authorized to be appropriated to the President such sums as may be necessary to carry out this section. To enable the President to carry out this section for the remainder of the fiscal year ending June 30, 1948, there is hereby made available not to exceed $1,000,000 from any funds made available by the Congress for carrying out Public Law 84, Eightieth Congress, or from any funds made available by the Congress for interim foreign aid. Funds made available for the purpose of this section may be used for necessary administrative expenses, including personal services in the District of Columbia and elsewhere, purchase or hire of motor vehicles, temporary or intermittent services of experts or consultants or organizations thereof, including stenograpic reporting services, by contract, without regard to the civil service and classification laws (the compensation of any such individual not to exceed $50 per day). Funds made available for the purposes of this section may be allotted for any of the purposes of this section to any department, agency, or independent establishment of the Government, or transferred to any other agency requested to assist in carrying out this section. Funds allotted to any department, agency, or independent establishment of the Government shall be available for obligation and expenditure in accordance with the laws governing obligations and expenditures of the department, agency, or independent establishment, or organizational unit thereof concerned, and without regard to sections 3709 and 3648 of the Revised Statutes, as amended (U. S. C., title 41, sec. 5, and title 31, sec 529).

AUTHORIZATION FOR APPROPRIATIONS

SEC. 9. There is hereby authorized to be appropriated such amounts as may be necessary for purposes of carrying out the provisions of this joint resolution.

Mr. MAGNUSON. Mr. President, as bearing on the joint resolution just passed, two excellent editorials appeared in the Washington Post recently, one on December 15 entitled "Republican Way," the other on December 12 entitled "Administration Plan." In my opinion these editorials concretely and succinctly analyze the issues we have been discussing in the Senate today, and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Post of December 15, 1947]

REPUBLICAN WAY

The outstanding feature of the Wolcott bill, which goes before the House today with the blessings of the Republicans, is its emphasis on voluntary agreements by private industry

for the allocation and inventory control of scarce commodities. Although the Wolcott bill provides that such agreements shall be subject to approval by the President, Senator O'Mahoney points out that, unlike the Harriman bill, it does not give the Government the power to limit the scope of agreements and set standards for the guidance of industry. The President will, so to speak, be put on the spot if Congress relies on the purely voluntary system of agreements contemplated by the Republicans. For if he should reject an agreement that he considered too restrictive or otherwise unfair, there would be nothing to put in its place, since the Government would be powerless to act.

While we think it highly desirable to give voluntary methods a preliminary trial, the chances that they will succeed will be poor, unless the administration is armed with weapons of coercion that can be used if or when needed. In the national interest it may become necessary to impose restraints on free enterprise to which private industry will not voluntarily submit. There will almost certainly be nonconformist individuals or groups that will not agree, except under the threat of coercion, to even the most reasonable plans for husbanding our resources and checking price advances. Furthermore, voluntary agreements of the restricted kind contemplated under the Republican plan would not afford protection against increases in the prices of essential materials or wage increases that would inevitably result in higher prices of finished products.

Yet, apart from the provision for voluntary agreements and noncontroversial proposals to allocate transportation facilities and export controls, the Republican program offers nothing except a recommendation for curbing credit expansion by increasing reserves held by the Federal Reserve banks against note issues and deposits. This proposal would have little, if any, immediate effect in restraining over-all credit expansion, although Representative Wolcott believes that it would have "a very strong psychological effect." He says that it should be taken as a sign that Congress disapproves of the easy-money policy of the administration. Since the administration is committed to that policy and shows no signs of retreating, we doubt whether this method of expressing disapproval will yield results. Moreover, from a long-range viewpoint, tightened reserve requirements are open to serious objection. For the Federal Reserve System needs leeway in carrying out its operations, and its usefulness might be seriously impaired in the future, as has been the case in the past, by a high level of reserve requirements.

That many Republicans are dissatisfied with the program of the House Banking Committee is indicated by demands of some Senate Republicans for its expansion. Significant also is the declaration of the Republican Policy Committee that it will consider at the regular session phases of the general anti-inflation program that it has not been possible to study at the extra session. Meantime the Republicans are relying on the inadequate Wolcott bill to eliminate industrial waste and hold back inflationary tides. For the reasons given we do not believe the kind of voluntary program contemplated by the bill will succeed unless the Government is equipped with the reserve powers of control requested by the President.

[From the Washington Post of December 12, 1947]

ADMINISTRATION PLAN

In answer to repeated demands for a concrete legislative program, Secretary Harriman has submitted a bill to a Senate Judiciary Subcommittee embodying some of the President's anti-inflation recommendations. Provision for direct control of prices and wages, as recommended by the President, is not included. In fact, administration spokesmen have been noticeably reluctant to discuss such proposals. In spite of their conspicuous lack of enthusiasm for this aspect of the President's program, Mr. Truman announced yesterday that he would send specific wage and price control legislation to Congress within the next few days.

In our opinion, the broad allocation and rationing powers requested under the draft bill are essential to protect the country from economic dislocation and inflation. The grant of such powers would not, according to Mr. Harriman, imply "anything approaching a comprehensive system of controls over materials, products, and productive facilities." The bill calls for a selective-control program authorizing direct consumer rationing of specified scarce foods and fuels and a few other articles. More restricted powers of control would be applied to materials, such as iron and steel, in the form of priority orders, inventory controls and set-asides to insure fulfillment of essential contracts and satisfy the most important foreign and domestic needs. Provision is also made for an extension of export controls, with the power to refuse export licenses for too highly priced goods.

With the removal of legal obstacles to agreements among producers, as contemplated in the bill, Secretary Harriman believes that a great deal could be accomplished by voluntary cooperation of industries to channel scarce materials into most essential uses. Provided the Government is given allocation powers so as to discipline nonconformists in case of need, Mr. Harriman's confidence in the efficacy of the so-called voluntary approach is probably justified. But a check is necessary, for without it we doubt the success of purely voluntary agreements among competing industrial concerns.

If the Government were given power to ration scarce foods and fuels, it might be possible to put a brake on price increases without resort to direct price controls, since rationing would reduce the competitive scramble for limited supplies. Nevertheless, a rationing system affords no guarantee against excessively high prices for the rationed commodity in the absence of price controls. We believe, therefore, that the Government should also have authority to impose price ceilings selectively on essential commodities in short supply, the prices of which have reached, or threaten to reach levels that cannot be justified by any criterion of reasonableness. For similar reasons it should be empowered to put ceilings on wages in industries subject to selective price control.

Congress will, no doubt, refuse to give the administration the necessary authority that it seeks to curb inflation. If living costs soar to still dizzier heights as a result, it may attempt to repair the damage only when it is too late to avert disaster. For, as the President said in his address to Congress outlining his anti-inflation plans: "The only prudent course is to establish the authority (requested) at this time so the necessary preparations can be started. If we fail to prepare and disaster results from our unpreparedness, we shall have gambled with our national safety—and lost."

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 1770) to amend the National Housing Act, as amended, and it was signed by the President pro tempore.

AUTHORIZATION FOR REPORT OF THIRD SUPPLEMENTAL APPROPRIATION BILL

Mr. BRIDGES. Mr. President, I ask unanimous consent that during the recess following today's session I be authorized to report from the Committee on Appropriations House bill 4748, the third supplemental appropriation bill for 1948.

Mr. McKELLAR. Mr. President, I did not hear the statement of the Senator.

Mr. BRIDGES. I am asking unanimous consent to report the third supplemental appropriation bill sometime between now and midnight tonight, so that the Senate may act upon it tomorrow. The committee will go into session as soon as possible after 5 o'clock today, and perhaps work through to midnight in order to get action on the bill.

Mr. MAGNUSON. Does the Senator refer to the third supplemental appropriation bill which the committee is now considering?

Mr. BRIDGES. Yes.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New Hampshire? The Chair hears none, and it is so ordered.

NOMINATION OF MAJ. GEN. LESLIE RICHARD GROVES

Mr. GURNEY. Mr. President, one nomination came to the Senate after the general request was made that certain nominations might be held in the Committee on Armed Services. I refer to the nomination of Maj. Gen. Leslie Richard Groves. I ask unanimous consent, as in executive session, that paragraph 6 of rule XXXVIII of the Senate be suspended in order that the committee may hold the nomination in committee.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the order is made.

PUBLICATION OF NAMES AND ADDRESSES OF PERSONS TRANSACTING BUSINESS ON BOARDS OF TRADE

Mr. FERGUSON. Mr. President, I am about to ask unanimous consent that the Senate proceed to the consideration of a joint resolution to amend section 8 of the Commodity Exchange Act, as amended, by adding at the end of that section the following new provision:

Notwithstanding the foregoing provisions of this section or of any other law, the Secretary of Agriculture shall, when requested by any committee of the Congress acting within the scope of its jurisdiction, furnish to such committee and upon delivery to the committee make public the names and addresses of all traders on the boards of trade with respect to whom the Secretary has information, and any other information in the possession of the Department of Agriculture relating to the amounts of commodities purchased or sold by each such trader.

I shall now state my reasons for bringing this matter up at this time, and asking for the consideration of the joint resolution.

Mr. President, yesterday the Senate Appropriations Committee, by vote, authorized the chairman of the committee to issue a subpena to the Secretary of Agriculture requiring him to produce certain evidence before the committee

at a session called for 9:30 o'clock today. At the appointed time the Secretary of Agriculture appeared before the committee, and, while he made a statement that in his opinion it was not advisable to tell the names and addresses of certain traders and others, which information was in his possession, he would tell those names and addresses to the committee in open session. Finally, after considerable discussion, and after taking the sworn testimony of Mr. Anderson, there was a vote in the committee. This is the motion that was voted upon:

Senator O'MAHONEY offered a substitute amendment stating that this committee formally recommends immediately to the United States Senate passage of a joint resolution which would remove any legalistic doubt as to the production of the matter outlined in the subpena to Secretary Anderson.

I offer for the RECORD a statement of the vote on it, because it has been made public. It has been given to the press. Eleven Senators voted for the substitute amendment, and eight voted no.

There were several other motions considered at that meeting. One was offered by the Senator from California, as follows:

Senator KNOWLAND moved that the Secretary be requested to supply the information requested in the subpena duces tecum immediately to the Committee in executive session.

That was carried by a vote of 10 to 9. Thereupon, the junior Senator from Michigan moved "that the Secretary of Agriculture be requested to furnish immediately in open session the information requested in the subpena duces tecum." That motion was rejected by a vote of 11 to 8. I submit for the RECORD copies of these motions, with the votes upon them.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the motions and votes were ordered to be printed in the RECORD, as follows:

O'MAHONEY AMENDMENT

Senator O'MAHONEY offered a substitute amendment stating that this committee formally recommends immediately to the United States Senate passage of a joint resolution which would remove any legalistic doubt as to the production of the matter outlined in the subpena to Secretary Anderson.

A yea-and-nay vote was taken on this amendment and the amendment was approved 11–8, as follows:

Yea: GURNEY, REED, MCKELLAR, HAYDEN, THOMAS, TYDINGS, RUSSELL, MCCARRAN, OVERTON, O'MAHONEY, GREEN.

Nay: BROOKS, BALL, FERGUSON, SALTONSTALL, YOUNG, KNOWLAND, DWORSHAK, Chairman BRIDGES.

KNOWLAND AMENDMENT

Senator KNOWLAND moved that the Secretary be requested to supply the information requested in the subpena duces tecum immediately to the committee in executive session.

There was a yea-and-nay vote on this amendment which carried 10–9, the vote being as follows:

Yea: GURNEY, BROOKS, REED, BALL, FERGUSON, SALTONSTALL, YOUNG, KNOWLAND, DWORSHAK, Chairman BRIDGES.

Nay: MCKELLAR, HAYDEN, THOMAS, TYDINGS, RUSSELL, MCCARRAN, OVERTON, O'MAHONEY, GREEN.

FERGUSON AMENDMENT

Senator FERGUSON moved that the Secretary of Agriculture be requested to furnish immediately in open session the information requested in the subpena duces tecum.

This amendment was defeated 8–11, the vote being as follows:

Yea: BROOKS, REED, BALL, FERGUSON, YOUNG, KNOWLAND, DWORSHAK, Chairman BRIDGES.

Nay: GURNEY, SALTONSTALL, MCKELLAR, HAYDEN, THOMAS, TYDINGS, RUSSELL, MCCARRAN, OVERTON, O'MAHONEY, GREEN.

Mr. FERGUSON. Mr. President, the committee was unsuccessful today in obtaining the names. The Senator from Michigan feels that it is very important to the public and very important to Congress that information such as this be made available. Particularly is that true when the President of the United States has indicated there is speculation upon the exchanges, that it is being made a football, and, that, as the records indicate, on the Chicago Board of Trade thus far in 1947 there has been trading in 5,010,909,000 bushels of grain, whereas there was in crop only 1,500,000,000 bushels.

Mr. Anderson himself stated, on October 9, 1947, as follows:

I can call names, some of them public figures, who are speculating in large quantities of grain.

Mr. Anderson added:

Speculation in grain jeopardizes our economic stability, and when the Chicago exchange alone shows trading in 666,000,000 bushels, or half of the entire crop, in 1 month, I know there is speculation.

On October 8, Attorney General Clark said there was "profiteering in human misery."

Mr. President, I am of the firm opinion, as I was yesterday, that this information should have been furnished to the Senate upon subpena. I should hate to see the time come when the Senate, in order to conduct an investigation, must go to the executive branch and ask that the evidence be produced, and then pass a special bill—yes, with the right of veto—in order that we may obtain it. I think this is the wrong step, but even though we went up the hill yesterday, "saw the whites of their eyes," and came down again, I am willing to go up the hill again in order that we may obtain the names of those who are trading on the exchanges, and who have been characterized as "profiteering in human misery."

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. TOBEY. I should like to ask the Senator a question. Are we in this body justified in understanding that the fact remains that before the Appropriations Committee of the Senate this morning, the Secretary of Agriculture appeared and was prepared to give the committee the names of those speculating in grain, and then, forthwith, a vote was taken in the committee, and the majority of the committee voted against the public and the Senate having the benefit of those names? Is that a fair statement?

Mr. FERGUSON. I consider that a fair statement of what happened.

Mr. TOBEY. Then I want to say something. I shall be very brief.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. TOBEY. No.

Mr. O'MAHONEY. I desired the Senator from Michigan to yield.

Mr. TOBEY. Common courtesy demands that I have a chance to finish what I was about to say.

Mr. FERGUSON. Just a moment. I should like to read what the Secretary said, so there can be no misunderstanding:

I appeal to you to consider this well.

However, in the event that you as a committee, without further action by the Congress, insist on having the names and addresses of all traders along with the statistical information called for in your subpena, I shall not permit myself to be charged with shielding anyone by a refusal to grant your request. If your decision to demand the names remains unchanged, you and the public will have them as rapidly as we can gather the information and prepare the lists.

Then, in response to a direct question, as I recall the testimony, he offered to produce the information in open hearing.

Mr. TOBEY. So, so far as the Secretary of Agriculture, Mr. Anderson, is concerned, he was willing to comply with the desire of the committee and of the Senate, apparently, to furnish those names. Thereafter, a vote was taken and it was determined that it would be unlawful for him to do so, and the names were not produced.

So we find the President indicting men who are speculating in grain on the exchanges of the country, and the situation is met by the Senate through an inquiry by a Senate committee, and yet we are now forestalled from getting results. In the hinterland of the United States there are 130,000,000 people who know about it through the press. I think the Senate stands indicted, if it votes it down and puts bars up, with the public knowing the facts in this case. I now ask the question, Supposing that the joint resolution is passed, and the names are brought to the committee, what assurance can be given that the same men who voted against publicizing the names once will not so vote again?

Mr. FERGUSON. Mr. President, I answer that by citing a provision in the joint resolution which reads:

when requested by any committee of the Congress acting within the scope of its jurisdiction, to furnish to such committee and upon delivery to the committee make public the names and addresses of all traders on the boards of trade.

Mr. TOBEY. Very well.

Mr. FERGUSON. In other words, the committee will not be in position at that time to keep secret, neither will the Secretary of Agriculture be in a position to keep secret, the names required to be furnished under this law.

Mr. TOBEY. Very well, but there is a passage in Holy Writ that I suggested the other night to the Senate, "For every one that doeth evil hateth the light, and cometh not to the light, lest his works should be reproved." That

same thing in my mind applies to publicity, regardless of where it is. I say to the Senate, as representatives of the hoi polloi, let us have the truth. The public will appraise the blame.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. SALTONSTALL. I should like to make a brief explanation. The Senator from New Hampshire apparently does not understand all the facts. I was one of the Senators who voted in the negative on the motion to require the Secretary of Agriculture to produce the information requested under subpena, after we had voted to report the joint resolution. I did so very deliberately, and I want to explain why I so voted, because I believe the Senator from New Hampshire does not understand the situation in full.

Some years ago, about 1922, Congress passed a law respecting commodity exchanges. In 1936 Congress amended that law. Under that law, as amended, the Secretary of Agriculture cannot give out the names of individuals or organizations trading on the market in the commodity exchanges unless he feels that such trading is disrupting the market. Congress passed such a law.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. TOBEY. Are the words of the statute "disrupting the market" or "against the public interest"?

Mr. SALTONSTALL. "Disrupting the market."

Mr. TOBEY. Will not the Senator from Massachusetts join me in an effort to amend that law? The public interest is paramount. The public demands the information.

Mr. SALTONSTALL. I should be glad to join with the Senator in doing so, but I should like now to finish my explanation. The law passed by Congress, as I stated, is now in effect. At this time a committee of Congress, through subpena, is asking the Secretary of Agriculture, a Cabinet officer, to disobey that law, by making public the information now sought.

What happened in our committee was as follows: A vote was taken on a proposal that the committee recommend the passage of a joint resolution which was to make it legal for the Secretary to give out the information sought. The proposal was agreed to. I voted against it, as did eight or nine other committee members. When the proposal for a joint resolution was adopted by a majority of the committee to make legal without question the giving of the information in question to a committee of Congress I said, together with other Senators, that we should act under the resolution.

I stand here now and make the explanation, because I do not want the impression to go out to the country, by reason of what the Senator from New Hampshire has said, that there was any effort to conceal anyone's name, to keep anyone's name from being made public. The committee by a majority voted one method of taking action, a method that was unquestionably legal, because Congress would then have amended the law which it had previously passed. There may have been a difference of opinion as to whether the Secretary of Agriculture could or could not give out the information under subpena without a change being made in the law, but when the committee had voted to proceed in one way, then I, as one member of the committee who voted against giving out the information under a subpena, believed that it was the wiser course to follow the procedure which the majority of the committee had voted should be followed, even though I did not agree with it in the first instance.

The Senator from Michigan was one of the Senators who voted against it. As a member of the majority party and of the majority of the committee, he is now pressing the joint resolution. In time the Senate will obtain the information sought, and it will obtain it in a way that is of unquestioned legality. Congress will then have changed the law to permit the Secretary of Agriculture to give the information to a committee of Congress. When the committee obtains the information under the resolution the names will be made public.

I make that explanation, Mr. President, in the time of the Senator from Michigan because the question raised by the Senator from New Hampshire is, I believe, based on misapprehension, and creates a very false impression.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. TOBEY. I wish to say one thing more to justify the remarks I made. I am informed by the chairman of the Committee on Appropriations that the legal counsel of the committee, two gentlemen, gave their professional opinion that the committee had the legal right to act as it proposed to act. No less authority on this side of the aisle than the senior Senator from Ohio [Mr. TAFT] said yesterday that the committee has ample authority, and does not need to have further authority under the joint resolution. The Senator from Ohio made that statement in answer to the Senator from Michigan. Does the Senator from Michigan remember that?

Mr. SALTONSTALL. Mr. President, will the Senator from Michigan yield further?

Mr. FERGUSON. I yield.

Mr. SALTONSTALL. Mr. Rice, chief counsel of the Senate committee, stated specifically to the committee that he did not know which way the law should be construed; that there was much to be said on both sides. When the committee by majority vote determined to take one step, then it should stick by what it had determined to do, and not take a step which may or may not be legal.

Mr. O'MAHONEY. Mr. President, will the Senator from Michigan yield to me?

Mr. FERGUSON. I yield.

Mr. O'MAHONEY. I thank the Senator. Let me also express my great appreciation to the Senator from Massachusetts for the statement he has just made. I fear very much, in fact I know, that the Senator from New Hampshire [Mr. TOBEY] is under a misapprehension of what happened in the Senate committee from the statement made by the junior Senator from Michigan [Mr. FERGUSON]. The motion which was made in the committee urging an immediate favorable report upon a resolution removing the legal barrier to the disclosure of the names sought, was a motion which was intended to bring about the disclosure of the names. It was not a motion to conceal the names, as the Senator from New Hampshire apparently understood.

If the Senator from Michigan will further indulge me, I should like to make a further statement. The situation which was presented in the Committee on Appropriations today was that the Secretary of Agriculture, having been subpenaed by the committee to appear before it in executive session with his records, said to the Appropriations Committee in the executive session, "I am unwilling to make this disclosure in executive session, because I am advised by the Solicitor for the Department of Agriculture that the law forbids it." The Solicitor for the Department of Agriculture wrote an opinion to that effect. He was present in the committee room at the time the testimony was given. I have the letter of the Solicitor of the Department, and I shall ask that it be made a part of the record.

The issue then was, "Shall these names be revealed in executive session, or shall they be made public to everybody? The Secretary of Agriculture was perfectly willing to make them public to everybody. There was never any intention on his part to deny that. He did not want to reveal them in executive session to a portion of the Congress and not to all Members of the Congress. And so the motion was presented to remove this legal barrier. It was explained by the Secretary of Agriculture that his Department is charged with many confidential relations. It received in confidence from businesses throughout the country information with respect to many transactions, as, for example, the formula by which DDT is manufactured. The manufacturers of that formula in making it known to the Department of Agriculture do so in the confidence that the formula will not be revealed.

Mr. TYDINGS. Mr. President, will the Senator from Michigan allow me to interrupt the Senator from Wyoming to correct what I know was not an intentional error in a statement he just made?

Mr. FERGUSON. I will yield to the Senator from Maryland for that purpose.

Mr. TYDINGS. Both the Senator from New Hampshire and the Senator from Wyoming have said that the Secretary of Agriculture, when he appeared before the committee, was willing to give the names in open session before that committee, to the committee and to the public. While that is apparently true, I think that both Senators, particularly the Senator from Wyoming, will realize that that does not quite explain the attitude of the Secretary of Agriculture. The Secretary of Agriculture stated that he did not think he had the authority, without a resolution of the Congress, to make the names public; that he was unwilling to make the names

public, even in open session of the Appropriations Committee, unless the Appropriations Committee insisted upon it; and that he doubted even then if he had the authority to do so. The Solicitor, who was present, had told him that he had not the authority to do so, but he stated that if the committee insisted upon it he would make them public in open session, but he wanted to say that in his judgment the proper way to do it was to have a resolution of the Congress.

I know that my friend will be glad to have me make this statement. The Secretary was not unwilling to do it, but would do it with reluctance upon insistence of the committee, in open session.

Mr. O'MAHONEY. The Senator from Maryland is quite correct.

Mr. President, I wish to point out that the statute which was interpreted by the Solicitor of the Department of Agriculture contains this exception with respect to the authority of the Secretary of Agriculture to make disclosures:

Except data and information which would separately disclose the business transactions of any person, and trade secrets or names of customers.

The legal issue which arose was whether or not a subsequent portion of the law, being paragraph 6 of section 12 (a), repealed that exception. Under paragraph 6 the Secretary of Agriculture is authorized—

(6) To communicate to the proper committee or officer of any contract market—

Observe that that is not to a committee of the Congress, but to a committee of the market—

and to publish, notwithstanding the provisions of section 12 of this title, the full facts concerning any transaction or market operation, including the names of parties thereto, which in the judgment of the Secretary of Agriculture disrupts or tends to disrupt any market or is otherwise harmful or against the best interests of producers and consumers.

The Secretary was advised that that provision did not reveal the exception which I have just read. The issue which was presented to the Committee on Appropriations, therefore, was a very simple one, namely, Shall we, by a resolution of the Congress, clear away the legal doubt which was in the minds of the legal officers of the Secretary of Agriculture, so that, without violating a confidence, he may, under the direction of the Congress, make all these lists public; or should he, on the other hand, reveal them in executive session under a subpena of the committee, with the common knowledge among all Members of Congress and all members of the press as to what happens with respect to revelations which are made in executive session? It came down to this: It seemed that the issue was whether the committee should be permitted to look over the list in the hands of the Secretary of Agriculture before making up their minds how to vote on the question of making the issue public, or whether to make the names public at all. That was the issue.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. McMAHON. In other words, he took the attitude that if he were to be compelled to break the law, as he thought, he would give the information to the world, so that all the world could look at it.

Mr. O'MAHONEY. That is correct.

Mr. McMAHON. Instead of the committee pawing over the information and making public such names as it wished to reveal.

Mr. O'MAHONEY. That is correct.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. BRIDGES. The interpretation of the Senator from Connecticut is not a fair one. A motion was made by the Senator from Michigan [Mr. FERGUSON] that the Secretary of Agriculture be requested to furnish immediately in open session the information requested in the subpena, which was the list of names. On that question the vote was 8 yeas and 11 nays. So there would have been an opportunity for the Secretary to present the information in open session if the majority of the committee had so voted. As I see it, there was no inclination on the part of the committee to keep the information in closed session and dole out to the public only what we wanted to dole out. That is not a fair interpretation.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. GURNEY. I was one of those who voted not to ask for the information in open session, because of my firm conviction that the law now on the statute books intends that the transactions of any citizen shall be kept inviolate. I thought it was not right for the committee, being only a part of the Congress, to change that law. Therefore I voted for the committee action recommending that a resolution be passed by the Congress. I join wholeheartedly in the remarks made by the junior Senator from Massachusetts [Mr. SALTONSTALL]. I concur in his statement as to the different steps taken in committee this morning.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. TYDINGS. I should like to say something in my own time, but thanks to the courtesy of the Senator from Michigan, I think I can bring out one element which I do not believe has been discussed, and which will throw some light on the question and permit a better understanding by those who were not present in the committee room.

No one knows how many of these names there are. If they were to be released today, we do not know whether a thousand or twenty thousand of them would be released. But assuming that the number is large—and I am directing my remarks particularly to my friend from New Hampshire [Mr. TOBEY], whose righteous indignation I understand, but which I think will be somewhat softened by this explanation—the Secretary would have to consider each case under the law and determine whether that individual, in his purchases or sales of grain, was disrupting the market. In other words, he would sit as a judge and jury.

For example, the great mills of the country buy many thousands of bushels of grain in the orderly conduct of their business. Obviously, they would not be disrupting the market, because for years they have been buying grain with which to make flour to sell to the American people for making bread. So the Secretary would have the difficult task of trying to separate the wheat from the chaff. If he did not do it with complete and impartial justice, he might be charged with withholding some name which perhaps he might have presented as one who was gambling in the market and disrupting business, or he might give out a name which, if he had all the facts, he would not give out as one who was disrupting the market.

So the Secretary was in the position, not having the machinery and the information in all these cases, if he interpreted the law as the Senator from Wyoming has read it, of passing on a vast number of transactions—I suppose thousands of them—without the staff or the means to find out whether or not those transactions were disruptive of the market. Therefore, there was an understandable reluctance on his part to give out such information piecemeal, lest he err by not giving out enough, or by giving out the names of some innocent persons.

That was the reason why he brought out the point that there was additional reluctance to making this information public, when the act of Congress seemed to forbid it, and when his own Solicitor, who was sitting at the table, told him in our presence that he had no authority to do so.

Therefore, all the Secretary ever said was this: "You gentlemen give me the unquestioned authority to do it, and I will make all the names public. I want to make them public, but I ask you not to request me to violate a law which you gentlemen have passed."

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. TOBEY. Is it not a fact that the Secretary of Agriculture, while he may have spoken sincerely, in the last analysis, said, "If you gentlemen want the names, I am prepared to give them to you"? Is that correct?

Mr. TYDINGS. That is correct.

Mr. TOBEY. With that positive statement of his of a willingness to meet the wishes of the public at large, which we all recognize, the committee voted not to let him do so.

Mr. TYDINGS. The Senator is accurate, but without enough of the details in his statement to give the connotation which truth and accuracy ought to give.

The Senator asked me a question. The Secretary did not say, "If you want the names, here they are."

Mr. TOBEY. What did he say?

Mr. TYDINGS. He said:

I do not think you have the right to ask me for those names. I do not think you have the right, under the law, and therefore I do not have the right under the law to give you those names. My Solicitor tells me that I have not the right, and I question

whether I have it. If you do not think I have the right, but insist on it, I will give them to you, although I do not myself believe that I am carrying out my duty in the strict letter of the word when I accede to your request. But if you will make sure that I can do it, I will give them to you without the slightest question, with no reservation whatsoever, either mental or otherwise. If you do not want to give me that authority I will give them to you, anyhow, if you insist on it. But I do not think you ought to ask me to do that, because I am advised by competent legal advisers who have made a study of this.

He cited cases in the Supreme Court to back up his position. He made the statement that there was not one exception in the findings of the Supreme Court, out of a long line of cases, that would justify his turning the names over to the committee.

Mr. TOBEY. The Senators who voted against compelling the production of the names acted in the kindness of their hearts. They looked upon the Secretary of Agriculture with compassion; they wanted to save him from compounding a felony or breaking a law. So they voted against his submitting the information requested. But if you will come to the mourners' bench, and feel as the Senator says he does, you will have a chance to vote for the resolution offered by the Senator from Michigan [Mr. FERGUSON]. Is not that correct?

Mr. TYDINGS. Will the Senator from Michigan yield to me so that I may conclude?

Mr. FERGUSON. I yield to the Senator from Maryland.

Mr. TYDINGS. I should like to say to the Senator from New Hampshire that we supported the resolution of the committee. Every Democrat supported it.

Mr. TOBEY. My statement covered Senators on both sides of the aisle. I used the word "you" in the plural sense.

Mr. TYDINGS. That is correct. Senators on the other side want the information. I am not speaking in a partisan way about this subject. We were the ones who projected this idea, to clear up all doubts so that publicity could come down in a flood.

Mr. TOBEY. Now let us vote for it. Let us make assurance double sure, and let the chips fall where they may.

SEVERAL SENATORS. Vote!

Mr. BARKLEY. Mr. President, I rise to make a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. BARKLEY. What is the parliamentary situation?

The PRESIDENT pro tempore. The Senator from Michigan [Mr. FERGUSON] asked unanimous consent for the consideration of a joint resolution.

Mr. BARKLEY. I did not understand that he had asked consent, but that he was about to ask it.

Mr. FERGUSON. I now ask unanimous consent, without additional argument.

Mr. BARKLEY. I reserve the right to object in order that I may make a statement in regard to the matter.

I recognize the importance of the passage of a suitable resolution authorizing the Secretary of Agriculture to disclose the names of speculators in the commodity markets of the United States.

The Senator from New Hampshire [Mr. BRIDGES], as chairman of the Committee on Appropriations, a few days ago wrote a letter, I believe, to the Secretary of Agriculture, asking him to come before the committee and disclose the names of such speculators. The Secretary of Agriculture wrote a letter to the chairman of the Committee on Appropriations in response to that request, which I ask that the clerk read into the RECORD at this point, for I want the entire record made here for the benefit of Congress and of the country.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BRIDGES. Mr. President, I ask that my letter be read at this time so that the whole picture may be before the Senate.

The PRESIDENT pro tempore. Without objection, the clerk will read the letter from the Senator from New Hampshire to the Secretary of Agriculture.

The Chief Clerk read as follows:

DECEMBER 15, 1947.

The Honorable CLINTON P. ANDERSON,
Secretary of Agriculture,
Washington, D. C.

MY DEAR MR. SECRETARY: As you know, the Senate Committee on Appropriations is intensely interested in the price of commodities since it is called upon to make appropriations for the purchase of such commodities not only by the departments and agencies of the Government but also to provide aid to foreign countries. The price of commodities is, of course, directly related to the amounts of money we are called upon to appropriate. If unrestricted speculation and gambling on the various boards of trade are permitted to continue indefinitely, the amounts we will be called upon to appropriate in the future will greatly increase. Outstanding appropriations for commodities and for such foreign aid will accordingly purchase much less than they would if prices were not so inflated as they are at present.

The provisions of title 7, U. S. Code, section 12, provide for investigations by the Secretary of Agriculture under the Commodity Exchange Act of all transactions on the various boards of trade throughout the country. Such investigations are, among other things, for the purpose of providing information for the Congress. I understand that your investigations under such act have disclosed the names of and the amounts of commodities purchased by speculators and gamblers on such boards of trade.

I therefore request that you furnish to the Committee on Appropriations of the Senate as soon as possible the amounts of commodities purchased and the names of said persons, together with all other information disclosed by your investigations relating to transactions in commodities on the various boards of trade.

Sincerely yours,

STYLES BRIDGES.

The PRESIDENT pro tempore. Without objection, the clerk will now read the letter from the Secretary of Agriculture addressed to the Senator from New Hampshire.

The Chief Clerk read as follows:

DECEMBER 16, 1947.

The Honorable STYLES BRIDGES,
United States Senate.

DEAR SENATOR BRIDGES: I regret that it is not possible for me to comply with the request of the Senate Committee on Appropriations for a list of traders in commodity futures as set forth in your letter of December 15, 1947.

The request calls for disclosure of the names and separate business transactions of persons trading in commodity futures whose trades and market positions are reported in confidence to the Department of Agriculture. These reports are obtained currently under authority of the Commodity Exchange Act.

Section 8 of the act has long been construed to prohibit the Secretary of Agriculture from disclosing "data and information which would separately disclose the business transactions of any person and trade secrets or names of customers." Enclosed is a copy of the opinion of the Solicitor of this Department which gives the reasons for the position which the Department is forced to take under the present law. It gives also the precedents established by my predecessors in office in the past.

You will note that on two occasions two different Secretaries of Agriculture in response to Senate resolutions, have declined to furnish information similar to that now being requested by your Senate committee. In the first instance Secretary William M. Jardine in 1929 refused to furnish the information to the Senate. This was during a Republican administration. In the second instance, Secretary H. A. Wallace in 1933 refused to furnish such information to the Senate. This was during a Democratic administration. In both instances the Senate of the United States called upon the Secretary of Agriculture for the names of traders and for the effect upon prices of suspending the regulations under which the Department obtains reports on speculative trading.

While I also have no alternative except to deny your present request for the names of individuals trading in the commodity futures markets, I assure you I shall be glad to furnish the information if the present legal barriers are removed. I believe this can be done immediately and without the delay incident to amending an existing statute.

To be sure, an amendment to the act made in 1936 does permit the Secretary of Agriculture "to communicate to the proper committee or officer of any contract market and to publish * * * the full facts concerning any transaction or market operation, including the names of parties thereto, which in the judgment of the Secretary of Agriculture disrupts or tends to disrupt any market or is otherwise harmful or against the best interests of producers and consumers."

There are no conditions presently known to me concerning any transaction or market operation under which I could justify publishing the names of all traders and the amounts of commodities purchased.

To help you get the information you seek, I suggest that the Congress put your request in the form of a joint resolution which I am informed would have the force and effect of law and thereby legalize the action which I shall then be glad to take. This should be done at once. I have consulted President Truman and am confident that he will approve a joint resolution of Congress to effectuate my suggestion that names of traders be made available. This may stop loose talk about insiders profiting by knowledge of Government purchasing plans.

The resolution should, therefore, be broad enough to provide for the disclosure of names of all traders on whom we have information, including all those connected with the executive or legislative branches of the Government. I am so positive that Congress will wish to cooperate in this effort that I have already requested the commodity exchange authority of this Department to start immediately the work of compiling the

list in order that it may be available as quickly as possible after the legal barrier to furnishing it has been removed.

Respectfully,

CLINTON P. ANDERSON,
Secretary.

Mr. BARKLEY. Mr. President, I also ask that there be printed, following the Secretary's letter, but not read into the RECORD, the letter of the Solicitor to the Secretary, giving him the legal opinion to which he refers in his letter.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OPINION FOR THE SECRETARY

DEAR MR. SECRETARY: You have requested our opinion as to your authority under the Commodity Exchange Act (7 U. S. C. 1–17a) to comply with requests of individual Members of Congress for details of transactions of persons who have engaged in speculative trading in commodity futures, including the names of such persons.

It is the opinion of this office that whatever information the Department has in this connection is confidential in nature and that only such speculative transactions may be disclosed as, in your judgment, are determined by you to be against the best interests of producers and consumers. Certainly you are without authority to make indiscriminate disclosure of all speculative transactions. This office is not informed of any particular transaction presently known to you which would constitute a basis for disclosure under the restriction imposed by the act.

It is provided in section 8 of the act that no publication by you of information obtained in the course of an investigation of operations of boards of trade shall separately disclose the business transactions of any person and trade secrets or names of customers.

On two occasions the Senate by resolution (S. Res. 40, February 21, 1928, and S. Res. 376, March 2, 1933) directed the Secretary of Agriculture to conduct an investigation and, among other things, report to the Senate the names and addresses of persons holding speculative positions. In each instance the then Secretary of Agriculture in his report to the Senate (S. Doc. 264, 70th Cong., 2d sess., and S. Doc. 61, 73d Cong., 1st sess.) called attention to the fact that section 8 of the act prohibited the disclosure of the identity of specific traders and their trading, and informed the Senate that by reason thereof this information could not be furnished.

Judicial interpretation has been consistent with the position taken by your predecessors in this matter. In *Bartlett Frazier Co.* v. *Hyde* (65 Fed. (2d) 350, CCA 7th, 1933, cert. den. 290 U. S. 654), the plaintiffs contended that the reports and inspections required by the act and the regulations promulgated thereunder would have the tendency to disclose their business secrets and thereby operate to the detriment of their business. The court pointed out that section 8 forbade the revelation by the Secretary or departmental employees of a customer's identity or his individual trade, and observed that in the case before it the evidence indicated, "In the decade of experience since the act became operative, no instances appeared where any such confidence has been violated, nor where appellant, or any other traders on the Board, have suffered from any such cause. No such official misconduct appears from the evidence to have been threatened or to be imminent."

A subsequent amendment to the act, made on June 15, 1936 (49 Stat. 1491), authorizes the Secretary of Agriculture to communicate to the proper committee or officer of any contract market and to publish the full facts concerning any transaction, including the names of parties thereto, provided that in the judgment of the Secretary the transaction disrupts or tends to disrupt any market or otherwise is harmful or against the best interests of producers and consumers. The amendment was apparently not intended to change the general confidential nature of information. The purpose of the amendment was to permit limited disclosure to the governing boards of contract markets of information which would be useful to them in the performance of their duties under the act and to allow publication of such information only in respect to specific transactions upon a determination by the Secretary that the transaction in and of itself was adverse to the best interests of producers and consumers.

The provisions of the act and the legislative history recognize the need of some speculation to allow the contract markets to perform one of their primary functions, namely, acting as a hedging medium for the producers and users of the commodity. The amendment, therefore, does not contemplate the disclosure of information as to a transaction solely by reason of the fact that it is speculative in nature.

Sincerely yours,

W. CARROLL HUNTER,
Solicitor.

Mr. BRIDGES. Mr. President, will the Senator yield at this point for a moment?

Mr. BARKLEY. I yield.

Mr. BRIDGES. Let me point out that the solicitor's opinion, which the Senator from Kentucky has had placed in the RECORD, is undated, and refers to inquiries made by individual Senators or Representatives, but not by committees. So there is that distinction.

Mr. BARKLEY. At any rate, it makes no difference at whose instance the letter was written. It gives his opinion.

Mr. President, I realize the importance of relieving the Secretary of Agriculture from whatever inhibition the law imposes upon him. I think all of us will agree that the Secretary of Agriculture was sincere in his belief that, acting under the legal advice of the solicitor and other attorneys of the Department of Agriculture, he did not have authority to give this information either to a committee of Congress or to the public. Among lawyers who act in an official capacity for the Department of Agriculture there are differences of opinion as to whether he had that right. My first view was that he did have the right; but upon a more careful reading of the law I came to entertain some doubt in my own mind whether the restrictions placed in the law authorized him to disclose the names of traders on the commodity exchanges and the amounts of their purchases and sales.

Following the publication of the letter of the Secretary of Agriculture yesterday or the day before, I introduced yesterday morning a joint resolution, which is Senate Joint Resolution 169, undertaking to relieve the Secretary of Agriculture from the prohibition that prevented him from making public disclosure of this information. I felt that it was just as important yesterday as it is today. I did not consult the Secretary of Agriculture about the resolution; but inasmuch as he has said to the committee that he doubted that he had authority to make the information public, but would do so if Congress would pass such a joint resolution, which he suggested that the President would sign—he had already conferred with him—I took it upon myself to offer such a resolution yesterday morning, and ask for its immediate consideration.

The Senator from Ohio [Mr. TAFT] objected to the consideration of the resolution at that time, on the ground that if we brought in a resolution every time someone requested the Secretary of Agriculture to give out this information, we would be passing resolutions of that sort all the time—although as a matter of fact the resolution, if passed, would become permanent law, and would not require the passage of a separate resolution every time such a request might be made.

The Senator from Michigan [Mr. FERGUSON] supported the objection of the Senator from Ohio, on the ground that my resolution did not specifically mention information given to the committees of Congress, but that the resolution would authorize the Secretary of Agriculture to make this information public, that it would not restrict him to making it public in the newspapers or in a letter written by him or by means of any other method of making it public, but that it would authorize him in his own discretion and from time to time to make this information public.

Because of the objections yesterday, the resolution could not be considered then. The resolution was subject to amendment, as I explained to the Senator from Michigan, and as he understood anyway. If the language which I proposed was not broad enough, it was possible to amend it, and I prepared an amendment to my resolution, specifically requiring that this information be given when requested by either of the two Houses of Congress.

If that joint resolution had been acted upon when I introduced it yesterday, it might have been adopted by the House of Representatives, and by this hour the President of the United States could have signed the resolution, and this information could have been given to the committee and made public, without this last-minute effort on this day to bring forward another resolution, one introduced by another Senator.

Mr. President, I realize that there may be some rule in the Senate against the consideration of any resolution offered by a Democrat. There may be some tradition here that when a member of the minority introduces a resolution, it shall be objected to by those on the majority side. If I wanted to be petty about this matter and if I wanted to retaliate, I could object to the request for consideration of the resolution now offered by the Senator from Michigan. I am not going to be petty; I am not going to object to it; but inasmuch as I did introduce a joint resolution yesterday, which was objected to by the Senator from Ohio and the Senator from Michigan, I do think I ought to have been shown the courtesy of a consultation by them in an effort to bring up my resolution, which I introduced yesterday.

I have read the resolution introduced by the Senator from Michigan, and I think it is too restrictive. I think this information should be made public without regard to whether a committee of

Congress asks for it or not, if the Secretary of Agriculture, in his discretion from time to time, thinks its publication is in the interest of the public welfare.

But under the joint resolution now proposed, the information can be made public only in the event a committee of Congress asks the Secretary to disclose the information. Then, when it is disclosed by the committee, no matter whether it is dominated by one party or another, at the request of the committee the Secretary may make it public; but otherwise he cannot make it public. No matter what the facts may be, no matter how outrageous the transactions on the commodity market may be, under the resolution now proposed the Secretary of Agriculture cannot make the facts public unless a committee of the Congress asks him for the information.

If we are going to act here in the interest of the public, if we are going to say that the Secretary of Agriculture has the responsibility of disclosing this information whenever in his judgment it ought to be disclosed for the information of the American people, regardless of whether there is a disruption of the market or whether the producers or the consumers are thereby injured or not, if the Secretary of Agriculture in his judgment—whether he is a Democrat or a Republican or serves under any particular administration—thinks the public ought to have this information, I think he ought not to have to sit around and wait for a committee of Congress to ask him for it before he can give it to the public.

Therefore, in my opinion, the resolution introduced by the Senator from Michigan is more defective than the one I introduced yesterday. It also is subject to amendment; I proposed to offer to mine an amendment enlarging the scope of the authority of the Secretary of Agriculture, so as to authorize him to give out this information without waiting for a committee of Congress to demand it of him.

Mr. HAWKES. Mr. President, will the Senator yield to me for a moment?

Mr. BARKLEY. I yield.

Mr. HAWKES. I wish to ask the Senator from Kentucky whether, in his opinion, in connection with so important a matter, the power and authority proposed to be given would be too great to place in the hands of one man? I am not saying that it would be; but I am asking the Senator from Kentucky, who has served in the Congress for many years, what his opinion is. I ask him whether he thinks one man might use such power in a way that the Senator from Kentucky would not want it to be used?

Mr. BARKLEY. Of course, Mr. President, I say to the Senator from New Jersey that we are always conferring power which may be exercised in a way that we would not appreciate or approve of; but we must trust someone, and I am willing to trust the Secretary of Agriculture, no matter whether he is a Democrat or a Republican. I would trust him in the exercise of a sound discretion to determine whether this information should be given out, just as fast and just as rapidly as I would trust a committee of Congress that might demand it of him. We have to trust the committee of Congress, and I am willing to trust the Secretary of Agriculture. I would have trusted Jardine; I would have trusted Wallace, the father of the recent Secretary of Agriculture. [Laughter.] I would have trusted Mr. Wallace. [Laughter.]

Mr. President, what is so funny about that? I included Henry A. Wallace and his father, Henry C. Wallace, Henry A. Wallace having been the most recent member of the Wallace family to be Secretary of Agriculture. I would trust anyone whom the Senate would confirm as Secretary of Agriculture, not to abuse this authority.

But I do not think any Cabinet member should be required to sit around and wait for a committee of Congress to ask him for the information, if he thought it should be made public.

Mr. HAWKES. Mr. President, let me say to the Senator from Kentucky that I think this matter should be sifted clear to the end of the line, and I so voted. I think each chip should be allowed to fall where it may. I think this matter should be thoroughly investigated, and I think the American people expect us to go clear to the end of the line in investigating it.

I say to the Senator from Kentucky that I am not casting any aspersions on my friend Clinton Anderson, the Secretary of Agriculture. I am not casting any aspersions on the honor of any man. I am simply asking whether the Senator from Kentucky believes that the judgment of one man alone in this important matter is what this great body should look to.

Mr. BARKLEY. I think that the interests of the American people who are concerned about the manipulation of commodity markets are of greater importance than any doubt as to the wisdom of the Secretary of Agriculture in exercising his authority wisely. I hold no brief for anyone who has been using the continual rise in the prices of foods in the United States for speculative profits, I do not care whether that man be Mr. Ed Pauley or whether it be somebody else, I do not care whether it be a public officer or whether it be a private citizen. I think it is more reprehensible, probably, at least, from the standpoint of being an example to the public, for men holding public office to take advantage of the dire distress of the American people, and hungry and starving people all over the world, to make money by speculating in grain, or lard, or food of any other description. I think all the names of those who have indulged in this practice, who have taken advantage of the misery of our people, and of the people of all the world, in order to make money, ought to be disclosed to the American people, and I do not think we should wait for a committee of Congress to ask for disclosure of the names. I think the Secretary of Agriculture should be given the power to make public the names, and the amount in which they have traded, when it is in the interest of the public that he do so. For that reason I dissent from the limitation placed in the joint resolution proposed by the Senator from Michigan. I hope it will be expanded and broadened so as to give the Secretary discretion, without waiting for a committee of Congress to make a request. Suppose Congress were in vacation for 6 months, and the situation reached such a status that the information should be made public so that the consumers of food in this country might know to what extent speculation had resulted in their being robbed of food.

Mr. TOBEY. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield.

Mr. TOBEY. I thoroughly endorse what the Senator from Kentucky has just said, and in consonance with his suggestion as to amending the joint resolution, I will point out that I think it would be helpful if we provided that not only the Secretary, when in his wisdom he thought he should make names public, should do it forthwith, but that we insert the disjunctive "or," to make them public in his discretion, "or upon the request of any congressional committee." Let us make it both ways.

Mr. BARKLEY. I might say that following the colloquy yesterday with the Senator from Michigan I amended my joint resolution so as to authorize the Secretary, from time to time in his discretion, or when requested by a committee of either House of Congress, to disclose the information in any way he might see fit to do so.

Mr. TOBEY. I honor the Senator.

Mr. BARKLEY. My thought was that we should not sit around and wait for the harm to be done, until some congressional committee asks the Secretary to make the names public, but either on the request of a committee, or in his own discretion whenever he thought it necessary, he should give out this information. That is what I think the joint resolution should include.

Mr. FERGUSON. Mr. President, I want to say a few words now in my own time. If we had adopted the joint resolution introduced by the able Senator from Kentucky, it would have merely given to the Secretary of Agriculture the discretion to publish from time to time any or all names of traders on the boards of trade. The Secretary has that power today, if he will make a finding. I read the law as it is today:

> To communicate to the proper committee or officer of any contract market and to publish—

There is his authority—

> and to publish, notwithstanding the provisions of section 12 of this title, the full facts concerning any transaction or market operation, including the names of parties thereto, which in the judgment of the Secretary disrupts or tends to disrupt any market or is otherwise harmful or against the best interests of producers and consumers.

Mr. President, on October 9 the Secretary of Agriculture said that he knew that the market was being disrupted, and that there was gambling. Today the evidence discloses that the Attorney General has had access to this list of names now in the hands of the Secretary of Agriculture, and on October 8 he claimed that these men were dealing with human misery. What has the Attorney General

done? What has the Secretary of Agriculture done under his right to use his discretion and disclose these names? Not until a committee of the Congress of the United States asked Mr. Pauley to appear before it and give testimony as to his dealings did the Secretary do anything about it. It was a week ago tomorrow that Mr. Pauley was ordered to bring to the Senate Committee on Appropriations his books and records, and to this day he has not brought the records. So we are meeting the regular slowing-up tactics.

Mr. President, I do not want any of these names concealed. If there is any Senator, if there is any Representative, dealing and speculating in the market, then the public should know it. If any Government official or anyone else is speculating, as the Attorney General said on the 8th of October, we should have action.

As I said before—and I have not changed my mind—the law is clear that Mr. Anderson could give to the Committee on Appropriations and to the Congress the information requested, for section 12 uses the words, "For the efficient execution of the provisions of this chapter, and in order to provide information for the use of Congress." What we are asking is information for the use of Congress, asking that the Secretary produce the names. The law is clear, but the delay in giving the names has prevented Congress from getting the information.

As I have already said, we went up the hill yesterday and thought we were going to get the names, and when we saw the opportunity to get the names, we retreated down the hill. But I believe that in this kind of case we should try and try again, try every available means, and if it takes action of Congress, we should provide by act that the names should be furnished. That is why I present this joint resolution now, in behalf of the able Senator from New Hampshire, and on the order, in effect, of the committee.

As I see it now, the Secretary of Agriculture has full authority today, in his own discretion, to make these names public, because he stated, when he spoke on October 9, that the dealings were against the best interests of the Government, and that is what the law provides is justification for his action.

Mr. HAWKES. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield to the Senator from New Jersey.

Mr. HAWKES. I should like to ask the distinguished Senator from Michigan if he does not feel that it is more important to divulge the name of any man who is elected to the high office of a Member of Congress, to the Senate or the House of Representatives, than to divulge the name of any one else, even in the other branches of the Government. The Members of Congress are sent here by the votes of the people, and the people are entitled to their service in good faith, and to faithful representation. We decided unanimously in our meeting the other day we wanted to reach every man in this country and spare no one. Is that correct?

Mr. FERGUSON. That is correct, and I agree with the Senator. I agree that everyone here should be willing to make his dealings public. If anyone is speculating in food and products of the American people today, the public should know it.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. BARKLEY. A moment ago the Senator stated that he marched up the hill yesterday and marched back down. That is the experience I had. I thought, when I introduced my joint resolution, that I was marching up the hill. Before I got to the top I was halted by the Senator from Ohio and the Senator from Michigan, and I had to march back down. Now the Senator is trying to march up the hill I would have gone up yesterday if I had not been halted and compelled to march back down. But I am going to be more generous with the Senator than he was with me, and agree that his resolution may be taken up. But I am going to exercise the right he would have had a right to exercise yesterday, and seek to amend the joint resolution. I am satisfied there would have been no difficulty at all between the Senator from Michigan and myself in agreeing on the language of the joint resolution, but the Senator gave me no opportunity. He could even have moved to strike out the entire language and ask that other language be inserted, and we probably would have agreed.

Mr. FERGUSON. The Senator from Michigan did what he did yesterday in relation to the Senator's joint resolution in the thought that it would have been of no use, because he believed, as he believes today, that the subpena should have been issued, that we should have required the production of the names, and they would now be in the public records. Because we have been unable to get action under a subpena, I now say that I am willing to try this other procedure.

Mr. BARKLEY. If the Senator will permit me, I do not agree with the Senator that this information is so sacred that it should be given only to the Congress of the United States. As the Senator first drew his joint resolution, it did not require or permit the Secretary to make the information public. He has since amended it so as to allow him, when he is called upon by a committee of Congress, to make it public, in addition to giving it to the committee. But I think that regardless of any committee, he ought to be allowed to give this information to the American people. After all, we are acting for the American people. They are above us. They are greater than we are. Why should we say that we ourselves can determine whether this information should be made public?

Mr. FERGUSON. If I did not think that the statute now gave the Secretary the right, if there were any question about it, I would ask now the right to amend.

Mr. BARKLEY. There is a great deal of honest disagreement among lawyers as to whether it does or not. The Senator will concede that there is disagreement, will he not?

Mr. FERGUSON. Not with respect to this provision.

Mr. BARKLEY. Oh, yes; I think there is.

Mr. FERGUSON. Not with respect to section 12.

Mr. BARKLEY. There is disagreement as to the meaning of the whole thing. Section 8 and subsection 6 of section 12 have to be read together, I think, in order for me really to get the meaning of the law.

Mr. FERGUSON. That is correct.

Mr. MORSE. Mr. President, I am myself in complete agreement with the Senator from Michigan, but I wonder if I was justified in interpreting one remark he made. I understood him to say he thought the records, insofar as they might involve a Member of the Senate or any elected official, ought to be open to the public. On the basis of that statement, if I quote accurately the meaning, would the Senator share my view that the bill I have introduced in the Senate, providing that all sources of income of United States Senators shall be made a matter of public record, is one that ought to be passed?

Mr. FERGUSON. I have no objection to that bill, but we are now considering the measure before us. We ought to make public the speculation covered by this measure.

The PRESIDING OFFICER (Mr. IVES in the chair). Is there objection to the immediate consideration of the joint resolution?

Mr. TYDINGS. Mr. President, this is one of the most unusual procedures I have seen for a long while. Here is a baby about to be born, that will be christened "Publicity," and as I listen to the debate, every Senator in this body is very anxious to be the parent of this new and lusty child.

Mr. TOBEY. Mr. President, if the Senator will yield for a second, if the baby is about to be born, the matter of parentage was decided long ago, was it not?

Mr. BARKLEY. That depends on the length of the period of gestation.

Mr. TYDINGS. This is one of those babies that is born the same day it is conceived. [Laughter.]

Mr. TOBEY. I will say this was not an immaculate conception, in any event. [Laughter.]

Mr. TYDINGS. The Senator from New Hampshire was never more correct in his life, because the Senator from Michigan, who is now the official father of this baby, voted against it in the committee this morning, at the point of conception, so the remark is extremely accurate.

Mr. FERGUSON. Mr. President, I knew what was happening in the committee.

The PRESIDING OFFICER. The Senator from Maryland now has the floor.

Mr. TOBEY. If the Senator will yield just a moment, I may say to him that

this is not going to be a Caesarian operation. It is a Homeric operation.

Mr. FERGUSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Michigan?

Mr. FERGUSON. I thought I had the floor.

The PRESIDING OFFICER. The Senator yielded the floor when the question was put on the Senator's request. The Senator from Maryland then took the floor.

Mr. TYDINGS. The fact is that the Senator from New Hampshire is really in the position of a midwife. [Laughter.] He has correctly labeled this as not an immaculate conception. In the Committee on Appropriations the vote was, I think, 11 to 8, and the Senator from Michigan, who now is the official parent of this lusty baby about to be born, who will be christened "Publicity," voted against it, so I do not think that the putative father of the child is the one who conceived the child, and I do not know whether that would be immaculate or whether it would be unimmaculate. But at any rate this lusty child is going to be born in this Chamber very shortly. There are 96 Members here when all Senators are present, and I think the vote is going to be unanimous.

Mr. TOBEY. I am sure it is.

Mr. TYDINGS. Never in my life have I seen such a desire on the part of everybody to throw everything to the winds and bring down the full light of publicity on a newly born baby. The stars that hovered over Bethlehem were dim by comparison. I do not know who the three wise men are who are going to escort this child, after it is christened "Publicity," over to the other Chamber. That is what I want to know. When this child is finally transported over to the lying-in hospital at the other end of the corridor, I want to know whether or not the gentlemen on both sides of the aisle are going to keep the pressure on, so that this resolution, this "child," which offers such promise, which is the hope of humanity, which every man in this body wants to father, is actually going to grow into maturity and become a real part of the legislative life of this Nation. That is what I should like to ask my friend from Michigan, whether or not, when it passes the Senate unanimously and goes over to the other body, it is going to collect dust over there and be pigeon-holed, or whether he can tell me it is going to be rushed through quickly and be enacted into law.

Mr. FERGUSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Michigan?

Mr. TYDINGS. I yield.

Mr. FERGUSON. I cannot answer that, but I will say I am hoping it will not collect dust but will be passed tomorrow, if we may proceed immediately.

Mr. TYDINGS. That is a rather remarkable answer. Here is unanimity in this body, complete unanimity, everybody is for this publicity; and yet the leadership that started the movement in this august body is not certain it will be considered by the other body, to which it must go before it can be enacted into law. I should like to ask someone in this Chamber whether or not there is any disposition to take this matter up when it reaches the other House, and whether it will be enacted into law, because I have learned by the grapevine that in the other body it is not going to receive that open-armed embrace which every Member of this body is rushing to give the newly born babe, almost before it is born. My fear is that what we might do here will be only a smoke screen, a camouflage. The joint resolution will pass, and the papers will be full of reports that publicity is to come. Then, when the child is carried very tenderly down to the lying-in hospital on the other side, it will there be smothered and given a slow death, and all the publicity which the Senator from Michigan wants, and which I want, and which we all want, will be a thing of very doubtful value.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. TYDINGS. For what purpose?

Mr. FERGUSON. I want to suggest an amendment.

Mr. TYDINGS. I ask the Senator to wait until I conclude. I have only started. I do not want to yield the floor now for that, but I shall be glad to yield for a question. I should like to ask whether or not, after all this fanfare and righteous indignation, we are really going to get the publicity, or whether this is just a sort of rehearsal here for a show in another Chamber, where it must receive action, a show that will never take place.

Mr. KNOWLAND. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from California?

Mr. TYDINGS. I yield to my friend from California.

Mr. KNOWLAND. Will not the answer to the question of my able and distinguished friend, the Senator from Maryland, largely depend on how rapidly we act upon the joint resolution?

Mr. TYDINGS. That is correct. The filibuster has not been here. I have not had anything to say, except to correct the RECORD. But I think it appropriate now to call to the attention of the leaders who want this information the fact that there are serious doubts on the other side of the Chamber that action will be taken, even if we pass the measure. I should like to be reassured, if there is anyone who can reassure me.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. TOBEY. Let me ask the Senator from Maryland whether it is not a basic fact that we as individual Senators are responsible to the United States Senate as a whole? What the House does is its responsibility. We do what we think is right, and what the House will do I do not know. I would not prognosticate. Our job, however, as I see it, is to come through with clean skirts in this matter, and leave it to the House to take such action as it sees fit. That is its prerogative.

Mr. TYDINGS. I agree with the Senator, but I can see no harm in wondering what is going to happen to a baby which offers so much promise as this baby called publicity does. Certainly if it is going to get a great deal of notice in the newspapers, and then be carried to the other end of the Capitol corridor and be shoved into a cubbyhole and smothered to death, I say that so far as political divisions are concerned, what has taken place in the Senate Chamber is nothing more than hypocrisy, because the leadership and the power and the influence exist in the other party to make sure the measure is voted on in the other Chamber, if it is desired to bring the baby into a full and mature life

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution, Senate Joint Resolution 170, to require the Secretary of Agriculture to report to the Congress the names of persons transacting business on the boards of trade, and for other purposes, which was read the first time by its title and the second time at length, as follows:

Resolved, etc., That section 8 of the Commodity Exchange Act, as amended, is amended by adding at the end thereof the following new paragraph:

"Notwithstanding the foregoing provisions of this section or of any other law, the Secretary of Agriculture shall, when requested by any committee of the Congress acting within the scope of its jurisdiction, furnish to such committee and upon delivery to the committee make public the names and addresses of all traders on the boards of trade with respect to whom the Secretary has information, and any other information in the possession of the Department of Agriculture relating to the amounts of commodities purchased or sold by each such trader."

The PRESIDING OFFICER. The joint resolution is open to amendment.

Mr. FERGUSON. Mr. President, I agree with the Senator from Kentucky [Mr. BARKLEY] that we could add appropriate language at the proper place in the joint resolution. I suggest that the following language be added:

The Secretary of Agriculture shall have full authority to publish, at his discretion, the names of all traders on the boards of trade with respect to whom the Secretary has information, and any other information in the possession of the Department of Agriculture relating to the amounts of commodities purchased or sold by each such trader.

I believe that would cover what we have in mind.

Mr. BARKLEY. Mr. President, I know how hard it is for the Senator to read his own writing, but will the Senator again read the proposed amendment?

Mr. FERGUSON. The language I propose is: "The Secretary of Agriculture shall have full authority to publish, at his discretion——"

Mr. BARKLEY. "And from time to time——"

Mr. FERGUSON. "And from time to time, the names of all traders on the boards of trade with respect to whom the Secretary has information, and any other information in the possession of

the Department of Agriculture relating to the amounts of commodities purchased or sold by each such trader."

Mr. BARKLEY. That could be placed at the end of the joint resolution, and it would cover the whole subject.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. BARKLEY. Just a moment, Mr. President. I think it would be better to include that authority at an earlier point in the joint resolution, where the language undertakes to confer authority on the Secretary, after exempting him from the operation of the present law, instead of putting it at the end.

Mr. FERGUSON. It would be just as well to place it at that point, and then to repeat that the Secretary has authority, when requested by Congress to furnish the names.

Mr. BARKLEY. I think what the Senator has in mind is that the Secretary may from time to time give out the information, but he shall disclose it when requested by a congressional committee. There is a difference.

Mr. FERGUSON. Then let the proposed amendment appear before the word "shall," and the present language "and shall, when requested," and so forth, follow.

Mr. BARKLEY. There is a difference between his disclosure to the public and the demand of Congress that he disclose it when requested.

Mr. FERGUSON. "And shall, when requested by any committee of the Congress," would follow what we propose to insert.

Mr. BARKLEY. I would suggest after the words "Secretary of Agriculture" to insert "may in his discretion from time to time disclose," to the public by any method which he may see fit to adopt, the names, and so forth, as the Senator has it.

Mr. FERGUSON. Yes.

Mr. BARKLEY. But when requested by a committee to do so he "shall" furnish the information.

Mr. FERGUSON. Yes.

Mr. BARKLEY. That is the point I should like to have made clear.

Mr. President, I suggest that we agree upon the language and present it later.

Mr. FERGUSON. Very well.

The amendment as reduced to writing is as follows:

Strike out all after line 4 and in lieu thereof to insert the following:

"Notwithstanding the foregoing provisions of this section or of any other law, the Secretary of Agriculture may in his discretion from time to time disclose and make public the names and addresses of all traders on the boards of trade on the commodity markets with respect to whom the Secretary has information, and any other information in the possession of the Department of Agriculture relating to the amount of commodities purchased or sold by each such trader; and when requested by any committee of either House of Congress, acting within the scope of its jurisdiction, shall furnish to such committee and make public the names and addresses of all traders on such boards of trade with respect to whom the Secretary has information, and any other information in the possession of the Department of Agriculture relating to the amounts of commodities purchased or sold by each such trader."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the joint resolution, which has been agreed to between the Senator from Michigan and the Senator from Kentucky.

The amendment was agreed to.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S. J. Res. 170) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc, That section 8 of the Commodity Exchange Act, as amended, is amended by adding at the end thereof the following new paragraph:

"Notwithstanding the foregoing provisions of this section or of any other law, the Secretary of Agriculture, may in his discretion from time to time disclose and make public the names and addresses of all traders on the boards of trade on the commodity markets with respect to whom the Secretary has information, and any other information in the possession of the Department of Agriculture relating to the amount of commodities purchased or sold by each such trader; and when requested by any committee of either House of Congress, acting within the scope of its jurisdiction, shall furnish to such committee and make public the names and addresses of all traders on such boards of trade with respect to whom the Secretary has information, and any other information in the possession of the Department of Agriculture relating to the amounts of commodities purchased or sold by each such trader."

The title was amended so as to read: "A joint resolution authorizing the Secretary of Agriculture to publish the names and addresses of persons transacting business on the boards of trade, and the amounts of commodities purchased or sold by them; to furnish to committees of Congress upon request and to make public any such information in his possession; and for other purposes."

MEETING OF COMMITTEE ON APPROPRIATIONS

Mr. WHITE obtained the floor.

Mr. BRIDGES. Mr. President, will the Senator from Maine yield to me?

Mr. WHITE. I yield.

Mr. BRIDGES. The Appropriations Committee was to have met at 5 o'clock to study the question of interim aid, occupation area aid, and all other items contained in the supplemental appropriation bill. It is now 6:30 o'clock, and I would suggest to the members of the committee that we meet at 8 o'clock. That will give the members time for dinner in the meantime. Many of them have had no lunch. The purpose of the meeting is to enable the committee to report the bill tonight for action tomorrow before the adjournment of the session.

Mr. MAYBANK. Mr. President, I should like to make a statement.

Mr. WHITE. Mr. President, I was about to move an executive session.

Mr. MAYBANK. I greatly desire to make a short address on the development of our armed forces.

The PRESIDING OFFICER. The Chair understands that the Senator from South Carolina desires to make a short statement. Does the Senator from Maine yield to the Senator from South Carolina for that purpose?

Mr. WHITE. Yes, I yield. There are on the Executive Calendar, however, a few nominations, and so far as my information goes there is no objection to any of them. Will the Senator from South Carolina yield to permit an executive session in order that the nominations may be confirmed?

Mr. MAYBANK. Yes, Mr. President, I am glad to do so.

EXECUTIVE SESSION

Mr. WHITE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The clerk will state the nominations on the calendar.

DEPARTMENT OF JUSTICE

The legislative clerk read the nomination of Peyton Ford, of Oklahoma, to be Assistant to the Attorney General.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Watson B. Miller, of Maryland, to be Commissioner of Immigration and Naturalization, United States Department of Justice.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

COMMISSIONER OF PATENTS

The legislative clerk read the nomination of Lawrence C. Kingsland, of Missouri, to be Commissioner of Patents.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

ASSISTANT COMMISSIONER OF PATENTS

The legislative clerk read the nomination of Joe E. Daniels, of New Jersey, to be Assistant Commissioner of Patents.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

THE JUDICIARY

The legislative clerk read the nomination of Herbert W. Christenberry, to be United States district judge for the eastern district of Louisiana.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Sylvester J. Ryan, to be United States district judge for the southern district of New York.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Harry E. Pratt, of Alaska, to be United States district judge for division No. 4, District of Alaska.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of George R. Humrickhouse to be United States attorney for the eastern district of Virginia.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Thomas P. Thornton, to be United States attorney for the eastern district of Michigan.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Charles M. Eldridge to be United States marshal for the district of Rhode Island.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of *Arthur J. B. Cartier* to be United States marshal for the district of Massachusetts.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

That completes the Executive Calendar.

Mr. WHITE. Mr. President, I ask unanimous consent that the President may be immediately notified of all nominations this day confirmed.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. WHITE. Mr. President, I now move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

DEVELOPMENT OF THE ARMED FORCES

Mr. MAYBANK. Mr. President, I desired earlier in the afternoon to make a few observations about the condition of our armed forces and the situation concerning the military. However, about 4 o'clock I gave up the floor so as to expedite consideration of the so-called anti-inflation joint resolution. I reluctantly voted for that joint resolution on final passage, believing that the transportation control features and the export control features, together with the limitation on grain for both distilled and neutral spirits warranted my doing so. Personally I do not think it will do much good toward stopping inflation and aiding the people. Nevertheless, I hope and pray that it may.

After that was over, I voted for the resolution calling for the publication of the names of those who have been speculating in the commodity markets, bringing about high prices to the public. Senators were delighted and happy to vote for the resolution, which I hope may do some good.

So I shall return to where I left off an hour and a half ago.

A few weeks ago a United Press article entitled "Army Recruiting 70,000 Short and 10,000 Quit Each Month" appeared in the Washington Times-Herald. I ask unanimous consent to have the article inserted in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARMY RECRUITING 70,000 SHORT AND 10,000 QUIT EACH MONTH—CONGRESSIONAL ACTION MAY BE NEEDED TO RAISE PAY AND STIMULATE ENLISTMENT

Army strength is dwindling seriously, Army officials disclosed yesterday, and congressional action may be necessary to raise the pay to stimulate recruiting.

The Army is getting only half the necessary recruits to fill requirements. Already the Army is 70,000 men short of requirements and is losing about 10,000 men a month.

OTHER SERVICES HOLDING UP

The picture is a little brighter for the Navy and the Air Forces. The Air Force is recruiting about 10,000 men a month despite stricter requirements and has the nucleus of a going concern.

The Navy reports it is recruiting and discharging about an equal number of men. The balance was struck recently when the Navy relaxed its physical standards.

The latest figures on the sizes of the three armed forces are: Navy, 440,032; Air Force, 327,000; Army ground forces, 600,000—a total of 1,367,032.

Army officers said the situation is serious. If the size of the ground armies is allowed to drop too far it may weaken occupation forces.

The Navy is outstripping the other two services by signing up about 15,000 men a month The Army takes in about the same number as the Air Force—10,000. But the Air Force can expand easily to 401,000 by July 1, 1948, its authorized strength, with present recruiting because it is the smallest of the three services.

The Navy is in the position of having to hold to its present strength of 394,232 enlisted men and still drop about 4,000 officers to reach an authorized strength of 42,000 officers and 395,000 enlisted men on July 1, 1948.

Army authorized strength is 670,000 officers and men on July 1, 1948. It is already down to 600,000 and still dropping fast.

HOPES TO LEVEL OFF

The Army sees some hope in the fact that its enlistments are now declining at a decreasing rate and may level off.

Action that probably will be proposed to Congress includes:

1. Raise the pay of the Army from bottom to top.
2. Authorization to use more civilians to replace soldiers in noncombat jobs.
3. Establishment of universal military training.
4. Make the Women's Army Corps a part of the Regular Army.

Mr. MAYBANK. As one who advocated an increase in pay and who supported the increased-pay bills in the past few years as a member of the Military Affairs Committee, I do not believe at this time that increase in pay alone will solve the problem. The trouble goes deeper than that. The trouble goes further. On February 21 I spoke during debate in the Senate on the appropriations bill for the War Department and had this in part to say:

Mr. President, I should like to have printed in the RECORD an article which, like the editorial submitted by the Senator from Massachusetts, is entitled to serious consideration in connection with the subject now under debate. I submit a newspaper article showing that the Red army's budget is $4,000,000,000 greater than the budget for our national defense, and showing the total appropriations for the Russian Government, translated into dollars, to be $74,280,000,000.

Last year we reduced the total appropriation to approximately $34,000,000,000, and I, for one, want to state positively that I do not intend to vote for the $6,000,000,000 reduction, nor even for the $4,500,000,000 reduction, because I do not know what serious effects it may have on the security of our country and the continuation of our armed forces.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"RED ARMY BUDGET TOPS OURS BY MERE FOUR BILLIONS

"Moscow radio, monitored by the Associated Press, said last night Russia's military expenditures during 1947 will amount to 813,400,000,000—nearly $4,000,000,000 more than the sum Congress is expected to authorize for United States defense in the United States budget now being considered.

"Arseni Zverev, Soviet Finance Minister, who submitted the new Russian budget of $74,280,000,000 to the Supreme Soviet for approval, said the $13,000,000,000 figure for national defense represented a decrease of $1,120,000,000 from the 1946 military total.

"Under President Truman's proposed $37,500,000,000 budget, $11,200,000,000 would be earmarked for national defense. The $6,000,000,000 slash approved yesterday by the House is understood to include a cut of $1,750,000,000 in the United States military appropriation.

"Thus, should the reduction be approved by the Senate, only $9,450,000,000 would be granted the American War and Navy Departments for the new fiscal year. This means that the United States arms budget is approximately 29 percent less than the amount Moscow will spend for armed might."

Again, on July 14, following the defeat of the amendment offered by the Senator from Massachusetts [Mr. LODGE] to increase the air force appropriations, which I actively supported, I made the following short statement which will be found in the RECORD on page 8819:

Mr. President, I ask unanimous consent to have printed in the body of the RECORD an Associated Press article published on the front page of today's Washington Post under the heading "Army Reserve flier training cut to a third." Several days ago I voted for the amendment offered by the Senator from Massachusetts [Mr. LODGE] providing for an increase in the appropriation for the Army Air Forces, believing that additional funds were necessary if the Army Air Forces Reserve should continue to function.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"ARMY RESERVE FLIER TRAINING CUT TO A THIRD—REDUCTION IN BUDGET HITS TEACHING STAFFS, CREWS, AND FACILITIES

"The Army Air Forces said yesterday that because of its budget-trimmed program only 9,786 of the 28,630 reserve flying officers who enrolled for part-time training are receiving such training.

"The reduced funds are limiting teaching staffs, maintenance crews and training facilities said an announcement in connection with the forthcoming celebration of the fortieth anniversary of the AAF on August 1.

"The Air National Guard is now organized with 8,512 officers and men while the planned strength is 57,946. When at full strength, the air element of the guard will consist of 84 squadrons, of which 12 will be light bombardment and the remainder fighter outfits, the AFF said.

"In addition to conventional-type fighters—P–51's and P–47's—the announcement said that 'it also contemplated that some Air National Guard fighter squadrons will receive jet-propelled Lockheed P–80 Shooting Stars within the next 12 months.'"

It was my privilege, as a member of the Appropriations Committee for 6 years, the old Military Affairs Committee, and the present Armed Services Committee, to work for legislation which would effectually improve our defenses and improve the financial condition and morale of the men in our armed forces.

Since 1946, however, our armed forces have continued to lose their enlisted personnel at a most amazing rate, even though the Congress reduced the appropriation below that which I had urged and supported. Conditions have now reached a point that even the smaller appropriations compared with our wartime expenditures for enlisted personnel in the Army cannot be used because of the lack of volunteer personnel. Because of the article to which I previously referred in the Times-Herald, during the past 2 weeks I have made quite a study through conferences with officials of the armed services and their assistants who are employed by the Armed Services Committee, and I believe a few facts should be brought to the attention of the people at this time.

The presently authorized enlisted strength of the United States Army is 591,000, and that for the United States Air Force is 335,638, making a total authorized strength of 926,638. Based on this authorized strength the Army should have approximately 591,000 enlisted members. It actually has an enlisted strength of 498,974, making a shortage of approximately 92,000 men.

The authorized strength of the Air Force is 335,638. It actually has 285,356, making a present shortage of approximately 50,282. The total shortage in the combined Army and Air Force is 142,282. The reason these figures are combined is that at the present time there is a combined enlistment program.

To maintain an enlisted Army and Air Force of 926,638 enlistments must average approximately 30,000 a month. It will be noted from the figures that follow that the combined enlistments for those months averaged approximately 10,000 a month less than is needed to meet their quotas. This continued shortage accentuates the presently existing shortage of approximately 15 percent, or 142,282 men.

The Navy figures require some explanation. The authorized Navy strength is 395,000 enlistments for this year. At the start of the year it had 440,000 on the rolls and, therefore, it must now drop below its allowed strength in order to end the year with an average of 395,000. The figures show a technical shortage, but it is believed that this shortage is not based on any difficulty in enlistments, but is rather forced by reason of the necessity of staying within the allowance in the budget.

Furthermore, there is a rapid decline in enlistments month by month. I quote the following figures for the months of September, October, and November:

	Army	Air Forces	Navy
September	10,915	10,085	7,475
October	11,092	10,308	6,206
November	9,514	8,486	6,950

Next year the Army believes the picture will be a little brighter because of the career management plan which it is instituting for enlisted personnel. It is believed that this applies equally to the Air Force. The Navy is confident that there will be an increase in enlistments after the first of the year, and it is apparently not alarmed about meeting its enlisted needs.

Again I say that the facts must be faced. We are not getting the enlistments we should get. Yesterday we attended a meeting in the Pentagon Building of the armed forces with Secretary of Defense Forrestal, Secretary of the Navy Sullivan, and Secretary of Air Symington. During the meeting we were informed as to the number of men who were leaving the Army and the Air Force. We were also informed that a questionnaire had been sent to enlisted men now on duty in which they were asked to compare military life with civilian life with respect to 20 different factors—pay, security, training, travel opportunities, food, and so forth. "Good living conditions" rated lowest on the list with 62 percent saying that civilian life offered better conditions. Among men who were almost sure that they would not reenlist, almost 100 percent stated that living conditions in the Army offered no inducement to reenlist. It is for this reason that I again say that more than a mere career plan must be put into effect if we are to maintain our volunteer system.

We know that during the war Army quarters to a large extent were not improved. We also know that the Air Forces, being rather a new branch, do not have the permanent quarters of the older services. Hence, I am hopeful that in the Appropriations Committee an amount of money will be carried to assist in promoting better living conditions.

The Council of Foreign Ministers ended their session in London this week with zero accomplishments by the Big Four. The attitude which Russia has taken and, in my opinion, will continue to take, should be a warning to each and every one of us to prepare the United States for any eventuality. While none of us here desires war and all of us pray for peace, if we are to maintain peace we must find a means of properly and adequately preparing our country. Had we been properly prepared, the attack at Pearl Harbor would never have taken place. The only way peace can become a reality is for the United States to be prepared and be ready. This I have always recommended.

Some 3 weeks ago as a member of the Armed Services Committee I accompanied its distinguished chairman [Mr. GURNEY] and the distinguished Member of the Senate from Oregon [Mr. MORSE] on a visit to Fort Knox where we had an opportunity to make a thorough study and investigation of the universal military training unit.

We were impressed by the 12-point program that had been put into effect, which is as follows:

1. Furnish—in case of total war—a total mobilization potential. Each individual would have been basically trained in those subjects that all must know. Team training could start instantly.

2. Enable the National Guard and the Organized Reserve Corps to maintain their required M-day strengths, by funneling into them a continuous flow of trained men.

3. Furnish the National Guard and the active Reserves with recruits who would have had 1,000 hours of basic training. This would raise Guard and Reserve training to a level that otherwise could not be attained for 5 years.

4. Furnish a pool of trained men for complete mobilization

5. Permit men to remain in agriculture and industry 6 months longer, if necessary; since these men already would have undergone their 6 months of basic training.

6. Strengthen the civil defense, by providing trained men who would have passed beyond the period of availability for field duty.

7. Establish a system of initial classification and aptitude tests for the youth of the Nation, and have this system ready for expansion in an emergency.

8. Provide a training plant in being, with training aids and competent instructors ready for an emergency.

9. Reduce by at least 250,000 the training cadre required for training a half million or more raw recruits who would be urgently needed when an emergency comes.

10. Dignify the individual by focusing his attention, during his training period, on his own importance and on his responsibility to his country and to a civilized world.

11. Give the individual an opportunity to reflect on this serious aspect of life; so that, if war comes, the sudden shock of having to assume his responsibilities will not be demoralizing.

12. Give the individual an opportunity to learn more about health, hygiene, and kindred subjects. Introduce him to certain hobbies that will enrich his way of living. Offer him opportunities for furthering his education—opportunities that he might not seize without the impulse of educational guidance provided in the UMT program.

It is my judgment, if we are to be prepared, that we must take notice of the President's report on the military training program, study what is being done in connection with the training at Fort Knox, and pass legislation next year to put into effect some program. This is the only solution that I can see to create the necessary personnel for defense of this country. But we must have offense as well as defense. While the UMT will help the National Guard Enlisted Reserves and the general defense, it cannot and will not supply the needs of the Air Force or any regular service. It takes 2 years to train a pilot. All the skilled men of the Army and Navy must be trained over a long period.

In closing, I want again to remind my colleagues of the many times in the past when I have urged more and larger air power together with sufficient appropriations for scientific research and all modern types of rocket bombs, and so forth.

The Air Forces report that during the calendar year 1945 there were 30,498 planes accepted by the Air Force. In the calendar year 1946 there were only 638 planes accepted, and for the calendar year 1947, 1,212 planes have been accepted. It is estimated that approximately 200 additional will be delivered before the end of the year.

This statement is sufficient to make us all stop and think that it is absolutely essential if we are to maintain peace that sufficient money be appropriated during the next year for the full development of our armed services.

Again, what we need first and foremost is a well-paid, well-trained, satisfied professional Army Air Force and Navy. Only through experienced long-trained

soldiers and sailors can we hope in this changing economic and social world to maintain the standards of our armed services necessary for our defense to protect our way of life.

RECESS

Mr. WHITE. I move that the Senate stand in recess until 11 o'clock tomorrow forenoon.

The motion was agreed to; and (at 6 o'clock and 43 minutes p. m.) the Senate took a recess until tomorrow, Friday, December 19, 1947, at 11 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 18 (legislative day of December 4), 1947:

DEPARTMENT OF JUSTICE

THE ASSISTANT TO THE ATTORNEY GENERAL

Peyton Ford to be The Assistant to the Attorney General.

COMMISSIONER OF IMMIGRATION AND NATURALIZATION

Watson B. Miller to be Commissioner of Immigration and Naturalization, United States Department of Justice.

COMMISSIONER OF PATENTS

Lawrence C. Kingsland to be Commissioner of Patents.

ASSISTANT COMMISSIONER OF PATENTS

Joe E. Daniels to be Assistant Commissioner of Patents.

UNITED STATES DISTRICT JUDGES

Herbert W. Christenberry to be United States district judge for the eastern district of Louisiana.

Sylvester J. Ryan to be United States district judge for the southern district of New York.

Harry E. Pratt, of Alaska, to be United States district judge for division No. 4, district of Alaska.

UNITED STATES ATTORNEYS

George R. Humrickhouse to be United States attorney for the eastern district of Virginia.

Thomas P. Thornton to be United States attorney for the eastern district of Michigan.

UNITED STATES MARSHALS

Charles M. Eldridge to be United States marshal for the district of Rhode Island.

Arthur J. B. Cartier to be United States marshal for the district of Massachusetts.

HOUSE OF REPRESENTATIVES

THURSDAY, DECEMBER 18, 1947

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Thou whose name is called Wonderful Counselor, Prince of Peace, if Thou art with us naught can prevail against us; surely in Thee there is hope to find wherever there is man to seek. The day is so benumbing that we entreat Thee that men everywhere may realize that many of our difficulties come from our opposition to Thy will. Amid the clash of elements of the social order, let those peoples whose motives are inspired by hate and ignorance be chastened and subdued by the righteous forces of a good government. As individuals, inspire us to stretch forth our hands, enriching those who mourn, blessing the merciful and the peacemakers, for the world shall yet see them as the children of God. O speak in this year of our Lord, that wickedness may lose its power, that untruth may cast aside its mask, and that man everywhere may walk in newness of life and in the bonds of brotherly love. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1770) entitled "An act to amend the National Housing Act, as amended."

SPECIAL ORDER GRANTED

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that I may address the House today for 10 minutes after the disposition of business on the Speaker's desk and the conclusion of special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. McDONOUGH (at the request of Mr. BOGGS of Delaware) was given permission to extend his remarks in the RECORD on the subject of veterans' housing.

Mr. RAMEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in three instances, in one to include a petition from Judge Peter Gulau, prominent Legionnaire of Oak Harbor, Ohio, and in another to include a petition from Mrs. Amelia Stoisoru, of Toledo, Ohio, and in another to include a petition from Mr. M. E. Dieringer, of Port Clinton, Ohio.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article from the Reader's Digest by Mr. Flynn. I wish to advise the Speaker that this article was inserted in the RECORD by a Member of another body and was returned to me by the Public Printer. But notwithstanding that fact, I ask unanimous consent that I may be permitted to include it with my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in the RECORD and include a statement of the American Legion Hempstead Post made by the American Legion commander before the Committee on Veterans' Affairs, and another statement by his assistant, Mr. Alessandroni.

THE FUEL SHORTAGE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, the Department has sent figures showing the very great increase in the export of oil to Canada. I wired the President when he was in Florida concerning an embargo on oil exports as he did with coal, but I have not yet had any reply to my telegram. I believe the House should take action on the embargoing of oil if the President does not act immediately. We cannot have people suffering from cold unnecessarily this winter, and that is just what they are doing today.

The SPEAKER. The time of the gentlewoman from Massachusetts [Mrs. ROGERS] has expired.

CONSIDERATION OF CONFERENCE REPORTS

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that it may be in order the balance of this week to consider conference reports at any time they are presented, notwithstanding the provisions of clause 2 of rule XXVIII.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. HALLECK]?

Mr. SMITH of Ohio. Mr. Speaker, I object.

RECESSES

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that it may be in order for the Speaker to declare a recess at any time during the remainder of this week, subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. HALLECK]?

Mr. RANKIN. Reserving the right to object, I want to ask the gentleman when it is contemplated the House will adjourn sine die.

Mr. HALLECK. As I have suggested numerous times in recent days, I think it has been generally agreed and understood on both sides of the aisle that we are seeking to adjourn tomorrow. Of course, as to definite assurance about that, I cannot make any, but I still think that is the agreed and understood intent.

Mr. RANKIN. I thank the gentleman. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Indiana [Mr. HALLECK]?

There was no objection.

PARLIAMENTARY INQUIRY

Mrs. ROGERS of Massachusetts. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentlewoman will state it.

Mrs. ROGERS of Massachusetts. Would it be proper at this time to insert the message that came from Mr. Horst, stating that the President would reply to my telegram regarding the embargo on coal?

The SPEAKER. The Chair will state that the lady may place it in the Appendix, but if it exceeds a certain number of words it is impossible to place it in the RECORD at this point.

Mrs. ROGERS of Massachusetts. Also the 385-percent increase in exports of oil to Canada.

EXTENSION OF REMARKS

Mr. JAVITS asked and was granted permission to extend his remarks in the RECORD and include a copy of a speech on the Federal youth-assistance bill.

Mr. KEEFE asked and was granted permission to extend his remarks in the RECORD and include a statement from the Under Secretary of State with respect to lease-lend shipments to Russia, and also a letter from the War Assets Administration with respect to the disposal of war assets declared surplus by the State Department.

Mr. KEEFE asked and was granted permission to extend his remarks in the RECORD and include an analysis of a speech delivered on the floor of the House.

THE FUEL SITUATION IN MICHIGAN

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include excerpts from a report made by the Governor's committee on the fuel situation in Michigan.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MICHENER. Mr. Speaker, as the cold weather hovers over Michigan, the fuel-oil shortage is not only grave but it has become desperate. To argue and debate about the causes of the present distress will avail us little at the moment. The case has been diagnosed, the patient is extremely ill, and it is the prescription writer whom the people without fuel at the moment are seeking.

As soon as Gov. Kim Sigler, of Michigan, visualized this prospective shortage, he appointed a Governor's fuel committee composed of State officials to immediately make a complete study of the situation and to recommend what steps might be taken to alleviate the suffering on the part of the people of Michigan, which is bound to follow unless relief is obtained in the immediate future.

On December 8 that committee filed a comprehensive report with the Governor, whereupon the conditions were immediately relayed by the Governor to the President of the United States and the cooperation of President Truman was sought.

Mr. Speaker, this committee report is too lengthy and too detailed to present to the Congress at this time; however, the report contains a summary of the findings of the committee which are pertinent and which are vital to the early solution of the problem. That summary is as follows:

The oil situation in Michigan may be summarized as follows:

The shortage is common to the territory east of the Rockies, but Michigan is the worst affected State because it lacks pipeline facilities; transportation costs and lack of tank cars prevent bringing in ample supplies available in the Southwest and the Oklahoma-Wyoming area.

Demand for oil is the highest in history, due in large measure to the installation of domestic fuel-oil burners. It is estimated that more of these burners have been installed proportionately in Michigan than in any other State.

It is estimated that Michigan's demand for fuel oils this heating season amounts to 14,100,000 barrels. The supply now in prospect is 12,150,000 barrels, an increase of 1,550,000 barrels over last year, but still leaving a deficit of 1,950,000 barrels. These figures are approximate, but as nearly correct as can be obtained.

Michigan's own oil production has declined to 45,000 barrels a day. It may be possible to increase this by 3,500 barrels which, when refined, would mean 1,000 barrels of fuel oil. The increase, however, would be against public interests if it resulted in damaging the fields and reducing their eventual maximum yield. The problem is being studied to afford whatever relief may be possible from this source.

Settlement of the Pure Oil Co. refinery strike in Toledo, Ohio, would mean an additional 2,500 to 3,000 barrels of home fuel oil delivered daily by pipe line into the Detroit area market.

If idle Federal tankers were put into use and the upper Mississippi and Ohio Rivers kept open to winter navigation, Michigan would likely benefit from this additional supply of oil, but to what extent cannot be estimated.

Retail price disparities are due to high purchase and transportation costs in importing oil from the Southwest and Oklahoma-Wyoming and to a recent increase of 50 cents a barrel in the price of crude.

Curtailment or shutting off of supplies to some dealers is due to shifts in channels of supply, reclaiming of processed petroleum products from Michigan refineries by companies owning the crude oil to meet their own increased customer demands, changes in ownership of wells and contracts for purchase of crude, and similar business relationship factors.

There is more fuel oil in home tanks than a year ago at this time, but some companies do not have as much in storage; others have more. Persons owning space heaters (stove type) are likely to be the first to feel the shortage pinch.

This was a unanimous report of this study committee after a most painstaking inquiry.

Mr. Speaker, together with Representatives of all territory east of the Rockies and the northern part of the United States, the Michigan delegation is receiving distress calls and urgent messages asking that something be done at once to provide the essential fuel oil in the cold winter months to follow. Governor Sigler has joined our constituents in imploring the aid of the Federal administration and the Congress. I have heretofore called the attention of my colleagues to this important matter. My people are protesting strenuously against the shipping of fuel oil abroad to relieve suffering and thereby shifting that suffering from those in other countries to our own cities. The people whom I have the honor to represent want to help the distressed everywhere. At the same time, they feel that our country cannot be of the most service to others by weakening and destroying our own economy and our own morale.

The report of the Governor's committee, to which I have just called your attention, is not loose talk but is a conclusion of facts based upon evidence which rises to the dignity of proof. The cold is here. The fuel oil is lacking. The people in Michigan are suffering. All possible assistance must be afforded now. Next spring will be too late. Maybe there has been too much conversion from coal to fuel oil; however, this was done in good faith and those so converting had the right, and did believe that there was adequate fuel oil, and they are still convinced that there is such supply in this country if it can only be channeled to these cold regions where it is so vitally needed.

The Congress and the committees having jurisdiction are to be commended for the efforts being made to assist in this crisis, and the State of Michigan wants to cooperate in every way to the end that no more suffering and hardship be imposed upon our cities than is absolutely essential under prevailing conditions. Certainly there can be no justification for shipping oil to Russia this winter. Why should we provide fuel and other commodities in short supply in this country, to any country, if by so doing the suffering is merely shifted from the citizens of that foreign country to our own citizens? There is a limit to American generosity. That limit is reached when we ship coal and oil abroad when our own people are suffering from cold.

HOME CONSTRUCTION AT LONG BEACH, CALIF.

Mr. BRADLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BRADLEY. Mr. Speaker, there has been so much talk about the high prices of newly constructed homes and so much blame placed upon the excessive profits of the builders that I believe it may greatly interest the House to know these actual figures from the records of one of the large home construction builders in Long Beach, Calif.

I went through a considerable number of these homes during recent months and I believe that they are well built and well adapted to the best standard of American living.

This particular builder is constructing four types of homes and I give you here the average figures for this construction:

Proposed selling price submitted to FHA	$9,417.14
Allowed selling price by FHA	9,206.25
Actual selling price	8,987.50
Gross profit allowed by FHA per home	686.63
Actual apparent gross profit	257.44

Certainly one must appreciate that the builder found means of affecting economies under the submitted estimates in order to permit him to reduce his allowed profits so substantially, and it is apparent that he passed these savings on to the purchaser.

The pay-roll analysis of this same builder shows that labor costs, including all skills, but without supervision, were $2.23 per hour, or $17.84 per 8-hour day.

Including supervision these costs went to $2.296 per hour, or $18.37 per day.

Such figures as these should thoroughly discredit statements of the tremendous profits of reputable builders, at least in southern California.

THE GOOD ROAD

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. MUNDT. Mr. Speaker, last night in Lisner Auditorium, along with a number of other Members of the House and of the other body, it was my privilege to see the dramatic revue, The Good Road, produced by the Moral Rearmament Group, which has come here from Switzerland for the purpose of making this dramatization available to us and other Americans.

Let me say to those who were not there last night that I hope you will arrange to go tonight and take your families. Tickets are available, without charge, from the office of the gentleman from New York [Mr. WADSWORTH]. I think The Good Road is a fine tonic for faint-hearted men who feel that war is inevitable, that lasting peace is impossible. They should see this program. It is something inspirational and worth while. I assure you you will find it good for what ails you. It was good for what ails me and it is good for what ails the whole wide world. I hope you and your families will avail yourselves of this rare opportunity. The Good Road is the highway of freedom; it is the path of Christian brotherhood; it is the straight road to peace through mutual understanding and decent, honest, reciprocal international relations.

EXTENSION OF REMARKS

Mr. WOLVERTON asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Evening Courier.

THE PETROLEUM SHORTAGE

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WOLVERTON. Mr. Speaker, the Committee on Interstate and Foreign Commerce which has jurisdiction over petroleum matters, is aware of the unfortunate condition with respect to fuel shortage that exists in so many sections of our country. Starting last week the committee has held extensive hearings. We have had before the committee responsible representatives of the agencies of the Government that have to do with this matter, and this afternoon at 2 o'clock we are holding a session with the representatives of the several agencies of our Government together with representatives of the oil industry in the hope that some of the apparent conflicting opinions as to the cause of the shortage may be straightened out and some program be adopted that will bring relief to the different sections of our country.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. WOLVERTON. I yield.

Mr. McCORMACK. I think the House is indebted to the gentleman for the efforts he has made and for the statement he brings us today. We know he will do everything he can; but may I ask the gentleman if he will look into the power of any agency of the Government to allocate; I mean in case of an emergency, to see that fuel oil or kerosene is brought to the danger spots, no matter where they may be, the acute danger spots; and particularly whether or not the Maritime Commission has any authority in the sale of tankers to direct the use of those tankers in domestic trade or direct the use of the tankers to meet a particularly acute situation or emergency situation, but even acute within an emergency.

Mr. WOLVERTON. Mr. Speaker, I can assure the gentleman that the committee has already inquired into that matter. We are not satisfied with the answers that have been given. It would seem as if each department has a different explanation of the situation. Some individuals in the oil industry, on the other hand, claim there is plenty of oil. To such it therefore seems to be only a question of distribution. It is because of that fact and because there may be some lack of authority to do what the gentleman has suggested that we are holding this session this afternoon with all the interested parties in the hope that some plan can be worked out that will relieve the situation such as exists in the gentleman's State of Massachusetts, in New England, in the Midwest, and elsewhere.

Mr. MacKINNON. Mr. Speaker, I ask unanimous consent that the gentleman's time may be extended for 1 minute.

The SPEAKER. That request cannot be entertained.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield for a question?

Mr. WOLVERTON. I yield.

Mr. HOFFMAN. As I understand it, the practical objective the committee has in mind is to get this oil out to the people of this country.

Mr. WOLVERTON. That is our endeavor.

Mr. HOFFMAN. Would that interfere in any way with our foreign-aid program?

Mr. WOLVERTON. Several situations have been presented to us which would indicate that careful consideration must be given to our domestic demands preliminary to embarking upon any extensive exportation to foreign countries. By way of illustration, the country to the north of us is receiving an extremely large additional amount of oil above what was previously the case. In matter of fuel oils I think I am correct in saying that during the first 9 months of this year more than 4,000,000 barrels have been exported to Canada as against a little over 1,000,000 barrels for the same period of 1946. That and also other instances are being looked into very carefully by your Committee on Interstate and Foreign Commerce.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. WOLVERTON. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Can the gentleman tell me when he is going to report back on two resolutions I have introduced, one regarding coal cars on the Great Lakes and the other regarding information concerning the movement of oil and coal from the United States to Canada and other countries?

Mr. WOLVERTON. I may say to the gentlewoman from Massachusetts that the information with respect to coal and oil shipments and the distribution of tankers and cars for such purpose has been the subject of a hearing before our committee. The committee has not completed its study. It is endeavoring to do so at the earliest possible date. We appreciate the interest that has been displayed by the gentlewoman from Massachusetts.

The subject of her other resolutions, House Resolution 380 and House Resolution 395, is the basis of the hearings that have been held this past week and are being held at the present time.

Mrs. ROGERS of Massachusetts. The gentleman knows that after seven legislative days I have the right to bring those bills up in the House. It was for the information of the entire House that I introduced the resolutions because I felt that the coal and oil situation was a matter for consideration by the House.

Mr. WOLVERTON. Under the rules, the gentlewoman from Massachusetts could move to discharge the committee. What she would gain by such procedure is hard for me to see. I think credit should be given to the committee in that it is seeking by hearings, that are being held every day, to obtain the information that the gentlewoman from Massachusetts is interested in, and if she was aware of the testimony that was taken she would find it covers the situation. The committee will be glad to submit to the lady and any other Members of the House who are interested in the subject, all the testimony it has taken whenever desired.

As previously said, the Interstate and Foreign Commerce Committee has held hearings for several days in the course of which it has received testimony from representatives of Government as well as industry with respect to petroleum shortages. These hearings have been held in an attempt to develop a constructive plan to alleviate or at least minimize existing petroleum shortages.

The witnesses have addressed themselves both to the immediate situation and to the longer range problems affecting the adequacy of petroleum supplies.

A number of things stand out as far as the shortages are concerned.

The Government witnesses contend that the present shortages are due primarily to a basic inadequacy of petroleum products. The industry spokesmen who have appeared before this committee, on the other hand, deny the existence of a products shortage and place primary emphasis on transportation shortages. The committee feels emphatically that this basic disagreement must be resolved before a constructive plan can be de-

veloped to meet the existing shortages. It, therefore, must insist that all those who can contribute to the plan sought after by the committee be utterly candid as to the facts in the situation. In order to secure the needed degree of candidness, the committee has decided to call before it today, as I have already mentioned, a selected group of industry leaders and Government representatives concerned with various phases of petroleum production, distribution, and transportation. The group will meet with members of the committee in a round-table conference designed to bring out the correct facts and to devise a constructive plan to minimize the existing shortages.

The committee, in the course of its round-table conference will seek to secure answers to all the pertinent questions affecting the shortage of fuel oil in an attempt to make certain that nothing will be left undone to accomplish a fair and equitable distribution of available petroleum supplies. If it should appear that the industry is unable to handle these problems fairly and equitably, it may be up to the committee to seek by legislation ways and means of protecting the American people in this emergency situation.

The SPEAKER. The time of the gentleman from New Jersey has expired.

THE PETROLEUM SHORTAGE

Mr. MACKINNON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MACKINNON. Mr. Speaker, I take this time to ask the gentleman from New Jersey [Mr. WOLVERTON], chairman of the Committee on Interstate and Foreign Commerce, if he will inform the House of the status of the present law insofar as it authorizes or does not authorize the Federal Government to allocate tank cars? Does the Federal Government presently have that authority or does it not?

Mr. WOLVERTON. It is my opinion it does have that authority.

Mr. MACKINNON. I thank the gentleman.

THE SO-CALLED MARSHALL PLAN

Mr. SCRIVNER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. SCRIVNER. Mr. Speaker, we are advised that tomorrow we will receive a rather voluminous message from the President of the United States on the so-called Marshall plan. I assume that it will then be known as the Truman foreign policy. I say "so-called Marshall plan" for the reason I have in my hand a copy of a letter, dated July 29, from the Secretary of State, in which he says: "These suggestions constitute neither a doctrine nor a plan." This statement confirmed the conclusion many of us had reached. I sincerely hope, Mr. Speaker, that the message will disclose to us whether or not the nations of Europe have fulfilled the condition precedent to receiving our aid under the suggestion, namely, that they bring forth plans that will help them help themselves, not merely a list of gifts they desire to receive from us.

I also hope that the urgent needs of China as disclosed by General Wedemeyer and others will be fully discussed and brought to our attention. I trust that we may learn during the discussion the source of these suggestions that were brought to Secretary Marshall's desk by some person unknown and formed the basis of his remarks in his Harvard speech on June 5, which was thereafter called the Marshall plan.

THE PETROLEUM SHORTAGE

Mr. POTTS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. POTTS. Mr. Speaker, the gentleman from Michigan [Mr. MICHENER] and the gentleman from New Jersey [Mr. WOLVERTON] have expressed justifiable concern over the fuel oil shortage in America this coming winter. In this connection I would like to say that the House Committee on Merchant Marine and Fisheries held extensive hearings early in 1947 as a result of a request of the administration to extend the authority of the Maritime Commission to charter tankers because of an expected fuel shortage this winter.

These hearings showed that a tremendous shortage of fuel oil could be expected in America this winter if something were not done about it. As a result of the President's request, the powers of the Maritime Commission were extended by Congress for the purpose of easing the situation, and in the closing days of July this House passed a resolution to require the Secretary of Commerce to certify that on any exports of petroleum products they were not required for the defense of the United States, or for the needs of the citizens of America, but despite that, shipments are still going to Russia.

FINANCING GERMAN OCCUPATION

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker and Members of the House, I read from one of the morning papers:

UNITED STATES TO SHARE BRITISH ZONE RULE COST

After months of negotiation the United States finally agreed yesterday to take over most of the British dollar burdens in the combined zones of western Germany until the end of 1948.

The agreement as signed by Acting Secretary of State Lovett for the United States and Sir William Strang for Great Britain, calls for additional expenditure of about $400,000,000 by the United States in the coming year—$800,000,000 for United States, $115,000,000 for Great Britain.

Now, I want to say that it is about time that we find out why the State Department has the right to obligate us for everything that Great Britain wants. Great Britain is just taking us for a bunch of suckers, and we have a lot of suckers in the State Department that are just gullible enough to give them everything they want. It is about time that we clean house of these New Dealers in the State Department. They have been so used in the last 10 or 15 years to give the British what they want, and give everything we have away, there will be nothing left for our own people at home. You look at the Treasury Department statement, and you will find that we are $1,045,000,000 in the red up to the 15th of this month for this year since July 1. Why, you cannot stand this terrible exorbitant drain on the United States. It is time to clean House, men in the State Department and General Marshall should have seen this before this time. The only way to stop up this drain is to elect a new President who will see that our State Department and every other department of Government is free from the New Deal squanderers—the ones who are giving us away to foreigners. You men will find that your house will fall upon you if you do not get wise and economize. You are wreckers of freedom to permit it.

PERMISSION TO EXTEND REMARKS AT THIS POINT

Mr. CORBETT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CORBETT. Mr. Speaker, as many of the Members know I frequently conduct polls of public opinion in my congressional district. I have completed another such poll covering 12 vital questions. The answers received are extremely interesting and I recommend them as well worth the attention of everyone.

The method employed to secure these percentage answers is important. Questionnaires are sent out to a fixed number of registered voters in each of the 207 voting precincts of my district. The addresses are selected arithmetically and the Republicans and Democrats separately handled.

The basic idea of the poll is to secure sufficient answers to reduce the possibility of error to a minimum. We invariably find during the tabulations a point where additional answers do not affect the percentage answers. When that point is reached we feel that we have secured a satisfactory reading of the public's point of view on a given issue at a given time.

For your further information it should be noted that the Thirtieth Congressional District of Pennsylvania in which this poll is taken includes all of northern Allegheny County and four wards of the city of Pittsburgh. The registered voters of

the district are fairly evenly divided between Republicans and Democrats. The area includes many steel mills, coal mines, and some glass factories. It has large residential communities and an important number of small farms. As such and with a very heterogeneous population it provides a fairly good cross section of the United States.

The questions and percentage replies follow:

REPUBLICANS

	Yes	No
	Pct.	Pct.
1. Should price ceilings be reestablished on selected commodities?	39	61
2. Should rent controls be extended and strengthened?	66	34
3. Should rationing of materials in short supply be restored?	33	67
4. In the event that price ceilings are renewed, should a ceiling be placed on wages?	77	23
5. Do you believe that it is possible to have wage and price ceilings in some selected industries and not in others?	14	86
6. Do you believe that ceilings on wages and prices will slow up production?	55	45
7. Do you believe that if wage and price ceilings are avoided that full production will restore reasonable prices on most commodities within 12 to 18 months?	61	39
8. High prices are primarily the result of: (a) Presidential policies, (b) congressional policies, (c) economic factors. (Name the most important cause; underline the second most important.)	(a) 42 (b) 15 (c) 43	
9. Do you favor the Marshall plan even if it sustains or increases the cost of living here?	57	43
10. On the whole, do you approve of the work of the Committee on Un-American Activities?	87	13
11. Do you regard the Taft-Hartley law as unfair to the average workingman?	12	88
12. Do you favor a reduction of income taxes at all income levels for the coming calendar year?	69	31

DEMOCRATS

1. Should price ceilings be reestablished on selected commodities?	62	38
2. Should rent controls be extended and strengthened?	75	25
3. Should rationing of materials in short supply be restored?	53	47
4. In the event that price ceilings are renewed, should a ceiling be placed on wages?	70	30
5. Do you believe that it is possible to have wage and price ceilings in some selected industries and not in others?	24	76
6. Do you believe that ceilings on wages and prices will slow up production?	38	62
7. Do you believe that if wage and price ceilings are avoided that full production will restore reasonable prices on most commodities within 12 to 18 months?	41	59
8. High prices are primarily the result of: (a) Presidential policies, (b) congressional policies, (c) economic factors. (Name the most important cause; underline the second most important.)	(a) 18 (b) 32 (c) 50	
9. Do you favor the Marshall plan even if it sustains or increases the cost of living here?	60	40
10. On the whole, do you approve of the work of the Committee on Un-American Activities?	76	24
11. Do you regard the Taft-Hartley law as unfair to the average workingman?	40	60
12. Do you favor a reduction of income taxes at all income levels for the coming calendar year?	59	41

EXTENSION OF REMARKS

Mr. SARBACHER (at the request of Mr. GRAHAM) was given permission to extend his remarks in the RECORD and include an editorial.

INFLATION LEGISLATION

Mr. BUCK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BUCK. Mr. Speaker, the appropriation for European aid which we voted yesterday is a further force toward inflation and high living cost. I will oppose adjournment of this special session until the Congress has enacted countermeasures which, in the opinion of the majority, are anti-inflationary curbs on the cost-of-living spiral.

May I also say that I attended the performance of The Good Road last night. It is good theater, good entertainment, and good for the soul. I recommend it unreservedly.

SHORTAGE OF FUEL OIL

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DOUGHTON. Mr. Speaker, a most serious, in fact desperate, situation exists in North Carolina, as well as many other States today, caused by the lack of fuel oil to heat the homes of our people. Many home owners are without any heat whatever, and conditions are growing more desperate every hour.

The oil companies are holding out little or no hope of early relief. If relief is not speedily afforded, the Government, of necessity, must do something. Excuses do not satisfy, and alibis do not explain.

I read a telegram received this morning, which is similar to many others I have received on this subject:

> Unnecessary to look to Europe for suffering and cold. Situation of fuel oil here desperate. Surely time arrived for own peoples to have some consideration. Charity should start at home.

If we do not do something, we will be classed with that person referred to in the Scriptures as "He that provideth not for his own household hath denied the faith and is worse than an infidel."

EXTENSION OF REMARKS

Mrs. BOLTON. Mr. Speaker, in view of the fact that so little accurate information is reaching the Congress and the people of this country on the situation in the Near East, I ask unanimous consent to extend my remarks in the RECORD and include a letter I have received from Aleppo.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of the needs of the National Park Service and the Fredericksburg and Spotsylvania County, Va., National Military Park.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. BLAND. Mr. Speaker, I further ask unanimous consent to extend my remarks in the Appendix of the RECORD and to include therein an address delivered by Walter Lippmann before the Alpha Chapter of Phi Beta Kappa at the one hundred and seventy-first anniversary of the organization of Phi Beta Kappa at William and Mary College. The dinner and public meeting was held on December 5, 1947, and the address was on the subject Philosophy and United States Foreign Policy.

It is estimated that it will make two and one-fourth pages of the CONGRESSIONAL RECORD, at a cost of $159.75. Notwithstanding the space and the cost, the address is highly interesting, and I ask unanimous consent to extend it in the Appendix of the RECORD.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include an editorial that appeared in the Tribune of Lawrence, Mass.

Mr. HUBER asked and was given permission to extend his remarks in the RECORD and include a Christmas greeting.

DEVELOPMENT OF THE NATION'S WATER POWER

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a bill I have introduced.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, our sympathies, of course, go out to the people of the Northeast who are suffering for the want of coal.

They would be in a much worse predicament if it had not been for a few of us in this House, and in the Senate, who have fought for years for the development of our water power.

The power generated by the TVA on the Tennessee River and its tributaries amounts to 12,000,000,000 kilowatts a year. It would take 6,000,000 tons of coal to generate that much power. That amount of coal is released by the TVA for the benefit of the rest of the Nation.

There are 230,000,000,000 kilowatts of electricity going to waste every year in our navigable streams and their tributaries from Maine to California.

It would take 115,000,000 tons of coal a year to generate the amount of electricity that water power would provide.

The development of Boulder Dam and the development along the Columbia River probably produce an amount of electricity that it would take something like 30,000,000 to 50,000,000 tons of coal to provide.

For years I have advocated developing all the water power of this Nation in order to take care of this country, not only now, but for generations to come. I sincerely trust that the rest of the Congress may come around to my way of thinking.

When you realize that in the Ohio River there is sealed up approximately

10,000,000,000 kilowatts of electricity a year, in a State where the coal supply is diminishing, and on the St. Lawrence 12,000,000,000 kilowatts of electricity are going to waste each year in an area that has no coal—to say nothing of the other streams throughout the country whose water power is going to waste.

The greatest wealth of this Nation outside of the soil, from which we live, is our water power. We should develop it and provide electricity for the American people at the lowest possible rates.

Under permission granted me to extend my remarks, I insert a bill I introduced to develop the water power of the entire Nation.

It reads as follows:

H. R. 502

A bill to provide for the creation of conservation authorities, and for other purposes

Be it enacted, etc., That this act may be cited as the Conservation Authorities Act of 1945.

PURPOSE AND POLICY OF THE ACT

SEC. 2. It is the purpose and policy of this act to develop, integrate, and coordinate plans, projects, and activities for or incidental to the promotion of navigation, the control and prevention of floods, the safeguarding of navigable waters, the reclamation of the public lands, and the generation, sale, and distribution of electric energy, in order to promote agriculture, to improve living conditions, to aid and protect commerce among the several States, to strengthen the national defense, to conserve the water, soil, and forest resources of the Nation, to stabilize employment and relieve unemployment, and otherwise to protect and promote the national interest.

CONSERVATION AUTHORITIES

SEC. 3. (a) To carry out the purposes of this act, there are hereby created the following corporated conservation authorities, which shall be agencies and instrumentalities of the United States: (1) The Atlantic Seaboard Authority, for the drainage basins in the United States of the rivers flowing into the Atlantic Ocean and of the rivers flowing into the Gulf of Mexico, from the east, below the basin of the Suwanee River; (2) the Great Lakes-Ohio Valley Authority, for the drainage basins in the United States of the rivers flowing into or from any of the Great Lakes, the Niagara and the St. Lawrence Rivers, and of the Ohio River, except the drainage basins of the Tennessee and Cumberland Rivers, and of the rivers flowing into the Mississippi River above Cairo, Ill., from the east; (3) the Tennessee Valley Authority, for the drainage basins of the Tennessee and Cumberland Rivers, of the rivers flowing into the Mississippi River below Cairo, Ill., from the east, and of the rivers flowing into the Gulf of Mexico east of the Mississippi River, except the rivers below the basin of the Suwanee River; (4) the Missouri Valley Authority, for the drainage basins within the United States of the Missouri River and the Red River of the North and of the rivers flowing into the Mississippi River above Cairo, Ill., from the west; (5) the Arkansas Valley Authority, for the drainage basins within the United States of the Arkansas, Red, White, and Rio Grande Rivers, of the rivers flowing into the Mississippi River below Cairo, Ill., from the west, and of the rivers flowing into the Gulf of Mexico west of the Mississippi River; (6) the Southwestern Authority, for the drainage basins within the United States of the rivers flowing into the Great Basin; that is, the drainage basins of the rivers in the western United States having no outlet to the sea; (7) the Columbia Valley Authority, for the drainage basins within the United States of the Columbia River and the rivers flowing into the Pacific Ocean north of the California-Oregon line; (8) the California Authority, for the drainage basins within the United States of the rivers flowing into the Pacific Ocean south of the California-Oregon line; and (9) the Colorado Valley Authority, for the drainage basin within the United States of the Colorado River: *Provided, however,* That nothing in this act shall be construed to limit the functions, powers, or duties of the Mississippi River Commission as created and now functioning under the act of June 28, 1879 (ch. 43, secs. 1 to 7, inclusive, 21 Stat. 37), as amended, and as compiled in sections 641 to 651, inclusive, of title 33 of the United States Code. The President shall from time to time more specifically define or redefine the territorial boundaries of the Authorities as he finds necessary or appropriate to facilitate the regional development, integration, and coordination of plans, projects, and activities as in this act provided and to obtain the advantages of natural and economic boundaries.

(b) Each authority shall maintain its principal office at a convenient place in its respective geographic region and shall, upon the selection of the location of a principal office, file with the Secretary of State public notice of its selection of such location.

(c) Within 6 months after the enactment of this act, the Columbia Valley Authority shall take over the Bonneville project, on the Columbia River in Oregon, and all powers, rights, duties, functions, obligations, liabilities, and personnel of the Columbia River Administrator created by and now functioning under the act entitled "An act to authorize the completion, maintenance, and operation of Bonneville project for navigation, and for other purposes," approved August 20, 1937, as amended. Such Administrator shall thereupon take all action necessary or appropriate to transfer to such Authority possession and control of the properties and activities of such Administrator. The Bonneville project together with all activities of such Administrator shall thereupon be deemed entrusted under this act to the Columbia Valley Authority, and all unexpended moneys and appropriations of such Administrator shall thereupon be transferred to such Authority and shall be available for expenditure by such Authority under the terms of this act; and such act of August 20, 1937, as amended, shall be deemed repealed.

(d) The Tennessee Valley Authority shall be the Tennessee Valley Authority as created and now functioning under the Tennessee Valley Authority Act of 1933, as amended, and as extended under this act, and shall have all the powers, rights, duties, and functions in such act, in this act, or in any other law provided; but nothing herein shall be construed to limit the carrying out of the purposes of the Tennessee Valley Authority Act of 1933, as amended, or to limit the powers and rights of the Tennessee Valley Authority in respect of, or to affect the continuity of, the functions, activities, obligations, liabilities, accounts, funds, revenues, receipts, or personnel of the Tennessee Valley Authority under such act. Insofar as applicable, the provisions of the Tennessee Valley Authority Act of 1933, as amended, and any other law relating to the Tennessee Valley Authority, in addition to the provisions of this act, shall extend to the geographic region added by this act to the region of the Tennessee Valley Authority. The board of the Tennessee Valley Authority shall be the board of the Tennessee Valley Authority as now constituted, and the directors thereof shall hold office pursuant to the Tennessee Valley Authority Act, as amended. Successors to such directors shall be appointed and hold office pursuant to such act.

(e) The President is authorized, whenever in his judgment the purposes of this act and the interests of economy and efficiency will be served thereby, to transfer from any department or agency of the United States, and entrust to the appropriate authority, the control and operation of any dam (together with appurtenant works) constructed, under construction, or hereafter constructed by or on behalf of the United States. In connection with any such transfer, the President may make such provision as he deems necessary or appropriate for the transfer to such authority of unexpended balances of appropriations available for use in respect of the project, together with personnel, equipment, and any powers, duties, and obligations pertaining thereto.

ORGANIZATION OF THE AUTHORITIES

SEC. 4. Each authority shall be directed and controlled by an administrator, who shall be appointed by the President, by and with the advice and consent of the Senate, except the Tennessee Valley Authority, which shall continue as at present constituted. All other officers, employees, and agents of an authority shall be appointed or designated by the authority. The term of office of each administrator shall be 7 years. Any administrator appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. The administrative officer of each authority next highest in rank to the administrator may be designated by the administrator as deputy administrator and shall perform the duties of the administrator, in the event of the absence or sickness of the administrator, until such absence or sickness shall cease, and, in the event of a vacancy in the office of administrator, until a successor is appointed. Each administrator shall be a citizen of the United States and shall receive a salary at the rate of $10,000 a year, to be paid by the authority as current expenses, and each administrator shall be reimbursed by the authority for actual expenses (including traveling and subsistence expenses) incurred by him in the performance of his duties. No administrator shall, during his continuance in office, be engaged in any other business, and each administrator shall devote himself to the work of the authority. No administrator shall, during his continuance in office, have any financial interest in any public-utility company engaged in the business of generating, transmitting, distributing, or selling electric energy to the public, or in any holding company or subsidiary company of a holding company as such terms are defined in the Public Utility Holding Company Act of 1935. No person shall be appointed an administrator unless he professes a belief in the feasibility and wisdom of this act. Each administrator shall report to the President in such a manner as the President may direct.

CORPORATE POWERS OF THE AUTHORITIES

SEC. 5. Subject to the provisions of this act, each authority—

(1) Shall have succession in its corporate name;

(2) May sue and be sued in its corporate name; and may bring such suits, at law or in equity, as it deems necessary or appropriate in carrying out the purposes of the authority under this act or any other law of the United States;

(3) May adopt and use a corporate seal, which shall be judicially noticed;

(4) May adopt, amend, and repeal by-laws;

(5) Shall have power to acquire, by purchase, lease, condemnation, or donation, such real and personal property and any interest therein, and to dispose of any personal property or interest therein, as the authority deems necessary or appropriate in carrying out the purposes of the authority under this act or other law of the United States; and may, subject to the prior approval of the President, sell, lease, or otherwise dispose of such real property or interest therein as in

the judgment of the authority is no longer necessary in carrying out the provisions of any such law: *Provided however*, That no authority shall dispose of any real property on which there is a permanent dam, hydraulic power plant, fertilizer plant, or munitions plant, heretofore or hereafter constructed by or on behalf of the United States or an authority. The title to all real property shall be taken in the name of the United States, and thereupon such real property shall, for the purposes of this act, be entrusted to the authority as agent for the United States;

(6) Shall have power to enter into such contracts and agreements, and to do such acts and things, as the authority deems necessary or appropriate to carry out the powers now or hereafter conferred upon it by law.

COORDINATION AND INTEGRATION OF PLANS, PROJECTS, AND ACTIVITIES

SEC. 6. (a) The authorities shall be subject to the supervision of the President for the purpose of insuring appropriate conformity of regional policies and operations to a national policy, and appropriate coordination of regional activities, having due regard for regional and local requirements and conditions. In exercising such supervision the President may consult and advise with a council consisting of the Director of the Budget, the Chairman of the National Resources Committee, and such representatives designated by the President from such other departments and agencies of the United States as the President deems advisable, and one director from each authority designated from time to time by such authority.

(b) With a view to the coordination and integration of projects, activities, and integrated regional developments for the purpose of increasing efficiency and eliminating waste and duplication of effort, each authority shall study and survey the projects and activities, within the region of such authority, of the departments and agencies of the United States relating to the promotion of navigation, the control and prevention of floods, the safeguarding of navigable waters, and the reclamation of the public lands, and shall study and survey the regional developments of such departments and agencies for the conservation and prudent husbandry of the water, soil, mineral, and forest resources of the Nation, including the prevention of waste of the Nation's resources from droughts, winds, dust storms, and soil erosion, and the control and retardation of water run-off and the restoration and improvement of the absorption and infiltration capacity of the soil. Each authority insofar as practicable shall endeavor to coordinate and integrate such projects, activities, and regional developments by devising and effecting arrangements for the cooperation of the field offices and services of the departments and agencies of the United States. Each authority insofar as practicable shall consult and cooperate with the field offices and services of such departments and agencies and may call upon such field offices and services for any information or data relevant to such projects, activities, or regional developments, and it shall be the duty of such departments and agencies to have their field offices and services take such action as may be necessary or appropriate fully to cooperate with each authority.

(c) Each authority insofar as practicable shall consult and cooperate with the States and with public and cooperative agencies, in the making of studies, the collecting of information and data, and the development of plans for carrying out the purposes of this act. Each authority may make available to the departments and agencies of the United States and to the States and the people thereof, and to public and cooperative agencies, such information, studies, and recommendations as it deems necessary or appropriate to enable public and cooperative agencies to avail themselves of the preferential rights and priorities afforded by section 10 of this act, and such other information and studies, and such recommendations for State legislation, as the authority deems advisable to aid in carrying out the purposes of this act. Each authority shall have power to constitute one or more regional or local advisory committees to advise the authority generally or upon specific matters.

(d) There shall be included in the plans submitted to the President by each authority under section 7 such recommendations as the authority deems necessary or appropriate (1) for the economic and efficient cooperation among Federal, State, regional, and local department and agencies, and (2) for further legislation to promote the development, integration, and coordination of projects and activities under this act and otherwise to effectuate the purposes of this act.

SUBMISSION OF PLANS TO THE PRESIDENT AND THE CONGRESS

SEC. 7. (a) Each authority shall, not later than October 15 of each year, submit to the President plans for the construction and undertaking, during the succeeding governmental fiscal year, of projects and activities for or incidental to the promotion of navigation, the control and prevention of floods, the safeguarding of navigable waters, the reclamation of the public lands, and the generation, sale, and distribution of electric energy, and such further plans for integrated regional developments as each authority finds necessary or appropriate in the national public interest for the conservation and prudent husbandry of the water, soil, mineral, and forest resources of the Nation, including the prevention of irreparable waste of the Nation's resources from droughts, winds, dust storms, and soil erosion, and the control and retardation of water run-off and the restoration and improvement of the absorption and infiltration capacity of the soil. Such plans shall indicate the order of preference and priority of the projects and activities.

(b) If the President, after such study and investigation as he shall require by the Director of the Budget, the National Resources Committee, and such other departments and agencies of the United States as the President deems advisable, approves such plans, or any of them or any part thereof, as necessary or desirable in carrying out the purposes of this act, the President shall refer such plans to the Congress with his recommendations. The President may at any time request an authority to submit to him, for reference to the Congress, plans for such projects or activities as in his judgment may be necessary or desirable in carrying out the purposes of this act; and the authority, as soon as practicable, shall submit such plans to the President. In the case of plans (such as those for the conservation of surface and subsurface moisture and the prevention of wind erosion in the Great Plains) which involve integrated developments traversing the geographic region of two or more authorities, the President may assign or reassign the duty of working out such plans to any one of such authorities as he finds necessary or appropriate to obtain the advantages of natural and economic boundaries in the planning of such integrated developments.

PREPARATION OF PLANS

SEC. 8. (a) Plans submitted to the President by each authority pursuant to section 7 shall include such projects and activities, and such recommendations for the construction and undertaking thereof, as the authority finds adapted to the conservation and integrated development and utilization of water, soil, and forest resources for the following purposes:

(1) The promotion of navigation by, among other means, the improvement of the channels of navigable rivers and their tributaries; the prevention of siltation of such waters; the regulation of stream flow; and the development and coordination of navigation facilities.

(2) The control and prevention of floods to prevent destruction and interference with navigation, the facilities of interstate commerce, and the properties and functions of the United States, with due regard to the maximum protection of life and property, by, among other means, the storage control, and disposition of flood and surplus waters, and the control and retardation of water run-off and the restoration and improvement of the absorption and infiltration capacity of the soil. Plans for such purposes shall include, among other things, dams, reservoirs, levees, spillways, and floodways; improved methods and conditions of soil conservation, utilization, fertilization, and cultivation; and the conservation of forests and afforestation and reforestation of lands. In the case of plans involving the production of fertilizers or fertilizer ingredients, such plans, insofar as practicable, shall provide for the construction and operation of plants and equipment in such manner as will make them of maximum usefuless for the production of munitions of war materials in time of war.

(3) The safeguarding of navigable waters and their use by, among other means, the prevention and abatement of pollution of navigable streams and their tributaries, and the provision of sewage disposal and water purification works and structures and facilities in connection therewith.

(4) The reclamation of arid or swampy public lands by, among other means, the irrigation and drainage and the economic development and use of such lands.

(5) The generation, utilization, transmission, sale, and distribution of electric energy in furtherance of the purpose and policy of this act.

(b) So far as may be consistent with or necessary or appropriate for the promotion of navigation, the control and prevention of floods, the safeguards of navigable waters, and the reclamation of the public lands, as provided in subsection (a), plans shall give due regard to the following among other considerations: (1) The present and future development, conservation, and utilization of water for power, irrigation, and other beneficial uses; (2) the prudent husbandry of soil, mineral, and forest resources and their conservation for recreation, the protection of wild game, and other beneficial uses; (3) the urgency of preventing irreparable waste of the Nation's resources from droughts, winds, dust storms, and soil erosion; (4) the integration and interconnection of projects and activities, the development of their multiple purposes, and the equitable distribution of the benefits thereof; (5) equitable contributions to cost by States and subdivisions and agencies thereof specially benefited by the projects and activities; (6) equitable contributions, from the revenues of a project or otherwise, to compensate States and subdivisions and agencies thereof for special losses, not offset or mitigated by benefits, which may be occasioned by the carrying-out projects; and (7) such economic, social, and cultural values as may be affected or furthered by the projects and activities.

(c) Plans may include not only projects and activities to be constructed or undertaken by the various departments and agencies of the United States solely from funds of the United States; but also projects and activities to be constructed or undertaken by such departments and agencies with contributions by State, local, or regional agencies; and projects and activities to be constructed or undertaken by such State, local, or regional agencies with contributions by the United States. Plans shall set forth the recommendations of the authority regarding such contributions and regarding the construction and undertaking of such projects and

activities as between the departments and agencies of the United States and State, local, and regional agencies.

(d) Plans shall classify the various construction projects with a view to the construction of projects in the order of their urgency so as most beneficially to promote the national welfare by stabilizing employment and relieving unemployment. Plans for reserved or less urgent projects shall be completed as expeditiously as possible, and shall be modified from time to time as circumstances warrant so that such plans shall be available for prompt action whenever necessary to prevent or abate business depression and widespread unemployment or for any other purpose of this act. In the development and modification of plans, due regard shall be given to changing economic, industrial, and social conditions and to advantages offered by technological and other developments.

(e) Each authority shall have power to acquire, construct, operate, maintain, and improve such laboratories and experimental stations, and to undertake such educational, research, and demonstrational work, as the authority deems necessary or appropriate to develop its plans, to test or demonstrate the feasibility of such plans, or more efficiently to develop and carry out any project or activity entrusted to the authority pursuant to this or any other act of the Congress.

POWERS AND DUTIES OF AN AUTHORITY IN THE CASE OF PROJECTS AND ACTIVITIES WHICH ARE OR MAY BE ENTRUSTED TO SUCH AUTHORITY

SEC. 9. (a) Whenever, pursuant to this or any other act of the Congress, any project or activity (of a type in respect of which an authority is authorized to prepare plans under section 8) is entrusted to an authority, such authority, except as the Congress may otherwise provide, shall have such powers as may be necessary or appropriate to construct, operate, and carry out such project or activity so as to accomplish the purposes and to fulfill the requirements specified in subsections (a) and (b) of section 8, including the power (to the extent necessary or appropriate to construct, operate, or carry out such project or activity entrusted to it, and works and facilities incidental thereto)—

(1) To acquire, construct, operate, maintain, and improve dams, locks, reservoirs, levees, spillways, floodways, fishways, conduits, canals, roads, roadways, docks, wharves, terminals, sewage-disposal and water-purification works, and recreation facilities, and structures, equipment, and facilities incidental thereto: *Provided, however,* That all dams, locks, lifts, and appurtenant works shall be constructed, operated, and maintained under the direction of the Secretary of War and the supervision of the Chief of Engineers.

(2) To acquire, construct, operate, maintain, and improve such canals, conduits, powerhouses, transmission lines, rural electric lines, and substations, and such machinery, equipment, structures, and facilities for the storage and transportation of water or for the generation and transmission of electric energy as the authority deems necessary or appropriate to supply existing and potential markets: *Provided,* That the Chief of Army Engineers shall provide, construct, operate, maintain, and improve such machinery, equipment, and facilities for the generation of electric energy as may be necessary to develop such electric energy as rapidly as markets may be found therefor.

(3) To develop and provide such methods and conditions of water and land utilization as the authority deems necessary or appropriate to prevent and abate floods and droughts.

In order further so to effectuate such primary purposes in the construction and operation of dams for projects entrusted to an authority, provision shall be made, insofar as practicable, in the construction of any such dam, for such foundations, sluices, penstocks, and other works as may be necessary or appropriate to prevent the waste of water power at such dam and to make possible the economical development of water power at such dam.

(b) Whenever, pursuant to this or any other act of the Congress, a project or activity is entrusted to an authority, such authority is authorized, if in its judgment the interests of economy and efficiency will be served thereby, to construct or operate such project or conduct such activity through, or in conjunction with, other departments and agencies of the United States, or in conjunction with States or subdivisions or agencies thereof, or other public or cooperative agencies. The departments and agencies of the United States are hereby authorized to participate in the construction or operation of such projects or the conduct of such activities on terms mutually agreeable to such department or agency and the authority.

(c) The electric energy generated at any such project which is not required for the operation of such project and activities in connection therewith shall be delivered to the administrator of the authority, for disposition as provided in this act.

DISPOSITION OF WATER AND WATER POWER

SEC. 10. (a) Whenever, pursuant to this or any other act of Congress, there is entrusted to an authority a project at which electric energy is or will be generated or at which salable water is or will be stored, such authority shall make such arrangements and take such action as may be necessary or appropriate for the disposition of such of the electric energy and water as is not required for the operation of the dams, locks, and lifts at such project, or the navigation, sewage-disposal, or water-purification facilities in connection therewith, and, in the case of reclamation projects, as is not required for reclamation of the public lands. There shall be allotted to the War Department, without charge, so much of the electric energy generated at any such project as in the judgment of the War Department may be necessary for carrying out the functions and duties of such Department in connection with such project.

(b) To encourage the widest possible use of available electric energy and water, to provide adequate markets and outlets therefor, and to prevent the monopolization thereof by limited groups or localities, the authority shall acquire, construct, operate, maintain, and improve such canals, conduits, electric transmission lines, rural electric lines, substations, and other structures and facilities as it deems necessary or appropriate to bring electric energy, or water, available for sale, from such project to existing and potential markets, and, in the case of electric energy, to interconnect such project with other Federal projects for the disposition or interchange of electric energy. To provide for emergencies, break-down relief, and increased safety and economy in operations, the authority may enter into contracts upon suitable terms with public and private power systems for mutual interchange of electric energy and for reciprocal use of transmission facilities.

(c) To insure the disposition of the electric energy developed and water stored at a project for the benefit of the general public, and particularly of domestic and rural consumers, the authority shall, in disposing of electric energy and water, give preference and priority to States, districts, counties, and municipalities, including agencies or instrumentalities thereof or of two or more States (in this act called public agencies), and to cooperative and other organizations not organized or administered for profit but primarily for the purpose of supplying electric energy or water to their members as nearly as possible at cost (in this act called cooperative agencies). In the event of competing applications by public or cooperative agencies (whether or not formally organized), on the one hand, and other persons or agencies, on the other hand, the authority, in order to preserve and protect the preferential rights and priorities of such public and cooperative agencies, shall allow to people and communities within transmission distance of such project reasonable opportunity and time to acquire, purchase, or construct the necessary facilities for the use or distribution of such electric energy or water, including reasonable opportunity and time to create and finance such public or cooperative agencies under the laws of the several States.

(d) Subject to the provisions of this act, each authority may enter into contracts for the sale at wholesale of electric energy and water, whether for resale or direct consumption to public and cooperative agencies and to private agencies and persons; and each authority may sell electric energy directly to farms and in rural communities which the authority finds are not adequately serviced with electric energy at reasonable rates. Contracts entered into under this subsection shall be binding in accordance with the terms thereof and shall be effective for such period or periods, including renewals or extensions, as may be provided therein, not exceeding in the aggregate 20 years from the respective dates of the making of such contracts. Such contracts shall contain appropriate provisions, to be agreed upon between the authority and the purchaser, for the equitable adjustment of rates at appropriate intervals. In the case of contracts with private agencies or persons who resell the bulk of the electric energy or water purchased, the contracts shall contain appropriate provisions authorizing the authority to cancel the contract, or authorizing the authority to cancel the contract in part, upon 2 years' notice in writing whenever in the judgment of such authority there is reasonable likelihood that part of the electric energy or water purchased under such contract will be needed to satisfy the preferential rights and priorities of public or cooperative agencies under this act. Contracts entered into under this subsection shall contain such terms and conditions, including, among other things, stipulations concerning resale and resale rates, as the authority deems necessary or appropriate to effectuate the purposes of this act, to insure that resale to the ultimate consumer shall be at rates which are reasonable, just, fair, and nondiscriminatory, or otherwise to provide adequate markets and outlets for electric energy and water.

(e) Rate schedules for the sale of electric energy and water by an authority shall be prepared from time to time by such authority. Subject to the provisions of subsection (f), the authority shall fix such rate schedules as the authority finds necessary or appropriate to provide adequate markets and outlets for electric energy and water and to encourage the widest possible use of electric energy and water, having regard (upon the basis of the application of such rate schedules to the capacity of the contemplated electric or water facilities of the authority or of a project of the authority) to the recovery of the cost of generating and transmitting such electric energy or storing and transporting such water, including appropriate reserves for maintenance and upkeep and the amortization of the capital investment over a reasonable period of years. Upon the amortization of such capital investment, rate schedules shall from time to time be revised and reduced to the fullest extent economically feasible. In order to distribute the benefits of integrated transmission systems and to promote the equitable distribution of electric energy, rate schedules shall provide for uniform rates, or rates uniform throughout prescribed transmission areas.

(f) Whenever, pursuant to this or any other act of Congress, there is entrusted to an authority any multiple-purpose revenue-producing project, or whenever thereafter capital expenditures are made in connection with any such project, such authority shall make a thorough investigation of such project for the purpose of allocating the cost of such project, or such capital expenditures, among the various purposes served thereby—such as navigation, flood control, irrigation, power development, or other types of development, as the case may be. Costs of facilities having a value only for one purpose shall be allocated to that purpose; costs of facilities having a joint value for more than one purpose shall be equitably allocated among such purposes in such manner as the authority deems necessary or appropriate to promote a sound national economy, to encourage the widest possible economic use of water for irrigation and of electric energy for domestic, rural, and industrial needs, and to avoid the imposition upon any one purpose of a greater share of joint costs than such purpose may fairly bear. The authority shall also determine the appropriate periods and rates of amortization to be applied to the capital investment allocated to a revenue-producing purpose. The allocation of costs and the periods and rates of amortization so determined by the authority shall be subject to the approval of the President, and as approved by the President such allocations of costs and such periods and rates of amortization shall be used in keeping the books of the authority.

STATE COMPACTS

SEC. 11. (a) The consent of the Congress, subject to the provisions of this section, is hereby given the several States to enter into agreements and compacts between or among any two or more States (1) to further and supplement on behalf of the States the purposes of this act; and (2) to carry out on behalf of the States appropriate projects and activities in relation thereo. Any such agreement or compact shall not become effective or binding upon the States party thereto unless and until it shall have been submitted to and approved by the authority within whose geographic region the projects or activities contemplated by such agreement or compact are to be carried out. Such authority shall approve any such agreement or compact if it finds such agreement or compact, and the projects and activities contemplated thereby, to be feasible, practicable, and appropriate to and consistent with the policies and purposes of this act. The appropriate authority shall, insofar as practicable, cooperate with and furnish information and assistance to the States for the purpose of negotiating, entering into, and carrying out agreements and compacts pursuant to this section.

(b) In case of any doubt as to the authority having jurisdiction over any matter under this section, the President shall upon application designate the appropriate authority to have such jurisdiction.

APPROVAL OF PRIVATE PROJECTS

SEC. 12. (a) To insure the integrated and coordinated promotion of navigation, control, and prevention of floods, safeguarding of navigable waters, reclamation of the public lands, and protection of property of the United States, no dam, appurtenant works, sewer, dock, pier, wharf, bridge, trestle, landing, pipe, building, float, or other or different obstruction or polluter affecting navigation, the use of navigable waters, flood control and prevention, the public lands, or property of the United States, shall be constructed, or thereafter operated or maintained, over, across, along, in, or into any navigable stream or any tributary thereof, except in accordance with plans for such construction, operation, and maintenance which shall theretofore have been submitted to and approved by the authority within whose geographic region such obstruction or polluter is to be constructed, operated, or maintained. The requirements of this section shall be in addition to the requirements of all other applicable laws of the United States or of any State; and any approval, license, permit, or other sanction required by any provision of any such law or laws for the construction, operation, or maintenance of any such obstruction or polluter or any part thereof (except such as may be constructed, operated, or maintained by an authority under this act or other law of the United States) shall be required as in such law provided.

(b) The authority having jurisdiction over any application under this section may bring appropriate proceedings in a district court of the United States to enjoin any violation of this section within the territorial jurisdiction of such district court, or to require the removal of any obstruction or polluter constructed, operated, or maintained within such jurisdiction in violation of this section; and upon a proper showing a temporary or permanent injunction or decree shall be granted without bond.

(c) In case of any doubt as to the authority having jurisdiction over any matter under this section, the President shall upon application designate the appropriate authority to have such jurisdiction.

CONSTRUCTION OF DAMS BY OR ON BEHALF OF THE UNITED STATES

SEC. 13. In the case of any dam under construction or hereafter constructed by or on behalf of the United States, provision shall be made, insofar as practicable, for such foundations, sluices, penstocks, and other works as may be necessary or appropriate to prevent the waste of water power at such dam and to make possible the economical future development of water power at such dam. In the event that the officer, department, or agency of the United States in charge of the construction of any such dam determines that provision for such foundations, sluices, penstocks, or other works is not necessary or appropriate in connection with such dam, such officer, department, or agency shall forthwith make a report of such determination, accompanied by a statement of the findings, reasons, and other pertinent matters in respect thereof, to the President, and the President shall take such action as he deems necessary or appropriate in the public interest. In the case of any doubt as to the officer, department, or agency of the United States charged with responsibility for appropriate action under this section, the President shall designate the appropriate officer, department, or agency to assume such responsibility.

EMPLOYMENT AND EMPLOYEE COMPENSATION

SEC. 14. (a) For the purposes of this act, each authority may select, employ, and fix the compensation of such officers, attorneys, engineers, special consultants, and experts as it deems necessary to carry out the functions and duties of the authority, without regard to the provisions of other laws applicable to the employment and compensation of officers or employees of the United States. Each authority may, subject to the civil-service laws, appoint such other employees as it deems necessary to carry out the functions and duties of the authority and shall fix their salaries in accordance with the Classification Act of 1923, as amended. Each authority shall define the duties of its officers and employees, require bonds of such of them as the authority may designate, and provide a system of organization to fix responsibility and promote efficiency. Subject to the laws of the United States regarding employees of the United States, each authority shall deal collectively with its employees through representatives of their own choosing.

(b) In the appointment, selection, classification, and promotion of officers and employees of an authority, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency. Any director of an authority who is found by the President to be guilty of a violation of this subsection shall be removed from office by the President, and any appointee of an authority who is found by such authority to be guilty of a violation of this subsection shall be removed from office by such authority.

(c) The provisions of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes" approved September 7, 1916, as amended, and as compiled in sections 751 to 796, inclusive, of title 5 of the United States Code, shall apply to persons given employment by an authority under the provisions of this act, or any other law of the United States; and the remedies afforded by such act of September 7, 1916, as amended, shall be exclusive and in lieu of any other remedy.

(d) All contracts to which an authority is a party and which require the employment of laborers or mechanics in the construction, alteration, maintenance, or repair of buildings, dams, or other structures or facilities shall contain a provision that not less than the prevailing rate of wages for work of a similar nature in the vicinity shall be paid to such laborers or mechanics. Any such contract shall further provide that such contract shall, in the case of any violation of such provision, be voidable at the election of the authority and that the authority may in its discretion withhold payment under such contract of such amounts as the authority determines to be equal to the difference between the sums paid and the sums required to be paid such laborers and mechanics. Any amount so withheld shall be paid by the authority, pursuant to such conditions and regulations as the authority may prescribe, to the laborers and mechanics found by the authority to be entitled thereto. When such work is done directly by an authority, not less than such prevailing rate of wages shall be paid therefor.

PURCHASES AND AUDITS

SEC. 15. (a) All purchases and contracts made by an authority for supplies or services, other than personal services, shall be made after advertising in such manner and at such times, sufficiently in advance of opening bids, as the authority deems adequate to insure appropriate notice and opportunity for competition. Such advertisement shall not be required, however, when (1) an emergency requires immediate delivery of the supplies or performance of the services; or (2) repair parts, accessories, or supplemental equipment or services are required for supplies or services previously furnished or contracted for; or (3) the aggregate amount involved in the purchase of supplies or procurement of services does not exceed $500; in any such case the purchase of such supplies or procurement of such services may be made in the open market in the manner common among businessmen. In comparing bids and in making awards, the authority shall give the consideration to such factors as relative quality and adaptability of supplies or services; the bidder's financial responsibility, skill, experience, record of integrity in dealing, and ability to furnish repairs and maintenance services; the time of delivery or performance offered; and whether the bidder has complied with the specifications.

(b) Each authority shall have power to determine and prescribe the manner in which its obligations and expenses shall be incurred, allowed, paid, and audited, except that the Comptroller General of the United States shall audit the accounts of each authority at such times as he shall determine, but not less frequently than once each governmental fiscal year, with personnel of his

selection. In such connection the Comptroller General and his representatives shall have free and open access to all papers, books, records, files, accounts, plants, warehouses, offices, and all other things, property, and places belonging to or under the control of or used or employed by the authority, and shall be afforded full facilities for counting all cash and verifying transactions with and balances in depositaries. The Comptroller General shall make report of each such audit in triplicate, one copy for the President, one for the authority, and the other to be retained by him for the uses of the Congress. No such report, however, shall be made by the Comptroller General until the authority shall have had reasonable opportunity to examine any exception or criticism of the Comptroller General or the General Accounting Office, to point out, explain, and answer errors therein, and to file in triplicate a statement which shall be submitted by the Comptroller General with his report. The expenses for each such audit shall be paid from any appropriation or appropriations for the General Accounting Office, and such part of such expenses as may be allocated to the cost of generating, transmitting, and distributing electric energy shall be reimbursed promptly by the authority as billed by the Comptroller General. Each authority shall have power to make such expenditures for such offices, vehicles, furnishings, equipment, supplies, books, periodicals, printing, and attendance at meetings, and such other facilities and services as the authority deems necessary or appropriate to carry out the purposes of such authority under this act or any other law of the United States.

REPORTS AND ACCOUNTS

SEC. 16. (a) Each authority shall submit to the President and to the Congress, in December of each year, (1) a financial statement and complete report of the business of the authority for the preceding governmental fiscal year, and (2) a complete report on the status and progress of all its projects and activities since the creation of such authority or the date of its last such report.

(b) Each authority shall at all times keep complete and accurate accounts of all operations, including all funds expended or received for the account of the authority. Such accounts shall be kept in such manner as appropriately to segregate, insofar as practicable, the accounts in respect of the different classes of operations, projects, and activities of the authority.

VENUE AND JURISDICTION; INJUNCTIONS AND UNDERTAKING

SEC. 17. (a) Each authority shall be held to be an inhabitant and resident, within the meaning of the laws of the United States relating to the venue of civil suits, of the judicial district in which its principal office is located at the time of the commencement of suit. The district courts of the United States shall have original jurisdiction, without regard to the amount in controversy, over any proceeding at law or in equity brought by or against an authority under this act or any other law of the United States. Any proceeding at law or in equity brought against an authority in a State court may be removed by the authority to the district court of the United States for the district in which the proceeding is pending, and, to effect such removal, it shall not be necessary that any other party or parties defendant join in the petition for removal. Except as otherwise provided in this subsection, the procedure for removal shall be according to the applicable laws of the United States relating to removal.

(b) Notwithstanding any other provision of law, the district court of the United States for the judicial district in which the principal office of an authority is located at the time of the commencement of suit shall have exclusive jurisdiction of all proceedings at law or in equity against such authority, or any director, officer, employee, or agent of such authority, in which there is drawn in question the validity of this act or any other law of the United States, or the validity of any act or conduct of such authority or such director, officer, employee, or agent done pursuant to or under color of this act or any such other law; and no other court of the United States, and no court of any State, shall have jurisdiction of any such cause now pending or hereafter commenced without the express consent of such authority and of any such director, officer, employee, or agent.

(c) Except upon the condition that there shall first have been filed an undertaking or bond as in subsection (d) provided, no court of the United States shall have jurisdiction to issue, or shall issue, a temporary or permanent injunction enjoining any authority, or any director, officer, employee, or agent of an authority, from doing any act or thing pursuant to or under color of this act or any other law of the United States; or a temporary or permanent injunction directly or indirectly enjoining any person, any public or cooperative agency, or any organization from purchasing water or electric energy from any authority; or a temporary or permanent injunction which in any way directly or indirectly restrains or delays the carrying out of any provision of this act or of any other law of the United States relating to an authority or any right, power, duty, or function of an authority. Any person, any public or cooperative agency, or any organization which, directly or indirectly, is or may be adversely affected, or is or may be deprived of (or delayed in the exercise of) a right to purchase water or electric energy, by the issuance or continuance of any such injunction, may upon application intervene in the proceeding and become a party thereto, at any time prior to the final determination of the cause, and shall be protected by such undertaking or bond.

(d) Such undertaking or bond shall be filed by the party or parties (hereinafter called the complainants) to or for whom such temporary or permanent injunction, or any portion thereof, is to be issued or continued. Such undertaking or bond shall be secured by adequate security in an amount, to be fixed by the court, sufficient to recompense the persons enjoined and the authority, the United States, any intervenor, and any person or agency damaged, for any and all loss, expense, and damage which may be caused or contributed to by the issuance or continuance of any such injunction. Such undertaking or bond shall constitute an agreement by the complainants and the sureties that such undertaking or bond shall continue in force and effect, regardless of any temporary or permanent order, judgment, or decree issued by the court, until the cause is finally determined; and shall constitute a further agreement by the complainants and sureties—

(1) That they shall pay such loss, expense, and damage in the event (A) that it shall be determined that the complainants were not entitled to the relief, or any part thereof, granted, or (B) that it shall be determined upon final disposition of the cause that the complainants were not entitled to permanent injunctive relief against any or all of the acts or conduct enjoined by such temporary or permanent injunction or injunctions;

(2) That a hearing to assess such loss, expense, and damage may be held in the same proceeding, and that upon such hearing the court shall have jurisdiction to enter a decree and judgment for such loss, expense, and damage against such complainants and sureties, and, in the case of the complainants, without regard for the amount of the undertaking or bond; and that the undertaking or bond shall constitute a submission by the complainants and sureties to the jurisdiction of the court for such purpose; and

(3) That there shall be permitted to intervene in the cause, at any time prior to the termination of such hearing or to the final determination of the cause, any person, any public or cooperative agency, or any organization, which, directly or indirectly, is or may be adversely affected, or is or may be deprived of (or delayed in the exercise of) a right to purchase water or electric energy, by the issuance or continuance of the injunction or injunctions; and that any such person or agency shall be given reasonable and adequate opportunity so to intervene and to be protected by the undertaking or bond.

The right and remedy herein provided in respect of an undertaking or bond shall be in addition to any and all other rights and remedies that may exist at law or in equity.

(e) Upon a hearing to assess damages under any such undertaking or bond, there shall be assessed, in addition to other appropriate items of loss, expense, and damage, (1) all reasonable costs and expense of obtaining the vacation of the injunction or injunctions; (2) in the case of the authority and the United States, the probable loss to the authority or the United States of the income which the authority or the United States would have secured, in the absence of any injunction, in light of present and potential markets; and (3) in the case of other parties and intervenors, the probable loss and damage to such parties or intervenors and to their present and potential customers not otherwise represented in the cause (determined upon the basis of the loss in income to such parties and intervenors and the aggregate losses to such present and potential customers) suffered by reason of the issuance or continuance of the injunction or injunctions. Whenever any party or intervenor shall receive any sum on account of any such loss or damage to such present or potential customers, such sum, subject to the direction and orders of the court, shall be received and held for the benefit of such customers and distributed to them as their interests may appear.

CONDEMNATION PROCEEDINGS

SEC. 18. (a) Each authority may cause proceedings to be instituted for the condemnation of any land, easement, right-of-way, or personalty, or any interest in any of the foregoing, which in the judgment of the authority is necessary or appropriate for or reasonably incidental to the carrying out of the purposes of the authority under this act or any other law of the United States. Notwithstanding any provision of any other law, any condemnation proceeding hereafter instituted by any authority in carrying out the purposes of such authority under this act or any other law of the United States shall be governed by the provisions of this section. The proceeding shall be instituted in the district court of the United States for the district in which the property to be acquired (in this section called the property), or any part thereof, is located, and such court shall have jurisdiction to divest the title to the property from all persons or claimants and vest the same in the United States in fee simple, free and clear from all liens and encumbrances, and to enter a decree quieting the title thereto in the United States.

(b) Upon the filing of a petition for condemnation, the district court (for the purpose of ascertaining the value of the property and assessing the compensation to be awarded, and for the purpose of determining the ownership of the property, the nature and holders of valid liens or encumbrances thereon, and all other questions of fact or law essential to a proper distribution of a

condemnation award) shall appoint a commission consisting of a special master, who shall be a practicing attorney, and two other commissioners. Such commissioners shall be selected from without the vicinity in which the property is situated, and shall take and subscribe an oath that they do not have any interest in any property which it may be desirable for the United States to acquire in the furtherance of the project or in any property in the immediate vicinity in which the property to be acquired is situated. It shall be the duty of the special master to preside at all hearings had before the commission and to rule upon questions of procedure. The special master shall inquire into and determine the questions of the ownership of the property to be acquired, the nature and holders of valid liens or encumbrances thereon, and all other questions of fact or law essential to a proper distribution of a condemnation award, except that the three commissioners as a commission shall inquire into and determine the value of the property and each interest therein; and the special master and the commission respectively shall hold hearings and take evidence for such purposes.

(c) Each commissioner shall receive a per diem of not to exceed $20 for his services, together with an additional amount of $5 per day for subsistence for time actually spent away from his domicile in the performance of his duties. The commissioners may designate competent court reporters who shall report the proceedings and who shall receive for their services a sum not to exceed the prevailing per diem compensation in that locality for similar services. Such reporters shall furnish to any party, upon payment by such party of the customary charge in the locality, a certified transcript of the proceedings. The commissioners are authorized to administer oaths and subpena witnesses, who shall be entitled to receive the same fees as witnesses in the United States courts. Hearings before the commissioners shall be conducted at such time and place as the special master and the commission, respectively, shall fix, having due regard for the convenience of the parties.

(d) In the determination of the value of the property, or of any interest therein, of any claimant or claimants—

(1) The cost to such claimant or claimants of such property or such interest, and of any improvement made therein by such claimant or claimants, shall be taken as the best evidence of value: *Provided*, That the acquisition of such property or interest and the making of such improvement were bona fide and were not made in contemplation of the particular, or any other, condemnation proceeding. But such cost need not be taken as the best evidence of value (A) if such property or interest was acquired by such claimant or claimants more than 4 years prior to the filing of the petition for condemnation, or (B) if there are found particular and unusual circumstances which would make the amount, so determined as value, excessive, inadequate, or otherwise not just compensation for such property or interest.

(2) There shall not be included in such determination of value any increment of value which arises subsequent to the enactment of this act and which is attributable to an anticipated or probable use of the property, or property similarly situated for a purpose the same or similar or related to the purpose in furtherance of which the condemnation proceeding is commenced.

(e) The special master shall file with the court a report of the findings of fact and conclusions of law as to the questions determined by him, and the commission shall file an award setting forth their findings as to the value of the property, making a separate award and valuation in the premises in respect of each separate parcel or interest involved. Upon the filing of such a report or such award in court, the clerk shall give notice and mail copies thereof to such parties and in such manner and form as directed by the district court.

(f) Any party may file exceptions to such a report or such award within 20 days from the date such report or award is filed in court. Exceptions to a special master's report shall be heard before the district court. Exceptions to the commission's award shall be heard before three United States circuit and/or district judges who shall be designated by the presiding judge of the circuit court of appeals for that district, unless the parties stipulate that such exceptions may be heard by the district court. Upon such hearings the judges or the district court, as the case may be, shall pass upon the proceeding had before the special master or the commission, as the case may be, on the record made therein. Not less than 10 days prior to a hearing before such judges a copy of the record shall be furnished each judge by the party who filed exceptions. No additional evidence shall be considered by the judges or the district court, as the case may be, unless such evidence shall have been offered before the special master or the commission, as the case may be, or unless there are reasonable grounds for failure so to have done. Upon such hearings such judges or the district court, as the case may be, shall enter their judgment or decree affirming, modifying, or setting aside, in whole or in part, the report or award previously made.

(g) At any time within 30 days from the filing of the decision of the judges or district court, as the case may be, upon the hearing on exceptions to the report or award, any party may take an appeal from such decision to the circuit court of appeals in the same manner and with like effect as an appeal may be taken from a final order or decree of a district court in an equity proceeding.

(h) Unless title and the right of possession shall have passed earlier under the provisions of the act of February 26, 1931 (ch. 307, secs. 1 to 5, inclusive, 46 Stat. 1421), as compiled in sections 258a to 258e, inclusive, of title 40 of the United States Code, title to the property and the right to the possession thereof shall pass (1) upon acceptance of an award by the owner or owners of the property and the payment of the money awarded; or (2) upon final determination of the cause and the payment of the award to the person or persons entitled thereto, or the payment of the award into the registry of the court. And the authority shall be entitled to a writ in the same proceeding to put the authority into possession of such property.

(i) In the case of any property owned in whole or in part by a minor, insane person, incompetent person, or an estate of a deceased person, the legal representative of such minor, insane person, incompetent person, or estate shall have power, with the approval of the district judge in whose court the proceeding is pending, to consent to or reject any report or award herein provided for or to make settlement with an authority. In the event that there be no such legal representative for such minor, insane person, or incompetent person, or that such legal representative shall fail or decline to act, such judge may upon motion appoint a guardian ad litem to act for such minor, insane person, or incompetent person; and such guardian ad litem shall act to the full extent and to the same purpose and effect as his ward could act if competent, and such guardian ad litem shall be deemed legal representative to respond, conduct, or maintain any proceeding or make any settlement, as herein provided for, affecting his ward.

(j) Nothing in this act shall be construed to deprive an authority of the rights conferred by the act of February 26, 1931 (ch. 307, secs. 1 to 5, inclusive, 46 Stat. 1421), as compiled in sections 258a to 258e, inclusive, of title 40 of the United States Code. Any amount tendered into court by the authority under such act of February 26, 1931, shall be without prejudice on any hearing as to the value of the property or interest being condemned.

PENAL LAWS; VIOLATIONS OF THIS ACT

SEC. 19. (a) All general penal statutes relating to the larceny, embezzlement, conversion, or improper handling, retention, use, or disposal of public moneys or property of the United States, shall apply to the moneys and property of the authorities and to moneys and properties of the United States entrusted to the authorities.

(b) It shall be unlawful for any person, with intent to defraud an authority or to deceive any authority or any director, officer, or employee of an authority, or any officer or employee of the United States, (1) to make any false entry in any book of an authority, or (2) to make any false statement or report to an authority.

(c) It shall be unlawful for any person to do any act or thing, or to enter into any conspiracy, collusion, or agreement, express or implied, with intent to defraud an authority or wrongfully or unlawfully to defeat its purposes. Any person who violates any provision of this subsection or subsection (b) shall be guilty of an offense against the United States, and, upon conviction thereof, be fined not more than $10,000 or imprisoned not more than 5 years, or both.

(d) Each authority may transmit such evidence as may be available concerning any act or thing in violation of any provision of this section to the Attorney General, who, in his direction, may institute the appropriate criminal proceedings under this act.

RECEIPTS AND APPROPRIATIONS

SEC. 20. (a) All receipts of each authority shall be covered into the Treasury of the United States to the credit of miscellaneous receipts; except that a continuing fund in such amount, not to exceed $500,000, as the authority deems necessary, shall be set up and maintained from such receipts in the Treasury to the credit of such authority and subject to check by it; and the authority may use such fund to defray operating costs and to insure continuity of operations.

(b) There are hereby authorized to be appropriated from time to time such sums as may be necessary to carry out the provisions of this act.

SEPARABILITY OF PROVISIONS

SEC. 21. If any provision of this act or the application of such provision to any person or circumstance shall be held invalid, the remainder of the act and the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

EXTENSION OF REMARKS

Mr. MARCANTONIO asked and was given permission to extend his remarks in the RECORD and include a radio speech delivered by him on the subject of Puerto Rican migration.

Mr. SMATHERS asked and was given permission to extend his remarks in the RECORD and include two editorials.

Mr. KEFAUVER asked and was given permission to extend his remarks in the RECORD and include a bill introduced by him.

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the RECORD and include some comments made this morning on a radio program with reference to the Marshall plan by George E. Reedy.

MERRY CHRISTMAS TO ALL

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, with genuine regard for and all due respect to those who have sent me Christmas cards, I wish to say now that in view of the alleged scarcity of paper pulp in this country, I am not going to send out any Christmas cards; however, I do wish for every one and all of the Members and employees and attachés of the House a merry Christmas and many a happy New Year. I hope that each and every one of you may live as long as you wish and have all that you wish so long as you live.

EXPORTATION OF SCARCE COMMODITIES

Mr. ROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROSS. Mr. Speaker, there appeared a report in the press this morning that there had been issued in the month of October export licenses for shipment of scarce commodities and machinery to Russia in the amount of approximately three times as much as was shipped in the month of September. The purchase for foreign shipment of commodities in short supply has a decided effect upon the price of these commodities in this country.

On December 16, the gentleman from Wisconsin [Mr. KERSTEN] introduced a resolution directing the Department of Commerce to stop shipments of commodities and machinery to those nations within the Russian orbit.

Mr. Speaker, either we are engaged in a cold war against communism, or we are not engaged in one. Unless we use every weapon at our command to win this cold war, we are likely to find some of these materials coming back to us in the form of shrapnel in the event we have a hot war.

Unless the Department of Commerce has stopped the issuance of these export licenses when we return in January, I urge that the Congress take immediate action to pass Mr. KERSTEN's resolution. It seems the height of foolishness to furnish western Europe materials necessary to combat communism and at the same time continue to ship similar materials to Russian-dominated nations.

EXTENSION OF REMARKS

Mr. BANTA asked and was given permission to extend his remarks in the RECORD and include an article.

THE GOOD ROAD

Mr. BATES of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BATES of Massachusetts. Mr. Speaker, adding to what the gentleman from South Dakota [Mr. MUNDT] had to say, I along with other Members of the House had an opportunity last evening to attend the play, The Good Road. I want to tell the Members of the House, all of whom will have an opportunity to witness this show, that it is one of the most impressive I have ever attended. It was just different from the general run of the commercial-type play. The cast is composed of young men and women who come from many parts of the world, volunteering their services in this play. If there is anything that comes from a play, it is the thought that after all we should be interested in the good things of life and in knowing what is the good road to peace and happiness.

Where do we go from here? Surely we are at the crossroads of our civilization today. Yesterday, I joined with other Members of the House in supporting a bill that would give relief to our stricken fellow men and women across the seas. This show brings out all the thoughts that I think are near and dear to the hearts of our fellow men and women not only in America but everywhere in this war-stricken world.

I commend this play to all Members and trust that none of you will lose the opportunity to see something that is really genuine, and to find the uplifting influence that the play presents and which may well be the basis for changing the thoughts that are in the minds of many of the people and leaders of the world today. It is the Christian spirit that ought to emanate from our hearts and souls in order that we may bring order out of chaos and peace on earth to the men, women, and children who are so afflicted with sorrow everywhere.

The SPEAKER. The time of the gentleman from Massachusetts [Mr. BATES] has expired.

GERHART EISLER

Mr. McDOWELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. McDOWELL]?

There was no objection.

Mr. McDOWELL. Mr. Speaker, I have before me this morning's edition of the Communist Daily Worker of New York. There are two pictures on the front page. One is a picture of Gerhart Eisler, whom J. Edgar Hoover named as the No. 1 Communist in the Nation. The other picture shows a policeman taking three American schoolboys to jail for throwing eggs at this fellow.

Gerhart Eisler is making a tour of American colleges, preaching sedition, treason, anti-God, anti-everything that the United States stands for. This man stands convicted and sentenced to jail. He is out on bail. This man has been convicted of passport violations. He has been identified time after time as being one of the leading terrorists in China and responsible for the death of many Chinese patriots.

Once again I call upon the President of the United States to apprehend this man and lodge him on Ellis Island and keep him there until his case is finally disposed of.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

EXTENSION OF REMARKS

Mr. WORLEY asked and was granted permission to extend his remarks in the RECORD.

THE FUEL SITUATION

Mr. HEDRICK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. HEDRICK. Mr. Speaker, I am very sympathetic with the people of the country who are unable to get fuel oil to keep their houses warm. Several years ago I thought that removing coal furnaces and putting in oil furnaces might be a mistake. They even did that in my home town, even though it is surrounded by numerous big coal operations.

I suggest to the people who are having trouble today, if they will take out their oil furnaces and put in coal furnaces, I will do my best to see that they get plenty of coal from the State of West Virginia.

The SPEAKER. The time of the gentleman from West Virginia [Mr. HEDRICK] has expired.

EXTENSION OF REMARKS

Mr. KLEIN asked and was granted permission to extend his remarks in the RECORD and include a letter from Eliza Yale Smith, who was historian of the Bill of Rights Commemoration Society.

CONFERENCE REPORT

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, I want to make clear to the House my reason for objecting to the unanimous-consent request made by the majority leader, Mr. HALLECK, for permission to consider any conference reports, notwithstanding the rules of the House. Had that request been granted, the so-called anti-inflation bill, if acted upon by both Houses, and in the event of disagreement, could have been included in the request which was made. I am perfectly willing that the deficency appropriation conference report and all other conference reports, except that relating to the anti-inflation bill, should be considered at any time in the House.

The SPEAKER. The time of the gentleman from Ohio [Mr. SMITH] has expired.

RELIEF OF LUCY RHIND

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 390, for the relief of Lucy Rhind, a privileged resolution, and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That there shall be paid out of the contingent fund of the House of Lucy

Rhind, sister of Bessie Harrison, late an employee of the House, an amount equal to 6 months' salary at the rate she was receiving at the time of her death, and an additional amount not to exceed $250 toward defraying the funeral expenses of the said Bessie Harrison.

The resolution was agreed to.

A motion to reconsider was laid on the table.

JAMES H. NEALE

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 398, providing for the payment of 6 months' salary and $250 funeral expenses to the estate of James H. Neale, late an employee of the House, a privileged resolution, and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That there shall be paid out of the contingent fund of the House to the estate of James H. Neale, late an employee of the House, an amount equal to 6 months' salary at the rate he was receiving at the time of his death, and an additional amount not to exceed $250 toward defraying the funeral expenses of the said James H. Neale.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENEVIEVE MALONE

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 399, for the relief of Genevieve Malone, as guardian to George V. Malone, Jr., son of George V. Malone, late an employee of the House, a privileged resolution, and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Genevieve Malone, as guardian to George V. Malone, Jr., son of George V. Malone, late an employee of the House, an amount equal to 6 months' salary at the rate he was receiving at the time of his death, and an additional amount not to exceed $250 toward defraying the funeral expenses of the said George V. Malone.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DISMANTLEMENT AND REMOVAL OF PLANTS FROM GERMANY

Mr. VORYS. Mr. Speaker, by direction of the Committee on Foreign Affairs, I call up House Resolution 365, providing for an inquiry on dismantling and removal of plants from Germany, and ask for the immediate consideration of the resolution and the committee report approving the resolution with amendments.

The Clerk read the resolution, as follows:

Resolved, That the Secretary of State and the Secretary of Defense are requested to transmit to the House of Representatives at the earliest practical moment the following information, namely:

1. How many of the 682 plants in Germany recently announced as surplus and available for reparations have actually been dismantled and removed from Germany? How many from the United States zone? How many from the British zone? How many from the Russian zone? How many from the French zone?

2. What was the character and capacity of the removed plants in each zone? Which ones could have contributed to the economic reconstruction of Germany and Europe within the scope of the so-called Marshall plan?

3. What is the character and capacity of those remaining to be dismantled or removed by zones?

4. How many of these remaining to be dismantled or removed could be converted to peacetime production? For example, from making nitrogen explosives to making nitrogen fertilizers? Is fertilizer important to the contemplated level of recovery for Germany?

5. How many of these plants remaining to be dismantled and removed are capable of making a substantial contribution to the export trade envisioned as necessary if Germany, or the bizonal area of Germany, is to balance her imports of food by export of goods in the year 1952?

6. On what basis was the determination made that a particular plant was surplus? That is, was the surplus character of the plant determined in relation to German domestic products or in relation to available raw materials, or in relation to manpower? Or in relation to exports readily salable abroad?

7. How much material and goods and how much cost in dollars will be required to be sent from the United States to make up for the production of the plants heretofore removed and proposed for dismantling and removal?

8. Specifically, as an illustration, will removal of the Diehl Plant No. 3 at Rothenbach leave a deficiency of aluminum and copper goods to be supplied by import at expense to the United States? Similarly, what of the Krupp pneumatic equipment plant at Geisenheim, also the 13 machine-tool plants at sundry places? Will their normal production have to be supplied by the United States if the desired recovery of Germany to a peaceful and stable level is accomplished.

9. Are any plants listed for dismantling and removal that are the property of American citizens?

10. Have plants been removed from any of the zones in Germany beyond the limits prescribed or contemplated in the Yalta Agreement? If so, by whom, from what zone, and to whom have they been allocated?

11. Has agricultural produce been removed from any zone for delivery into countries outside of Germany which would be important in feeding the civilian populations inside Germany and thereby contribute to the lessening of the financial demands upon the United States? If so, by whom and in what amounts?

12. To what extent have harbor facilities and transportation equipment been removed from Germany, and is any replacement of these facilities or equipment contemplated in the proposals for supplying by the United States as a part of economic recovery for Europe?

With the following committee amendment:

Page 1, line 1, after the word "*Resolved*," insert the following:

"That the Secretary of State and the Secretary of Defense are requested to transmit to the House of Representatives at the earliest practical moment the following information, namely:

"1. How many of the 682 plants in Germany recently announced as surplus and available for reparations have actually been dismantled and removed from Germany? How many from the British zone? How many from the Russian zone? How many from the French zone?

"2. What was the character and capacity of the removed plants in each zone? Which ones could have contributed to the economic reconstruction of Germany and Europe within the scope of the so-called Marshall plan?

"3. What is the character and capacity of those remaining to be dismantled or removed by zones?

"4. How many of these remaining to be dismantled or removed could be converted to peacetime production? For example, from making nitrogen explosives to making nitrogen fertilizers?

"5. How many of these plants remaining to be dismantled and removed are capable of making a substantial contribution to the export trade envisioned as necessary if Germany, or the bizonal area of Germany, is to balance her imports of food by export of goods in the year 1952?

"6. On what basis was the determination made that a particular plant was surplus? That is, was the surplus character of the plant determined in relation to German domestic products or in relation to available raw materials, or in relation to manpower? Or in relation to exports readily salable abroad?

"7. How much material and goods and how much cost in dollars will be required to be sent from the United States to make up for the production of the plants heretofore removed and proposed for dismantling and removal?

"8. Have plants been removed from any of the zones in Germany beyond the limits prescribed or contemplated in the Yalta agreement? If so, by whom, from what zone, and to whom have they been allocated?

"9. Has agricultural produce been removed from any zone for delivery into countries outside of Germany which would be important in feeding the civilian populations inside Germany and thereby contribute to the lessening of the financial demands upon the United States? If so, by whom, and in what amounts?

"10. To what extent have harbor facilities and transportation equipment been removed from Germany and is any replacement of these facilities or equipment contemplated in the proposals for supplying by the United States as a part of economic recovery for Europe?

"11. Why has the Government of the United States not taken appropriate steps to delay temporarily the further dismantling of plants in western Germany so as to permit further study by the appropriate committees of Congress in order to determine whether such transfers are prejudicial to any general recovery program for western Europe?"

Mr. VORYS. Mr. Speaker, I ask unanimous consent that the committee report, which is available here at the table, be placed in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

(The committee report referred to follows:)

The Committee on Foreign Affairs, to whom was referred the resolution (H. Res. 365) providing for an inquiry on dismantling and removal of plants from Germany, having considered the same, report favorably thereon with amendments and recommend that the resolution as amended do pass.

The amendments are as follows:

1. Insert a preamble, as follows:

"*Whereas* the western zones of occupied Germany now constitute a deficit economy requiring large appropriations by the United States, and also constitute an integral part of the European economy which is to be considered by the Congress in connection with any general program of European economic recovery; and

"*Whereas* conditions have changed substantially since the Inter-Allied Reparations Agreement of December 1945, under which

the dismantling program is being conducted; and

"Whereas the failure by the London Conference of Foreign Ministers to reach agreement may require a reexamination of the German question; and

"Whereas the Department of State has secured information for the Committee on Foreign Affairs on many of the questions involved in the dismantling and removal of industrial plants from the United States zone of occupied Germany, but sufficient information has not yet been made available for the proper consideration by the Congress of this problem in connection with any general program of European economic recovery: Therefore be it"

2. Strike out all after the resolve clause and insert a new resolution, as follows:

"*Resolved,* That the Secretary of State and the Secretary of Defense are requested to transmit to the House of Representatives at the earliest practical moment the following information, namely:

"1. How many of the 682 plants in Germany recently announced as surplus and available for reparations have actually been dismantled and removed from Germany? How many from the British zone? How many from the Russian zone? How many from the French zone?

"2. What was the character and capacity of the removed plants in each zone? Which ones could have contributed to the economic reconstruction of Germany and Europe within the scope of the so-called Marshall plan?

"3. What is the character and capacity of those remaining to be dismantled or removed by zones?

"4. How many of these remaining to be dismantled or removed could be converted to peacetime production? For example, from making nitrogen explosives to making nitrogen fertilizers?

"5. How many of these plants remaining to be dismantled and removed are capable of making a substantial contribution to the export trade envisioned as necessary if Germany, or the bizonal area of Germany, is to balance her imports of food by export of goods in the year 1952?

"6. On what basis was the determination made that a particular plant was surplus? That is, was the surplus character of the plant determined in relation to German domestic products or in relation to available raw materials, or in relation to manpower? Or in relation to exports readily salable abroad?

"7. How much material and goods and how much cost in dollars will be required to be sent from the United States to make up for the production of the plants heretofore removed and proposed for dismantling and removal?

"8. Have plants been removed from any of the zones in Germany beyond the limits prescribed or contemplated in the Yalta Agreement? If so, by whom, from what zone, and to whom have they been allocated?

"9. Has agricultural produce been removed from any zone for delivery into countries outside of Germany which would be important in feeding the civilian populations inside Germany and thereby contribute to the lessening of the financial demands upon the United States? If so, by whom, and in what amounts?

"10. To what extent have harbor facilities and transportation equipment been removed from Germany, and is any replacement of these facilities or equipment contemplated in the proposals for supplying by the United States as a part of economic recovery for Europe?

"11. Why has the Government of the United States not taken appropriate steps to delay temporarily the further dismantling of plants in western Germany so as to permit further study by the appropriate committees of Congress, in order to determine whether such transfers are prejudicial to any general recovery program for western Europe?"

House Resolution 365 was introduced in the House of Representatives on November 24. It raised a series of questions concerning the program for dismantling German industrial plants for reparations.

On November 25 Chairman EATON wrote a letter to the Department of State requesting answers to the questions raised by the resolution.

On December 4 the committee heard Mr. Lawrence Wilkinson, of OMGUS, Berlin, testify on the questions. At that time the Department of State was awaiting additional material in reply to inquiries addressed to United States authorities in Germany. On December 16 Gen. Theodore Draper, Under Secretary of the Army, appeared before the committee to testify on the general questions raised.

On December 6 the Department of State delivered to the committee additional material, including—

(a) A letter from Acting Secretary of State Robert A. Lovett.

(b) A memorandum containing information on capacities involved for a few industries, and on the allocation by countries, and other matters supplementing the other documents available.

(c) A copy of the list of plants to be dismantled in the French zone.

(d) A cable from Germany giving the degree of dismantling already accomplished, by plants, for the United States zone.

All of this information is in the files of the Committee on Foreign Affairs and is available for inspection by any Member of the House.

The Department of State and the Department of the Army also have requested further information from United States authorities in Germany concerning details of plant capacity in key industries, and concerning removals of harbor equipment, and on other points. The replies to these inquiries have not yet been received.

(a) The purpose of House Resolution 365 was to place the Congress in a position to judge, on the merits, the effect of plant removals upon any program for European economic recovery. The question involves particularly those plants capable of producing items such as steel sheets and tubing, of which there are international shortages. Further information on these plants has been promised by the Department of the Army, but has not yet been delivered. Eventually, complete detailed information will be needed to check the balanced character of the most recent proposed level of industry for the western zones of Germany.

(b) Much of the information called for by House Resolution 365 is impossible to obtain at present. Information on plant removals in the Soviet zone since the end of hostilities, and on projected plant removals, is unavailable. Information on the British and French zones may be obtainable, but is subject to delays.

(c) The witnesses and the Department of State have made great efforts to answer the questions presented by House Resolution 365. At the same time, the information provided in many of the answers has been inadequate. The inadequacy of the information is not due to any fault of the Department of State or of the witnesses. It is due to the impossibility of obtaining the necessary information in a short time.

(d) To seek complete answers to some of the questions asked, even if only on plants that could produce bottleneck items, would require either considerable further investigation through hearings or direct field investigation in Germany or both.

(e) A judgment by Congress on the merits of the removal of any particular plant also requires further information. The removal program ostensibly rests upon the identification of certain plants as surplus to future German needs, and therefore as properly removable in compliance with the reparations clauses of the Potsdam agreement.

In order to know whether a plant is surplus we must know—

1. The total industrial capacity available in Germany for the production of the particular product involved;

2. The capacity usable in Germany under realistic estimates of available materials and manpower;

3. The reasons for choosing the particular plant rather than another as surplus, especially in relation to transportation, manpower, housing, etc.; and

4. The basis on which German future needs for the particular product have been estimated, and the degree of realism in this basis of estimation relative to the projected German balance of imports and exports when Germany will ostensibly cease to require American aid.

Further, even if a plant may be properly classed as surplus, we would need to know what value it will have for European recovery if moved, as compared with the labor and transportation cost of removal.

The physical capacity of Germany's western zones for production of items in short world and United States supply is a basic economic requisite on which information must be obtained.

THE GERMAN ECONOMY AND EUROPEAN RECOVERY

The program for European economic recovery confronts Congress with a proposal for large-scale economic aid from the United States to Europe over a period of years. Both Congress and the public are legitimately concerned over the recurrence of requests on such a scale. The justification of any such European recovery program must be made on the basis of an estimate of Europe requirements in scale and in time that will not again prove disappointing.

The role of the German people as producers and consumers is one of the most important factors on which our estimates must be brought into conformity with realities if the whole structure is to stand. The proposition that Europe within 4 years will be able to produce enough, and export enough, to finance European imports without gifts from the United States cannot add up to make sense unless the position of Germany as an important part of Europe also adds up to make sense.

United States policy on the German economy has changed, but our present policy is not clear to the committee.

Among the conclusions reached by our policy 2 years ago were those providing industrial reparations to countries now classified as Soviet satellites, and to Soviet Russia. The committee is informed that out of 45,000,000 reichsmarks value scheduled for transfer from the United States zone to Russia only 3,000,000 reichsmarks remain to be delivered. Out of the 14½ percent of deliveries allocated to Yugoslavia and other Soviet satellites from the 75 percent of removals from the western zones not allocated to Russia, however, much remains to be delivered. The effect of such transfers upon the prospects for peace and prosperity in Europe can no longer be judged in the same manner as formerly.

Of the 18 nations involved in the inter-Allied reparations agreement of December 1945, 3 are now Soviet satellites, 13 are directly or indirectly involved in the Marshall plan, and the remaining 2, India and Egypt, account for only 3.10 percent of proposed reparations. For at least 16 of the 18 nations, a review of the situation would seem warranted by the changed circumstances.

EXPLANATION OF THE AMENDMENTS OFFERED

The first amendment inserts at the beginning of the resolution a statement of the reasons why an inquiry by Congress into the subject of the dismantling and removal of German industrial plants is necessary and appropriate at this time.

The second amendment strikes out portions of the original resolution to eliminate those questions or parts of questions on which reasonably full information has already been provided to the committee, and on which further specific inquiry is therefore unnecessary.

The second amendment also adds one further question which inquires into the policy reasons for the continuance of the program of dismantling, a question that was not directly raised by the questions previously embodied in the resolution.

Mr. VORYS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, House Resolution 365, a privileged resolution of inquiry, was introduced on November 24, 1947, by the gentleman from South Dakota [Mr. CASE] who was chairman of the subcommittee on Germany and Austria of the House Select Committee on Foreign Aid that made a study in Europe this past fall. I was a member of his subcommittee.

The Committee on Foreign Affairs made a considerable study of this, as much of a study as could be done in view of the other matters that were engaging our time, and the State Department and various witnesses, including Colonel Wilkinson, deputy in charge of economic affairs under General Clay, testified. The testimony and reports are on file in the committee's office and available to any Member of Congress.

It was found, however, that it was simply impossible to get sufficient information for the committee to make any report to the House at this time on the very important question as to whether the dismantling of plants in Germany should continue in view of the long-term European aid the House is shortly to consider. It was felt, therefore, that this resolution should be brought to the floor and passed with two amendments, one of which is a preamble stating the general background of the matter. There was a second amendment which strikes from the original resolution the questions which have already been answered and inserts a new question directed to the general policy question as to why it is not possible for the further dismantling of these plants to be delayed until the Congress can make a study of this matter in view of the changed conditions since the original reparations agreement of 1945.

Mr. Speaker, of the 18 nations involved in the 1945 reparations agreement, three are now satellite nations, 13 are connected directly or indirectly with the so-called Marshall plan and the activities for European recovery, while two, India and Egypt, are not within that group. The latter two have allocated only 3.10 percent of the reparations.

It would seem it could hurt no one and might benefit western Europe, Germany and the American taxpayer to take a second look at this matter. It is the purpose of this resolution to secure sufficient information so that the Congress may take a second look.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Texas.

Mr. RAYBURN. I do not see the minority members of the Committee on Foreign Affairs here. Is this a unanimous report?

Mr. VORYS. This is not a unanimous report. I do not believe that it was a unanimous report. That is all I can say.

Mr. RAYBURN. Mr. Speaker, I rather think it would be better if this resolution were laid aside for a while, and give us on this side an opportunity to examine it.

Mr. VORYS. May I say, without going into the deliberations of the executive session, that it was thoroughly understood that this matter would come up at this time. The gentleman from South Dakota had the right for over 10 days, due to the nature of the resolution, to bring it to the floor, but he cooperated with the committee in holding up bringing it to the floor until the interim aid bill was out of the way, and until the conclusion of the London Conference. The conclusion of the London Conference not only makes it advisable to bring it up now, but gives additional reasons why these questions should be submitted, so that we may perhaps have the answers when we reconvene in January.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Of course, the gentleman recognizes that some on this side ought to have one-half of the time we allotted to it. I might say this, that so far as I know, and so far as our minority leader knows, we had no notice that this matter was going to be brought up today. We did know about the other two investigation resolutions. And, I say this in no critical sense, but during my 6 years I was very careful to always advise the minority leadership as quickly as possible of anything that was coming up. Because of the organization relationship there is always harmony, but it can be very easily disturbed when it is felt by the minority leadership that they are not being given the notice, and the courtesy, and the consideration, and dignity that they are entitled to as representatives of one of the two parties. For 6 years I was very careful in always giving notice, never doing anything that might be remotely construed as a surprise. Even on suspension I gave advance notice of any change in plans, always telling what they were as quickly as possible, because it is very easy to disturb the fine organization relationship that exists by one or two happenings that are unintentional, but can be very easily avoided by just a little advance notice.

Mr. VORYS. Now, if the gentleman means to scold the gentleman from Ohio——

Mr. McCORMACK. No, no.

Mr. VORYS. I have already stated that the minority members of the Committee on Foreign Affairs had full notice that this matter was coming up. I felt bound not to make any statement that the action was unanimous, but so far as I know—and I do not attempt to speak for the minority—no one from the committee is in opposition to the merits of this resolution, and the committee knew that it was to come up at this time. Due to the nature of the resolution we had hoped and expected that it would only take a few minutes, and I still feel that it can be disposed of in a few minutes, since the views of the committee, and I feel of the House, are overwhelming that we should at least ask some questions on this subject.

Mr. RICHARDS. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from South Carolina.

Mr. RICHARDS. I would like to say to the gentleman from Ohio that, as one member of the Committee on Foreign Affairs, I did not know that the resolution was to be brought up today, and as one member who voted against the resolution, when it was passed out of the Committee on Foreign Affairs, I did not think it proper to bring up this resolution in the form in which it was brought. There are some assumptions in the resolution, or some inferences, that the State Department had not done its duty by failing to ask for this information in regard to the dismantling of German industrial plants. It was my opinion that the wording of the resolution should have been changed so as to make it solely in the form of a request of the State Department for information in regard to this subject, and not in the form of an insinuation that the State Department had not performed its duty in the premises.

Now, I do not know of any rule of the House which would prevent this resolution coming up today. It is my understanding that the author himself could have brought up this resolution if the committee had not brought it up.

Mr. VORYS. That is perfectly true. Just one point as to insinuation against the State Department. The committee report states "the witnesses and the Department of State have made great efforts to answer the questions presented by House Resolution 365." It was the purpose of the committee in its report not to make any insinuations, as the gentleman well knows, but to point out that much of the information was not yet available and therefore to request that these further questions be asked.

Mr. McCORMACK. What about yielding time to the minority?

Mr. VORYS. Does the gentleman from South Carolina wish to have time now, or would he prefer that I yield to the author of the resolution first?

Mr. RICHARDS. I should like the gentleman to yield this side one-half of his time.

Mr. VORYS. We had hoped to dispose of this in 10 or 15 minutes.

The SPEAKER. The Chair will state that it is not permissible under the general rules of the House to yield 30 minutes to a side on this sort of resolution, but the gentleman can yield to different individuals.

Mr. RICHARDS. Mr. Speaker, I should have made my request in a different form. I should like for this side to be yielded some time.

Mr. VORYS. Does the gentleman wish me to yield to him at this time? If so, I yield him 5 minutes.

Mr. RICHARDS. I think it would be proper for the author of the resolution to be recognized at this time in support of the resolution. I am not rising in support of the resolution.

Mr. VORYS. Mr. Speaker, I yield 5 minutes to the author of the resolution. I shall then yield 5 minutes to the gentleman from South Carolina or anyone else that wishes to speak in opposition to the resolution, and I shall then move the previous question on the resolution and the amendment.

Mr. CASE of South Dakota. Mr. Speaker, the committee amendment to my resolution incorporates 10 of the 12 questions in my resolution as originally introduced, drops 2 of the questions which have been answered and adds a very pertinent question as an eleventh question. Of course, I have no objection to it and urge its adoption.

The able gentleman from Ohio [Mr. VORYS] was a member of our foreign-aid committee in Germany this fall and is himself chairman of an economic subcommittee of the Committee on Foreign Affairs and has well stated the import of this matter.

In carrying the explanation further, it may be helpful for Members to take a look at this map, which I regret cannot be provided on a larger scale at this time. However, the Members will be able to see that this is a map of Europe, and the heavily colored sections here represent what is left of Germany.

This heavy line here, which is in green, outlines the part of old Germany which has been lost to Russia or to Poland by the agreements made at Yalta and Potsdam or following the war. In this area in white but inside this heavy line on the east of present Germany is 30 percent of the industrial potential of old Germany. All of that now is on the eastern side of the curtain.

In this red or pinkish color here you see what is the Russian zone of Germany, in the blue the American zone, in the purple the French zone, and in this lighter yellow color the British zone.

Under the agreements with respect to dismantling, in addition to getting all of the industrial potential which is on the eastern side of the fence now, the 30 percent of total industrial capacity, Russia gets all the dismantlings which are in the Russian zone, 100 percent of them, and then gets 25 percent of the dismantlings out of the three western zones. On top of that, out of the 75 percent of the dismantlings in the three western zones, the satellite countries get an additional 14 percent. When you add that all up you have a picture where Russia today has access to about 55 percent of the industrial potential of old Germany.

Whatever may have been the justifications for the agreements of Yalta and Potsdam when they were made, we are living in a different world today. The agreements of Yalta and Potsdam have not been carried out in respects important to the stability of the world and the welfare of the United States. In these circumstances, it is important to determine the facts of the situation with respect to the dismantlings of industrial plants in Germany which is what this resolution seeks to do. It is a resolution of inquiry.

On the face of things, it would appear that completion of the dismantling program would do two things: First, injure the ability of the remnant of Germany to contribute to her own recovery and get off the backs of the American taxpayer; second, contribute to the industrial rehabilitation of countries who are not cooperating in world recovery, and, again, at the expense of the American taxpayers.

For example, among the shortages in Germany which hamper recovery are these: Steel sheets and tubing, machine tools, ball bearings, textiles, sanitary and cleansing agents. Plants in each of those categories are among those scheduled for dismantling. Ball-bearing plants and electric generators have been dismantled and shipped to Russia. A textile or rayon plant is among those scheduled for shipment elsewhere while as recently as yesterday the House of Representatives heard a plea for more funds to provide clothing for workers to increase the output of coal which is the key to European recovery. We are told that infant mortality has risen from 6 to 18 percent because hospital and layette bedding cannot be properly cleaned under present soap rations, yet a large soap factory is among those scheduled for dismantling. Disease and sickness are major causes in the size of the bill the United States is called upon to pay during our occupation in Germany. Certainly, we should have the facts about these things. Certainly we should have the facts as they are requested in this resolution of inquiry, and with them before the appropriate committees of the Congress, we can better determine what then we shall do.

And there is the Russian angle of the situation, an angle which cannot be ignored in view of the break up of the conference in London.

If this program goes on, it is indicated that Russia will have gained access to 55 percent of the industrial potential of old Germany.

This is the picture. By moving her fence over and setting it down on the Stettin line, Russia has put into her economy or into the economy of the satellite countries approximately 30 percent of the industrial potential of old Germany. That is the acquisition outright of the industrial plants in such areas as East Prussia and Silesia, either add to Russia or to Poland. This is independent of the question involved in dismantling within remnants of Germany now occupied by the four powers, Russia, Great Britain, France, and the United States.

Within the occupied zones, Russia, under the Yalta-Potsdam agreements, gets all of the dismantled plants removed from the zone which she occupies in and surrounding Berlin and including such centers as Leipzig and Dresden. That is in her zone, Russia gets 100 percent of the removals.

That is not all. Out of the dismantlings in the remaining three western zones, Russia gets an additional 25 percent of the plants removed. This may be disarming and demilitarizing Germany, but one wonders what it is doing for Russia.

But that is not all. Of the 75 percent of the removals remaining in the western zones, the so-called satellite countries get another 14 percent. To all intents and purposes as things now appear, that industrial potential will be available to Russia. When the whole thing is added up, and the percentages applied to the original industrial potential, it appears that Russia is getting access to or control of 55 percent of the industrial potential of prewar Germany. The resolution of inquiry seeks to get the concrete facts in this picture and it should be adopted.

Mr. VORYS. Mr. Speaker, I now yield 6 minutes to my able and distinguished friend, the gentleman from South Carolina [Mr. RICHARDS].

Mr. RICHARDS. Mr. Speaker, I appreciate the courtesy shown me by my friend, the distinguished gentleman from Ohio [Mr. VORYS]. I would like to propound this question to the gentleman from Ohio: Will he agree that line 25, section 11, on page 5, shall read as follows: "Has the Government of the United States," instead of the words now in that line?

Mr. VORYS. As I understand it, the gentleman's question is whether there should be a correction in section 11 so that it will read: "Has the Government of the United States taken appropriate steps," and so forth. I know of no objection. I think that was the language which the committee meant to put in, but through some actions that took place near the end of the meeting it was not so written. I have canvassed the committee and there is no objection.

Mr. RICHARDS. The gentleman will consent to that amendment? If so, I withdraw my reservation.

Mr. VORYS. Yes.

Mr. Speaker, I ask unanimous consent at this time that section 11 be so amended.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. VORYS]?

Mr. CASE of South Dakota. Reserving the right to object, Mr. Speaker, I think that change should be made. It is in harmony with the way in which the rest of the resolution is drafted.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

On page 5, line 25, strike out the word "why" and the word "not" so that the section will read:

"Has the Government of the United States taken appropriate steps to delay temporarily the further dismantling of plants in western Germany, so as to permit further study by the appropriate committees of Congress, in order to determine whether such transfers are prejudicial to any general recovery program for western Europe?"

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on agreeing to the resolution, as amended.

The resolution was agreed to.

The SPEAKER. The Clerk will report the amendment to the preamble.

The Clerk read as follows:

Add a preamble, as follows:

"Whereas the western zones of occupied Germany now constitute a deficit economy requiring large appropriations by the United States, and also constitute an integral part of the European economy which is to be considered by the Congress in connection with any general program of European economic recovery; and

"Whereas conditions have changed substantially since the Inter-Allied Reparations Agreement of December 1945, under which the dismantling program is being conducted; and

"Whereas the failure by the London Conference of Foreign Ministers to reach agreement may require a reexamination of the German question; and

"Whereas the Department of State has secured information for the Committee on Foreign Affairs on many of the questions involved in the dismantling and removal of industrial plants from the United States zone of occupied Germany, but sufficient information has not yet been made available for the proper consideration by the Congress of this problem in connection with any general program of European economic recovery. Therefore be it"

The amendment was agreed to.

A motion to reconsider the vote by which the resolution was agreed to was laid on the table.

SELECT COMMITTEE TO INVESTIGATE TRANSACTIONS ON COMMODITY EXCHANGES

Mr. BROWN of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 404 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there is hereby created a select committee to be composed of seven Members of the House of Representatives to be appointed by the Speaker, one of whom he shall designate as chairman. Any vacancy occurring in the membership of the committee shall be filled in the same manner in which the original appointment was made.

The committee is authorized to conduct a full and complete investigation of purchases and sales of commodities, including transactions in the purchase and sale of commodities for future delivery, and including (a) the activities of any department or agency of the United States Government in connection with the purchase and sale of commodities, and into any other activities of any such agency or department that may have heretofore affected, or may hereafter affect, the price of food and other commodities; and (b) the private acts, and official activities of any individual in the United States Government in connection with the purchase or sale of commodities.

The committee shall report to the House (or to the Clerk of the House if the House is not in session) as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable.

For the purpose of carrying out this resolution the committee or subcommittee thereof is authorized to sit and act during the present Congress at such times and places within the United States whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

CALL OF THE HOUSE

Mr. BUCHANAN. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. BROWN of Ohio. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 149]

Allen, La.	Fletcher	Pfeifer
Andrews, N. Y.	Gillie	Philbin
Barden	Gregory	Phillips, Calif.
Bates, Ky.	Gross	Powell
Bloom	Hartley	Rabin
Boggs, La.	Hébert	Reed, Ill.
Boykin	Heffernan	Reed, N. Y.
Brooks	Herter	Rivers
Buckley	Jackson, Calif.	Sabath
Busbey	Johnson, Ind.	Sanborn
Byrne, N. Y.	Johnson, Okla.	Scoblick
Celler	Judd	Scott,
Clements	Kefauver	Hugh D., Jr.
Clippinger	Keogh	Shafer
Coffin	Kilburn	Smith, Kans.
Colmer	King	Stratton
Courtney	Lesinski	Taylor
Cravens	Ludlow	Thomas, N. J.
Crosser	McDonough	Towe
Dawson, Ill.	Meade, Ky.	Trimble
Delaney	Mitchell	Wadsworth
Dirksen	Morrison	Williams
Domengeaux	Norton	Wolcott
Fallon	O'Hara	
Fisher	Patterson	

The SPEAKER. On this roll call, 359 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

SELECT COMMITTEE TO INVESTIGATE TRANSACTIONS ON COMMODITY EXCHANGES

Mr. BROWN of Ohio. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH], and now yield myself such time as I may require.

Mr. Speaker, House Resolution 404 creates a select committee to be composed of seven Members of the House to be appointed by the Speaker for the purpose of conducting a full and complete investigation of the commodities and sales of commodities, including all transactions in the purchase and sale of commodities for future delivery, including the various activities of the departments of Government in connection therewith. Under this resolution, this select committee will have authority to investigate the transactions in all commodities and not in grain alone or in any one particular commodity. It will have authority to investigate all commodities, especially those which may affect the present high cost of living. Also that this committee will have authority to subpena records, compel the attendance of witnesses, and to report upon the activities of any or all citizens or residents of this country in connection with those activities in the commodity markets.

Certainly it is about time we began to look into this picture in a comprehensive way. The President of the United States has made certain statements relative to gambling in grain and human misery, as he described it. Members of both political parties have discussed this problem and have condemned some of the activities that have evidently been called to their attention as individual Members. I know of no reason why the floodlights of truth and publicity should not be turned on these transactions in the commodity markets at this time. I believe the people of the United States are entitled to know whether some of these charges which have been made are true or false. If there are any individuals within the Government or without the Government, within the Congress or without the Congress, who have in any way profited by what might be termed inside information, then the people of the United States are entitled to know that. So I hope there will not be any opposition to this resolution and that every Member of Congress will show his or her willingness and readiness to let the people know that which has been going on, regardless of where the chips may fall.

Mr. SHEPPARD. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. SHEPPARD. I do not know whether I interpreted the first portion of the gentleman's statement correctly or not. Am I to understand that this is to be a complete investigation into all ramifications of stock dealings, or just in futures?

Mr. BROWN of Ohio. Commodities.

Mr. SHEPPARD. Well, which category? In the futures?

Mr. BROWN of Ohio. In both the purchasing and sale of commodities, and also in the purchase and sale of commodities for future delivery.

Mr. SHEPPARD. In other words, it takes the basic stock issue of a corporation that is dealing in a commodity——

Mr. BROWN of Ohio. Oh, no, no. It does not have a thing to do with trading in stocks or bonds. It has to do only with commodities; selling wheat, potatoes, or prunes, as far as that is concerned, or any other California product.

Mr. Speaker, I reserve the remainder of my time.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. COMBS].

Mr. COMBS. Mr. Speaker, the people of this country have been greatly concerned by charges made from time to time that persons connected with our Government in one capacity or another or their employees using information obtained from confidential sources within the Government that might affect the trend of markets or commodities, have thereby profited from commodity market trading. I have no personal knowledge of whether anyone connected with the Government has engaged in such transactions, or whether having engaged in them he was acting on information obtained from confidential sources in the Government. What I do know is that the charges have been made, and since questions involving the officials of our Government have arisen, I think the people of this country are entitled to a real investigation and a full disclosure of the facts. They would not get it under the proposed resolution by any manner of means.

I want to call your attention to this Resolution 404 and just what it is. It does not propose a congressional inquiry at all but proposes the setting up of a select committee of the House, a mere duplication of what is now being attempted in the other body by one of its regular committees. In the second place, this resolution does not authorize the Secretary of Agriculture to diclose the names of persons trading on the commodity markets. It nowhere specifically authorizes or directs the inclusion of Members of the Congress of the United States within the purview of the investigation.

On yesterday I introduced in this body House Concurrent Resolution 124 which has now been printed and is available. You will find it printed in the RECORD of yesterday at page 11528 which you will find at your desks, and which does propose a real investigation, one that will include Members of Congress, the House and the Senate, and their employees. We owe that kind of investigation to the people. Personally, I doubt that very many Members of Congress, in fact none so far as I know, have engaged in speculation on the commodity exchange. I know I have not. But that is not the question. We have been investigating others in the executive division of the Government, and I feel that what is sauce for the executive goose is sauce for the legislative gander. Let us not leave the impression with the people that we fear disclosure of the facts concerning the commodity market activities of the Members of Congress.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield for an observation? I think I might be of help to the gentleman.

Mr. COMBS. If it will not come out of my time. I have but 5 minutes.

Mr. BROWN of Ohio. It will take only 1 second to call the gentleman's attention to line 5, page 2, which reads "the activities of any individual," which would certainly include Congressmen. I hope a Member of Congress is still an individual.

Mr. COMBS. Yes; and that same provision does not confer upon the proposed select committee a single power that any regular committee of this House does not now have, except one, and I will read that one to you. It is on page 2, beginning in line 13:

> For the purpose of making such investigations the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places within or outside the United States, whether the House is in session, has recessed, or has adjourned.

That merely would authorize a junketing expedition, but with no additional power whatever that is not now possessed by a regular committee of the House.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. COMBS. I cannot yield. I have but 5 minutes. Wait until I have finished.

Mr. WALTER. I think the gentleman, in all fairness, should have read a little more of the paragraph that he started to read.

Mr. COMBS. No; the paragraph can be read by the Members. I have but a limited time. Here is my point:

A committee of the other body has been engaged for days in the same kind of an inquiry that is here proposed. This morning the Secretary of Agriculture appeared before that committee. After pointing out in his testimony that the law forbids him disclosing the information that had been requested, after pointing out that the Attorney General and also his own legal advisor had told him that under the law he cannot disclose the information asked for, after having pointed out that two Secretaries of Agriculture before him had considered sacred and confidential the matters turned over to them in reliance on the law, he then concluded this way, and I want to read it into the RECORD at this point:

> As I have pointed out, you have a sound and simple means of accomplishing your purpose which does not involve any questionable use of power. I suggest again, with all respect, that you pursue that easy, better method. All that is necessary is the passing of a joint resolution, which the President will approve, removing certain transactions from the category of confidential information. In this way the constitutional and immemorial relationship between the legislative and executive branches of the Government will be appropriately preserved.
>
> I assure you again that neither the President nor I has the slightest objection to releasing the information you desire if the means are provided for doing so in good conscience, by direction of the Congress, and not under the shadow of legal doubt.
>
> I appeal to you to consider this well.
>
> However, in the event that you as a committee, without further action by the Congress, insist on having the names and addresses of all traders along with the statistical information called for in your subpena, I shall not permit myself to be charged with shielding anyone by a refusal to grant your request. If your decision to demand the names remains unchanged, you and the public will have them as rapidly as we can gather the information and prepare the lists.

I am going to put the whole statement in later. I only have time to read this particular part. After making those observations he called attention to the fact that many manufacturers and other business people engaged in these transactions as a matter of business and in a perfectly legitimate way and it would be highly improper to disclose this confidential information.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. SMITH of Virginia. Mr. Speaker, I yield the gentleman three additional minutes.

Mr. COMBS. Mr. Speaker, what this country needs is a real investigation by a committee of the Congress under authority to include you and me. Who in this Government has more opportunity to get confidential information about the future activities of this Government than you and me in this Congress who daily hale before our committees the heads of our Government departments under the power of subpena and drag from them information concerning future activities? I want that included, not by innuendo but under a mandate from the Congress, so that the facts may be known.

If I can get recognition I am going to attempt to substitute my resolution, House Resolution 124, which will do the job. If on parliamentary grounds that is not possible, then I shall request that we have the opportunity to call up immediately by unanimous consent this House Resolution 124 so that we will have a chance, Mr. Speaker, to get a real investigation.

I want to tell you that the faith of the people in their Government is at stake. We hear a lot said in this country about threats to our liberties. Well, we must be alert and there are threats. But there will be no real danger to the institutions of this country until the people lose faith in their Government. That will be when they come to believe that the executive branch of their Government is manned by men who are selfish and venal and who serve only their own interest; it will be when they consider the halls of the legislative bodies the haunt of the demagogue. Then and only then will our form of Government be in real danger.

The full text of Secretary Anderson's statement is as follows, which I here read into the RECORD in order that it may be available to all of the Members:

STATEMENT BY SECRETARY OF AGRICULTURE CLINTON P. ANDERSON BEFORE THE SENATE COMMITTEE ON APPROPRIATIONS, THURSDAY, DECEMBER 18, 1947

I have come here in response to your request for certain information relating to trading in commodity markets. Even though you had not issued a subpena, I would have been glad to come before you to discuss what is involved in this request. I have great respect for the Congress, including its committees. As Secretary of Agriculture, I have endeavored to cooperate fully with the Congress. Never have I sought to withhold one iota of information wanted by the Congress, any committee of the Congress, or any individual Member of House or Senate if I had both the right and the power to provide that information. Many of you can attest to that fact by your own experience.

I respect the right of congressional committees to subpena persons and things in their effort to ascertain the truth in the interest of the people. I am loath to question the right of congressional subpena. With wise use, it is an instrument of great value to the Congress and the people.

The legislative branch of the Government, with its power to amend as well as to make the laws, has no need to use its subpena powers in doubtful cases. Whenever there is doubt as to propriety or public interest, the Congress can immediately resolve that doubt. If a majority of Congress refuses to take action about which there was doubt, it then becomes clear that forcible action by a committee would have been a mistake. If a majority approves a change of law which removes doubt in favor of those who believed that force was proper, then the beliefs of those people are vindicated. No harm is done. The Congress maintains its dignity and prestige. Its prerogatives and powers remain intact. The interest of the people is served.

As you know, I have urged that in this instance Congress follow such a course and resolve all doubt rather than to impose the will of this committee on me in disregard of my firm conviction that I am bound by Federal statute.

On Monday of this week your chairman requested me to make public to you the details of transactions of all persons who have engaged in speculative trading in commodity futures, including the names of such persons.

I replied immediately, calling attention to the provisions of the Commodity Exchange Act which impose a specific duty upon me to keep confidential all such information obtained by the Department in the administration of the act

The Department has consistently observed this confidence, and the observance has been favorably commented upon by the courts. The observance by former Secretaries of Agriculture has taken the form also of declining to make disclosures of names in response to resolutions of the Senate for an investigation into speculative transactions.

The special circumstances mentioned in the act under which a disclosure may be made are not present. Speculation itself is not a violation of the act. The act recognizes the need for some speculation in order to allow the contract markets to perform one of their primary functions, namely, acting as a hedging medium for the producers and users of the commodity. Individual transactions are subject to our scrutiny to determine whether they are of such a nature as to disrupt the market or to be otherwise harmful to the interests of producers and consumers. But the law forbids indiscriminate publication of transaction and the names of persons engaging in them.

The Congress itself has established the policy in this respect. It is not for me to pass upon the wisdom of that policy. I will say, however, that any policy established in this connection would be wholly futile if it could be set aside by a congressional committee at will.

The Department of Agriculture engages in numerous activities of a diversified nature. Many of these activities cannot properly be carried on without information from persons affected by them. Much of this information consists of the intimate details of internal management of private business. The information is furnished with the understanding that the particulars of reported transactions will not be disclosed in such a way as to provide identification of persons, and in some cases the applicable statute imposes secrecy upon the officials of the Department. It is not unusual for the Congress to prescribe penalties for the disclosure of such information without due cause.

We have tried hard to keep inviolate the confidence reposed in us, and I believe that the reputation of the Department in this respect is unsullied. I cannot conceal my deep concern that harmful consequences may attend the disclosure of names which you now request. I have suggested a way whereby, as a public official charged with the duty of holding information in confidence, I may be enabled to disclose the information you request without doing violence to existing law.

The destruction of confidence entails a loss not easily regained. This is just as true in governmental as in private affairs. The information you request relates to the names and addresses of innumerable persons in all walks of life. The transactions of most, if not all, of these persons are without taint of illegality. The millers, the feed manufacturers, breakfast-food companies, textile mills, oil processors, food distributers, and many other representatives of American industry constantly use the commodity exchanges. They have a right to expect that the confidence engendered by the statute will continue until removed by statute.

Now, in the face of these serious considerations, your committee has served on me a subpena to produce certain information.

I am confronted with a dilemma. In the first place, I cannot imagine myself in a position of refusing to give a duly constituted committee of Congress information which it has demanded. My mind rebels at the thought. No matter how unfortunate the request, I respect it because of the institution from which it comes. But the alternative is also distressing. My own study of the law in question convinces me that I am prohibited from disclosing some of the information demanded by the committee. My legal counsel advises me that I am so prohibited except under circumstances which do not now exist. I am legally and morally responsible for my administrative acts and judgment. I cannot forget that.

I was reminded that two previous Secretaries of Agriculture, under legislation as it then stood, refused to submit lists of traders in response to Senate resolutions. Employees of the Department familiar with the circumstances under which subsection (6) of section 8a of the Commodity Exchange Act was subsequently added have told me the history back of the language, and that adds to my belief that I am restrained from making public any list of traders except under circumstances not now in existence.

In spite of the weight of this judgment, I turned to the highest legal authority available to me—the Attorney General of the United States. His opinion confirmed the situation already outlined for you.

And so the dilemma goes.

Now let us see precisely what information it is which the subpena calls for that I believe should be kept confidential. I am clearly permitted under the law to provide you with all of the market information you have ordered except the names and addresses of the traders. About statistics there is no question whatsoever.

In response to your subpena, I have brought with me tables showing, by markets, the daily and annual volume of futures trading in each of the 19 commodities traded in during the period from January 1946 through November 1947 on the 18 commodity exchanges designated as contract markets under the Commodity Exchange Act. Futures trading is conducted in from one to six of these commodities on each of these 18 markets. These tables show volume of trading in terms of sales; there must, of course, be a purchase for each sale.

I am also making available to the committee tabulations showing the daily opening, high, low, and closing prices of each future of each commodity traded in for future delivery on the principal contract markets during the period from January 1946 through November 1947. I do want to point out that there are no other copies of these records in existence. These records are in daily use and it will be a handicap to the Department if we must come to the committee to use our records.

I am perfectly at liberty to give you all the additional statistical information you demand as soon as it can be gathered.

The subpena, it should be noted in passing, calls for a vast amount of information which we do not have and which we can obtain only by copying from the books of brokerage houses, who maintain more than 1,600 offices in the 47 States and 13 foreign countries, the records of an estimated 12,000,000 separate transactions in futures alone. The subpena calls for "the total volume of each such commodity purchased or sold on each such board of trade by each such trader (a) during all of each such year, and (b) on each day during each such year and the price at which each such purchase or sale was made." The years referred to are 1946 and 1947. To get this information on futures transactions, to say nothing of cash trading, would cost an estimated ten and one-half million dollars. However, that is not the issue, although this committee would have to approve the appropriation of the money.

We come, then, to the one immediate, practical point of difference—the names and addresses of individual traders. Actually, the Department of Agriculture has only a relatively small fraction of the total number of names and addresses of traders sought by your subpena. While I am at liberty to release whatever facts we possess about the transactions, I do not feel that I am at liberty to disclose the identity of the persons involved.

This is the situation unless this committee deprives me of my liberty of making administrative decisions as I believe the Congress intended the Secretary of Agriculture to make them. If this committee insists on construing the statutes for me, it will be setting a dangerous precedent.

As I have pointed out, you have a sound and simple means of accomplishing your purpose which does not involve any questionable use of power I suggest again, with all respect, that you pursue that easy, better method. All that is necessary is the passing of a joint resolution, which the President will approve, removing certain transactions from the category of confidential information. In this way the constitutional and immemorial relationship between the legislative and Executive branches of the Government will be appropriately preserved.

I assure you again that neither the President nor I has the slightest objection to releasing the information you desire if the means are provided for doing so in good conscience, by direction of the Congress, and not under the shadow of legal doubt.

I appeal to you to consider this well.

However, in the event that you as a committee, without further action by the Congress, insist on having the names and addresses of all traders along with the statistical information called for in your subpena, I shall not permit myself to be charged with shielding anyone by a refusal to grant your request. If your decision to demand the names remains unchanged, you and the public will have them as rapidly as we can gather the information and prepare the lists.

Mr. Speaker, the public welfare is our main responsibility. Nothing short of a full and complete disclosure can satisfy that responsibility. Surely, you, my colleagues, will not create the impression on the people of this country that we have something to conceal from the public by adopting this Resolution 404, thereby shutting off an opportunity to adopt my Resolution 124 or an amendment of similar import which will keep faith with our people and uphold the dignity and forthrightness of the Congress of the United States.

The SPEAKER. The time of the gentleman from Texas has again expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. If the gentleman will permit me to obtain some time later.

The SPEAKER. Does the gentleman from Wisconsin yield to the gentleman from Texas?

Mr. RAYBURN. Go ahead; never mind.

The SPEAKER. The gentleman from Wisconsin is recognized.

Mr. KEEFE. Mr. Speaker, I listened with a great deal of interest to the remarks of my good friend from Texas. Some of you who served in the Seventy-ninth Congress may recall that on the third day of July 1945, I stood in the well of this House and talked for 40 minutes on the subject of the Commodity Exchange Act and the necessity for an investigation into the commodity futures transactions that were then taking place on the grain markets of America. I pointed out what to me was at that time, over 2 years ago, one of the most amaz-

ing situations that had ever come to my attention. I said at that time, Mr. Speaker, "What Members of Congress, if you please, exercised their powers of persuasion on the War Food Administration and the Foreign Economic Administration to put through orders which vitally affected the rye market—and which were in large measure responsible for the maintenance of this corner right up to the present hour." At that time there was a corner in the rye market engineered by a lot of traders, and the officials of the Department of Agriculture started an action against those traders that were responsible for the creation of that market. I made a demand at that time, over 2 years ago, and followed it up with a resolution which was referred to the Committee on Rules which was then under the chairmanship of the gentleman from Illinois [Mr. SABATH]. He assured me then that some action would be taken, but that resolution lay there all through the balance of the Seventy-ninth Congress, and I could get no action upon it. Now, one exposure after another has revealed trading in grain futures, by people "in the know" which shocks the conscience of the people of America. I think, as the gentleman from Texas has so well said, that it is high time that the people of the United States of America should be given the facts with reference to this situation.

Now, a question has arisen as to whether or not, under the provisions of existing law, the Secretary of Agriculture can give to a committee of the Congress the names of Government officials or Members of Congress, if you please, who have been engaging in commodity exchange speculations in futures in grain or other commodities. I think that there is a very simple way of resolving that situation. I think it should be resolved. Instead of engaging in a fruitless search, debate, or investigation, it seems to me that if there is a legal technicality, it ought to be resolved now. It ought to be resolved by the Congress so there can be no question, when this committee begins to function, that we are going to be faced with a lot of legal technicalities that may prevent the acquiring of the absolute facts. I, as one Member of Congress, do not know just what the situation will be if this resolution passes. I am going to vote for it. I am going to vote for it in the hope that a real investigation will be undertaken. I am going to vote for it in the hope that no one will be spared. If there is any Member of Congress that has been speculating in the grain market, if he has been able to use his influence in the matter of the purchase of grain which has had a direct effect upon the price of grain, I want the information disclosed.

If you will read the table I put in the RECORD yesterday you will see that these Government purchases from day to day had a direct effect upon the price of grain, and when the Government stayed out of the market for a day or two the price went down, and the minute the Government went in, the price immediately bounded and the boys on the inside had the opportunity to get themselves a rich harvest. I for one believe they ought to be exposed to the people of America without fear and without favor, and let the chips fall where they will.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. SMITH of Virginia. Mr. Speaker, I yield three additional minutes to the gentleman from Wisconsin in order that he may answer some questions.

Mr. KEEFE. Yes; I will answer them.

Mr. SMITH of Virginia. I will ask the gentleman to yield to me first.

Mr. KEEFE. Yes.

Mr. SMITH of Virginia. I am glad to hear what the gentleman said about solving any legal difficulties that might arise. We want a thorough investigation. I simply wonder if the gentleman from Wisconsin will not induce his colleagues on the other side to put through a resolution which will give the Secretary of Agriculture the authority he says he needs, so there will be no question about it, the resolution which I introduced on yesterday.

Mr. KEEFE. If I had my way about it, may I say to the gentleman, I would like to see that done, and resolve all this stabbing around in the dark raising legal questions. What the American people want is facts. As this thing is developing, it is casting a cloud of suspicion over every Member of Congress and every man in official life. I for one am not afraid of the cars; I want the facts developed and let the chips fall where they will.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Georgia.

Mr. PACE. Does not the gentleman agree that if the authority is granted to the Secretary to supply the committee with this information it ought to be supplied in an open, public hearing, and not in an executive session?

Mr. KEEFE. As far as I am concerned, that is the way I would do it. I think that is the way to do it. May I say to the gentleman that there are good lawyers outside the Department of Agriculture who very vigorously maintain and contend, and I believe rightfully, that the Secretary of Agriculture is not barred under any existing law from giving this information right now. It is a rather peculiar situation that faces the American people, who are hungry for facts. They want to know the truth, yet all we are met with is a barrage of legal interpretations.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Georgia.

Mr. COX. It is my information that the Secretary of Agriculture has agreed, if the Senate insists, to give them the list of speculators, but the Senate refuses to accept it unless it is given to them in executive session. In other words, the Secretary of Agriculture is willing to give the list to the Senate if the Senate will consent to its being given to the public at the same time, but they have refused to accept the information upon such conditions.

Mr. KEEFE. All I am interested in as a little boy from back in the country is to let my people and the rest of the people of the country know what the facts are. I have nothing to do with the politics that may be involved, and there is no politics as far as I am concerned. I do not know who may be involved. I know they will not find my name on the list; I can tell you that. I feel that the people are entitled to know who these persons are. Let us get these facts to them as rapidly as we can. I have been trying to do it for 2½ years myself.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Speaker, no one can quarrel a minute about the high purposes of this proposed legislation which we are now considering. I think we have all witnessed the "crap game" that has been going on in the commodity exchanges to force up to record-breaking levels the products that go into the making of food, which millions of people must buy to live during this year and the coming year.

The point I would like to make, however, is I am afraid that in our haste to do something about the exposure of this "crap game," we are going to cast aside the well-planned organization of congressional machinery. One of the principles of the Reorganization Act was the consolidation of our overlapping, duplicating, crazy-quilt committee structure of the Congress. One of the provisions of the act, which originally was in the bill and which surely expresses the spirit of the act, provided for the channeling through our standing legislative committees of the Congress, who are familiar with all of the aspects of that line of legislation, the job of conducting any particular investigation.

There is nothing that this proposed select committee can do that cannot be done by the Committee on Agriculture itself and particularly by an authorized subcommittee thereof.

I believe we have a fine man as chairman of the Committee on Agriculture. He is one of the finest men who has ever occupied that high position. I might say I have extreme confidence in the gentleman from Kansas [Mr. HOPE], as I have confidence in his next ranking majority Member, the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN], the author of this legislation.

I think it is a shame to remove from their jurisdiction this vital problem of investigating the commodity exchange. I believe it is highly important that the Congress do two things: First, to find out who has been acting adverse to the public interest in this "crap game" with human food; and, second, to legislate—to do something to correct abuses.

Mr. Speaker, you cannot do anything with a special committee so far as securing corrective legislation is concerned. There is nothing in this resolution which permits this special committee to report corrective legislation.

But if you permit the regular Committee on Agriculture to set up a subcommittee which everyone knows will be staffed by an able chairman, then you will be able to get corrective legislation.

One of the greatest jobs that was ever done in the House of Representatives

was done by the Committee on Interstate and Foreign Commerce and by our distinguished Democratic leader, the gentleman from Texas [Mr. RAYBURN], the then chairman of that regular committee.

They conducted an investigation of all of the shady practices that went on in the stock market. But they did not stop with publicity alone, but they brought in corrective legislation.

To this day no one can say that the stock market, which for years and years was charged as the cause of our depressions and difficulties in business relationships, has not properly been regulated since in the public interest.

If the gentleman from Ohio will permit me, I would like to offer an amendment to provide that a subcommittee of our Committee on Agriculture should handle this investigation.

I now yield to my colleague the gentleman from Georgia [Mr. COX].

Mr. COX. I agree with the gentleman completely in what he says so far as which is the proper committee to conduct this investigation. When they appeared on yesterday before the Committee on Rules in an application for a rule, the committee suggested that that probably was the proper committee to make the investigation. However, we were informed that the Committee on Agriculture did not want it.

Mr. BROWN of Ohio. That is correct.

Mr. COX. It was for that reason that we passed the resolution in the form in which it was passed. I think it fair to all that that statement be made.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. BROWN of Ohio. That matter was thoroughly discussed before the Rules Committee, and the Rules Committee was informed and has been informed that the Committee on Agriculture, being busy with other problems, did not want this particular jurisdiction. Therefore, I cannot yield for such an amendment.

The SPEAKER. The time of the gentleman from Oklahoma [Mr. MONRONEY] has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Speaker, the Committee on Expenditures in the Executive Departments had full authority to make this investigation but last March the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] came before our committee and wanted to know if we had any objection if he or the committee made the investigation. Our committee, having other work demanding attention, unanimously waived jurisdiction and expressed the hope he would proceed as soon as convenient.

The gentleman from Oklahoma [Mr. MONRONEY] is just so wrong about the law governing investigations that it would be just too bad if the House followed his lead on this. Standing committees do not have authority to subpena witnesses and procure records equal to the authority granted to a select committee. That is established. Moreover, if this committee lacks authority and if you gentlemen on my right really want an investigation, in addition to supporting this resolution, you should support House Joint Resolution 283, introduced yesterday, which follows the resolution passed by the Senate, approved July 19, 1932, when it was under the control of the Democratic Party, a joint resolution, authorizing this committee to be appointed under House Resolution 404 to obtain all necessary information from the Department of Agriculture, from the Treasury Department, and from the Internal Revenue Department. Now, if you want action, there is your chance to get it.

The SPEAKER. The time of the gentleman from Michigan [Mr. HOFFMAN] has expired.

Mr. SMITH of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, when this resolution comes to a vote, I think it is going to be just about unanimous in whatever form the resolution may be finally put. I do not know any Member on the Democratic side who will vote against it and I do not know any Member on the Republican side who will vote against it. But, while we are doing this thing, why do we not do it right? I am not sure, from the debate I have heard, whether some folks want an investigation or whether they want a muckraking expedition.

I think the American people and I think the vast majority of the Members on both sides of the aisle in this House want to get at the facts in the quickest and simplest way, and give those facts to the public.

Mr. COMBS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. Not at this time.

Now, aside from the incident involved here, I think it is quite serious when, in the debates in the Congress, we cast suspicion on the conduct of our Government. I know of nothing that could do more to destroy the confidence of the people of America in their Government than to have such incidents as we are having here now, unless we investigate them thoroughly and promptly, and if there are any rotten apples in the barrel, let us both, Democrats and Republicans, join together to throw them out. That is the attitude on this side of the aisle.

Now, I do not think that what the gentleman from Ohio is seeking to do is sufficient, although I do not question his motives. I do not think he is doing a complete job. I hope that in the interest of solving this problem I can induce my good friend from Ohio to do what I think should be done. It is a very simple question. Why should we conduct an investigation for 6 months, and the Senate conduct an exactly similar investigation for 6 months, when the answer is so simple that the Secretary of Agriculture says all you have to do is to "untie my hands when you have handcuffed me with a law that you enacted, and give me authority to give you all the information, and it shall be forthcoming."

Is that a reasonable suggestion?

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I certainly yield with pleasure to the gentleman from Ohio.

Mr. BROWN of Ohio. The gentleman from Virginia, of course, knows that while the Secretary of Agriculture contends that he does not have the authority to furnish these lists, very learned lawyers in this Congress insist that he does have that authority. The gentleman knows, of course, that the information was furnished to the Rules Committee that the Secretary of Agriculture does not have any records of any transactions in the market of less than 200,000 bushels of grain.

Mr. SMITH of Virginia. All right, but what is the objection—I do not yield further—what is the object to giving him the authority that he wants? He says there is doubt about it, and if lawyers differ about it—and goodness knows, there are something like a million lawyers in the United States all of them making a good living out of differences of opinion as to what the law is. With the existence of that difference of opinion why do we muddle around with it? Why does anybody object to giving the Secretary of Agriculture the authority which he says is required to permit him to give you the information you want, to give it to you tomorrow morning instead of fiddling around and having to wait 6 months to get it.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. No; I do not yield.

By giving him the authority he says is necessary you could get the information tomorrow, but here we are going to fiddle around for 6 months keeping the American people in doubt as to the honesty of their Government when it is within your power to get this question settled in 24 hours. Why do you not do it?

And I am going to say further that at the conclusion of this resolution—which all of us on this side of the aisle are going to vote for—I am going, if the Speaker will recognize me, to ask unanimous consent for the immediate consideration of House Joint Resolution 280, which I introduced on yesterday, which will give the Secretary of Agriculture the authority that he asks to give the Congress full information and relieve any doubt about it that might exist in the mind of any of the millions of lawyers in this country.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. McCORMACK. The Secretary of Agriculture has said that if he complies with the law he cannot make the information public. He is obligated to carry out the law. He has asked this Congress for permission; and I ask the gentleman in offering his resolution if it is broad enough to cover all persons? Because the American people are entitled to know all the information.

Mr. SMITH of Virginia. There might be some difference of opinion about whether you ought to publish the names of everybody who bought a share of stock or a bushel of wheat on the stock markets or the commodity markets. So far as I am personally concerned I do not believe in a muckraking investigation

against everybody for doing something that has been done for years, recognized as a legal business transaction; but when it comes down to the question of the involvement of Federal officials, where that involvement affects the integrity of the Government and the confidence of the people in their Government, I say let us turn them all up whether they are members of the Federal Government, whether they are Members of Congress, or members of the executive department. I have no special objection other than that to the inclusion of all persons in the list.

Mr. MANSFIELD. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. MANSFIELD. I want to say, as far as I am concerned, that I think the pitiless light of publicity should be thrown on all speculators in the commodity markets whether in the Congress or in or out of the Government. Will the gentleman tell me why we should take the word of lawyers rather than making the voice of Congress heard by correcting the situation?

Mr. SMITH of Virginia. I cannot answer that question because there is not any answer to it. Of course we ought to do it.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. RANKIN. Will this resolution authorize the investigation of the alleged conspiracy between top-flight manipulators on the cotton exchange and top-flight textile industrial enterprises to hold down the price of cotton to the American farmer?

Mr. SMITH of Virginia. I do not know about that.

Mr. RANKIN. It seems to me that if we are going to look after one we should look after the other also.

Mr. SMITH of Virginia. I am offering this resolution for a specific purpose.

I now yield to the gentleman from Ohio, if he wishes me to yield.

Mr. BROWN of Ohio. Yes; if the gentleman will permit an inquiry. The gentleman has just said that he believed it was necessary to enact a joint resolution in order to give the Secretary of Agriculture permission or legal authority to make those lists public; that without that legal authority it would be a violation of law.

Mr. SMITH of Virginia. That is according to the opinion of the Attorney General.

Mr. BROWN of Ohio. Then why, if the Attorney General said it was a violation of law for him to do so did the Secretary offer to make that list available over in the other body, if it was a violation of law?

Mr. SMITH of Virginia. I do not know; maybe they intimidated him when they got him over there.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. RAYBURN. My understanding is that exactly the opposite happened. I am not supposed to know what goes on in the executive session of a Senate committee. My understanding is, and it will probably be in the afternoon papers, that the committee wanted the Secretary of Agriculture to submit it to them in executive session and the Secretary of Agriculture said, "No," he would not do any such thing.

Mr. BROWN of Ohio. My dear sir, I do not have any more information than the gentleman from Texas as to what happened over there. I accepted the information which has been given to me and to the House by the gentleman's side of the aisle to the effect that the Secretary of Agriculture did offer to make that list public this morning.

Mr. RAYBURN. I do not think that is anything like true.

Mr. BROWN of Ohio. I am sorry that the gentleman challenges the statement of his own side.

Mr. RAYBURN. I do not think the Secretary of Agriculture would say in one breath that he did not have the legal authority to do it and then in the next breath he would do it.

Mr. BROWN of Ohio. I am relying on the statement made by that side of the aisle.

Mr. SMITH of Virginia. I hope that the gentleman from Ohio will tell the House in his own time why there is any objection to passing a concurrent resolution to take the handcuffs off the Secretary of Agriculture so that he can give you the information you desire.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr SMITH of Virginia. I yield to the gentleman from Georgia.

Mr. PACE. The gentleman from Virginia is a distinguished member of the bar. May I read to him the language to relieve us of any doubt about the authority. This is the pertinent part of the provision:

> The Secretary may publish from time to time in his discretion the result of such investigation and such statistical information gathered therefrom as he may deem of interest to the public except data and information which would separately disclose the business transactions of any person.

Mr. SMITH of Virginia. Yes.

Mr. PACE. There is no question about that.

Mr. COMBS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Texas.

Mr. COMBS. Is it not true that this whole hue and cry for months has been concerning the speculation of officials of the Government?

Mr. SMITH of Virginia. Yes; that is what it is all about.

Mr. COMBS. Are we going on a jackrabbit hunt all over the country?

Mr SMITH of Virginia. That is exactly it.

Mr. BROWN of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Speaker, I am heartily in favor of the pending resolution. I think it does cover the ground thoroughly. Certainly there should be no exceptions made in any investigation as to Members of Congress or any other individuals in the Government.

Mr. Speaker, statements have been made here which indicate that some Members of the House feel this investigation should be conducted by the Committee on Agriculture and that the Committee on Agriculture was perhaps dodging responsibility in not undertaking it. I may say in this connection that as chairman of the Committee on Agriculture I was consulted before the resolution was introduced and reported by the Rules Committee. It was my feeling then and it is my feeling now that a special committee is in a better position to carry on the job which should be undertaken here than a standing committee.

The Committee on Agriculture is very busy at this time. It has a number of legislative matters before it and particularly it is engaged in working out a long-time agricultural program which is going to require the best efforts on the part of all the members of the committee if we are going to submit legislation at the next session of Congress. It is my feeling that if the committee should undertake an investigation of the scope and character that should be undertaken in this instance it might interfere seriously with this and other important legislative matters.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. The gentleman will agree that this matter has not been submitted to the Agricultural Committee, of which my distinguished friend is chairman and of which I am a member, and that the committee has not refused to go into this matter as was suggested a moment ago?

Mr. HOPE. Yes. I am very glad to make the record absolutely clear on that. The question as to whether the investigation should be conducted by the Committee on Agriculture has never been submitted to the committee. I took the responsibility of advising the House leadership that I felt the investigation could best be handled by a special committee. In doing so I was, of course, giving my personal view and not speaking on behalf of the committee or any member thereof other than myself.

The SPEAKER. The time of the gentleman from Kansas has expired.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, this matter seems to have generated a lot of controversy, and has become something of a free-for-all.

Now, let us just go back a little bit. The President said some very harsh things about speculation on the boards of trade and the commodity exchanges as affecting prices. I certainly hold no brief for speculation, but think it should be said for the managers of the commodity exchanges that immediately following the President's allegation they said, "We want a hearing; we are perfectly willing to disclose everything in connection with our transactions." They took the position that the President's allegation had no factual foundation, and they apparently wanted the people to have the real facts.

Let us take a look at this resolution. From what I have heard here on the floor and my personal conversations with the Members it appears that about everybody is going to vote for it, so the question would seem to me, Is it sufficient? Well, first of all the resolution seeks to inquire into the general effect of Government buying on prices. It also seeks to inquire into the manner of Government buying as it affects prices. As everyone knows, the timing of purchases, as well as volume, affect the general level of prices. Now, certainly no one can complain about that phase of the resolution. The resolution properly seeks to develop information as to the extent of transactions on the commodity exchanges, because it is alleged by some that that has to do with prices.

I think the gentleman from Virginia, in his usually fair manner, pointed this out: Generally speaking, the average individual, who is not in Government and who has no access to so-called inside information, may buy and sell in the commodity exchanges, and I do not know whether that is the business of anybody in particular, except himself. Let me make that clear. While the quantity or sum total of transactions on the exchanges at any particular time might be important for Government to know, the identity of the individual out in the country, who might add to that quantity, I do not believe is of particular consequence in this whole matter. The individual becomes important when he has and is making use of inside information he should not have to his personal gain at the expense of the general public. A distinction must be made between normal legitimate purchases and irregular speculation.

Everyone ought to recognize that Government buying drives prices up. That has been conclusively demonstrated. Now, if anybody on the inside in Government—I do not care whether he is in the legislative or in the executive branch of the Government—has access to advance information as to what the Government program of buying is going to be, he can, of course, rush in and buy those commodities and make himself a fortune. . There is already some evidence that possibly this has been taking place.

The point I want to make is simply this, that if anyone in Government has access to that inside information and then rushes in to buy at the very time that the Government is about to buy, he not only feathers his own nest by reason of that inside information, but he aggravates the inflationary effect of the governmental buying on the whole price structure.

There has been a lot of shadow boxing around here. There has been talk about people in the legislative branch being afraid of this investigation. Well, I never bought or sold anything on any commodity market, so that insofar as I am personally concerned, I stand here free of any possible hurt in this connection. But are Members of the legislative branch covered in this resolution? Look on page 2 of the resolution and under (b) beginning on line 5 you will see the words "the private acts." It also says "and official activities," but I efer particularly to the words "the private acts of any individual in the United States Government in connection with the purchase or sale of commodities." The resolution provides that the investigation shall cover such "private acts."

Where do we Members of the House get our checks? We are paid by the United States Government. We are certainly in that classification on page 2 of the resolution, where reference is made to "the activities of any department or agency of the United States Government." I do not think the language is broad enough to include the legislative branch as such. But that isn't important, as the legislative branch does no commodity exchange buying. I am certain, however, that words on page 2 that I just read are sufficiently broad to cover Members of the legislative branch.

The point I am making is that what we ought to do through this committee is find out, first, what is the effect of Government buying on prices, second, what has been the effect of the manner of that governmenteal buying, and third, what people are there in the Government, if there are any place, who not only have profited personally because of the inside information they had but who have aggravated the inflationary effect on the whole price structure that results from this sort of dealing.

Mr. COMBS. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Texas.

Mr. COMBS. Does the gentleman contend that this committee would have any right to investigate a Member of the other body, or that their committee would have the right to investigate a Member of this body?

Mr. HALLECK. I do. I have seen here in my time investigating committees on the other side of the Capitol send for Members of this body and investigate into their matters.

There has been a lot of talk here about amendments. I do not know what sort of rushing around Secretary Anderson is doing or what sort of smoke screen he is trying to throw up, but as far as I am concerned, I am willing to go along with a committee of this House of Representatives in the discharge of its official duty to obtain the information, and then give the people the true facts and reveal the names of any individuals whose activities have been such that their names can properly, and in the public interest, be divulged. So as far as I am concerned, there are no amendments that are needed to this resolution. I cannot think of any that ought to be adopted.

Mr. BROWN of Ohio. If the gentleman will yield, the question was asked on the other side as to whether there is any power or authority to investigate the actions of a Member of another body. Will the gentleman advise me whether the other body did not investigate the activities of a gentleman from the House by the name of May not long ago?

Mr. HALLECK. I do not want to go into that.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, apparently there is no need to go into a discussion of the merits of this resolution. The Members seem to be for it and want the investigation and disclosures made upon the facts found by the committee that will conduct the inquiry.

I should like to point out to some of the gentlemen who may be in doubt about what the attitude of Secretary Anderson was in providing the list yesterday when he said he did not have authority under the law to furnish the list of so-called speculators without special action of Congress, but today, apparently, according to a report handed to me by a United Press reporter, the Secretary has changed his opinion or reversed himself, and is willing to make the list public to the press and to the Congress. I do not know who made the mistake in the decision of yesterday or in the decision of today. The Secretary now feels that he has the authority, if the report given me by the United Press reporter is correct.

Mr. COMBS. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I cannot yield to the gentleman at this moment.

Mr. COMBS. The gentleman is incorrect. Will he yield for a correction?

Mr. AUGUST H. ANDRESEN. In the second place, the Secretary could only give a list today of the names of individuals and concerns in the futures market who held grain in a quantity over 200,000 bushels. Now that is not peanut stuff. Most of the dealings in the grain market, at least, and I take it it would be true in the cotton market, would be much under a commodity that would have a total value of around $500,000 or $600,000.

This resolution is directed to investigate all commodity transactions, whether they be in or out of Government service.

I recognize that the commodities market is also a useful and necessary instrumentality in the merchandizing of commodities, and that there are legitimate businesses and individuals engaged in transactions in the commodities market. I also recognize that there are a class of speculators who provide the hedges, as insurance, for sellers and buyers of grain and grain products. These speculators carry the risk. As far as this committee is concerned, I am sure that they will treat both groups of the investigations with due fairness and respect.

I do not suppose there is anyone here who can defend a Government official of the United States who possesses inside information on what the Government is going to do and who acts on such information and profits thereby. That is one part of the inquiry provided by this resolution and it will affect not only Members of Congress but also members of any governmental agency or their relatives or friends, if such information can be uncovered.

Our Committee on Agriculture possibly should have had jurisdiction of this investigation. A subcommittee of the Committee on Agriculture has gone into the matter in part as far as it could go. But the committee does not possess the power to subpena individuals and books and records. Therefore, when the matter first came to my attention, I took it up with the chairman of the committee, the gentleman from Kansas [Mr. HOPE], who raised the point that we did not have the subpena power. I told him I intended to introduce a resolution providing that the matter should be handled by our committee. Our committee had jurisdiction over the Commodities Exchange Commission and over most of the affairs of the Department of Agriculture and would have been the proper place for the investigation. But after discussing the matter with the gentleman from Kansas [Mr. HOPE] we came to the conclusion that due to the large number of activities of the committee, it would be advisable to have a special committee with full power to proceed with an investigation. So I changed my resolution as it appears here today, and provided for a select committee of the House to be appointed by the Speaker. In view of recent events, the proposed investigation of commodity transactions is desirable and necessary at the present time, and I therefore urge the passage of the resolution.

Mr. MACKINNON. Mr. Speaker, House Resolution 401 was the first resolution submitted to this Congress calling for an investigation of activities on the commodity exchanges of the Government and those with inside information. That resolution was introduced by me on December 11, 1947. The resolution being presently considered follows House Resolution 401 very closely. The only substantial difference is that a select committee is substituted for the Committee on Banking and Currency.

SECRECY COMPLEX OF ADMINISTRATION

In dealing with the subject of this congressional investigation, there is one aspect of the situation that I wish to call attention to. That is to the secrecy complex that is developing in the present administration. We in Congress note it at every turn of the road. There have also been public exhibitions of this.

Only recently the press of the Nation, in a remarkable exhibition of journalistic achievement, unmasked an attempt by this administration to set up standards of secrecy in the Veterans' Administration. The Administration there proposed to handle as secret and confidential any matter which might be damaging to the Administration. That attempted action discloses a very queer philosophy of government. One which would completely deny access to the public to ordinary public records, if the records were damaging to the administration.

Also, on numerous occasions when employees of individual departments have recently appeared before committees of this Congress they have attempted to carry out this secrecy philosophy by questioning the authority of Congress to require the presentation of ordinary everyday letters concerning the normal transactions of these departments. They always have some excuse why the information should not be furnished. They say it is "important" or "confidential," or they did not write the letter or give some other ingenious excuse. At every turn of the road there is an attempt being made by this administration to thwart the publication of matters relating to public business.

I submit that this Congress, as the representative of the people, would be derelict in their duty if they did not vigorously attack these attempts by bureaucratic officials to hide public records from the public. Public affairs should be subject to public scrutiny. It is a damaging admission on the part of this administration that their agents are so reluctant to let their activities be made public.

The situation before the House today is briefly this: The Secretary of Agriculture upon being requested to furnish certain information in his possession, as an official of the Government has given a lame excuse for not furnishing it. No person on the floor of this House has risen and defended the legality of the position taken by the Secretary of Agriculture. They have said there are differences between lawyers, but none of the lawyers who have arisen have supported the position of the Secretary of Agriculture. They are not willing to risk their legal reputation by saying that they concur in any construction of the law that would not require the Secretary to furnish the information. Oh, no, they quote others—anonymous individuals—except they say somewhere along the line that the Attorney General has given an opinion. If he has given any such opinion it has not been made public to my knowledge, and if he did give the opinion then why did the Secretary of Agriculture offer to furnish the information under certain conditions? Evidently the Secretary does not have much faith in whatever opinion he was hiding behind.

WHY THROTTLE CONGRESS?

Now, there have been those on the floor here who have said that we should pass a joint resolution of the two Houses of Congress and that we could then get the information. A joint resolution requires the President's signature. Mr. Speaker, I do not believe that a joint resolution would be a wise thing to do. I believe it would create a bad precedent. It would create a precedent that would tie the hands of Congress in the future. It would mean that any time that any information is wanted from any Department that the committee must face the necessity of passing a resolution through both Houses of Congress and getting it signed by the President. For Congress, by its own action, to create a precedent that would so tie its hands for the future would, in my opinion, be a very disastrous and backward step for it to take. I implore this Congress to not take such action.

WHY DIGNIFY A LAME EXCUSE?

Furthermore I do not believe we should take such action because I do not believe we should so dignify the lame excuse that has been presently offered for refusing Congress this information. It is clear to anyone who reads the law that there is no doubt about the necessity of the Secretary of Agriculture furnishing this information. In this connection I refer you to my remarks at page 11567 in the CONGRESSIONAL RECORD for Wednesday, December 17. I say we should not dignify the lame excuse by recognizing that it has validity when it does not have.

Either body of Congress has authority to get this information without a joint resolution. Why should we run all around Robin Hood's barn and thereby require ourselves in the future to run all around Robin Hood's barn whenever a committee has a legitimate request for governmental information?

ADMINISTRATION'S POSITION

The administration's position on this matter is quoted in the Evening Star for today, December 18, 1947, as follows:

"All that is necessary is the passing of a joint resolution, which the President will approve," Mr. Anderson said.

He contended that would preserve the proper relationship between the legislative and executive branches of the Government.

IS CONGRESSIONAL SUBSERVIENCE A PROPER RELATIONSHIP?

A close reading of that quotation makes it very apparent what the administration wants. They say a joint resolution would preserve the proper relationship between the legislative and executive branches. What do they mean by proper relationship? What they obviously want is a preservation of the relationship that existed for the past 15 years. Under that condition the legislative branch was completely subservient to the executive branch. That is what they mean by a proper relationship and that is where we will be if we now set a bad precedent for the future.

And, mind you, while the President may sign this joint resolution, if you establish a precedent by this action of requiring joint resolutions whenever you want information damaging to the administration, then you are going to place in the President's hand the power, through his use of the veto, to hamstring this Congress in carrying out its investigatorial duties. Yes, he will sign this resolution, but he will have the veto power over any future investigation by Congress. That veto power will make the Congress in the future subservient to the President in investigations. I do not consider that would be a proper precedent for this Congress to set. I believe it to be too high a price to pay—let us insist on the clear legal right that Congress has to obtain this information by subpena.

Mr. Speaker, in closing I urge support for the resolution establishing the investigation.

Mr. BROWN of Ohio. Mr. Speaker, I move the previous question.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. MONRONEY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MONRONEY. Mr. Speaker, I was listening carefully, and I did not hear the previous question put.

The SPEAKER. If the gentleman was listening, he would have heard it because it was very clearly ordered.

Mr. MONRONEY. Was it by unanimous consent, Mr. Speaker?

The SPEAKER. By unanimous consent. The gentleman is correct.

AUTHORIZING STUDY OF BLACK MARKET

Mr. BROWN of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 403, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Whereas the continued prevalence of black markets seriously undermines and threatens the national economy of the United States; and

Whereas prices have been inflated and procurement of materials interfered with by black market operations to a point where public works of all kinds have been made exorbitantly expensive and, therefore, practically impossible economically; and

Whereas further authorization of public works by the Congress will be devastatingly retarded if not prevented altogether unless these iniquitous operations and practices can be stopped; and

Whereas it is obvious that unless these flagrant malpractices are eliminated no proper public-works program can be achieved nor can a stable economy be maintained throughout the United States and its possessions: Now, therefore, be it

Resolved, That the Public Works Committee, or any subcommittee thereof, is authorized and directed to make a study of black markets and to search exhaustively into the sources and causes of these destructive tendencies induced by black markets, with a view to reporting as speedily as possible not only their findings but their recommendations for the enactment of measures calculated to eliminate these opprobrious, destructive, and baneful practices. For the purpose of making such investigations the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places within or outside the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

With the following committee amendments:

On page 2, line 3, after the word "of" strike out the words "black markets" and insert "conspiratorial or other questionable practices"; and on line 5 after the word "by" strike out "black markets" and insert "conspiratorial or other questionable practices."

The SPEAKER. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The gentleman from Ohio [Mr. BROWN] is recognized for 1 hour.

Mr. BROWN of Ohio. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH].

At this time, Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, House Resolution 403, which has been reported by the Rules Committee, provides that authority be granted to the Public Works Committee, or to any subcommittee thereof which may be designated for the purpose, to make a study of conspiratorial and other questionable practices, and to search into the sources and causes of such practices.

To put it in the parlance of the day, this resolution provides for a study and investigation of what some of us have in the past termed "the black market." I think the slang phrase now is "gray market," wherein many commodities are sold through peculiar sources and in peculiar ways at prices much higher than the regular going price.

I do not believe there is anyone in the Congress who can have any objection to this House committee, either as a whole or as a subcommittee, making this investigation. Certainly the light of day should be turned upon these practices which have so much interfered with our construction of homes, in obtaining the supplies that are needed for the relief of other peoples, and for meeting the requirements of our own citizens.

I think if this committee can make even the slightest contribution—and I am sure that it can—toward stamping out these practices, or towards exposing them, it will be very much worth while.

I have served as the chairman of the Select Committee on Newsprint and Paper Supply. We have encountered some of these activities in the field of paper, especially in newsprint. There is no particular law against such activities, and so the spotlight of pitiless publicity, the inquiry and the interest by Congress, will have a great moral effect. Once the information is obtained as to exactly what is going on this committee can determine whether or not legislation is necessary to stamp out these practices. So I hope that this resolution as amended will be adopted.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of Virginia. Is the gentleman through?

Mr. BROWN of Ohio. I reserve the balance of my own time. I thank the gentleman.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. MCCORMACK. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein an article in the Boston Sunday Herald of December 17, written by Thomas E. Maloney, the headline of which reads: "Steel gray market octopus grips industry."

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MCCORMACK. Mr. Speaker, this resolution is a very appropriate one, and one that I have no objection to. I shall vote for its passage. I am very glad to note that the Rules Committee struck out the words "black markets" and inserted therein "conspiratorial and other questionable practices." I am glad this was done for two reasons, because last year our Republican friends promised us there would be no black markets with the removal of controls. It would, of course, be a very sad reflection to have a resolution introduced by a prominent member of the Republican Party and reported out by a Republican committee containing the admission that the black market still continues. Furthermore, anyone appearing before the committee might raise the question whether or not their nefarious actions constituted a black market, and the wiping out from the second angle is a matter of great importance because the language recommended by the committee will avoid any such technicality as that being advanced at any time.

The existing situation is very acute. Throughout the country people are being robbed. It is being done under the guise of the law. Outrageous prices are being charged, not only to the public but to legitimate business. For example, I have a friend who is a very substantial contractor, and yet he is an independent one. In order to buy nails he has to pay $12, $13, and $13.50 a keg. I do not know what kind of market that is, but it is a most vicious market. The other day he told me of a company in Boston who called him up—a company he had purchased from through the years. They told him they had 400 kegs of nails and that their allocation to him was 20 kegs. He asked him what the price was and they said $6 a keg. They were charging the legitimate price—a legitimate company asking only for a legitimate business profit—yet, only a few days before, he had to pay $13.50 in the gray market, or some other kind of a market, for a keg of nails. He is a contractor of substance who employs anywhere from 750 to 1,500 employees. He told me that if he ordered 1,400 tons of steel—and that is a pretty big order—some contractors are more powerful than he—he cannot get his order from the large steel companies, although these smaller contractors filed their orders months ago. He and other independents or smaller businessmen like himself have on file their orders or requests for steel for months. As a result, they are pushed back many months.

The same situation undoubtedly exists in other sections of the country.

Mr. Speaker, I have before me a letter I recently received from a businessman in which he states as follows:

Transactions that normally flow through two or three parties are now being channeled through as many as six and seven hands, each of whom are adding their own margin of profit.

It is not only the public that is suffering, but also the businessman is suffering as a result of this condition. In my opinion, the independent or small businessman ranges from one who employs 1 to an employer of 5,000 help. That is my idea of a small or independent businessman under our national economy.

This man gives me specific information in his letter with reference to conditions existing in New England. With reference to building materials and nails, he says:

On October 6 I was offered, firm for 48 hours, 60,000 kegs of nails at 9¼ cents per pound. This price was at least 100 percent above the cost of production and 3 cents above the normal existing market price for the same item. I could have sold the entire lot, plus 40,000 kegs additional, within 24 hours on a cash basis.

Since that date transactions have been closed in Boston in which nails have reached as high as 12 cents.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. SMITH of Virginia. Mr. Speaker, I yield the gentleman three additional minutes.

Mr. McCORMACK. Mr. Speaker, he goes on to discuss oil tanks of 250 gallons capacity, and states:

The reasonable normal price today for this type of tank should be in the neighborhood of $27.50. During the past 2 weeks I have been offered in quantities ranging from 500 to 1,000 tanks. The minimum price was $48.50 and the maximum $62.50, f. o. b. source.

He goes on and states the following with reference to 12-gage steel used in tank construction:

The present value of this gage steel as quoted me by the Boston office of the Bethlehem Steel Co. on October 27 is approximately $80 per ton. I have received a request for 200 tons at $180. During the past week a minimum of six carloads of this material has arrived in Boston, consigned to firms who customarily never specialized in 12-gage steel and who have refused an offer of $140.

What does he say about plywood?

Fir plywood is practically nonexistent in this market and could be sold at a fantastic price if obtained. On October 14 I was offered 400,000 feet of mahogany plywood, off sizes, at a price 100 percent above the currently quoted mill price.

What does he say about automobiles sold in a town outside of Boston?

Every Monday there is conducted an automobile auction.

He gives the name of the individual, and I will give it to the committee if it so desires. If the committee wants this correspondence I will give it to the members.

He goes on to say:

It was reported to me by reliable dealers that anywhere from 2 to 400 cars are sold weekly.

They come from any number of States to this auction. He further said:

A very high percentage of these sales consist of 1946 model cars. Dealers buy from dealers in private sales prior to the open auction, and prices are quoted to be anywhere from $250 to $600 above current list price. In the same town a Chevrolet two-door sedan which sold in February of this year at $1,100 delivered is being quoted and sold at over $2,000, due to the addition of extras which must be purchased.

Now, there is some evidence. The Committee on Rules has rendered a service to the country in reporting out this resolution. A fearless investigation should be carried on. This committee, when appointed, will require a substantial sum of money, because they are going to make a hard and difficult investigation.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I appreciate the compliment paid to the Committee on Rules, and I believe it is fair to state to the House that this resolution was reported favorably by the entire membership of the Committee on Rules, of both political parties.

Mr. McCORMACK. Mr. Speaker, a fearless investigation, following the passage of this resolution, will bring great benefits to the country. None of us stand for the practices that are going on. As much as we condemned the black market that unfortunately existed under price control, just as vigorously do we condemn the overcharging by any one of the American people or of American business such as is going on today. This is a matter of primary importance not only to our people, but to our national economy and to the great majority of our businessmen, 99 percent of them, who want to conduct their business in an honorable and a trustworthy manner.

Mr. Speaker, the committee appointed as a result of this resolution can render great service to our people and our country by making a fearless investigation.

Mr. MONRONEY. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Oklahoma.

Mr. MONRONEY. I agree completely with the things that the gentleman from Massachusetts has said. I wonder, though, since these things are going on, whether the complete waiving of the Antitrust Act will correct any of it?

Mr. McCORMACK. Not these abuses. This resolution seeks to look into the nefarious conditions that exist, due to the shortages, with a small group engaging in unethical practices which, under price control, would have constituted a black market in violation of the law for which they could have been prosecuted.

Mr. Speaker, the article I referred to is as follows:

STEEL GRAY MARKET OCTOPUS GRIPS INDUSTRY

(By Thomas E. Mullaney)

NEW YORK, December 13.—The black or gray market in basic and finished steel, disclaimed and minimized by the products and fabricators of the vital industrial commodity, is no small enterprise. It is a gigantic octopus whose heart is situated in New York City and whose grasping tentacles control millions of tons of steel in various forms throughout the Nation.

For the last 3 weeks this writer has observed first-hand, scores of local brokers, dealers and "entrepreneurs" from almost every walk of life trying to peddle fantastic tonnages of real or phantom steel at fabulous prices three and four times the official quotations for the products involved. To declare that perhaps 2,000 people in the city are engaged in this activity may be understatement.

SCRAP, NAILS TOO

Most of the profiteering is being done in sheet and strip steel of the type used by automotive and appliance manufacturers, but the gray market is also strongly active in scrap metal and nails.

Estimating the amount of steel that has been funneled to racketeers is no easy task, because of the multitude of "phony" offers being made. Some steel company spokesmen have guessed that approximately 3,000,000 to 3,500,000 tons of finished steel, or around 5 percent of total output, have gone, unintentionally and unfortunately, into the hands of the profiteers.

One buyer for a number of prominent manufacturing concerns, however, has placed the volume at close to 11,000,000 tons. Very likely the actual figure splits the range.

Be that as it may, the fact is that substantial tonnages of the material which turns the wheels of 40 percent of America's industry have been removed from their normal markets by opportunists who are commanding—and getting—premium prices from the buyers best able to pay. Various sizes and gages of sheet and strip steel, for instance, are being disposed of, easily, at prices running between $150 and $350 a ton, whereas the price ordinarily paid for these different products ranges between $85 and $95 a ton.

Scrap metal, which currently is quoted at $40 a ton delivered in the Pittsburgh area, is selling freely in the gray market at levels between $4 and $15 a ton above the market price at a time when the domestic steel production is being held to 4 percent under capacity for lack of this critical material. Nails, the valuation of which would not exceed $4 a keg even under inflated price schedules, are being denied to many construction companies because the gray market has commandeered huge quantities of them and is offering them at $8 to $11.75 a keg.

OUTRAGEOUS RACKET

During this 3-week scouting venture in the steel gray market, contact was made with dozens of acknowledged profiteers who came to the office of a New York buyer's representative boldly proffering actual steel at these amazing prices cited. As many, and more, nonprofessionals pretending to have impossible tonnages of critically scarce sheet and strip steel also appeared during this time.

Opportunity was also afforded during the last 3 weeks to examine thoroughly the index cards, correspondence, purchase requests, sales transactions, and other files of this local buyer for industrial companies. The investigation revealed that, in the last 8 months this one purchasing agent has bought 10,000 tons of steel at prices ranging between $120 and $320 a ton, with the vast majority of the transactions being consummated at levels above $250 a ton.

The buyer is Norman J. Edelmann, president of Know-How, Inc., located on the second floor of a four-story brownstone house on East Fifteenth Street. He alleges that his organization, which he calls a finding company, has not engaged in gray market activities except insofar as it has openly bought from these profiteers at the extraordinary prices they have demanded. His only compensation, he maintains, is a regular finder's fee of $5 a ton for quantities under 1,000 tons found and $1 a ton when the tonnages exceeded that total.

Edelmann disclosed that he now holds orders for more than 3,000,000 tons of sheet and strip steel from 68 large manufacturing

companies in all sections of the country. The prices they are willing to pay, he said, start at $120 a ton and mount up to $260 a ton.

Among his standing purchase orders are one from a Detroit company producing automotive parts asking for 160,000 tons of sheet steel over a 12-month period at $169 a ton; another offer comes from a national radio manufacturing company seeking steel at $250 a ton, and a third offer was submitted by a southwest manufacturing group asking for 96,000 tons of hot-rolled, pickled sheets over a long period at a price of $150 a ton.

The most recent deals completed by Know-How, its 41-year-old president declared, were:

1. The sale of 3,500 tons of sheet steel to an eastern manufacturer at a price of $260 a ton, on which Know-How realized its usual profit but middlemen received $11 a ton.

2. The sale of 4,500 tons of steel pontoons for use as scrap to one of the Nation's top steel companies at $36.50 a ton plus 50 cents a ton to Know-How as a finder's fee. However, the preparation price on the lot will run up to approximately $8 a ton, making the actual price about $45 a ton, Edelmann said.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, greed and selfishness have ruined many a nation and many an individual. I am glad that the Committee on Rules has reported a resolution of this kind creating a committee to investigate some of the black market or gray market or greedy practices now found to exist in the United States.

I cannot quite agree with the gentleman from Massachusetts about the black-market operations as the result of the removal of price control, because last fall when we did have price control we had the biggest black market in the United States in a vital necessity, and that was in meat. You could go into any butcher shop in the United States and you would not find any meat. That was under price control, and that was because the black market of this country had taken over from one end of the Nation to the other.

Now, when it comes down to the items mentioned by the gentleman from Massachusetts like steel and nails, I made a little investigation of that matter myself. We recognize that there are certain manufacturing companies in the United States that are engaged in the production of steel of all kinds. They have been in the habit of allocating their steel to legitimate manufacturers throughout the United States. But, the small manufacturers out my way, at least, are having great difficulty in securing enough of this steel to keep running. The result is that many of them have been forced to close down and we are having an unemployment problem on our hands. But, I do find that certain individuals and concerns in the United States are able to get all the steel they want, and they are offering it to my constituents and to your constituents at fabulous prices.

Let me cite gage steel, 18- to 22-gage steel, which is sheet steel.

Let me tell you what is going on in the case of 12- to 20-inch gage steel sheet. It is difficult to believe that we have such greedy individuals in the United States. The light of publicity should be directed on them and their operations, and they should be investigated to the fullest extent. The regular price charged for steel sheets by the producer to a legitimate dealer or manufacturer runs from $80 to $100 a ton, but the legitimate manufacturers are not able to get it. They find that if they will write to, say, the Emergency Steel Co., of Chicago, Ill., and pay $260 a ton for it they can get all they want. If they write to the Kalden Steel Products Co., of Detroit, Mich., and pay $240, not $100 a ton but $240 a ton, they can get all they want.

The Bell Iron & Metal Co., of Chicago, Ill., is offering to sell large quantities at $260 a ton. Page Hollister Co., of Chicago, Ill.—strange that there are so many in Chicago, Ill.—is offering to sell it at $250 a ton. The Esko Co., of Chicago, Ill., Box 2054, no street address, offers it at $240 a ton. Atlantic Steel Co., 767 Milwaukee Avenue, Chicago, Ill., offers it at $310 a ton.

Now let us get down to the question of pipe. As you know, cast iron pipe and galvanized pipe are very scarce. The regular price charged for one-half-inch galvanized iron pipe, the legitimate price, is about 7½ cents a foot. The plumbers and the construction industry cannot get very much of this pipe, but they can get all they want. not at 7½ cents but at 32 cents a foot if they will write to the Fox Supply Co., Box 267, Geneva, Ill.

I am giving these names and I have several others here that should be investigated. Their source of supply should be investigated, because there may be a conspiracy on in this country to divert these vital products away from legitimate manufacturers and users into the gray market. These concerns that I have named to you may just be operating as a front for some steel company. I hope the committee will investigate these concerns I have given you and also go into the matter of ascertaining if there is a conspiracy to take these products away from the legitimate dealers and manufacturers of this country on the part of certain steel companies. The time has come to call a halt to this greedy racketeering.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a list of firms who are offering this material for sale.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

(The list referred to is as follows:)

Companies operating in the gray market

	Per ton
Emergency Steel Co., 2136 Lincoln Park West, Chicago, Ill., Mr. Shane	$260
Kalden Steel Products Co., 1661 National Bank Bldg., Detroit 26, Mich., Louis H. Golden	240
Bell Iron & Metal Co., 1552 South Drake, Chicago, Ill	260
Page Hollister Co., box 2044, Chicago, Ill., C. Johnson	250
Esko Co., box 2054, Chicago, Ill., A. Carlson	240
Crylon Steel Co., 179 West St., New York, N. Y., E. Londner	220
Atlantic Steel Co., 767 Milwaukee Ave., Chicago, Ill., Lou Gantz	310

We have received offerings from the following companies, listing materials for sale at the prices listed below:

	Per ton
Charles M. Williamson and Associates, 111 West Washington St., Chicago 2, Ill	$238
Consolidated Metals Corp., 2619-2625 South Santa Fe Ave., Los Angeles 11, Calif	280
Fill-More Sales, 330 South Wells St., Chicago 6, Ill	247

Today we received from the Interstate Steel Service, 4525 West Fifth Avenue, Chicago, Ill., offerings as follows:

12 gage	Per *pound*
22,000 pounds 17½ by 19½ inch H. R. P. O	$0.105
6,000 pounds 17⅛ by 84¾ inch H. R	.10
43,930 pounds 12¾ by 72 inch H. R	.11
70 tons 14 by 168 inch H. R	.095
13 gage	
9,000 pounds 12½ by 174 inch H. R	$0.10
5,200 pounds 15 by 48 inch H. R	.105
3,000 pounds 22⅝ by 90¾ inch H. R	.10
10,000 pounds 22⅝ by 120 inch H. R	.11
7,200 pounds 14¾ by 72 inch H. R	.10

The mill price of this steel would run an average of from 5 to 6½ cents a pound.

PIPE

We have just received another large shipment of pipe (galvanized and black) all new and we can make prompt shipments at the following sizes and prices:

	Galvanized		Black	
	Regular price	Gray market price	Regular price	Gray market price
		Per foot		*Per foot*
¾-inch pipe	$0.0632	$0.24	$0.0467	$0.17
1-inch pipe	.0757	.32	.0587	.23
1¼-inch pipe	.0568	.38	.0752	.29
1-inch pipe	.1367	.46	.1059	.36
1¼-inch pipe	.1835	.69	.1418	.66

This pipe is in 21-foot length and is sold in full length only. Due to the scarcity of steel, pipe will be scarce for the next 6 months, so order your requirements now. Prices subject to change.

FOX SUPPLY CO.,
Box 267, Geneva, Ill.

P. S.—Will be glad to quote prices on larger sizes.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. WHITTINGTON. Mr. Speaker, the Committee on Public Works is keenly aware of the fact that questionable practices are costing the public and the public Treasury large sums of money, and unnecessarily so. The Committee on Public Works has jurisdiction of highways, flood control, river and harbor improvements, and public housing, and all of those constructions are being retarded because of the high cost of materials, among other costs. Black markets have obtained and will obtain with or without price controls.

The resolution under consideration does not provide for a special committee, it reinforces the jurisdiction of the Committee on Public Works by authorizing the use of subpenas and compelling those who may have information to produce their books and records for the information of the committee. This committee can perform a useful function. The

blessed sunlight of publicity should be turned on questionable practices and black market or gray market operations. We may as well, however, be sure, whether we are consumers, builders, employers, or employees, that after all and fundamentally the black market and other questionable practices will not disappear until there has been a resumption of full production in the United States. Full production is the real remedy for eliminating black markets. Meantime questionable practices can and should be prevented with adequate punishment and publicity.

The worker who must buy food at increased prices is profoundly interested in the resumption of full production, to the end that black markets and other questionable practices may disappear. It has been pointed out here that in places where it might least be suspected, these questionable practices obtain. Black markets are almost universal. I commend the gentleman from New York [Mr. MACY] for his investigation that has resulted in the introduction of the resolution now under consideration. If properly conducted, as I am sure this investigation will be, and if those who are under cover now, with all their questionable practices, can be exposed to the light of day, I believe a public service will be rendered. I support the resolution.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Speaker, when this resolution, to investigate black markets was introduced, a copy of it was referred to the Committee on Public Works. The author of the resolution, as all of you know, is the gentleman from New York [Mr. MACY]. When it came to our committee, we met and discussed this question at considerable length. After full and complete consideration of the subject, the committee endorsed unanimously the objective of this proposal—whether the work was to be performed by the Committee on Public Works or any other committee which the House of Representatives might choose to designate.

The Committee on Public Works is not an investigatory committee, but it does have under its jurisdiction, as already so ably pointed out by the gentleman from Mississippi [Mr. WHITTINGTON], all public buildings of the United States, which include post offices, Federal court houses, customs houses, and other buildings. Whatever goes into the cost of building such public structures does involve the subject which this committee has under its jurisdiction. I want to commend the gentleman from New York [Mr. MACY] for the public service which he has rendered the people of the United States in the introduction of this resolution and compliment him for being the author of this measure.

Legitimate industry and business in this country deplore the existence of black markets as they exist in this country today.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. I yield:

Mr. WHITTINGTON. I believe it is due to legitimate business where there are some clouds and links between legitimate business and black market operators that have an opportunity to show the public, the people of the United States, that they are not connected with it, so that the cloud may be removed.

Mr. DONDERO. I agree with the gentleman. I think this will have a very wholesome effect upon business and industry of the country. Case after case was cited before the Committee on Public Works showing the deplorable conditions and exorbitant prices being charged for some commodities which affect and contribute to the high cost of living in the country. Soil pipe in the plumbing field, automobiles, steel, and lumber are being sold at prices and under conditions which are unconscionable. In my own home city of Royal Oak, Mich., a small manufacturer told me that he uses a considerable amount of steel. The price on the market was $55 a ton. He could not buy an ounce, but he said that he could buy all the steel he wanted if he was willing to pay $255 a ton. Of course, he could not pay that amount, and the result is that his factory stands still and the machinery is idle.

A lumber dealer in my State was compelled to pay $1,000 in addition to the list price for lumber in order to get material for the manufacture of windows and window sash. Of course, legitimate dealers deplore that condition. They shrink from it. It means only one thing, that the cost of commodities rises in this country, and the ultimate consumer must pay it.

I am satisfied that this committee which will be appointed under this resolution to investigate such conditions will have an opportunity to perform a service to the people.

May I say in answer to the gentleman from Massachusetts [Mr. MCCORMACK] that the conditions which he described existed long before January 1, 1947, particularly in the meat industry.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. It has been brought to the attention of members of our committee that where dealers who have been in business for years have submitted bids, within 24 hours one of these black market operators shows up, and that leads us to believe that there is some connection between the manufacturers and these black market operators. Otherwise, they would not know that the order had been placed.

Mr. DONDERO. The situation such as the gentleman describes exists right here in the District of Columbia.

Mr. JENKINS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. JENKINS of Ohio. I am glad the gentleman's own committee is going to take upon itself the responsibility of making this investigation, because I know it will be well done.

Mr. DONDERO. I thank the gentleman from Ohio.

Mr. MATHEWS. Mr. Speaker, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. MATHEWS. Will this cover Army and Navy installations and Veterans' Administration installations?

Mr. DONDERO. The Rules Committee changed the language of the resolution which widened the scope sufficient to include such items, in my opinion.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. BROWN of Ohio. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER. The Clerk will report the amendments in the preamble.

The Clerk read as follows:

Strike out "black markets" and insert "conspiratorial or other questionable practices";

Strike out "undermines" and insert "undermine";

Strike out "threatens" and insert "threaten";

Strike out "black market" and insert "conspiratorial or other questionable practices."

The amendments were agreed to.

A motion to reconsider was laid on the table.

Amend the title so as to read: "Resolution to authorize and direct the Public Works Committee, or any subcommittee thereof, to make a study of conspiratorial or other questionable practices."

EXTENSION OF REMARKS

Mr. GRANT of Indiana asked and was granted permission to extend his remarks in the RECORD and include a newspaper article.

Mr. SHORT asked and was granted permission to extend his remarks in the RECORD and include two newspaper articles.

Mr. MACKINNON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the debate on the resolution to investigate commodity exchange transactions and have those remarks inserted at that point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. CLASON asked and was granted permission to extend his remarks in the RECORD and include an article.

Mr. GWINN of New York asked and was granted permission to extend his remarks in the RECORD on labor racketeering and monopolistic practices.

SPECIAL ORDER VACATED

Mr. EBERHARTER. Mr. Speaker, by previous order, I was given permission to address the House today. I wish to advise the Speaker that I do not care to take advantage of that privilege.

The SPEAKER. Without objection, the order will be vacated.

There was no objection.

EXTENSION OF REMARKS

Mr. RAMEY asked and was given permission to revise and extend his remarks

in regard to a bill which he introduced today, amending the Civil Service Classification Act of 1923.

SHIPMENT OF OIL TO FOREIGN COUNTRIES

Mrs. ROGERS of Massachusetts. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentlewoman will state it.

Mrs. ROGERS of Massachusetts. How much longer will the House be in session today?

The SPEAKER. The Chair cannot answer that question. There are over two hours and a half of special orders on the agenda for this afternoon.

Mrs. ROGERS of Massachusetts. Would it be in order at this time to make a brief statement regarding some resolutions of inquiry?

The SPEAKER. The gentlewoman may proceed for 1 minute if she desires to be recognized for that purpose.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am hoping that before the day is over, or by tomorrow morning, information regarding the number of tankers, and so forth, and information regarding oil and the amount being sent to Canada and other countries, will be in the hands of the Committee on Interstate and Foreign Commerce and the Committee on Merchant Marine and Fisheries.

I commend the chairman of the Committee on Interstate and Foreign Commerce for the hearings the committee is holding this afternoon, I understand, in an effort to work out the problem and get the information they wish and that I asked for in my resolution of inquiry. The chairman gave me a brief hearing on my resolution and I have had the hearing transcript that the chairman has held on the whole fuel problem.

At the hearings yesterday of the House Committee on Interstate and Foreign Commerce, one of the department witnesses testified concerning the amount of coal and fuel oil going into Canada from the United States. After considerable cross-examination, it was brought out that exports of fuel oil in 1947 to Canada increased by approximately 385 percent over 1946, and probably very much greater than in previous years, and the exports in 1946 were very high.

You will note the tremendous increase in shipments of oil to Canada in 1947 over the shipments in 1946.

On December 6, 1947, I sent the following telegram to the President in Florida. One of the President's secretaries said that I will hear concerning it today. The telegram is as follows:

WASHINGTON, D. C., *December 6, 1947.*

HON. HARRY S. TRUMAN,

The President, Key West, Fla.:

I respectfully request that you prohibit by embargo shipment of oil from United States to foreign countries the same as shipment of soft coal is now prohibited. I also respectfully request that you direct United States Maritime Commission to sell tankers to Americans and not to foreign persons or governments. I have introduced resolutions in Congress for these purposes, but as congressional action may be delayed, I urge that you act immediately in this emergency.

EDITH NOURSE ROGERS,
Member of Congress.

I have a great deal of that information myself, but I feel that the House is entitled to the information also. I am sure the chairman of the Committee on Interstate and Foreign Commerce wants to help in every way because they are working tirelessly to solve the problem. So I will wait before trying to bring the resolution up until tomorrow, for the chairman of that committee may then be in possession of the information needed as a result of today's hearings and it will be presented to the House, I have learned.

The chairman of the Committee on Merchant Marine and Fisheries also will have information, I understand, at that time; and also the chairman of the Committee on Public Lands will have information from the Interior Department regarding the amount of oil, and so forth, that is in this country. I hope that information will be given to us tomorrow.

One further request, Mr. Speaker: If the President answers my telegrams regarding the embargo on tankers and on oil, that I be allowed to insert it in the RECORD as part of my remarks at this point.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

The SPEAKER. Under an order heretofore entered the gentleman from Wisconsin [Mr. SMITH] is recognized for 30 minutes.

AMERICA AWAKE—COMMUNISM THREATENS OUR NATIONAL SECURITY IN PALESTINE

Mr. SMITH of Wisconsin. Mr. Speaker, this Christmas season finds the Holy Land in the throes of violence and civil war. Arab is killing Jew and Jew is killing Arab. This intense situation was precipitated by the action of the United Nations Assembly when it voted to partition Palestine. The crisis is not a local affair, but it concerns the whole world. From it may flow the causes for World War III. It is of particular concern to the United States as it involves the integrity and good faith of our Government and the delegates that represent us in the Assembly of the United Nations.

As yet, Mr. Speaker, the American people do not understand the full implications of the critical situation to which I have referred. It is my purpose to bring it to their attention and to the Congress and hereafter they shall be on notice of the danger that confronts our Nation in this matter.

On November 29, Mr. Speaker, the Assembly of the United Nations voted to recommend the partition of Palestine. If approved, and implemented by the Security Council, it means the creation of a new Jewish state. The full import of this decision and its impact on world affairs cannot be judged at this time. One writer says that it is one of the most momentous decisions that has ever been made in modern times. That is a strong statement, but it is fully justified by the facts.

Mr. Speaker, the United Nations Organization has been a glimmering hope of a war-weary world which has looked to it to establish a just and lasting peace. The people of the United States, and of the world, must now realize that it has failed to meet their expectations. Russia by the use of the veto has sabotaged its effectiveness. We now know that it has become the tool of special interests, of groups and individuals who seek to advance their own selfish objectives. As of November 29, 1947, the United Nations is as dead as prohibition. Even major surgery cannot revive it.

Let's take a look at the record, Mr. Speaker, and see what happened in the United Nations Assembly meeting prior to the vote on partition. A two-thirds vote was required to pass the resolution. On two occasions the Assembly was to vote and twice it was postponed. It was obvious that the delay was necessary because the proponents did not have the necessary votes. In the meantime, it is reliably reported that intense pressure was applied to the delegates of three small nations by the United States members and also by officials "at the highest levels in Washington." Now that is a serious charge. When the matter was finally considered on the 29th, what happened? The decisive votes for partition were cast by Haiti, Liberia, and the Philippines. These votes were sufficient to make the two-thirds majority. Previously, these countries opposed the move. Do not forget, Mr. Speaker, that they are considered satellites of our own country. The pressure by our delegates, by our officials, and by private citizens of the United States constitutes reprehensible conduct against them and against us. Ten nations abstained from voting and Russia saw to it that Yugoslavia, its satellite, did not join the supporters of partition. Haiti, Liberia, and the Philippines opposed partition prior to November 29, and the $64 question is what kind of coercion was used to force a change in their positions, and by whom? Time will tell, and this Congress should authorize a full-dress investigation so that the people of this country may know that the United Nations has been used in this instance as a vehicle of torture and not as an instrumentality of international justice.

Mr. Speaker, the enforcement of partition at this time can only be achieved by the imposition of force. It is reported by Christian missionaries in Jerusalem and Christian educators who know the Near East that the attempt to impose partition will plunge Palestine and that entire area into endless civil war. It has been suggested in reply, however, that the United Nations Assembly action is ineffectual unless approved and implemented by the Security Council. It is true that no actual authority has been taken yet to enforce the recommendations, but, already, Mr. Speaker, those who seek partition are now insisting that the Security Council take action. It is a fact that the Assembly has requested the Security Council "to take the necessary measures as are provided for in the

plan for implementation." Implementation means the use of force, nothing else. Make no mistake about that.

Mr. SMITH of Ohio. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. Does the gentleman have figures to show the population of the countries that favor partition and the population of the countries voting against, or abstaining from voting for partition?

Mr. SMITH of Wisconsin. I have them, but I do not have them with me. If the gentleman has them, I will be glad to have him insert them in the RECORD at this time.

Mr. SMITH of Ohio. Would it be convenient for the gentleman to include them in his dissertation?

Mr. SMITH of Wisconsin. Yes.

Mr. SMITH of Ohio. I would appreciate it greatly.

Mr. SMITH of Wisconsin. I will be very glad to do that.

Mr. SMITH of Ohio. I thank the gentleman.

Mr. SMITH of Wisconsin. In other words, refusal by the Arabs to accept partition is to be considered by the Council as an act of aggression directed against world peace under Articles 39 and 41 of the Charter. From this it follows that the Council will take the necessary action to suppress the Arabs.

The Christian Century of December 17, in a leading editorial entitled "The Partition Gamble," says in this connection:

Here is a remarkable situation. The partitioning of Palestine now depends on action by the Security Council. But the Council is regarded by the United States—the nation which forced through the partitioning resolution—as so unworkable that it has just induced the Assembly to form a "little assembly" to bypass the Council. Having accepted the control of the Council over partitioning, the United States sees its whole policy concerning Palestine left at the mercy of the same old veto possibility that has so frustrated it in other matters handled by the council. If Britain, which considered the partition plan so dubious that it abstained from voting, now thinks the Security Council plan of implementation headed for disaster, it can veto. If China, which also abstained, doesn't like the prospect, it can veto. And if Russia grows suspicious of what the United States may be out to gain through Security Council action, it can veto. That is to say, execution of the most inherently difficult, involved, and hazardous project ever undertaken by an international body is left to a Security Council which must proceed under a rule of unanimity—a Council which so far has never been able to attain or maintain unanimity on anything.

What the United States has thus done, by pushing the UN to vote for Palestine's partition on such terms, is to resort to a whole series of desperate gambles.

Mr. Speaker, those who press for enforcement of the partition mandate prayerfully hope that the Arabs will not resist partition but will ultimately comply with the Assembly mandate. If the Arabs refuse, then there is only one action to be taken and that is for the United Nations to impose its will by military force, and what military force, Mr. Speaker? Only two nations will be called upon for that purpose: to wit, Russia and the United States. Great Britain has already announced that it will withdraw its troops in the Middle East in the very near future, according to Foreign Minister Bevin. Thus, for us, there are ominous implications in this situation.

Mr. Speaker, at this point it seems to me that the President and the State Department have placed this country in a most awkward and inconsistent position. Once again, as at Tehran, Yalta, and Potsdam, we have retreated from the high moral ground upon which we stood when the Atlantic Charter was proposed. We have played into the hands of godless, Communist Russia at the same time, Mr. Speaker, that we are voting millions and billions of dollars to defeat communism in western Europe. It is extremely difficult to understand or make sense out of the conduct of our officials. For more than 2 years we have been a-fussin' and a-feudin' about containing communism. But right here we played into the hands of Stalin and Molotov. It is an historic fact well known by the State Department, the War Department, and the President that Russia has sought foothold somewhere on the Mediterranean. At this very moment we are supporting Greece and Turkey with men and money to prevent Russia from controlling the Dardanelles. Yet, we foolishly play its game in this partition proceedings. This does not make sense, Mr. Speaker. Are we or are we not against communism?

When Russia joined the United States in approving partition, the people and the press of this country could not understand why Russia had agreed to join with us in this move. The reason now is perfectly obvious. If we send American troops to enforce partition, at the request of the UN, then Russia will do likewise. Once Russia sends its military men to Palestine no force on this earth, short of war, can expel them from it. Thus, Russia as a participant with the United States in insisting upon partition will demand a dominant part in military occupation. It will become as obnoxious there as it is now in Germany and Austria. From this the people of our country should understand that the foreign policy of the United States is at the mercy of the Russian military policy in the Middle East. It is a diabolical situation. Consider the paradox—in western Europe we seek to defeat communism; in the Middle East we undercut that policy and make it possible for Russia to gain control of the entire area, not only in Palestine but adjacent thereto. I submit, Mr. Speaker, that this is a real threat to our national security, more so than the present situation in Turkey and Greece.

And again, Mr. Speaker, I cite the editorial of the Christian Century in connection with the dangers confronting the future of the United Nations as a result of our action in this matter. I quote:

We are gambling with the future of the United Nations. We are gambling with its hope to gain moral authority in international affairs, for the imposition of partition against the opposition of two-thirds of the inhabitants of Palestine makes the announced devotion of the UN to the democratic principles of self-determination and majority rule look like unblushing hypocrisy. And we are gambling with its hope to gain functional authority, since we have committed it to a course where, in case its proposals are defied, it will have to choose between admitting its helplessness or ordering a war (to subdue Arab aggression) that might involve every nation from Morocco to the Philippines.

These are all gambles, desperate gambles. At the moment, we confess to most anxiety with regard to the gamble partition takes with the future of the Jews. We are aware that most of world Jewry is today swept by transports of rejoicing that this gamble has been taken. Or rather, that most Jews insist there is no danger; that in an independent Jewish state they will be able to take care of themselves. We wish it were true. No people on earth deserves the refuge of peace as do the Jews who have managed to survive the horrors of their recent experiences in Europe. We are convinced, however, that partition will expose the Jews to dangers as terrible as any they faced from Hitler. Not only in Palestine and other parts of the Near and Middle East. If partition involves sending an American army to Palestine and drags the United States into war there, the effect on the position of Jews in this country may be tragic.

None of these considerations can alter the fact that the decision has been taken, and that it is primarily a decision made by the United States. Partition is to be attempted. Against all our expectations, we cling with despairing hope to the possibility that the assurances of a rapid Arab acquiescence will prove well founded. But if not, what then? Will an American army be sent to enforce a United Nations Security Council directive? Will we allow a Russian army to be sent for the same purpose? It is too late to turn back now. The die has been cast. But the future is dark, very dark. And there is the smell of blood in the air.

Mr. Speaker, the editorial that I have just quoted must bring home to every citizen of this country the dangers that are involved if we pursue the course suggested by our delegates of the United Nations Assembly and our own State Department and our own President. The reports which come out of Palestine every day indicate that if the United Nations Security Council attempts to impose this partition decree a war of annihilation will result and it will call again for the expenditure of money and lives of our own sons. The situation is critical. It demands attention. You need not take my word for it, but I offer in the RECORD, at the conclusion of my remarks, the views of our newspapers and editorial writers. Is it not strange, Mr. Speaker, that the British, who have exercised a mandate over Palestine since World War I, should decline to assist in the enforcement of partition of Palestine?

Mr. Speaker, the Congress of the United States is charged with knowledge that a considerable lobby exerted pressure on the three nations that I have mentioned. Mr. Drew Pearson, in his release of December 3, goes into some detail in pointing out those who were instrumental in forcing partition and I quote in full his statement on this situation and I offer it, Mr. Speaker, at this point:

LOBBYING FOR PALESTINE

Only a few people knew it, but President Truman cracked down harder on his State

Department than ever before to swing United Nations votes for the partition of Palestine.

Truman called Acting Secretary of State Bob Lovett over to the White House on Wednesday and again [illegible] him he would demand a [illegible] if nations which usually line up with the United States failed to do so on Palestine. Truman had in mind the fact that such countries as Liberia, wholly dependent on the United States; Greece, which would fall overnight without American aid; Haiti, which always follows Washington's lead; and Ethiopia, also indebted to the United States, were stepping out of line on Palestine. Half a dozen Latin American countries were doing likewise, and Truman had inside word that the reason was secret sabotage by certain State Department officials.

Mrs. Roosevelt was among those who urged Truman to get busy. She informed the President that she would have to resign from the American delegation if partition of Palestine failed because of State Department fumbling.

MANY USED INFLUENCE

In the end, a lot of people used their influence to whip voters into line. Harvey Firestone, who monopolizes the rubber plantations of Liberia, got busy with the Liberian Government. Adolph Berle, adviser to the President of Haiti, swung that vote. Freda Kirchwey, editor of the Nation, called Foreign Minister Cal Berenson of New Zealand on the trans-Pacific telephone and won New Zealand's vote. China's Ambassador Wellington Koo warned his government that he would resign if China failed to take a stand on Palestine. He did not succeed. French Ambassador Bonnet pleaded with his crisis-laden government for partition, despite Moslem threats in north Africa which faced harassed France. He did succeed.

However, the two men who swung the most important influence were Foreign Minister Evatt of Australia, who was defeated for the presidency of the United Nations, and his friend Oswaldo Aranha, who defeated him—both of whom worked together to put across Palestine partition.

NOTE.—This is the first major instance since San Francisco in which the United States of America and the Union of Soviet Socialist Republics worked together. Both countries took the same stand on Palestine.

Mr. GOSSETT. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Wisconsin. I am glad to yield to the gentleman.

Mr. GOSSETT. I hope the gentleman will pardon me for supplementing this report of Mr. Drew Pearson's account of what happened in the United Nations. I was most interested to note the following statement in Mr. Ernest Lindley's column in the Washington Post of December 12. Of course, Mr. Ernest Lindley and the Washington Post both have been friendly toward the administration's policies. I quote now from Mr. Ernest Lindley:

The policy and tactics of the United States in the Palestine controversy were, of course, influenced greatly by American Zionists. Domestic politics rather than a considered analysis of the interests of the United States had been the predominant factor in our policy concerning Palestine.

He seems to corroborate the proposition that the gentleman is making that we were playing domestic politics with an international issue fraught with dynamite.

Mr. SMITH of Wisconsin. I thank the distinguished gentleman from Texas for his contribution.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield.

Mr. JAVITS. Is it not a fact that the gentleman's whole argument is premised on the fact that the United Nations or someone else will ask the United States to send troops into Palestine? If that be the fact, is it not true also that no one as yet has asked the United States or anybody else to send troops into Palestine and that the Jewish people of Palestine show every willingness to fight and die themselves for what they believe in?

Mr. SMITH of Wisconsin. In reply, I can only say to the gentleman's question that I have personally heard radio commentators make the statement that certain Zionists are about to request the United States for support in the United Nations Assembly of the fact that troops might be sent in there to support partition.

Mr. JAVITS. Will the gentleman yield further?

Mr. SMITH of Wisconsin. Yes; I yield.

Mr. JAVITS. Does the gentleman believe it is fair to attack a cause fought for so hard and so long upon the rumors of radio commentators?

Mr. SMITH of Wisconsin. I am interested especially only because partition has caused a critical situation. I am thinking about the welfare of my own country. We have spent weeks in considering measures to contain communism in western Europe. If this partition goes through, we put the Russians in Palestine and on the Mediterranean.

Mr. JAVITS. Is it not true that the gentleman is building his whole argument on sand, because no one has asked for troops from anybody, and when someone asks for troops I assure the gentleman this is my country, too, and I will be just as exercised, just as solicitous, and just as vigilant of the rights and interest and security of the United States as he is, when the time comes to worry about it. No one has asked yet. The gentleman says he has it from radio commentators.

Mr. SMITH of Wisconsin. Of course, that is not true. Already the Security Council has been asked to implement the action of the United Nations Assembly. From there on it follows, as a matter of course, in my opinion, that a request for troops will be made. Of course, you are entitled to your opinion.

Mr. GOSSETT. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield.

Mr. GOSSETT. If the gentleman is not worried about this situation, there is something terribly wrong with his mental processes. Many of the best folks in America have been losing sleep over this diplomatic blunder which we made in forcing the partition in the United Nations.

Mr. SMITH of Wisconsin. I thank the gentleman.

Mr. Speaker, World Report of December 16 carries this important observation regarding official pressure:

Virtually every one of the American officials who supported the proposal for the partitioning of Palestine before the United Nations was acting under orders. Privately they expressed a serious concern over the plan's political and military implications. The final decision to insist on partitioning was made at the highest levels in Washington.

Mr. Speaker, when the second session of the Eightieth Congress convenes next year, I propose to offer a resolution which would authorize a full and complete investigation of the acts of public officials and private citizens in this lobby for the partition of Palestine. We have a right to know how our Department of Defense feels about it. The people of this country and the Members of this House are on notice as to what has transpired. Acting Secretary of State, Robert Lovett, is reported to have played an important part and the Congress is entitled to know the reasons for such action. If Mr. Pearson is right when he says that Mrs. Roosevelt urged Truman to get busy, then, I believe, that Mrs. Roosevelt should have the opportunity to testify as to her position. The same goes for Mr. Harvey Firestone, Mr. Adolph Berle, and others who have been mentioned.

Mr. Speaker, America must awake to the dangers involved in this matter. We have been led down the road to another war. We have, by our actions, sabotaged the United Nations organization. We have placed Russia in a highly strategic position and have thereby nullified all that has been done in western Europe to defeat communism. Finally, we have alienated 700,000,000 Moslems in an area stretching from the Atlantic Ocean across North Africa, the Near East, the Middle East, across India and China and on to the Pacific. To them this a holy war. Time is running out, and a great responsibility rests upon this Congress.

Mr. Speaker, at this point I wish to insert several newspaper editorials and articles: One from the Washington News entitled "Palestine and World War"; another an editorial by Mr. Peter Edson in the Washington News as of December 12, entitled "Disposed of, Not Settled"; also several others, one an editorial from the New York World entitled "Palestine and World War"; one from the New York Times as of December 4, entitled "Arms for Zionists Held World's Job"; two articles appearing in PM, one entitled "Heat Put On United States to Line Up Zion Vote"; another entitled "Unmasking the Sell-out on Palestine"; another item from the New York Times as of December 3 entitled "Washington Rows on Palestine View"; and finally, another news item from the New York Times entitled "Hold in Palestine for Soviet Feared," under date of December 2.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

(The matter referred to follows:)

[From the Washington Daily News of December 3, 1947]

PALESTINE AND WORLD WAR

Now comes the problem of enforcing the United Nations Assembly decision partitioning Palestine. The bloody riots in Jerusalem and elsewhere, the Arab nations' refusal to accept partition and the Moslem religious leaders' call for a holy war, are sharp reminders of the enforcement problem. Particularly, it should be faced soon by the United States, whose Government was influential in the Assembly vote and many of whose Jewish citizens assert a special relationship to the problem.

First it should be made clear to all American citizens that the United States itself now has no separate obligations in Palestine, that the responsibility rests with the UN. Secondly, it should be understood that the UN responsibility for order is of two kinds, internal and external.

Part of the UN responsibility for internal order after British withdrawal is still without force. The original American proposal for a voluntary international constabulary was not accepted, except for the international zone of Jerusalem. Each of the two new states is to provide its own forces under high commands chosen by the UN Commission. But with Arab boycott of partition, the UN Commission—if the UN is to make good—will have no alternative except to govern and provide a police force for the new Arab state. Also it will have to be ready to preserve order in the Jewish state, which will have a large Arab minority, if Jewish authority is inadequate.

No American troops, as such, should be used for police purposes. Likewise, no Russian or other nation's troops, as such, should be used. When the UN Commission organizes an international Palestinian constabulary, of course, Americans and Russians could be accepted as volunteers. For the same reason that no big power representative is on the UN Commission, the command of the international constabulary should be chosen from citizens of small neutral nations.

In addition to internal enforcement in Palestine, the UN has the obligation of providing security against foreign aggression. Neither the United States nor Russia has the right to intervene on its own; such intervention would constitute foreign aggression even though it were in the name of defense. Foreign forces could not be used lawfully except under the UN—under Security order or, in event of one-power veto of Security Council action, by nations acting under their joint responsibility to uphold the UN Charter and Assembly decision.

This bar to separate individual action by any foreign nation is all important because its observance can prevent Palestine strife from causing the world war which is otherwise probable. Neither the Jews nor the Arab neighboring nations are equipped for large-scale war. Neither can carry out serious aggression without the direct or secret aid or connivance of one of the big powers.

The danger is that present big-power rivalry in the Mideast, especially over major oil and strategic areas, will tempt some big power to use either the Jews or Arabs or both for its own aggressive purpose. Russian propagandists charge the United States and Britain with such designs. And many Americans and Britons on the basis of Russia's recent expansionist record, fear that is the Kremlin's plan.

Under these explosive conditions the United States scrupulously should avoid any interference in Palestine independent from the UN, and should be equally alert to see that other powers do likewise. The alternative is to risk another world war, and meanwhile to divide our own Nation on the poisonous issue of Semitism versus anti-Semitism.

[From the Washington Daily News]

DISPOSED OF, NOT SETTLED

(By Peter Edson)

The longer you look at the United Nations partition of Palestine, the more doubts you have about it. The issue may have been disposed of. It has by no means been settled.

The UN had four possible solutions. Let the Jews run Palestine. Let the Arabs run it. Partition. Do nothing at all.

Since the British had decided to pull out in 1948, the last choice might have meant full-scale war. Neither Arabs nor Jews were willing to let the other run things, and they wouldn't cooperate on a jointly controlled state. So partition won. Not because it was the best solution. It was the only one left.

Many predictions that partition will lead to war are being discounted by responsible officials.

They say American oil interests will not be damaged. The Arabs want to sell their oil. They have to sell for United States dollars because in today's world that's the only money that will buy anything. British pounds or Russian rubles will do the Arabs no good.

Disorders and guerrilla fighting between Jew and Arab are expected to die down.

The United States Joint Chiefs of Staff fear that Russia, which backed partition, will take the initiative and move troops into Palestine in case disorders get worse, has been discounted. It is said to have caused guffaws in the State Department.

This may be too optimistic an appraisal. Russia is known to want domination over the Moslem countries, from Turkey to Pakistan. So far they have made no headway. Arab rulers probably fear Communists worse than they fear the Jews.

In event the Arab League countries mobilize an army to drive the Jews out of Palestine, it is an issue for the UN Security Council. Russia is most conveniently situated and it has the men mobilized to take fast action in repelling an invasion of Palestine. If Russian Jews start emigrating to Palestine, or if a big Russian embassy is set up, watch out.

In the UN General Assembly, proposals for recruiting an international brigade of mercenaries for police duty in Palestine were heard in all seriousness. The UN commission assigned to administer neutral Jerusalem and oversee the economy unity of Arab and Jewish states in Palestine is made up of representatives of Bolivia, Czechoslovakia, Denmark, Panama, and the Philippines. How fast an international police force could be recruited from the armies of those countries, and how effective it would be, is uncertain.

A Czech battalion might be withdrawn in time. But if Russian troops ever got into Palestine, how would they ever be put out? Nobody else would want the Palestinian police job—unless American Jews would be willing to enlist in a strictly Jewish army.

But assuming all these little details can be taken care of, partitioned Palestine still has its biggest test ahead in proving it can provide a homeland for the Jewish people.

Jewish Palestine has a population of 600,000 Jews and 400,000 Arabs. The Arabs are said to be there by choice, because they can make a better living than in the Arab states. So they offer no problem, unless the Jews start driving them out to make room for more Jews. But how fast can the homeland absorb immigrants?

The several thousand who tried to run the British blockade and are now held on Cyprus presumably have first chance. Behind them in Europe are a million displaced Jews, clamoring to get in.

[From the New York World-Telegram of December 3, 1947]

PALESTINE AND WORLD WAR

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First, it should be made clear that the United States has no separate obligations in Palestine, that the responsibility rests with the United Nations. Secondly, it should be understood that the UN responsibility for order is of two kinds, internal and external.

Part of the UN responsibility for internal order after British withdrawal is still without force. The original American proposal for a voluntary international constabulary was not accepted, except for the international zone of Jerusalem. Each of the two new states is to provide its own forces under high commands chosen by the UN Commission. But with Arab boycott of partition, the UN Commission—if the UN is to make good—will have no alternative except to govern and provide a police force for the new Arab state. Also, it will have to be ready to preserve order in the Jewish state, which will have a large Arab minority, if Jewish authority is inadequate.

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In addition to internal enforcement in Palestine, the United Nations has the obligation of providing security against foreign aggression. Neither the United States nor Russia has the right to intervene on its own; such intervention would constitute foreign aggression even though it were in the name of defense. Foreign forces could not be used lawfully except under the United Nations—under Security Council order or, in event of one-power veto of Security Council action, by nations acting under their joint responsibility to uphold the UN charter and assembly decision.

This bar to separate individual action by any foreign nation is all-important, because its observance can prevent Palestine strife from causing the world war which is otherwise probable. Neither the Jews nor the Arab neighboring nations are equipped for large-scale war. Neither can carry out serious aggression without the direct or secret aid or connivance of one of the big powers.

The danger is that present big power rivalry in the mideast, especially over major oil and strategic areas, will tempt some big power to use either the Jews or Arabs, or both, for its own aggressive purpose. Russian propagandists charge the United States and Britain with such designs Any many Americans and Britons, on the basis of Russia's recent expansionist record, fear that is the Kremlin's plan.

Under these explosive conditions, the United States scrupulously should avoid any interference in Palestine independent from the United Nations, and should be equally alert to see that other powers do likewise.

[From the New York Times of December 4, 1947]

ARMS FOR ZIONISTS HELD WORLD'S JOB—HADASSAH SEES RESPONSIBILITY TO PROVIDE DEFENSE AGAINST ARAB PROVOCATEURS

Mrs. Samuel W. Halprin, president of Hadassah, the Women's Zionist Organization of America, Inc., declared yesterday that the world has the responsibility to provide arms and equipment needed by Jews to defend their newly created Jewish state against Arab provocateurs.

Mrs. Halprin announced that her organization had requested its 900 chapters in the United States to increase their financial goals voluntarily by 50 percent in the next 12 months to protect the young Jewish democracy and prepare for every eventuality.

The organization's president spoke at a victory-day reception arranged by the national board of Hadassah for members of the executive of the Jewish Agency for Palestine and the political committee of the World Zionist Organization in the home of Mrs. S. C. Lamport, 1125 Fifth Avenue.

Mrs. Halprin said 10,000 trees would be planted in the new Jewish state by Hadassah and named in honor of the United Nations. Paying tribute to the United Nations for sanctioning a Jewish state, the speaker added:

"We give notice that means must be found to make the Arab masses understand they cannot get away with pillage and murder, mob violence, and threa . Haganah [Jewish military group] will protect what we have built with so much blood and tears, whether the British continue to keep law and order as they promised or not."

Moshe Shertok, head of the political department of the Jewish Agency, lauded David Ben Gurion, chairman of its executive group, as a Zionist leader. Another speaker was Eliezer Kaplan, treasurer of the agency.

Meanwhile, the political advisory committee of the World Zionist Organization, headed by Dr. Israel Goldstein, emphasized in a statement the difficulties, hardships, and hazards which will beset the establishment of a Jewish state and particularly the initial chapter of its existence.

The New York Board of Rabbis, Inc., declared yesterday that the United Nations decision represented a victory for righteousness, justice, and truth.

"We rejoice that in this victory our beloved land played a major role," the rabbis said. "For the Jews it marks a new era which will radically change their fortunes and status in the world. The curse of homelessness, of wandering aimlessly without a place to call home, is at last brought to an end."

The Mizrachi Organization of America, religious Zionist group, announced for next Sunday afternoon a public celebration in Manhattan Center. Rabbi Meyer Berlin, president of the World Mizrachi Organization, recently arrived from Jerusalem, will be the principal speaker.

Hunter College celebrated yesterday creation of the new Jewish state at an assembly sponsored by a joint faculty-student committee.

Mrs. Tamar de Sola Pool, an alumna of the college and a past president of the Hadassah, declared that while there is blood and fire in Palestine today, it will not be long before peace is established between the Arabs and the Jews.

Speaking "with humility as a Christian," Dr. George N. Shuster, president of the college, commented that the Jew has come home again, but that the homecoming was not something the beleagured and imperiled world has yet attained.

[From the New York PM of November 28, 1947]

HEAT PUT ON UNITED STATES TO LINE UP ZION VOTE—PRESIDENT ASKED TO ORDER AIDES TO LINE UP THE NECESSARY BACKING

(By Victor H. Bernstein)

A move to strip the camouflage from United States policy on Palestine gathered strength today as the General Assembly gathered at Flushing for the final and fateful vote on partition.

Irked by continued defection on the issues of countries normally in the United States orbit—particularly those of Greece and the Philippines—partition supporters both within and without the Truman administration were putting pressure on the White House to demand that the President order his subordinates to get out and win. (See editorial, p. 12.)

Yesterday the President and his immediate advisers were in close touch with leading United States partisans of partition who insisted that the President's own prestige was at stake.

VOTES OF THE PAST TO BE RECALLED

These leaders—some of them Government officials—reminded the President that the vote on partition at the Assembly today would be watched in the light of other votes in the past weeks on issues on which the United States wanted very much to win.

The killing of the United States-opposed anti-Franco resolution by a switch of votes by Honduras and Ecuador recently was pointed out as example of United States power when it chose to exercise it.

Ecuador and Honduras were this morning still on the abstention list of a dozen nations whose switches to the yes column could assure passage of the partition plan.

HAITI PREPARED TO SHIFT TO YES VOTE

Others on the abstention list were Argentina, China, Colombia, El Salvador, Ethiopia, Liberia, Luxemburg, Mexico, the United Kingdom, and Yugoslavia. China, in the abstention column, will remain there, according to the foreign office in Nanking.

Luxemburg was considered a certain switch to a yes vote. Haiti, according to dispatches yesterday from Port au Prince, is prepared to switch from no to yes on the final ballot.

But these developments still left the issue in extreme doubt as reports continued to circulate that Liberia intended to switch from abstention to no and that at least one other South American country was considering a similar move.

GREECE OWES SOMETHING TO ARABS

This morning the count of already committed votes stood at 28 for, 15 against, and 12 abstentions. If the Port au Prince dispatches are correct and Haiti switches from the no column, passage of partition was assured provided no other switches occurred.

Under General Assembly rules of procedure, all important issues must be approved by two-thirds majority of all present and voting, so that abstentions are not reckoned. Under this procedure, passage of an important measure requires twice as many yes votes as opposition votes.

Greece's switch from abstention to no hit hard at the faith of partisan supporters in United States leadership on the issue.

It is true that Greece has Moslem neighbors in Macedonia and that a wealthy Greek colony, numbering more than 100,000, exists in Egypt.

But it is equally true that Yugoslavia, as much a part of the Slav bloc as Greece is part of the United States bloc, also has its qualms on the partition issue. Nearly 1,000,000 Moslems form part of its population.

Yet Yugoslavia has contented itself with abstaining so far in the balloting, and there are reports that it will shift over to the "yes" column if its one vote is needed for passage of partition. Greece, on the other hand, on Wednesday switched from abstention to "no."

Observers insist that they have a legitimate right to raise their eyebrows at the sudden emergence of the Greek Government's "independence."

Today's general concern with United States policy on Palestine is not the first time the policy has been called into question during this session of the Assembly.

The hot-and-cold tactics pursued at UN provoked concern early in the session, before the United States delegation's first statement on the issue.

MORE KIDS TO PALESTINE

Approximately 1,500 Jews, including 450 infants, are en route to Palestine today from the internment camps of Cyprus. Another 150 infants and their families are scheduled to leave Cyprus soon.

In all, 3,500 Jewish internees will come to Palestine as a result of the Palestine Government's decision to admit orphans and infant refugees. This decision resulted from recommendations by the Joint Distribution Committee, United States agency aiding distressed Jews abroad, and the Jewish Agency for Palestine to the British Government of Palestine that all Jewish infants be evacuated from the British internment camps in Cyprus. The recommendation followed JDC investigation of the mental health of Cyprus.

ASK PROBE OF ARABS

In a memorandum submitted to the General Assembly of the UN, the Nonsectarian Anti-Nazi League, Inc., charges that various Arab agencies in the United States of America are working in close harmony with and through domestic racial-hate groups to promote anti-Jewish feeling.

The memorandum demands that the United States Government take action under the Foreign Agents Registration Act with a view to determining whether they should be prosecuted for failing to register.

[From the New York PM of November 28, 1947]

UNMASKING THE SELL-OUT ON PALESTINE

(By I. F. Stone)

WASHINGTON.—If a two-thirds vote for partition of Palestine is not obtained at the UN today, you may expect to hear on the floor of Congress what is already widely known in the Capital:

The State Department bureaucracy, notably the Division of Near Eastern and African Affairs under Loy W. Henderson, has been the Achilles heel of the Truman administration's efforts to achieve a Palestine solution through UN.

Indicative of an attitude all too general within the State Department was the answer given by a Department official to the head of a small country's delegation to the UN in a conference here recently. When this official was asked for guidance on the Palestine issue at UN, his answer was: "We don't care how you vote on it."

When the President of the United States goes on record for one policy and a State Department official tells the representative of another country that "we don't care how you vote on it," the diplomat can only conclude that the permanent officials of the Department, the men with whom he must actually deal, are hostile to the announced policy and would welcome its failure.

TRUMAN WAS WARNED OF SABOTAGE BY STATE DEPARTMENT BUREAUCRACY

It is no secret that leading political figures, concerned about the next election and well

aware of similar experiences under the Roosevelt administration, warned President Truman that his Palestine policy would be sabotaged by the State Department bureaucracy if he did not take preventive steps in advance.

One of the steps taken by the President and Secretary of State Marshall was to assign John H. Hilldring, Assistant Secretary of State for Occupied Areas, to assist Herschel V. Johnson on the Palestine question at UN. Hilldring is an Army man and trusted by Marshall.

But the devoted efforts made by General Hilldring and by Johnson at Lake Success and Flushing have been undercut by the State Department crowd in Washington. The "Little Assembly," Balkan frontier, and Franco disputes at UN have demonstrated the vigor with which the Department can collect votes in support of policies it really favors.

In the case of Palestine, it would be bad enough if the State Department crowd had merely been lackadaisical. But in the past few days, since Secretary Marshall left for London on Friday, things have happened which indicate that they have been actively hostile. Before Marshall left, it was arranged to send Assistant Secretary of State Norman Armour and several aides to the UN Assembly in a vote-getting drive. They were to have been in New York on Tuesday. They never showed up. On Wednesday, Loy Henderson was at the White House warning, cryptically, that any further pressure to line up votes for Palestine might endanger American defense preparations.

Strangest of all was the fact that several small countries entirely dependent on the United States of America suddenly announced that they would vote against partition. The most striking examples were Greece and the Philippines. Liberia is reported ready to follow them.

WHAT'S BEHIND THE DARING OF THE OPPOSING COUNTRIES?

"It would be very naive to believe," said one administration official who has been on several foreign assignments, "that these countries would dare to oppose American policy unless they had been made to understand by the men with whom they deal at the State Department that a 'no' vote would be welcome to them."

These small countries depend for all kinds of help and favors on day-to-day contacts with minor permanent officials in the State Department. There are many ways in which such an official can let a foreign diplomat know that, despite the declared policy of the United States Government, nobody would mind if he used his sovereign power to vote the other way.

It is known here, for example, that when Prime Minister Tsaldaris of Greece was in this country, he apologetically explained that Greece would like to abstain from a vote on Palestine. Various excuses were given, but the real one lies in the influence of the British Embassy in Athens.

During the recent fight at the UN over the resolution reaffirming the UN's opposition to Franco, the U. S. A. brought pressure on Greece (as on several Latin American countries) to vote with the U. S. A. against the resolution. The Greeks had abstained in committee, but voted "no" in the Assembly, and the resolution failed by one vote.

But although the Greeks are now asking increased relief and military help from the U. S. A. and United States experts are drawing up the new Greek budget, the Greeks this week announced that, instead of abstaining on Palestine, they would vote against the declared American position.

Administration figures outside the State Department in close touch with Greek affairs regard this sudden independence with cynicism. They won't say so for the record but they have said privately that there is only one explanation. The Greeks have been invited to be independent by someone in the State Department.

UNAUTHORIZED SWITCHING OF SIGNALS BY SOMEONE IN THE STATE DEPARTMENT

Similarly, it is taken for granted here that Haiti, Liberia, and the Philippines do not take a position against the United States of America when it is made clear to them that they are voting against American policy. What the White House was told privately yesterday was that someone at the State Department had been doing some unauthorized switching of signals.

What's their game? The view prevailing in informed circles here is that the State Department bureaucracy sees eye to eye on Palestine with the British rather than with Truman. The British want the partition plan to fail. There will be disorder in Palestine. They hope to be asked to stay. They will reluctantly agree to keep troops there if the United States of America takes care of the cost.

In that event, the British will spring a compromise plan which will turn out to be the old Morrison-Grady plan neatly rewrapped for the UN. This plan gave the Jews no assurances on immigration beyond a first 100,000 and it gave the Arabs no assurances on self-government. Its revival would infuriate the Arabs fully as much as partition, but its virtue for the British is that it would leave them the controlling authority for 10 years and after that until the Arabs and Jews can agree, which promises to be a long time. Thus we would have neither an Arab nor a Jewish Palestine, but a British Palestine, for use as a middle-eastern military base with Uncle Sam footing the bill.

[From the New York Times of December 3, 1947]

HOLD IN PALESTINE FOR SOVIET FEARED—UNITED STATES MILITARY OBSERVERS SAY RUSSIA MIGHT OFFER TO SEND TROOPS IN CASE OF WAR

WASHINGTON, December 2.—United States military observers pointed today to the possibility that a war in Palestine might bring Soviet Army units into the country, ostensibly to protect the projected new Jewish state against the Arabs.

The move would put Russian troops on the Mediterranean within flying minutes of the Suez Canal, and within easy striking distance of American oil concessions in Saudi Arabia.

The possibility that Russia would offer to intervene was being freely discussed in Washington today. A highly placed officer, who could not be identified said: "It can be expected within 90 days, if real fighting breaks out in Palestine. It will be very embarrassing for both the British and ourselves."

NO UNITED NATIONS FORCE

There is no joint United Nations military force yet organized to maintain order anywhere in the world.

Presumably, the United States observers believed that Russia might offer to send her own troops to Palestine in lieu of a United Nations military force.

Britain has announced her intention to withdraw her forces, estimated now at 80,000 men, from Palestine before next August. The actual removal of British units probably will begin before then.

France maintains sizable forces, including some regiments of the Foreign Legion, in north Africa, but they are needed for the protection of Algeria and Tunisia. Fighting in Palestine might set the whole Middle East aflame.

The United States has no troops in the area.

Some hope is being expressed here that the Jews will be strong enough to protect themselves. The projected state would have a population of more than 1,000,000. It is surrounded by more than 30,000,000 Arabs.

ARAB STRENGTH ASSESSED

However, none of the Arab nations has a trained army, equipped with modern weapons. The nearest approach to it is the British-trained Arab Legion, in Trans-Jordan, a state no larger than the proposed Jewish state.

Although numerically inferior, the Jews could put into the field at least one regular army unit and thousands of tough, experienced guerrilla fighters. They have the Jewish brigade, trained and equipped by Britain, which fought with recognized success in the last stages of the Italian campaign.

Their irregulars, the majority of whom served in other European armies before the last war, have been the spearhead in the underground operations of the last two years.

But United States observers believe that even a large-scale guerrilla struggle between Arabs and Jews would bring from Moscow the offer to station Russian troops in Palestine.

"They might come in on a temporary basis," experts said, "and then you'd never get them out."

[From the New York Times]

WASHINGTON ROWS ON PALESTINE VIEW—OFFICER'S THEORY THAT RUSSIAN TROOPS WILL ENTER MID-EAST HIT BY STATE DEPARTMENT

WASHINGTON, December 3.—A behind-the-scenes row between State Department officials and the Army appeared to be shaping up tonight over a high Army officer's prediction that Russia would use civil war in Palestine as an excuse to seize a bridgehead on the Mediterranean.

The Army officer, who declined the use of his name, said the General Staff was gravely concerned about a possibility that Soviet troops would move into the Holy Land under the pretext of preventing bloodshed between Jews and Arabs over partition.

But responsible State Department officials, who likewise insisted on remaining anonymous, discounted these fears and said that such statements amounted to a needless stirring up of trouble. They hinted that the whole matter might be taken up between high officials of the two departments.

REACTION IN CONGRESS DIVIDED

Congressional reaction was split almost evenly. Some members of the House and Senate deplored the Army officer's statement. Others heartily agreed with it.

Senator WALTER F. GEORGE, Democrat, of Georgia, a veteran member of the Senate Foreign Relations Committee, said it was "unfortunate to ascribe such motives to Russia at this time," and added that the officer's statement "could in itself be a provocation" to trouble.

He said he was confident the United Nations would be able to handle the Palestine situation by creating an international security force in which all of the big powers would be represented by troops.

Representative FRANCES P. BOLTON, Republican, of Ohio, a Member of the House Foreign Affairs Subcommittee that visited the Holy Land last summer, said: "The only conceivable reason Russia joined in this thing (the United Nations plan to partition Palestine) was to get into that area in some superficially legitimate manner. It

was foreseen by many people in the Holy Land."

State Department sources pointed out that any Soviet move to enter Palestine by force would be a clear violation of the United Nations Charter, and they appeared confident that Soviet leaders would avoid such action. The Army officer had contended that Russia's army would move into Palestine within a few months under a "cloak of legality" and that "nobody will be able to get her out."

BRITISH SMILE AT ANXIETY

LONDON, December 3.—Wry smiles greeted a British press report today that the United States congressional and administration circles were alarmed over the prospect of Soviet troops moving into Palestine as part of an international police force. One official remarked to an American correspondent:

"You people plunged into this thing with such great enthusiasm and now that you are beginning to see some of the delicacies of the situation you are becoming apprehensive. I imagine some of your legislators awoke out of a bad dream in which they saw hordes of Red soldiers crawling all over the Middle East."

Mr. GOSSETT. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Wisconsin. I yield.

Mr. GOSSETT. I have here a copy of a letter written by a very prominent official of the Trans-Jordan Pipeline Co. to his wife on the day following the partition vote, in which he depicts a lot of riots and destruction of property over what has been carried in the public press, evidencing the reaction of Arabia to our activity. He says:

> This puts everyone down on the United States. Why the United States wants to meddle in affairs like this is beyond me.

Then I have here a clipping I wanted to ask the gentleman's opinion about, appearing in the Evening Star of December 13, entitled "American Jews Ask $283,000,000 for Palestine Aid and Arms." It seems that the United Jewish Appeal Committee is now asking for $28,000,000 immediately to arm the Jewish people in Palestine for the avowed purpose of carrying on at least a guerrilla warfare. If we are going to send arms or permit American citizens to send shipments of arms to persons in Palestine, are we not going to further antagonize and alienate the good will and friendship of the Arabian world?

Mr. SMITH of Wisconsin. I am sure that follows as a matter of course.

I would be glad to include the correspondence the gentleman refers to if he wishes me to do so.

Mr. GOSSETT. I want to commend the gentleman for a very excellent dissertation.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

EXTENSION OF REMARKS

Mr. MANSFIELD asked and was given permission to revise and extend the remarks he made earlier in the afternoon.

SPECIAL ORDER

Mr. HOLIFIELD. Mr. Speaker, I have a special order immediately following the gentleman from Illinois [Mr. PRICE]. I ask unanimous consent that the remarks and the matter therein contained which I intended to deliver be inserted in the RECORD at a point following the remarks of the gentleman from Illinois [Mr. PRICE].

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. HOLIFIELD]?

There was no objection.

Mr. KLEIN. Mr. Speaker, I have a special order for today. I ask unanimous consent that I may insert my remarks in the RECORD at the point where I would be recognized under my special order today.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

HOUR OF MEETING TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow morning.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

RULES COMMITTEE

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the Rules Committee may have until midnight tonight to file a rule.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. SMITH of Ohio. Mr. Speaker, reserving the right to object, is it the purpose of the Committee on Rules to bring in the Senate bill?

Mr. HALLECK. Well, of course, I cannot answer for the Committee on Rules. The Committee on Rules will act, of course, as they determine they should act, and that is no equivocation with respect to the answer. That is the only answer I can make on any occasion.

Mr. SMITH of Ohio. Is it my understanding that the proposition is to bring this bill in and pass it in the form that it passed the Senate, in the event it does pass the Senate, so that there would be no conference on it at all? Is that the strategy?

Mr. HALLECK. I am not going to enter into a discussion with the gentleman about that, because there has been no determination in that regard.

Mr. SMITH of Ohio. Well, I do not want to throw any wrench into the party machinery, but this thing all the way through does not look very good to me. It does not look very forthright to me, and I feel that everything that can humanly be done ought to be done to call the attention of the people of this country to what is going on down here in Washington. Therefore, Mr. Speaker, I will have to object.

CONSIDERATION OF CONFERENCE REPORT

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that it may be in order the balance of this week to consider conference reports at any time after they are presented, notwithstanding the provisions of clause 2, rule XXVIII.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. SMITH of Ohio. Mr. Speaker, reserving the right to object, if the gentleman will exclude any possible conference report that might be made regarding the so-called anti-inflation bill, I shall not object. If that is not excluded, I must object.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. SMITH of Ohio. I object, Mr. Speaker.

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. PRICE] is recognized for 30 minutes.

IN COMMEMORATION OF ONE HUNDREDTH ANNIVERSARY, DECEMBER 30, OF THE BIRTH OF JOHN PETER ALTGELD, GOVERNOR OF ILLINOIS, 1893–97

Mr. PRICE of Illinois. Mr. Speaker—

Sleep softly, eagle forgotten, under the stone,
Time has its way with you there, and the clay has its own,
Sleep on, O brave-hearted, O wise man, that kindled the flame—
To live in mankind is far more than to live in a name,
To live in mankind, far, far more, than to live in a name.

Mr. Speaker, those are the closing lines of the poem, The Eagle That Is Forgotten, by Vachel Lindsay. They were written about a great American born December 30, 1847, just a few days shy of 100 years ago.

That man was John Peter Altgeld, born in Germany, reared in abject poverty in the United States, self-educated, elected to the highest office in the State of Illinois, defeated, vilified, and crucified. At his death, Clarence Darrow was the funeral speaker. Ministers, we are told by historians, feared the wrath of their congregations were one of them to officiate.

Yet, in the words of the poet, Lindsay, "To live in mankind, far, far more than to live in a name." John Peter Altgeld did live in mankind, he lived only in mankind for years. Now he emerges to live in a name, in his rightful name as one of those men who rise in an emergency to fight for justice and freedom, to fight against oppression, tyranny, and greed.

What was the spark in John Peter Altgeld which makes his name and fame grow with the years, despite the fact he was held in practical disrepute at the time of his death?

The bare facts of his life reveal a familiar story—the great American success story of the immigrant lad, poverty-stricken in his youth, who rose to riches and prominent position. In the case of John Peter Altgeld, however, the story took a sharp twist from pattern, for he lost both his wealth and his prominent position before he died. But the spark that set him off from other men is not revealed in either the familiar pattern nor the deviation from that pattern during the later years.

He was elected Governor of Illinois in 1892—the first Democratic governor after the Civil War. This fact did not set him apart from other men in political

life—not even the fact that his was the first Democratic victory after the great strife of the 1860's.

The thing that sets him off was his devotion to principle, and the principle of fighting for human rights. His opposition to special privilege was the thing that, through the years, has endeared him to the normal citizen—the citizen without wealth or power of any sort.

It was his great devotion to principle which caused his political downfall and gave his enemies a popular issue for use against him. The first evidence of this devotion to principle came a few months after his inauguration when he pardoned three men convicted of conspiracy in connection with the famous Haymarket riot of 1886. His review of the case remains to this day a masterpiece of analysis. But his reasons were most succinctly summed up when he spoke to one-time neighbors in Richland County, Ohio, several days after the pardoning, at the funeral of his mother:

> Those fellows did not have a fair trial and I did only what I thought was right.

Considerations of guilt or innocence, nor the political views of the prisoners—they were popularly referred to as anarchists—did not enter into his decisions. He was only sticking devotedly to one of the principles upon which this Nation was founded, that all those accused are guaranteed a fair trial.

This was the beginning of his downfall. His enemies, those who feared his liberalism, now had something with which to attack him. He was called an anarchist, and worse. He was vilified by high and low.

A second instance of his devotion to duty was his sharp criticism of President Cleveland for sending troops to break the Pullman strike. He held to the principle that the Federal Government had not the right to send troops into any State unless requested so to do by the chief executive of that State. It mattered not that President Cleveland was, like Altgeld, a Democrat. Principle to Altgeld was greater than partisan politics.

His administration made a memorable record for itself. Consider the scope of the laws enacted during his 4-year term: Laws regulating labor by women and children and requiring factory inspection; laws establishing an inheritance tax and setting up a probation system; laws establishing the beginnings of State civil service and bringing new standards of humanity to charitable and penal institutions. All these things, plus his unyielding opposition to bills which granted special privileges to monopolies and trusts, and his fights against trusts, made his administration indeed the first New Deal in America.

Irving Dilliard, writing in Survey Graphic, August 1942, said, and I quote:

> He took to the State capitol in Lincoln's Springfield a quiet and abiding love of fairness and an unyielding devotion to the welfare of ordinary people; it is significant that his parents brought him, a baby 3 months old, from Germany in the spring of 1848. Did any American ever come up a harder way? The poverty that cradled him in Ohio was the most abject kind. He had virtually no schooling and worked his way to Missouri as an itinerant, penniless farm hand. His appearance was against him and a heavy German accent was a constant handicap.

His German ancestry was used against him time and time again by his political enemies, who had not the courage to fight him on the issues. His lack of education was also used against him, yet by self-education—pulling himself up by his own bootstraps, if you will—he had become one of the most gifted speakers of his time, and authored a booklet on oratory.

His enemies, by innuendo and by direct application, tried to appeal to bigotry, prevalent then as now, by citing his German birth, despite the fact his philosophy was basic Americanism. His democracy was the democracy of Jefferson and Jackson. He was as Jeffersonian as the Sage of Monticello, except that Jefferson concerned himself with agrarian reforms while Altgeld came along in the midst of the great industrial revolution in this country.

His belief in free enterprise was in the real American tradition. Altgeld, as all real progressives do, believed in free enterprise, but he opposed special privileges to free enterprise, which he knew in the end would lead to its self-destruction. He opposed special privilege in the face of great temptations.

He was in the forefront of the fight against industrial monopolies, characteristic of the eighties and nineties. This was a major battle in Illinois—Union Stockyards, a giant combine in itself, was owned by the principal stockholders of the Nation's railroads, according to a United States Senate committee; the Pullman monopoly of sleeping cars was brought to light by the strike; the absentee and centralized ownership of Illinois coal mines, with their squalid company towns. And in Chicago there was the rise of the Gas Trust and the Yerkes traction combine.

At Springfield, in February 1893, the legislature opened an investigation of the Whisky Trust which resulted in remedial legislation. But the most sensational battle occurred in the late spring of 1895 when the Chicago gas and traction interests attempted to secure an undisputed monopoly through extensive franchise and related legislation which could only come from the State legislature. The traction company sought a 99-year franchise, while the Gas Trust sought similar privileges, aimed at stifling competition.

Altgeld's reaction to these bills is described by Harvey Wish, writing in the July 1941, issue of the American Historical Review, who reports, and I quote:

> As the monopoly bills were introduced into the legislature, the huge element of official bribery soon attracted popular attention and aroused a hostile press; nevertheless, under careful legislative sponsorship, the gas and traction bills passed both houses. Altgeld's silence on the subject and the well-known fact that his cousin and business partner, John W. Lanehart, was affiliated with the Ogden Gas Co., an interested concern in the Springfield proceedings, appeared ominous to certain reformers. Then occurred a startling development. Both traction and gas representatives approached the Governor with offers of huge bribes should the desired special legislation become law; the traction interests offered Altgeld $500,000, while similar financial inducements came from the gas companies.
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> The Governor's hostile reply, despite the sudden collapse of his wealth due to the depression and because of his preoccupation with official duties, came emphatically in a stinging triple-barreled veto message which consigned the Yerkes and Gas Trust bills to oblivion as far as his administration was concerned. All three bills, gas, streetcar, and elevated, involved the same principle; he charged the legalization of monopoly, "a flagrant attempt to increase the riches of some men at the expense of others by means of legislation." Government must protect all interests alike; if any group deserved protection, it was the weak rather than the strong. Denouncing the existing monopolies, he proposed municipal ownership of public utilities as a desirable alternative—a cause which he espoused unsuccessfully to his final years.

Wish, in a footnote to his article, relates another instance in the career of Altgeld which typifies the strength of forces opposed to him, and the lengths to which those forces would go to achieve their own, selfish aims. Wish noted—and I quote:

> During the latter part of Altgeld's administration several representatives of the Alton glass industry approached the Governor to request that the factory law remain unenforced. One manufacturer threatened that "if the law was not held up they would be obliged to close their factories which would be quite a serious matter to their communities." Altgeld replied sardonically, "Very well, close your factory and nail a notice on the outside saying, 'This factory is closed because the Governor of Illinois will not allow us to employ babies'."

Governor Altgeld's program of labor legislation was not only progressive in its day, it was still considered progressive when it was put into effect by the late President Roosevelt. It was, of course, fought and opposed by the same forces which fought Roosevelt and which are opposing the efforts of President Truman to protect these inalienable rights.

The Factory Inspection Act of 1893, which the glass makers were trying to circumvent, prohibited the manufacture of certain articles of clothing in private homes, except by families living therein; children under 14 years of age were forbidden factory employment; and women could not be employed more than 8 hours daily in any factory or more than 48 hours per week. He provided for a State board of mediation to arbitrate labor-management disputes. His legislature in 1893 passed an act protecting employees from dismissal because of union membership, a forerunner to the same provisions of the National Labor Relations Act—United States labor's magna carta.

It is interesting to note that Altgeld, once a common laborer, never lost his interest in the welfare of labor, even though he became moderately wealthy. In fact he always insisted upon hiring union labor for State projects. He had had experience with extensive building

operations as a real-estate promoter. This convinced him, as he had once remarked, that union labor is always the best labor.

Altgeld's refusal to place partisan politics above the public interest was evidenced by his efforts at civil-service reform, despite the patronage demands from leaders of a party which had been out of power for 36 years. In his inaugural address he called for placing all State and municipal employees under the merit system, except those on the policy-making level. He followed this up with legislative recommendations to abolish useless offices and by his appointments on the basis of ability rather than party. Many important administrative positions were held by Republicans and even women, in a day long before the enactment of the nineteenth amendment. It should be noted that a similar policy in Washington has been followed by a spiritual descendent of Altgeld.

The character of John Peter Altgeld was not alone felt by the State of Illinois, but it was felt by his own political party, for he was the first in many years to draw a definite distinction between the two major parties, to break up a tweedledee-tweedledum political alinement which existed then as it did in a later day. Up until Altgeld's successful campaign for governor in 1892 there was little to choose between either party. As an aftermath of the Civil War, Republicans painted the Democrats as the rebel party. Every Governor of the State had been a veteran of that struggle and the old campaign hat and the bloody shirt were the basis of the political campaigns. When Altgeld came along—although he, too, had fought in the Union Army—he never at any time mentioned the fact, despite wounds which left him with physical impairment. His campaign was pitched on the issues of the day.

Four years later, after his break with President Cleveland, he was the dominant figure of the 1896 convention, and probably would have been nominated for the Presidency instead of William Jennings Bryan, despite the Cross of Gold speech, had it not been for the Constitutional hurdle of his birth in Germany.

Harry Barnard wrote and the Bobbs-Merrill Co. published in 1938 a definitive biography of Governor Altgeld entitled "Eagle Forgotten." Referring to the 1896 Democratic National Convention, conducted in Chicago, Barnard says:

What was of lasting importance in the Chicago convention is the fact that it meant demarcation of an era in American politics in terms of economics and social attitudes. From the reign of Andrew Jackson until the Chicago convention of 1896, there had been no distinction between the major parties on these issues. The party of Tilden and Cleveland was as conservative, avowedly so, as the party of Blaine and Mark Hanna. But by the action of the Chicago convention the party of Tilden and Cleveland was doomed. The democracy was returned to Jefferson and Jackson, although in terms of industrialism rather than the disappearing agrarianism. And for the first time since the rise to dominance of industrialism, of monopolies and corporations and corporation finance, one of the major parties took a clear stand on the basic economic issues which were dividing the Nation between the haves and have-nots.

It was this return on a modern economic basis to the Jefferson-Jackson principles—the causing of the party to stand for the people rather than the classes—which constituted the revolutionary character of the 1896 convention. This was its historical significance. But it was the platform as a whole, not the free silver plan alone, nor Bryan, that symbolized what was done.

The pronouncements on labor, on the courts, on injunctions, on civil and personal liberties, and notably on that "communistic" thing, the income tax—these were the items of the platform which indelibly stamped a new character under the party. These were what the conservative minority had in mind in characterizing the platform "extreme and revolutionary of the well-recognized principles (hitherto) of the party." And for that achievement, more than to any other leader of the time, the credit goes to John Peter Altgeld.

His was the brain and the will; his the dominating force behind the platform. It was he who laid out the program of the convention, dictated the platform, and impressed his personality upon the policy adopted.

Thus it was that the 1896 convention brings out the curious fact that William Jennings Bryan rose to fame as a result of two unrelated facts. One was his undoubted oratorical ability; the other was the accident of Altgeld's birth in Germany. Even with the great Bryan oratory, Altgeld, had he been born within the borders of the United States, would have been the Democratic nominee that year, so great was his dominance over the convention, a dominance achieved by the sheer power of his personality and the logic and fairness of his views.

There is a monument to John Peter Altgeld, a monument of which Illinois and the Nation is justly proud. That monument is the great institution known as University of Illinois. It was John Peter Altgeld, the immigrant, itinerant farm laborer, who took his education where he could find it, who gave the impetus which has resulted in one of the Nation's finest institutions of higher learning.

When he became governor, the university occupied four buildings and had a faculty of 48. When he was defeated 4 years later, six new buildings had been provided and, more important, the faculty was increased to 170. During his term appropriations for the university amounted to $722,700, as against $201,350 the preceding 4 years. He was instrumental in founding the college of law. He proposed organization of schools of pharmacy and medicine.

John Peter Altgeld was born December 30, 1847, at Nieder Selters in Nassau, Germany, the son of John Peter and Mary Altgeld. At 3 months he was brought by his parents to Richland County, Ohio, where he grew to maturity with little formal education and much labor. Until he was 21 he worked for his father, except for service with an Ohio volunteer regiment. In 1869 he drifted westward, working as laborer, school teacher, and law student.

He was elected State's attorney for Andrew County, Mo., in 1874, but left there a year later to remove to Chicago, where he practiced law, entered real-estate operations, and prospered. He was elected to the superior court of Cook County in 1886, and, when he resigned in 1891, he was chief justice of this court.

After his four stormy years as governor, he was renominated in 1896, but defeated by John R. Tanner, the Republican candidate. He died suddenly in 1902, after a speech in Joliet, Ill., in advocacy of Boer independence. He was survived by his wife, Emma Ford, a friend of his childhood, and a graduate of Oberlin College.

The last words of his Joliet speech—his last public words—sum perfectly his political philosophy:

Wrong may seem to triumph. Right may seem to be defeated. But the gravitation of eternal justice is toward the throne of God. Any political institution which is to endure must be plumb with that line of justice.

WHO IS LOYAL TO AMERICA?

Mr. HOLIFIELD. Mr. Speaker, the hope of our democracy lies in the intelligent interest and participation of our young people. One of the outstanding groups of young citizens in southern California are the San Gabriel Valley Young Democrats. I know many of these fine yong men and women personally. They are alert to the danger to our civil liberties which exists in the present wave of hysteria which sweeps our country. They are pro-American and anti-Communist in the truest sense of the term.

I recently received from the officers of this club an article which appeared in Harpers magazine, September 1947 issue. This article was written by Henry Steele Commager and the title is "Who Is Loyal to America?"

After reading this article, I was convinced that the major portion was so worth while that I have requested the required time to read the same into the CONGRESSIONAL RECORD:

WHO IS LOYAL TO AMERICA?

(By Henry Steele Commager)

On May 6 a Russian-born girl, Mrs. Shura Lewis, gave a talk to the students of the Western High School of Washington, D. C. She talked about Russia—its school system, its public-health program, the position of women, of the aged, of the workers, the farmers, and the professional classes—and compared, superficially and uncritically, some American and Russian social institutions. The most careful examination of the speech—happily reprinted for us in the CONGRESSIONAL RECORD—does not disclose a single disparagement of anything American unless it is a quasi-humorous reference to the cost of having a baby and of dental treatment in this country. Mrs. Lewis said nothing that had not been said a thousand times in speeches, in newspapers, magazines, and books. She said nothing that any normal person could find objectionable.

Her speech, however, created a sensation. A few students walked out on it. Others improvised placards proclaiming their devotion to Americanism. Indignant mothers telephoned their protests. Newspapers took a strong stand against the outrage. Congress, rarely concerned for the political or economic welfare of the citizens of the Capital City, reacted sharply when its intellectual

welfare was at stake. Congressmen RANKIN and DIRKSEN thundered and lightened; the District of Columbia Committee went into a huddle; there were demands for housecleaning in the whole school system, which was obviously shot through and through with communism.

* * * More ominous was the reaction of the educators entrusted with the high responsibility of guiding and guarding the intellectual welfare of our boys and girls. Did they stand up for intellectual freedom? Did they insist that high-school children had the right and the duty to learn about other countries? Did they protest that students were to be trusted to use intelligence and common sense? Did they affirm that the Americanism of their students was staunch enough to resist propaganda? Did they perform even the elementary task, expected of educators above all, of analyzing the much-criticized speech?

Not at all. The District Superintendent of Schools, Dr. Hobart Corning, hastened to agree with the animadversions of Representatives RANKIN and DIRKSEN. The whole thing was, he confessed, "a very unfortunate occurrence," and had shocked the whole school system. What Mrs. Lewis said, he added gratuitously, was repugnant to all who are working with youth in the Washington schools, and the entire affair contrary to the philosophy of education under which we operate. Mr. Danowsky, the hapless principal of the Western High School, was the most shocked and regretful of all. The District of Columbia Committee would be happy to know that though he was innocent in the matter, he had been properly reprimanded.

It is the reaction of the educators that makes this episode more than a tempest in a teapot. We expect hysteria from Mr. RANKIN and some newspapers; we are shocked when we see educators, timid before criticism and confused about first principles, betray their trust. And we wonder what can be that philosophy of education which believes that young people can be trained to the duties of citizenship by wrapping their minds in cotton wool.

Merely by talking about Russia Mrs. Lewis was thought to be attacking Americanism. It is indicative of the seriousness of the situation that during this same week the House found it necessary to take time out from the discussion of the labor bill, the tax bill, the International Trade Organization, and the world famine, to meet assaults upon Americanism from a new quarter. This time it was the artists who were undermining the American system, and Members of the House spent some hours passing around reproductions of the paintings which the State Department had sent abroad as part of its program for advertising American culture. We need not pause over the exquisite humor which Congressmen displayed in their comments on modern art; weary statesmen must have their fun. But we may profitably remark the major criticism which was directed against this unfortunate collection of paintings. What was wrong with these paintings, it shortly appeared, was that they were un-American. "No American drew those crazy pictures," said Mr. RANKIN. Perhaps he was right. The copious files of the Committee on Un-American Activities were levied upon to prove that of the 45 artists represented "no less than 20 were definitely New Deal in various shades of communism." The damning facts are specified for each of the pernicious 20; we can content ourselves with the first of them, Ben-Zion. What is the evidence here? "Ben-Zion was one of the signers of a letter sent to President Roosevelt by the United American Artists which urged help to the U. S. S. R. and Britain after Hitler attacked Russia." He was, in short, a fellow-traveler of Churchill and Roosevelt.

The same day that Mr. DIRKSEN was denouncing the Washington school authorities for allowing students to hear about Russia ("in Russia equal right is granted to each nationality. There is no discrimination. Nobody says, you are a Negro, you are a Jew") Representative WILLIAMS, of Mississippi, rose to denounce the Survey-Graphic magazine and to add further to our understanding of Americanism. The Survey-Graphic, he said, "contained 129 pages of outrageously vile and nauseating anti-southern, anti-Christian, un-American, and pro-Communist tripe, ostensibly directed toward the elimination of the custom of racial segregation in the South." It was written by "meddling un-American purveyors of hate and indecency."

All in all, a busy week for the House. Yet those who make a practice of reading their RECORD will agree that it was a typical week. For increasingly Congress is concerned with the eradication of disloyalty and the defense of Americanism, and scarcely a day passes that some Congressman does not treat us to exhortations and admonitions, impassioned appeals and eloquent declamations, similar to those inspired by Mrs. Lewis, Mr. Ben-Zion, and the editors of the Survey-Graphic. And scarcely a day passes that the outlines of the new loyalty and the new Americanism are not etched more sharply in public policy.

And this is what is significant—the emergence of new patterns of Americanism and of loyalty, patterns radically different from those which have long been traditional. It is not only the Congress that is busy designing the new patterns. They are outlined in President Truman's recent disloyalty order; in similar orders formulated by the New York City Council and by State and local authorities throughout the country; in the programs of the DAR, the American Legion, and similar patriotic organizations; in the editorials of the Hearst and the McCormick-Patterson papers; and in an elaborate series of advertisements sponsored by large corporations and business organizations. In the making is a revival of the Red hysteria of the early 1920's, one of the shabbiest chapters in the history of American democracy; and more than a revival, for the new crusade is designed not merely to frustrate communism but to formulate a positive definition of Americanism, and a positive concept of loyalty.

What is the new loyalty? It is, above all, conformity. It is the uncritical and unquestioning acceptance of America as it is—the political institutions, the social relationships, the economic practices. It rejects inquiry into the race question or socialized medicine, or public housing, or into the wisdom or validity of our foreign policy. It regards as particularly heinous any challenge to what is called "the system of private enterprise," identifying that system with Americanism. It abandons evolution, repudiates the once popular concept of progress, and regards America as a finished product, perfect and complete.

It is, it must be added, easily satisfied. For it wants not intellectual conviction nor spiritual conquest, but mere outward conformity. In matters of loyalty it takes the word for the deed, the gesture for the principle. It is content with the flag salute, and does not pause to consider the warning of our Supreme Court that "a person gets from a symbol the meaning he puts into it, and what is one man's comfort and inspiration is another's jest and scorn." It is satisfied with membership in respectable organizations and as it assumes that every member of a liberal organization is a Communist concludes that every member of a conservative one is a true American. It has not yet learned that not everyone who saith Lord, Lord, shall enter into the kingdom of heaven. It is designed neither to discover real disloyalty nor to foster true loyalty.

II

What is wrong with this new concept of loyalty? What, fundamentally, is wrong with the pusillanimous retreat of the Washington educators, the barbarous antics of Washington legislators, the hysterical outbursts of the D. A. R, the gross and vulgar appeals of business corporations? It is not merely that these things are offensive. It is rather that they are wrong—morally, socially, and politically.

The concept of loyalty as conformity is a false one. It is narrow and restrictive, denies freedom of thought and of conscience, and is irremediably stained by private and selfish considerations. "Enlightened loyalty," wrote Josiah Royce, who made loyalty the very core of his philosophy, "means harm to no man's loyalty. It is at war only with disloyalty; and its warfare, unless necessity constrains, is only a spiritual warfare. It does not foster class hatreds; it knows of nothing reasonable about race prejudices; and it regards all races of men as one in their need of loyalty. It ignores mutual misunderstandings. It loves its own wherever upon earth its own, namely loyalty itself, is to be found." Justice, charity, wisdom, spirituality, he added, were all definable in terms of loyalty; and we may properly ask which of these qualities our contemporary champions of loyalty display.

Above all, loyalty must be to something larger than oneself, untainted by private purposes or selfish ends. But what are we to say of the attempts by the NAM and by individual corporations to identify loyalty with the system of private enterprise? Is it not as if officeholders should attempt to identify loyalty with their own party, their own political careers? Do not those corporations which pay for full-page advertisements associating Americanism with the competitive system expect, ultimately, to profit from that association? Do not those organizations that deplore, in the name of patriotism, the extension of Government operation of hydroelectric power expect to profit from their campaign?

Certainly it is a gross perversion, not only of the concept of loyalty but of the concept of Americanism, to identify it with a particular economic system. This precise question, interestingly enough, came before the Supreme Court in the Schneiderman case not so long ago—and it was Wendell Willkie who was counsel for Schneiderman. Said the Court:

"Throughout our history many sincere people whose attachment to the general constitutional scheme cannot be doubted have, for various and even divergent reasons, urged differing degrees of governmental ownership and control of natural resources, basic means of production, and banks and the media of exchange, either with or without compensation. And something once regarded as a species of private property was abolished without compensating the owners when the institution of slavery was forbidden. Can it be said that the author of the Emancipation Proclamation and the supporters of the thirteenth amendment were not attached to the Constitution?"

There is, it should be added, a further danger in the willful identification of Americanism with a particular body of economic practices. Many learned economists predict for the near future an economic crash similar to that of 1929. If Americanism is equated with competitive capitalism, what happens to it if competitive capitalism comes a cropper? If loyalty and private enterprise are inextricably associated, what is to preserve loyalty if private enterprise fails? Those who associate Americanism with a particular program of economic practices

have a grave responsibility, for if their program should fail they expose Americanism itself to disrepute

The effort to equate loyalty with conformity is misguided because it assumes that there is a fixed content to loyalty and that this can be determined and defined. But loyalty is a principle, and eludes definition except in its own terms. It is devotion to the best interests of the commonwealth, and may require hostility to the particular policies which the Government pursues, the particular practices which the economy undertakes, the particular institutions which society maintains. "If there is any fixed star in our constitutional constellation," said the Supreme Court in the Barnette case, "it is that no official, high or petty, can prescribe what shall be orthodox in politics, nationalism, religion, or other matters of opinion, or force citizens to confess by word or act their faith therein. If there are any circumstances which permit an exception they do not now occur to us."

True loyalty may require, in fact, what appears to the naive to be disloyalty. It may require hostility to certain provisions of the Constitution itself, and historians have not concluded that those who subscribed to the higher law were lacking in patriotism. We should not forget that our tradition is one of protest and revolt, and it is stultifying to celebrate the rebels of the past—Jefferson and Paine, Emerson and Thoreau—while we silence the rebels of the present. "We are a rebellious Nation," said Theodore Parker, known in his day as the great American preacher, and went on:

"Our whole history is treason; our blood was attainted before we were born; our creeds are infidelity to the mother church; our constitution, treason to our fatherland. What of that? Though all the governors in the world bid us commit treason against man, and set the example, let us never submit."

Those who would impose upon us a new concept of loyalty not only assume that this is possible, but have the presumption to believe that they are competent to write the definition. We are reminded of Whitman's defiance of the "never-ending audacity of elected persons" Who are those who would set the standards of loyalty? * * *

What do men know of loyalty who make a mockery of the Declaration of Independence and the Bill of Rights, whose energies are dedicated to stirring up race and class hatreds, who would straitjacket the American spirit? What indeed do they know of America—the America of Sam Adams and Tom Paine, of Jackson's defiance of the court and Lincoln's celebration of labor, of Thoreau's essay on Civil Disobedience and Emerson's championship of John Brown, of the America of the Fourierists and the Come-Outers, of cranks and fanatics, of Socialists and Anarchists? Who among American heroes could meet their tests, who would be cleared by their committees? Not Washington, who was a rebel. Not Jefferson, who wrote that all men are created equal and whose motto was "rebellion to tyrants is obedience to God." Not Garrison, who publicly burned the Constitution; or Wendell Phillips, who spoke for the underprivileged everywhere and counted himself a philosophical anarchist; not Seward of the Higher Law or Sumner of racial equality. Not Lincoln, who admonished us to have malice toward none, charity for all; or Wilson, who warned that our flag was "a flag of liberty of opinion as well as of political liberty"; or Justice Holmes, who said that our Constitution is an experiment and that while that experiment is being made "we should be eternally vigilant against attempts to check the expression of opinions that we loathe and believe to be fraught with death."

III

There are further and more practical objections against the imposition of fixed concepts of loyalty or tests of disloyalty. The effort is itself a confession of fear, a declaration of insolvency. Those who are sure of themselves do not need reassurance, and those who have confidence in the strength and the virtue of America do not need to fear either criticism or competition. The effort is bound to miscarry. It will not apprehend those who are really disloyal, it will not even frighten them; it will affect only those who can be labeled "radical." It is sobering to recall that though the Japanese relocation program, carried through at such incalculable cost in misery and tragedy, was justified to us on the ground that the Japanese were potentially disloyal, the record does not disclose a single case of Japanese disloyalty or sabotage during the whole war. The warning sounded by the Supreme Court in the Barnette flag-salute case is a timely one:

"Ultimate futility of such attempts to compel obedience is the lesson of every such effort from the Roman drive to stamp out Christianity as a disturber of pagan unity, the Inquisition as a means to religious and dynastic unity, the Siberian exiles as a means to Russian unity, down to the fast failing efforts of our present totalitarian enemies. Those who begin coercive elimination of dissent soon find themselves exterminating dissenters. Compulsory unification of opinion achieves only the unanimity of the graveyard."

Nor are we left to idle conjecture in this matter; we have had experience enough. Let us limit ourselves to a single example, one that is wonderfully relevant. Back in 1943 the House Un-American Activities Committee, deeply disturbed by alleged disloyalty among Government employees, wrote a definition of subversive activities and proceeded to apply it. The definition was admirable, and no one could challenge its logic or its symmetry:

"Subversive activity derives from conduct intentionally destructive of or inimical to the Government of the United States—that which seeks to undermine its institutions, or to distort its functions, or to impede its projects, or to lessen its efforts, the ultimate end being to overturn it all."

Surely anyone guilty of activities so defined deserved not only dismissal but punishment. But how was the test applied? It was applied to two distinguished scholars, Robert Morss Lovett and Goodwin Watson, and to one able young historian, William E. Dodd, Jr., son of our former Ambassador to Germany. Of almost three million persons employed by the Government, these were three whose subversive activities were deemed the most pernicious, and the House cut them off the pay roll. The sequel is familiar. The Senate concurred only to save a wartime appropriation; the President signed the bill under protest for the same reason. The Supreme Court declared the whole business a "bill of attainder" and therefore unconstitutional. * * *

Finally, disloyal tests are not only futile in application, they are pernicious in their consequences. They distract attention from activities that are really disloyal, and silence criticism inspired by true loyalty. That there are disloyal elements in America will not be denied, but there is no reason to suppose that any of the tests now formulated will ever be applied to them. * * *

Who are those who are really disloyal? Those who inflame racial hatreds, who sow religious and class dissensions. Those who subvert the Constitution by violating the freedom of the ballot box. Those who make a mockery of majority rule by the use of the filibuster. Those who impair democracy by denying equal educational facilities. Those who frustrate justice by lynch law or by making a farce of jury trials. Those who deny freedom of speech and of the press and of assembly. Those who press for special favors against the interest of the commonwealth. Those who regard public office as a source of private gain. Those who would exalt the military over the civil. Those who for selfish and private purposes stir up national antagonisms and expose the world to the ruin of war.

Will the House Committee on Un-American Activities interfere with the activities of these? Will Mr. Truman's disloyalty proclamation reach these? Will the current campaigns for Americanism convert these? If past experience is any guide, they will not. What they will do, if they are successful, is to silence criticism, stamp out dissent—or drive it underground. But if our democracy is to flourish it must have criticism, if our Government is to function it must have dissent. Only totalitarian governments insist upon conformity and they—as we know—do so at their peril. Without criticism abuses will go unrebuked; without dissent our dynamic system will become static. The American people have a stake in the maintenance of the most thoroughgoing inquisition into American institutions. They have a stake in nonconformity, for they know that the American genius is nonconformist. They have a stake in experimentation of the most radical character, for they know that only those who prove all things can hold fast that which is good.

IV

It is easier to say what loyalty is not than to say what it is. It is not conformity. It is not passive acquiescence in the status quo. It is not preference for everything American over everything foreign. It is not an ostrich-like ignorance of other countries and other institutions. It is not the indulgence in ceremony—a flag salute, an oath of allegiance, a fervid verbal declaration. It is not a particular creed, a particular version of history, a particular body of economic practices, a particular philosophy.

It is a tradition, an ideal, and a principle. It is a willingness to subordinate every private advantage for the larger good. It is an appreciation of the rich and diverse contributions that can come from the most varied sources. It is allegiance to the traditions that have guided our greatest statesmen and inspired our most eloquent poets—the traditions of freedom, equality, democracy, tolerance, the tradition of the higher law, of experimentation, cooperation, and pluralism. It is realization that America was born of revolt, flourished on dissent, became great through experimentation.

Independence was an act of revolution; republicanism was something new under the sun; the Federal system was a vast experimental laboratory. Physically, Americans were pioneers; in the realm of social and economic institutions, too, their tradition has been one of pioneering. From the beginning, intellectual and spiritual diversity have been as characteristic of America as racial and linguistic. The most distinctively American philosophies have been transcendentalism—which is the philosophy of the higher law—and pragmatism—which is the philosophy of experimentation and pluralism. These two principles are the very core of Americanism: the principle of the higher law, or of obedience to the dictates of conscience rather than of statutes, and the principle of pragmatism, or the rejection of a single good and of the notion of a finished universe. From the beginning Americans have known that there were new worlds to conquer, new truths to be discovered. Every effort to confine Americanism to a single pattern, to constrain it to a single formula, is disloyalty to everything that is valid in Americanism.

The SPEAKER pro tempore (Mr. NICHOLSON). Under previous order of the House, the gentleman from Kansas [Mr. REES] is recognized for 10 minutes.

USE OF GRAIN IN MANUFACTURE OF DISTILLED LIQUORS SHOULD BE STOPPED NOW

Mr. REES. Mr. Speaker, I have today introduced in the House a joint resolution that authorizes and directs the President to withhold for the period of 1 year the use of grains of all kinds for the manufacture of distilled liquors. I think this legislation is necessary in view of the impending shortage of grain for food, not only to fulfill our commitments abroad, but to supply our needs at home.

The distillers for the past 2 years have been using grain at the rate of 5,000,000 bushels per month. During the period from October 1 to October 25, the distillers used grain at the rate of 10,000,000 bushels per month. The amount actually used from October 1 to October 25 was 8,000,000 bushels. That is 300,000 bushels per day. The so-called Luckman committee last fall asked for an agreement to reduce the output of distilled liquors. In order to have a supply on hand because of the impending agreement, the distillers speeded up their activity as fast as they could during the 24 days in October. This illustrates their attitude about saving grain.

According to the best figures I am able to obtain from governmental agencies, distillers now have on hand in barrels and tanks 475,000,000 gallons of whisky together with an 8-month supply of neutral spirits for blending purposes. This is equivalent to 110,000,000 bushels of grain. Incidentally, this 110,000,000 bushels is more than the carry-over of wheat on July 1, 1947.

I am informed the distillers have more than 2½ years supply. even at the highest rate of distilled liquor that was ever used. The Secretary of Agriculture, Mr. Anderson, estimates there is a 6-year supply of distilled spirits on hand.

The so-called Luckman committee entered into an agreement with the distillers for a reduction in the use of grain for 60 days. That agreement expires on December 25. We are informed today that the distillers would not even agree to reduce the use of grain to 2,500,000 bushels per month. So the holiday ends and instead of saving 100,000,000 bushels of grain, when the holiday ends there will be no saving at all and the pledge would not have been kept. I would like to add right here that the distillers took great credit for turning over a few carloads of wheat to the Government when the agreement was made. The New York Journal of Commerce of December 11, 1947, carries the following statement in an article about the meeting held on December 10 by the President's Food Committee and the Department of Agriculture with the distillers' representatives:

> Some liquor distillers are headed for full-blast operations as soon as voluntary shutdown of the distilleries end on Christmas Day, it was learned today. During a stormy meeting of the Distillers Coordinating Committee and the Cabinet Food Committee, one large distiller completely rejected the proposal for a voluntary allocation plan. While still another very large operator advised the committee it refused to be bound by its recommendations.

This article goes on to say that unconfirmed reports state that some distillers were ordering substantial quantities of grain in anticipation of full-scale operations during January. The article further states that during the December-March 1946-47 period, the industry consumed roughly 30,000,000 bushels of grain. According to figures submitted by the Alcohol Tax Unit, the distilleries consumed during 1947, 2,974,000,000 pounds of grain which translated into bushels is between 80,000,000 and 100,000,000 bushels of grain.

The need for the adoption of this resolution is imminent. The people of this country, and rightly so, are being asked to conserve food, especially grain. Farmers are requested to cut down their rations to livestock in order that we may have more wheat and corn and other grains to provide food for starving people abroad. Furthermore, the outlook for the supply of wheat is not encouraging. It will be less in 1948 than 1947, and the demand is greater. Stocks of corn on hand are less than they have been for years, and yet if no action is taken we are going to permit 100,000,000 bushels of grain to go for unessential purposes at the same time we find this country with a shortage of grain for food.

Mr. Speaker, it has been contended that 100,000,000 bushels of grain is not a large part of the entire production. I call your attention to the fact that the carry-over of grain for July 1, 1947, was estimated at less than 100,000,000 bushels. A member of the Kansas City Board of Trade who testified recently before a committee of Congress said that if the carry-over for July 1, 1948, were less than 235,000,000 bushels it would be reckless. Secretary Anderson expressed alarm that our supplies of grain would be depleted to a dangerous point by next July, and yet if we do not take action the distillers will be operating full tilt after next week, using grain needed for food and for feed for livestock. It should be observed a bushel of wheat will provide nourishment for a starving child for 1 month.

Mr. Speaker, let us use a little common sense in dealing with this question. I appeal to the good judgment of the Members of this House. The farmers of this country have done a splendid job in their efforts to produce grains and food of all kinds. Is it not just a little unfair at this crucial time to permit grain valued at more than $300,000,000 to be used in this manner. We tell our farmers they must conserve their grain; that they must cut down the rations to livestock, and yet we approve the use of grain for unnecessary purposes. Then, to make the thing utterly unreasonable, is the fact I mentioned in the first instance, that the distillers have from 2 to 3 years' supply of distilled spirits on hand now. Distillers make a good deal over the idea they are willing to substitute and cut the consumption of wheat. I remind you all grain is either good for food or for feed for livestock, which is thereby transformed into food.

The facts are we should have taken action a year ago. We would then have 100,000,000 bushels more of grain in storage than we have today. The price of grain would be lower and the cost of living affected thereby.

Mr. Speaker, this is an emergency measure. There should be no delay. In order to stop a diminishing supply of grain and in order to take care of our commitments to needy people abroad, as well as to care for the folks at home, this resolution should be approved now. We need more food and less liquor.

Mr. Speaker, this resolution is in the public interest. The conditions and the times require its approval. We must have action now.

Mr. HOPE. Mr. Speaker, will the gentleman yield?

Mr. REES. I am glad to yield to the distinguished gentleman, chairman of the Committee on Agriculture and a colleague from my own State of Kansas.

Mr. HOPE. I am sorry I was not in the Chamber at the time the gentleman began speaking. I rise now to inquire if he has called the attention of the House to the fact that the crop report which came out yesterday reduced the estimated wheat crop for 1947 in a very substantial amount.

Mr. REES. I appreciate having this information.

Mr. HOPE. As I recall the figure—and I hope the gentleman will verify it, the reduction in the estimate for 1947 is 41,000,000 bushels below the last estimate. That, of course, gives added force to what the gentleman has just said, with which I am in hearty agreement.

Mr. REES. I appreciate the gentleman's statement.

A few moments ago I called attention to the fact that we had in 1947 the smallest corn crop for a period of 11 years, and that the outlook for the wheat crop for next year was not as good as we would like.

TAFT-HARTLEY ACT SHOULD BE REPEALED

Mr. KLEIN. Mr. Speaker, when the Hartley labor bill was before the House early in this Congress, a number of us warned you and the country that the bill would be used to wreck unions, to defeat collective bargaining, and to foment industrial strife, and that the ultimate result would be reduction of wages, reduction of purchasing power, and reduction of production.

On April 15, 1947, I said in the well of this House:

> Our unions stand as the strongest bulwark for economic and political democracy because, without strong unions our economy will collapse through further drops in wages and purchasing power.

In the fifth month of the law's operation we can see before us the effort of a number of large companies to break the

unions in their plants throughout the country. Their tool is the Taft-Hartley law.

These employers are impartial. They use the law as a tool to smash at the unions which have chosen to use the machinery of the National Labor Relations Board. They use the law as a tool to smash at the unions which have elected not to use the NLRB facilities.

The International Longshoremen's Association, affiliated with the American Federation of Labor, voted in convention to submit to the Taft-Hartley Act. It was the first union to feel the heavy hand of the new law. The National Labor Relations Board obtained an injunction to break a 10-day strike in Albany. This injunction was signed by a court 300 miles away from the scene of the strike. The union had no opportunity to know what was in the injunction papers, or to take part in the hearing before it was granted.

The International Brotherhood of Electrical Workers, A. F. of L., is being sued for $700,000 in a Federal district court by another union over work jurisdiction, under provisions of the law.

The NLRB applied just last month for an injunction to prevent A. F. of L. carpenters in Chattanooga, Tenn., from picketing and boycotting a firm which had refused to sign a contract with the union. The carpenters have agreed to submit to the Board's jurisdiction.

On the other hand, the CIO Steelworkers Union is not submitting to the Board. The Globe Co., of Chicago, has filed a $75,000 damage suit against the United Steelworkers because they struck for a wage increase.

The United Mine Workers Union has elected not to use the Board. The NLRB has sought an injunction against mineworkers to prevent picketing of a mine which refused to sign a union contract. The Sentry Coal Co. has filed suit against the miners on charges of unfair labor practices under the Taft-Hartley Act.

Because an independent union, the Brotherhood of Shoe and Allied Craftsmen, refused to take a wage cut in the face of skyrocketing living costs, the Regal Boot and Shoe Co. has announced it will cut wages and operate on an open-shop basis.

LAW PLACES PREMIUM ON EXPLOITATION

Because great metropolitan daily newspapers are involved, as well as a highly skilled and long-organized trade with an honorable history running-back for many years, the dispute between the International Typographical Union and the publishers and printing shops has been most widely publicized. Here the publishers clearly are trying to force the return of the open shop.

The Remington Rand Co. has broken off all negotiations with the CIO United Electrical, Radio and Machine Workers of America, has repudiated an agreement signed last July 26, and is now preparing to attempt to operate its vast industrial empire without any union contracts. UE elected not to use the Board facilities.

I could go on at length describing other instances which involve A. F. of L., CIO, and independent unions. They involve unions submitting to the Board and unions rejecting the Board's jurisdiction. They involve crafts and industries, and they occur in almost every industrial State.

These cases have one common characteristic: They all show that under a law which encourages employers to destroy long-established contracts, to drive down working standards, to avoid collective bargaining, and which places a premium on exploitation, many employers will take immediate advantage of the opportunity.

The ultimate result is that, under competitive conditions, other employers who would infinitely prefer to maintain harmonious labor relations and to preserve stability are forced to take the same action.

This is not a law to give new rights to workers, as was claimed during debate on the bill by its friends, who are necessarily friends of the NAM. It is not merely a law to restrain labor leaders.

It is, on the other hand, a law directed against the rank and file men and women workers of this country with grave implications for the future of the national economy.

REMINGTON RAND: AUTHOR OF THE "MOHAWK VALLEY FORMULA"

Mr. Speaker, the pattern of union-breaking by big companies under the sanction of this iniquitous law is most clearly seen in the history of the negotiations between Remington-Rand, Inc., and the United Electrical Workers, and I propose to describe more fully that history.

Remington Rand has a long and notorious history in labor relations.

The story begins, for my purposes here, with 1932 and 1933, when the National Association of Manufacturers took the lead in opposing section 7 (a) of the National Industrial Recovery Act, which guaranteed freedom of association to workingmen.

James Rand, Jr., president of Remington Rand, served on a special committee appointed at an NAM conference held April 28, 1933. This committee strenuously opposed the labor provisions of NRA, as reported in report 6, part 6, Senate Committee on Education and Labor, Seventy-sixth Congress, first session, Violations of Free Speech and Rights of Labor, page 76.

In the same pattern of stubborn resistance to a free labor movement, the manufacturers organized united opposition to enforcement of the National Labor Relations Act immediately after its passage in 1935, after having vigorously opposed its enactment. Eighty-three injunction suits were brought against the Board in 1935, 1936, and 1937. Among the companies which attempted to block the Board's work by injunction was Remington Rand, again as attested by the Senate report already cited.

In the period from 1933 to 1937 the NAM opposition to all progressive labor legislation was financed by a group of 262 corporations. James H. Rand, Jr., was active in the fund-raising campaign of the association as a member of the national industrial information committee.

BY BRUTE FORCE

Remington Rand's resistance to the law was not confined to organizing and financing the national propaganda campaign.

In 1936, this company, through the use of strikebreakers, detectives, munitions, street blocks, and planned violence, devised the ill-famed "Mohawk Valley formula" for strikebreaking and resistance to union organization.

The National Labor Relations Board found the company had violated the law. The Court of Appeals for the Second Circuit enforced the Board's order in 94 F. (2d) 862, and certiorari was denied by the Supreme Court.

The La Follette committee, after extensive testimony, reported:

Official records contain few more comprehensive accounts of the purpose and function of strikebreakers and the strike guard than the Board's decision in this case.

In its concluding remarks, on page 123 of the report, the committee said:

As at the other plants of the corporation, the strikebreakers at Middle Grove were used as part of Rand's comprehensive design to provoke violence, shake union morale, and deceive the community. They were an implement of his deliberate intent to destroy the collective bargaining agencies set up by his employees.

Such is the background of the employer in the latest and perhaps most serious dispute between labor and management in the jurisdiction of the Taft-Hartley Act.

REMINGTON RAND AND THE UNION

Peaceful collective bargaining relationships were, however, established with Remington Rand, during the last 10 years, and the union which represents the 10,000 workers of the company in seven plants—at Tonawanda, North Tonawanda, Ilion, and Syracuse, N. Y., and at Benton Harbor, Mich. Contracts beneficial to the workers have been negotiated at each of these plants.

Last spring a national pattern of an 11½-cent an hour wage increase, with six paid holidays, was set in the electrical, radio, and machine industry.

General Electric, Westinghouse, the electrical divisions of General Motors, and others agreed. Remington Rand refused.

WAGE AGREEMENT SIGNED AFTER STRIKE

On June 18, 1947, the United Electrical Workers Union locals in Remington Rand plants went out on strike for a wage increase of 11½ cents an hour and six paid holidays. The strike lasted 6 weeks.

The company then signed a strike settlement agreement with UE which provided for the six paid holidays, an immediate increase of 8 cents an hour, and an increase of 3½ cents an hour to begin on November 1. The company also agreed to negotiate local issues within 2 weeks and to submit any unsettled issues to arbitration at the end of that time, and to enter into negotiations for a national contract to expire April 1, 1949.

At this point, Mr. Speaker, I wish to insert a copy of the agreement between the union and the company.

UE-REMINGTON RAND AGREEMENTS

JULY 26, 1947.

James H. Rand, Jr., president of Remington Rand, Inc., and Albert J. Fitzgerald, president of the United Electrical, Radio and Machine Workers of America and other representatives of the company and the union after concluding 12 hours of continuous discussions on issues relating to the current strike of the company's employees represented by the union have entered into the following memorandum of understanding, subject to ratification by the union's locals involved:

1. A general wage increase of 8 cents an hour plus six paid holidays effective as of the date of the employees return to work. The paid holidays shall be New Years Day, Memorial Day, July Fourth, Labor Day, Thanksgiving Day, Christmas, when they fall on or are observed on a working day.

2. The parties shall submit the following issue to an arbitrator mutually agreed upon for final and binding decision:

How much, if anything, between 8 cents an hour and six paid holidays, and the 15 cents an hour package as requested by the union shall be granted to company employees represented by the union. Any award made by such arbitrator shall be effective as of November 1, 1947. Any such award shall be made on or before September 1, 1947

3. The parties shall enter into a collective-bargaining agreement expiring April 1, 1949, covering all terms and conditions of employment of the company employees represented by the union. Such agreement shall be subject to reopening on wages and other money issues on April 1, 1948, upon 30 days' notice by either party. Any agreement thereon shall be effective April 1, 1948; if the parties cannot agree on or before April 1, 1948, the union shall have the right to strike, otherwise no strikes to be called for 2 years. The other provisions of such agreement shall continue in full force and effect during the life of such agreement.

4. All employees of the company represented by the union shall, upon ratification of this understanding, return to work without any discrimination by either party.

5. Local issues affecting employees at the respective plants of the company shall be negotiated by the respective union locals and plant management and any issues unresolved within 2 weeks from the date of this memorandum of understanding shall be submitted for final and binding decision to an arbitrator mutually agreed upon by the parties.

J. H. RAND, Jr.,
For Remington Rand, Inc.
A. J. FITZGERALD,
For United Electrical, Radio and Machine Workers of America.

JULY 26, 1947.

It is agreed by the company and the union that the company shall grant an additional general wage increase of 3½ cents per hour to all employees represented by the union effective as of November 1, 1947, to such employees then employed who are working on November 1, 1947, for all services rendered thereafter.

For Remington Rand, Inc.:
J. H. RAND, Jr.

For United Electrical, Radio and Machine Workers of America:
A. J. FITZGERALD.

COMPANY REPUDIATES SIGNED AGREEMENTS

Mr. Speaker, less than 2 weeks later the company unilaterally terminated the agreements and so notified the UE locals.

On August 29 Remington Rand submitted to the union proposals which show the full potential of the Taft-Hartley Act for retrogression in labor relations.

First. The company's proposed contract gave Remington Rand the absolute right to set all the important working conditions; none would be subject to grievance procedure.

Second. It gave the company the right to speed up incentive production or to cut rates.

Third. The proposals would mean other serious wage cuts by eliminating two 10-minute wash-up periods daily, the equivalent of a 6 cents an hour wage cut to each employee, and cutting the 10 cents an hour bonus to second shift employees for the two hours after midnight to 5 cents; group leaders would receive a bonus of 10 cents above their own rate instead of 10 cents above the maximum of the rate range; and the company would be able to change or add to job classifications, descriptions, and rates arbitrarily and unilaterally and without negotiation.

Fourth. Other established working conditions would be seriously weakened, with restrictive conditions placed on vacations and holidays; such privileges as smoking, lunch wagon, and group insurance would be canceled; and the paid 2 hours' voting time would be canceled.

Fifth. Seniority as a determinant in lay-offs, recalls, transfers, and promotions would be scrapped.

Sixth. Grievance procedure was watered down to a point where the union's only part would be to have representatives present at discussions.

Seventh. The union would completely give up the right to strike.

THE PAY-OFF

In return for all this sacrifice of hard-won union gains, the company offered the union the check-off privilege.

The union rejected the company's proposals.

On September 8 the company posted notices on all its plant bulletin boards which declared to the workers that "the Labor-Management Relations Act of 1947 has thrown off your shackles."

It notified the workers that no collective bargaining contracts exist in any plant, boasted that workers do not have to belong to a union, and said that workers can settle individual grievances without a union, among other things.

This, Mr. Speaker, is turning the clock back with a vengeance.

The union having rejected the company's proposed contract, Remington-Rand filed with the National Labor Relations Board a petition for an election of collective-bargaining agent.

However, the regional director of the board at Buffalo rejected the petition because the union had already elected not to use the service of the Board.

PERIL TO OUR ECONOMY

I have gone into such detail of the UE-Remington Rand situation, Mr. Speaker, because of the profound significance of the negotiations to the Nation as a whole. The moral is unmistakable.

Not one word uttered last spring in opposition to the Hartley bill was exaggerated or unfounded.

The so-called Labor-Management Relations Act of 1947 is revealed for what it is—a terrible weapon of oppression and exploitation handed to employers to turn the clock of history back to the industrial chaos of 20 years ago.

The pattern of its application began to emerge rapidly as the provisions of the law became effective.

Here in the Remington Rand negotiation you see it building to the climax.

During the 10 years of labor-management peace under the old Wagner Act, Remington Rand had never raised the issue of the right of UE to represent its workers. However, when the union rejected the company's retrogressive contract proposals, the company immediately turned to the NLRB and resorted to out-worn propaganda.

The Remington Rand objectives are clear: to drive down wages and the standards of working conditions.

Equally clear is the peril to the national economy.

Never in history has there been so high a proportion of any nation's population gainfully employed in the production of needed articles. Never before has there been such a huge mass buying power.

This unprecedented prosperity is based on the American formula of high wages, high efficiency, high production.

Now short-sighted employers like Remington Rand want to toss that proven formula of success into the wastebasket of historical oblivion and go back to sweatshop standards. That is the line of the NAM.

Last April 15 I told the House, Mr. Speaker, of how the paid representatives of the National Association of Manufacturers had drafted this law in a smoke-filled room in the House Office Building, and I warned that it did not even represent the desires of the vast majority of employers.

CHAOS TOO BIG A PRICE

The law is now beginning to reap its fruits, but not in benefits for the working men and women of this country.

The only benefits of the law have been to the selfish interests of those who wrote the act and lobbied it through—the NAM. Even employers know now, and increasingly recognize that chaos is a huge price to pay for such benefits.

We have heard it said, over and over again, that the country needs production; but you cannot have production if your labor relations are in constant turmoil.

That is why it is vitally important that the Taft-Hartley law should be repealed, and I will move soon after the Congress reconvenes that legislation to that end, already introduced, be given hearings before the Committee on Education and Labor, of which I have the honor to be a member.

PERMISSION TO COMMITTEE ON RULES TO FILE REPORT

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a report.

Mr. SMITH of Ohio. Mr. Speaker, reserving the right to object, I objected to this request a few moments ago. I

have learned, however, that if the objection stands, the House will recess and permit the Rules Committee to deliberate the bill that is under consideration in the other body at the present time and report to the House, at which time the House will be reconvened by the Chair. They are still debating this proposition over on the other side of the Capitol, and I do not know how long they will debate it. I do not want to inconvenience the Members of the House. That being the procedure, I shall not object at this time.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

CONSIDERATION OF CONFERENCE REPORTS

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that it may be in order the balance of this week to consider conference reports at any time after they are presented, notwithstanding the provisions of clause 2, rule XXVIII.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. SMITH of Ohio. Mr. Speaker, reserving the right to object, that is the same request I objected to before and unless it is changed to exclude a conference report relating to the so-called anti-inflation bill that is under consideration by the Senate, I will have to object. At this time I object.

RESIGNATIONS FROM COMMITTEES

The SPEAKER laid before the House the following communications which were read:

DECEMBER 18, 1947.

Hon. JOSEPH W. MARTIN, Jr.,
Speaker, House of Representatives.

DEAR MR. SPEAKER: I hereby tender my resignation as a member of the Committee on the Judiciary.

Respectfully,

ANGIER L. GOODWIN.

DECEMBER 18, 1947.

The SPEAKER: I hereby tender my resignation as a member of the Committee on House Administration effective immediately.

FRED E. BUSBEY.

DECEMBER 18, 1947.

Hon. JOSEPH W. MARTIN,
Speaker, House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: I hereby tender my resignation as a member of the Committee on Banking and Currency.

Respectfully yours,

ELLSWORTH B. FOOTE.

Hon. JOSEPH W. MARTIN,
Speaker of the House of Representatives,
Washington, D. C.

MY DEAR MR. SPEAKER: I beg leave to inform you that I am hereby tendering my resignation as a member of the Committee on Expenditures in the Executive Departments to become effective today, December 18, 1947.

With great respect,

MITCHELL JENKINS.

The SPEAKER. Without objection, the resignations will be accepted.

There was no objection.

ELECTION OF MEMBERS TO COMMITTEES

Mr. HALLECK. Mr. Speaker, I offer a resolution (H. Res. 411) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the following Members be, and they are hereby, elected members of the following standing committees of the House of Representatives, to wit:

Banking and Currency: DONALD W. NICHOLSON, Massachusetts.

Expenditures in the Executive Departments: RALPH HARVEY, Indiana.

House Administration: RALPH HARVEY, Indiana.

Interstate and Foreign Commerce: FRED E. BUSBEY, Illinois.

Judiciary: ELLSWORTH B. FOOTE, Connecticut; and WILLIAM M. MCCULLOCH, Ohio.

Merchant Marine and Fisheries: CHARLES E. POTTER, Michigan.

Ways and Means: ANGIER L. GOODWIN, Massachusetts.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. CURTIS asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances, in one to include a statement that he made before one of the committees.

SPECIAL ORDER GRANTED

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes after any special orders heretofore entered for today.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

The SPEAKER. Under previous order of the House, the gentlewoman from California [Mrs. DOUGLAS] is recognized for 15 minutes.

CONTROLLING INFLATION

Mrs. DOUGLAS. Mr. Speaker, I ask unanimous consent to include as part of my remarks a table prepared for me by the legislative reference service of the Library of Congress showing how big business and monopoly interests have increased their earnings since 1939.

The SPEAKER. Is there objection to the request of the gentlewoman from California?

There was no objection.

Mrs. DOUGLAS. Mr. Speaker, we have just come through a devastating and world-shaking war. Because we have failed to fully recognize the effect that the war had on our economy we have inflation today.

We should have learned in the last 2½ years that our economy cannot be picked up just where we left off. Because we haven't recognized this all-important fact our economy today is in danger of pulling apart. Prices are going through the ceiling and the consumer is being priced out of the market.

I warned last March—10 months ago—that if the Eightieth Congress did not take steps to control prices we were headed for inflation. Well, Congress didn't act and we have inflation. I say now that if Congress does not act we are headed for a crack-up within 6 months.

Congress gives no evidence that it has learned anything from its mistakes of this past year. Indeed, Congress has given every evidence in these last few weeks of continuing its reckless course in utter disregard of the welfare of the American people.

Mr. Speaker, there have been a lot of speeches against communism on this floor. You have to do more than make speeches against communism in order to preserve democracy. Specifically, we must buttress our democracy by an economy that is sound. In a democracy a sound economy is one that is supported by the purchasing power of all the people. The people today are being priced out of the durable market. Their purchasing power is evaporating. In the face of these facts Congress cannot stand idly by and do nothing. The recovery of the world—peace itself—depends upon the stability and health of our economy.

Mr. Speaker, I have introduced a tax bill which places its emphasis upon this crucial problem—the drawing together of the consumer and the market. My tax bill helps in two ways to bring the consumer and the market together. In the first place it grants relief through a cost-of-living credit to everybody and this is particularly important for the middle- and low-income taxpayer. At the same time it restores the ability of these groups to remain in the market by reducing the incentive for high prices through its imposition of an excess-profits tax.

The excess-profits tax is in this instance not a punitive measure but it is a positive step toward controlling runaway prices and a positive step toward saving business—big and little. If such a step is not taken, I tremble for the free enterprise system.

Why should we have an excess-profits tax in December 1947?

Corporations in 1947 will have profits after taxes which are 170 percent of their wartime peak. 1947 profits will be nearly double those for 1945, 3½ times the figure for 1939, and 7 times that for 1938.

Corporate profits after taxes, 1929, 1934, 1939–47:

1929	$8,420,000,000
1934	977,000,000
1939	5,005,000,000
1940	6,447,000,000
1941	9,359,000,000
1942	9,433,000,000
1943	10,363,000,000
1944	9,928,000,000
1945	8,939,000,000
1946	12,539,000,000
1947 (estimated)	17,000,000,000

I am including a table showing how big business and monopoly interests have increased their earnings since 1939.

I want to emphasize that these high current profits do not arise from increased production. Federal Reserve indexes show that the volume of physical

The excess profits tax is in this intime level. These profits are based on unfair and inequitable prices. These inflated prices will destroy the savings of the people and American business itself.

Controls imposed during the war generally prevented corporations from exacting the prices that a short supply and

heavy demand would encourage. An excess-profits tax helped to mop up surplus profits and assisted in keeping prices down. But with the end of the war, and in the face of the greatest consumer demand in history—and incidentally the greatest profit period—controls were abolished and the excess-profits tax repealed.

All corporation income taxes, including the excess-profits tax, which produced $14,800,000,000 in fiscal 1944, $16,000,000,000 in 1945, fell to $12,600,000,000 in 1946, and $9,600,000,000 in 1947. An excess-profits tax now would raise an additional $6,000,000,000 which could go a long way to finance the Marshall plan of aid to Europe, to pay off the debt, and to provide the basis for reducing the tax on low-income groups which are suffering most from inflation.

In spite of reduced corporation taxes, prices generally have advanced 24 percent since VJ-day. Food has gone up 40 percent. At the same time average weekly earnings of factory workers which in early 1945 exceeded $47 are now only about $50, a rise of 6 percent.

The mulcting of the general public must be prevented if our economy is to survive.

One way to absorb for the benefit of all the people the superprofits resulting from unreasonable price advances is to reimpose an excess-profits tax. The knowledge that excessive profits will be taxed would result in a lowering of prices and a restoration of profits to a just normal.

Without such a preventive we will continue in the least intelligent way to distribute goods in short supply—by inflation. This way will destroy the accumulated savings that hard-working labor built up during the war.

In destroying the savings of the people, business is laying the groundwork for the next depression.

Mr. Speaker, I have offered a tax bill that will help the American people in this crisis. I would like to hear one good reason from the other side of the aisle as to why this bill should not be passed.

I include now, Mr. Speaker, the table showing how big business and monopoly interests have increased their earnings since 1939. This table was compiled for me by the Legislative Reference Service of the Library of Congress.

APPENDIX A

1947 CORPORATION PROFITS

This is a selected list of manufacturing and mining companies earning profits at rate in excess of $5,000,000 per year in 1947. The list, for the most part, is confined to corporations whose profits so far as reported in 1947 exceed those for the corresponding period in 1946. Data for the full year 1939 are also given. The reference 2 following the name of a company indicates it is one of the 50 largest (in assets) manufacturing companies in the United States. Data on these 50 companies are reported even though 1947 profits are still unreported or, if reported, are less than the figures for 1946.

OIL COMPANIES

Corporation	1947		1946		1939 [1]	
	Number of months	Profits	Number of months	Profits	Number of months	Profits
Amerada Petroleum Corp. (and subsidiaries)	9	$10,371,503	9	$5,997,069	12	$1,230,764
Atlantic Refining Co. (and subsidiaries) [2]	9	10,836,518	9	4,922,052	12	5,028,212
Barnsdall Oil Co.	9	6,281,252	9	3,535,553	12	1,720,202
Continental Oil Co. (and subsidiaries)	9	24,889,113	9	12,061,245	12	6,304,564
Gulf Oil Corp. [2]	6	42,510,375	6	26,716,013	12	15,315,781
Mid-Continent Petroleum Corp. (and subsidiaries)	9	12,763,617	9	7,662,872	12	2,650,502
Ohio Oil Co.	6	13,246,116	6	8,263,062	12	1,492,068
Phillips Petroleum Co. [2]	9	25,706,157	9	14,703,153	12	9,833,314
Pure Oil Co.	6	8,161,908	6	6,985,280	12	8,290,419
Richfield Oil Corp.	9	7,940,170	9	4,473,441	12	2,601,926
Shell Union Oil Corp. [2]	9	38,676,876	9	23,981,773	12	11,805,713
Sinclair Oil Co. (and subsidiaries)	6	20,476,207	6	12,051,203	12	7,540,881
Socony-Vacuum Oil Co., Inc. [2]	9	66,000,000	9	36,000,000	12	34,452,710
Standard Oil Co. of California [2]	9	66,544,580	9	48,990,458	12	17,882,505
Standard Oil Co. of Indiana [2]	6	40,936,450	6	33,068,845	12	34,142,643
Standard Oil Co. of New Jersey [2]	6	[3] 140,000,000	6	88,000,000	12	53,577,293
Standard Oil Co. of Ohio	6	7,191,057	6	5,154,885	12	5,602,499
Sun Oil Co. (and subsidiaries)	6	11,360,170	6	4,300,212	12	6,959,677
Texas Co.	9	78,396,368	9	50,360,115	12	32,886,807
The Texas Associated Oil Co. (and subsidiaries)	6	11,235,945	6	8,188,182	12	9,975,887
Union Oil Co. of California [2]	6	8,543,594	6	3,806,117	12	4,606,789

STEEL AND OTHER METALS COMPANIES

Allegheny Ludlum Steel Corp.	9	$4,553,972	9	$4,599,139	12	$2,093,518
Aluminum Co. of America [2]	(4)	(4)	12	11,581,237	12	14,801,970
American Rolling Mill Co. (and subsidiaries) [2]	9	18,165,398	9	12,488,684	12	4,011,909
American Smelting & Refining Co. (and subsidiaries)	6	20,896,033	6	1,867,778	12	13,057,145
Anaconda Copper Mining Co. [2]	9	34,473,066	9	13,159,083	12	20,236,552
Bethlehem Steel Corp. [2]	9	38,710,728	9	29,794,650	12	24,638,384
Inland Steel Co. (and subsidiaries)	6	10,171,288	6	4,973,300	12	10,931,016
Jones & Laughlin Steel Corp. (and subsidiaries) [2]	9	16,682,738	9	6,109,260	12	3,188,944
Kennecott Copper Corp. [2]	6	46,086,826	6	4,508,933	12	33,947,443
Keystone Steel & Wire	12	6,087,002	12	2,777,605	12	927,542
National Lead Co.	6	6,479,049	6	5,069,455	12	5,780,500
National Steel Corp. (and subsidiaries) [2]	9	19,903,655	9	13,941,320	12	12,581,636
Republic Steel Corp. (and subsidiaries) [2]	9	23,111,631	9	9,494,414	12	10,671,343
Revere Copper & Brass, Inc.	9	6,676,295	9	3,198,104	12	1,615,069
St. Joseph Lead Co. (and domestic subsidiaries)	6	6,706,815	6	2,793,061	12	5,292,908
Sharon Steel Corp. (and subsidiaries)	9	4,756,350	9	2,042,349	12	255,497
United States Steel Corp. (and subsidiaries) [2]	9	43,578,696	9	12,443,381	12	41,119,934
Wheeling Steel Corp.	9	8,430,261	9	3,188,041	12	5,560,753
Youngstown Sheet & Tube Co. [2]	9	19,446,836	9	9,176,395	12	5,004,484

AUTOMOBILE MANUFACTURERS

Chrysler Corp. [2]	9	$47,873,089	9	$10,292,645	12	$36,879,829
Ford Motor Co. [2]	(4)	(4)	(4)	(4)	12	16,402,746
General Motors Corp. [2]	9	213,217,476	9	14,012,370	12	183,403,399
Hudson Motor Car Co.	9	5,158,854	9	560,192	12	[5] 1,356,750
Mack Trucks, Inc.	9	5,265,883	9	[5] 316,626	12	682,987
Studebaker Corp.	9	5,152,043	9	[5] 251,770	12	2,923,251
White Motor Co. (and subsidiaries)	9	3,926,586	(4)	(4)	12	[5] 2,412,618

Footnotes at end of table.

OTHER MANUFACTURERS, ETC.

Corporation	1947		1946		1939 [1]	
	Number of months	Profits	Number of months	Profits	Number of months	Profits
Allied Chemical & Dye Corp.[2]	(4)	(4)	12	$26,706,691	12	$21,042,211
American Can Co.[2]	(4)	(4)	12	8,828,983	12	18,284,964
American Cyanamid Co	9	$6,294,571	9	6,191,005	12	5,524,941
American Tobacco Co.[2]	9	24,178,000	12	29,886,557	12	26,427,934
American Viscose Corp. (and subsidiaries)	9	14,549,382	9	8,149,612	12	4,057,164
Anderson, Clayton & Co. (and subsidiaries)	12	19,787,829	12	14,006,298	(4)	(4)
Armour & Co.[2]	(4)	(4)	12	20,791,128	12	3,265,167
Bendix Home Appliances, Inc	9	7,127,044	12	3,178,180	12	[5] 311,935
Borden Co	6	[3] 9,975,000	6	[3] 8,875,000	12	7,979,838
Borg-Warner Corp. (and subsidiaries)	9	15,707,583	9	4,152,014	12	5,683,801
Caterpillar Tractor Co	10	6,458,128	10	4,975,559	12	3,235,709
Celanese Corp. of America	9	16,626,779	9	11,573,513	12	6,374,101
Colgate-Palmolive Peet Co	6	9,783,002	6	6,311,156	12	6,632,655
Commercial Solvents Corp. (and subsidiaries)	9	6,217,560	9	3,008,669	12	1,600,390
Continental Can Co., Inc. (and subsidiaries)	12	9,240,040	12	3,576,763	12	8,635,787
Corn Products Refining Co	9	13,092,583	9	5,592,283	12	10,120,393
Crown Cork & Seal Co., Inc. (and subsidiaries)	12	10,758,787	12	7,017,586	12	4,612,555
Crown Zellerbach Corp.	12	6,206,103	12	2,222,044	12	716,953
Curtis Wright Corp.[2]	9	[5] 465,315	9	5,151,643	12	5,218,259
Distillers Corp.-Seagrams Ltd. (and subsidiaries)	12	43,112,502	12	24,530,122	12	6,566,313
Dow Chemical Co.	12	12,729,991	12	6,707,215	12	4,178,485
E. I. du Pont de Nemours & Co.[2]	9	88,220,501	9	82,179,876	12	93,218,664
Eastman Kodak Co.[2]	6	20,299,661	6	15,892,956	12	21,537,577
Eaton Manufacturing Co. (and subsidiaries)	9	5,348,192	9	1,793,730	12	2,707,340
Firestone Tire & Rubber Co.[2]	6	14,168,206	6	12,845,926	12	6,722,046
General Cable Corp	9	4,627,400	9	1,333,719	12	733,166
General Electric Co.[2]	9	56,150,434	9	404,109	12	40,860,754
Gillette Safety Razor Co	9	7,617,903	9	7,513,639	12	2,941,890
Goodrich (B. F.) Co.[2]	6	11,264,245	6	12,470,380	12	6,653,278
Goodyear Tire & Rubber Co.[2]	6	11,601,416	6	15,088,189	12	9,838,797
(M. A.) Hanna Co	9	5,214,971	9	3,019,002	12	1,904,317
Hersney Chocolate Corp. (and subsidiaries)	9	6,017,778	9	4,847,224	12	6,233,304
International Business Machines Corp. (and subsidiaries)	9	17,610,862	9	13,115,986	12	9,092,692
International Harvester Co.[2]	(4)	(4)	12	22,326,257	12	7,952,810
International Paper Co. (and subsidiaries) [2]	9	43,124,402	9	21,252,904	12	4,893,591
Kimberly-Clark Corp. (and subsidiaries)	12	6,601,962	12	3,228,174	12	2,651,365
Libby-Owens-Ford Glass Co	9	8,727,826	9	2,616,681	12	8,062,753
Liggett & Myers Tobacco Co.[2]	9	16,320,000	12	18,368,928	12	20,705,549
Lone Star Cement Corp. (and subsidiaries)	9	4,536,519	9	3,582,102	12	3,561,093
Long-Bell Lumber Co	9	8,960,201	9	3,518,804	12	[5] 91,969
Maytag Co	9	4,459,476	9	2,067,609	12	1,398,981
McKesson & Robbins, Inc	12	9,694,538	12	8,586,157	12	3,364,790
Minneapolis-Honeywell Regulator Co. (and subsidiaries)	9	4,602,868	9	2,912,195	12	2,153,582
Monsanto Chemical Co	9	12,395,367	9	6,987,663	12	5,428,914
National Cash Register Co. (and subsidiaries)	9	7,345,788	9	1,315,739	12	1,807,096
National Dairy Products Corp.[2]	6	9,649,223	6	11,802,554	12	13,034,157
National Supply Co. (and subsidiaries)	9	6,560,135	9	2,129,571	12	1,190,787
Owens-Illinois Glass Co. (and subsidiaries)	12	16,402,124	12	11,211,455	12	8,434,915
Pacific Mills	9	[3] 5,645,000	9	[3] 4,648,000	12	790,831
Pittsburgh Consolidation Coal Co. (and subsidiaries)	9	2,009,170	9	4,168,712	12	863,915
Pittsburgh Plate Glass Co. (and subsidiaries)	9	21,071,104	9	13,168,435	12	10,766,412
Quaker Oats Co	12	7,958,588	12	6,471,051	12	5,422,852
Remington Rand, Inc. (and subsidiaries)	6	6,525,727	6	5,770,505	12	1,750,391
Reynolds (R. J.) Tobacco Co.[2]	(4)	(4)	12	27,972,599	12	25,645,455
St. Regis Paper Co	9	11,055,144	9	3,775,622	12	547,820
Schenley Distillers Corp.[2]	12	26,844,733	12	49,129,975	12	4,129,080
Singer Manufacturing Co.[2]	(4)	(4)	12	15,227,817	12	3,065,105
Squibb & Sons (and subsidiaries)	12	5,525,386	12	5,151,408	12	2,060,978
Stokely-Van Camp, Inc	12	7,111,911	12	5,204,912	12	[5] 712,905
Swift & Co.[2]	(4)	(4)	12	16,394,739	12	10,321,523
Texas Gulf Sulphur Co	9	16,051,053	9	10,772,189	12	7,847,483
Timken Roller Bearing Co	9	9,144,682	9	1,194,357	12	7,287,911
Union Bag & Paper Corp	9	8,787,425	9	3,643,599	12	965,532
Union Carbide & Carbon Corp. (and subsidiaries)	9	54,865,182	9	40,331,671	12	35,847,400
United Merchants & Manufacturing, Inc	12	21,132,984	12	8,733,786	11	1,466,197
United States Gypsum Co	9	11,685,500	9	8,719,659	12	7,365,849
United States Rubber Co.[2]	6	11,020,729	6	9,906,886	12	10,218,849
Warner Bros. Pictures, Inc. (and subsidiaries)	9	19,134,639	9	14,749,202	12	1,740,908
Western Electric Co., Inc.[2]	(4)	(4)	12	12,336,076	12	16,476,086
Westinghouse Air Brake Co. (and subsidiaries)	9	9,780,117	9	6,748,715	12	2,765,629
Westinghouse Electric Corp.[2]	12	30,900,893	12	17,356,278	12	13,854,365
West Virginia Pulp & Paper Co. (and subsidiaries)	9	7,878,734	9	3,695,219	12	1,095,389
Worthington Pump & Machinery Corp	9	4,742,426	9	2,289,616	12	816,706
Wm. Wrigley, Jr., Co	9	6,058,404	9	4,813,106	12	8,650,976

[1] Calendar or fiscal year ending in 1939.
[2] 1 of 50 largest manufacturing companies in volume of assets.
[3] Estimated
[4] No statement.
[5] Deficit.

The SPEAKER pro tempore [Mr. NICHOLSON]. Under previous order of the House, the gentleman from Massachusetts [Mr. MCCORMICK] is recognized for 10 minutes.

Mr. MCCORMACK. Mr. Speaker, the testimony given yesterday by Lt. Gen. Albert C. Weidemeyer on aid to China, before the Senate Committee on Appropriations, is important and significant. General Weidemeyer is well qualified to testify and his views are worthy of deep consideration. He went to China on a special mission for our country, being assigned to that important duty after General Marshall's trip and mission to China. General Wedemeyer has rendered a great public service by his testimony. He has recalled to the minds of Americans the important part China played in the war and is now playing in fighting the challenge that atheistic communism, backed by the Soviet Union, has hurled at the rest of the world. He refreshed our memory, although it was not necessary in my case, that China, under Generalissimo Chiang Kai-shek, kept 1,500,000 Japs engaged or tied up, preventing their use against our boys in the Philippines and elsewhere in the Far East. He further testified:

> He has fought communism all his life, and he stood by us as an ally in the war when he might have accepted favorable peace terms from Japan, thereby releasing 1,500,000 Japanese soldiers to be used against our boys in the Philippines and elsewhere in the Pacific.

If Generalissimo Chiang Kai-shek had made peace terms with Japan the war in the Far East would have been longer and tens of thousands of our boys now alive would have either been killed or wounded.

His further testimony is significant. In speaking of Chiang, General Wedemeyer said:

He is a fine character, the logical leader of China today, and I say this as one who was prepared not to like him when I went over there.

General Wedemeyer was emphatic that we should help China from a military and from an economic angle. The American people are being given a lot of false propaganda today about China. Of course, all things are not all right there. It will take a long time with the best of leadership to rub out generations of entrenched selfishness and exploitation. We have been given a great deal of false information, nothing but vicious propaganda by some Chinese who have visited the United States. And there is at least one here now who has shifted from side to side as expediency prompted him, and whose recent statements leave only one impression, that he is trying to stick a dagger in the back of Generalissimo Chiang Kai-shek.

One big test of decent leadership is whether the people of a country are given the right of religious freedom, freedom of their own religious conscience, and the freedom to exercise it attending the services of their church. Under Chiang and his government, that exists in China, and there must be a strong government there because of the chaotic conditions—only a strong government could exist—complete freedom both of conscience and the exercise of it exists. This does not exist in the Communist-dominated part of China. The missionaries of all creeds are treated with complete freedom under the Chiang government. They are captured, imprisoned, and even killed in those areas of China where the Communists are in control. Certainly it is for our national interest in hurling back the challenge of atheistic communism to support Chiang and his government. We should extend military aid to his government at once. We have plenty of military equipment and implements of a military nature that are surplus so far as our Government is concerned in the Far East that could be utilized in effectively carrying out our national policy of enabling countries to prevent aggression being used against them and in the rehabilitation economically of countries in order that they might take their normal place among the decent nations of the world.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. KEEFE. The question of aid to China came before the House Deficiency Subcommittee on Appropriations, of which the gentleman who is now speaking is a member. We were only able to get very sketchy information. The gentleman is aware of the fact that a reduction in the amount of the appropriation below the authorization estimate of $597,000,000 was made and adopted by the House. I was pleased to say on the floor of the House that I was in hopes that the Senate would see fit to place some provision after thorough investigation for the relief of China in the bill as it will ultimately be passed.

Mr. McCORMACK. May I say I thoroughly agree with the gentleman. I hope that is done because I think it would at least have a very good psychological effect.

Mr. KEEFE. May I say to the gentleman who is prominent in the councils of the executive department of the Government——

Mr. McCORMACK. If the gentleman will pardon me for interrupting him, the gentleman pays me a compliment which probably exceeds the position that I occupy.

Mr. KEEFE. The gentleman quoted from the testimony of General Wedemeyer before the Senate committee.

Mr. McCORMACK. The gentleman from Massachusetts is making his own remarks now.

Mr. KEEFE. I understand that, and I am in accord with what the gentleman is saying.

Mr. McCORMACK. I am sure that later on when I make some suggestions concerning the State Department that my friend will be in accord with them too.

Mr. KEEFE. What I am worried about is the fact that General Wedemeyer, who in my opinion is one of America's ablest men——

Mr. McCORMACK. And I agree with the gentleman in that.

Mr. KEEFE. I am worried about the fact that General Wedemeyer went to China to make an investigation, and report, and he testified before the Senate that he was placed under an injunction by General Marshall and by the President not to disclose what that report is. We were told in our committee by the representative of the State Department that we could not have that report made available to us; that it was of the highest confidential character, and had been impressed and sealed by orders of the President. Now, what does the gentleman conceive could possibly be in a report that was made by General Wedemeyer that should cause the Administration to place the seal of security upon that report, so that even General Wedemeyer could not tell a Senate committee of the United States or the American people his views which he obtained as the result of going there and making the investigation so that the Congress and the people could be advised. I regret that we did not have the benefit of that information so that we could have acted intelligently in this House on that subject, and could have shown the people of China and the people of this country that this House wanted to do something for China.

Mr. McCORMACK. I cannot answer the gentleman's inquiry as to why the report is considered highly confidential. I assume, without knowing, that in the minds of some there is a justifiable reason. I am not saying that if I knew I would agree with that. We can discuss this without impugning the motives of anyone who is charged with responsibility, and I think my friend from Wisconsin will agree that General Wedemeyer's testimony yesterday gave to the people, particularly those who are discerning and who can interpret, valuable evidence. I was deeply impressed with it.

The SPEAKER pro tempore. The time of the gentleman from Massachusetts [Mr. McCORMACK] has expired.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 10 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. I was so impressed with it that I asked for a special order, which is probably the second or third I have ever asked for in my 20 years here, because, as the gentleman knows, I like to participate under the 5-minute rule or on the amendment stage of the proceedings. But I thought possibly I might make some slight contribution by some observations I might make. I felt it was my duty, carrying out the dictates of my judgment and my conscience, to get a special order in order to make the observations which I have made and which I shall make. But you and I and others have got enough from General Wedemeyer's testimony to know how he feels when he said he went over there to China as he did, and I quote: "As one who was prepared not to like him when I went over there." Then he says, "He (Chiang) is a fine character and the logical leader of China today." Then he gave his other testimony and you and I got a clear insight as to his state of mind and probably some of the important aspects of the report which he made.

Mr. KEEFE. I want to compliment the gentleman for making this statement. It is that very statement of General Wedemeyer's which disturbed me, because the gentleman is aware of the fact that he was our commander in China, in that area, and he was there and he had contact with General Chiang Kai-shek. He then came back and was given this assignment, after the assignment of General Marshall collapsed and failed. I wonder whether he referred to the fact, when he said he went there with a preconceived notion of not liking him, or words to that effect, whether he meant that he went there on this last visit or whether that was his idea when he went over there and was assigned to be commander in chief of our forces in China.

Mr. McCORMACK. I would infer from his testimony that it was on his last visit, because he was testifying in relation to his last visit when he was over there on an important mission representing our country. I quote again:

He is a fine character, the logical leader of China today, and I say this as one who was prepared not to like him when I went over there.

From that I would assume he meant when he went over there on the special mission. That is very evident.

Furthermore, you and I know that the very first thing that vicious and harsh dictatorial and totalitarian government

attacks is religion, organized religion. They want to destroy the dignity of the individual, for it is known that as long as there is religious freedom the dignity of the individual exists. Here we have in China a very basic thing, a very basic principle; that the dignity of the individual is dependent upon the right of a free religious conscience and the free exercise of it existing in China. The missionaries I have met—and I have met many—they are friends of mine, Catholics, Protestants, and yes, even Jews, but principally Catholics and Protestants in China, tell me there has never been any interference with them in China as far as the existence of complete religious conscience is concerned and, more important, the free exercise thereof; because a country may say they give freedom of religious conscience and then take it away from them by saying there shall be one priest or one minister for every 75,000 or 100,000 people, and from a practical angle this limits the free exercise of conscience.

Mr. PRIEST. Mr. Speaker, will the gentleman yield.

Mr. McCORMACK. I yield.

Mr. PRIEST. I have appreciated the speech made by the gentleman from Massachusetts. Unfortunately, I was called to the telephone just when he was discussing that phase of his message pertaining to possible military aid. I agree with the gentleman in that respect, we do have military supplies that could be used. If we did so it would be entirely in keeping with the policy we adopted with reference to Greece and Turkey, would it not?

Mr. McCORMACK. Exactly, because our policy is an affirmative policy to assist countries against aggression and then to attempt to rehabilitate them so they can take their proper place as healthy nations in the council of the nations of the world.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Pennsylvania.

Mr. RICH I was very much interested in the gentleman's statement in reference to missionaries who were working in China—Catholic, Protestant, and Jewish—if there are any Jewish over there, I do not know; and I was wondering whether they have been free to do their work as they chose in China at the present time.

Mr. McCORMACK. My information from those who have been over there—and I am talking of Catholic priests and Protestant ministers—is that there is no interference. But it is different where the Communists are. As a matter of fact last week on the floor of the House I called attention to the plight of a Catholic priest who had been captured by the Communists and was held prisoner for months. When the Nationalist troops had overtaken the guerrilla band of Communists that had captured them and the Communists were trying to escape the priest fell and hurt himself and they killed him rather than leave him. He died a martyr to his great calling in the service of God and man. And there have been many similar cases I may say. That is not an isolated case but there are many others. There is no distinction as to creed.

Mr. RICH. Then in the Communist-dominated sections of China they are not free to teach religion or to do the work they are supposed to do.

Mr. McCORMACK. Absolutely. That is my information from those who were over there carrying on that great activity.

Mr. RICH. Have they confiscated their churches?

Mr. McCORMACK. Yes, and burned them, burned them. I was talking with a very fine Presbyterian minister I met the other evening. I met him at a reception to Archbishop Hu Pin of Nanking, a Catholic archbishop of China. His name I suggested to Dr. Montgomery the other day, suggested that he might have him offer the opening prayer in the House some day. His name momentarily escapes me. But he had been over there for years. He was a prisoner of the Japs and interned. He told me that on freedom over there there is no difficulty, and yet that is a country where the percentage of Christians to the total percentage is negligible. I think there are probably around 5,000,000 Catholics and probably not more than 10,000,000 or 12,000,000 Protestants, probably between 15,000,000 and 20,000,000 Christians altogether out of a total population of around 450,000,000 to 480,000,000 people. There is complete freedom and it is essential to any individual to possess that in order to maintain his dignity and personality as an individual.

From reliable information I have received word that time is of essence. We should extend also economic aid, but the first important element is military aid. A stabilized government in China with its people having an undying friendship for us is the best investment we can make and it can be made for both countries not only for our future generations of Americans but for the future generations of Chinese.

If the Senate inserts an appropriation for China in the bill that passed the House yesterday, even if it is a token one, it will have a psychological effect, and I hope the House conferees will accept it. In any event, in the long-range Marshall plan China should receive its proper consideration and our national interest calls for such action.

We must remember that in building up Europe economically those countries must have a foreign trade to sustain a rehabilitated national economy. To build them up and say, "You have to depend upon your own internal trade," will mean useless action. There will be a collapse economically. China and the Far East for years will give to European countries as well as our own country a vast area in which to trade. A peaceful, stabilized China is very important in itself. It is of great importance also in building up the economy of the European countries we are helping and will help.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for five additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, an Assistant Secretary of State testified that the State Department is preparing a program for China that will be ready in January. For the benefit of the State Department and those preparing this program I want to suggest to and advise them that the sentiment in the Congress and among our people is very strong for immediate and complete aid to China. I make this observation so that those in the State Department will know and evaluate properly the sentiment for China that exists in this body. The giving of effective military and economic aid to China, our ally and our friend, in the immediate future is a matter of primary importance to the best interest of both countries and to the future peace and security of the world.

The Soviet Union is pulling no punches in its effort to bring about world uncertainty, confusion, and chaos in its vicious imperialistic dream for world domination territorially as well as ideologically. We should not pull our punches in our efforts for stability, security, and peace throughout the world and in acting for our own national interest.

The people of the United States and China are close friends today. America is strong today. China is potentially strong today and will be strong in reality in years to come after its pains of today are over and it can develop and build economically its great natural resources. We want and should strive to have the friendship of these two countries cemented strongly and we can do that by our actions so that the people of the United States and China will have for each other an unbreakable friendship that will last for countless generations to come.

The real test of friendship comes when one friend is in pain, distress, or trouble, and the other friend comes to his aid.

Mr. Speaker, in conclusion I want to make these few significant observations. China is our friend; the United States is China's friend. China is in trouble. We should come to her aid in a practical, realistic, and effective manner.

RECEPTION OF MESSAGES

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House today the Clerk be authorized to receive messages from the Senate and in the event such message contains a notification that the Senate has passed Senate Joint Resolution 167 that that joint resolution be printed as passed by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

EXTENSION OF REMARKS

Mr. CELLER asked and was given permission to extend his remarks in the RECORD.

The SPEAKER. Under previous order of the House, the gentlewoman from

Massachusetts [Mrs. ROGERS] is recognized for 10 minutes.

VETERANS' LEGISLATION

Mrs. ROGERS of Massachusetts. Mr. Speaker, many of us favor the passage of the veterans' subsistence allowance bill for the GIs. There are a great many of those veterans in Washington today asking for the passage of the bill. These veterans have come from every State in the Union. They cannot understand why all the money was appropriated for foreign aid and nothing for them. If this legislation is not passed thousands will ask the Members why the legislation was no passed when the Congressmen go home for Christmas.

Mr. Speaker, I have information compiled for me by Dr. T. A. Rousse, University of Texas, at the request of the University Veterans' Advisory Service, University of Texas, Austin, Tex. He states that all Texas universities involving senior colleges, junior colleges, and professional colleges, show the following freshman enrollment: In 1946, 24,731; in 1947, it dropped to 11,362. The University of Texas in 1946, had an enrollment of 3,607, and in 1947, it dropped to 200. The registrar of the University of Texas states that married veterans are dropping out fast.

If legislation be not passed, I think the GI training will come, I am afraid, to a very speedy and sad close. The men cannot live, the married men particularly, on the small subsistence allowance they receive today. They tell me that with the small increase in the Senate bill, and the Meade bill which is similar to the Senate bill in the House, that they can manage it.

Mr. ALBERT. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Oklahoma.

Mr. ALBERT. That is exactly the story I get from all over my own State, that the GI program, so far as married veterans are concerned, is going to break down if we do not increase the subsistence allowable, and I do hope that the gentlewoman can have her bill, or the Senate bill, brought before the House at an early date.

Mrs. ROGERS of Massachusetts. It is the Meade bill in the House. The Committee on Veterans' Affairs has voted it out unanimously, and many Members have said to me that the boys in their States have asked for the passage of this legislation. There is a dead line. Every day brings them nearer to despair. They have done a magnificent job in scholarship.

Mrs. ST. GEORGE. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentlewoman from New York.

Mrs. ST. GEORGE. What is the increase in the subsistence allowance in the Meade bill ?

Mrs. ROGERS of Massachusetts. For the single men it is a $10 increase, $15 for a married man with one child, and an additional $15 for a married man with several children. It is a very small increase and will cost very little to the Government.

Mrs. ST. GEORGE. Does the gentlewoman consider that that will be sufficient to enable these men to continue?

Mrs. ROGERS of Massachusetts. The men have told me, and I have no doubt that they have told many of the other Members, that they can exist on a small increase, but that they must have that.

Mrs. ST. GEORGE. I sincerely hope that the bill will pass when it comes before the House.

Mrs. ROGERS of Massachusetts. The gentlewoman always has very constructive suggestions.

The SPEAKER. The time of the gentlewoman from Massachusetts has expired.

TANKERS

Mr. WEICHEL. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. WEICHEL. Mr. Speaker, the gentlewoman from Massachusetts has made a request with reference to information concerning idle tankers in the hands of the Maritime Commission. I have made a special request upon the Chairman of the Maritime Commission, and he has provided me with that information.

At the present time they have only 13 small tankers of 30,000 barrels each, 1 tanker for the Navy, 2 small tankers, and 2 special-type tankers, outside of 50 that the Navy has for its own use.

Mr. Speaker, I ask unanimous consent to include as part of my remarks a full report with reference to the disposal of tankers since the passage of the Ships Sales Act in March 1946, and a report covering the disposal of tankers since August 1, 1947, to this very date.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. WEICHEL. Mr. Speaker, the report to which I have referred is as follows:

UNITED STATES MARITIME COMMISSION,
Washington, December 17, 1947.

Hon. ALVIN F. WEICHEL,
Chairman, Merchant Marine and Fisheries Committee, House of Representatives, Washington, D. C.

DEAR MR. WEICHEL: In response to your telephonic request of this date, there is transmitted herewith three attachments (original and three copies) covering the desired information.

Very sincerely yours,
BURTON L. HUNTER,
Chief, Bureau of Purchase and Sales.

Excluding 24 T-2 military-type vessels being readied for Navy use (26 already transferred), the United States Maritime Commission, as of December 17, 1947, owns and has under its control, subject to the Merchant Ship Sales Act of 1946, the following tankers not approved for sale:

One T2-SE-A2, approximate cubic capacity 140,000 barrels, held for possible Navy use.

Thirteen T-1-type vessels with an approximate cubic capacity of 30,000 barrels each.

Two special-type vessels with an approximate cubic capacity of 100,000 barrels each.

Two military auxiliaries with an approximate cubic capacity of 15,000 barrels each.

Sales of tankers formalized by the U. S. Maritime Commission under the Merchant Ship Sales Act of 1946, approved Mar. 8, 1946

To—	T2-SE-A1	Liberty	Other	Total
United States citizens for [illegible]	186	55	17	258
United States citizens for foreign operation	71	------	1	72
[illegible]	133	------	7	140
Total	390	55	25	470

[1] After vessels had been available for a reasonable period of time and no responsible offer had been made therefor by a citizen of the United States.

Sales of tankers formalized by the U. S. Maritime Commission since Aug. 1, 1947, under the Merchant Ship Sales Act of 1946, approved Mar. 8, 1946

To—	T2-SE-A1	Liberty	Other	Total
United States citizens for United States operation	129	53	1	183
United States citizens for foreign operation	6	------	------	6
[illegible]	83	------	3	86
Total	218	53	4	275

[1] After vessels had been available for a reasonable period of time and no responsible offer had been made therefor by a citizen of the United States.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. WEICHEL. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. The gentleman has the information that was requested by the Member from Massachusetts. I thank the gentleman very much. Naturally, nothing more need to be done about the resolution, because the House will have the information. I felt that the House was entitled to it and not just a committee of Congress or a Member from Massachusetts.

Mr. WEICHEL. This covers the information requested under House Resolution 381.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. WEICHEL. I yield to the gentleman from Massachusetts.

Mr. BATES of Massachusetts. May I ask the chairman of the Committee on Merchant Marine and Fisheries whether or not he has received any complaint about the exorbitant prices that are now being charged for petroleum products? We have been able to work out some kind of an agreement whereby tankers will be available for transporting oil from the Gulf to the New England area, but now that we have the tankers we cannot get the oil. I received a letter today from one of our distributors in the Boston area stating that he had been offered No. 2 oil in the Gulf area at 13 cents a gallon, when the market price is less than 7 cents a gallon.

I do not know whether or not the people of the Northeast and the New England area are going to be victimized by black marketing in the oil situation,

but the letter I saw today from this jobber offering this oil at 13 cents a gallon indicated that such may be the case. This distributor has the tanker that was recently given to him under charter hire by the Maritime Commission, but he is unable to fill the tanker because he cannot get oil at the market price. We are told at the same time by the petroleum industry that there is ample oil in storage in the Gulf area, yet these jobbers are stepping in and asking this exorbitant rate of 13 cents a gallon. Has the gentleman heard of anything of that sort going on?

Mr. WEICHEL. We had numerous complaints in view of the fact of the committee investigation with reference to tankers and the export of gasoline, petroleum products, and fuel oil overseas. I have heard some complaint, especially since the special session, and before, with reference to exorbitant prices, and the situation is becoming worse.

Mr. BATES of Massachusetts. I turned this letter over today to one of our Members from Massachusetts, a member of the Committee on Interstate and Foreign Commerce. I hope that if this thing continues and black marketing is going to be injected into our oil-supply situation, there will be a Congressional investigation, because we do not intend to stand idly by and let that thing continue.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. WEICHEL. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. As the gentleman knows, I am trying to secure an embargo on tankers to foreign countries and also on the shipment of oil.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. J. Res. 157. Joint resolution to provide for the regulation of consumer installment credit for a temporary period; to the Committee on Banking and Currency.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1770. An act to amend the National Housing Act, as amended.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 58 minutes p. m.), under its previous order, the House adjourned until tomorrow, Friday, December 19, 1947, at 10 a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1155. A letter from the Secretary of Labor, transmitting a report for the fiscal year ended June 30, 1947; to the Committee on the Judiciary.

1156. A letter from the Under Secretary of the Interior, transmitting pursuant to section 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936, one copy each of various legislation passed by the Municipal Council of St. Thomas and St. John and the Municipal Council of St. Croix; to the Committee on Public Lands.

1157. A letter from the Secretary of the Treasury, transmitting reports from various departments and independent establishments relative to moneys received during the fiscal year ended June 30, 1947, which were not paid into the general fund of the United States Treasury, and payments, if any, which were made from such moneys; to the Committee on Expenditures in the Executive Departments.

1158. A letter from the Postmaster General, transmitting a draft of a proposed bill to authorize the construction of an addition to the building of the mail equipment shops at Washington, D. C., and for other purposes; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LECOMPTE: Committee on House Administration. House Resolution 390. Resolution for the relief of Lucy Rhind; without amendment (Rept. No. 1222). Referred to the House Calendar.

Mr. LECOMPTE: Committee on House Administration. House Resolution 398. Resolution providing for the payment of 6 months' salary and $250 funeral expenses to the estate of James H. Neale, late an employee of the House; without amendment (Rept. No. 1223). Referred to the House Calendar.

Mr. LECOMPTE: Committee on House Administration. House Resolution 399. Resolution providing for the payment to Genevieve Malone, as guardian to George V. Malone, Jr., son of George V. Malone, late employee of the House, 6 months' salary and an additional sum of $250 toward defraying his funeral expenses; without amendment (Rept. No. 1224). Referred to the House Calendar.

Mr. VORYS: Committee on Foreign Affairs. House Resolution 365. Resolution providing for an inquiry on dismantling and removal of plants from Germany; with an amendment (Rept. No. 1225). Referred to the House Calendar.

Mr. HOPE: Committee on Agriculture. House Joint Resolution 275. Joint resolution to authorize the Regional Agricultural Credit Corporation of Washington, D. C., to make loans to fur farmers, and for other purposes; without amendment (Rept. No. 1228). Referred to the Committee of the Whole House on the State of the Union.

Mr. PLOESER: Select Committee on Small Business. House Report No. 1229. Annual Report No. 1, reporting activities of the Select Committee on Small Business pursuant to House Resolution 18. Ordered to be printed.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 412. Resolution for consideration of Senate Joint Resolution 167, joint resolution to aid in the stabilization of commodity prices, to aid in further stabilizing the economy of the United States, and for other purposes; without amendment (Rept. No. 1230). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FELLOWS: Committee on the Judiciary. H. R. 1912. A bill for the relief of John A. Dilboy; without amendment (Rept. No. 1226). Referred to the Committee of the Whole House.

Mr. FELLOWS: Committee on the Judiciary. H. R. 2557. A bill for the relief of Mable Gladys Viducich; without amendment (Rept. No. 1227). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CHURCH:

H. R. 4789. A bill to encourage enterprise capital investment in production facilities, private research laboratories, rental homes, and other long-term assets; to the Committee on Ways and Means.

By Mr. KNUTSON:

H. R. 4790. A bill to reduce individual income-tax payments, and for other purposes; to the Committee on Ways and Means.

By Mr. KERSTEN of Wisconsin:

H. R. 4791. A bill to provide free postage for gift packages of food and clothing mailed to certain foreign countries; to the Committee on Post Office and Civil Service.

By Mr. MARTIN of Iowa:

H. R. 4792. A bill to amend section 22 (b) (5) of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. McMILLAN of South Carolina:

H. R. 4793. A bill to amend the Railroad Retirement Act of 1937 so as to increase retirement annuities and to permit employees to be eligible for annuities after 30 years of service regardless of their age; to the Committee on Interstate and Foreign Commerce.

H. R. 4794. A bill to grant service pensions to veterans of World War I; to the Committee on Veterans' Affairs.

By Mr. SHEPPARD:

H. R. 4795. A bill to provide additional compensation for employees of the Federal Government and of the government of the District of Columbia; to the Committee on Post Office and Civil Service.

By Mr. WEICHEL:

H. R. 4796. A bill to authorize the Coast Guard to establish, maintain, and operate aids to navigation; to the Comittee on Merchant Marine and Fisheries.

By Mr. FOLGER:

H. R. 4797. A bill to amend section 7 of the act of October 15, 1914, entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes"; to the Committee on the Judiciary.

By Mr. HAVENNER:

H. R. 4798. A bill to provide additional compensation for employees of the Federal Government and of the government of the District of Columbia; to the Committee on Post Office and Civil Service.

By Mr. KEFAUVER:

H. R. 4799. A bill to amend the Second Decontrol Act of 1947; to the Committee on the Judiciary.

By Mr. REEVES:

H. R. 4800. A bill amending the Federal Unemployment Tax Act so as to allow a 100-percent credit for contributions to State unemployment funds; to the Committee on Ways and Means.

By Mr. ROSS:

H. R. 4801. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

H. R. 4802. A bill to provide additional compensation for postmasters and employees of the postal service; to the Committee on Post Office and Civil Service.

By Mrs ST. GEORGE:

H. R. 4803. A bill to provide clerical allowances at certain post offices of the fourth class; to the Committee on Post Office and Civil Service.

By Mr. WEICHEL:

H. R. 4804. A bill to allow service credit for certain enlisted men of the Coast Guard who acted as policemen and guards at the Ivigtut cryolite mine, Greenland, during 1940 and 1941; to the Committee on Merchant Marine and Fisheries.

By Mr. ALBERT:

H. R. 4805. A bill to provide additional compensation for employees of the Federal Government and of the government of the District of Columbia; to the Committee on Post Office and Civil Service.

By Mr. KING:

H. R. 4806. A bill to provide additional compensation for employees of the Federal Government and of the government of the District of Columbia; to the Committee on Post Office and Civil Service.

H. R. 4807. A bill to provide additional compensation for postmasters and employees of the postal service; to the Committee on Post Office and Civil Service.

By Mr. LANE:

H. R. 4808. A bill to provide additional compensation for employees of the Federal Government and of the government of the District of Columbia; to the Committee on Post Office and Civil Service.

By Mr. MACKINNON:

H. R. 4809. A bill to amend the act of February 10, 1920, in order to provide for the free distribution to veterans' organizations of blank ammunition for use in connection with the funeral ceremonies of deceased veterans; to the Committee on Armed Services.

By Mr. RAMEY:

H. R. 4810. A bill to provide additional compensation for employees of the Federal Government and of the government of the District of Columbia; to the Committee on Post Office and Civil Service.

By Mrs. ROGERS of Massachusetts:

H. R. 4811. A bill to provide for an administrator's advisory group in the Veterans' Administration to insure review by the Administrator of certain decisions of the Board of Veterans' Appeals; to the Committee on Veterans' Affairs.

By Mr. WEICHEL:

H. R. 4812. A bill to give war veterans preference on surplus platted lands, one-family and two-family dwellings, ahead of nonusing Government agencies; to the Committee on Expenditures in the Executive Departments.

By Mr. REES:

H. J. Res. 284. Joint resolution to prohibit for 1 year the use of grains for the manufacture of intoxicating liquor and for other nonessential purposes; to the Committee on Agriculture.

By Mr. CASE of New Jersey:

H. Con. Res. 125. Concurrent resolution urging the creation of collective security arrangements in furtherance of the European recovery program and the participation of the United States therein; to the Committee on Foreign Affairs.

By Mr. CASE of South Dakota:

H. Con. Res. 126. Concurrent resolution to provide for the use of surplus eggs and poultry in foreign relief programs; to the Committee on Foreign Affairs.

By Mr. HUGH D. SCOTT, JR.:

H. Res. 408. Resolution to express the sense of the House that the United States should repatriate Hebrew displaced persons in the American zones of occupation by providing for their transportation to Palestine; to the Committee on Foreign Affairs.

By Mr. SOMERS:

H. Res. 409. Resolution to express the sense of the House that the United States should repatriate Hebrew displaced persons in the American zones of occupation by providing for their transportation to Palestine; to the Committee on Foreign Affairs.

By Mr. SUNDSTROM:

H. Res. 410. Resolution for the relief of Louise M. Clarkson; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DOMENGEAUX:

H. R. 4813. A bill for the relief of Mrs. Elizabeth C. Grillet; to the Committee on the Judiciary.

By Mr. GOSSETT:

H. R. 4814. A bill for the relief of Walter E. Johns; to the Committee on the Judiciary.

By Mr. McMILLAN of South Carolina:

H. R. 4815. A bill for the relief of Mary Alice Keels; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

980. By Mr. BRADLEY: Petition of 42 residents of the Eighteenth Congressional District of California, urging that legislation establishing a system of universal military training for American young men be enacted; to the Committee on Armed Services.

981. Also, petition of 84 residents of the State of California, urging that legislation establishing a system of universal military training for American young men be enacted; to the Committee on Armed Services.

982. By Mr. BUCK: Petition of 47 residents of Staten Island, N. Y., submitted by the Women's Auxiliary of American Legion, Cotty-Capone-Amodeo Post, No. 1599, urging the enactment of a system of universal military training as recommended by the President's Advisory Commission on Military Training; to the Committee on Armed Services.

983. By Mr. CASE of South Dakota: Petition of Frank Vermillion, Kenel, S. Dak., and 34 others, urging enactment of legislation to establish a system of universal military training for American young men; to the Committee on Armed Services.

984. Also, petition of Mrs. A. L. Stueland, secretary, Bloom Prairie Ladies Aid, Toronto, S. Dak., and 29 others, urging enactment of legislation which would prohibit advertising liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

985. Also, petition of Mrs. I. C. Knutson and seven others, of Bison, S. Dak., urging enactment of legislation to prohibit advertising liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

986. Also, petition of Mrs. Frank McFarland, of Ellingson, S. Dak., and 16 others, urging enactment of legislation to prohibit the advertising of liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

987. Also, petition of Irving Cressman, commander of American Legion, Post No. 220, Herrick, S. Dak., and 23 others, urging enactment of legislation to establish a system of universal military training for American young men; to the Committee on Armed Services.

968. By Mr. GRAHAM: Petition of 27 residents of New Castle, Lawrence County, Pa., in support of legislation establishing a system of universal military training; to the Committee on Armed Services.

989. By Mr. LECOMPTE: Petition of sundry citizens of Centerville, Iowa, urging the establishment of a system of universal military training; to the Committee on Armed Services.

990. Also, petition of sundry citizens of Humeston, Iowa, urging the establishment of a system of universal military training; to the Committee on Armed Services.

991. Also, petition of sundry citizens of Grinnell, Iowa, urging the establishment of a system of universal military training; to the Committee on Armed Services.

992. By Mr. SMITH of Wisconsin: Petition by the members of Fred Semran Post, No. 361, Wilmot, Wis., urging passage of universal military training legislation; to the Committee on Armed Services.

993. By the SPEAKER: Petition of the business and professional division of the Passaic section of the National Council of Jewish Women, petitioning consideration of their resolution requesting that recommendations of the President's Committee on Civil Rights be immediately translated into law; to the Committee on the Judiciary.

994. Also, petition of the Maine Hospital Association, petitioning consideration of their resolution with reference to inclusion of hospital employees in the coverage of social-security benefits, and that the exemption of nonprofit hospitals should, therefore, be removed for old-age benefits only; to the Committee on Ways and Means.

995. Also, petition of the executive committee of the Maine State Bar Association, petitioning consideration of their resolution with reference to a bill to equalize Federal taxes in view of the community-property system and inequalities caused thereby; to the Committee on Ways and Means.

SENATE

FRIDAY, DECEMBER 19, 1947

(Legislative day of Thursday, December 4, 1947)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Peter Marshall, D. D., offered the following prayer:

We thank Thee, O God, for the return of the wondrous spell of this Christmas season that brings its own sweet joy into our jaded and troubled hearts.

Forbid it, Lord, that we should celebrate without understanding what we celebrate, or, like our counterparts so long ago, fail to see the star or to hear the song of glorious promise.

As our hearts yield to the spirit of Christmas, may we discover that it is Thy Holy Spirit who comes—not a sentiment, but a power—to remind us of the only way by which there may be peace on the earth and good will among men.

May we not spend Christmas, but keep it, that we may be kept in its hope, through Him who emptied Himself in coming to us that we might be filled with peace and joy in returning to God. Amen.

THE JOURNAL

On request of Mr. WHITE, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, December 18, 1947, was dispensed with, and the Journal was approved.

MESSAGE FROM THE PRESIDENT—APPROVAL OF BILL

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on December 17, 1947, the President had approved and signed the act (S. 1774) to promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

ADDITION TO MAIL EQUIPMENT SHOPS, DISTRICT OF COLUMBIA

A letter from the Postmaster General, transmitting a draft of proposed legislation to authorize the construction of an addition to the building of the mail equipment shops at Washington, D. C., and for other purposes (with an accompanying paper); to the Committee on Civil Service.

PENALTY MAIL MATTER

A letter from the Postmaster General, transmitting, pursuant to section 2 of Public Law 364, approved June 28, 1944, a report showing the number of envelopes, labels, and other penalty-inscribed material on hand and on order on June 30, 1946, the number of pieces procured, the estimated mailings, and the estimated cost by departments and agencies for the period July 1, 1946, to June 30, 1947 (with an accompanying paper); to the Committee on Civil Service.

PROMOTION OF UNITED NATIONS CHARTER—PETITIONS

The PRESIDENT pro tempore. In his capacity as a Senator from the State of Michigan, the Chair presents for appropriate reference petitions from thousands of signers in Kalamazoo, Mich., expressing the devotion to the ideals of the United Nations and urging maximum American cooperation in the defense and promotion of the Charter and its ideals. It is an inspiring thing that these loyal citizens of Kalamazoo have thus made this effort to sustain the United Nations as our surest hope for peace. I ask that the text of one of the petitions be printed in the RECORD.

There being no objection, the petitions were referred to the Committee on Foreign Relations, and the text of one of the petitions was ordered to be printed in the RECORD, as follows:

We, the people of Kalamazoo, Mich., are fearful of war. We believe that nations with differing economic and political systems can cooperate, and that our only hope of permanent peace lies in the effective operation of the United Nations. We therefore petition our duly chosen representatives:

1. That the United States act jointly with other nations in enforcing the United Nations Charter by making available to the United Nations its full share of economic, military, and cultural support.

2. That the United States assure the world of its good faith by acting in strict conformity with its obligations under the United Nations and by refraining from such actions as the raising of unwarranted barriers against imports, the seeking of special commercial privileges, and the bypassing of United Nations agencies in matters of international concern.

3. That the United States earnestly and vigorously continue efforts to obtain the adoption by the United Nations of the Baruch plan or any other plan assuring security to the peoples of the world from the atomic bomb and all other weapons of mass destruction.

BILLS INTRODUCED

Bills were introduced, read the first time, and by unanimous consent, the second time, and referred as follows:

By Mr. DWORSHAK:

S. 1911 A bill for the relief of Juan Jose Berrojalbis; and

S. 1912. A bill for the relief of Nicholas Guerricaechaverria; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 1913 A bill for the purpose of erecting a Federal building in Ephrata, Wash.;

S. 1914. A bill for the purpose of enlarging the post office and courthouse building at Bellingham, Wash.;

S. 1915. A bill for the purpose of erecting a Federal building in Sequim, Wash.;

S. 1916. A bill for the purpose of erecting a Federal building in Moses Lake, Wash.;

S. 1917. A bill for the purpose of erecting a Federal building in Kennewick, Wash.; and

S. 1918. A bill for the purpose of erecting a Federal building in Grandview, Wash.; to the Committee on Public Works.

By Mr. HAWKES:

S. 1919. A bill to amend the act entitled "An act to provide for the registration and protection of trade-marks used in commerce, to carry out the provisions of international conventions, and for other purposes," approved July 5, 1946; to the Committee on the Judiciary.

By Mr. BALDWIN:

S. 1920. A bill to amend subsection (b) of section 328 of subchapter III of title I of the act of October 14, 1940, relative to registry of aliens; to the Committee on the Judiciary.

By Mr. JOHNSON of Colorado:

S. 1921. A bill to exempt from taxation certain income used by corporations for capital improvement or expansion; to the Committee on Finance.

By Mr. LANGER:

S. 1922. A bill for the relief of Mrs. Marie Louise Darmancier Hicks; to the Committee on the Judiciary.

By Mr. TAYLOR:

S. 1923. A bill to prevent further price increases and to reduce present prices to price levels consistent with a stable economy, and to allocate and control production and distribution to the extent necessary to distribute equitably commodities in short supply and to maintain stable prices; to the Committee on Banking and Currency.

APPLICATION OF FINLAND'S DEBT PAYMENTS TO INSTRUCTION OF FINNISH CITIZENS

Mr. SMITH. Mr. President, on Monday, December 15, I introduced Senate Joint Resolution 166, to provide that any future payments by the Republic of Finland on the principal or interest of its debt of the First World War to the United States shall be used to provide educational and technical instruction and training in the United States for citizens of Finland.

Through a mistake on my part, the name of the junior Senator from Michigan [Mr. FERGUSON] was not included as one of the sponsors of the joint resolution. If it is proper, I should like to have the RECORD show that the Senator from Michigan [Mr. FERGUSON] desired to be one of the sponsors. There may be other Senators who feel the same way, but I am making this statement in behalf of the junior Senator from Michigan.

Mr. FERGUSON. Mr. President, it is the desire of the junior Senator from Michigan to be identified with sponsorship of the joint resolution. I believe in its principle. I believe that future payments on her debt by the Republic of Finland should be used for educational purposes, and that such use of the payments will be conducive to better relations between our country and Finland. We need a spot in Europe where there is a good relationship with this country, which it is hoped may spread to other parts of Europe.

Mr. WILEY. Mr. President, for a long time I have had in mind the introduction of a bill or resolution that would accomplish the identical thing that has been mentioned by the distinguished Senator from New Jersey in connection with Senate Joint Resolution 166. I feel that the position taken by Finland demonstrates one of the outstanding national characteristics of the Finnish people, a characteristic which in this age particularly might be emulated with profit by other nations. Therefore, I wish to join with Senators who have become sponsors of the joint resolution, and I understand I have the consent of the distinguished Senator from Michigan and the distinguished Senator from New Jersey to become a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

CIVIL GOVERNMENT FOR TRUST TERRITORY OF THE PACIFIC ISLANDS

Mr. CORDON. Mr. President, I ask unanimous consent to submit for appropriate reference a concurrent resolution, and request that an explanatory statement by me may be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the concurrent resolution will be received and appropriately referred; and, without objection, the explanatory statement presented by the Senator from Oregon will be printed in the RECORD.

There being no objection, the concurrent resolution (S. Con. Res. 37), submitted by Mr. CORDON, was received and referred to the Committee on Public Lands, as follows:

Whereas the President, on behalf of the United States, pursuant to authority contained in Public Law 204 of the first session of the Eightieth Congress, has approved an agreement between the Security Council of the United Nations and the United States of America pursuant to which the United States has become the administering authority for the Trust Territory of the Pacific Islands, heretofore known as the Japanese Mandated Islands of the Pacific; and

Whereas it is the responsibility of the Congress of the United States to provide a permanent government for the Trust Territory of the Pacific Islands; and

Whereas the problem of administration of the Trust Territory of the Pacific Islands is interrelated to the administration of Guam, American Samoa, Wake Island, and other United States island possessions in the Pacific Ocean: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That there is hereby established a joint congressional committee to be composed of three members who are members of the Committee on Public Lands of the Senate, to be appointed by the President pro tempore of the Senate, and

three members who are members of the Committee on Public Lands of the House of Representatives, to be appointed by the Speaker of the House of Representatives. The committee shall select a chairman and a vice chairman from among its members.

SEC. 2. The committee shall make a thorough study and investigation of the islands, groups of islands, and other areas included within the Trust Territory of the Pacific, and all other islands, groups of islands, and other areas in the Pacific which are possessions of, or subject to the authority of, the United States, including study and investigation of—

(a) the peoples, customs, laws, economies, resources, and governments of such areas;

(b) the interrelation, and the natural or appropriate integration, of such areas;

(c) the interrelation of the security of such areas and the security of the United States;

(d) measures designed to advance the security and well-being of the peoples and economies of such areas; and

(e) such other matters relating to such areas as the committee may deem appropriate.

SEC. 3. The committee shall complete its study and investigation as expeditiously as possible, and shall forthwith thereafter report to the Committee on Public Lands of the Senate and the Committee on Public Lands of the House of Representatives the results thereof, recommending such organic and other legislation as may be necessary to provide for the civil government of such areas, and to assure to the peoples of such areas justice, peace, and tranquillity, a voice in their civic affairs and government, the development of their economies and the protection of their civil rights, all with due regard to the established customs of such peoples.

SEC. 4. For the purposes of this concurrent resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Eightieth Congress, to employ such consultants, specialists, clerks, and other assistants, to travel, and authorize its assistance to travel, freely throughout such areas and such other places, to utilize such transportation, housing, and other facilities as the Army, Navy, Marine Corps, Coast Guard, and Air Force may make available, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $50,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers approved by the chairman or vice chairman. Disbursements to pay such expenses shall be made by the Secretary of the Senate out of the contingent fund of the Senate, such contingent fund to be reimbursed from the contingent fund of the House of Representatives in the amount of one-half of disbursements so made.

The explanatory statement presented by Mr. CORDON was ordered to be printed in the RECORD, as follows:

THE CONGRESS MUST PROVIDE A GOVERNMENT FOR THE UNITED STATES TRUST TERRITORY OF THE PACIFIC ISLANDS

I have today introduced a public resolution authorizing the appointment of a congressional commission to study and recommend to the Congress such legislation as may be necessary and proper to provide a civil government for the new United States Trust Territory of the Pacific Islands.

On July 18, 1947, the President, on behalf of the United States, approved an agreement between the United States of America and the Security Council of the United Nations, pursuant to which the United States became the administering authority for the former Japanese mandated islands. This action was taken by the President pursuant to authority contained in Public Law 204 of the first session of this Congress.

By that action, Mr. President, the United States formally assumed responsibility for the administration of the civil affairs of some 50,000 native people who inhabit some 98 islands and island clusters scattered over 2,000,000 square miles of the Pacific Ocean. By that action we formally pledged ourselves to the political, economic, social, and educational advancement of the islanders, and further bound ourselves to the observance of the principles underlying the trusteeship concept. To be specific, we bound ourselves to observe Article 73 of the Charter which reads in part as follows:

"Members of the United Nations which have or assume responsibilities for the administration of territories whose peoples have not yet attained a full measure of self-government recognize the principle that the interests of the inhabitants of these territories are paramount, and accept as a sacred trust the obligation to promote to the utmost, within the system of international peace and security established by the present Charter, the well-being of the inhabitants of these territories, and, to this end:

"(a) To ensure, with due respect for the culture of the peoples concerned, their political, economic, social, and educational advancement, their just treatment, and their protection against abuses.

"(b) To develop self-government, to take due account of the political aspirations of the peoples, and to assist them in the progressive development of their free political institutions, according to the particular circumstances of each territory and its peoples and their varying stages of advancement."

For almost four centuries, Mr. President, the people of what is now the United States Trust Territory of the Pacific Islands have been ground under the heel of one great power after another. The flags of Spain, Germany and Japan have successively flown over the islands. Now they are under the protection of the Stars and Stripes. I hope that we can at long last give these oppressed, pillaged, and confused native people the honesty and decency in government which for them has long been overdue. I hope that the United States of America will give the native inhabitants of the Marshalls, the Caroline, and the Marianas Islands the first taste of social justice in their four centuries of contact with western civilization.

The Spanish are credited with discovering the Marshall Islands in 1529, but for 200 years thereafter the islands were ignored by Europeans. Late in the eighteenth century the English sea captains Gilbert and Marshall rediscovered the islands. The Russians systematically explored them early in the nineteenth century, but it was the Germans who in 1885 established a protectorate and declared the islands to be German. Spain and Great Britain acquiesced, and in 1887 an imperial administrator established himself on Jaluit Atoll. Germanization of the islanders and systematic exploitation of their meager resources was begun. In 1914 the Japanese seized the islands from the Germans. Even before Japanese possession of the islands had been confirmed by League of Nations mandate, the Japanese proceeded with typical Japanese thoroughness to Japanize the islanders and to exploit the meager resources of the islands for the benefit of Japan. In later years the Japanese closed the islands and converted them into a part of their Pacific war machine.

The people of the Marshall Islands, who number about 10,000, are akin to the Polynesians. They are a shy and retiring people who are said to become congenial and friendly even after brief acquaintance. They are intelligent and eager to learn and are practically 100 percent literate. They speak a common native language. Some speak English and others speak some German as a result of the work of German and American missionaries. During the years of Japanese domination they were compelled to study Japanese. Most of the young people and children have a speaking and, in some few cases, even a reading familiarity with the Japanese language. As a result of the efforts of Protestant missionaries they are all devout Christians.

The Caroline Islands, which is the second archipelago of islands in our new Trust Territory, extend in a broad belt across the Pacific just north of the Equator for many thousands of miles. They have a background of changes in sovereignty which is somewhat like that of the Marshalls except that prior to the arrival of the Germans they were first subjected to a loose and sporadic form of Spanish administration which was mainly concerned with the winning of converts.

In 1900, after she had lost the Spanish-American War, Spain sold these islands to Germany. The Germans promptly established a form of local administration and proceeded to exploit their natural and human resources with an efficiency and a ruthlessness which will forever remain as a blot on the record of western civilization. After the Germans came the Japanese, who, after seizing the islands in 1914, immediately set out to Japanize the people and to convert the islands into an economic asset to Japan. In later years Japan's war lords closed the islands and converted them into bases for a Pacific war.

The people of the Caroline Islands are akin to the Polynesians and number a little more than 30,000. They are on the whole an intelligent and friendly people. Some speak a little English, others speak Spanish or German, and many of the younger people have some facility in Japanese. At least six different native dialects are spoken in the Caroline Islands. Although these dialects are linguistically related, they are not identical. The people of Yap, who are probably the most primitive people in this vast area, speak a language which is different from that of the Palauans. The peoples of the Truk group, the peoples on Ponape and its satellite islands, and the people on Kusaie and its neighboring islands speak native dialects which are somewhat different from each other and from the languages spoken in Yap and Palau.

The customs and social institutions of the various Caroline island groups differ to a greater or lesser degree from island group to island group, as does their adherence to Christianity in its various sects. Many of the Caroline islanders have not been converted to Christianity. In Yap they have not even adopted civilized dress and still clothe themselves in leaves and grass.

The Marianas Islands, which is probably the most strategic of the three archipelagoes which comprise the trust territory, were discovered by Ferdinand Magellan in 1521 on the first voyage around the world. For many years these islands were little disturbed, but in 1668 a band of soldiers and priests arrived bearing the flag of Spain. In less than 50 years the native population of the islands had been virtually exterminated.

In 1898 the United States took Guam, the largest of the Marianas, as part of the territorial spoils of the Spanish-American War. Spain sold the remainder of the islands to Germany, which in turn lost them to Japan in 1914. In the summer of 1944, after severe bombardment and naval shelling followed

by severe fighting, the islands were conquered by the armed forces of the United States. On July 18, 1947, all of the Marianas except Guam, which is an American possession, were formally accepted by the United States under trusteeship from the United Nations. Responsibility for the affairs of the 5,000 Chamorros of Saipan and Rota islands now rests with the United States.

The Chamorros of the Marianas Islands are probably the most advanced of the native peoples who inhabit the widely scattered islands of the trust territory. They are completely literate, although the level of education is generally of grammar-school level. They speak a local native tongue, which is rich in Spanish and Filipino words. Some of the older people speak Spanish; some speak German. The younger people, who were compelled to attend Japanese schools in the days of the Japanese regime, speak and even read Japanese. They are all devout Catholics and are thoroughly able to handle the affairs of local government.

The people who inhabit the three archipelagoes which comprise the trust territory are small in number—roughly, only 50,000—and widely scattered over 2,000,000 or more square miles of ocean. They are a friendly, simple, and unwarlike people. Those who inhabit the Marianas, the Marshalls, and some of the Carolines are thoroughly Christianized. Others in the Carolines practice primitive native religions. Some are familiar with our way of doing things and have long enjoyed a money economy and have a long experience with our forms of government. Others are primitive and so little advanced as to be scarcely out of the stone age.

When the United States seized these islands from Japan by force of arms during the course of our drive across the Pacific in 1944 and 1945, a military government was established by proclamation of the commander in chief of our Pacific forces. Officers and men of the Navy Department assumed responsibility for the affairs of the islanders and governed them in the same manner as we govern the inhabitants of conquered enemy territory elsewhere in the world. This was done even though these islands were not the sovereign territory of Japan—they were merely under mandate to Japan from the League of Nations. It was not until July 18, 1947, when the United States accepted responsibility for these islands under trust from the United Nations, that military government was terminated. An interim form of so-called civil administration under the Navy Department now governs these islands.

The time has now come for the Congress to provide a permanent form of government for the Pacific islands. We must proceed with understanding, kindness, and justice to give these island people a form of administration which will govern them well in the democratic manner and which will at the same time preserve all that is good of their native institutions, customs, and practices. We must provide the islanders with a form of government in which they themselves will participate to the fullest extent of their capabilities. It must be a democratic government adapted to their customs and social practices and geared to their economy. It must be a civilian government free from regimentation at the hands of the Federal bureaucracy. It must be a form of government under the American flag which will preserve all that is good in their society and which will at the same time allow for the adoption of such of the ways of our civilization as can become assets to the health, happiness, and material well-being of the islanders. It must be entirely consistent with the basic principles of civilian government for civilian populations in time of peace.

The task of providing the form of permanent administration for the Pacific islanders is a task which rests squarely on the shoulders of the Congress of the United States. The Congress, by legislative enactment, must create the machinery and the institutions of government for the trust territory of the Pacific islands; and it is the Congress which by legislative enactment must erect safeguards in law to preserve the personal rights and inherent freedoms of our new wards in the Pacific. Government of the trust territory must not be left indefinitely to the executive branch of our Government to be accomplished by Executive order and administrative fiat.

I am of the opinion that the Congress should not stand by and wait for the administration to send draft organic legislation to us for enactment. I do not subscribe to that practice which has fastened itself on our system in recent years by which legislation is drafted in the executive department of our Government and is then forwarded to the Congress for enactment. Our founding fathers planned it otherwise. We should not further pervert the system which they so intelligently devised.

The problem is both difficult and complex. It necessarily involves the just and intelligent treatment of widely separated peoples, with different histories and customs, who have never before lived under the flag of this Government and who vary even in the degree of civilization attained. It involves natural resources, as well as human resources. Moreover, these qualities are interrelated with the security interests of the United States.

Mr. President, it is indeed an important and urgent problem—one which requires an intelligent approach and orderly study.

I wonder how many of my distinguished colleagues have even a slight knowledge of the matter I have here discussed. Without some knowledge of the subject, this Congress is not qualified to pass upon a program which the governmental departments will send up here one of these days for the administration of this vast and strategic area.

To that end, I have introduced this resolution. Upon its enactment, a joint House and Senate committee will come into existence for the purpose of drafting the necessary legislation to establish a permanent form of government for the trust territory. The committee will be empowered to study the problem, hold hearings, visit the area if necessary, and recommend the necessary legislation for the proper administration of the affairs of the United States trust territory of the Pacific Islands.

INVESTIGATION OF PROBLEMS RELATING TO INCREASE IN PRODUCTIVITY OF AMERICAN INDUSTRY

Mr. McMAHON submitted the following resolution (S. Res. 180), which was referred to the Committee on Interstate and Foreign Commerce:

Resolved, That the chairman of the Senate Interstate and Foreign Commerce Committee be authorized to appoint a subcommittee to make a full, complete, and continuing study and investigation with respect to problems relating to the increase in productivity in American industry, since it is deemed highly desirable that the fullest data along these lines as they affect the flow of commerce be compiled for use in the coming debate on the European recovery plan and on the proposed measures to combat inflation.

For the purposes of this resolution the subcommittee is authorized to hold such hearings, to sit and act at such times and places during the session of the Eightieth Congress, to employ such experts, and such clerical, stenographic, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the subcommittee, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman. The subcommittee is directed to submit to the Interstate and Foreign Commerce Committee its report and recommendations not later than March 31, 1948.

INVESTIGATION OF PERTINENT FACTS RESPECTING THE NATIONAL DEBT

Mr. THOMAS of Oklahoma submitted the following resolution (S. Res. 181), which was ordered to lie on the table:

Whereas the Constitution was developed and ratified to promote the general welfare of the people; and

Whereas the Constitution provides that the Congress shall have power to coin money and to regulate the value thereof; and

Whereas the value of the monetary unit controls the general level of prices; and

Whereas the general level of prices controls the volume and amount of the national income; and

Whereas the volume or amount of the national income determines the volume or amount of taxes, on any given tax structure that may be collected; and

Whereas in order to have a balanced budget the volume or amount of taxes must be in a sufficient sum to meet the approved budget for each fiscal year; and

Whereas the general price level is, at all times, a major factor controlling the volume or amount of the national income, and consequently a major factor in determining the amount of revenues which may be levied and collected during any year on any existing tax structure; Therefore be it

Resolved, That a Special Committee, to consist of five members, be appointed by the President pro tempore of the Senate and that such committee be and is hereby authorized and requested to investigate all pertinent facts with respect to the national debt; the relationship between the amount of such debt, the interest thereon, and the payment thereof and the necessary expenses of the Federal Government, and the general price level, and make a report to the Senate at the earliest practicable date, recommending the point at which the general price level should be fixed and stabilized in order to permit of the levying and collection of sufficient taxes to meet the interest payments, payments on the principal and the necessary expenses of the Federal Government.

SEC. II. The said Special Committee is further authorized and requested to investigate and report the action or actions which in the opinion of the committee should be taken by any agency or agencies of the Government to accomplish the purpose set forth in section I of this resolution.

PRINTING OF INTERIM REPORT OF JOINT COMMITTEE ON THE ECONOMIC REPORT (REPT. NO. 809)

Mr. TAFT. Mr. President, I ask unanimous consent that the interim report of the Joint Committee on the Economic Report, submitted by me on December 17, 1947, dealing with certain of the President's recommendations adopted December 15, 1947, be printed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EUROPEAN RECOVERY PROGRAM—ADDRESS BY SENATOR BALL

[Mr. BALL asked and obtained leave to have printed in the RECORD a radio address on the European recovery program, delivered by him on December 18, 1947, which appears in the Appendix.]

PRESENTATION OF PENNSYLVANIA GOLD MEDAL TO GENERAL EISENHOWER—REMARKS BY SENATOR MARTIN

[Mr. MARTIN asked and obtained leave to have printed in the RECORD the remarks made by him on the occasion of the presentation to General Eisenhower of the Pennsylvania Gold Medal at the annual dinner of the Pennsylvania Society, New York City, December 13, 1947, which appears in the Appendix.]

CHRISTMAS RADIO ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD the text of a Christmas address prepared by him and broadcast over radio stations of Wisconsin which appears in the Appendix.]

THE CORPORATION AND THE RIGHTS OF MAN — ADDRESS BY SENATOR O'MAHONEY

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD an address on the subject the Corporation and the Rights of Man, delivered by him before the mineral section of the American Bar Association, Cleveland, Ohio, September 23, 1947, which appears in the Appendix.]

THE INTERNATIONAL LABOR ORGANIZATION—ADDRESS BY SENATOR THOMAS OF UTAH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an address on the subject the International Labor Organization, delivered by him at the National Conference on Labor Legislation, Washington, D. C., December 9 and 10, 1947, which appears in the Appendix.]

LET US HAVE PEACE—ADDRESS BY J. REUBEN CLARK, JR.

[Mr. WATKINS asked and obtained leave to have printed in the RECORD an address entitled "Let Us Have Peace," delivered by J. Reuben Clark, Jr., president of the Agency Management Association, at a meeting of the association held in Chicago on November 14, 1947, which appears in the Appendix.]

THE SOVIET UNION SHOULD NOT BE CALLED "RUSSIA"—STATEMENT BY REV. DR. JOSEPH F. THORNING

[Mr. TYDINGS asked and obtained leave to have printed in the RECORD a statement by Rev. Dr. Joseph F. Thorning, associate editor of the Americas and World Affairs, from the editorial page of the New York Times of September 20, 1947, which appears in the Appendix.]

MARSHAL FENG YU-HSIANG'S ATTITUDE RESPECTING AID TO CHINA

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD newspaper articles and an editorial dealing with the position taken by Marshal Feng Yu-hsiang respecting aid to China, which appear in the Appendix.]

SCIENCE AND THE NATIONAL WELFARE—ADDRESS BY E. U. CONDON

[Mr. KNOWLAND asked and obtained leave to have printed in the RECORD an address entitled "Science and the National Welfare," delivered by E. U. Condon, Director of the National Bureau of Standards, before the American Council of Commercial Laboratories, Washington, December 8, 1947, which appears in the Appendix.]

HEALTH INSURANCE—ARTICLE BY LOWELL MELLETT

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an article on the subject of health insurance, by Lowell Mellett, published in the Washington Evening Star of December 16, 1947, which appears in the Appendix.]

"HEBREW NATION" VERSUS "JEWISH STATE"—ARTICLE BY PETER BERGSON

[Mr. CHAVEZ asked and obtained leave to have printed in the RECORD an article entitled "Favors a 'Hebrew Nation' Rather Than a 'Jewish State'," by Peter Bergson, of the Hebrew Committee of National Liberation, published in the New York Post, December 17, 1947, which appears in the Appendix.]

VETERANS' ECONOMIC DEVELOPMENT CORPORATION ACT—LETTER FROM RAY H. BRANNAMAN

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD a letter relative to the Veterans' Economic Development Corporation Act (S. 1652), addressed to him by Ray H. Brannaman, which appears in the Appendix.]

VIEWS OF INTERNATIONAL ASSOCIATION OF MACHINISTS ON MARSHALL PLAN AND INFLATION CONTROL

[Mr. McMAHON asked and obtained leave to have printed in the RECORD an editorial entitled "A Marshall Plan for America, Too," published in this week's The Machinist, setting forth the views of the International Association of Machinists on the Marshall plan and the President's plan to control inflation, which appears in the Appendix.]

STATEMENT BY HERBERT HOOVER ON THE COMMISSION ON THE ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT

Mr. LODGE. Mr. President, a few days ago the Senate engaged in a discussion centering on the work of the Commission on the Organization of the Executive Branch of the Government. At that time I made the statement to the Senate that an auspicious beginning has been made. Today I desire to have printed in the RECORD a statement which has just been issued by former President Hoover, who is chairman of the Commission, which outlines some of the work which has been done, and refers to some of the very eminent and distinguished citizens of both parties who have been prevailed upon to go to work for the Commission in looking into all the different aspects of our Federal Government. I think the statement is of such great interest to the Senate, which passed the basic law on the subject last year, that I ask that it may be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. Herbert Hoover, chairman of the Commission on the Organization of the Executive Branch of the Government, made the following statement today as to the work of the Commission:

"In accordance with the Commission's policy of enlisting eminent and experienced citizens and organizations to report to it their recommendations as to specific functions of the Executive Branch, the following further arrangements have been made:

"Maj. Gen. Arthur H. Carter, partner in Haskins & Sells, Public Accountants, and Finance Officer in the War Department during the war, will undertake a study of the experience of the Government in competitive businesses, and the form of organization under which such businesses should be conducted.

"Mr. Thomas Jefferson Coolidge, of Boston, former Under Secretary of the Treasury, will head a committee to report on overlaps in administration, taxation, and grants in aid between Federal and State Governments. Ex-Governor Edison, of New Jersey, Senator Harry Byrd, of Virginia; Mr. W. L. Chenery, publisher of Collier's Weekly; Mr. John Burton, of the Budget Bureau of New York State; Prof. William Anderson, of the University of Minnesota; Governor Carlson, of Kansas; and Dean William I. Myers, of Cornell; have so far accepted membership on this committee. Mr. Frank Bane, of the Council of State Governments, will direct the committee's research.

"Mr. Russell Forbes, now associated with the Munitions Board, former professor of Public Administration in New York University, and Commissioner of Purchase of New York City, and recipient of the Shipman medal of the National Association of Purchasing Agents, will report on the procurement policies of the Government, other than those of national defense.

"Mr. Paul Grady, a partner in Price, Waterhouse & Co., Public Accountants, and who served as assistant to Secretary Forrestal in the Navy Department during the war, will report to the Commission on the lending agencies of the Government.

"The Brookings Institution will report upon the health, education, and social security functions of the Federal Government.

"The Brookings Institution will also report on the Government's transportation activities.

"Further appointments will be announced within a few days."

The previous appointments announced are:

Mr. John W. Hanes, to examine and report on fiscal, budgetary, and accounting methods and control. Mr. Hanes was a member of the Securities and Exchange Commission in 1938, later became Assistant Secretary of the Treasury, and was Under Secretary of the Treasury from November 1936 to December 1939.

Mr. Robert Moses, to examine and report of Public Works. Mr. Moses was chairman of the New York State Commission on Postwar Employment in 1942, and is a member of the New York City Planning Commission. He is also chairman of the State Council of Parks, and chairman and chief executive of the Triborough Bridge Authority.

Col. Franklin D'Olier to examine and report on the administrative methods for veterans' services. Colonel D'Olier is the chairman of the Prudential Assurance Co. of Newark, N. J. He was the first national commander of the American Legion and is also a trustee of Princeton University.

Mr. Hoover himself will undertake, with the aid of Mr. Don K. Price, associate director of the Public Administration Clearing House, and with the cooperation of the Bureau of the Budget, a study of the Presidency and its relations to the departments and agencies of the executive branch.

WHAT ABOUT PROFITS?

Mr. O'MAHONEY. Mr. President, the question, "What about profits?"—I mean corporate profits—is being asked wherever people are struggling with the rising cost of living, and that means everywhere. I have before me an interesting little item on this subject which appeared in the Washington Daily News of Tuesday, December 16. I ask unanimous consent that it may be printed as part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SUCH A BIG COW

Swift & Co., Chicago meat packers, today have announced that their 1947 gross earnings are almost $1,000,000,000 more than last year.

Total sales reached $2,248,766,634 as compared with $1,308,364,155. Net earnings of the company reached $22,334,977, which meant $3.77 per share to stockholders.

CALL OF THE ROLL

Mr. WHITE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hawkes	Murray
Baldwin	Hayden	Myers
Ball	Hickenlooper	O'Conor
Barkley	Hill	O'Daniel
Bricker	Hoey	O'Mahoney
Bridges	Holland	Overton
Brooks	Ives	Reed
Buck	Jenner	Revercomb
Bushfield	Johnson, Colo	Robertson, Va.
Butler	Johnston, S. C.	Robertson, Wyo.
Byrd	Kem	Russell
Cain	Kilgore	Saltonstall
Capper	Knowland	Smith
Chavez	Langer	Sparkman
Connally	Lodge	Stennis
Cooper	McCarran	Taft
Cordon	McCarthy	Taylor
Donnell	McClellan	Thomas, Okla.
Downey	McFarland	Thomas, Utah
Dworshak	McGrath	Tobey
Eastland	McKellar	Tydings
Ecton	McMahon	Umstead
Ellender	Magnuson	Vandenberg
Ferguson	Malone	Watkins
Flanders	Martin	White
Fulbright	Maybank	Wiley
Green	Millikin	Williams
Gurney	Moore	Wilson
Hatch	Morse	Young

Mr. WHITE. I announce that the Senator from Maine [Mr. BREWSTER], the Senator from Indiana [Mr. CAPEHART], and the Senator from Minnesota [Mr. THYE] are necessarily absent.

The Senate from Nebraska [Mr. WHERRY] is absent by leave of the Senate.

Mr. HILL. I announce that the Senator from Georgia [Mr. GEORGE] and the Senator from Illinois [Mr. LUCAS] are absent by leave of the Senate.

The Senator from Florida [Mr. PEPPER] and the Senator from Tennessee [Mr. STEWART] are absent on public business.

The Senator from New York [Mr. WAGNER] is necessarily absent.

The PRESIDING OFFICER (Mr. CAIN in the chair). Eighty-seven Senators having answered to their names, a quorum is present.

THIRD SUPPLEMENTAL APPROPRIATION ACT, 1948

Mr. BRIDGES. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House bill 4748.

The PRESIDING OFFICER. The bill will be read by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 4748) making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Hampshire?

There being no objection, the Senate proceeded to consider the bill (H. R. 4748) making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

Mr. BRIDGES. Mr. President, World War II ended some two and a half years ago. It left a trail of death, sorrow, destruction, hunger, and chaos in its wake, and dislocated a large part of the world. Since the war ended, the Congress has appropriated considerable sums of money to relieve the chaotic conditions existing in the hungry conquered nations, as well as in other nations which suffered dislocations as a result of the war. The Congress of the United States was called into emergency session a month ago to consider the immediate relief needs of France, Italy, and Austria. It has studied also the requirements for relief in China and in the occupied areas of Germany and Japan.

As the Senate Appropriations Committee submits its report on House bill 4748 to match American dollars and products against the needs of these various countries, I desire to comment to the Members of the Senate on the unusual and unprecedented dispatch with which this emergency aid legislation has been considered.

To my knowledge, it is the first time in the legislative history of the Senate that an appropriation bill has been allowed to bypass so many of the formalities of consideration. We began the consideration of the bill in the Appropriations Committee before the authorization measure had been passed by the Senate, and now, within practically 24 hours after the appropriation bill was passed by the House, the Senate Committee on Appropriations is submitting the measure for the action of the Senate.

I stress the extraordinary action by which the Congress has waived its normal procedure to consider the emergency needs because I wish also to emphasize the unusual character of the legislation which we are now considering. If it is to be supported—as I believe it must be—it should be supported with two factors clearly in mind.

First, we are appropriating food and other commodities to Europe out of domestic supplies which would be exhausted totally before they could possibly meet the full needs of Europe and of the rest of the war-stricken world.

Second, we are extending dollar credits abroad with the full knowledge that their purchasing power will return in large measure to this country to place a demand on scarce goods and add volume to a currency which already is perilously near to inflation.

The future of France, Italy, Austria, China and the occupied areas is only a part of the over-all problem of export which today confronts the United States. The complete problem is one of sharing our resources with all the freedom-loving countries of the world which struggle for survival. The problem is made doubly difficult because the amounts of food and other commodities needed for the countries abroad are so much greater than our available export supply that we dare not meet the full requirements of any one country or group of countries, even for a limited time. Such help as we can offer must be apportioned over the world, wherever the needs for help are greatest and wherever the aid rendered can be counted upon to stabilize local government and encourage domestic recovery, and end the threat of communism.

In hearing testimony on the bill, the committee on appropriations has been impressed by the fact that the United States has embarked on a long-range program of transferring to its own shoulders a major share of the world's economic burden. It is my belief that weight has been added to the burden which the American taxpayer must carry by the heavy hand of inefficient administration.

Let me illustrate, in terms of the foreign-aid proposal before us, the nature of the injustices which are inflicted on the American public, through unwise administration.

In the present relief program, American exports of edible fats and oils are in very minor quantities. But the program, as it was first presented to the committee, proposed shipments which far exceeded any available export amount. In reducing the proposed exports at the insistence of the committee, the State Department has brought this part of the program in line with common sense. But no action by the State Department now is going to correct the damage done by announcing an export program of such proportion that the domestic price of fats has doubled since August, while large quantities of an already short supply have gone into hoarding against greater shortages.

The actual preparation of the European-aid program was inexcusably irresponsible. Within 2 weeks of submitting the bill to the Congress, after the Committee on Foreign Relations had submitted its report and after the Committee on Appropriations had opened its hearings on the bill, the administration altered the allocations to Italy and Austria by more than $16,000,000, not because the food situation had changed, but because the draftsmen of the bill had improperly tabulated the resources of Austria.

The committee was able to cut more than $1,000,000 in this program by the simple expedient of rerouting shipments of coal. The original bill, for some obscure reason, had proposed to ship coal from the Ruhr to Italy over a long land route, while the United States shipped coal back over the same land route to Austria. At our suggestion, the State Department will adopt the obvious program of sending Ruhr coal to Austria and United States coal to Italy.

Approximately $12,000,000 was stricken from the bill without changing its intent in any degree. Although the grain bought under the Commodity Credit Corporation could be obtained for the asking, the State Department declared the price per ton at $7.50 above the list price. There were other such price discrepancies in the original measure, most of which, I believe have been corrected in the committee report.

The testimony which we have taken in committee hearings on this measure has given to many of us the conviction that we must continue a close supervision of the relief program after we have voted the necessary appropriations. The American citizen is paying for the program in real sacrifice that can be stated in terms of the heavy taxes he is paying, on in terms of the high cost of living, or

in terms of the scarcity of goods which he can procure from his own production. The Congress which votes for this program has an obligation to post a watch against maladministration and inefficiency.

Mr. President, I share the conviction of many Members of the Senate that the countries of western Europe must be strengthened to fight off the hostile forces of fascisim and communism which threaten us because they threaten free governments abroad. I believe that China, too, must be helped by the United States as it continues its long struggle to oust from Manchuria the Chinese Communists who are being supplied arms and ammunition by a power hostile to the United States. Several members of the Appropriations Committee have been abroad this summer. We have seen at first hand the famine, cold, disease, despair, and death which make the ground fertile for the seeds of tyranny which the Soviet is sowing throughout the world. In the countries of western Europe a postwar battle of ideologies is being waged in which our dollars and our goods are weapons. Lest there be any doubt of the seriousness of the struggle or the heavy odds against which we are fighting, I would point out that even while we have considered this bill and, perhaps, because we have considered this bill, Communist-inspired strikes in France have cost that country in production two-thirds of the amount of the interim aid which this bill proposes for France.

Because the necessity of our participation in the economy of the western European countries is so urgent, we have hastened this bill through committee hearings. The same urgency has prompted us to exercise great care to correct the faults of the measure that would needlessly penalize the American citizen, who is the American consumer. Our study of this bill has convinced me that our Government has been remiss in its handling of European aid in the past, in many instances squandering our limited wealth and increasing the power of hostile governments. The job ahead is one of gigantic proportions and of momentous consequences.

Mr. President, I think we must approach the task with caution. We must at all times have concern for the welfare of our own people and our own Nation, so that we shall not waste our wealth and our resources and find ourselves at some future date without sufficient funds to pay the price for peace. Yet we must be ever alert to the dangers of the world and the security of the United States in this chaotic era.

Mr. President, I ask that the formal reading of the bill be dispensed with and that the bill be read for amendment, the amendments of the committee to be first considered.

The PRESIDING OFFICER. Without objection, it is so ordered. The Clerk will state the first amendment of the committee.

The first amendment of the Committee on Appropriations was, under the heading "Legislative—Senate," on page 1, after line 8, to insert:

For payment, in equal portions, to Theodore G. Bilbo, Jr., son, and Jessie Forrest Bilbo, daughter, of Theodore G. Bilbo, late a Senator from the State of Mississippi, $12,500.

The amendment was agreed to.

The next amendment was, under the heading "Funds appropriated to the President," on page 2, line 19, to strike out "European interim aid" and insert "Foreign aid."

The amendment was agreed to.

The next amendment was, on page 2, line 20, to strike out "European interim aid" and insert "Foreign aid."

The amendment was agreed to.

The next amendment was, on page 2, line 23, after the word "Italy," to strike out "$509,000,000" and insert "$550,000,000, and insofar as applicable to China, $20,000,000; in all $570,000,000."

Mr. VANDENBERG. Mr. President, I should like to submit a suggestion to the able Senator from New Hampshire at this point. I should like to preface it by saying for myself that I deeply appreciate the type of attention which the Senate Committee on Appropriations has given to this measure. When I presented the original authorization I stressed the fact that the authorization was subject to screening by the Appropriations Committee, and while in my own personal judgment it is unfortunate that the total figure has been reduced at all, nevertheless, this is such a substantial improvement over the bill as it came from the House, and it is so much more a reflection of reality than the bill upon which the committee started its work, that I am reluctantly withholding any criticism of the total figure reported. However, I should like to make a suggestion to the able chairman of the committee regarding the item with respect to China.

I do not mean to depreciate it, but this is nothing more, and could be nothing more, in this bill, than a token of our belief that the situation in China has its impact on American security, just as does the situation in Europe. Following the action of Congress in adopting China as one of the four countries to be covered in the bill, the committee has undertaken to revise the figure, and make $20,000,000 applicable to China.

There is no way that I know of that $20,000,000 or any other figure can be administered under the terms of this particular bill or the authorization upon which it is based, because the administrative sections of the authorization bill apply exclusively to France, Italy, and Austria. Therefore when we confront an item which says "and insofar as applicable to China, $20,000,000," there is absolutely no plan behind the $20,000,000. In other words, it becomes a bare token, and nothing else.

I suggest to the Senator that there might be a way to be more specific and more effective. I am not sure that we can spend $20,000,000 for China under this bill, because I am not sure that anything is applicable to China. So I think my suggestion may appeal to the Senator and his committee, because under it there would be an assurance that something would be done for China.

This is my suggestion: There is an unappropriated balance of $18,000,000, which is substantially the same sum as that reported in the bill, under Public Law 84, the post-UNRRA relief bill, for which no appropriation has as yet been made. If this appropriation were made under that act, there would be a plan, because Public Law 84 has been implemented by a plan. It has been implemented by a bilateral agreement with China which includes all the protections which the Senate is so anxious to have surround our relief programs. It is a bilateral contract which at least seeks—and I think successfully—to escape from many of the criticisms which the able Senator from New Hampshire rightly levels at some of our previous administrations of relief.

My suggestion to the Senator, therefore, is that the language "and insofar as applicable to China, $20,000,000," be stricken out, and the following language substituted:

and to enable the President to carry out the provisions of Public Law 84 in respect to China, $18,000,000.

I submit to the Senator that he would have his token practically in the same amount, but he would not leave it hanging loose without any plan attached to it. He would have it tied to a specific program which is based upon a bilateral agreement which includes all the various protections which the Senate has sought to indicate in connection with foreign relief. It would make sure that China receives the recognition in this bill which the Senator wants.

Mr. BRIDGES. I think the Senator from Michigan, who is the very able chairman of the Senate Committee on Foreign Relations, has made a good suggestion. Of course, the interim-aid bill, as it came back from conference, did include China in the authorization. It was certainly an authorization in name. We reopened our hearings, having closed them, and had a day of hearings on China. We heard some very interesting and valuable testimony. Part of the testimony certainly revealed to me that the State Department is not anxious to give aid to China; that it is very reluctant to proceed with it. We received from very able men, such as General Wedemeyer, who represented the President of the United States, and General Marshall on a special assignment to China, former Ambassador Bullitt, and others, testimony regarding the dire need at this time for aid to bolster China's morale and to provide some of the food supplies which are necessary and which will allow them at the same time to release some of their meager funds for the purchase of small ammunition, which is one of the things they now need.

Our thought was to make at least some kind of a gesture to China, an ally of ours in the recent war, indicating that America is really interested in the fight which China is now conducting in Asia, as she had been carrying the banner long before we got into the Japanese war.

I cannot speak for all the members of the committee, but I think, in general, they would be agreeable to the suggestion, and I personally would be glad to accept it.

Mr. VANDENBERG. Then, Mr. President, I move to amend the committee amendment by striking out the language "and insofar as applicable to China, $20,000,000," and substituting the language "and to enable the President to carry out the provisions of Public Law 84 with respect to China, $18,000,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. VANDENBERG] to the committee amendment on page 2, line 24.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. AIKEN. That would require a correction in the total amount, would it not?

Mr. VANDENBERG. I thank the Senator. The total should be $568,000,000 instead of $570,000,000.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, on page 4, line 16, after the numerals "1948", to insert a comma and "unless the estimates of the President after March 1, 1948, justify an increase in the amount available for export but in no event shall the amount exported leave a carry-over of less than 125,000,000 bushels of wheat on July 1, 1948."

The amendment was agreed to.

The next amendment was, under the heading "Department of Agriculture," on page 5, line 15, after the word "of", to strike out "$2,750,000" and insert "$1,750,000."

The amendment was agreed to.

The next amendment was, under the heading "Department of the Army—Civil functions," on page 6, at the beginning of line 13, to strike out "$230,000,000" and insert "$490,000,000: *Provided*, That no part of this appropriation shall be available for the compensation or other expenses of personnel engaged in dismantling nonmilitary plants in the bizonal areas of occupation in Germany."

Mr. VANDENBERG. Mr. President, I want to make a statement to my able friend from New Hampshire [Mr. BRIDGES] regarding this amendment.

I fully sympathize with the objectives which the able chairman of the committee and his colleagues have in mind. As I understand the situation, those objectives are equally shared by the State Department in respect to the dismantling of plants in Germany and their reshipment elsewhere. I was advised this morning, in response to a categorical inquiry, that it is the policy of the Department from here out to make no further shipments of dismantled plants eastward, and that if any shipments are made they will be made to the west. Of course, there is involved the basic problem of the German economy, which I am sure the able Senator and his committee intend to help support as a result of this amendment. I am sure that is one of the objectives.

Mr. BRIDGES. That is correct.

Mr. VANDENBERG. The plants remaining to be dismantled under the program, as I understand, are only such plants as would be surplus even in a normal German economy, because the German economy was built up in anticipation of the war to such a tremendous degree that in normal times it could not possibly be sustained, either in terms of fuel or labor. The new level of industry which has been set up for Germany still leaves plants to be dismantled and still leaves ample margin above and beyond the maximum peacetime German economy of the future. The fact remains, however, that there is here a situation which ought to be carefully investigated.

Again I say that I completely sympathize with the spirit in which the committee has reported this amendment. But I want to register with them for their consideration this very serious objection to writing into the bill that which is tantamount to a complete prohibition against further dismantling of nonmilitary plants in the bizonal areas of occupation in Germany.

The dismantling process proceeds under two different agreements. In the first instance, it proceeds under the Potsdam agreement. It does not disturb me in the slightest that this would be a unilateral breach of the Potsdam agreement, because in my book the Potsdam agreement was breached long ago by Soviet Russia and is no longer binding upon us in any greater degree than it is binding upon them. Therefore, I make no point of the breach of the Potsdam agreement. I think it was torn up by the Soviets a long time ago. But the other agreement is a totally different one, namely, the Paris agreement of January 14, 1946, signed by 18 nations, most of whom were our allies in the war. I am referring to France, Belgium, the Netherlands, India, Australia, the United Kingdom, Canada, Norway, Denmark, Luxemburg, New Zealand. Representatives of those countries met in Paris in 1946 and signed an agreement with us with respect to their reparations. In other words, we must remember that it is not only the Soviets who are seeking reparations; there are others of our allies who are equally, if not more, entitled to reparations because they have had none, whereas the Soviets have probably stripped their own eastern zone in Germany of dismantled plants by way of reparations to a degree that would have to be measured in billions of dollars. They have declined to make any reports, and there is no way to check.

But here is the other side of the reparations problem: Little Belgium and the Netherlands have their definite reparations claims and a right to collect them. So have the other countries which joined in the Paris agreement of January 14, 1946. This is the point I wish to make: When these friends of ours met in Paris in January 1946 to agree upon a program of reparations for themselves—not for the Soviets but for themselves—they were intent upon getting their reparations out of current production in Germany. That was the demand they laid down in the initial stages of the conference. They wanted reparations out of current production, precisely as the Soviets have been demanding reparations out of current production. We resisted the payment of reparations out of current production for them, precisely as we have been resisting the payment of reparations out of current production for Russia, because the payment of reparations out of current production is tantamount to payment out of the Treasury of the United States, so long as we are paying these enormous occupational expenses.

As a result of the Paris agreement of January 14, 1946, those 18 nations set up what is called the IARA, which means the Inter-Allied Reparations Agency, which is the device through which the Paris agreement to which we are a signatory functions. Under that agreement, our western allies—not our former eastern allies but our western allies—are depending upon certain types of dismantled plants for their reparations in lieu of continuing to demand reparations out of current production.

The language of this amendment, as I understand it, would stop overnight any reparations plan that was developed under the agreement of January 14, 1946. It would be a unilateral denunciation on our part of a reparations agreement with allies whom we still highly cherish, and to many of whom we are planning in the next few months to give extraordinary aid, in the hope of self-helpful recuperation. Yet, if I correctly understand the impact of this amendment, which has been reported by the committee, it would stop all dismantling and all reparations out of capital assets, and would throw all those 18 nations back into their old demand for payment of reparations out of current production, and would throw them squarely into the arms of the Soviets, who themselves are demanding payment out of current production. The policy of the Government of the United States, which I am sure every Member of the Senate will underwrite at least to this extent, is opposed to reparations payments to anyone out of current production.

Under these circumstances, Mr. President, I respectfully suggest that what the Congress should do in this instance is not to take a 24-hour snap judgment on this matter without a very careful exploration of all its implications. I think the Congress should insist upon a complete and immediate exploration of the subject. Beyond that I do not believe it is safe to go at the moment. It is my understanding that the House of Representatives has already provided for an immediate examination of the subject.

For the reasons indicated, and because the adoption of this amendment would be a unilateral denunciation of the Paris agreement of January 14, 1946—which is our agreement, not with the Soviets, although three of her satellites are involved, but essentially with our friendly allies with whom we are seeking to develop a new accord and a new relationship mutually helpful—and in view of the further fact that this amendment would throw all of these friendly allies of ours back to a demand for reparations—to which they are richly entitled there is no

argument about that—out of current production, I submit, with the greatest respect for the committee, that it is not safe for us to take snap judgment on this matter this morning on such a brief survey as is available. Even I myself cannot adequately present this case, because I know it only in its general terms. But I do know it in its general terms, and I assert to the Senate that the adoption of this amendment would destroy the Inter-Allied Reparations Agency now operating at Brussels, representing the 18 allied nations that are operating under an agreement to which we are a signatory; and in that degree, far from reaching the target which the committee wishes to reach, and which I wish it might reach, and which I am perfectly willing to join it in trying to reach, it would reach a target not contemplated or in any degree desirable. I submit that thought to the chairman, for his comment.

Mr. HAWKES. Mr. President, will the Senator yield to me for a moment, because I am very much interested in the question he has been discussing.

Mr. VANDENBERG. I yield.

Mr. HAWKES. Does the Senator from Michigan have any information that is sufficiently accurate to satisfy him that, even though the Paris agreement is in effect, plants are not being dismantled to such an extent that we shall subsequently be called upon to rebuild the plants in order to satisfy the needs and requirements of Germany?

Mr. VANDENBERG. No; I can give the Senator from New Jersey no assurance as to that; and that is why I say the matter should be ruthlessly explored, so that we may know the answer.

Mr. HAWKES. I agree with the Senator from Michigan, and I wish to say that there are thousands and thousands of American people who are thinking along that line. Some of my very ablest friends have been saying to me, "Here we are dismantling plants, but probably we shall be called upon later to make substantial payments because of that fact, because Germany is still on our backs, and probably will continue to be on our backs until we can get her started and until she can stand on her own feet. So probably we shall be called upon later to pay $4 for every $1 which comes from this dismantling of plants."

The Senator realizes that, I am sure, and I take it that is what he means when he says this matter should be ruthlessly explored.

Mr. VANDENBERG. I say it should be ruthlessly explored because I have heard those charges often from competent sources. I do not know the answer. The authorities in the State Department insist that the dismantling does not run below the level which ultimately is to be allowed for the operation of the German economy. But the subject clearly is of major and vital concern, and I have no quarrel whatever with the Appropriations Committee for underscoring it as it has. In fact, I am very glad the amendment came in—I shall even go that far—provided we do not now move too swiftly and without adequate information in respect to all the implications, because I remind the Senator that what I have been discussing this morning is that the action here contemplated affects not only Germany, not only the Soviets, but fundamentally and primarily our friendly allies in the Low Countries and in Scandinavia and among the British dominions, who also have a right to consideration in connection with reparations.

I wish to make one further statement to the Senator. He has spoken of the desirability of getting Germany off our backs. I entirely agree with him on that score; but I say to him that in my opinion the adoption of this amendment would work in precisely the opposite direction, because it would drive all the 18 friendly countries, who now are cooperating with us in every other direction, back into a demand for reparations from current production. It would drive them squarely into the Soviet camp, which stands for a demand for reparations out of current production. Then we would confront a united Europe demanding the payment of reparations out of current production; and if that should occur, we never would get Germany off our backs.

Mr. HAWKES. I agree with the Senator from Michigan, but he also realizes, I assume, that there is a little intermixture between current production, on the one hand, and taking away plants which cannot make production, on the other, but which may be needed. That is the point I have in mind.

Mr. VANDENBERG. I agree with the Senator.

Mr. HAWKES. I thank the Senator for what he has said. Because I think I am in favor of what the Senator is discussing, I should like to ask him whether he knows that we have this matter so thoroughly impressed upon the committees of the Senate and the House that they are not going to lose any time in going at it, and getting the things which the Senator says are not positively available today.

Mr. VANDENBERG. If there were any way to write a mandate into the law, I should be perfectly willing to do it. I do not want to make a shotgun effort at something which has such infinite implications, which may not be contemplated at all in connection with what we are actually aiming at.

Mr. HAWKES. Yes. I merely wish to add that today we are all dealing with things in no-man's land. The Senator knows that and I know it. If we found that the agreement made in France in 1946, to which the Senator has referred was unsound, and if we decided that through the continuance of it we would lose perhaps hundreds of millions of dollars, we would want to correct that agreement at the earliest possible moment and I am sure the friendly allies to whom the Senator has referred would want to join in correcting something done in January 1946, which now turns out to be foolish and most unprofitable.

Mr. VANDENBERG. I quite agree with the Senator.

Mr. HAWKES. I thank the Senator from Michigan.

Mr. MILLIKIN. Mr. President, will the Senator from Michigan yield?

Mr. VANDENBERG. I yield.

Mr. MILLIKIN. It seems to me the distinguished Senator from Michigan has made an unanswerable case, so far as attempting by this means to alter the agreement that we have made is concerned. I should like to carry a little further the point which has just been made by the distinguished senior Senator from New Jersey. It seems to me that the agreement referred to can now be viewed in the light of subsequent events, to wit, among others, the impending Marshall plan. The impending Marshall plan gives us adequate consideration to the extent that we shall enter upon it to bring about a review and sensible reorientation of all prior agreements of that type. I fear very much that, whether out of current consumption or whether out of capital consumption, we will be paying the reparation claims against Germany. We should take no step, we should fail in no step, that would prevent that review and reorientation coming about.

I am wondering whether we may hope, as a result of the conversations here this morning, that the State Department, as a practical matter, will go into slow motion on these dismantlement projects, until appropriate steps can be taken, so that in the end we will not be paying the reparation claims against Germany.

Mr. VANDENBERG. I entirely agree with the Senator, and I say two things to him in response to his comment: First reminding him that this problem is a bizonal problem, now that we have joined the British and American zones, I can say to the Senator, on authority, that the State Department is seeking now adequate arrangements with the British to terminate even the tag end of any shipments of dismantled plants to the east.

I say to the Senator, secondly, that the Senate Committee on Foreign Relations intends to explore the so-called Marshall plan to the utmost limit, when it is submitted. In fact, on the motion of the minority leader in the committee yesterday, we have set January 7 as the day when the public hearings will start, and I give the Senator my assurance that among the subjects which will be explored to the bare bone, in that connection, will be the subject of dismantled plants and reparations, because, as the Senator indicates, there is inevitably involved in every phase of this matter an ultimate reimposition of burdens on the American people.

Mr. MILLIKIN. I wish to express my gratification at the assurance which we have just received. If the distinguished Senator would also assure us that he will use his own good efforts to bring about a practical slowdown in the disposition of plants to western Europe until we can ransack this subject thoroughly, I should be completely reassured.

In that connection, Mr. President, I should like to suggest that there is the greatest controversy and difference of opinion as to the wisdom of the present level-of-production plan for Germany.

Mr. VANDENBERG. Certainly.

Mr. MILLIKIN. At the present time its validity is under the most serious challenge, and I doubt very much whether there is a great deal of general

public confidence behind it. I do hope we can go into slow motion on the whole level of industry theory, until it can be completely reviewed, and that we shall not be presented with a fait accompli by the time we have finished our own studies.

Mr. VANDENBERG. Let me make one further comment to my able friend from Colorado.

The indefinite adjournment of the Council of Foreign Ministers in London, in my opinion, forces us to a reassessment of the entire situation, which inevitably involves the slowdown process, to which the Senator from Colorado refers, in respect to past commitments and past devices and procedure, although I hope it does not mean a slowdown in ultimately reaching an effective and adequate basis upon which a trizonal western Germany can hope to start to commence to begin to refunction, both economically and politically, on a basis of adequate self-sufficiency, guarded constantly and always and forever against any possibility of resurgent militarism.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from Kentucky.

Mr. BARKLEY. First, I wish to associate myself with the Senator from Michigan in the attitude which he assumes toward the pending amendment. I have been in Germany two or three times since the end of the war, and even making a diligent effort to ascertain the merits on one side or another in regard to the dismantling of plants, it is difficult to arrive at a cocksure opinion as to what should be done with any one of them.

The agreement to which the Senator referred a moment ago contemplated the dismantling of plants, obviously war plants, in order to demilitarize Germany, and others which might be used for war purposes, although they had a domestic value in the production of consumer goods, based upon the theory that there are but two alternatives in regard to reparations. One is, as the Senator has indicated, to pay them out of current production, and the other is to pay them out of industrial plants which have been built up in Germany, all of them keyed to a war program.

One might stand and look at any given plant, he might undertake to allocate to it its proper proportion of war production and its proportion of peace production, and he might have some difficulty in determining whether it should be dismantled, even in order to be moved into another country and reestablished and rebuilt as a part of reparations. But it is certainly obvious what must be done unless, as the Senator has already forcefully stated, we are going to take the alternative of trying to pay reparations to the countries which have been devastated and ruined by German aggression, which certainly to some extent, even above the needs of Germany, have some sort of priority over reparations, and over consideration of the internal situation in Germany. Not, of course, to make Germany impotent, but in order to balance the allocations, we certainly cannot overlook the priority claims of these nations. Therefore if we do not pay reparations, whatever they may ultimately be decided to be, out of the plants that are being dismantled, some of which are being moved into other countries—there is a question about whether that is economically profitable or not, in some cases—we must then provide that out of current production, which means in cash out of our pockets, reparations shall be paid. As a member of the Foreign Relations Committee, so far as I have any influence, during the hearings on the Marshall plan, I shall certainly cooperate to bring about a searching investigation of the whole situation, with a viewpoint, it may be, of reaching some conclusion, some agreement and understanding with all parties concerned as to any slow-down in dismantling, and the ultimate effect of the dismantling. So it seems to me, despite all the diligent efforts that have been made by the Members of Congress who have gone to Germany, including the able and fair-minded chairman of the Committee on Appropriations and also other members of the Appropriations Committee, despite all our efforts to obtain the low-down on the merits of the proposition on one side or another, we still do not have all the facts we need, we do not have the ultimate answer, and I think it would be most unfortunate for us to take unilateral action that might be regarded as a repudiation of our agreement with other nations. Notwithstanding the fact that the conduct of the Soviet Union with respect to the Potsdam agreement may have relieved us of any obligation in respect to that agreement, we still have our own good faith to preserve and to assert in regard to the other agreement to which we are a party, and which nobody anywhere has thus far repudiated or violated, so far as I know.

Mr. VANDENBERG. I agree with the Senator, particularly in his last statement. Stand on the Potsdam agreement. I reiterate, I think the Potsdam agreement became a scrap of paper a long time ago as a result of Soviet repudiation of many of its obligations. But I do stand upon the Paris agreement signed by 18 nations, most of whom are among those that we are taking to our bosom in the hope that we can create a free world of freemen.

Mr. BARKLEY. I think, if I may make this additional observation, the whole economy and the international situation would gain more by putting off this matter until we have obtained all the facts, than it would lose by eliminating the amendment to which the Senator has referred. That is my feeling about it.

Mr. VANDENBERG. I think so. I should like to add, if I may, that nothing I am saying is even remotely critical of the committee in the action it has taken. Personally, I am very glad it did exactly what it did, because it forced a ventilation of the situation on the floor of the Senate, and it forced certain legislative commitments to inquiry and action, which are well worth having in the RECORD, so that even though the amendment be now withdrawn, I submit that the committee will not have labored in vain in bringing it to the floor.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield to the Senator from Texas.

Mr. CONNALLY. I very heartily agree with the idea that it is a matter that needs very thorough examination. The Committee on Foreign Relations proposes to make such a thorough examination in connection with hearings on the foreign-aid bill. As a matter of fact, what is being done or what is proposed to be done ought not to be done hastily. As a matter of fact, the dismantling of plants as a rule is not an economic process, and my information is that in some cases in Europe it has cost more to dismantle a plant than the plant would probably have been worth. Furthermore, some of the plants, instead of being completely dismantled, may be converted at a later date into useful plants for the manufacture of commodities not of warlike character; and so I very much hope that there may be a thorough examination of the whole problem.

The world is unsettled. The economy of the 18 countries even is still unsettled to a large degree. Belgium is coming back very rapidly; Holland, to some extent; but still it is not known what ought to be done in many cases. I, for one, heartily agree with the idea expressed by the Senator from Michigan [Mr. VANDENBERG] and the Senator from Kentucky [Mr. BARKLEY] that the matter ought to be thoroughly investigated, with a view to determining the safest and soundest and most economical plan, with due regard to the countries to whom we are obligated by any agreements that are now in existence.

We confronted much of the problem when we considered the treaties with Italy. The questions of current production, reparations, and kindred matters, as well as the dismantling of plants, were before the Peace Conference in Paris. I very much hope that the Foreign Relations Committee will be able to effectuate its purpose of giving an exhaustive examination of the whole situation, and of keeping the State Department and the military government in Germany advised as to what we shall do in the zones over which we have jurisdiction.

The probabilities are that since we have a new agreement with Great Britain, we shall bear a larger responsibility and that there will be greater activity on the part of the United States in perhaps both the British and French zones. As a result of the breaking up of the Conference of Foreign Ministers, it seems to me inevitable that in the three zones, there must be a closer alliance on the part of France, the United States, and Great Britain, in respect to economic and political affairs in western Germany. Other indications resulting from the break-up of the Conference of Foreign Ministers I shall not undertake to discuss at this time. At a future date, I hope to be able to address the Senate on the questions, Where do we go from

here? What are we going to do? Are we going to sit still and let one voice in all the world determine the course of affairs of the world for perhaps the next generation, or will the nations that fought the war be given a voice in the determinations without the ever-present jack-in-the-box of a veto, of one voice and one nation as against almost the entire civilized world?

I heartily concur in the suggestion that the question be thoroughly and exhaustively examined with a view to reaching a sound, safe, and fair agreement or understanding.

Mr. ELLENDER. Mr. President, can the Senator from Michigan tell us how much of the $490,000,000 involved in the amendment under discussion was occasioned by the withdrawal of the British Government from its obligations to pay its share of expenses in her own zone of occupation?

Mr. VANDENBERG. The Senator from Michigan has had nothing to do with that particular phase. I refer the Senator to the Senator from New Hampshire.

Mr. BRIDGES. The amount is $227,000,000.

Mr. ELLENDER. For what period of time, may I ask, Senator?

Mr. BRIDGES. For the period from now until June 30, 1948.

Mr. ELLENDER. Does the Senator know how much more it will cost the Treasury of the United States on an annual basis, by reason of the withdrawal of the British of its financial support?

Mr. BRIDGES. The amount is $227,000,000.

Mr. ELLENDER. No; I am talking about the yearly basis in the future. The Senator has already given the figure to June 30, 1948.

Mr. BRIDGES. I do not know, because it is not known what the recovery of Germany will be in that zone, and, therefore, it would be merely a guess. I should say, however, that if $227,000,000 is our part in the British zone for the next 7 months, let us say, that would be some indication of the amount.

Mr. ELLENDER. Probably from $350,000,000 to $450,000,000, if not more?

Mr. BRIDGES. I am informed the sum is $237,000,000 instead of $227,000,000.

Mr. ELLENDER. I desire to thank the Senator. Does he know to what extent the agreement between Britain, the United States, and France was changed, except as to that portion relating to the withdrawal of financial support by Britain?

Mr. BRIDGES. It is our understanding that Britain agreed to maintain her occupation troops.

Mr. ELLENDER. I understand.

Mr. BRIDGES. And to maintain the civilian employees, 18,000 in number.

Mr. ELLENDER. Britain was obligated to do that under the first agreement?

Mr. BRIDGES. Yes.

Mr. ELLENDER. But what additional changes were made in the agreement, except for Britain's withdrawal of financial support?

Mr. BRIDGES. I do not know, except that as we assume additional support we are supposed to assume additional authority in the economic phase, particularly as to exports and imports and in allocation of matériel produced in Germany.

Mr. ELLENDER. Does the Senator know what the attitude of France is toward discharging her share of financial obligations? Will she keep on paying her just share of expenses in support of the program or is any move being made by the French to place themselves on the same basis as the British?

Mr. BRIDGES. I do not know. The Senator might ask the Senator from Michigan [Mr. VANDENBERG] respecting the French phase of the matter.

So far as our committee has been told—and the Senator from Louisiana knows I am not on the inside of things so far as the State Department is concerned—we have not been advised as to any demand on the part of the French for us to assume the financial obligation in her zone as we have assumed the British financial obligation.

Mr. ELLENDER. I presume the French are going to make a similar demand as the British. As a matter of fact, it is in the cards that since we took such action with respect to the British we will have to do it for the French. From what I can understand, the French are as bad off for want of dollars as are the British. My guess is that it will not be long before we are called upon to foot the entire bill of cost in the occupation zones of Britain and France. Now, I will venture another guess that, although we will pay all costs, the British and the French will be the chief beneficiaries of any plan that is finally evolved for the recovery of western Europe. In other words, we will be left holding the bag. We are now pouring our money and goods into western Europe and other parts of the world so as to create competition for us in the future. Sounds silly, does it not? I stated what I am about to say on other occasions and that is: Many nations of the world are expressing grave fears of the big "Bear" in the hope of arousing the American people to come to their assistance. What western Europe needs now more than anything else is the restoration of faith in the currencies of the countries in western Europe. There is no incentive to produce on the part of agriculture and industry of those countries because of a lack of faith in their medium of exchange. I will have more to say on the subject at a later date.

Mr. President, I have supported the stopgap aid program with a more or less "Red Cross aid" complex. My votes in that regard are not to be used as a criterion of what I shall do when the Marshall plan is presented to us for consideration.

Mr. President, I am somewhat stumped in my thinking when I am confronted with the proposition that we, as a conquering nation, are being called upon to assist most of the countries that fought on our side, and on top of that we are called upon to help to restore prosperity as to all countries we helped to defeat. The Marshall plan envisions a further assault upon our own economy. Can we maintain our present pace of spending and of the depletion of our resources and still survive? What if a time should come when we cannot make available for our own people their basic needs, such as good housing, a fair amount of education, decent hospitalization, or the like? I will have more to say when we meet again. In the meantime I will ask Senators to search the pages of history for a precedent for our course of action—where as conquerors a nation has been called upon to rehabilitate those who assisted her in conquering and at the same time give assistance to bring back prosperity to those nations that were conquered.

Mr. BARKLEY. Mr. President, in line with what was said a short while ago, I should like to call attention to one instance which emphasized, it seems to me, what the Senator from Michigan has said. Norway was in no sense an aggressor during the war. Hitler's armies occupied Norway as a strategic movement, probably to prevent the Allies from occupying Norway and using it as a means of getting into Germany or fighting the German Army in that section of the world. But during the occupation of Norway by the Hitler armies they ruthlessly destroyed not only anything that might be used for military purposes if the Allies secured possession of Norway, but in the northern part of that country they ruthlessly destroyed many of the plants which had previously competed with German industry, and which might hereafter compete with them. Hitler's armies destroyed plants which had no military use whatever. His armies ruthlessly destroyed them in order to eliminate competition. Now certainly the claim of Norway against Germany for reparations for damage which she ruthlessly inflicted on Norway, has at least equal validity to the claim of the German people in regard to the restoration of their own economy.

In addition to that, in the city of Warsaw——

Mr. VANDENBERG. Before the Senator leaves Norway, I wish to say that Norway is one of the signatories to the 18-nation agreement, and if we adopted the amendment, Norway would be one of the countries upon which we would be unilaterally turning our backs without even an apology.

Mr. BARKLEY. It seems to me that we ought not to foreclose a possibility of Norway asserting an equal claim for reparations in the economy of Norway with that of Germany, which might hereafter be impossible of consummation or liquidation if we now say that no dismantling can be done.

I was about to speak of Warsaw. Of course, Poland is now under the domination of the Soviet Union, as we regretfully acknowledge, but Poland was likewise invaded by the Hitler armies without any act of aggression on the part of the Polish people. Warsaw is the most ruthlessly destroyed and devastated city in all Europe. Certain portions of Warsaw were destroyed not because they had any military value,

but because the order was given to destroy the city of Warsaw. There are certain portions of that city which are leveled off so that there is not even an empty wall standing like a silent tombstone. Under the ruins of that portion of the city of Warsaw there are today 30,000 persons still buried—a gruesome, incredible thing.

Notwithstanding the present hook-up or tie-up or relationship between the Russian Government and the Polish Government which is now in control of Poland, certainly the Polish people, when we consider the unprovoked devastation the German armies wrought upon the Polish people and the Polish economy, are entitled to present a claim of equal validity with that of those who devastated Poland and destroyed her cities, when the time comes to decide on reparations. It seems to me that we ought not to foreclose their right to do that, or if we do not foreclose their right to do that, foreclose their ability to realize upon the validity of their claims.

Those are only two instances in which it seems to me we can emphasize the position taken by the Senator from Michigan with regard to the desire to go into this subject more thoroughly before we take any unilateral action upon it.

Mr. VANDENBERG. Mr. President, in view of the record which has been made I wonder if my able friend the Senator from New Hampshire would resist the deletion of the amendment.

Mr. BRIDGES. Mr. President, I should like to say a word on the matter. This has had the attention of the Appropriations Committee for some time. The Treasury of the United States is not a bottomless pit. Our resources are limited, in spite of ideas to the contrary on the part of many people throughout the world. We must take account of stock. Recently members of the Appropriations Committee of the United States Senate went abroad. The night before we sailed we were in the Savoy-Plaza Hotel in New York City. The Department of State sent a representative to us to give us a briefing on what we would find in Europe. The man sent to brief us was the special assistant to the Secretary of State, Mr. Charles E. Bohlen. Mr. Bohlen arrived, and among other things he told us that there was no dismantling going on in Germany. That information was incorrect. I called Mr. Bohlen's attention to that fact. That discomfited him. But it was with incorrect information regarding the German dismantling program that we sailed for Europe. When we arrived in Germany we were told that only the war plants were being dismantled. That information was incorrect also.

Now as we traveled through Europe one of the things which we noticed was the totally inadequate supply of soap. We could not go to a hotel, to a home, or to a restaurant and find soap. The soap ration allowed an individual in Germany is a small bar about the size of the ordinary American hotel soap bar. Even that is blown up so that it is very light. Members of our committee washed their hands with such soap, and if one does not want to do a good job of washing his hands, such a bar of soap will provide him with three washings. Such a bar of soap must last a German for a full month. A doctor of medicine, or a patient in a hospital, or a child under 2 years of age, receives a somewhat larger bar of soap per month. Soap is one of the dearest articles in Germany or in all of Europe. I cite this that the Senator from Michigan may know he is misinformed by the State Department when they tell him that the only factories or plants on the dismantling list are those which are not used or are not needed in Germany. If there is anything that is needed, it is a soap factory.

Our committee divided. Some of the members went to one kind of factory, and some to another kind. Among the factories which I visited was a soap factory. It was manufacturing 1,500,000 bars of soap of the little blown-up hotel type of bar soap, and 400,000 physicians' baby-patient type bars of soap a month. Yet that factory was on the list to be dismantled.

I could continue and tell about this factory and that factory. I could list them, not by tens, but by hundreds. I have in my possession a certain list, which I bring to the attention of the Senate. I do not know whether there are any more copies of this list in the country, but I have it. It is the property of the Committee on Appropriations. It is a list of 682 plants to be dismantled in Germany.

Is this a problem, or is it not? We are taking over the British zone. The bulk of the plants in the American zone in Germany have so far gone to Russia and her satellites. We have rushed to completion the dismantling of 95 percent of those plants in the American zone. The great bulk of the plants in this new list are in the British zone, the financial burden of which we are called upon to take over—$237,000,000 now and hundreds of millions of dollars later. So it is our problem. It is an American problem. It is the problem of the American taxpayers. We cannot dodge it, and the United States cannot dodge it.

Why have we hurried so fast to dismantle the plants in the American zone? I had very great difficulty finding out what was going on. Every one seemed to deny what was going on. Finally I got to one state in Germany, Bavaria. I hold in my hand the Bavarian Economist, which is a publication of the Office of the Military Government of Bavaria, for September. That is recent. We were in Bavaria in October. All the members of our committee have seen this report. We were told by the State Department when we were sailing that no dismantling was going on. We were told that by others. Yet from the official document for just one state in Germany, let me read what dismantling went on in August and where the plants were sent. This is from the September report:

Yugoslavia, 846 tons, value 2,311,548 reichmarks.

Czechoslovakia, 582 tons, value 1,479,180 reichmarks.

Soviet Republic, 417 tons, value 524,938 reichmarks.

Poland, 246 tons, value 261,096 reichmarks.

Of the first six nations receiving these dismantled plants, five of them are Russian satellites. Do we need to do something about it? Are we out to stop communism, or are we not?

Mr. President, it is time for Americans to take stock. I am in favor of dismantling the war plants of Germany, of course; but I am not so stupid that I want to send them to Russia, the one great threat to the peace of the world, and the one great threat to America. I would rather blow them up. The stupid, asinine policy of the United States of America, as exercised by the State Department, is beyond my very humble understanding. How can we call upon American taxpayers for hundreds of millions, and even billions of dollars, to stop communism in one place, and then turn over to the only potential enemies we have in the world millions of dollars worth of supplies? It is beyond my understanding.

The reason for this amendment is to bring the problem to the attention of the American public and the world. We think it is time that this policy should stop. What could be more appropriate than to do it when goods are scarce in America, when the price of food is going up, when taxes are high, and still not reduced? We are called upon to appropriate hundreds of millions of dollars more of the taxpayers' money, to be used to buy American goods to force prices still higher.

We are continuing the policy of building up the only potential threat to us in the world. How can anyone advocate, either on the floor of the Senate or anywhere else, the shipment of death-dealing materials to Russia, Yugoslavia, and other nations?

I was in Trieste with the Committee on Appropriations. Trieste is one of the hot spots of the world. I saw American soldiers and American tanks on the line, fearful of attack at any moment. I have been with the members of my committee to other countries, and have visited other hot spots. I know where the potential danger lies.

Mr. President, this is a very serious subject, and I wish to deal with it in a very practical way. I pay tribute to the distinguished chairman of the Committee on Foreign Relations for his very fair manner of presenting the case. However, I will say to him that I do not believe that he has been told the whole story by those who gave him his information, because the picture is much grimmer than it has been painted for him. It cannot be passed off in a casual manner, as some of our officials attempt to do.

This particular amendment may not accomplish the purpose; but it was the only practical way I knew of to approach the problem and bring it to a head. I will admit that it will probably not accomplish anything so far as the British zone is concerned, from which the chief items of future reparations are to come. It may be ineffective in the American zone because American officials have been so anxious to get this material to Russia, Yugoslavia, and the Soviet allies that they have been rushing double time to dismantle those plants and get them across the line.

That is the truth about what American officials have been doing. The British have been a little more conservative in their attitude, so there is still some distance to go.

The stoppage of payment of personnel will not affect the British, because the $237,000,000 in this appropriation for the British zone does not go to pay personnel. At least I hope it does not. Therefore I admit that the amendment may be ineffective in some respects. However, it does bring the question to a head. I do not mind taking such an amendment to conference to see if some language can be devised which will be effective. I should regret to see the Senate turn down this amendment, which seeks to bring this great issue before the American people.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. TAFT. Does not the Senator feel that if the Senate went on record in this way, the dismantling of plants would stop, even in the British zone, until further investigation had been made by the Senate?

Mr. BRIDGES. I do.

Mr. TAFT. Even though there were no actual legal restraint on such action?

Mr. BRIDGES. I agree with the Senator.

Mr. DWORSHAK. Mr. President, as a member of the Appropriations Committee I desire to express my full support of the position taken by the chairman of the Committee on Appropriations in regard to this proposed amendment. I realize the difficulty of opposing in any way the policies of the Senate Committee on Foreign Relations. In the brief remarks which I shall make at this time I have no desire to be critical of that committee. I realize that its distinguished chairman frequently has been placed in a most difficult position in attempting to reconcile many of the inconsistent and stupid policies in the foreign relations field advocated by the New Deal administration.

Is there any Member of this body who does not realize that a little more than 2 years ago that "great" Secretary of the Treasury, Henry Morgenthau, proposed to make Germany impotent, to make it an agricultural state, to destroy its industrial productivity? If at that time any Member of the Congress had been critical of that ruthless policy he would immediately have subjected himself to censure and condemnation. But now, 2 years later, we find that almost everyone recognizes the inherent stupidity of the Morgenthau plan.

I was pleased this week to read a newspaper account quoting the distinguished senior Senator from Georgia [Mr. GEORGE] who pointed out that the Morgenthau plan had proved to be a tragic mistake. I was opposed to that plan when it was proposed. After 2 years of full administration support of the Morgenthau plan everyone agrees it should be repudiated. But we have lost 2 years of valuable time.

We should recognize that if we destroy the productivity of industrial Germany it will be necessary for the American taxpayers to deal out more billions of dollars. We have expended $19,000,000,000 of the money of the American taxpayers since VJ-day in attempting to rehabilitate some of the war-devastated countries. If the appropriation provided in this bill for governmental assistance in Germany be approved, during this fiscal year we shall expend in excess of $1,000,000,000. For what? To make amends partially for the tragic dislocation resulting from the adoption of the Morgenthau plan.

When members of our group were in Germany last summer we were astounded to find the chaotic conditions which obtained there. There is no stability of currency in that country. Why? Because that same former Secretary of the Treasury more than 2 years ago made available to Russia currency engraving plates. The reports we received in Germany were that the Soviets had used those plates and had printed approximately $10,000,000,000 worth of German marks. To do what? To cause chaos, disruption, and inflation, and ultimately to make it more difficult for the German people to support themselves.

The Marshall plan now proposes that the countries in Europe shall become more self-sufficient; but when those plates were given by Henry Morgenthau to the Russian Government and when the Soviet dictators printed 10 billion marks, it was inevitable that there should be the inflation, the instability, the chaos, and the economic disruption which we find everywhere in Germany today.

We should not dismantle industrial plants in Germany and retard economic recovery there. We were told by General Clay in Berlin during our conference with him last October that his hands were tied, that he could not do many of the things he knew should be done. Why? Because under the terms of the Potsdam agreement the American people had been sold down the river. Those are not the words of General Clay, but that is the only inference which anyone could draw from his remarks. Everyone knows what took place at Yalta and Tehran. Subsequently at Potsdam, little consideration was given to what was best for the American people in helping to stabilize conditions in the war-devastated areas of Europe. Now we are asked to permit hundreds of plants to be taken out of Germany; and then it will require another billion or two billions of dollars next year to attempt to overcome the tragic blunders which have been made. Under the dismantling program, 25 percent of the plants automatically go to Russia and Poland, and out of the remaining 75 percent which goes to western European countries, 14½ percent is allocated to Yugoslavia, Albania, Czechoslovakia—countries behind the iron curtain.

But, my colleagues, it will not make much difference when we destroy the productivity of industry in Germany and when we disillusion those people because of the fallacious foreign policy adopted by this country during the past 2 years. Additional requests and demands will be made of the American people through the Congress for additional billions of dollars in order to build up resistance in Germany and some of the other countries to the expansion of Russian communism. We are all opposed to communism. But under the policy which we have been pursuing, with one hand we spend billions of dollars under lend-lease and UNRRA to strengthen the Soviet Government and her satellite and puppet states, and then with the other hand we propose to take seventeen billions of American dollars to implement the Marshall plan.

It is difficult for me to understand how we can travel in opposite directions at the same time, how we can strengthen Russia, and, at the same time, seek to build up other countries in Europe to resist Russian aggression. It seems to me the time has come to scrutinize our foreign policy and not wait until next year or the year after to determine whether reparations shall be assumed by our country. We cannot justify dissipating our own resources.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. DWORSHAK. Yes.

Mr. VANDENBERG. Will the Senator permit me to say just a word?

Mr. KNOWLAND. Yes.

Mr. VANDENBERG. I appreciate the sympathy which the Senator from Idaho extended to me in what he has described as my difficult position from time to time in sustaining the stupidities of the State Department. I can assure him that I am not conscious of any embarrassment at all, at any stage of the game, because I have never defended anything in which I did not believe. I shall never defend anything in which I do not believe.

This is hardly the time to range the entire scope of our foreign policy in debate if we hope to terminate the session this evening, but I should like to say to my able friend from Idaho that, rightly or wrongly, I move from one fundamental concept, and it is a concept which consults intelligent American self-interest, in respect to foreign policy. I refer to the fundamental concept, right or wrong, that the things that we here do now in the present crisis abroad determine, first, whether there is to be a World War III, or, second, whether America is to be economically isolated, fatally isolated, in a Communist world. We may disagree as to the procedures which best serve these objectives; but it is no embarrassment to me, Mr. President, at any time, whether my colleagues agree with me or not, to stand upon my feet in defense of what I believe is indispensable to the prevention of World War III and to the prevention of America's isolation in an economic Communist world. Senators need waste no sympathy whatever upon me. I have been just as critical of the State Department in many aspects as they have. I doubt whether either the Senator from New Hampshire or the Senator from Idaho has condemned the Morgenthau plan any earlier, any oftener, or any more vociferously than I have. I doubt whether any Senator on this floor has condemned any agreements made at Yalta or Potsdam any oftener, any earlier, or any more vociferously than I have; and I can tell the Senator from Idaho and my other colleagues that they have to go a long way yet in their denunciations on the floor of the Senate before

they can rob me of the place I have had at the top of the Communist black list ever since Yalta. So let us have no misunderstanding about either the status or the viewpoint of the Senator from Michigan or his purpose to carry on.

There are a great many things in this foreign policy which have not met with the approval of the Senator from Michigan, and an analysis of the records might result in quite an amazing disclosure of the useful effects, perhaps, of his advice upon occasions.

In the present instance, the subject pending before the Senate involves just one question: Shall the Senate of the United States undertake by a legislative amendment to an appropriation bill to denounce unilaterally a treaty with 18 friendly nations, under which we have agreed to a reparations procedure? If any Senators wish to do that, they are welcome to. I decline to.

AMERICAN FOREIGN POLICY

Mr. KNOWLAND. Mr. President, I regret at this time to interpose a somewhat different subject into this debate. I believe that it does have a definite effect upon our appropriations, both for Germany and for Japan, and feel that I am amply justified, due to the seriousness of the subject, in calling it to the attention of the Senate of the United States at this time.

Mr. President, the Congress and the country are entitled to know the basic American policy being carried out by this Government abroad.

In time of war, there is recognition of a need for withholding information as a security measure. However, in peacetime, Government departments have used the classification of material as a means of keeping facts from both the Congress and the people.

While there are still some fields in which the vital national interest requires a high degree of security, and while there is a general recognition that in the preliminary discussions looking toward the formulation of policy, there may be justification for preventing premature releases of information, it is not in my opinion justifiable to use this cloak, except in extraordinary circumstances.

There are very few Members of the Senate or of the House of Representatives who have seen the document FEC 230. It was issued under a confidential classification on the 12th of May. This document when presented to the Far Eastern Commission was the official statement of policy of the American Government which was recommended for adoption by the Commission with respect to certain economic policies to be followed in Japan.

Not only is a basic question of foreign policy involved, but the Congress also has an interest growing out of the appropriations necessary to help get the occupied territories of Japan, Germany, and Korea back on a basis where they will become self-supporting and able to function again in the family of nations. The longer it takes to bring about their economic rehabilitation, the more it will cost the American people. For this reason, I have asked the Appropriations Committee to go thoroughly into the policy enunciated in FEC 230 and other similar directives regarding the economy of Japan.

Although I am in complete accord with the policy of breaking up cartels and trusts in both Germany and Japan, I believe that FEC 230 and other policies being followed in Japan go far beyond this.

If some of the doctrine set forth in FEC 230 had been proposed by the government of the U. S. S. R. or even by the labor government of Great Britain, I could have understood it. As a statement of policy being urged by the Government of the United States, I find a number of the proposals so shocking that I have today written a letter to the Secretary of State asking for certain specific information, and I have also addressed a communication to the chairman of the Foreign Relations Committee of the Senate.

On Monday of this week a copy of FEC 230 came into my possession. I was so shocked by what I read that at the next meeting of the Appropriations Committee I requested Mr. Walton Butterworth, of the State Department's Far Eastern Division, to officially supply a copy of this document to the Senate Committee on Appropriations.

On December 17, in response to my request that a copy of the document be made available to the Appropriations Committee, the Department of State replied by stating that it did not have the authority to declassify the document as I had requested. The Department of State pointed out that Gen. Frank McCoy, in his capacity as Chairman of the Far Eastern Commission, stated that the document could not be declassified without the approval of the Far Eastern Commission, but he approved the submission to the Appropriations Committee of the document in its classified form. The letter of transmittal from the State Department to the Senator from New Hampshire [Mr. BRIDGES] signed by Frank G. Wisner, deputy to the Assistant Secretary for Occupied Areas, stated:

> In connection with your consideration of this document, I should also like to point out that various aspects of the policy to which it appertains are currently undergoing an extensive review by the Departments of State and of the Army. The purpose of this review is to determine to what extent the policy should be modified in the light of all the circumstances, including developments which have taken place since this policy paper was originally prepared. For this reason and for the further reason that the document will undoubtedly undergo changes in the course of its progress through the Far Eastern Commission, it cannot be assumed that the document in its present form represents final policy.

I do not believe that the State Department is dealing with complete candor in regard to this matter.

The fact of the matter is that the policies laid down in FEC 230 are the policies which the Government of the United States itself is advocating before the Far Eastern Commission. If anything, the other members of the Commission are apt to strengthen rather than to weaken its provisions.

While the document itself may have been temporarily withdrawn due to a controversy on the subject going on now within the American Government, the fact remains that the policies and philosophies enunciated under FEC 230 are still playing an important part in the economic and political life of Japan.

A short time ago American occupation officials gave their tacit approval, if not their active support, to the adoption in the Japanese Diet of four bills which set up the laws and machinery to put into effect the type of economy outlined in FEC 230. These bills are: The economic decentralization bill, the Holding Company Liquidation Act, the special law to liquidate Zaibatsu companies, and the act to nationalize the distribution of foodstuffs, liquors, and oil. The correspondent of one of the large American newspapers called the last of these bills the most socialistic ever attempted outside of Russia. I am informed that detailed instructions for implementing the economic decentralization bill have already been issued to the Japanese Government by Dr. Edward C. Welsh, the occupation official in charge of breaking up business concerns. Dr. Welsh was previously an assistant professor of economics at Ohio State University and worked in Washington on the OPA.

I might interpose to say that Dr. Welsh was on leave from his university and became connected with the OPA in March 1942. He was an economist with the OPA. He was originally price executive in OPA, from 1942 to 1944, and was national field operations officer in OPA from June 1944 until about the expiration of OPA.

Without any provision for a prelude of accusation, trial, or conviction for war crimes or other offenses, the American policy under FEC 230 is that all individuals who have exercised a controlling voice in the large economic organization of Japan as managers, stockholders, or creditors or in any other capacity should be divested of all corporate liquid assets and business property; ejected from all positions of governmental responsibility, and forbidden from purchasing corporation security holdings, or from acquiring positions of governmental responsibility at any time during the next 10 years.

This document, however, goes far beyond even this arbitrary purge, and sets forth in the name of the American people and the American Government a sort of bill-of-attainder doctrine by proposing further that all persons likely to act on behalf of any of the individuals above enumerated should be subjected to substantially the same restrictions, though slightly modified, as those mentioned above. In determining who such persons may be, American policy under FEC 230 provides that ties by blood, marriage, adoption, or past personal relationship should be taken into account in expanding the purge.

With reference to compensation to the former legal owners of Zaibatsu interests, this very unusual and distinctly un-Anglo-Saxon philosophy is enunciated. Policies which validate the conveyance of all property rights from the legal owners are not to be modified to obtain any specified degree of compensation for the former owners. The overriding objective set forth is to dis-

pose of all the holdings as rapidly as possible to desirable purchasers, and this objective is to be achieved even if it requires that holdings be disposed of at a fraction of their real value. Furthermore, in regard to negotiated sales of divested holdings to desirable purchasers, the purchasers' ability to pay, rather than the real value of the holding, should affect the fixing of prices in terms of payment.

In order to expedite the matter and finish the liquidation within 2 years, it is proposed that there be an invitation for bids from eligible purchasers, and that the highest bids be accepted however low such bids may be.

The general criteria regarding the sale of divested holdings would be, under the American proposal, adhered to regardless of the wishes of non-Zaibatsu stockholders in the enterprises concerned.

Mr. President, it was unbelievable to me that such a document could be put forward as representing the policy of the Government of which I am a part.

The time has long since passed when Members of Congress can complacently stand aside and remain silent while policies are being carried out in the name of the Government of the United States which are contrary to American standards of decency and fair play and are not in conformity with our own political, moral, or economic standards.

Mr. President, the Congress and the country should be told who the originator of this proposal is. It should be fully informed as to his background and the positions of trust he has held in various agencies of the Government of the United States. The country and the Congress should be informed as to whether Gen. Douglas MacArthur was consulted in advance regarding these economic policies being followed in the name of the American Government in Japan, or whether he has been given directives from Washington which he has no choice but to carry out.

Mr. President, I believe that this matter is of such importance to the Congress and the country that I hope a full-scale investigation of these and other policies being followed in our name may be promptly carried out. I do not care whether this full-scale investigation is conducted by the Appropriations Committee or by the Foreign Relations Committee, but I do urge that one or both of these committees act separately or jointly and proceed immediately to get the full facts.

If we delay, the Congress and the country will be confronted in this as we have been in other matters with a fait accompli, and with no choice but to rubber stamp a policy contrary to our way of life. It would also be a way of life that even a future democratic Japan may find it difficult to change. In the last few years, we have found too often that it is not possible to unscramble eggs.

Mr. MAYBANK. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. MAYBANK. I wish to commend the Senator from California for his statement regarding FEC 230 and the socialization of Japan. I know he feels as I do, that the Mitsuis and Suzukis and the other rulers, along with the military, should be divested of their power. When he speaks of FEC 230, and of the complete socialization of Japan under this order, he is so eminently correct that I thank him for bringing the matter to the attention of the Senate.

The Senator spoke of the nationalization of food and of oil. The Senator and I served together on the cotton committee, as representatives of the Southern and Western States. Does he not believe that the movement would spread to cotton and textiles?

Mr. KNOWLAND. I will say to my distinguished colleague that it is my observation that in this country and in any other country it is difficult to go just part way down the road toward a controlled or a socialistic economy. The inauguration of one set of controls sets up a chain reaction, and it becomes necessary to move from price controls to wage controls, to the allocation of materials, to the allocation of labor. In Britain today power is given to the Government to say to a man, even though he may have been in business for 50 years: "In our judgment your business is not essential." The individual can be put out of business. His employees can be assigned to work in a coal mine or on a railroad or in some other business. I say that when a step is once taken down that type of road—and the statement applies to Japan as well as to any other country—a chain reaction is set up, which will not be terminated until the whole route has been traversed.

Mr. MAYBANK. I thank the Senator, and I should like to ask one other question which I think is very important. Is it not true that through the Commodity Credit Corporation more than one and a quarter million bales of cotton were shipped to Japan to be converted into goods, and that there are now on hand millions and millions of yards of goods which have been made out of cheap labor, and which will not only affect every synthetic-fiber plant in New Jersey and New York, but the workers in all textile plants. They will also affect the cotton that is grown in California and in South Carolina, and all other States; indeed, the entire economy of the United States will be affected if FEC 230 should be put into effect, in my judgment. I ask the Senator to answer that question as to cotton and textiles for the manufacture and exportation, and also the growing and harvesting of cotton.

Mr. KNOWLAND. I cannot answer the Senator's question wholly at this time in regard to that, because it is my judgment that FEC 230 is but a part of an over-all pattern that is being followed out. It is only one cog. It is only one part of the checkerboard regarding which I think the Senate and the country should have full information.

Mr. MAYBANK. In other words, does the Senator believe it is like starting a little fire that spreads into a conflagration?

Mr. KNOWLAND. That is correct.

Mr. MAYBANK. To that, I thoroughly agree, and I hope the Congress will in the interest of democracy and freedom investigate and not let FEC 230 take effect. The Senator said, FEC 230 at present was concerned only with food and oil. I can see it spread to every industry with which this country must compete in exporting to the Orient, as well as in importing, and it will in the end mean ruin to our farmers and workers. I see a very black picture for the textile mills of New England and the rest of the country, including the workers in the textile mills of the South, and also for the cotton farmer, whose cotton was exported to start the textile business, through the Commodity Credit Corporation, by the use of the American taxpayers' money, and through the Department of Agriculture. I thank the Senator.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield to the junior Senator from Michigan.

Mr. FERGUSON. I should like to ask whether FEC 230 goes so far as to include anyone who has ever been shown to have done any of the enumerated things; in other words, a small businessman or anybody else who has ever sold any property or any produce to any of the monopolies? I interpolate that I believe monopolies should be destroyed.

Mr. KNOWLAND. I think we are all in agreement that the big cartels and trusts should be eliminated, both in Germany and in Japan. FEC 230 goes further than that.

Mr. FERGUSON. But it would indicate that even a creditor, a small businessman, might not be able to do business in the future, would it not?

Mr. KNOWLAND. I think the Senator is absolutely correct, as I read the document.

Mr. FERGUSON. It would bar him from entering business for 10 years. If this goes into effect, where is it expected they will get the businessmen of the future who will be needed to make it a self-supporting nation?

Mr. KNOWLAND. That, I think, is one of the very basic problems with which our Government is faced today. As I pointed out, there is not even the protection that our military authorities at least have set up in Germany. As I understand the policy in Germany, it was necessary for at least an accusation to be made that a person was a member of the Nazi Party or had committed a war crime, or was subject to trial for certain other crimes, and he could then be removed. That was entirely proper, but in this instance, as I read it, the man could have been operating perfectly legally within his own country, not accused of any crime whatever, but, merely because he had had some association in a number of categories, he would in effect be purged. There would be a bar upon him from performing any economic function of responsibility for a period of 10 years, and there would be certain other restrictions put upon him. That, I think, is entirely contrary to any Anglo-Saxon idea of decency or fair play or moral standards.

Mr. FERGUSON. Is that the reason the able Senator from California has mentioned the provision of the American Constitution that no bill of attainder shall be passed? There is no idea expressed in this document as I read it,

now—and of course it is confidential—that these are international crimes in any way, or that persons have aided the Government in perpetrating the war. Someone would be able to say, that merely because a businessman sold something and thereby aided the monopoly, the attainder would attach to him.

Mr. KNOWLAND. That is correct.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following joint resolutions:

S. J. Res. 167. Joint resolution to aid in the stabilization of commodity prices, to aid in further stabilizing the economy of the United States, and for other purposes; and

S. J. Res. 170. Joint resolution authorizing the Secretary of Agriculture to publish the names and addresses of persons transacting business on the boards of trade, and the amounts of commodities purchased or sold by them; to furnish to committees of Congress upon request and to make public any such information in his possession; and for other purposes.

The message also announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 127. Concurrent resolution providing for adjournment of the two Houses of Congress on December 19, 1947, sine die; and

H. Con. Res. 128. Concurrent resolution authorizing the Presiding Officers of the two Houses to sign enrolled bills and joint resolutions after the adjournment.

THIRD SUPPLEMENTAL APPROPRIATION ACT, 1948

The Senate resumed the consideration of the bill (H. R. 4748) making supplemental appropriations for the fiscal year ending June 30, 1948, and for the other purposes.

Mr. SMITH. Mr. President, returning again to the appropriation bill, page 6, lines 11 to 17, having to do with the problem of dismantling plants, I want to identify myself completely with the chairman of the Foreign Relations Committee in his approach to this problem. I had occasion last summer when I was abroad to run into the problem. It seemed to me that we were precipitate in going ahead with the dismantling of the plants. When I heard that 682 were to be dismantled I was disturbed, and, therefore, I agree with the chairman of the Appropriations Committee and the other members of his group that there certainly should be a moratorium declared on the dismantling, until we know where we are going.

Since the break-down of the London Conference and the obvious fact that the western zones of Germany, including the American, British, and French, will be tied in with the so-called development of the Marshall plan, it seems to me we should look carefully before we act, to see what is going to be done with the plants, in distributing them around, even under the treaty that was referred to by the Senator from Michigan.

I feel, however, in spite of that strong predilection to hold up the dismantling of the plants, that it simply should be a pause until we can get the facts and know where we are going, but that in the meantime I cannot agree with the proviso that is contained here, which would practically say to the 18 nations with whom we agreed in Paris on the reparations program, "We are going to repudiate our obligations under that treaty."

I should like, if I may, to ask a question of the chairman of the Appropriations Committee. The question is whether he feels that in agreeing to this proviso we are repudiating a contract, agreement, or treaty that we entered into with regard to reparations to the friendly nations of western Europe to whom the Senator from Michigan has referred in his presentation of this case.

Mr. BRIDGES. I am going to offer an amendment which I think will meet the Senator's request. The amendment is, "On page 6, line 13, after the word 'that', to insert the following: 'for 90 days from the date of enactment of this act'", so it will read:

Provided, That for 90 days from the date of enactment of this act no part of the appropriation shall be available for the compensation or other expenses of personnel engaged in dismantling nonmilitary plants in the bizonal areas of occupation in Germany.

The PRESIDING OFFICER. Does the Senator move that as an amendment to the committee amendment?

Mr. BRIDGES. I so move.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire to the committee amendment.

Mr. SMITH. I thank the Senator for the suggestion.

Mr. FERGUSON. Mr. President——

The PRESIDING OFFICER. The Senator from New Jersey has the floor. Does he yield?

Mr. SMITH. I yield to the Senator from Michigan, but with this question to the senior Senator from Michigan [Mr. VANDENBERG], whether in his judgment and his greater knowledge than I have of our relationship under the treaty with other nations, the suggestion of the chairman of the Committee on Appropriations would take care of the matter without violation of international obligations.

Mr. VANDENBERG. Mr. President, I doubt whether it is possible to compose a fundamental problem of this nature by putting it within time limits. I do not know whether a 90-day violation of a treaty obligation suffices to wash one clear of responsibility for having violated his fundamental agreement. I concede that if it is only going to be violated for 90 days, that is not so bad as violating it indefinitely, but I cannot for the life of me understand why it is necessary to pursue the matter further in view of the record made here on the floor of the Senate today. Nothing that could happen in 90 days could be any more effective than the debate on the Senate floor today, in which there has been complete agreement on the part of all the members of the Foreign Relations Committee on both sides of the aisle that this has been, is now, and will be a critical problem which must have adequate, satisfactory, and conclusive ventilation, and it must be done not only in connection with the State Department—a great deal has been said about the State Department today, and I am not a special pleader for the State Department—but let us not forget that the occupation of Germany is under the Army, it is not under the State Department, and that there is this constant collision of authority as between the two in respect to the occupation of Germany and in respect to the obligations which are contemplated in connection with it.

I do not see how you can do for 90 days what, by offering to limit it to 90 days, you confess that you should not do beyond 90 days.

Mr. BRIDGES. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. LODGE in the chair). Does the Senator from Michigan yield to the Senator from New Hampshire?

Mr. VANDENBERG. I yield.

Mr. BRIDGES. I think the Senator has interpreted somewhat erroneously the purpose of the amendment. The purpose of limiting the dismantling to 90 days is, so to speak, to declare a moratorium until the distinguished Senator and his committee, or some other appropriate committee, could survey the whole problem. It was to give us a chance to pause and take a new look.

Mr. VANDENBERG. Mr. President, I fully understand the good faith with which my worthy friend has presented his suggestion, and if that was all that was involved I could sit down very happily and trust to the wisdom of the House conferees to finish this job for me. But unfortunately there is more involved in it, and the thing I have seemed to fail to make Senators understand is the extent of our own self-interest in what is involved.

I desire to repeat very briefly and emphasize what it is I am trying to say. At the present time the Council of Foreign Ministers, in London, has broken down, chiefly over the Soviet demands for reparations out of current production in Germany. The American position is unsurrenderingly opposed to reparations from current production, because that is the inevitable equivalent of reparations out of the Treasury of the United States.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. VANDENBERG. No, if the Senator will permit me. I am trying to summarize this one point, if the Senator will forgive me.

The American position is that there cannot be German reparations from current production, because if there are, those reparations come out of the Treasury of the United States by indirection.

On January 14, 1946, I repeat, the 18 other nations that are entitled to reparations out of Germany met in Paris and signed an agreement. Among those 18 nations are at least 15 of the best friends we have on earth, the Netherlands, Belgium, France, Luxemburg, Norway, Austria, Canada, and so forth. When these other nations came to Paris to find out how they were going to get their reparations—because they are entitled to reparations just as much as Russia is—they came with the idea that

they wanted reparations out of current production. So we confronted a situation at Paris where 18 nations, most of whom are our close friends, this great group of our friendly allies was asking precisely the same thing Russia was, namely, reparations out of current production. But after a survey of the situation a conclusion was reached, signed, sealed, and delivered, by which they abandoned their request for reparations out of current production, and agreed to take their reparations out of capital assets and dismantled plants, and so forth.

Therefore, as the situation stands today on the Soviet question of reparations out of current assets, the Soviets and their satellites are on one side, and all the rest of us are on the other. If we adopt an amendment which, even for 90 days says that the payment of reparations out of capital assets must cease, we drive all 18 of these other countries back into the arms of the Soviets, and the world stands united against us in favor of reparations out of current assets, instead of out of capital assets.

I say we cannot afford to take such a position, first, because we cannot afford by an amendment—I do not care if it is only a 90-day breather—on the floor of the United States Senate by unilateral action to denounce an agreement with all the other friends we have on the face of the earth if we expect to hold any friends on the face of the earth.

Second, if we do it, we put Germany on the backs of the American people for 50 years, because if we ever establish the system of reparations out of current assets instead of out of capital assets, we will never relieve the pressure on the United States of the burden which it now carries.

Of course, Mr. President, the Senate can do as it pleases; but I have presented the facts. I have agreed with everything my very dear friend, the chairman of the Appropriations Committee, has said, and that every other Senator has said about the importance and the necessity of a scrupulous, ruthless, irresistible investigation of the whole subject of reparations, and I have told him that it is going to be pursued in connection with the hearings on the so-called Marshall plan before the Committee on Foreign Relations. If that is not a sufficient assurance that the Committee on Appropriations has accomplished the only purpose it could hope to accomplish by this amendment, namely, to underscore the importance of the subject to a degree that it can never again be overlooked—if that is not sufficient, there is no way I know of that I can satisfy him short of a treaty violation which, in my opinion, is definitely and distinctly contrary to the national security and the welfare of the people of the United States, and I decline to take that step.

Mr. KNOWLAND. Mr. President, will the Senator now yield to me?

Mr. VANDENBERG. I yield.

Mr. KNOWLAND. I wish to say to the able Senator from Michigan that if the amendment did what he fears it would do I would join him wholeheartedly in moving to strike it from the bill. While I disagree with the policy being followed by our Government in shipping reparation plants to Russia and her satellite powers under the Potsdam agreement at a time when the Russians themselves have violated that agreement, I do feel that there is a case in equity for reparation plants to go to the Netherlands, to Belgium, France, Luxemburg, and England, to replace plants which have been destroyed by German bombers. But as I read the language—and I would like to ask if the Senator has given consideration to this factor—the proviso only relates to the $490,000,000 above mentioned. It does not place a restriction upon all War Department funds.

The fact of the matter is that the great bulk of the expense in taking down and moving plants is paid, not in American dollars but in German marks to German workmen. The only place where American expenditures would be made, in my judgment, would be where dollars were used to pay American personnel for the job of supervision. If that be so, these are not the complete War Department funds. Had the committee been trying to bring about legislation rather than merely restrictions on the appropriation, and had it tried to say that no funds of the War Department or of the State Department should be used for the purpose of reparations, I would agree with the Senator from Michigan 100 percent. However, as I read this language, it applies only to the particular $490,000,000. On that basis, I supported the amendment in the committee because I felt that it applied only to that amount. I felt that it would bring to the attention of both the Senate and the country a situation which we believe is very serious. However, it would not be the all-out limitation which I believe the Senator has interpreted it as being.

Mr. VANDENBERG. I thank the Senator from California for his helpful reassurances. As I understand, he is now saying to me that inasmuch as this restriction applies to only a portion of the funds involved in the administration of our authority in the German zone, it leaves plenty of other funds to keep on going, just as though we had not passed the amendment. In other words, as I understand, he is assuring me that the amendment will not accomplish anything at all.

Mr. KNOWLAND. I do not say that. This is the first bill which has come before the Appropriations Committee since our return from Europe which gives us an opportunity to express our feelings on the subject of reparations going into the Russian zone. This is the first time that we have had an opportunity to express ourselves in a statement of policy by the Congress of the United States. It does not endeavor to turn back the hands of time. It does not do what the able Senator from Michigan believes it would do. However, it does serve notice—and I hope the Senate will serve notice—on the State Department that we are becoming sick and tired of some of the policies being followed, such as permitting the shipment of machinery and other types of equipment from this Nation to the Union of Soviet Socialist Republics, at the same time when the Department is coming to us and asking for the support of the emergency-aid program and of the Marshall program.

I have supported the emergency aid program. I have endeavored, as long as I have been in the Senate, generally to support the foreign policy of the Government of the United States, so that we might have a foreign policy which was neither Democratic nor Republican. But I cannot continue for long to follow a State Department policy which on one day takes one road, and on another day takes another road. If this debate serves a warning to the Department that it had better adopt a consistent policy, I think the job will have been well done.

Mr. VANDENBERG. First let me say to the Senator from California that he is dead right in describing his own loyalty to sound American foreign policy from start to finish, as he sees it—and usually as we see it together. I am very grateful to him for the companionship we have enjoyed in thinking alike on practically all these problems. I doubt very much whether we are even now thinking anything but alike.

If anyone wishes to talk about shipments to Soviet Russia, I can only refer to the fact that I publicly agreed with the distinguished chairman of the Appropriations Committee 1 year ago, that there should be nothing of the sort.

I do not think I am in disagreement with anything that is being said here on that subject. On the contrary, I repeat that for some reason or other I seem to have earned a place at the top of the Soviet blacklist all around the world. I understand that I am the only man, with the exception of the Pope, who was ever honored with a 15-minute broadcast of denunciation confined exclusively to one person. So there need be no misunderstanding as to the character in which I rise, or the climate in which I speak.

The Senator from California says that he thinks it is time for an explosion. God knows, we have had an explosion. It seems to me that the explosion will inevitably produce a most useful and valuable result. I doubt whether my able friend from California would want to handicap the values of that result by taking a chance on hitting a target which none of us may have in mind.

This whole situation has many ramifications in its various aspects. We are talking about Russia. Unfortunately, this amendment, directly and indirectly, involves Norway, the Netherlands, Luxemburg, Canada, Australia, and South Africa. No one is rising here to denounce them; no one wishes to denounce them. But in our zeal to make our feelings entirely plain regarding Moscow, I beg of Senators not to be misled into using a blunderbuss which hits everything else in sight.

That is all in the world I am talking about. I appreciate the effort of the Senator from New Hampshire [Mr. BRIDGES] still further to water this amendment down, but I do not believe that we can compromise a fundamental point of this character. I repeat that the policy of this Government, as asserted to me within the past 4 or 5 hours, is that every effort is to be made—if it

has not already been made—to stop all shipments of dismantled plants out of Germany going east.

I think there is nothing of advantage to be gained by tampering with the text of this bill. I say to my good friends on the Appropriations Committee that I think they have already accomplished everything they had in mind, and I suggest to them that they not take upon themselves the responsibility of some result which they may not have anticipated, as a result of the insertion of this amendment in the bill.

Mr. President, I have said all I intend to say. The Senate may vote as it pleases.

Mr. BALL. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. BALL. Once or twice the Senator has used the phrase "violation of treaty obligation."

Mr. VANDENBERG. The Senator is quite correct.

Mr. BALL. I have never seen any treaty coming before the Senate involving this question.

Mr. VANDENBERG. The Senator is quite correct. I have used the word "treaty" symbolically. I am referring to an agreement made in Paris on January 14, 1946, which was made primarily under the war powers of the Army. While it is not a treaty in the literal sense, in my opinion, it has all the binding effect of a treaty. Certainly, in view of the fact that we have such a desperate interest at the moment in maintaining a successful opposition to the collection of reparations out of current production, whether it is a treaty, agreement, or whatever it may be called, in my judgment, it seriously impinges upon the welfare of our own people.

Mr. BALL. The point which concerns me is how far the Senator considers the Senate and the Congress to be obligated to support to the limit, with appropriations, funds, and authority, all the numerous executive agreements, from Yalta and Potsdam on down, which have been entered into under the war powers. If we are completely obligated, I do not know why we argue about any of these things or why we are concerned about the whole picture. In that case, apparently it is entirely a function of the executive branch.

Mr. VANDENBERG. I think the Senator knows my views on that subject. I look rather dimly at some of the personalized international agreements which have been made.

However, I think that when we have come out of a war and are liquidating an armistice there is an authority behind the country, in negotiating agents, which cannot be lightly set aside. I indicated a few moments ago that, so far as I was concerned, the Potsdam agreement was vitiated by Russia long ago and ceased to have any binding effect upon us. I am sure there is an obligation involved which we would want to enforce upon our cosigners, because it is to our everlasting advantage that they live up to what they have agreed to in the contract, so that we have a double reason in this instance for hesitating to raise a question regarding its validity.

Mr. BALL. I gather from the Senator's remarks that there is a very wide twilight zone in this field in which we should support and regard as binding certain obligations which we are afraid, as the Congress, to repudiate, even if we think they are against the best interests of the United States.

Mr. VANDENBERG. I think there is a twilight zone, if that is what the Senator wants to call it, in which each exhibit has to be determined upon its own credentials. For instance, I am not prepared to say, as a matter of law, what right the late President Roosevelt had on his own exclusive responsibility to make commitments for us at Yalta. Many of them, so far as I am concerned, were not only without justification but were most unfortunate. Yet, when we reached Potsdam and the three chiefs of state met with a state of war potentially still in existence, I am not prepared to say what the legal effect is, but I would think we were pretty well bound by what happened. When we get into the field of some of the collateral agreements which we may unexpectedly face, I think it is a twilight zone, but that each case must stand on its own bottom.

Mr. BALL. I say to the Senator that I supported this proviso in the committee, and I should like at least to express the hope of the Congress that the War Department and the State Department would call a halt to plant dismantling for at least 90 days in order to give the committee a chance to go thoroughly into the whole problem of capital reparations, because there have been so many cases in which Congress received the facts so late that it locked the barn door after the horse had been stolen.

Regarding the plants about which the Senator from New Hampshire [Mr. BRIDGES] was speaking, I counted at least a dozen plants which manufactured steel pipe and tubing, which are two of the items in shortest supply in the whole world. If we dismantle plants and set them up again hundreds of miles away, a year's production is lost, in all probability. To me that does not make good sense.

Mr. VANDENBERG. I agree with the Senator.

Mr. BALL. There were many reparations agreements made with Germany after the First World War, and the United States wound up paying for practically the whole business with our loans to Germany which virtually offset the reparations payments she made. She never did make all of them.

Mr. VANDENBERG. That is one mistake we are trying to overtake this time.

Mr. BALL. Since the end of the war, counting this bill, our relief and our support of the economies of the countries we are occupying will have cost the American taxpayers $2,625,000,000. In addition to that, the relief bill passed in the earlier session this year, plus $550,000,000 at this time, amounts to $900,000,000 of relief for the economy of the areas over which we fought, plus, of course, $2,700,000,000 appropriated for UNRRA for purposes of relief. That is a total of $6,225,000,000 in a little over 2 years since the end of the war. I question seriously whether any other nation or combination of nations has paid anywhere near that amount in reparations. We have a rather fantastic situation following the Second World War—and do not forget that during that war we also gave away $50,000,000,000 worth of lend-lease supplies—in supporting both vanquished and allies to the tune of approximately $6,000,000,000 a year. We are expecting the American taxpayers to support the economy of Germany at the rate of $700,000,000 a year.

The Senator is worried about taking reparations out of current production. I do not see how we can possibly do that. Current production is not even there; it does not support the 1,450-calorie diet on which they now subsist, to say nothing of the 1,800 calories at which we aim. I do not see any chance of it.

I am seriously disturbed, and I think the whole Appropriations Committee was disturbed, at the dismantling program and the effect it may have. We were assured by General Draper that they could reach the proper level of production without these plants, but heretofore we had received many assurances which turned out to be wrong. I should like to be very certain that none of the plants scheduled for dismantling will destroy the possible chance of Germany's building up its production sufficiently so that we can at least take that burden off the backs of American taxpayers, because, obviously, if we do not, we are stuck with it indefinitely.

Mr. VANDENBERG. I completely share the desire of the able Senator from Minnesota to escape these occupational costs. I am not responsible for them, and I am not responsible for the policies that produced them. But I cannot escape the feeling that if we do something like that which we are proposing by this amendment to do, and completely reverse the theory of reparation and transfer it from capital assets to current production, we shall have created a situation which will keep Germany on our backs almost forever. That is a matter of opinion.

Mr. BALL. The Senator is very potent in argument, and I see the point of his argument. We have dealt gently with these issues before. As I recall, a year and a half ago or more the Senator from Michigan himself was very vehement in his opposition to the so-called Morgenthau plan and the directive, which was only a slightly modified version of that plan, under which the American military government had been operating in Germany at that time. I certainly got the impression—I do not know whether the Senator from Michigan did—from our State Department and War Department that that directive had been changed drastically. The testimony given only a few days ago to the Appropriations Committee was that that directive was not changed materially until July of this year, 2 years later. I agree with the Senator that I do not like to use a shotgun on these problems, but it has been my observation in the past that dealing gently with them does not produce the desired results.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. WATKINS. I note that the amendment provides that no part of the appropriation shall be available for the compensation of men working in the plants referred to. I should like the Senator to tell me whether we have taken on an obligation to dismantle plants to be shipped to other nations.

Mr. VANDENBERG. It depends on how one reads the Potsdam agreement and the Paris agreement. I assume we have signed an agreement that reparations, if, as, and when liquidated, shall be paid out of capital assets instead of out of current production. If that shall happen in the American zone it is the American Army's responsibility to complete the transaction within that zone.

Mr. WATKINS. In other words, then we are obligated, are we not, to dismantle these plants and get them ready for shipment? That is what I wish to know.

Mr. VANDENBERG. I think we have complete option and autonomy to what plants shall be identified for that purpose. But I am not entirely clear about that.

Mr. WATKINS. Do we pay the freight on these plants, in shipping them to where they are to go after they are dismantled?

Mr. VANDENBERG. I cannot answer the Senator's question.

Mr. WATKINS. I should like to know.

Mr. VANDENBERG. I shall try to find out about the freight.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. VANDENBERG. Yes.

Mr. MILLIKIN. Question has arisen as to our legislative right to repudiate an Executive agreement, and question might be raised as to whether we have a right by legislative action to repudiate a treaty. We clearly can do both in terms of power.

Mr. VANDENBERG. That is correct.

Mr. MILLIKIN. The question as to whether that should be done resolves itself into a question of policy.

It seems to me that the fix that we are in today, involving the very subject matter of this debate, results from an increasing habit, indulged in by this country and by other countries, of word-breaking. The reason we find the provisions of the Teheran, the Yalta, and the Potsdam understandings so offensive and the reason they are causing so much trouble is because they result from word-breaking—word-breaking to the people of the United States and to the people of the world from violation of the pledges of the Atlantic Charter and of the Charter of the United Nations Organization. We have participated in this word-breaking. If we are going to have any peace on this earth, I suggest that we have got to keep our word.

We made an agreement. I do not like it, and I should like to see it ended; but let us not end it in this glancing way. If it is to be ended, let us approach it frontally, in an issue to come before us, and raised primarily for the purpose. Let us keep out of this word-breaking business. Let us keep our word.

Mr. President, breaking treaties and agreements is a two-way road. How can we ever get this world set for peace if every nation feels at complete liberty to break its agreements unilaterally? I think we may have to come to the repudiation of some of our war-time Executive agreements, but there is no need to go into that now.

Here is an agreement which I believe the Senate, according to its predominant sentiment, would like to get out of. But the only agreement or the only pledge that is worth a continental is one which is scrupulously adhered to when it becomes hard to take.

Now we have put into the RECORD all of the notices that I believe are necessary. If this profligate and senseless dismantling is not stopped and slowed down consistent with our agreements, then I am ready to confront directly the next alternatives, because I am unwilling that the United States shall assume the reparations burdens of Germany.

Mr. VANDENBERG. Mr. President, I thank the Senator from Colorado very much indeed for what I consider to be a fundamentally honest and essential statement of basic international good faith.

Mr. CONNALLY and Mr. BROOKS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Michigan yield; and if so, to whom?

Mr. VANDENBERG. I yield first to the Senator from Texas.

Mr. CONNALLY. Mr. President, I do not wish to delay the Senate. I wish to agree thoroughly with the sentiments expressed by the eminent Senator from Colorado.

This is a matter that is involved in our foreign relations, affecting not one country but 18 or 20 countries. We cannot afford to do anything which would arouse in the minds of our associates, these other nations, any suspicion that we are not going to stand by our agreement. This amendment, as now modified, relates to a period of only 90 days. It arbitrarily says that no part of the fund shall be used for any of the purposes set forth.

Mr. President, that of itself shows that the matter has not been studiously considered. We have the assurance of the chairman of the Foreign Relations Committee that during the Marshall plan hearings this whole problem will be submitted and investigated. Surely in the next 90 days the world will not go to pot much worse than it is now. This is a matter which goes far beyond the particular incidents that are covered by this bill. It affects the relations of the other nations of the world to the United States.

Much has been said about the conferences at Tehran and Yalta and Potsdam. There is much in those agreements that I do not approve; but, Mr. President, although they were made during the stress of war, they were made by the heads of governments that were allied in that struggle, and we cannot arbitrarily disregard pledges, under those circumstances, even when not ratified by the Senate. Of course we have the naked power to break treaties; but when we do we come under the odium of having violated our promises and our pledges, and we come under the condemnation of whatever sanctions the treaties provide. So, Mr. President, I trust that this amendment will not be adopted.

We have had a good deal of politics and partisan expressions injected into this debate. Mr. President, our foreign relations should not be the subject of bitter partisan and political controversy. The Senator from Michigan has been an eminent example of forbidding that sort of thing. He has shown a magnificent spirit of treating our foreign relations from an American standpoint, not from a low, partisan, political basis, with one eye cocked on the next election.

No, Mr. President; this is a matter that will receive, and I am sure is receiving, consideration not alone by the State Department, but by General Clay and others who are on the ground and are conducting the military operations in Germany. I do not wish to see Germany destroyed. I do not wish to see her plants dismantled. I wish to see the German economy rebuilt, because the heart of European economic life centers right in Germany and in German industries. I have no hatred of Germans to the extent that I want to see Germany destroyed.

During this debate the Morgenthau plan has been dragged in. No one that I know much about, unless it was Mr. Morgenthau, ever favored that plan. We do not want to destroy Germany and condemn her to an existence as an agricultural or agrarian state; certainly not.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BRIDGES. Did the Senator ever hear of Franklin D. Roosevelt?

Mr. CONNALLY. I think the Senator from New Hampshire not only has heard of him, but sees him in his dreams every night.

Mr. BRIDGES. Franklin D. Roosevelt initialed the Morgenthau plan, so apparently, he was one of the persons responsible for it.

Mr. CONNALLY. I was not injecting it into this debate; but I have been complimenting the Senator from New Hampshire for the fine attitude he has developed in the consideration of this subject. [Laughter.] But, Mr. President, just about the time that I get him up on a pedestal, he plunges almost up to his elbows into the political aspects of this matter.

Mr. BARKLEY. Mr. President, I wish to confirm what the Senator from Texas has just said. He has been sitting here all morning bragging to me about the fine spirit and manner and attitude and motives of the Senator from New Hampshire, and I share any regret that is expressed about shattering that high opinion of the Senator from New Hampshire. [Laughter.]

Mr. CONNALLY. I was not doing anything to spoil it. The Senator from New Hampshire came along and wrote a pretty note, and then spilled a bottle of ink all over it and destroyed it.

Mr. President, we cannot afford to treat our international affairs on a two-bit basis, on a justice of the peace platform. No one is for the Morgenthau plan, so far as I know. We do not care to destroy Germany. Germany is a great country,

and the German people are a great people. All we want to destroy in Germany is her thirst for war, her desire to control the world. We want to place Germany in such a position that she will never be able again to raise a hostile sword against the peace of the world. But we do want her people to work in her factories, we do want them to work on her farms, we want her to rebuild her economy, and in rebuilding her economy, stimulate the economy not alone of Europe, but of the entire world.

Mr. President, there is nothing in the amendment that is so urgent, so imperative, so demanding, that it cannot await the investigation of the matter under the direction of the capable Senator from Michigan. He has promised the investigation.

Mr. President, I hope the Senate will not adopt the amendment, but will leave the matter to the proper authorities who are considering it. The problem will be solved at the proper time.

I hope the Committee on Foreign Relations may receive in the future the same degree of approval from the Senate it has received in the past. I have all respect for the Committee on Appropriations, and I am for it so long as it has a dollar [laughter], because I expect my constituents to be applicants for some of those dollars at some time or other, but I do not think the Committee on Appropriations should impinge upon the proper jurisdiction of the Committee on Foreign Relations. We are toiling, laboring, struggling within the limits of our jurisdiction. The Committee on Appropriations has sufficient jurisdiction, it touches every activity of the Government, everything, everywhere, and no one is wise enough and smart enough and agile enough to know more about everything than everybody else knows about some things.

Mr. President, I trust that the chairman of the committee, reversing the attitude he took here in his remarks with respect to President Roosevelt, will get back upon the high pedestal upon which the Senator from Kentucky and I placed him, will withdraw his amendment, and let us go on and pass the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Hampshire to the committee amendment.

Mr. BRIDGES. Mr. President, last night between the hours of 8 and midnight, as our committee labored in an endeavor to develop the bill, the subject under discussion arose. It was a follow-up, as I have said, of the appropriation of hundreds upon hundreds of millions of dollars, and of a study of the whole problem during our trip to Europe, where we saw first-hand the evils of the dismantling program, where we saw war-making and other equipment proceeding to Soviet Russia and the Russian satellites. Whenever we called the situation to the attention of the executive departments in this country, the action was not halted. So we decided that there had to be some way of bringing the matter to a head, and we inserted this amendment in the appropriation bill.

I do not think the amendment as amended, with the 90-day provision calling for a moratorium, deserves all the very dire implications the Senator from Michigan and the Senator from Texas have attributed to it. I think it embodies a very normal, logical way to proceed. But in some 2 or 3 hours' discussion of this subject we have brought out the high lights of the stupidity of the continuation unabated, of this policy, the fact that as a result of this policy a portion of the dismantled equipment is going to a place where it constitutes the only potential threat to the peace of the world and the only potential threat to America. If we can bring the matter to a head, if we can explore the whole situation, I shall be perfectly willing to withdraw the amendment, and I think the committee will agree, if the distinguished chairman of the Committee on Foreign Relations will tell us now that as chairman of that committee he will see that the whole dismantling program is explored shortly after the first of the year, starting as soon as possible in some manner, either under Senate Joint Resolution 165 or in some other manner.

Mr. VANDENBERG. Mr. President, I think my able friend is entitled to my reassurance—I have already assured him once—that in connection with the hearings on the ERP bill, we do intend to do precisely what he is talking about. So far as the chairman of the committee is concerned, the inquiry will be as conclusive as it lies within our power to make it.

Mr. BRIDGES. In that case, Mr. President, I withdraw the amendment.

The PRESIDING OFFICER (Mr. CAIN in the chair). The Chair is advised that the Senator from New Hampshire withdraws the entire amendment.

Mr. BRIDGES. Yes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was rejected.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, under the subhead "Bureau of Reclamation," on page 8, after line 3, to insert:

RECLAMATION FUND, CONSTRUCTION

Construction: For construction and continuation of construction of the following project in not to exceed the following amount to be reimbursable in full under conditions satisfactory to the Secretary of the Interior as provided in Public Law 247, Eightieth Congress, approved July 25, 1947:

Deschutes project, Oregon, $72,000, to be available toward emergency rehabilitation of the works of the Arnold irrigation district under the same terms and conditions as provided in said Public Law 247, Eightieth Congress.

Mr. GURNEY. Mr. President, is it the understanding of the Senator from New Hampshire that the amount of money now in the bill is $230,000,000?

Mr. BRIDGES. I assume that, when the amendment was rejected, the Senate rejected just the part of the amendment which had to do with the dismantling of plants.

Mr. GURNEY. As I recall the reading of the amendment first by the clerk, it was to change the amount of dollars, and then he proceeded to read the words. It was my understanding the words were not agreed to, in the vote just taken by the Senate. I suggest that the Senate vote now on the amount of money.

The PRESIDING OFFICER. The Chair has been advised that the action just taken by the Senate causes the language to revert to that used by the House of Representatives.

Mr. GURNEY. Then I move that the amount of money be changed from $230,000,000 to $490,000,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from South Dakota.

The amendment was agreed to.

Mr. YOUNG. Mr. President, I have been waiting for about 3 hours to make a very brief statement, and I shall proceed at this time.

Mr. President, since I was the one who made the motion in the Committee on Appropriations last night which resulted in a change in the carry-over provision for wheat on July 1, from 150,000,000 bushels to 125,000,000 bushels, I think it appropriate that I make a statement for the RECORD concerning the reasons why I think the change should be made.

In the first place, I think it is entirely unreasonable that we should carry over 150,000,000 bushels of wheat when Europe is starving. I likewise think it is unreasonable to carry over that great amount of wheat, since that is contrary to any previous regulation. In fact, I know of no time in the history of the United States when there was legislation to control any carry-over as is provided in this bill.

At this point I should like to give the carry-over figures for the year following the First World War. These are United States Department of Agriculture figures.

In 1919 the carry-over was 85,000,000 bushels; in 1920, 170,000,000 bushels; in 1921, 124,000,000 bushels; in 1922, 96,000,000 bushels; in 1923, 132,000,000 bushels; in 1924, 137,000,000 bushels; in 1925, 108,000,000 bushels; in 1926, 97,000,000 bushels; in 1927, 109,000,000 bushels; and in 1928, 113,000,000 bushels. It will be seen from these figures that there was only 1 year within that 10-year period following the last war when a carry-over reached 150,000,000 bushels. Also not in 30 years has there been a year in which we did not export wheat. Also, Mr. President, I believe it is unreasonable to impose a provision of this kind upon the wheat farmers of the United States at a time when they have produced approximately 500,000,000 more bushels of wheat than can possibly be consumed within the United States. At a time when there are more controls now over the price of wheat than there are with respect to any other commodity produced in the United States. It would be impossible for me to believe that the Congress would impose upon, say, the automobile industry, when they had a surplus, a provision that would require them to carry over $450,000,000 worth of automobiles they could not possibly use with the express purpose of depressing prices.

Mr. President, I believe it is also unreasonable because there is, according to the crop forecasts of yesterday, December 18, the estimate of production of winter wheat for next year, which will total 838,705,000 bushels. That is the second largest forecast in history. I believe it is also unreasonable, because wheat now is cheaper in the United States than in any other exporting country in the world. I should like to cite a few figures. The price f. o. b. Australia is $3.16. The price f. o. b. Canada is $3.35. The price f. o. b. Buenos Aires, Argentina, is $4.86. The price in the United States now is approximately $3.11.

For the last 6 years the price of wheat has been controlled, by one means or another, and has been held down to a level far lower than it would have reached had it been allowed to seek its level in a world market. I have no serious objection to that if the Congress, in the future, when wheat prices are depressed, will consider support prices. I wish to add also that, in the last year, the prices of merchandise the farmer has to purchase have increased 13 percent more than the prices of the products he has to sell.

Mr. RUSSELL. Mr. President, what is the pending amendment?

The PRESIDING OFFICER. The amendment on page 8, with respect to the Reclamation Fund, Construction.

Mr. RUSSELL. Mr. President, I shall reserve my remarks until the amendment has been acted upon.

PROPAGANDA ACTIVITIES OF THE RECLAMATION BUREAU

Mr. WATKINS. Mr. President, I should like to take this occasion to say a few words about the item for the Reclamation Bureau.

I think the Appropriations Subcommittee which handled this item did the proper thing. We all know they spent many hours in careful consideration of these projects which are so important to the development of the West. They are to be complimented for the painstaking work they have done in the public interest. I am heartily in accord with their recommendations because I strongly favor the full development of our resources.

But even while we pay a well-deserved tribute to the committee members for their long and difficult work, we also owe a duty to speak out against the indefensible practices of the Reclamation Bureau in handling some of the operations entrusted to them.

Just before we recessed last July, we passed appropriation bills which made it possible for the Reclamation Bureau to spend a larger sum of money than they had ever spent in any one prior year. In recommending this large sum, the Congress tried to strike a fair balance between the great need for economy and the strong desire to do all it could for the development of the West. We made wise and prudent provisions so as not to fan the fires of inflation which might well endanger the good we sought to do. To this end also it was our clear intention to have the Bureau apportion its funds reasonably throughout the four quarters of the year so as to avoid the necessity of coming back to us this January for a deficiency appropriation.

But hardly had Congress recessed when top officials of the Reclamation Bureau spread the news throughout the West that they would project a program for the year far larger than Congress ever authorized. They brazenly told the people of the West that their program was based on $36,000,000 more than had been appropriated and that they intended to ask Congress for that or a larger sum in January.

To make certain that Congress would be compelled to appropriate more money, they spent what they had as fast as they could; and then began to shut down projects progressively from September onward to encourage mounting protests from the people of the West who are not aware of the true situation.

This is not the first time such tactics have been employed. We were treated to a similar demonstration last spring when appropriations were being considered. Indications now point to a repeat performance this coming winter. Appropriations far in excess of what can be spent prudently under our present reclamation policy will be requested; and when the Congress very properly tries to bring these inflated requests within the bounds of reason, the propaganda mills of this Bureau will be put into high gear.

Mr. President, I want it understood that in making the foregoing statement, I am not unmindful of the possibility that under conditions which may become greatly accentuated in the near future, it may be necessary for Congress to speed up construction on reclamation projects which give promise of bringing millions of acres of new land into the production of food products, but that policy must be adopted and authorized by Congress and not by the Reclamation Bureau. If and when such a policy is adopted, Congress will fix the rate of spending and will provide the necessary priorities to facilitate rapid construction to meet an emergency.

It is high time we made a thorough investigation of this Bureau's propaganda operations in the West. The Appropriations Subcommittee right now is doing an excellent job of calling the Bureau to account on its expenditures for work on specific projects. But an appropriations committee cannot and should not be expected to investigate the propaganda activities of the Bureau of Reclamation.

I have just been informed that the senior Senator from California [Mr. DOWNEY] has introduced Senate Resolution 176 for the very purpose of having such an investigation. He wishes, as many other of us wish to do, to find out if the Bureau of Reclamation has used public funds in violation of express statute, and whether officials of the Bureau have been guilty of issuing false and misleading statements for the purpose of influencing Congress with respect to legislation.

The Senator's resolution has been referred to the Committee on Expenditures in the Executive Departments. I strongly urge that it be given prompt and favorable consideration so that early in January we may look into the activities of these officials before Congress again becomes the target of an irresponsible bureaucracy.

Others have been thinking along this line. The junior Senator from Washington addressed a letter to the Senator from Nebraska [Mr. WHERRY], who is chairman of the Subcommittee on Senate Appropriations. I ask unanimous consent to have the letter printed in the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NOVEMBER 21, 1947.

Senator KENNETH WHERRY,
Chairman, Interior Subcommittee,
Senate Committee on Appropriations,
109 Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: Disturbing reports have reached me that the Interior Department's Reclamation Bureau has disregarded the clear-cut intent of Congress in the spending of moneys appropriated during the last session for Columbia River Basin project in my State and 11 projects in other States.

It has been announced by the Bureau of Reclamation that it intends to ask the Congress for a supplemental appropriation. One of the reasons given is that the huge sum appropriated by the first session of the Eightieth Congress will have been expended this winter, insofar as the Washington State project is concerned. Thus, the money appears to have been spent twice as fast as Congress intended, and a preliminary investigation shows that part of these millions was not spent for items specified by the Congress.

I am also concerned over the reaction of other Members of the Congress.

When requests for additional funds for the Columbia River Basin project are made, I would not want my colleagues to unknowingly punish my State and its citizens because of the blundering of a Government bureau, which also may have gone so far as to violate the Anti-Deficiency Act. This act provides for fines and prison terms for officials of agencies which exceed their appropriations. This act also clearly specifies that Government agencies must spend their funds at an even rate throughout the year.

I would not want my colleagues to look with disfavor on necessary future appropriations for this great project just because some bureau disregards the mandate of Congress. If the bureau has acted wrongly, then the bureau should be punished, not Washington State.

The Columbia Basin represents Washington State's greatest single resource, as well as one of the Nation's, and appropriations are necessary to carry on and complete the work at reasonable speed without detriment to the Nation at large.

At the present time it appears to me that there is little doubt that some systematic schedule of work could have been worked out on the project in my State for the fiscal year of 1948. I hope the damage can be corrected, but it may be too late. I do not like the increasing belief in some congressional quarters that the Bureau of Reclamation has put the squeeze on Congress for more money by going ahead and spending as fast as possible its appropriation of $17,500,000 for the Columbia Basin in order to obtain, in the same year, more than its share of Federal moneys.

I want the Bureau of Reclamation to demonstrate it has made an honest effort to obey the law and follow the dictates of the people as presented through the Congress. The Bureau should present to the Congress factual, not political, data.

To this end, I respectfully request that in the interests of the Nation, as well as my own State, your committee call before it, in public hearing, representatives of the Bureau of Reclamation in order to conduct an investigation into these reports.

Most sincerely yours,

HARRY P. CAIN.

Mr. DOWNEY. Mr. President, I do not want to detain the Senate long. I do however wish to speak briefly on the items asked by the Bureau of Reclamation in the third supplemental appropriation bill. I am thoroughly and heartily in accord with what the Appropriations Committee has done, and I trust that Congress will grant the money that has been recommended by the Appropriations Committee, because it is needed most vitally. But, Mr. President, this item develops another of a long series of incidents in the Department of the Interior and the Bureau of Reclamation, so dishonest, so incredible, that they are almost beyond my power of description. Does that sound like harsh and cruel language? Well, I say if it does, it is because the truth is cruel and harsh. I doubt if any honest objective man can listen to this narrative and knowing the facts can fail to agree with me.

Mr. President, for the Central Valley project for the present fiscal year the Bureau of the Budget asked about $40,000,000, including the carry-over from the previous year. Our distinguished junior Senator from California [Mr. KNOWLAND] and our Governor, Mr. Warren, wanted the same amount. But the President, in his discretion, and his agency, the Bureau of the Budget, recommended $30,000,000, and that is the amount, almost exactly, that Congress allowed.

Mr. President, I consulted with representatives of the Bureau of the Budget to inquire whether we might get the $40,000,000. They stated to me that because of the inflation and the need for and lack of construction workers and materials the President felt that $30,000,000 was the full amount we should have in the Central Valley project. I acceded to that finding of the Bureau and of the President. Largely through the diligence and energy of the junior Senator from California [Mr. KNOWLAND] that amount was granted by Congress.

We were told repeatedly in many forms, written and oral, by representatives of the Bureau of the Budget and the Reclamation Bureau that that $30,000,000 probably would last the full fiscal year. I shall present written memoranda to that effect in several different forms. I was told that if the $30,000,000 should not last the 12-month period, beyond any doubt it would suffice until the spring of next year.

But, Mr. President, as these gentlemen from the Reclamation Bureau were making such statements, they were planning to exhaust all available funds before January 1; they were planning to precipitate a crisis in California, which they now have accomplished, under which contractors could not go ahead, thousands of workers would be disemployed, and millions of dollars wasted by the Federal Government.

Mr. President, I have in my hand a document which yesterday was introduced before the subcommittee of the Committee on Appropriations that is dated June 16, 1947. First, let me say that the Interior appropriation bill was passed in the Senate, after it had come from the House, on June 16, 1 day before the date of this paper. However, Mr. President, that bill then went to conference and was not finally passed by Congress until July. But keep in mind the date of June 16, when the Senate passed the bill, and the date of this exhibit, June 17.

Mr. Calland, who issued and signed this paper, is the chief engineer in the Central Valley project. On June 17, or 1 day after the Senate had acted on the Interior appropriation bill, he issued this statement concerning the expenditure of Central Valley funds, a statement which had evidently been prepared days before the Senate had acted on the Interior bill. I should like to read the whole of that document, for it is a weird exhibit, but my time is necessarily limited, and I will read just one paragraph, which may seem incredible to Senators. Senators may not believe it would be possible for anyone to make such a statement.

In the second paragraph of Engineer Calland's statement, dated June 17, appears the following:

The heavy carry-over from the current fiscal year (1947) plus an appropriation in the order of amounts recently passed by the Senate and House of Representatives will give us a total of funds available for fiscal year 1948 which is far above that required to meet our current rate of spending. The Secretary and the Commissioner are insistent that 1948 funds be spent early in the year—by January 1, if possible.

Then underlined is this sentence:

We are concerned here lest we end the fiscal year with another carry-over. The situation represents a challenge to our construction ability.

And so on. Mr. President, I ask, Why would the Secretary of the Interior and the Commissioner urge that all funds should be exhausted before Congress would come back in its next session? Why would any men embark upon such a program?

Consider now a few relevant facts. The Bureau of Reclamation in 1947 had outstanding contracts in the Central Valley expected to run for several years amounting to tens of millions of dollars. Under the law, in the event there is no money available in an appropriation to pay a contractor for work contracted for in the prior year, the Federal Government is released from all liability, and while there is some doubt of the law, possibly the contract becomes void and the contractor is released too.

Yes, Mr. President, from June 16 onward, while Mr. Straus, the Commissioner of Reclamation, was assuring California Congressmen that there were ample funds to carry the Central Valley project through to the spring of 1948, they were, under cover, driving ahead by every possible means, at any cost, however wasteful, to spend the full appropriation. They succeeded in spending it all by December 1.

Mr. President, consider now the condition that developed in California, and of the condition which now exists there because of exhaustion of funds. Here were six major contractors with millions of dollars of machinery and material, 30 or 35 subcontractors, three to four thousand men employed on Central Valley jobs all lulled along in the belief that their work at least would proceed to July 1, 1948.

But, Mr. President, upon only 1 or 2 days' notice the Bureau of Reclamation notified the contractors, subcontractors, and workers that all funds were exhausted. And immediately almost every contractor stopped work and every worker lost his job.

I have no disposition here to enter into a discussion of the right of the contractors to recover damage or the law which is involved. The damages resulting from the stoppage of this contract will run into millions of dollars. Whether the Federal Government will have to pay for such damages, or whether the contractors will have to stand them, I do not know. But consider at a time when we vitally need full employment of our great construction machinery and workers, those men and machines have been and are generally still idle.

While this costly condition was developing let us see how Mr. Straus, by demonstrably false statements, lulled Members of Congress and contractors into believing that there were ample funds in the Central Valley project to continue the work probably through the fiscal year, at least into the spring of 1948. When this document was introduced before the Appropriations Committee yesterday Mr. Straus was asked if he had authorized Engineer Calland to make the statement in which Mr. Calland said that the Secretary of the Interior and the Commissioner were insistent that all money must be spent before January 1. Mr. Straus denied it. We had tried for 3 days to have the Bureau bring Mr. Calland from California, but upon the weak and watery excuse that no planes were available, Mr. Calland did not appear. I do not know what Mr. Calland will say when he is produced, but if he appears here attempting to protect the Secretary of the Interior and the Commissioner of the Bureau of Reclamation by the declaration that he made that statement out of whole cloth, without official authority, he should never be in civil service again. I do not believe that he, an engineer with high reputation for integrity and ability, would have made this statement dishonestly.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. MILLIKIN. Will the Senator be kind enough to read the pertinent words which tie this statement to the Secretary of the Interior and the head of the Bureau of Reclamation?

Mr. DOWNEY. I shall be glad to do so.

The Secretary and the Commissioner are insistent that 1948 funds be spent early in the year, by January 1, if possible.

Then the following is underscored:

We are concerned here lest we end the fiscal year with another carry-over.

What a strange and mysterious document. As I have said I believe Mr. Cal-

land to be an engineer not only of ability, but of integrity. I believe that he realized that he was issuing orders from his superior of a destructive and improper nature; and to protect himself he wanted to place in this paper his opinion that that money could not be decently, economically, and properly spent in less than the full fiscal year. What Mr. Calland will say, however, we do not know yet; but we shall soon know.

Let us now recall that in June the President had announced—and I believe congressional leaders had also announced—that there was no need of a special session. So the Bureau of Reclamation had secretly and dishonestly planned all its appropriated funds before Congress would again be in session. However, great world-wide events brought us back here on the 17th of November.

Let me now recite to the Senate some more statements by Mr. Straus which are almost impossible, incredible, of belief. At Salt Lake City on August 2 the Commissioner of the Bureau of Reclamation, Mr. Straus, announced that instead of spending during the fiscal year on our western projects about $167,000,000, as authorized by Congress and generally recommended by the Bureau of the Budget, he intended to spend $36,000,000 more, which, on an over-all basis, would have exhausted the money about the 1st of May 1948. The Senator from Nebraska [Mr WHERRY] immediately challenged him. I shall not take the time of the Senate now, because this issue will be sifted later; but in many forms Mr. Straus gave the Senator from Nebraska assurance, as late as October 7, that the appropriation would be spent as Congress wanted it spent, that it would last until late next year, and that Congress would have ample time to act before any project were shut down from lack of funds.

On November 1, 1947, at Phoenix, Ariz., Mr. Straus addressed the National Reclamation Association. Bear in mind that only 1 month then lay between the time Mr. Straus was then speaking and the exhaustion of all funds in the Central Valley project. At that time, of $30,000,000 given the Central Valley project, the Bureau of Reclamation had left only about $5,000,000 and it was spending money at the rate of $5,000,000 to $6,000,000 a month. On the basis of these facts I charge that the Straus statement I am about to read was not only totally false, but was plainly designed to lull Congress, contractors, and everyone else into a false sense of security.

I now quote from page 10 of a document containing the Straus speech. He said:

> An economical construction program will probably mean, for example, that the great Grand Coulee-Columbia Basin project, the Colorado-Big Thompson project in Colorado, and the Davis Dam project on the Colorado River not far from here will go broke as far as available construction funds are concerned, some time after February 1, or well before the end of the fiscal year, which is July 1.

I will interpolate here that Mr. Straus, in naming those projects, left out the Central Valley which was then within 30 days of insolvency and where every effort was then being made to dissipate all funds as rapidly as possible.

Now I return to the statement of Mr. Straus:

> Some other projects may come into the same dilemma if contractors meet their schedules.
>
> Before that time comes we will report the situation to the Congress and ask for such appropriations as may be required.

Commissioner Straus had come from Denver, Colo., to the Phoenix meeting, where he had spent days with the chief engineers of the Bureau of Reclamation. If they did not tell him and if he did not find out that the Central Valley project was then within 1 month of exhausting its funds, he and all of the responsible officials should be discharged from public service.

Soon after Mr. Straus left Phoenix he came to the State of California in which is located the Central Valley project. He came directly to the project area and spent days with his engineers and his regional director who were then within 2 or 3 weeks of exhausting all of their funds. Mr. Straus on that particular occasion was violating the Federal law, in that he was attempting to organize pressure groups in northern California, hoping to get repeal of an authorization to the Army to build a dam on the American River and to get an authorization through under which the Bureau of Reclamation would build the same dam. That is a totally different chapter in which counsel for the Government assure me that on the basis of these newspaper statements Mr. Straus has not only been guilty of a gross impropriety in lobbying, but has violated the penal statutes of the United States. Moreover I say to you that his arguments made in this lobbying campaign were 100 percent false. He was at Richmond, Calif., in the Central Valley area on the 8th of November. There he succeeded in getting his picture in one paper three times; in this paper alone there is sufficient evidence to bring him under the antilobbying statute.

Later Mr. Straus was in Sacramento on November 12, within 2 weeks of the exhaustion of all project funds. Put yourselves in the place of those regional directors and engineers, with outstanding long-time contracts involving tens of millions of dollars, with contractors and subcontractors in good faith expecting to continue steady operations under valuable contracts to the Government, because they are 1 or 2 or, I think, 3 years old, and were made under lower costs to the Government than would now be possible.

Mr. Straus, before the Appropriations Committee, claimed that he never knew the insolvency developing in the Central Valley project until a very brief time before the contractors were forced to shut down.

Is it believable that under these circumstances the whole problem was not discussed with Mr. Straus and full data given him?

Mr. President, in the middle of November, when the junior Senator from California [Mr. KNOWLAND], as well as I and our congressional Representatives, were in the State of California, beyond any doubt Commissioner Straus knew that a crisis was impending. Had the Commissioner come to the junior Senator from California or to myself, I feel sure that we could immediately have worked out methods to have kept the contracts going.

Mr. President, the plans of the Bureau of Reclamation set in effect June 17 had gone awry because Congress did not first come back on the 6th of January, but returned on November 17. There was then ample time, had the Bureau even then been honest and told the Congress the situation, to have saved the situation and with it millions of dollars of wasted money.

Let me now tell the Senate what Michael W. Straus did, as far as I was concerned. He waited until the Wednesday evening before Thanksgiving, which occurred on the 27th of November, and came into my office at 5:20 after I had left. He casually informed the girl who was there that he had come in to see me about helping him get some funds. He had no further message for me, so he informed her. The next day was Thanksgiving Day, Friday, Saturday, and Sunday passed and during that week end contractors began to close down their operations. I had no knowledge of the cessation of work until telegrams began to come in from California around December.

We now come to another unhappy chapter in this story. The Bureau of Reclamation has approximately 1,850 employees in the Central Valley project, which, according to my belief, is many more than are needed. As soon as the contractor had closed down there was great confusion and distress among the workers, great fear and anxiety among the contractors, great worry by all of the people of the Central Valley, and 200 to 300 of the employees of the Bureau of Reclamation started out through the Central Valley criticizing and libeling the Congress of the United States, blaming this situation upon us. That is nothing new in the Central Valley. I am almost shockproof to such an occurrence.

I have talked to some of the contractors who already have moved their machines off the job and dissipated their organizations. I have talked to other contractors who are worried and distressed to the extreme, because large sums are daily accumulating against them for their staffs and maintenance crews. Their machinery is depreciating and they do not know what will happen.

Consider now the construction worker thrown cut of employment. They certainly will not get any pay checks this month if they continue to wait. Since construction workers are scarce, if they leave, it may be another 6 weeks before we get started on the Central Valley project again.

I suppose there is a query in the minds of everyone, Why will Government officials—to wit, those involved in this matter—wish deliberately to falsify to Congress and to their contractors as to their funds, why should they wish to lull Congress into a false sense of security, and precipitate a crisis most costly for our workers and our contractors, our States, and the Federal Government

itself? Mr. President, I wish to say that I have certain ideas of my own in regard to the strange, weird acts that I have been watching now, in California, for the last 4 years. Mr. Boke, the regional director, who went there in 1945, is a man totally incapable of performing the duties of his position. He never had had any administrative, engineering, or irrigation experience. What is his principal claim to fame? Well, he is a former Government employee under Henry Wallace and a member of the left-wing groups of this Nation. It was such members including those close to the communistic party who helped to force him, a totally improper and inefficient man, a man with strong ideological beliefs, upon the Central Valley. He, with Commissioner Straus, are now the two most powerful men in the Central Valley; men knowing nothing about our problems; men totally and abysmally ignorant about engineering and irrigation. Mr. President, I wonder how much longer we may have to endure them? I hope not too long.

I should like to proceed for one or two moments further, and then I shall be through. Let me say that I have a great mass of material here which I should like to discuss, all of it tending to corroborate in different forms the final conclusions and charges I have made, but I shall not further intrude upon the Senate in this critical hour of the world. I listened with highest admiration to our great Senator from Michigan [Mr. VANDENBERG] as he expressed his opinions to us of the world issues before the Senate today. I have too great a sympathy for him and too high a respect to further intrude at this time. But I wish to say this in closing, Mr. President: This strange and bizarre, inexplicable incident that I have just been discussing is only 1 of 10 or 15 similar kinds of events that have occurred and are occurring in the Central Valley. Almost 4 years ago, when I first was ungulfed in this fight, the Bureau of Reclamation had the loyal support of every great newspaper in the State of California. Today it has the support of but one, and I venture to prophesy that within 60 days the Bureau will lose that. Every informed person in the State of California—public officials, irrigation directors, irrigation lawyers, and engineers—agree with me, Mr. President, when I say that the course and the conduct of this unholy bureaucracy, if long continued, can only breed strife and hate and insolvency. I shall not characterize these men for what I believe them to be, because I have not the proof; but judged by their results, as manifested in these matters, judged by their course of conduct, they are out there to foment hate and ill will among our people, to array class against class, to plunge our irrigation districts into insolvency. Otherwise their activities have no rational interpretation.

Concluding, I wish to say to the distinguished junior Senator from Utah that I was very grateful when, on his side of the aisle, he spoke for the resolution which I have now introduced, which calls for an investigation of the scandalous practices of these two bureaucracies. Finally, I wish to serve notice on everyone that, come what may, to whatever end, these men will be driven from their positions and this cancerous growth of bureaucracy will be destroyed.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment on page 8, beginning in line 4.

Mr. MAGNUSON. Mr. President, I wish to offer an amendment to the committee amendment on page 9, in line 5.

The PRESIDENT pro tempore. The Senate has not yet reached that point in the bill.

Mr. MAGNUSON. I thought we were considering the subject matter under the heading "General Fund, Construction."

The PRESIDENT pro tempore. No; we are not.

Mr. MAGNUSON. What point have we reached?

The PRESIDENT pro tempore. The pending question is on agreeing to the committee amendment on page 8, beginning in line 4.

Mr. MAGNUSON. Very well; I shall wait.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment on page 8 in line 4.

The amendment was agreed to.

The PRESIDENT pro tempore. The next amendment of the committee will be stated.

The next amendment was, under the subhead "General fund, construction," on page 8, line 25, after the word "facilities", to strike out "$8,771,600" and insert "$8,066,600"; and on page 9, line 3, after the words "in all", to strike out "$11,405,000" and insert "$10,700,000."

The amendment was agreed to.

The next amendment was, on page 9, line 4, after "Columbia Basin project, Washington", to strike out "$13,584,000" and insert "$11,725,000."

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

Mr. MAGNUSON. Mr. President, to the committee amendment on page 9, in line 5, I offer the following amendment: Add to the $11,725,000, the amount provided by the committee amendment, $1,859,000. I shall make that addition, so as to be able to state the total amount.

The PRESIDENT pro tempore. The Chair has added it; and the situation is that the Senator from Washington is proposing to strike out the committee amendment, providing for $11,725,000, and to insert "$13,584,000."

Mr. MAGNUSON. Yes; that is the correct amount. Actually, it is the original amount.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CORDON. I wish to make a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. CORDON. Would the appropriate procedure in that case be simply to oppose the adoption of the committee amendment?

The PRESIDENT pro tempore. The Senator from Oregon is entirely correct. The Chair was about to call that situation to the attention of the Senator from Washington, when he had finished his statement. The Senator from Washington would accomplish his purpose by bringing about the rejection of the committee amendment.

Mr. MAGNUSON. Very well. Then I shall address myself to the committee amendment, and I shall withdraw the amendment which I have offered to it.

The PRESIDENT pro tempore. Very well.

Mr. MAGNUSON. Mr. President, like the Senator from California, I do not care to take up much of the time of the Senate on this matter, because I appreciate that we have not much time today for other important matters. But I should be somewhat derelict in my duty to the people of my State if I did not call the attention of the Senate to the cut by the Senate Committee on Appropriations of the amount allowed by the House in the supplemental appropriation for the Columbia Basin project.

I was very much interested in what the Senator from California had to say. Like him, I have for many years gone through the hearings on the Interior Department reclamation and power appropriations. I appreciate there has been much discussion and a great deal of wrangling as to how the Bureau of Reclamation handles its funds. I do not care to address myself to that subject today, nor do I want to inject myself into it.

I have said time and time again before the Appropriations Committees of both the House and the Senate in regard to these matters that it seems to me that we were getting the two mixed up. I have always attempted to address myself to the project itself rather than to the method of the administration of the project, or the administration of the moneys appropriated by the Congress. I have often thought that some of the wrangling regarding the Bureau of Reclamation and the Department of the Interior in regard to reclamation and power projects had hurt the projects themselves, because consideration of the project has been injected into the amount of the appropriations.

I address myself to the Central Valley project, the Columbia Basin project, the Big Thompson project, the Davis Dam project, and other great western reclamation and power projects. In regard to most of them, Congress has morally and legally committed itself to furnish a sufficient amount of money to finish the project, with adequate continuity from year to year.

The Bureau is required to estimate every year not only for itself but for the Bureau of the Budget and for the Congress, and for the Committees on Appropriations, the amount of money it thinks it will need for the coming year, the amount of money that would provide for a reasonable continuity of progress in the various projects.

Apparently something went wrong the last year, and it is most difficult to arrive at an accurate estimate. For instance, the Columbia Basin project is the greatest reclamation project, I suppose, in the history of man. More money will ultimately be spent to complete Co-

lumbia Basin and its triple unit purposes than on any other single project, probably, ever appropriated for by the Congress. It is conservatively estimated that before we are through it will cost from five to six hundred million dollars.

How much should be spent every year is most difficult to estimate, and hit the proper amount right on the nose. On Columbia Basin alone the Bureau of Reclamation has had to come to Congress not only 1 year, not this year alone, but six times, because it is so difficult to estimate for. It is a big contract, weather has entered into the consideration during the war years and in the postwar years, and the ability to get materials, the ability of the contractor to get heavy equipment, and all such things, entered into the consideration. Many times the contracts run out ahead of time, and sometimes they extend beyond the 1st of July, the beginning of the fiscal year. I have often thought that Congress might approach these matters more sensibly if we would appropriate sums to last more than 2 years, particularly in relation to the large projects.

On Columbia Basin, Congress has already spent $242,000,000 in the past 7½ years. Last year, about a year ago, the estimate of $31,000,000 was given to the Budget Bureau. The Budget Bureau cut the amount to $27,000,000, and that was sent to the Congress almost a year ago. Congress cut the estimate from $27,000,000 to $21,000,000. But in making the cut Congress directed the Bureau of Reclamation to go ahead and spend the full amount that was requested, for some generators in Grand Coulee Dam, because of the impending power shortage in the Pacific Northwest.

Columbia Basin therefore found itself in a position somewhat different from that of Central Valley, although the cut was only 20 percent. When they were directed to go ahead and spend the full amount on generators, and directed to proceed to keep their administrative organization going for the whole fiscal year, it amounted to a 54-percent cut of the figure the Budget Bureau had sent to Congress, which in itself had been cut from their own original estimate. The result was that Columbia Basin did not have sufficient money to proceed for the full fiscal year. That was not particularly the fault of Mr Frank Banks, the regional engineer.

Mr. CORDON. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield to the Senator from Oregon.

Mr. CORDON. In order that the RECORD may show the correct figures, I wish to make an inquiry. Did the Senator from Washington say that the Bureau of Reclamation initially asked the Budget for a 1948 appropriation of $32,000,000?

Mr. MAGNUSON. Somewhat more than $32,000,000.

Mr. CORDON. I believe the correct figure was $52,000,000.

Mr. MAGNUSON. I am referring only to the Columbia Basin project. The whole amount was $52,000,000; was it not?

Mr. CORDON. No; the request for the Columbia Basin project I believe was $52,000,000.

Mr. MAGNUSON. I understood that to be the original estimate sent down, but their actual formal request of the Budget Bureau was cut down to a little more than $30,000,000, after they had some preliminary hearings at the Budget Bureau.

Mr. ROBERTSON of Wyoming. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. ROBERTSON of Wyoming. As I understand, the Senator is speaking of the Columbia Basin project, the appropriation for which, as recommended by the Senate committeee, is $11,725,000?

Mr. MAGNUSON. Yes.

Mr. ROBERTSON of Wyoming. I should like to ask the Senator if this is a refundable appropriation. By that I mean are the receipts from the power projects turned into the Federal Treasury to refund the original cost, or, in the case of irrigation and reclamation, do the settlers on the projects refund the amount of the original cost of the project, as they do in most projects in the Rocky Mountain States, such as my own State, Wyoming, or in Montana?

Mr. MAGNUSON. This project is in the same category with the other projects, both as to power and irrigation.

Mr. ROBERTSON of Wyoming. It is a refundable appropriation, is it not?

Mr. MAGNUSON. Yes.

Mr. ROBERTSON of Wyoming. I thank the Senator.

Mr. MAGNUSON. Mr. President, the Columbia Basin project and the Bureau of Reclamation itself are in the position of having their original estimate cut some 46 percent. So the contract on the Columbia Basin project would run out on February 1 unless the supplemental appropriation were made. The Committee on Appropriations wisely considered this would be false economy, so it made a supplemental estimate, for which I am deeply appreciative, to keep the project going until regular hearings can be held and the amount for the fiscal year 1949 can be reasonably estimated.

It is difficult for any bureau, in dealing with a project of this size, to come to the Appropriations Committee and say, "From July 1 of one year to July 1 of another year, this is the exact amount we can spend economically and efficiently, and keep the project going with reasonable continuity, with the progress directed by the Congress."

The House committee added $1,859,000 to the amount the Budget Bureau recommended for the supplemental appropriation, and all my amendment does is to follow the House directive. I shall read from the House committee report. This relates to a special item. I appreciate the fact that the appropriations subcommittee did not have very much opportunity to go into this so-called special and peculiar item, which resulted in the House adding to the Budget Bureau's figure $1,859,000. Again I say it is indicative of the manner in which emergencies arise in connection with huge projects. Things occur which cannot be foreseen at the time the estimates are made, and when the estimates are before the Bureau of the Budget or before the Appropriations Committee. The members of the House committee visited the project last summer and went into the matter in great detail. That committee was headed by Mr. JENSEN whom I saw a moment ago in the Senate Chamber, listening very intently to the remarks of the Senator from California.

The committee, headed by Representative JENSEN, inspected the whole Columbia River project. They spent much time going into all the facts, talking to the resident engineers and the field agents. The subcommittee of the House added to the Budget item the amount I am seeking to restore to the bill by rejecting the committee amendment. I hope the Senate of the United States, in a project that is to cost from five hundred to six hundred million dollars, a project on which we have already spent $242,000,000, will not quibble over $1,859,000, which can be used efficiently and economically at this time toward the completion of the project. I quote from the report of the House committee on the third supplemental appropriation bill:

> The additional amount of $1,859,000, approved by the committee, is essential to expedite work on the spillway bucket for irrigation facilities and for certain power facilities in connection with installation of three new generators now being installed. Funds for the purchase and the installation of these power facilities must be provided promptly or there will be a delay of 6 months or longer in the date when these new generators can be placed in operation. This delay—

This is what the House committee said in adding this amount, over and above the Budget estimate—

> This delay will result in a loss of revenue amounting to about $2,730,000.

The failure to retain the amount of $1,859,000 in the supplemental bill will in effect cause a loss to the Government of power revenues for the 6 months' period, conservatively estimated at almost $3,000,000. It seems to me it would be false economy not to retain the amount in the bill.

A part of the sum also was necessitated by an emergency in connection with the spillway under the Grand Coulee Dam. The water coming over the dam has a backwash. Gravel and rocks have lodged below the dam. The engineers are unable to estimate what damage may have been done to the dam. They have received appropriations for the past year or two, for the purpose of building a caisson to enable them to get underneath the dam during low water and see just what damage is being done to the base of the dam. It is a very serious matter. A part of the funds would be used so that it would make possible within any low-water period in the Columbia River to determine what damage had been done and what needs to be done in the way of repairs to the greatest dam in the world, Grand Coulee, which furnishes most of the power for the whole Pacific Northwest hydroelectric pool.

The House hearings on the matter are very interesting. I shall not read them in detail, but both the subcommittee on Interior Appropriations and the full House Committee on Appropriations believed that it was such an emergency as

to require, first, an inspection of the spillway underneath the dam, and the furnishing of money to enable them to proceed in an orderly manner now during the low water period to protect this huge investment of the Government, and, second, to furnish the three generators, which in turn will alone bring in $8,000,000 in revenue during the period that this would otherwise be delayed if the money is not appropriated. The House committee felt it was such a peculiar and emergent matter that the amount ought to be added to the Budget Bureau's figure. I do not know whether the Director of the Budget Bureau was informed of these two matters. I do not believe that much if anything was said during the budget hearings; otherwise, I think I should be safe in saying that the Budget Bureau would have added the amount in a supplemental appropriation.

I hope the Senate will reject the committee amendment and will approve the amount provided by the House bill. The bill would then go to conference with the original amount, and the Senate would be in agreement with the House. The hearings are ample and adequate and sufficiently definite to prove the need of the additional sum to meet the emergency. It would mean that the Government would receive additional revenue, and it would also mean that if there should be a power shortage in the Pacific Northwest, the three generators would be in operation. Above all, Mr. President, this money is going to be spent in any event within the next 4 or 5 months. If it is not authorized in the pending bill, it will probably be placed in the regular appropriation bill. Frank Banks, the district engineer, the House committee, and others who should be informed on the matter, say that the money could be more economically and more efficiently spent now, because of the emergency that exists, than later on.

Furthermore, the expenditure will be returned to the Treasury in the amount of almost $3,000,000. If we do not spend the $1,589,000 at this time, we shall lose $3,000,000.

I see the distinguished chairman of the Appropriations Committee sitting in the Senate Chamber. It seems to me that the larger appropriation represents a real economy, which should appeal not only to the Appropriations Committee but also to the Congress. I hope the Senate will reject the amendment reported by the committee.

It is desired that the Congress adjourn tonight. We could go to conference with the House without any difference at all on this item, which would be of assistance to the chairman of the committee.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

Mr. BRIDGES. I appreciate very much the solicitude of the distinguished Senator from Washington about our concluding the special session, and about the ease with which the matter could be handled in conference, if we should reject the committee amendment and increase the amount. It has been our practice generally, and I think it is a very sound practice, except for some extraordinary reason, not to increase the recommendations of the Bureau of the Budget and the President. Estimates have been submitted by them. The committee amendment is for the exact amount requested. In other words, the figure of $11,725,000 is $4,757,000 greater than the full amount of the Budget submitted last January by the President. It is $8,000,000 more than was spent in the fiscal year 1947, which was the greatest year of spending prior to this time. I do not see how any harm could be done to this great project, and certainly it would have a salutary effect. I say that, after listening to the speech made by the distinguished Senator from California [Mr. DOWNEY], who described certain of the methods employed by Mr. Straus and the Reclamation Bureau. I think we should proceed with caution so that we may know where we are going and how to proceed, when a great Senator of the United States stands on the floor of the Senate, as the Senator from California has done today, elaborating details of the program and policies and attitude of certain of the heads of the Reclamation Service, particularly Mr. Straus. I hope the committee amendment will be sustained.

The PRESIDENT pro tempore. The question is on the committee amendment on page 9, line 4.

Mr. MAGNUSON. Mr. President, I had not yielded the floor. I want to add a word to what I previously said. I again say that I am not here to become involved in any squabble respecting the administrative methods of the Bureau of Reclamation. I think the distinguished Senator from California [Mr. DOWNEY] has approached the subject in the correct way. If the Bureau of Reclamation is not doing the job as it should be done—and I made the same statement before the Appropriations Committees of the House and the Senate last week—someone else ought to do the job. But I do not want these great projects to suffer by reason of wranglings over the methods which the Bureau used to construct them when Congress has committed itself. And surely, so far as the Columbia Basin is concerned, from all the information I have, it is adequately administered by Mr. Frank Banks, who is one of the greatest reclamation administrators in the world.

Mr. BRIDGES. I should think the Senator from Washington would come to the floor supporting the President's recommendation. So I am rather surprised to find him in opposition to the President's recommendation.

Mr. MAGNUSON. I am glad to support the President's recommendation, but I tried to point out that this is something which its sponsors, so far as I know, never had an opportunity to place before the Bureau of the Budget in the preliminary hearing. As the Senator from New Hampshire knows, the House Appropriations Committee made an appropriation above the amount recommended by the Bureau of the Budget. The very fact that the committee did so ought to be conclusive to Senators that the project is of such a nature as I have stated today. I hope the original amount will be restored to the bill. It will be spent anyway. All these western reclamation and power projects are self-liquidating, and the quicker we complete the projects with reasonable continuity, the quicker the Government and the taxpayers and the people of the United States will get their money back, and the quicker they will add to the welfare and to the great resources of the Nation. We are going to spend this money anyway in the next 3 or 4 months. We can do it better now, because of conditions in my State and because of the fact that the great bulk of the money can be used during the low-water period which comes in about 40 to 60 days.

Mr. CORDON. Mr. President, I rise to support the view of the senior Senator from Washington with reference to the committee amendment in connection with the Columbia Basin project. I took the same position as a member of the Appropriations Committee when the bill was marked up. In supporting the amendment, Mr. President, I am not unmindful of the fact that I cannot present facts and figures to demonstrate the correctness of my view, but I also recognize that those who may have a contrary view will have a like poverty of facts and figures to support their position.

Mr. President, these estimates for supplemental appropriations involving over $30,000,000 were presented to the House on the twelfth day of December. The Appropriations Committee of the Senate had no knowledge of House action thereon until 3 days ago. The Senate committee had 2 days in which to attempt to understand and evaluate the justifications presented in support of these estimates.

Anyone who has any knowledge, the most superficial knowledge, of the work of the Appropriations Committee, can understand at once that the chore was an impossible one. I say, Mr. President, and I cannot emphasize it too strongly, it is an intolerable situation when a committee of the Congress is faced with the necessity of inquiring into a matter of such magnitude and such complexity, with but 2 days in which to do so.

While I am on my feet I want to place the blame where in my opinion it belongs, squarely at the door of the United States Reclamation Bureau and its Commissioner, Mr. Michael W. Straus.

Mr. President, I do not have the deep knowledge which the senior Senator from California has at his command with reference to the activities of the Reclamation Bureau. I regret that it is ever necessary for a man to stand up and raise his voice in criticism of servants of the American Government. I do it with reluctance, Mr. President, but I believe there is a duty which rests upon those servants of the American people who happen to sit in the legislative branch of the Government, to do for the American people some kind of a job in a government of checks and balances; and in this instance there has been neither check nor balance.

Mr. President, there is no question as to whether the work of the Reclamation Bureau could have been so scheduled as to have obviated any necessity for the

consideration of supplemental appropriations at this special session of the Congress. It is not open to argument. There was a deliberate accelerated program which resulted in exhaustion or near exhaustion of funds, and in my opinion was intended to have that result. The funds are now in such condition that in order to whip the individual responsible the Congress must use the lash on the people of the country and not upon the culprit. For that reason, after as full an examination as could be made in the short time available, I find myself in the position of, let us say, a man in a ship at sea with another on board who is cavilling about whether enough money was spent in building the ship, and believing that the ship would never reach land, goes down and knocks a hole in bottom of the craft.

Mr. President, in such a situation I must repair the leakage of the ship and leave the rest of the matter for later attention. In doing that I find it necessary to support the action that was taken by the House. I cannot justify it based upon a comprehensive investigation. I do however know that the funds face exhaustion. I do know that the projects should continue. I do know that there are thousands of workmen on the projects not only in the Columbia Basin, but in the Central Valley project, the Colorado Big Thompson project, and the Davis Dam, who have moved their families and belongings to the project sites and are depending for their daily bread upon the work at those sites. I do know that jobs have already been shut down in Central Valley. I do know, from the balance sheet which was available and was presented, that other jobs will be shut down in 2 months on the Columbia Basin project. I know that those men must seek work somewhere else, and move their families, if they can find quarters, in the middle of the winter. I know that the projects, the physical work, will suffer if the jobs are called off. I know that as a result it will cost more money to do the same amount of work.

The fact that the situation could have been avoided does not alter the fact that it was not avoided, and the fact that the situation exists. Therefore my support is based—and I believe logically—on the proposition that we must deal with the facts we find, and fix the responsibility later. I am therefore supporting the figures which were set by the House.

I now come to the meat of the coconut in connection with the Columbia Basin project. Those figures are higher, by approximately $1,800,000, than the figures set by the Bureau of the Budget. I support the higher figure for the reason that the Columbia Basin project embraces a project for the reclamation of more than 1,000,000 acres of land now arid. The cost to the United States of reclaiming that land will approximate $350 an acre. The price at which such land will go to the farmer-settler is $85 an acre. The difference between the price to the settler and the price which the Government will be compelled to pay to reclaim the land must be paid out of revenues accruing from the power generated at the dam. It requires no great consideration of the matter for anyone to understand that the primary need is to provide funds which will make possible revenue to the extent of 75 cents out of every dollar which must come from power. That is the first requisite. The funds provided in the bill, to the extent of a little more than $1,000,000, were for the purpose of adding power facilities so as to have that revenue coming in at the earliest moment. Because that is so essential, I am supporting the figure of the House.

Mr. President, I do not know whether the Budget figures could have been used. In 2 days no man could satisfy himself on that point, and I am perfectly frank in saying that I have no argument on that score. If the Senate feels that the Budget figures must be adhered to—and I hope that is not the feeling—then I urge, if the Senate action be sustained in a conference report, that the Bureau be directed to make the primary expenditure for the first essential in that program, which is to get a repayment of 75 percent of the ultimate Government outlay.

Mr. President, I hope that the Senate will reject the committee amendment and adopt the figures of the House. I can understand the argument on the other side. I have sympathy with it, and I have none for the Bureau. I wish I could have gone into the subject and could have joined in a settlement in which reasonable minds could meet, after a full understanding of the problem. We did not have time to do the job. We were operating with a gun at our collective heads. Under the circumstances the best judgment I have been able to reach on the matter, after spending 2 days in the hearings, is the judgment which I have stated. Incidentally, Mr. President, I was the one member of the committee who, by virtue of necessity of presiding, was in the hearings for the full time. Other members of the subcommittee spent as much time as they could on the problem, considering their other duties. As a result of hearing all the testimony, little as it was, unsatisfactory as it was, incomplete as it was, I find myself supporting the position of the Senator from Washington [Mr. MAGNUSON] and supporting the action taken by the House with reference to this item.

Mr. MAGNUSON. Mr. President, I wish to express my appreciation—and I know the appreciation of the people of the State of Washington—to the Senator from Oregon. I am aware of the great handicap under which the Senator from Oregon operated in conducting the hearings. I am deeply sympathetic with what he said as to the element of time involved. The task was most difficult. The Senator was very patient, and heard everyone. He spent all of his time on this problem. I merely wish to ask the Senator a question. He is familiar with the fact that in the State of Oregon and the State of Washington, despite the fact that we have a great hydroelectric pool at Bonneville, Grand Coulee, and other dams, private and public, there is an impending power shortage. This money for the three generators would not only bring in extra revenue but would somewhat fortify us, in a very substantial way, against any impending power shortage which may occur in either or both States.

Mr. CORDON. The Senator is absolutely correct. I did not advert to that fact, however. To me the compelling factor is the reimbursement to the Government of funds which must be spent and the fact that three-quarters of such reimbursement must come from power generation.

Mr. MORSE. Mr. President, I wish to say to my friend and colleague that I join with him in every argument he has expressed this afternoon in a most commendable—and, in my opinion, unanswerable—fashion. I believe that more need not be said in support of the position which the senior Senator from Oregon has taken.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment on page 9, line 4. [Putting the question.] The "noes" seem to have it.

Mr. BRIDGES. Mr. President, I ask for a division.

On a division, the amendment was rejected.

The PRESIDENT pro tempore. Are there further amendments to be proposed?

Mr. DOWNEY. Mr. President, in my recent incoherent remarks I overlooked one point which I should have made as to the exhaustion of the funds to pay the contractors. Legal opinion differs as to the status of the contracts.

I offer the amendment which I send to the desk and ask to have stated.

The CHIEF CLERK. It is proposed, on page 9, after line 5, to insert the following:

> The Federal courts shall have jurisdiction upon petition of either party to interpret by declaratory decree any contract for the performance of work for which this appropriation may be used.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from California.

The amendment was agreed to.

Mr. KNOWLAND. Mr. President, the question of the Central Valley project is in the same category as that of the Columbia River. However, since the Appropriations Committee took action only last night, and, I am a member of the committee, I did not feel justified in trying to upset the decision of the committee; but, under the circumstances, I should like to ask the chairman of the Appropriations Committee if, in view of the parliamentary situation as it now exists, he would permit the reconsideration of the vote by which the committee amendment with reference to the Central Valley project was adopted so that it may go back to the House in the way it came from the House?

Mr. BRIDGES. I will say to the Senator from California that I was opposed to both increases provided by the House. It rather amazes me to see some Senators who are supporters of the President's program advocating upsetting the President's budget. But inasmuch as we have overturned one item, by all means I think the Senator has taken a very logical position in asking that we overturn another.

Mr. KNOWLAND. Mr. President, I move that the vote by which the amendment of the committee on the Central Valley project was adopted be reconsidered.

The PRESIDENT pro tempore. Without objection, the amendment will be reconsidered; and, without objection, the committee amendment will be rejected.

Are there any further amendments?

Mr. KNOWLAND. Mr. President, there were two amendments, one on page 8, line 25, and the other on page 9, line 3.

The PRESIDENT pro tempore. Without objection, the same order will be made as to both.

Mr. O'MAHONEY. Mr. President, I wish to invite the attention of the chairman of the Appropriations Committee to the amendment on page 5, line 15. The committee amendment was adopted while I was absent from the floor. I have had a conversation with the chairman of the committee and am satisfied that the circumstances are such as to warrant my asking unanimous consent that the action by which the committee amendment was adopted be reconsidered, in order that I may seek to restore the amount provided in the bill as it came from the House.

This question arises by reason of a misunderstanding of the committee last night. Senate Joint Resolution 167, which was passed by the Senate yesterday afternoon and which I might say was passed by the House today, carried a provision to enable the President to carry out section 8 of that joint resolution, which provides that—

For the remainder of the fiscal year ending June 30 there is hereby made available not to exceed $1,000,000 from any funds made available by the Congress.

So it was assumed by the committee that since that was an appropriation of a million dollars the deduction should be made in the appropriation bill. A reading of the appropriation bill, however, would indicate that it makes it clear that the figure of $1,750,000 which was adopted by the committee and has since been agreed to by the Senate is an over-all limitation upon all funds from whatever source; so that the committee, instead of acting to preserve $2,750,000 for the Department of Agriculture to carry out the program, is reducing the fund by $1,000,000. The Secretary of Agriculture has written to the chairman of the committee a letter in which he has stated that under no circumstances will he expend more than $2,750,000. That is the sum of $1,000,000 as allowed in the Taft anti-inflation bill and $1,750,000. Unless the amendment is reconsidered and the figure of $2,750,000 is restored, the cut will be below that which the committee desires.

Mr. BRIDGES. I have no objection.

The PRESIDENT pro tempore. Without objection, the amendment will be reconsidered; and, without objection, the committee amendment will be rejected.

Mr. O'MAHONEY. Mr. President, I ask that the letter from the Secretary of Agriculture to the chairman of the Appropriations Committee be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington.

Hon. STYLES BRIDGES,
United States Senate.

DEAR SENATOR BRIDGES: In order to clarify the Department of Agriculture's position with respect to the carrying out of the food and feed conservation program contemplated by H. R. 4748, I respectfully request that you either restore the amount in line 15, on page 5, under the item "Department of Agriculture," to $2,750,000 or remove the language beginning on line 21 on page 5, reading as follows: "; and (b) any programs approved by the President under existing laws to encourage conservation practices in this country."

The effect of either of the above suggested alternative amendments is to make available to the Department the total aggregate sum of $2,750,000, under both bills. It is not my intention to spend the $1,000,000 provided for in Senate Joint Resolution 167 twice and I assure you that if the above request is granted it will not be spent twice. Copies of the two bills referred to are attached.

Sincerely,

CLINTON P. ANDERSON,
Secretary.

Mr. HAYDEN. Mr. President, I move to amend, on page 4, line 23, by striking out "$50 000.000" and inserting in lieu thereof "$85 000 000."

I make this motion on my own behalf and on behalf of the senior Senator from Florida [Mr. PEPPER] and the junior Senator from Florida [Mr. HOLLAND].

The situation, as I understand, is that without this limitation a very large sum of money might be expended in lieu of wheat. There is a sound reason for a substantial sum in lieu of wheat. The Army and the State Department buy, to ship abroad, commodities which are scarce, when we have surpluses of other commodities on hand. A provision was placed in the relief act to allow the Commodity Credit Corporation to dispose of commodities at the equivalent caloric value of wheat. It obviously costs more money to supply the calories in the form of dried fruit or eggs or something of that kind; but it does get rid of a surplus and it affords variety in the diet. We inquired of the Commodity Credit Corporation and were told that there were surpluses available in the United States, indicating that $90,000 000 could be used in lieu of wheat; and it is for that reason that I think the amount should be increased.

Mr. MAYBANK. I should like to ask the Senator from Arizona if he does not think that would defeat the objective sought to be attained?

Mr. HAYDEN. It depends on whether the Commodity Credit Corporation has any of these commodities. The provision of law is that anything the Commodity Credit Corporation owns or hereafter acquires may be used as a substitute for wheat on a wheat-calorie basis. I do not know whether the Corporation has any such commodities available.

Mr. MAYBANK. Would the Senator construe the law to mean that if the Corporation did not have any, and if sweetpotatoes were a drug on the market, they could be substituted for wheat?

Mr. HAYDEN. Yes.

Mr. MAYBANK. Would it have to be left to their common sense?

Mr. HAYDEN. Yes.

Mr. HOLLAND. Mr. President, I may be able to answer the question just raised by the senior Senator from South Carolina, because I called earlier today Mr. Jesse B. Gilmer, who is the head of the Commodity Credit Corporation, and who advised me that they have already on hand under a price-support program a small amount of sweetpotatoes, approximately a half-million dollars' worth, and that any amount they have can be used in this program.

Mr. MAYBANK. I appreciate the statement of the Senator from Florida. There is also a large quantity of dehydrated sweetpotatoes which I should like to see used in this program.

Mr. HOLLAND. I thank the Senator.

Mr. President, I want to speak very briefly on this matter, because I realize that it is desired to speed the bill to final action.

I ask unanimous consent to have inserted as a part of my remarks a letter dated December 19, 1947, addressed to me from Jesse B. Gilmer, Administrator of the Production and Marketing Administration, and President of the Commodity Credit Corporation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES
DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING
ADMINISTRATION,
Washington, D. C., December 19, 1947.

Hon. SPESSARD L. HOLLAND,
United States Senate.

DEAR SENATOR HOLLAND: In conformance with your telephone request of this morning, I submit the following information.

We have not completed a detailed analysis of that portion of the interim-aid legislation which authorizes the sale of price-support-acquired commodities by Commodity Credit Corporation to foreign relief programs. Also, we have not analyzed in detail the effects of a limitation of $50,000,000 total loss which could be incurred by the Government under such a program.

We now have in our inventory approximately 28,000,000 pounds of dried eggs and 60,000,000 pounds of frozen eggs which were acquired under the mandatory CCC egg price support program during the calendar year 1947. Our inventory cost of dried eggs is approximately $37,000,000 and our inventory cost of frozen eggs is approximately $20,000,000. Assuming that the wheat cost equivalent based on a calorie common denominator for dried eggs was approximately 10 cents per pound and a cost of frozen eggs of approximately 2½ cents per pound, and further assuming that these commodities would be moved under this legislation at this minimum cost, the loss to CCC would be approximately $33,000,000 for dried eggs and approximately $19,000,000 for frozen eggs.

We now have contracted for or are in process of contracting for under a CCC price support program approximately 100,000 tons of raisins, 80,000 tons of dried prunes. These commodities will bear an inventory cost to CCC of approximately $16,000,000 and $14,500,000, respectively. Assuming that these

commodities would move into the foreign relief programs at the minimum cost (wheat calorie equivalent) the loss to CCC would be approximately $14,000,000.

The above assumptions reflect a price on the inventory based on "where is" and "as is" and does not reflect special packaging costs which place the commodities in the most efficient form for relief feeding and freight to port and ocean transportation. I do not know, but I assume that the Congress does not intend to include packaging and transportation as loss items to CCC, but as expenses properly borne by the appropriate recipient agencies. If this assumption is not correct, any cost incurred by CCC for these items would, of course, increase directly the loss on commodities sold in package form and delivered at the cost equivalent of wheat.

Dried fruits and dried or frozen eggs are the only commodities which CCC has in inventory as a result of a price support program in any appreciable quantity.

Representatives of the citrus industry, the honey industry, the tree nut industry, and the Northwestern apple industry have recently informed us that the supply and price situation on these commodities is, in their opinion, such that some action by CCC is necessary if the industries are to receive the assistance which in the opinion of their industry leaders is fair and reasonable and necessary to protect the economy of the industry. We do not today have price support or active diversion programs affecting any of these commodities.

Sincerely yours,

JESSE B. GILMER,
Administrator, PMA, and President, CCC.

Mr. HOLLAND. Without quoting at length from this letter I shall simply give three or four figures which show what we of the citrus industry are up against. The provision placed in the appropriation bill in the House, limiting the aid which may be given under this bill to producers of agricultural commodities which are in surplus to that amount of trading which will show a total of not over $50,000,000 of loss to Commodity Credit Corporation will completely nullify the intent of both Houses in trying to improve the distressed situation in which the citrus industry and several other agricultural industries are at this time. By reason of the figures shown in Mr. Gilmer's letter it is indicated that the stocks of dried eggs and dried fruits already held by CCC are themselves in sufficient amount so that if those stocks are purchased under this program at the wheat calorie equivalent basis it will practically exhaust the $50,000,000 limitation. The figures are $33,000,000 of loss for dried eggs and $14,000,000 of loss for dried fruits. So that $47,000,000 of the limitation of $50,000,000 could be used up by these two commodities alone if the limitation stands as it is in the bill.

The citrus industry is a large industry and is in bad condition. As compared with its revenue to the growers in 1944–45, which amounted to $424,000,000, and in the next season, 1945–46, when the revenue was $418,000,000, the revenue to the growers last year was only $260,000,000. In other words, our citrus industry has been one of the first to suffer and to feel the result of decreased war purchases. The results obtained so far this year are even worse.

So, Mr. President, we hope this amendment will be adopted. We think it will carry into effect the intention of both Houses in writing the original provision into the authorization act.

I close by saying simply this, because I know some Members of the Senate were very much interested in including a limitation in this measure: I am in accord with that theory, and I think we would have done better if we had put a limitation in the authorization measure originally, but I do not believe the Senate wishes this limitation to stand as now in the bill, for by its terms it really defeats the objective which both Houses had in mind in placing in the authorization measure the provision for use of surplus agricultural commodities which are under price support programs.

So, Mr. President, I hope the Senate will adopt the amendment, which would change the figure in the bill from $50,000,000 to $85,000,000.

Mr. BRIDGES. Mr. President, the committee recommended the $50,000,000 item after careful consideration. The Senator from Florida has raised the question of citrus fruits. I quote from a statement by the State Department:

> The shipping of citrus fruits cannot be justified in terms of Europe's aid. It can only be justified in terms of removing a United States surplus or building a future export trade.

I quote from another statement by the State Department:

> The shipment of citrus fruits is not contemplated in this bill.

I quote now from another statement by the State Department:

> Italy and France now have access to their own crops of citrus fruits.

This is another statement that was made to us:

> Canned citrus fruit is something over 85 percent water and has almost no caloric content. It does have vitamins, but not the calories we are seeking.

So, Mr. President, I do not think there will be any hardship. Let us remember that every cent we increase this item will mean that the Government of the United States and the taxpayers of the United States will have to pay out that much more. Many persons believe that this item is not an appropriation. But it means that we authorize losses which may be paid by the Treasury of the United States, which must come from the pockets of the taxpayers. So I should like to see this item kept at the minimum figure of $50,000,000, which is a fair figure.

The PRESIDENT pro tempore. The question is on agreeing to the amendment submitted by the Senator from Arizona [Mr. HAYDEN], on behalf of himself and the Senators from Florida.

Mr. SALTONSTALL. Mr. President, I rise to join in supporting the position taken by the chairman of the committee on this item. I have tried to look into it and to understand it as thoroughly as I could.

The Commodity Credit Corporation may take certain losses. We cannot say definitely that all the losses it takes in shipping food abroad will be greater than the losses it might take in having the food spoil here at home; but our purpose in the aid bill is to provide aid as efficiently and as economically as possible. At the hearings the Army pointed out to us that the most economical food it could send abroad was wheat or grain products. Wheat costs 3.4 cents per thousand calories. The commodities now in the possession of the Commodity Credit Corporation, being mostly eggs, potatoes, and dried fruit—raisins and prunes—will cost 16.43 cents per thousand calories, or more than 4½ times as much as wheat.

We wish to save as much wheat as we can for our own use. Actually, when the processed foods are completely ready for shipment abroad, they will cost $142,000,000, on the basis of their caloric content. Those are the foods now in the possession of the Commodity Credit Corporation. Wheat of the same caloric value will cost $30,000,000. So the shipment of the processed foods now in the possession of the Commodity Credit Corporation, instead of the shipment of wheat, will result in a loss of approximately $100,000,000 to the Treasury.

Mr. KNOWLAND. Mr. President, will the Senator yield to me?

Mr. SALTONSTALL. I shall be glad to yield as soon as I complete my statement.

Mr. KNOWLAND. Certainly.

Mr. SALTONSTALL. Now the House of Representatives has limited this loss to $50,000,000. The amendment offered by the Senator from Arizona [Mr. HAYDEN] seeks, as I understand, to increase the amount to $100,000,000, primarily for the purpose of the utilization of the citrus fruit juices from Florida and other sections of the country. I am informed that grapefruit, which is the citrus fruit of which there is the greatest surplus, is 85 percent water. The fruit itself will not be shipped abroad; it is impractical to ship it abroad. Neither the State Department nor the Commodity Credit Corporation say that it is possible to ship grapefruit or oranges without canning them.

I am informed that the Commodity Credit Corporation now has no canned citrus fruits in its possession. Of course it can buy canned citrus fruits; but I am also informed by the Department of Agriculture and the Commodity Credit Corporation that, although there is plenty of canned citrus fruit now on the shelves of the stores, there is not at the moment a surplus of citrus fruit.

Mr. President, in connection with the question of adopting this provision, which comes under the authorization act, we should remember that we wish to make it possible to send abroad foods which are in surplus supply, but we do not wish to increase to an excessive extent the cost of the relief we furnish, in a way that is not by means of direct appropriation. We safeguard ourselves in that respect when we limit the amount of these foods to a loss of $50,000,000.

Mr. President, for these reasons I hope the amendment of the Senator from Arizona will be rejected.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. KNOWLAND. I should like to say to the Senator from Massachusetts that I think he performed a very useful service the other day when the authorization bill came back from the House of Representatives with the additional language which the House had inserted, providing for the cancellation of the notes of the Commodity Credit Corporation by the Secretary of the Treasury. The House amendment left the matter more or less wide open. When the bill left the Senate it would have required the Commodity Credit Corporation to come before the Appropriations Committee and justify its expenditures under this program; and I think leaving it wide open was a mistake.

However, I am inclined to believe, with the Senator from Arizona, that this language is too restrictive. The fact of the matter is that the losses do not come from using these substitute foods in the foreign-relief program. The losses, if any, arise from the Commodity Credit Corporation's price support program as a whole. Therefore, if commodities which have been purchased and are now in the hands of the Commodity Credit Corporation, are not used in this export program, but are held beyond a certain period of time, they will be a total loss—as in the case of potatoes—and not merely a partial loss.

The provision will at least permit the disposal of such commodities at a price based on the caloric equivalent of wheat, and to that extent I think it not only saves the exporting of wheat, which is immensely important in our program to hold down prices, but it is also a food-conservation program, to prevent the spoilage of food in this country, as occurred in the case of potatoes.

So that at least some of the losses which the Senator mentions are very apt to take place, regardless of whether the Senate raises this particular figure. While I believe it would be unwise either to leave it wide open or even to double the amount to $100,000,000, as I understood the Senator from Massachusetts thought it was being raised to, I am inclined to believe there would be some merit in the committee's taking to conference a figure of $75,000,000, which would both set a top side limit and at the same time would assure that we would not have a wastage of food.

Mr. SALTONSTALL. Mr. President, I agree with much of what the Senator from California has said. The amendment which was originally adopted by the Senate was a better amendment, in my opinion, than the amendment which came from the House and which was finally written into the law. It is true that the Commodity Credit Corporation may take a loss. The question we must consider is whether, to make our aid abroad as practical as possible, as quick as possible, and as efficient as possible, from the point of view of nourishment, we can use some of these surplus foods.

I feel that the $50,000,000 limit is a good one, because it permits us to use the foods which are in the hands of the Commodity Credit Corporation, as I understand, and a little more than is now on hand, and that neither the State Department nor the Commodity Credit Corporation intend to use citrus fruits anyway.

Mr. HAYDEN. Mr. President, if the State Department or the Army do not intend to use citrus fruits, well and good. What I am trying to tell the Senator is that the head of the Commodity Credit Corporation says he has on hand now surplus commodities which he could apply in the manner suggested. In accordance with the suggestion of the Senator from California, would it satisfy the Senator from Massachusetts to make the figure $75,000,000? If so, I shall modify the amendment.

Mr. SALTONSTALL. I am supporting the chairman of the committee. I shall support whatever amendment he thinks is desirable.

Mr. HAYDEN. I modify the amendment to provide $75,000,000.

Mr. HOLLAND. Mr. President, let me add one more thought to the discussion, because I know the distinguished Senator from Massachusetts does not want anything to remain in the RECORD which will be found later not to be in accord with the facts.

It is not a fact that citrus is not in surplus. It is terribly in surplus. Last year we permitted something like the equivalent of 9,000,000 boxes of citrus to fall off the trees and go back into the ground, and the very presence of that large surplus cut down the prices of everything that could be marketed. As to this year, it is stated freely, and it will be found admitted in the Department of Agriculture, that the prospect is that something like 30,000,000 boxes may have to go the same way.

The statement made by the Department to the distinguished Senator from Massachusetts is, I suspect, technically correct, but in this respect only, that the canners and processors have been very careful this year not to process anything until they have some market in hand for it, because to process the fruit means that they have to invest additional money in the product. But the fact remains that unless there is some additional market supplied either through the purchase of canned fruit or concentrated fruit, there will be this immense surplus in the producers' hands which will bring disaster to a tremendous industry.

Mr. SALTONSTALL. Mr. President, I did not mean to say that there was not surplus grapefruit last year, and that there probably will be surplus grapefruit this year. My information within the hour from the Department of Agriculture is that there is no present surplus of canned citrus fruits, that they are in ample supply, which may lead to a surplus later on in the amount of citrus fruit.

Mr. HOLLAND. I suspect that is approximately correct, because the addition of the cost of canning or making concentrate, either one, would not be justified under present conditions, because the market has simply collapsed and fallen to pieces.

Mr. President, I wish to remind the Members of the Senate that while we are spending the immense amount of money authorized to help people overseas, it is not going to do any harm to the program if we take some cognizance of the fact that there are distressed agricultural producers in our own country, and if we leave something in the program which will bring to them some measure of relief.

I wish to say now that the extension of the surplus purchase program, which is for the benefit of producers and cannot benefit anyone else, will, I think, do more than any other one thing to popularize and make understood this foreign-aid program in the communities of our Nation, which are in those agricultural areas where surpluses already exist.

Let me say, because I did not read from the letter in detail, that the letter from Mr. Gilmer makes it very clear that not only in the case of citrus, but also in the case of apples in the Northwest, and in the case of nuts, as well as honey, there has already been evidence of tremendous surplus production, which has placed those industries in distress, and that the Department of Agriculture is being asked to give price support to those four industries.

Mr. President, I again call attention to the fact, brought out so ably by the Senator from California [Mr. KNOWLAND], that the mere fact that we put in the bill the $50,000,000 limit, or the $85,000,000 limit, which is suggested, does not mean by any manner of means that we are increasing by that much the appropriation to go into this foreign-aid program, because, to the contrary, these surplus goods cannot be sold in the open market, at least for anything like the support price which is already invested in them by the Commodity Credit Corporation, the support price being 90 percent of parity.

I am told by Mr. Gilmer today that, in the case of dried eggs, if they were not sold under the program—most of them have to be used, he says, in the first 3 months of next year—to prevent spoilage, and that there is no existing market where they can be sold for anything like what the Commodity Credit Corporation has invested in them.

Therefore it is not an addition to the program, in the total amount of the limit, in any sense of the word, if the limit is fixed at $85,000,000, as suggested by the amendment of the Senator from Arizona.

Mr. HAYDEN. Mr. President, will the Senator from New Hampshire yield to me to modify my amendment so as to make it read "$75,000,000"?

Mr. BRIDGES. Mr. President, I wish to say that the hour is getting late, and unless we get the bill through and get it into conference with the House the special session will end with no bill, because Members of the House and the Senate are drifting away from Washington. So I hope we can limit the debate. This is not said in criticism of the distinguished Senator from Florida or the distinguished Senator from Arizona in presenting the case for their constituents, because I respect them for doing that.

I think $50,000,000 is a fair figure, and I point out that this money is coming out of the taxpayers of the United States.

If we can arrive at a figure that is not too far out of line with that, I will accept it for the committee and take it to conference. But I think the figure of $85,000,000 or $75,000,000 is too high.

Mr. HAYDEN. We will make a Yankee trade. I will make it $70,000,000.

Mr. BRIDGES. If the Senator makes a Yankee trade, he will have to come down nearer to my figure.

Mr. HAYDEN. The Senator can control that, if he is taking it to conference, and that is what he has promised to do.

Mr. BRIDGES. If the Senator will agree to $65,000,000, I will accept the amendment.

Mr. HAYDEN. I should like to have a vote on the $70,000,000 figure.

The PRESIDENT pro tempore. The question is on agreeing to the amendment submitted by the Senator from Arizona, the figure of which has been changed to $70,000,000.

Mr. KNOWLAND. Mr. President, I should like to ask the Senator from New Hampshire, the chairman of the Committee on Appropriations, whether we could not agree on the $70,000,000 figure, and take the amendment to conference, and save the necessity of a vote.

Mr. WILLIAMS. Mr. President, would it be possible for the chairman of the committee to yield to me for 5 minutes?

Mr. BRIDGES. I understand the Senator from Delaware desires to speak on a matter in the nature of a question of personal privilege, and I should like to have the particular question we are considering settled, if we can decide on it. I think a fair compromise between $75,000,000 and $50,000,000 is splitting the difference, is it not? I have done a little better than split the difference in suggesting the figure $65,000,000.

Mr. HAYDEN. I accept the Senator's figure.

The PRESIDENT pro tempore. Will the Senator state his amendment?

Mr. HAYDEN. Mr. President, I move to increase the amount from $50,000,000 to $35,000,000.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

BUREAU OF INTERNAL REVENUE—DISTRICT OFFICE, WILMINGTON, DEL.

Mr. WILLIAMS. Mr. President, a few months ago, information was presented to my colleague, the senior Senator from Delaware [Mr. BUCK] and myself to the effect that there were certain irregularities in the accounts of the district office of the Bureau of Internal Revenue at Wilmington, Del. Since that time my colleague and myself, with the assistance of the Senator from New Hampshire [Mr. BRIDGES], as chairman of the Senate Appropriations Committee, have thoroughly investigated this case.

It has been disclosed by an investigator of the Appropriations Committee of the United States Senate that since 1940 there have been manipulations of various accounts in this office, involving approximately 2,000 transactions from the various taxpayers of the State of Delaware.

Further evidence of these discrepancies has just been revealed showing that during this period several checks have been stolen or misappropriated from my own personal account in that office.

These items were immediately called to the attention of the Commissioner of Internal Revenue. An investigation was conducted by that department, which is confirmed by a letter signed by Mr. George J. Schoeneman, Commissioner of Internal Revenue, which I shall later insert in the RECORD disclosing the fact that the checks were received, endorsed, and cashed by the proper officials of the Bureau of Internal Revenue at Wilmington, Del., but that the proceeds thereof were not credited to my account.

In addition to my own checks, other checks totaling an amount as yet undisclosed have been misappropriated.

At least one of the officials responsible for the theft has been apprenhended and is now awaiting indictment by the Federal grand jury at Wilmington. In the meantime, the General Accounting Office is in the process of completing an audit to determine the total amount of the shortage which will make it possible to bring to justice any and all officials who may be involved.

At the request of the United States District Attorney and the Commissioner of Internal Revenue, I am refraining in this report from including the names of individuals who are awaiting indictment or who are under suspicion.

At this point I ask unanimous consent to have printed in the RECORD as a part of my remarks a copy of the letter from the Bureau of Internal Revenue in Washington, signed by Mr. George J. Schoeneman, Commissioner, confirming the statements which I have made regarding the checks involved in my own account.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TREASURY DEPARTMENT,
Washington, December 19, 1947.

Hon. JOHN J. WILLIAMS,
United States Senate.

MY DEAR SENATOR: It was indeed distressing to me to learn in a telephone conversation with you this morning that inferences embarrassing to you had been drawn from a situation which developed in the office of the collector of internal revenue, Wilmington, Del. I hasten to assure you that there is absolutely nothing in this situation which reflects in any way upon any transactions between either you or Mrs. Williams and the internal revenue service.

The facts are these. Some months ago, discovery was made of a defalcation on the part of one of the employees of the collector of internal revenue for the District of Delaware. This defalcation was accomplished by taking cash remitted by one taxpayer and later covering the shortage by applying the payment of another taxpayer to the first account. One of the checks thus used to cover an embezzlement was a check which you remitted in payment of the estimated tax of yourself and Mrs. Williams.

Obviously, this is a matter over which you could not possibly have had any control and I sincerely hope that this explanation will clear up any misunderstanding which exists in the mind of anyone concerning the affair.

I may add that appropriate action is being taken under the offending employee's bond to adjust your account and others involved. The question of prosecution of the erring employee is now in the hands of the appropriate United States District Attorney.

Very truly yours,

GEORGE J. SCHOENEMAN,
Commissioner.

Mr. WILLIAMS. In order that the citizens of the State of Delaware who pay Federal income taxes through the Wilmington office may not be unduly alarmed by these revelations, I wish to add, I have been informed, that the employees of the Wilmington office of the Bureau of Internal Revenue are bonded and that both the taxpayers and the Federal Government are thus protected.

MESSAGE FROM THE HOUSE—ENROLLED JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled joint resolution (S. J. Res. 167) to aid in the stabilization of commodity prices, to aid in further stabilizing the economy of the United States, and for other purposes, and it was signed by the President pro tempore.

COMMITTEE SERVICE

Mr. FLANDERS. Mr. President, I ask consent of the Senate to be relieved from service on the District of Columbia Committee. I have had the good fortune to be assigned to four hard-working committees, Banking and Currency, Post Office and Civil Service, and the Joint Committee on the Economic Report, as well as the District of Columbia Committee. I find it impossible to carry on my duties on all four committees, and therefore I ask to be relieved from service on the one which I have most neglected.

The PRESIDENT pro tempore. Without objection, the order is made.

THIRD SUPPLEMENTAL APPROPRIATION ACT, 1948

The Senate resumed the consideration of the bill (H. R. 4748) making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes.

Mr. BRIDGES. Mr. President, I ask for the adoption of two perfecting amendments. First, on page 2, line 22, I move to strike out "S. 1774" and insert "Public Law 389."

The amendment was agreed to.

Mr. BRIDGES. On page 7, in line 4, after the word "commodities", I ask that there be inserted the words "or voluntary agreements relating thereto". That is in line with the bill that was passed yesterday by the Senate.

The amendment was agreed to.

The PRESIDENT pro tempore. If there are no further amendments, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

Mr. TAYLOR. Mr. President, it is not my purpose to take the time of the Senate for any considerable period. I feel constrained, however, to say that in my opinion our foreign policy is going

to go down in history as one of the most magnificent fiascos the world has ever seen. The only good thing about it is that possibly some hungry people will get some food out of it. So far as accomplishing our objective of heading off communism or of making friends in the world is concerned, I think it is working in exactly the opposite direction. Most certainly, insofar as China is concerned, any money that is given to Chiang Kai-shek will not go to the feeding of hungry people. I am surprised that in the hearings with reference to China, Gen. Feng Yu-hsiang was not invited to testify. He was a high officer in China, ranking second only to Chiang Kai-shek. He has split with the Generalissimo, and certainly he should be a first-hand source of information regarding what goes on in China.

I had a conference with General Yu-hsiang the other day, and he told me that if this money goes to China, it will not be used to feed anybody, that Chiang Kai-shek and his henchmen will appropriate the money to themselves. He stated that Chiang Kai-shek, the Soongs, and a few of the other rich families in China are despoiling the people mercilessly, and either hoarding money or investing it abroad. The general suggested that that should be investigated. He stated that Chiang Kai-shek realizes his days are numbered in China, and that it is hopeless to try to keep him in power. Therefore, Chiang Kai-shek and his corrupt associates are piling up reserves in foreign countries against the day when they will have to leave China. General Yu-hsiang split with Chiang Kai-shek when he outlawed the Democratic League.

I am convinced that appropriations for China at this time are like pouring water down a rat hole, only we are pouring corn down the rat hole. The rats like corn, and we are just feeding the rats at the bottom of the hole. Certainly we are not going to destroy any of them.

We talk about aiding other countries and protecting them against invasion of their rights by foreign powers. Here are two clippings from each of which I desire to read a paragraph. John Foster Dulles on his visit to Paris recently made the following statement, as it appears in an article by Lansing Warren from Paris on December 4, 1947:

> I have come to Paris to witness the magnificent effort that the French people are making against foreign penetration. I consider this is more important than what is happening at the London Conference.

I read from an article by Andre Visson entitled "French-Soviet Divorce" with a subheading "Russian blunders." At the end of the article we find the following interesting paragraph:

> But we should realize that it may at any time expand into a general antiforeign feeling.

He says there is now a growing anti-Soviet feeling in France, but we should realize that it may at any time expand into a general antiforeign feeling. What is more important is how the Frenchmen will feel toward us, Mr. President, after all our aid extended to them, and our proposed aid. I continue to read from Andre Visson's article:

> Indeed, the last Gallup poll in France revealed that only 18 percent of the French people believe that the Marshall plan is motivated by a sincere desire to help. Fifteen percent attribute it to our desire to intervene in European affairs, and 47 percent to our need for foreign markets.

In other words, Mr. President, 62 percent of the French people feel that we are mercenary in our efforts to help the rest of the world, and, frankly, I am constrained to feel the same way about most of our foreign aid.

I feel that the distinguished senior Senator from Michigan [Mr. VANDENBERG] is absolutely sincere, and that he has done a great job in handling our foreign affairs, as he sees them. I believe he has done what he believes to be right, and I sometimes wonder at my own temerity in disagreeing with the distinguished senior Senator from Michigan. But I have searched my soul, I have gone over the facts, I have read the history books and studied the matter, and I cannot reach any other conclusion than that our foreign policy is going to be disastrous, it is going to make us eventually the laughingstock of the world; we will have gotten in very deep and then will not be able to deliver on all our fine promises. It will be a direct aid and comfort to the Communists and will help the spread of communism.

I sincerely wish I could go along with our foreign policy. It would be much more pleasant if I could go along, instead of being practically alone in my criticism of it. But I cannot. However, I am convinced that the American people are against our foreign policy. I did not always think so. I believed the Gallup polls, and I thought that I was like the mother who witnessed her son taking part in a military parade, who said, "They are all out of step but Jim." I thought I was Jim.

Recently, I made a tour of the country and spoke to a number of audiences and asked the people in them how they felt about our foreign policy. More recently in my broadcasts to Idaho—I make a weekly broadcast to Idaho—I asked the people of the State over the air how they felt about our foreign policy and what they wanted me to do about it. They were 4 to 1 opposed to giving foreign aid. Half of them were opposed to giving—period. That is isolationism, I presume. The other half were opposed to giving because they feel, as I do, that we are only buying enemies with our giving the way we are doing it now. They feel, as I do, that these things should be handled through the United Nations, through the United Nations Economic Commission for Europe. It could be, it should be done. I predict, Mr. President, that our entire foreign policy will turn out to be a gigantic replica of the sorry mess in which we find ourselves involved in Greece at the present moment.

The PRESIDENT pro tempore. The bill having been read the third time, the question is, Shall it pass?

The bill (H. R. 4748) was passed.

Mr. BRIDGES. I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. BRIDGES, Mr. BROOKS, Mr. REED, Mr. BALL, Mr. MCKELLAR, Mr. HAYDEN, and Mr. THOMAS of Oklahoma conferees on the part of the Senate.

EUROPEAN RECOVERY PROGRAM—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 478)

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read by the Chief Clerk and referred to the Committee on Foreign Relations.

(For President's message, see today's proceedings of the House of Representatives on p. 11749.)

INTERNATIONAL AND NATIONAL POLICIES AND THE ECONOMIC PROBLEMS OF THE UNITED STATES—ADDRESS BY SENATOR MALONE BEFORE THE WESTERN GOVERNORS' CONFERENCE

Mr. MALONE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, at this point in my remarks, the opening address which I delivered at the Governors' Conference of the Eleven Western States, in Portland, Oreg., December 12, 1947. The address dealt primarily with the international and national policies of this Government, and the trends of population and industry in the United States.

Mr. President, this Nation has expended nearly $20,000,000,000, through various governmental agencies and direct appropriations by the Congress of the United States, since World War II, in foreign countries. We are now asked for $17,000,000,000 more, nearly $7,000,000,000 of which is to be expended in the so-called sixteen Marshall plan countries during approximately the next fiscal year, all of those expenditures to be made without discussing with the American people, much less deciding, the paramount question, which is just what areas and nations of the world it is necessary for this country to protect in the interest of our ultimate safety.

Mr. President, it is time to take the American people into the confidence of their Government.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada?

There being no objection, the address was ordered to be printed in the RECORD, as follows:

> There are many and varied issues confronting the Senate and the Congress of the United States at this time. I intend to confine my discussion here entirely to what I consider the major economic problems vitally affecting the continued economic growth of the entire Nation. This means the economic growth of the 11 western States.
>
> I intend to discuss these problems with you frankly and without reserve just as I did when I prepared the Industrial Report and encyclopedia covering the States that you represent in the period from 1937 to 1944.
>
> The decisions that are about to be made by the Senate and the Congress of the United States could conceivably result in a radical change in our form of government. We could easily drift into the regimented, socialized and nationalized European form of

PAY THE COST OF SOCIALIZED GOVERNMENTS

I believe the Marshall plan or any other scheme by which the American people lend sixteen billions, nineteen billions, or any other sum, to enable European governments to assume police control of all business will serve only to promote socialism and communism in Europe. We should not ask our people to pay the cost of promoting socialism or communism anywhere on this earth.

There is no question that an added increment of food is needed in Europe through the winter and until they can raise another crop. This is provided for in the Senate bill. I would much rather that the legislation give them the food outright and require them to put it in the hands of their hungry citizens without charge; but in any case food will be sent.

It must be remembered also that next year will be their third crop since the end of the war; and while we favor the feeding of hungry people who are hungry by reason of an emergency and who can get on their feet through making another crop, we cannot take on hundreds of millions of star boarders for the next 15 or 20 years.

Neither can we take on the feeding of people of foreign countries who have been hungry for generations, not through an emergency but through overpopulation and lack of production. It would simply break the United States and in the long run not be of permanent benefit to the people receiving it.

The American public should not be required to help the people of European nations to purchase the things that they could produce for themselves with adequate equipment and the willingness to work.

EUROPEAN NATIONS OLD WHEN WE WERE YOUNG

These nations were old when we were young. They have always had access to raw materials, but they have never made adequate progress in production. So there is little we could do for them in a few months or a few years in raising their standard of living—something that they could not or would not do for themselves over several centuries.

It is my earnest opinion that what is needed in dealing with these nations is a little less protocol of the striped pants variety, and a little more of the ordinary shirtsleeve diplomacy—more straight talk and less double talk—more hard work and less handouts.

EUROPEAN INVESTMENTS IN THE UNITED STATES

It has definitely been determined that there is between eight and fourteen billion dollars worth of investments held in the United States by the nationals of the 16 countries included in the Marshall plan. The Wall Street Journal said on December 1 that there were $13,659,000,000 of such assets, including gold, held in the United States by the nationals of the countries included in the Marshall plan. This statement has not been disputed.

Consider then that there has been more local capital run underground through their socialistic and nationalization policies than they are asking for under the Marshall plan. Consider that their citizens have about as much invested in this country as they are asking for under the Marshall plan and consider that they have effectively stopped American investments for the same reason. Then should our Government give money to their governments to go into business?

My research also shows that the industrial index of France is now 95 percent in relation to the 1938 industrial development—that England is 114 percent, and that all other indexes, including Italy, have made tremendous strides, with the exception of Germany, which shows less than a 40-percent recovery in comparison to such 1938 industrial index, and, in addition, Germany has had a 25-percent increase in population.

My European investigation also convinces me that we are getting very little except lip service from France and England toward the industrial rehabilitation of Germany.

OVERVALUED CURRENCIES

It is well known and established that a large number of the governments of Europe included in the Marshall plan are grossly overvaluing their currencies. France, for example, has an official exchange set by their government of 117 francs to the dollar, when you can go out on the street and get 350 to 400 francs to the dollar.

It is well established that, while England officially values the pound at $4.03 on the exchanges in New York City, or any street in London, you can buy the pound for $2.25. Most of the other countries included in the Marshall plan are doing likewise.

When I was in Rome, the lira was valued at approximately 570 to the dollar, while the street price was 650. It was the nearest to actual value of any of the principal countries. Since that time Italy has started to devalue the lira to actual value. They have just announced that each month the lira will be revalued at not what they think it should be worth, but what the exchanges of Italy are offering for it—which means a free exchange between the lira and the dollar for the first time since the war. They have made a good start and we hope that other European nations will follow their example.

What does this all mean? It simply means that whether you are spending dollars in France or buying the products of France here, you will be paying about three and one-half times the actual value of the product. It means that if you buy any products from England that you are paying nearly twice what the product is worth.

Such a condition slows up the sale of their products in other countries. Naturally that causes them to run out of dollar exchange with which to buy from us.

What does it mean in those countries to be a workman paid in paper money, whose value changes from one shift to another? It kills his initiative.

What does it mean to the farmer of these countries who has the option of trading his products for paper? His problem is similar to ours, but his solution is different. He hoards his products to barter for the real things he needs.

These nations must put their own houses in order. Most of these governments are socialist in character. They have openly announced that they are going to use any funds from us to further their socialization and nationalization of industry plans.

NATIONAL POLICY

On national policy, the American public must make up its mind whether they want free trade through the so-called reciprocal trade program or whether they want to maintain a flexible import fee on each specific product that would equalize the differential of cost of production between the wage standards of living in this country and in the country where our chief competition is situated on each specific product including the efficiency in methods of production.

Such a flexible import fee could be adopted and administered by the tariff commission so that when any nation raised its wage standard of living and production costs, then the flexible import fee on specific products would immediately be lowered in accordance with such raise, and when that nation reached approximately our own wage standard of living and costs, then free and unrestricted trade would be the immediate and automatic result.

Imports are not prevented by such an import fee, but such fees bring the goods in on the basis of an equal wage standard of living level.

The workers in any American industry are entitled to protection from lower cost foreign labor equal to the differential of cost of producing such products in this country and the cost of production in such foreign areas where our chief competition is located.

I see no difference between importing the product of low cost labor and importing the low cost labor itself.

The objective, of course, is maintaining permanent peace while increasing the standard of living throughout the world.

It must be recognized, however, that the 57 different standards of living represented by the 57 member nations of the United Nations present a definite problem in trade relations.

The flexible tariff administered by the tariff commission on the differential of cost basis would immediately establish a definite basis of trade with each specific nation. It would also provide a definite incentive for the other 56 nations to raise their standard of living since they would immediately get credit for it in corresponding lowering of our import fee on the products furnished by such country and their own wage earners would benefit.

These world problems have great effect on the daily lives of people living throughout the 11 Western States and the Nation.

ARTIFICIAL PRICE AND PRODUCTION CONTROLS

It is well known that there is no end to controls once they are started. If you control one thing, it leads to another, and finally you are controlling not only the prices of all commodities, but the actions of individuals. It is my personal opinion it is better to doctor the disease than the symptom, and I would appreciate it if the Governors of the 11 Western States would study these problems and give me the benefit of their advice.

The time for controls is during a war emergency, but as Barney Baruch has so ably said in his recent testimony before the National Defense Committee, the control of only a part of the price structure during the war period (World War II), which did not include total control, was simply a form of legalized inflation.

We also had an industrial mobilization plan in 1941 called the M-day plan—but immediately on the declaration of war it was discarded in favor of a haphazard mobilization of resources and men.

We must again establish such a plan—and in case of another such emergency—use it.

INFLATION THROUGH CONGRESSIONAL ACTS AND APPROPRIATIONS

Through a succession of inflationary acts over a period of 15 years and through the appropriation of approximately $275,000,000,000 more than was returned to the United States Treasury—many informed people believe that the Congress of the United States has reached the point that they cannot create additional purchasing power no matter how much money they may appropriate above the amount necessary to pay the operating expenses of the Government currently.

It will be remembered that when the Congress appropriated $3,750,000,000 for England that the English people complained within a few months that it would only purchase about one-half of the goods estimated because of inflation. Therefore they must come back for more.

They were right. Now what do they think will happen if the Congress appropriates the nearly $8,000,000,000 for the first year under the Marshall plan—they may as well appropriate $80,000,000,000—the resulting purchasing power would probably be about the same.

Several months ago the Secretary of the Treasury, Mr. Snyder, said that the 1947 dollar was worth 50 cents in terms of the 1939 dollar. What he said in my language

was that in 8 years we had halved the purchasing power of every liquid asset in the United States including all wages, salaries, insurance policies, pensions, and other collateral.

Unless we call a definite halt and in addition lower the cost of government we will halve it again within a very short time.

I have the highest respect for the ability of the housewives of this country and their ability to feed their families with the money their husband brings home, but there is definitely a point beyond which they cannot go, and they have about reached it. A continuation of such a policy will demand higher wages and salaries and they cannot be denied.

TREND OF POPULATION AND INDUSTRY

The trend of population and industry is still to the West as it has been since the Pilgrims landed on Plymouth Rock in 1620.

From April 1, 1940, until July 1, 1947, according to the United States Census Bureau, the population of the United States has increased 8½ percent from 131,402,000 to 142,628,000. The population of the 11 Western States during the same period increased 28.2 percent from 13,823,000 to 17,818,000.

All but 2 of the 11 Western States noted an increase in population, from 1.8 percent in Colorado to 42.2 percent in California. The State of Oregon increased during that 7-year period 39.3 percent and my own State of Nevada 26.4 percent.

The growth in industrial activity in the 11 Western States averaged 188.3 percent as against 133 percent for the continental United States during the 6-year period from 1940 to 1946, inclusive. All but 3 of the 11 Western States showed a percentage increase above the national average, and New Mexico and my own State of Nevada showed a percentage 2½ times as great as in the entire Nation.

The increase in industrial use of electrical power showed 60 percent for the entire Nation over the 7-year period 1940 to 1947, but the use of electrical power in the 11 Western States made the phenomenal increase of 90 percent—almost doubling the use of electrical power in the development of industry over the same period, according to the Bureau of Labor Statistics.

PACIFIC GATEWAYS

These combined figures, along with other pertinent data, indicate that the West has at last come of age and is ready to stand on its own feet. The Pacific gateways are 3,000 miles closer to the markets of the Orient and of the South Seas than the Atlantic ports—a fact which has long been recognized by the western folk but only recently by eastern and middle-western producers.

RAW MATERIALS—MARKETS—FUELS

The West has always had the necessary raw materials and expanding markets, including the South Pacific and Asiatic countries. Since the advent of Hoover (Boulder) Dam, Shasta Dam, the Bonneville, and the Grand Coulee projects, the West has at least four large sources of the cheapest fuel (electric power) in the world. This completes the picture.

The job now is to integrate the present and potential industrial production of the 11 Western States with eastern, southern, and midwestern areas of the Nation. This can only be done through close cooperation with those areas and a more detailed knowledge of the present and potential production of the entire Nation.

INDUSTRIAL ENCYCLOPEDIA

The governors, State engineers, bureau of mines heads, and directors of other of your States' departments will remember an industrial report and encyclopedia published by the Industrial West Foundation with their cooperation and assistance in 1944 after 8 years of work. This report should be brought up to date and widely circulated throughout the country, in this connection.

As shown by this industrial encyclopedia, most of the minerals and materials utilized in American industrial production can be largely produced in the United States. But there must be a sound long range incentive system created by law, and not dependent upon Executive orders, to bring about the industrial development of the West and of the Nation.

Such a long-range system must be found which will apply equally to mining, agriculture, timber and wood products, fisheries, fuels, and manufactured products. It must take into account the differential of cost of production between our high-wage living standard and the low-wage living standard of the European, Asiatic, and South American countries—thereby establishing a definite and fair basis of trade with such nations by law.

It is of particular interest to the Western States to obtain such a sound principle by law for trading with South America, the South Seas, and Asiatic countries. This is because, in addition to the domestic market, there is where your future lies.

All business and industry starts small. For example, in mining to get large mines, we first must have small mines—to have small mines, we first must have prospects—to find the prospects, we must have the prospector and developer who is willing to spend his time and money in locating them.

It is estimated that more than 2,000 mines could continue operation in the United States under such a sound incentive system. According to the law of averages and experience in the mining industry perhaps 10 percent of them would develop into large mines. It requires time and incentive to bring this about, but the added employment, taxable property, and security in this country is well worth the effort.

Again, I want to say that in my opinion the seriousness of the international situation cannot be overemphasized. The national and international problems will have, and will continue to have, a profound effect upon anything you may do in your own individual State or in the western group of States.

I have continued the industrial work started with your group through the industrial survey encyclopedia of industry covering the 11 Western States.

THE NATIONAL RESOURCES ECONOMIC COMMITTEE

I am now chairman of the National Resources Economic Committee, created by the Public Lands Committee of the United States Senate. After many public hearings, this Senate committee has issued the first volume in a series of reports. It is available for distribution through my office.

This first volume relates to the mineral position of the United States. It includes a report by the Bureau of Mines of the Department of Interior, on 39 of the leading minerals, including the strategic and critical minerals, together with the hearings held on the subject. I hope that you will find time to review this first volume. I want your opinion and criticism of it.

This Senate committee will continue our work and regularly issue additional volumes which will cover the lumber and forestry products, agriculture, fisheries, fuels, and manufacturing industries, and other pertinent products. I will furnish your individual offices with copies of such material as soon as it is off the press in each case. We need the cooperation and assistance of your state departments dealing with the respective subjects.

Our inquiry covers a broad field. We will report on existing minerals and materials—including metallic and nonmetallic minerals—that have commercial value, together with the status of production and availability. And, this is important, we will report on the laboratory experiments and pilot plant operations in making commercially usable products that now have little or no value, and in other cases finding additional uses for such materials.

For example, it is well known that bauxite, used in the manufacture of aluminium, is very scarce in the United States. There is practically none in the Western States and it is becoming less and less available in Arkansas where most of the commercial deposits are located.

Pilot plant experiments in the use of aluminum clays, from which alumina is extracted which is then used in the manufacture of aluminum, have very nearly reached the commercial stage. It is predicted by the engineers engaged in this work that within a reasonable time the millions of tons of aluminum clays—principally located in the West and the South, will become available for the manufacture of aluminum and that such product will take the place of bauxite in the manufacture of this important material.

The United States will then become self-sufficient in all of the materials necessary for the manufacture of aluminum and the West, with its abundant supply of low-cost fuel in the form of electrical power, should hold its own—if not lead—the field in this connection.

It is also well known that the experiments and pilot plants that have been engaged in the extraction of petroleum and natural gas from oil shale and coal have almost reached the practical stage. Our committee has been informed through testimony by engineers engaged in this work that such processes have now reached the stage that the synthetic rubber processes were in when World War II started.

If necessary, large capacity plants could be constructed within a comparatively short time and produce all of the petroleum and gasoline necessary for any emergency in this country.

It is estimated that there is as much oil, about eighteen to twenty billion barrels, contained in the known deposits of oil shales in this country as the entire proven supplies of petroleum underground.

It is further estimated that the supply of petroleum and gasoline from coal in the Northwest, the inter-Mountain States, and the Eastern and Southern States is practically inexhaustible, and that the production costs, after large plants are in operation, would not greatly exceed the cost of the regular petroleum supplies.

There are experiments under way at this time to process the coal underground through drilled wells, bringing up the gases and converting such product into petroleum and gasoline without mining the coal at all.

We found also during the war that electrolytic manganese was a very satisfactory substitute for nickel in many uses of that scarce commodity. Many large deposits of low-grade manganese are found in the West and other areas of the United States. Experiments have shown that airplanes can be manufactured from sheets of titanium which are now being produced. This metal is four times as strong and is only twice as heavy as the metal now in use. The same strength can be obtained in one-half the weight.

These are only a few of the experiments in laboratory work and pilot-plant operation that have been carried on in this country that will be followed through by the committee.

In the future these developments will bring in tremendous new operations, both in the Western States and throughout the country. In other words, many of the metallic and nonmetallic minerals and other materials which have hitherto had very little value are

becoming valuable through such experiments and pilot-plant works. Such work must be continued.

WORK OF WESTERN GOVERNORS' CONFERENCE

I want to congratulate your organization on the work it has already accomplished. In my opinion, this governors' conference can wield tremendous influence on the Nation's future and you can make your advice and counsel felt in Washington. To do so, you must study your own production problems and determine how, in your own judgment, such production can fit into the over-all development and production picture of the Nation.

It is a certainty that industrial production in the West will become more and more important in the future, not only to supply your own domestic market but to supply the new markets as they develop in South America, the South Seas, and in Asia. These markets will grow as the people abroad learn more about how to raise their standards of living.

The governor members of this conference should also study the effect of the recent Supreme Court decision in the California tidelands case which is very likely to confront the Senate and the Congress of the United States during the next session.

Many outstanding constitutional lawyers assert that it is the beginning of a legal encroachment on States' rights and would well continue on the same premise, claiming jurisdiction over inland waterways, upland areas, and their resources. We need definite advice and counsel in that connection.

THE COST OF GOVERNMENT

This conference will give us good counsel on the cost of living and government. For example, the cost of living when analyzed on the basis of national income created from production, has remained quite constant.

In the 10-year period 1930 to 1939, inclusive, the American public spent 24.28 percent of the national income for food. In the year 1946 and at the present time they are spending approximately 24.1 percent.

On the other hand, the cost of the Federal Government has increased from $8,900,000,000 in 1939 to $36,500,000,000 in 1946. In other words, the combined cost of State and Federal Government in 1946 exceeded the total food bill of the Nation.

The payment of these huge sums to the Government in the form of direct taxes such as the income tax and indirect taxes which are reflected in the selling price of goods, constitute the real burden of the cost of living.

POLICIES TO BE DETERMINED

However, all of the work that you may do toward development of your own resources could be checked and largely nullified through unwise international and national policies.

We cannot indefinitely continue the shipments of our food and strategic and critical minerals and materials to European nations, paid for with our own money with no hope of repayment, without a tremendous effect upon our own economy.

The decision is yet to be made by the Congress of the United States as to whether we will bend our efforts, through the United Nations and our own Government, toward reestablishing the integrity of business and industrial investments in the countries of the world (as we respect the investments of the nationals of those nations in the United States) or whether we shall continue to distribute the sweat dollars of 49,000,000 American taxpayers throughout the world in a vain attempt to influence acknowledged socialized and nationalized property-minded nations.

The decision is yet to be made by Congress whether we will continue on the free-trade road through so-called reciprocal trade agreements, or work out a sound method through the flexible import fee, or other arrangement of frankly recognizing the wage-standard differentials of the cost of production between the nations of the world—thereby preserving our own production and the economic integrity of the higher-wage-standard-of-living nations, such as our own, while we are trying to help the less fortunate nations.

Mr. MALONE. Mr. President, it is time we realized that any money expended in support of the United Nations we will either furnish direct or through loans to the nations contributing such funds.

It is time that we realized further that if the United Nations is to be effective we must furnish the drive that puts it into gear; otherwise it will go the way of the old League of Nations. It is dead now and no one can revive it but us, and time is running out.

ANNUAL ALLOWANCE TO PRINCESS ELIZABETH AND PRINCE PHILIP

Mr. BUTLER. Mr. President, I ask unanimous consent to have inserted in the body of the RECORD a short article which appeared in the Washington Evening Star on December 18, and, immediately following that, a copy of a letter I received in connection with the article.

There being no objection, the article and the letter were ordered to be printed in the RECORD, as follows:

COMMONS APPROVES $200,000 ALLOWANCE FOR ELIZABETH, PHILIP

LONDON, December 18.—The House of Commons has approved an annual allowance of 50,000 pounds ($200,000) for Princess Elizabeth and Prince Philip, over opposition of a small labor bloc but with the support of Prime Minister Attlee and Chancelor of the Exchequer Sir Stafford Cripps—austerity advocate.

Elizabeth will be taxed on one-tenth of her annuity—4,000 pounds ($16,000)—and Philip on one-fifth of his—2,000 pounds ($8,000). The average Briton in this income bracket pays roughly 9 shillings ($1.80) for each pound income, but inasmuch as the rates vary under different conditions the exact taxes to be paid by the royal couple remained uncertain pending an official announcement.

The allowances were approved last night after a 6-hour debate, during which half-a-dozen Laborites, headed by Maurice Webb, chairman of the Labor Party caucus in the house, sought to limit the couple's allowance to the annual stipened of 15,000 pounds which Elizabeth has been receiving for 3 years.

Unsuccessful, Mr. Webb then sought a 5,000-pound slash in the 40,000-pound allowance recommended for Elizabeth. That amendment also was rejected.

"We wish the royal couple a life of happiness and good fellowship, but we want to take them out of the gilded cage." said Emrys Hughes, one of the Laborites who sought to cut the allowance.

Prime Minister Attlee contended that the sum recommended would not presuppose a luxurious life, while Cripps declared that it was necessary for the "simple but dignified" manner in which the royal couple would have to live to discharge their responsibilities.

Last night in Buckingham Palace King George VI and Queen Elizabeth listened to the men's and boys' choir of St. James's Palace Chapel Royal sing carols. Later 500 servants and clerks and their guests danced in the room in which Elizabeth and Philip had their wedding breakfast. It was the first time the annual Christmas staff dance has been held in a state apartment rather than in the servant's section of the palace.

The King danced with Princess Elizabeth's maid, Miss Margaret MacDonald, and the Queen with her own page, Cyril Hayley, for the first dance.

UNITED STATES SENATE,
December 19, 1947.

Hon. HUGH BUTLER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR BUTLER: As one of your Nebraska constituents I wish to call your attention to a story in the Washington Evening Star which has to do with approval given by the House of Commons for an annual allowance of $200,000 per year for Princess Elizabeth and Prince Philip. You will find a copy of this article attached and I wish you to note that Chancellor of the Exchequer Sir Stafford Cripps states, "that this amount is necessary for the simple but dignified manner in which the royal couple would have to live to discharge their responsibilities," and Prime Minister Attlee remarked that this sum "would not presuppose a luxurious life."

I wonder how long, Senator, we as American people will continue to hand out money and merchandise at the rate of $4,000,000,000 per gift as we did in the case of Great Britain. Now comes the so-called Marshall plan which would give some $16,000,000,000 to the United Kingdom and other European countries.

I remember, Senator BUTLER, that you voted against the so-called British loan of $4,000,000,000 which, of course, was no loan but an outright gift. It is my feeling that you should lead the fight against the Marshall plan, and I hope that you will take a stand that there are going to be no more gifts until Great Britain and the other countries put their own affairs in shape. It is certainly preposterous to American people to see their Congress vote gifts of this kind and then read in the paper that in the case of Great Britain they are able to give $200,000 per year for one royal couple. I feel that three-fourths of the people of this country are opposed to this sort of thing, and certainly the time is here to follow the old motto "charity begins at home." Why should American people be asked to keep up all the royal households and to keep up all the political "hangers-on" in Europe and in so doing push up their own cost of living due to a man-made shortage at home.

We should be thoroughly ashamed of any so-called diplomacy that would permit an allowance such as has been approved for the newly married royal couple, and at the same time pay the President of the United States $75,000 per year. The United States taxpayers are putting up this money each March 15th. If this were the only cost, it might not be so bad; but when one considers that in paying this high tax to maintain Europe's royalty we have doubled the cost of living, surely it is time for Congress to take drastic action.

Sincerely.

NOMINATION OF JAMES BOYD TO BE DIRECTOR OF THE BUREAU OF MINES—SUSPENSION OF RULE XXXVIII

Mr. BUTLER. Mr. President, I ask unanimous consent, as in executive session, that paragraph 6 of rule XXXVIII be suspended in the case of the nomination of James Boyd, of Colorado, to be Director of the Bureau of Mines, which nomination is now pending before the Committee on Public Lands of the Senate.

The PRESIDING OFFICER. Without objection, the order is entered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4748) making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes, agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. TABER, Mr. WIGGLESWORTH, Mr. ENGEL of Michigan, Mr. CASE of South Dakota, Mr. KEEFE, Mr. PLUMLEY, Mr. CANNON, Mr. KERR, and Mr. MAHON were appointed managers on the part of the House at the conference.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled joint resolution (S. J. Res. 170) authorizing the Secretary of Agriculture to publish the names and addresses of persons transacting business on the boards of trade, and the amounts of commodities purchased or sold by them; to furnish to committees of Congress upon request and to make public any such information in his possession, and for other purposes, and it was signed by the President pro tempore.

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, December 19, 1947, he presented to the President of the United States the following enrolled bill and joint resolutions:

S. 1770. An act to amend the National Housing Act, as amended;

S. J. Res. 167. Joint resolution to aid in the stabilization of commodity prices, to aid in further stabilizing the economy of the United States, and for other purposes; and

S. J. Res. 170. Joint resolution authorizing the Secretary of Agriculture to publish the names and addresses of persons transacting business on the boards of trade, and the amounts of commodities purchased or sold by them; to furnish to committees of Congress upon request and to make public any such information in his possession; and for other purposes.

USE OF GRAIN BY THE DISTILLING INDUSTRY

Mr. BARKLEY. Mr. President, on the 17th of December, during the discussion on the floor of the Senate of Senate Joint Resolution 167, with reference to the authorization to prevent the use of grain in the production of distilled liquors or neutral spirits to be used for beverage purposes, I made the statement that I had been informed that a certain company in this country, during the 2 months' voluntary holiday of the distilling interests, from the 25th of October to the 25th of December, had used twice as much grain as the whole distilling industry used in a single month, and that therefore no grain had been conserved by the program.

I did not mention the company involved, but I have a letter here from the Publicker Industries, Inc., Philadelphia, which is the company I had in mind, indicating that the statement which I made was inaccurate, and enclosing a copy of a letter written by them to the senior Senator from Pennsylvania [Mr. MYERS]. They also wrote a similar letter to the junior Senator from Pennsylvania [Mr. MARTIN]. I have not been able to check with the Alcohol Tax Unit to determine what the facts really are. The information upon which I based my statement was given to me by people whom I have known for many years, and whom I regard as completely reliable. I am a little at a loss to understand the discrepancy between the statement I made, based on that information, and the statements in the letter disclaiming entirely the accuracy of the statement I made.

I am seeking the real facts from the Alcohol Tax Unit. I have not yet received them. I want to be fair to the company which I had in mind. I therefore ask unanimous consent that there be printed at this point in my remarks the letter which I received yesterday from the vice president of the Publicker Industries, Inc., and also that a copy of their letter to the senior Senator from Pennsylvania [Mr. MYERS] be printed, in order that the company's side of the matter may appear in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

PUBLICKER INDUSTRIES, INC.,
Philadelphia, Pa., December 18, 1947.

Hon. ALBEN W. BARKLEY,
United States Senate,
Washington, D. C.

DEAR SENATOR BARKLEY: On the floor of the Senate yesterday you made some statements which obviously referred to our companies.

These statements contained errors of fact.

Enclosed is a copy of our letter of today to Senators MARTIN and MYERS pointing out the errors of fact.

Contrary to the impression given yesterday, the terms of the shutdown requested by the President and the Citizens Food Committee did include an agreement not to make neutral spirits from grain. In conformity with this agreement, our companies have not used any grain to make beverage spirits including neutral spirits, since the shutdown began on October 25.

In view of your well-known high regard for the truth, we hope that you will correct these errors on the record before the Senate adjourns.

Sincerely yours,
Dr. LEWIS H. MARKS,
Vice President.

PUBLICKER INDUSTRIES, INC.,
Philadelphia, Pa., December 18, 1947.

Hon. FRANCIS J. MYERS,
United States Senate,
Washington, D. C.

DEAR SENATOR MYERS: During the course to Senators MARTIN and MYERS pointing out Joint Resolution 167, Senator BARKLEY made several statements about an unnamed distilling company. From the context of these statements, as reported in the CONGRESSIONAL RECORD, it is apparent that Senator BARKLEY's references were directed to Publicker Industries, Inc.

Several of the statements made were erroneous, and we would very much appreciate it if you would correct these statements for the record:

1. It was stated that the company in question had continued to produce neutral spirits after the voluntary agreement to stop distilling beverage spirits from grain, effective October 25.

Our companies have not used any grain to distill beverage spirits, including neutral spirits, at any time since the voluntary shutdown began on October 25. The records of the Alcohol Tax Unit will confirm this statement. In fact, our companies are publicly on record before the Citizens Food Committee as stating that there was no practical reason why the shut-down could not begin on October 15, rather than October 25—a recommendation which was rejected by the other distillers present as impractical. As a result, a tremendous quantity of grain was used by all distillers between October 15 and October 25.

2. It was stated that the capacity of our company is based on the fact that we took over a Government plant which was built during the war for the production of industrial alcohol for war purposes.

All of our plants were built before the war. We did not take over any Government plants. We have been engaged in the businesses of manufacturing beverage spirits and industrial alcohol for over 30 years. While certain grain-handling equipment and other facilities were installed at our plants during the war—as they were at a great many other distilleries in the United States—these installations did not increase the distilling capacity of our companies by one drop.

3. It was stated that if grain were allocated on the basis of capacity one company would use three-quarters of all the grain available.

According to the capacity figures compiled by the Alcohol Tax Unit and used by the Department of Agriculture as one basis for grain allocation the distilling capacity of our plants is 23.5 percent of the capacity of the industry.

Our companies believe in competition. We believe that whenever Government allocations are necessary these allocations should afford each unit in an industry the same relative opportunity to compete which the unit would have had if no controls were necessary. We believe that the only fair test of opportunity to compete is capacity to produce. We oppose any historical allocation system as unfair and discriminatory and as designed to preserve past competitive patterns against current competitive facts. We have successfully maintained that position in the courts. We do not believe that the preservation of past competitive patterns is what has made this country great.

Our companies believe that grain conservation is not only in the national interest but also in the interest of the distilling industry. We have complied with the letter and spirit of all Government requests for grain conservation. We were also among the minority of distillers who agreed to accept Secretary Anderson's voluntary grain conservation program for operations after the end of the shut-down, even though it was based 50 percent on the historical allocation system which we believe to be arbitrary and unfair.

Sincerely yours,
Dr. LEWIS H. MARKS,
Vice President.

GOLD, SILVER, DIAMONDS VERSUS DECLINING MONEY VALUE—ARTICLE BY ROGER W. BABSON

Mr. McCARRAN. Mr. President, Mr. Roger W. Babson, investment counselor, published an article in the Commercial and Financial Chronicle of December 11, 1947, which I consider worthy the attention of my colleagues in the United States Senate. The article recites experiences that relate to the decline in the purchasing power of paper currencies in several countries, as well as the complete

destruction of the value of German Government bonds within the past 20 years.

Of outstanding interest, however, is the opinion expressed to him by people of many nationalities that aside from owning small homes away from bombing danger, with fertile land, fuel, and other useful commodities, the most important possessions that one can own are gold, diamonds, and silver, because these commodities "are the only things which, at all times, are worth something, everywhere." The article contains other good advice, and I ask unanimous consent that it may be printed in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GOLD, SILVER, DIAMONDS VERSUS DECLINING MONEY VALUE

(By Roger W. Babson)

This week I am making no definite recommendations to anyone; but with the mess the world is in today, here are some facts for readers to consider. Moreover, they relate to changes which I have personally witnessed in my short lifetime. My first job, after graduating from the Massachusetts Institute of Technology in 1898, was as statistician for a banking house in Boston. At that time the leading banks of New York, Philadelphia, and Boston were recommending the Reichsmark 3s as the safest bonds obtainable—better than U. S. bonds. The Reichsmark, at that time, sold for about 24 cents.

Within 20 years I saw these German Government bonds become practically worthless. It is true that the German Government redeemed them in "marks," but these marks had dropped from 24 cents to one one-hundred-thousandth of 1 cent. Moreover, holders of German insurance policies and bank deposits suffered the same loss. Nothing like this will happen in the United States. But inflation has always existed since the days when the old European kings clipped their people's gold coins. Inflation will continue to be a factor and the value of every currency will probably continue to decline.

WHAT HAS HAPPENED IN CHINA?

I have always been interested in China. My ancestors were in the Chinese trade, sailing ships from Gloucester to China ports. At that time the Chinese dollar was worth 50 cents in American gold. China was ruled with an iron hand by an old lady, Tzu Hsi, the empress dowager, who never heard of communism. The budget was always balanced.

Just before World War II, I was in China inspecting the Shanghai Power Co. At that time, Chinese dollars were worth 5 cents in American money or it took only 20 Chinese dollars to get a United States dollar. This was only a few years ago. Today, it takes about 150,000 Chinese dollars to buy one American dollar. This has not been due to any dishonesty, as was the case with Germany. It has happened through a constant failure to balance the budget.

TRUTH ABOUT FRANCE

Before World War I, I had numerous clients in Paris, and visited there often. The French franc, at that time, was worth 20 cents in American gold. It was looked upon as stable as our dollar is looked upon today. During World War I this franc gradually declined to about 5 cents. This was not due to dishonesty, but to failure to balance the budget.

Just preceding World War II the franc had declined to around 2 cents. Since then, through further failure to balance the budget, a huge government debt and other economic causes, the franc has declined to a point where it is difficult to get a Frenchman to accept them at any price. They are probably worth about one-third of a cent. This means that it takes about 300 francs to buy one American dollar.

Up until World War II, the British pound has been the standard currency of the world, and it has sold for nearly $5 in American currency. During World War II, it fluctuated from $2 to $3, according to the fate of the British Navy or Army. After World War II, the pound was theoretically stabilized at $4.03 in American dollars. Apparently, however, this is a fictitious amount, as illustrated by the following incident.

Some English interests have been endeavoring to purchase two Gloucester trawlers. After long negotiations (the British are wonderful traders) a price was agreed upon. The owners, naturally expected to get dollars, but upon going to England to get the money, were told they must be paid in pounds. When my Gloucester friends returned to New York they found they could get only $2.75 in American dollars for these British pounds. This did not happen years ago; moreover, it did not happen in China, Germany, or even France. It happened last week in New York City.

I believe in the United States. All I have I owe to the United States, and I am ready to give my fortune and life to the United States. But, I am unfair to my clients and readers not to frankly call to their attention what is happening all over the rest of the world, and what may happen in the United States. Certainly our dollar, like the money of all other countries throughout the ages, will gradually decline in purchasing power. How far this will go, nobody knows.

What can we do to protect ourselves? First, we can work to reduce the United States Government debt and increase the United States production of goods through better work and new inventions. When talking with clients and refugees from other countries, they emphasize the importance of every family owning more real things, including a small home away from bombing danger with fertile land, fuel, and other useful commodities, together with a few jewels, especially gold, diamonds, and silver. Whether I talk with a German or Chinaman, a Frenchman or Englishman, they are unanimous in the opinion that gold, diamonds, and silver are the only things which, at all times, are worth something, everywhere. Hence, these are known as emergency money.

Remember, I am not recommending new diamonds or anything else as investment for profit. Almost everything looks too high to me. But as emergency money and real enjoyment husbands might consider buying their wives a good diamond ring for a Christmas gift.

EMPLOYMENT ACT OF 1946—ARTICLE BY DR. EDWIN G. NOURSE

Mr. MURRAY. Mr. President, in December 1945, just 2 years ago, I first proposed the legislation which is now written on the statute books as the Employment Act of 1946.

While my proposal became one of the most widely discussed measures ever to be introduced in the Senate, few people at that time ever thought it would be enacted in any form whatsoever. My efforts on its behalf were bitterly fought by powerful groups who were opposed to any type of legislative recognition of the Government's responsibilities toward maintaining a healthy economy. Many of the warmest advocates of my measure doubted that Congress could ever be persuaded to write any of its principles into law.

Yet, in February 1946, after valiant efforts by all its sponsors, the Employment Act of 1946 was signed by the President. And today, only 2 years after I first made the proposal, this measure has already become recognized as one of the most significant contributions in recent history to the preservation of economic and political democracy in America.

Let me quote from an article written by Dr. Edwin G. Nourse, the distinguished Chairman of the Council of Economic Advisers. The article is entitled "The Employment Act and the Act of Employment," and appears in the November 1947 issue of Dun's Review.

I quote:

Writing the Employment Act of 1946 was an expression of faith or of hope. * * *

To my mind, the outstanding feature of that measure is this: It does not offer a panacea for depression or a formula for business prosperity. It proposes no resort to money magic nor hope of socialist salvation. It is a meat-and-potatoes American dish on which we can keep up our economic strength and really utilize our productive resources.

The Employment Act follows both the political tradition of our republican form of government, with its division of powers, and our economic tradition of maximum private enterprise, with complementary use of public agencies for economic ends.

In the executive branch of government the act defines explicitly the responsibility of the President to have an integrated economic program to present to the Congress and the country each year. It gives him a professional staff to gather and organize factual and analytical materials to aid him in preparing annual and special economic reports and programs. In the legislative branch, it sets up a joint congressional committee to study the Nation's economic problems, review the President's Economic Report, and thereupon shape an integrated and constructive legislative program of its own.

Dr. Nourse's analysis of the Employment Act deserves the most careful attention by the Members of the Congress—not only because of his prestige as an economist, but also because it is imperative that we never forget the responsibility that devolves upon the Congress as a result of the act's passage.

Accordingly, I ask unanimous consent that the article by Dr. Nourse, from which I have just quoted, be inserted at this point in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE EMPLOYMENT ACT AND THE ACT OF EMPLOYMENT

(By Edwin G. Nourse, Chairman, Council of Economic Advisers to the President)

Writing the Employment Act of 1946 was an expression of faith or of hope. The act of getting 60,000,000 Jane and Joe Doaks on the pay roll or self-employed is a fact today. Can the Employment Act help to keep them there?

To my mind the outstanding feature of that measure is this: It does not offer a panacea for depression or a formula for business prosperity. It proposes no resort to money magic nor hope of Socialist salva-

tion. It is a meat-and-potatoes American dish on which we can keep up our economic strength and really utilize our productive resources.

The Employment Act follows both the political tradition of our republican form of government, with its division of powers, and our economic tradition of maximum private enterprise, with complementary use of public agencies for economic ends.

In the executive branch of government, the act defines explicitly the responsibility of the President to have an integrated economic program to present to the Congress and the country each year. It gives him a professional staff to gather and organize factual and analytical materials to aid him in preparing annual and special economic reports and programs. In the legislative branch, it sets up a joint congressional committee to study the Nation's economic problems, review the President's Economic Report, and thereupon shape an integrated and constructive legislative program of its own.

As to its economic features, the Employment Act reaffirms and in fact makes more explicit and comprehensive than ever before the national policy of adhering to a system of predominantly private enterprise. At the same time, it also states more explicitly and comprehensively than ever before the policy of the National Government to follow such lines of positive action as the legislature may see fit to authorize under the leadership of the Chief Executive or on its own initiative, subject to his veto powers. This declaration of residual public responsibility on a foundation of private enterprise simply reaffirms as a matter of conscious policy the traditional course we have followed ever since Colonial times. This is the "mixed" economy under which in Federal, State, and local matters we have been accustomed to operate. We of course have never had our socio-politico-economic carburetor rigidly set to any particular mixture; but neither have we ever undertaken to operate either on pure air or pure gasoline.

FREEDOM OF ACTION

The Employment Act of 1946 is strictly in line with the Spirit of 1776. It reaffirms the American practice that has been followed again and again as we have found ourselves confronted by new problems. That is, we have given the individual and the privately organized group the first chance to perform a given economic service and to reap its gains—within general codes of proper conduct. But when it became clear that private resources were insufficient or private venturesomeness too feeble or the terms of private trade incompatible with social need, we have never hesitated to invoke community organization, State activity, or Federal aid—or even operation in a few cases. It is nonsense to say that we have had any consistent or rational policy or economic or social theory in these matters. We have been opportunists trying to get something done, and to preserve freedom of action of the citizen as well as the business enterpriser in the process of getting it done.

I strongly suspect that we shall continue these rather unsystematic practices under the Employment Act much as we have followed them for a century or more before its passage. But in conjunction with—and in a sense compensating for—this flexible and easy-going way of business life, we have at length enunciated a basic policy of economic action for the Federal Government, coordinated—so far as they will permit—with State and local governments. The one distinctive change that the act introduces is in defining the concept of a national economic goal, attempting to gage the amount by which and spot the place at which actual performance falls short of that goal, and declaring formal governmental responsibility for seeking every means of closing that deficiency.

Since the Employment Act is premised on the idea that the citizen should be given full opportunity to apply his labor and employ his property to what he considers his greatest advantage under free competitive enterprise, there devolves a great responsibility on the citizens in their private business capacities to see that opportunity of employment shall not be withdrawn from anyone able, willing, and seeking to work, and that natural resources and plant and equipment shall not be idle in great quantities or over substantial periods, thus defeating the purpose of maximum production and purchasing power. Let us look at the practical meaning of this economic responsibility that must go with the preservation of economic freedom. We examine the matter first from the side of management, then from the side of labor.

There was a widespread feeling among businessmen in the 1930's that Government was antagonistic to business—even that a death sentence was being pronounced on private enterprise. During and since the war there has been a considerable rebound from that state of mental gloom. Businessmen have pointed with pride to the fact that, in the war emergency, private industry performed miracles of production and became the savior of the Nation and of the democratic world, demonstrating the superiority of private enterprise over any other system on earth. In the judgment of some at least of these spokesmen, Government should now get entirely out of the business field, content that the economic future of the country is safe in the hands of those who demonstrated anew their complete adequacy in the war period. (On examination, however, it becomes clear that they do not want that "entirely" to be taken too literally.)

I believe that both these views require a little reexamination. Without, in any sense, attempting to justify all the mistakes that were made in the 1930's, I do not believe it could be said in any broad way that Government hated business or intended to destroy the private enterprise system. I believe that the fair verdict of history will be that there were serious defects and shortcomings in the private enterprise system as it was practiced in the 1920's. I believe the verdict, too, will be that, in spite of some extremists, the great body of sane and intelligent people sought reform and supplementation of the private enterprise system, not its destruction.

Looked at frankly, even the glorious achievements of American business in winning the war did not quite demonstrate that private management had mastered the last lessons of economic science so well that our economic life should henceforth be turned completely over to them and no questions asked. The war record of industry was a stupendous technological and engineering achievement. But no one really doubted or needed fresh proof of the tremendous capacity of American industry in this technological field. The war period was not, however, an equal economic achievement.

To have carried through the bookkeeping and disbursing operations necessary even to this gigantic operation can hardly be considered a solution of the economic problems of self-sustaining prosperity in a peacetime economy. Business was not, during the war, relying upon voluntary arrangements made in an open competitive market—for goods, for labor, or for capital. It did not have to sell its war product, simply deliver it. It received material through allocation and got labor under conditions of draft exemption, the patriotic urge, the wage controls, and strike moratoria, which are quite foreign to the bargaining relations of a peacetime market. This war economy was not balancing its books quarterly, yearly, or within the war period. Much of the "money that made the mare go" in the industrial field was pumped in by a process that left us with a war debt of $275,000,000,000.

NEW LEASE ON LIFE

The public has been giving its own evaluation to all these factors of free enterprise in the 1920's, which ended in a grand smash; of Government control of business in the 1930's, which failed to get us out of a depression; and of the wartime business of the 1940's, in which Government and private business in partnership muddled through the strains of a war emergency but by no means arrived at final answers to the problems of stabilized peacetime activity. In the light of this evaluation, they have, through the courageous but tolerant philosophy of the Employment Act of 1946, given the system of private enterprise a new lease on life, making it the foundation and cornerstone of the system on which we propose to maintain our position as the leading nation in the post-war economy of the world.

This act assures private business a more favorable environment in which to work than they thought in the 1930's they could again count upon. Some might say that, if there was at that time a sweeping indictment brought against the management of private business in this country, it has now been tried out at the bar of public opinion and no death sentence has been passed. It would, however, be too much to say that the charge has been completely dismissed. It might be more accurate to look at the present situation as one of probation, in which it is up to private business management, by its future acts, to justify itself in the more favorable surroundings now provided.

The test will hang on the meaning that business gives in practice to the phrase "free competitive enterprise" as used in the declaration of policy in the Employment Act or "competitive private enterprise" as used by the National Association of Manufacturers.

As industry did not operate in a competitive market during the war but in a controlled market in a deficit economy, neither has there been a normal competitive market since the war. It has been still essentially a seller's market characterized by inflation, the absorption of a substantial amount of wartime savings, and much resort to credit extension and installment buying. Business, however, is headed for a truly, and at many spots no doubt a sharply, competitive market. Unless management can allow the full volume of productivity of our capable labor force, our ample plant, and our marvelous technology to continue unabated and absorb within its long-time accounting, financing, and managerial system such price adjustments as result, it will not have shown a capacity of the competitive free enterprise system adequately to serve the Nation's needs.

I am not suggesting that this is easy. But, over all and in the last analysis, production provides its own purchasing power and the level of prices is not important if the whole wage and price structure is properly adjusted part to part. It is the attempt to prevent or slow down such adjustment by protective actions that restrict the volume of production that creates the mischief. Competition works itself out in a market of small units because no one can arrest or interfere with the competitive process. But our world of large organized units gives plenty of chances to put sand in the bearings if the respective parties want to try it. Turning one's back on such evasion of the law of supply and demand and finding ways to go on with full use of available resources—that is the meaning of competitive private enterprise and the challenge of the years ahead. It is a responsibility of organized management and also of organized labor.

The first proposition I would make as to labor is that organized labor settlements

must be the parent and not the child of economic stabilization. A very distinguished labor leader once said to me, "We are strong for the Employment Act and the Council of Economic Advisers. You just go ahead and stabilize business, and we'll get ours." I have no doubt as to the second of these propositions. But I hope no one thinks the council supposes for a moment that it can stabilize the economy, or even point the way in which it could be stabilized, except through the sound action of labor as well as management in their collective bargaining settlements. Under wage rates and working practices, labor must put as much into the creation of products as it arranges to take out in the way of consumer goods. In other words, the settlement must be one that creates both the opportunity and the inducement for business—jobs—to go on.

It is sometimes pointed out that maintenance of full employment is the same as making a perpetual sellers' market for labor. You may reply: "Well, is that bad? Isn't it just what the whole labor movement is for?" My answer would be: Whether it is good or bad remains to be seen. It will depend upon how wisely union members and union officials can use the power that is theirs in a sellers' market. At the very least, I would say, it is dangerous.

DANGER OF SELLERS' MARKET

We have just seen a demonstration of the dangers of a sellers' market for commodities, which has caused consumers a good deal of anguish and threatened the country with spiraling inflation. That danger finds a natural corrective in the stimulative effect that high prices have on production. It is hardly to be supposed, however, that a sellers' market for labor would be protected against abuse by the stimulative effect that it would have on the production of new laborers. Hence, all the more responsibility devolves on labor policy and adjustment practices if you are to keep from engendering an inflationary spiral of annual wage increases followed by annual price increases which promptly extinguish the gains for the consumer.

In this connection it seems to me that the greatest danger that the Council will have to face in its study of wage-price stabilization is that particular groups of workers will feel strong enough to secure a substantial wage increase in an industry whose product does not enter directly into their consumer budget or which is only an insignificant item in it. Thus they feel that they stand to gain more in wages than they lose in prices and are ready to ignore the losses that they are putting on the rest of the community, mostly wage workers like themselves, or on farmers—who, in the last analysis, are no less wage workers. This seems to me to call for a greater integration of policy in the whole labor movement, so that particular crafts or groups will not be seeking to promote their own advantage at the expense of other workers.

It was not strange that, when labor undertook to correct the abuses of early industrialism through union organization, it relied exclusively on militant methods—on trying to get as much strength as the employer, or even more strength. That was the only tool at hand—and a perfectly proper tool for establishing the institution of collective bargaining. But the time was bound to arrive when unionism, through its organizing ability supplemented by the political resort to Government aid, should catch up with and might perhaps even pass capitalistic organization in the race for power.

I suppose that if we could get an absolute equilibrium of size, strength, and skill between the two parties, that condition might assure that wage contracts from then on would reflect a true economic equilibrium. But the attaining and maintaining of any such precise equality of bargaining power is the purest figment of a theorist's imagination. What actually takes place is an endless and destructive struggle of each party to get a little bigger than the other—or a little stronger—or a little more deeply entrenched in Government protection. In all probability, the end of that struggle would be marked by the trading of independence and private enterprise for complete paternalism and bureaucratic control.

This would mean the end of unionism and, I fear, the beginning of totalitarianism. To avoid such a disaster, it would seem imperative that both labor and management abandon the race for each to get strong enough to beat the other and that, instead of gang fighting, they adopt in good faith the method of collective adjustment of the economic process in which they are both partners.

In conclusion, then, the issue of how fully the purpose of the Employment Act can be achieved depends on whether the two parties to the act of employment for wages can get together on an economically workable basis. If either pushes the other too far off the true equilibrium point, employment will be partial or intermittent instead of being adequate and sustained. On the other hand, we now have a possibility of finding out just how much, at capacity operation, labor is worth; how much it in fact produces under favorable circumstances; or how much management can afford to pay. This possibility, however, can be realized only if neither party to the act of employment asserts—and exercises—the right to engage in restrictive practices or to quit when it is unsatisfied with its share of the joint product.

OUTLAW STRIKES AND SLOW-DOWNS

The resort to war is a primitive practice which entails net destruction even if the winner can apparently or in the short run shift the cost to the loser. We shall not be civilized people till we outlaw or foreswear war. No more shall we be economically civilized till we find ways of peacefully maintaining men at work of their choice, making continuously fruitful the machines provided to magnify their productive powers.

That would mean foreswearing the use of the strike or the slow-down as an instrument of union policy. Many employers are ready to agree that the right to strike or to featherbed should be done away with. But maximum production is threatened just as much if productive property is withdrawn from use because its owners or managers are dissatisfied with the earnings it will be accorded. Many working people feel that this right of employers is fatal to their economic security.

Shall we ever find a kind of collective contract in which both parties will agree to share in the outcome of business ventures on the basis of an external audit of the joint product after it has been ascertained rather than making the acceptance of rigid demands for settlement in an uncertain future the condition of operation? Could not practical minds meet better on a principle of division than on formal figures?

THE CHRIST SPIRIT

Mr. WILEY. Mr. President, within a few hours at the longest we hope the special session will come to an end. The message we heard read a few moments ago brought to my mind a matter which I desire to have placed in the RECORD. It is an editorial with reference to the Christ spirit, by John Haynes Holmes, published in the Progressive, of Madison, Wis. Among other things, he said:

One thing is certain—that without the Christ spirit we can do nothing. Without it we can get no peace under any political system or in any economic order. Without it we can never bring about disarmament, or organize world government, or outlaw the atomic bomb.

I want to say that in this city MRA—Moral Re-Armament—is now putting on a performance that is worthy of the consideration of every thinking man. They have representatives from 17 or 18 countries. It was my privilege to entertain a few of those youngsters today at luncheon. I want to say that in considering the economic, social, and political problems of America, I agree heartily with the editorial, which I now ask to have printed following my remarks.

I wish to conclude by saying that I trust this holiday season will be rich with blessings for all my associates in the Senate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wisconsin?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

One thing is certain—that without the Christ-spirit we can do nothing! Without it we can get no peace under any political system or in any economic order. Without it we can never bring about disarmament, or organize world government, or outlaw the atomic bomb.

Even if we could accomplish these things, they would not work; they would inevitably break down without this blessed spirit to control and guide.

Jesus' vision was as clear as his pity was profound when he wept over Jerusalem, and said, "If thou hadst known, even thou, at least in this thy day, the things which belong unto thy peace! but now they are hid from thine eyes."

Our plight would indeed be desperate if we knew not what to do, or how to do it. But we do know! The way is here before our very eyes, here beneath our very feet. Every Christmas marks it afresh for us to follow if we will. What we need is only a new baptism of courage to nerve us to resolve and action and therewith bear us to the goal.

This is the deeper meaning of the Christmastide, which is not a rite to be observed, but a spirit in which to live. Here is the glory of this day, which brings us the answer to every question and the cure of every ill. The inmost core of reality, after all, is spirit—and this spirit is revealed in all its radiance and power in Christ Jesus and in the prophets and apostles, the saints and seers, who have been since the beginning of the world.

This is no dream—what the spirit of perfect love can do! It is the truth—the simple truth! For the conquerors have come and gone, and the sword has been lifted only to fail and fail, but the spirit endures and triumphs.

JOHN HAYNES HOLMES.

EXPORTATION OF FATS AND OILS

Mr. O'MAHONEY. Mr. President, during a debate in the Senate, I think on Monday, there was some discussion regarding the amount of fats and oils which has been exported from the United States and which are being exported. The charge was made that the exportation of fats and oils from the United States is increasing. That was not my impression, and so I sought to obtain the facts from the Department of Agriculture, through the Bureau of Agricultural Economics. It is known on every hand that the econ-

omists who are employed in that Bureau, all civil-service employees, go about their work in an objective manner, not in a partisan manner, and that they do their very best to obtain the exact facts.

Today I received a table making a comparison of production and exportation of fats and oils from the United States in the years 1946 and 1947, for the fiscal years ending June 30. The production of butter, lard, oleomargarine, shortening, and other edible fats and oils amounted to 2,894,000 long tons in the United States in 1946. The production increased in 1947 and reached a very much larger figure, 3,114,000 tons.

Exports in 1946 of butter, lard, oleomargarine, shortening, and other edible fats totaled 294,000 long tons. Exports in 1947 were reduced to 214,000 tons.

A table is then given, showing the percentages. I shall not bother to read the individual percentages, but shall content myself by saying that in the year ended June 30, 1946, we exported 10.2 percent of our production, whereas in 1947 we exported only 6.9 percent.

I ask unanimous consent that this table, together with another table showing the exports of soybeans and soybean oil in terms of soybeans, compared with the production of soybeans the previous year, in the United States, from 1937 to 1947, may be printed in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Edible fats and oils: Exports compared with production, United States, fiscal years 1946 and 1947

Item	Year ended June 30—	
	1946	1947 [1]
	1,000 long tons	*1,000 long tons*
Production:		
Butter	664	746
Lard	954	1,015
Oleomargarine (actual weight)	246	[2] 272
Shortening	618	[3] 597
Other edible fats and oils [4]	412	484
Total	2,894	3,114
Exports:		
Butter	14	2
Lard	212	144
Oleomargarine (actual weight)	27	19
Shortening	5	4
Other edible fats and oils	36	45
Total	294	214
Exports as a percentage of production:	*Percent*	*Percent*
Butter	2.1	0.3
Lard	22.2	14.2
Oleomargarine	11.0	7.0
Shortening	.8	.7
Other edible fats and oils	8.7	9.3
All items	10.2	6.9

[1] Preliminary.
[2] Excludes 15,000 long tons produced from coconut oil (all coconut oil used in the United States is either imported or produced from imported copra).
[3] Excludes 29,000 long tons produced from coconut, babassu, and palm kernel oils (all of foreign origin).
[4] Production (refined basis) of corn, cottonseed, edible olive, peanut, and soybean oils, edible tallow, oleo stock, oleo oil, and oleostearine, minus the quantity of these oils used in oleomargarine and shortening.

Bureau of Agricultural Economics, U. S. Department of Agriculture. Compiled from reports of Bureau of the Census, Bureau of Internal Revenue, and Department of Agriculture.

TABLE 2.—*Exports of soybeans and soybean oil in terms of soybeans, compared with production of soybeans the previous year, United States, 1937–47*

Year	Soybean oil				Soybean oil in terms of soybeans [2]	Soybeans	Total, soybeans and oil in terms of soybeans	Production of soybeans the previous year [3]	Percent of crop exported as soybeans or as oil
	Exported as oil	Exported in form of margarine [1]	Exported in form of shortening [1]	Total					
	Mil. lb.	*Mil. lb.*	*Mil lb.*	*Mil. lb.*	*Mil bu.*	*Mil. bu.*	*Mil. bu.*	*Mil bu*	*Pct.*
Average, 1937–41	10 5	0 2	0. 4	11. 1	1 2	3 4	4. 6	62 0	7 4
1942	19 4	8. 7	.8	28 9	3 2	3	3 5	107 2	3. 3
1943	57 4	30 9	20 0	108. 3	12. 0	1. 3	13. 3	187 5	7 1
1944	79. 5	27. 7	5. 3	112. 5	12. 5	.5	13 0	190 1	6. 8
1945	40. 5	25. 2	6 2	71. 9	8 0	6 9	14 9	192. 0	7 8
1946	90. 4	17 4	7. 1	114. 9	12. 8	2. 9	15 7	192 1	8 2
1947 [4]	125. 0	7. 0	4. 0	136. 0	15 1	1. 8	16. 9	201. 0	8. 4

[1] Estimated by assuming that soybean oil constitutes the same percentage of oleomargarine and shortening exported as of the total quantity of oleomargarine and shortening produced.
[2] A bushel of soybeans [illegible]
[3] Most of the soybean [illegible] in October and November. Well over half the crushings for oil are in the [illegible]
[4] Estimated [illegible] October exports.

Source: Bureau of Agricultural Economics. Compiled from reports of Bureau of the Census and U. S. Department of Agriculture

PRODUCTION AND PRICES OF PETROLEUM PRODUCTS

Mr. MOORE. Mr. President, the demand for petroleum products, domestically and world-wide, has increased so rapidly since the close of the war that a great many people are apprehensive that adequate supplies of fuel oils will not be available to some sections of the country during this winter. Several committees of the Congress are currently investigating the petroleum situation. In view of these conditions, there are certain facts of which I believe the Congress and the public should be apprised.

The increased domestic and military demands for petroleum products in the last few years have been unprecedented and far greater than those estimated by the petroleum industry. Within the past 9 years, per capita consumption of petroleum products has risen from 367 to 608 gallons. Consumption of distillate fuels alone has increased 68 percent; gasoline demand 18 percent; kerosene 46 percent; residual oils 34 percent; and all other petroleum products 43 percent. The Army-Navy Petroleum Board estimates minimum needs for the military during the present fiscal year at over 90,000,000 barrels, which compares with only 12,000,000 barrels used for military purposes in 1938. This demand, of course, has had priority over other requirements and has received the first attention of the oil industry. Aviation gasoline requirements alone have doubled since 1941. Total registration of motor vehicles for 1947 will exceed 37,200,000. There are over a million more passenger cars on the road today than in 1941. Many of these cars are old and, consequently, get less mileage per gallon. We are now operating 6,492,000 trucks, or 1,633,000 more than in 1941; 127,405 busses are on the highways, or an increase of about 26 percent since 1941. Farm consumption of gasoline since 1941 has increased over 100 percent. During the current year, American farmers will operate a million more tractors than in 1941.

Last year coal furnished only 49.3 percent of the Nation's industrial energy measured in British thermal heating units. Oil and natural gas furnished 46.3 percent. This means that from 1920 through 1946 the Nation's energy resources supplied by coal had declined 31 percent, while energy requirements furnished by oil and natural gas had increased 34 percent. The increase in the use of oil and gas for energy sources is continuing through 1947, and for the first time the energy supplied by oil and gas exceeds that supplied by coal. Railroad purchases of Diesel oil during the first half of 1947 were 42 percent over 1946. Utility purchases were 46 percent over last year. It is significant that 92 percent of all locomotives on order for domestic use are specified for Diesel fuel.

I would like to impress on the Congress and the public, however, that production is also much greater than ever before. For the week ended December 6, 1947, the daily average crude-oil production in the United States was 5,264,789 barrels, and for the 4 weeks ending December 6, 1947, the daily average crude-oil production was 5,263,600 barrels. For the same week of 1946, total crude production in the United States averaged 4,694,750 barrels per day. In other words, current production is more than half a million barrels a day in excess of production a year ago. Although present production is approximately 8 percent higher than the peak reached during the war, yet we are faced with the startling fact that domestic consumptive demand is about 10 percent greater than our peak wartime requirements.

Some of the basic reasons for this situation should be understood. During the war years steel shortages in the petroleum industry were so acute that oil producers fell behind their normal drilling and exploratory program by approximately 75,000 wells. Second, the price of oil was frozen for over 5 years by Government control at the prewar depression price of $1.20 a barrel, with the result that the meager supply of steel available was largely used for the expansion of known pools instead of exploratory efforts to find new sources of supply. During this 5-year period the cost of finding new oil increased approximately 100 percent over the OPA price, or about $2.40 a barrel. In other words, oil producers during the war years were

producing and selling oil at $1.20 a barrel while the cost of replenishing their inventory reserves was about $2.40 a barrel. Increased cost of material and equipment, wage increases and manpower shortage were, of course, important contributing factors. But, more important even than these is the fact that from 1941 to 1946 the average depth of all wells drilled increased approximately 500 feet. It will be readily understood that the deeper the well, the greater the cost, but it is also true that the deeper footage is progressively more costly than the shallow drilling.

Our greatest known potential oil areas are on the Gulf coast, west Texas, and western Oklahoma. These areas are now being explored at depths ranging from ten to over seventeen thousand feet. The deepest exploratory well in the United States has recently been completed near Fort Cobb, Okla., at a depth of more than 17,600 feet, or over 3½ miles. It was not productive. A great deal of oil from the Gulf coast in Louisiana and Texas is being produced from formations below 10,000 feet and in a few cases depths below 13,000 feet. Exploratory wells in this class are costing the producers from two hundred and fifty to three hundred and fifty thousand dollars apiece.

Recently, the price of crude oil was advanced 50 cents a barrel, making the average cost of crude about $2.65 a barrel. Under prevailing conditions, it will be plain that this price is still insufficient to give the industry a reasonable return over and above replacement cost. If the entire 50 cents a barrel increase were passed on directly to the consumer, which has not been the case to date, the price of fuel oil and gasoline would still be below the 1926 price.

In this connection it should be remembered that since 1926 the tax on petroleum products, and particularly gasoline, has increased more than 300 percent, and even today, gasoline tax increases are proposed in Michigan, Mississippi, and New Jersey.

In recent months I have heard a great many individuals quoting large profit figures of certain units of the oil industry, but I doubt if those who condemn these supposedly large profits understand that they do not represent actual profits at all but in fact, the sale of capital assets of the oil companies. Any company that is forced to sell oil below replacement cost, even though the present sales price may be much higher than the original discovery cost, unlike any other retail business, is in the process of liquidation. The merchant can usually currently replenish his inventory at wholesale costs below retail prices. An oil company, however, is engaged in producing and merchandising an irreplaceable natural resource that cannot be bought upon the open market from the manufacturer. The oil company must assume the financial hazard of going out in search of new sources of supply.

Due to strikes and work stoppages in the coal mines, which built up a very real fear of the people that they might not be able to obtain coal, more and more households have converted to oil. During the first three quarters of 1947, over 915,000 oil burners were delivered to dealers. This is 250 percent more than for the same period last year. During the first 10 months of this year it is estimated that there have actually been something like 629,000 new oil installations, which means that we have about 22 percent more oil burners in operation than in December of 1946. The average consumption for each oil burner installed is about 1,800 gallons per year. This unnatural shift to oil was encouraged and greatly accelerated by the Government's attempt to manage our economy. During 5 years the prices of petroleum products were subject to inflexible price controls far below the price index of any other essential commodity. On the other hand, coal prices, as a political expediency, were permitted to advance to an all-time peak. Hundreds of thousands of home owners, as well as industrial consumers, changed from coal to oil because, measured in terms of energy, oil was a much cheaper fuel as well as being more dependable. This situation is an excellent example of an unbalanced economy that always results from artificial controls. Had oil and coal fuels remained on a competitive basis, it is probable that the 3 to 5 percent demand over supplies in the oil industry today would not have developed.

Transportation has been another bottleneck between suppliers and consumers. With the exception of the Big Inch, and a few short war pipe lines, and the private line of the Tennessee Gas & Transmission Co., no long lines were built during the war. The continued steel shortage has prevented an expansion of the pipe-line system since the war. Probably the longest line built since the close of the war is the gas line from west Texas to California. I know of no new long oil lines put into service since the war. Our oil pipe-line capacity has not increased since 1941 commensurate with increased requirements.

The same condition prevails with respect to tank cars. During 1941, when our over-all domestic requirements for petroleum were only about 60 percent of current demands, we were operating 139,000 tank cars. As of January 1, 1947, we were operating only 134,200 tank cars, or 4,800 fewer cars. Current production of tank cars has been running about 400 a month with some increase in the last few months. During December, we received 460 cars. The estimate of car builders through '47 had been about 500 cars a month. It will, therefore, be seen that the deliveries are 15 to 20 percent below estimates. From January 1 to December 1, 1947, we received 3,592 cars, a majority of which were for the transportation of liquefied petroleum gases, which has become an important factor in the fuel supply of the Nation. It is interesting to note that at the present time about 4,500,000 families are using liquefied petroleum gases for fuel. A majority of these families, of course, live in rural areas. Liquefied petroleum gas is adaptable for both cooking and heating purposes. The shortage of steel can be said to be directly responsible for the shortage in transportation facilities for petroleum products so far as pipe lines and tank cars are concerned; and, in turn, it can be said with equal force that steel shortages are directly attributable to the prolonged coal strikes during the past 2 years. The steel industry, and others who have investigated the situation, attest to the fact that had there been no interruption of coal production in this country during and since the close of the war, there would be no steel shortage today. In this connection may I point out that although the production of steel pipe is now 43 percent above the average for the five prewar years, the supply to the oil industry has increased only 2 percent.

There is another aggravating factor in the steel shortage for domestic use which we cannot ignore. That is our continued large exports. I appreciate the fact that some of our steel exports have been and will continue to be used to relieve our domestic situation. Necessary exports of steel to sustain American companies in the continued production and refining of American-owned oil in South America and the Caribbean area are, of course, entirely proper. The continued exploration and drilling development in the Middle East on American concessions is also desirable. The current and growing demand for petroleum products in Europe, percentagewise, will probably be even greater than that which we are experiencing domestically. Oil heretofore exported from the Western Hemisphere to supply European markets should be replaced as rapidly as possible by Arabian and other Middle Eastern production. American holders of these concessions should be equipped as speedily as possible to compete in these markets in order that more oil will be available in the Western Hemisphere. Our national security as well as domestic economy would be strengthened by such program. The Arabian pipe line, which would bring the production on the Persian Gulf into the Eastern Mediterranean, should be completed as soon as steel can be made available without impairment to our domestic economy. Under present conditions, however, all exports of steel should be licensed only after the most careful consideration for our existing domestic problems.

In addition to the pipe-line and tank-car shortages, we also are experiencing a serious bottleneck in tanker transportation. In contrast to the pipe-line and tank-car situation, however, our tanker shortage has been developed by stupidity and stubbornness in the White House and the Maritime Commission. At the close of the war, the Maritime Commission was operating a tanker fleet of 481 T–2 tankers.

During the early part of 1947, representatives of the petroleum industry, failing to foresee the inordinate demands for petroleum products, expressed the opinion that the operating tanker fleet then in coastal service from the Gulf Coast to the Middle Atlantic States and New England, was sufficient adequately to meet transportation requirements between these supply and consuming points. As late as June of this year, only three citizens' applications were on file with the Maritime Commission for the purchase of 8 tankers. During the latter

part of June, at the request of the Administration and as a part of our foreign policy of distributing our surpluses and our substance to the world in general, the Commission set aside 100 tankers for sale to exclusively foreign purchasers in addition to 50 which had previously been sold to foreign purchasers.

Mr. MORSE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. KNOWLAND in the chair). Does the Senator from Oklahama yield to the Senator from Oregon?

Mr. MOORE. I yield.

Mr. MORSE. Is it not also true that the Government took the position that those tankers should not be chartered to domestic users, and that a controversy developed as to whether or not they had to be purchased, or might be chartered? If the administration had been willing to charter a number of them perhaps we would have been able to avoid some of the problem we now have with regard to the distribution of oil.

Mr. MOORE. That is very true; and I thank the Senator for calling that point to my attention.

Before this program was carried through to consummation, however, the situation changed rapidly, and during August, September, and October, American citizens began to file applications for the purchase of these tankers. By the end of October, citizen applications were on file for 192 tankers. It should be remembered that ships under foreign registry may not engage in coastwise servive. The Merchant Ship Sales Act also provides that no vessels may be sold to foreign buyers until all American citizen applications are satisfied. Notwithstanding these citizen applications and the provisions of the law, however, the Maritime Commission, with only one dissenting vote, has pursued its policy of carrying out the program adopted in June for the delivery of 100 ships to foreign purchasers, and 26 tankers were actually delivered.

Last month the Senate Small Business Committee commenced an investigation of the Maritime Commission's action with respect to disposal of these tankers while American applications were pending. A representative of the Senate Interstate and Foreign Commerce Committee was asked to participate in the hearings. Three members of the Commission were heard. It was the contention of Chairman Smith and Commissioner McKeough that since the tankers had been set aside in June for foreign delivery, they were legally bound to carry out the program. Commissioner Mellen insisted that it was in violation of the Merchant Ship Sales Act and a policy leading directly to the destruction of our domestic economy. When Chairman Smith and Commissioner McKeough were questioned as to their reasons for pursuing such policy in the face of American citizen applications and the dire need of coastwise transportation facilities, particularly during the coming winter, the general observation was made that petroleum was a world-wide problem and that a tanker in service anywhere in the world contributed to the relief of the transportation problem. But the most astonishing answer given by these gentlemen, in which I am sure the Congress will be interested, was that they were acting at the demand and direction of the President and the Cabinet, and since they—and I quote Commissioner McKeough—"were on the team," and since such demand and request came from—and I quote again—"my administration," they felt obligated to carry out the program. As a result of these hearings, the legal question was submitted to the Attorney General of the United States for opinion. On December 8, 1947, the Attorney General, by written memorandum, advised the Maritime Commission that as to the ships actually delivered, the transaction had been consummated and could not be legally rescinded. But, as to the remaining ships which had not been actually promised or contracted for, and with respect to which no delivery had been made, the Commission was entirely legally free to refrain from the sale and delivery of such tankers. In the meantime, it appears from the records of the Maritime Commission that 15 ships had been sold to American citizens, leaving on file, as of Friday, December 12, citizen applications for 177 tankers. Notwithstanding the Attorney General's opinion, notwithstanding the provisions of the law, and notwithstanding the citizens' applications for 177 tankers, the Maritime Commission, with one dissenting vote, nevertheless disposed of all of the remaining 100 tankers which had been set aside last June to such foreign purchasers as they could find available and which consumed in all 83 of these 100 tankers, which means that the Maritime Commission has sold in all 133 tankers to foreign purchasers, including 4 delivered to Russia under lend-lease and which have not been returned to the United States. The 83 tankers which were disposed of as of 7 p. m. Friday night, December 12, to foreign purchasers were distributed as follows:

United Kingdom	31
Italy	16
France	11
Greece	7
Norway	6
Canada	4
Netherlands	4
South Africa	2
Turkey	1
Peru	1

It is my understanding that in most cases these tankers have been sold on credit, either directly to the governments of the countries mentioned or to citizens of these countries, with payment guaranteed by their government. The Maritime Commission advises that they have further secured these sales by a mortgage upon the tankers. In all due seriousness, I ask what the possibilities would be of foreclosing a mortgage against any of the governments mentioned.

Another example of the contribution Government has made to the scarcity of fuel in this country is the administration of the Natural Gas Act by the Federal Power Commission. By the express terms of the original act of 1938, as amended in 1942, the Congress made it unmistakably clear that the jurisdiction of the Federal Power Commission was limited exclusively to the transportation of natural gas in interstate commerce and sales made by such transporters to local distributors for resale. These limitations of the statute, however, failed to curb the operation of the Commission's philosophy of government to bring under Federal control all elements of the natural-gas business, including production, gathering, and even sales of gas by the producers in the field to interstate transporters. The philosophy of Federal control has so permeated every branch of our Government that a majority of the Supreme Court was persuaded to affirm the actions of the Commission which the minority members in a dissenting opinion termed as "delirious."

The direct and undisputed result of this maladministration of the law has caused hundreds of gas-producers to refuse to sell their gas to interstate gas-transporters and become subject to the oppressive regulations of the Federal Power Commission.

Our known reserves of gas have increased much more rapidly than have our reserves of oil. As a matter of fact, we have a surplus of natural gas. Today, more than a billion-and-a-half feet of gas are being blown into the air every 24 hours in the State of Texas. Its only use is to assist in the production of oil. Local uses for this gas cannot be found. The cost of returning it to the formations, in some cases, makes this practice unfeasible. Many large reserves of gas are shut in. This senseless and useless waste of gas is directly attributable to the Federal Power Commission. This great volume of gas should be moving to the gas-consuming areas of the North and East where it is badly needed.

Another practice of the Commission which has contributed to the plan of scarcity has been the arbitrary refusal of the Commission to permit interstate gas companies to earn a fair return on their own gas reserves. In one instance of which I am aware the interstate gas company was denied any return at all on 86,000 acres of productive gas reserves which were being delivered into Kansas City and other cities on its system. Only last week the Commission told an oil company that if it made connections with and sold gas from a reserve of 250,000 acres to an affiliated interstate natural gas company. the oil company would be held to be an interstate natural gas company subject to Commission jurisdiction, and its earnings would be limited as a public utility. Needless to say, under these conditions, this gas will not be moved in interstate commerce for the relief of those now suffering from fuel shortages.

During the last session, Congressman RIZLEY and I introduced identical bills in the House and Senate, respectively, definitely limiting the jurisdiction of the Federal Power Commission to the original intent of the Congress. This bill passed the House by an overwhelming majority but is now sleeping in the Interstate and Foreign Commerce Committee of the Senate, because a majority of the Senators on that committee have not yet seen fit to report it out.

Mr. President, I have reviewed some of the factors having a direct bearing on our oil and gas situation in order that the Congress and the public may understand the handicaps under which the oil industry is now laboring, and in order that we may give legitimate and constructive assistance to the industry wherever possible in solving the immediate problem of meeting the fuel requirements of this winter.

It is also my prayerful hope that the review of the magnificent growth of the oil industry and the manner in which the industry has met its responsibilities to the public will impress this Congress with the unalterable conviction that Government controls are not the answer to any problem now confronting the oil industry or any other industry in the United States. The ability of the petroleum industry to supply these unprecedented demands now and in the future lies in the fact that it has had and will continue to have the opportunity to grow and function in an atmosphere of freedom from governmental controls of its internal economics. At the beginning of the war the United States had a greater producibility of oil than all the rest of the world combined, notwithstanding the presence of large known reserves in many other countries. This was true because the American people had been free to engage in competitive enterprise and free to reap the rewards of their efforts. This principle did not obtain to the same degree in any other country of the world. It is, therefore, of paramount importance that we preserve an unimpaired freedom of action for our competitive enterprise. Legal restraints to prevent discrimination and monopolistic practices are, of course, essential to the preservation of such freedom, but the imposition of bureaucratic control of the internal economics of any industry is the acceptance of governmental monopoly in that industry and is the open road to the same destructive end experienced by every country in the world that has attempted that philosophy of government. The appeals that have been coming from the Department of the Interior, the Department of Commerce, the Department of Agriculture, and other departments of Government to accept the program of controls requested by the President in his recent message to the Congress, and which the President has termed the elements of a "police state," in the face of our own recent experiences and in the face of the devastating influence of such controls throughout the world, lead all thinking people to look with suspicion upon the motives and objectives of those who propose the controls and those who support them.

The oil industry is now employing every facility within its power to meet these new and unprecedented responsibilities which have been placed upon it.

Despite the shortages of materials and equipment of the war years and the stifling influence of unreasonable Government price control, the industry nevertheless increased its underground reserves from about 19,500,000,000 barrels in 1941 to 24,200,000,000 barrels at the end of 1946. The production record of the industry during this period is even more astounding. In 1941 crude production totaled 1,400,000,000 barrels, and for 1946 it stood at an all-time record high of 1,733,000,000 barrels. This year domestic production will be approximately 2,000,000,000 barrels. These figures represent a constant and continuous increase since 1920, when production was only 442,000,000 barrels.

Present efficient operating refining capacity in the United States is something over 5,500,000 barrels per day. For the week ending November 29, 1947, nearly 94 percent of the industry's refining capacity was being utilized. It is significant to note that in the east coast district, 99.5 percent of the refining capacity was being operated. On the Texas Gulf coast over 95 percent of the refining capacity was being utilized, and on the Louisiana Gulf coast 97.6 percent was in operation.

During the current year the oil business will spend something over $4,000,000,000 in expanding its production, transportation, and refining facilities. This program can and will be carried on only under a free economy. The results will be effective only in an atmosphere of free competition with assurance that the rewards for initiative and enterprise shall not be destroyed or confiscated by the Government.

Mr. President, last Friday Mr. Walter Hallanan, president of the Plymouth Oil Co., and chairman of the National Petroleum Council, appeared before the Interstate and Foreign Commerce Committee of the House of Representatives in connection with that committee's investigation of the petroleum situation. His statement is a clear and concise explanation of the petroleum supply and demand situation in the United States and reviews the program of the industry to meet its responsibilities. I therefore request, at the expense of some duplication, unanimous consent to have Mr. Hallanan's statement included in my remarks and printed in the RECORD as such.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF WALTER S. HALLANAN, CHAIRMAN, NATIONAL PETROLEUM COUNCIL, BEFORE INTERSTATE AND FOREIGN COMMERCE COMMITTEE OF HOUSE OF REPRESENTATIVES, DECEMBER 12, 1947

Mr. Chairman and gentlemen of the committee, my name is Walter S. Hallanan. I am president of the Plymouth Oil Co. and chairman of the National Petroleum Council. In both capacities and as a citizen I deeply appreciate the constructive interest and cooperative attitude of this and other committees of the Congress in seeking information relating to the unusual and complex problems that have come to the oil industry as the result of an unprecedented postwar demand for petroleum products.

The National Petroleum Council was created for the express purpose of cooperating with the Federal Government in every proper way in assuring an adequate supply of crude oil and its derivatives to safeguard the national defense and maintain our domestic economy. In carrying out that purpose we have been working—and I may say fruitfully—with the Oil and Gas Division of the Department of the Interior. We are pleased now to extend the same measure of cooperation to the legislative branch of the Government as represented by your committee and by other agencies of the Congress. All of the information and facilities of the council are available to you. The meetings of the council are open at all times to the Members of the Congress and we would be very pleased to have any of you sit in with us.

Before approaching a solution of any problem it is necessary to have the facts. That is what your committee is seeking so that it may have a basis for consideration of a program to correct any maladjustments anywhere in our economy that may, directly or indirectly, affect the production and distribution of such a vital resource as petroleum. The oil industry welcomes the opportunity to get these facts before the American people. This is a welcome forum for all these facts to be made known.

The current shortage of some types of petroleum products in certain geographical areas of the country arises from an extraordinary situation. It merits extraordinary consideration such as is being given to it by the Congress and by agencies of the executive department. Unlike the citizens of many other countries, the American people have been accustomed to an economy of plenty insofar as petroleum products are concerned. Until recently they had never experienced an inadequacy of gasoline, fuel, and heating oil in peacetime. We fully appreciate, under these circumstances, that it is difficult for the people to understand the causes of any shortage of supply. In other countries, particularly one whose leaders insist that our system of government is wrong and doomed to inevitable collapse, the people have never known anything except shortage. Their distress has not only been perpetual, but it has been, and is, far more acute and widespread than anything ever experienced in this country. May I say in that connection that in 1947 the American oil industry will produce almost 600 gallons of petroleum products for every man, woman, and child in this country, as compared to an average of 20 gallons per capita for the rest of the world. Such a record is an adequate answer to those who would imply that the petroleum industry in the United States had not performed fully in the public interest.

The facts about the current sectional inadequacies of supply in New England, the Middle Atlantic seaboard, and the Middle West are basically simple. The obvious remedies appear equally as simple. It is only when we seek to apply those remedies that their simplicity becomes complex. We are taken then into other fields outside of petroleum—fields over which the oil industry has no control. We are made conscious that our American economy is so geared that any dislocation in one segment starts a chain of imbalance that is manifested in many other industries. We know, for instance, that the basic reason why New England and the Middle West are not now receiving petroleum products in sufficient quantity to meet their demands is the lack of adequate transportation facilities—pipe lines, tankers, and tank cars. The reason for this inadequacy lies in the inability of the oil industry to obtain steel for expansion of these facilities. If there is any lack of over-all supply of crude oil or petroleum products, which is certainly not indicated by the figures on production and consumption showing that supply and demand are in approximate balance, it is due to the same reason—namely, inability to obtain materials for drilling and other development purposes. Thus we find that an imbalance in one industry impinges upon the economy of another, and, in fact, the economy of the entire Nation.

The effects of the steel shortage are graphically illustrated by the fact that the total production of steel tubular goods is up 43 percent over the average for the five prewar years. The supply of these goods to the oil industry has increased only 2 percent in the same period. This discrepancy may be accounted for, to a considerable extent, by the large-scale exports of oil-field equipment in

the last 2 years. But whatever the reason, the facts remain that the oil industry has not been able to obtain the materials necessary to expand its plant structure in ratio to the phenomenal increase in demand. With the consumption of petroleum products already 32.8 percent, or approximately one-third, above the prewar demand of 1941 and still steadily increasing, it is apparent that the oil industry must have far greater supplies of materials for plant expansion in order to maintain adequate productive capacity.

The petroleum industry has been through an era of deprivation, both with respect to steel and other essential materials, and a grossly inadequate price which it experienced for 5 years under Government price control. Those deprivations have left their mark at a time when the industry faces problems of greater magnitude than at the peak of wartime demand.

The demand for oil products is setting new records almost daily. This consumptive rate is considerably higher than in any year during the war effort when military demands were tremendous. We are now consuming as much oil in the United States as was used by the entire world 10 years ago. Today we are producing and refining 525,000 barrels more daily than we did in the last quarter of 1946, an increase of 10 percent over last year. Crude production in the United States for the week ending December 6 was at the rate of 5,264,789 barrels daily. All estimates indicate that this demand will continue in 1948 at substantially the same ratio of increase. The increase in the past year has been double that of the average increase for the past 20 years.

I think the average person would ask the question: "Why has this great increase come about?" The fundamental reason for this enormous increase in demand is the fact that in our tremendous industrial expansion the oil industry has been called upon to carry the burden of the great increase in the Nation's energy requirements. The shift from coal to oil as a source of energy has been going on for 25 years, but the change has been greatly accelerated since the end of the last war and its cumulative impact now falls upon the oil industry with its greatest force.

Measured in terms of British thermal units, commonly known as B. t. u.'s, which represent the only common denominator of coal and oil, coal furnished only 49.3 percent of the Nation's energy resources in 1946 as compared to 80.3 percent in 1920. Crude oil furnished 33.1 percent of the Nation's energy requirements last year as compared to only 12.3 percent in 1920. It is only fair to say that a substantial part of the increase in the Nation's energy requirements has been in a field that is not competitive between coal and oil. I refer to the increase in automotive equipment which is powered only by petroleum products. However, we cannot escape the fact that while the total production of the coal industry in 1920 was 658,000,000 tons, it had dropped to 570,000,000 tons in 1941 and was 593,000,000 tons in 1946.

Now, let us take a look at the trend of crude-oil production in the same period. In 1920 we produced 442,000,000 barrels. In 1941 this production had jumped to 1,402,000,000 barrels, and last year it stood at the all-time record high of 1,733,000,000 barrels. For this year it will be close to 2,000,000,000 barrels, or more, a new all-time high. In the period from 1920 to 1946 natural-gas production increased from 798,000,000,000 cubic feet to 3,900,000,000,000 cubic feet. These figures make it manifest that oil and gas have supplied practically all of the additional energy produced in the United States in the last 26 years. During the war years the shift to oil was encouraged by the inflexible price controls imposed upon oil and gas while coal prices were permitted to advance. Hundreds of thousands of home owners and industrial users switched from coal to oil because, measured in terms of energy, oil has been much cheaper as well as a more dependable fuel.

The oil industry is going all-out in its efforts and is operating at full capacity today to meet the inordinate increase in public demand. More oil will be found in this country, but it will require large quantities of steel and other essential materials as well as an adequate price to cover the higher costs of deeper drilling and more intensive exploration. It is time that the American public became conscious of this situation and I am pleased that your committee is providing an opportunity for the facts to be presented.

The extraordinary peacetime demands of the military forces occasioned by the uncertainty of world conditions have played no small part in the current tight supply situation. The Army-Navy Petroleum Board estimates its needs for the present fiscal year at 91,189,000 barrels. This compares with 12,000,000 barrels used by our armed services in 1938. It is unthinkable that our military forces should not have all the petroleum products they need. The oil industry has been conscious of a primary responsibility to see that those needs are supplied. That problem has had priority over every other problem which the National Petroleum Council has faced and we have been able to make substantial progress towards its solution.

There are other reasons for the tremendously increased demand for petroleum products. An unusual expansion of the agricultural market for oil products has been a substantial contributing factor. The high level of farm income has enabled farmers to purchase large quantities of new equipment using gasoline, lubricating oils and other petroleum products. In the Middle West, for instance, the use of oil products on farms has almost doubled since the years immediately prior to the war. There are 1,000,000 more tractors on American farms today than there were in 1941 and they will consume 2,821,000,000 gallons of petroleum products as compared to farm consumption of only one-half that amount, 1,446,000,000 gallons, in 1941.

Many new uses have been developed for petroleum products. Just by way of extreme illustration, the tobacco growers of the South have recently become substantial customers of the oil industry. They have learned that oil is a more satisfactory and effective agency for the curing of tobacco.

Another reason for the extraordinary demand is that with more money in their pockets than at any time for many years, the American people are using a substantial portion of this money to obtain higher living standards—more and longer trips in the family automobile, installation of oil heating units and other conveniences in their homes.

As of December 31, 1947, total registrations of motor vehicles will approximate 37,164,405, an increase of 2,971,403 over 1946. This registration is also 2,324,000 greater than the prewar peak in 1941. Of significance from the standpoint of fuel consumption is the fact that in the past 6 years the greatest increases have been shown in busses and trucks, both users of large quantities of fuel and oil. There are now 6,492,000 trucks on American highways, an increase of 32 percent over 1941. Busses in operation total 127,405, an increase of 26 percent.

To give this committee some further idea of the tremendous burdens imposed upon the oil industry in this postwar period, let me call your attention to the fact that gasoline consumption this year is estimated at 833,900,000 barrels. This is 6.8 percent greater than in 1946 and 20 percent greater than in 1941. Consumption of gas, oil, and distillate fuels, including the lighter oils, for home heating and oil for Diesel engines, is estimated at 316,200,000 barrels this year. This compares with consumption of 272,318,000 barrels in 1946 and only 189,749,000 barrels in 1941.

Kerosene demand is up from 72,690,000 in 1941 to 316,200,000 barrels in the present year, an increase of more than 300 percent. Residual fuel oil, which is a heavy grade used by ships and industry, is being consumed this year at an annual rate of 517,600,000 barrels as compared with 397,536,000 barrels in 1941.

The aggregate demand for all oil products in 1947 will be close to 2,000,000,000 barrels. This compares with 1,790,961,000 barrels in 1946, 1,772,685,000 barrels in 1945, and 1,485,799,000 barrels in 1941.

The oil industry has felt the full force and impact of this steadily mounting demand in the last two years. It came at a time when the industry was still struggling under the accumulated effects of a rigidly controlled wartime economy. Despite the unprecedented demand and despite the inability of the industry to obtain materials for a necessary expansion of its plant structure, the indicated supply of oil seems to be sufficient to meet 1947 demands. Because of transportation difficulties there are local areas in which supplies are not entirely sufficient to meet all needs. It is imperative that every available facility be used to the maximum in order to serve the government and the consuming public.

Industry committees have been working to this end. The National Petroleum Council's Committee on Petroleum Products and Availability has given consideration to such measures as can be taken by government, the industry, and the public to conserve petroleum products or to increase their availability. Its report has recently been mailed to each Member of Congress. Other committees have reported on the petroleum situation in the last few weeks. The conclusions of these committees are now in the hands of the Director of the Oil and Gas Division of the Interior Department.

The industry has been able over the years to increase its inventories of proven underground reserves. At the end of 1946 the Nation's crude oil reserves in the ground stood at a new high record of 20,873,560,000 barrels. There were also 3,352,887,000 barrels of natural-gas liquids, such as natural gasoline and liquified petroleum gas. These increased the grand total of our reserves to 24,227,447,000 barrels. The reserves of crude oil increased by 931,714,000 barrels, or 5 percent, in 1946. At the end of 1941 proven reserves of crude oil and condensates totaled 19,589,296,000 barrels. Thus it is seen that, notwithstanding the tremendous drain on reserves during the war and in the postwar period, the industry has been able to show a substantial improvement in its over-all reserve position.

It is true that the ratio of new additions to petroleum reserves in the past few years has not kept pace with the rate of demand. This is due to the handicaps we have suffered by reason of wartime controls which seriously retarded drilling activities. Progress is being made, however, in catching up on our drilling requirements.

I realize that the immediate concern of this committee is the remedy for the present tight supply and not its cause. You are likewise deeply concerned with the long-range picture. The industry is no less concerned. It is aware that the present record demand is not an abnormal nor temporary condition. It is a natural outgrowth of our great industrial expansion and the desire of the American people to improve their standard of living, both of which involve a greater use of petroleum products. The industry is conscious that it must gear itself for a continued increase in the consumptive rate in the years ahead. The best estimates are that 1948 demand will be 6,200,000 barrels daily, an increase of 6 percent over 1947.

The remedy for the tight supply and the assurance that anticipated increased demand

will be met does not lie in Government control. We have some reason for belief that we are making progress toward breaking the transportation bottleneck which causes the existing sectional shortages. The industry is doing everything possible to get more tankers into coastwise service. More pipe-line facilities are under construction and will be completed as rapidly as materials are made available. Plans are being worked out for greater utilization of such tank cars as are available. We are already making some progress in all of these endeavors.

The over-all situation at the present and the outlook for 1948 is covered briefly, although thoroughly, in the conclusions of a report made on December 5, 1947, by the economics advisory committee of the Interstate Oil Compact Commission. This realistic summary comes from those who have great understanding of the supply problem and who have given every phase of it the most serious study and consideration. I desire to quote the conclusions of those who have submitted this report as follows:

"1. It now appears that total United States petroleum demands in 1948 will be about 6,200,000 barrels daily, or nearly 6 percent higher than in 1947.

"2. Crude-oil production and refining of about 5,385,000 barrels daily will be required to meet this demand and provide for needed additions to stocks, allowing for natural gasoline production and imports. Maximum operations of about 5,450,000 barrels daily will be needed in the last half of the year.

"3. Transportation must be improved by placing more tankers in East Coast service, by expanding tank car shipments into the Midwest and by hastening completion of new pipe lines.

"4. Continuation of maximum supply efforts, together with excellent coordination, should make it possible to meet the anticipated increase in demand for 1948 if everything works out favorably, although difficult supply problems for the next few months will continue to cause temporary trouble in local areas.

"5. Drilling new wells, constructing pipe lines, and building refinery capacity, as needed to meet demand, will require a very large tonnage of steel, other materials and equipment.

"6. Conservation by consumers should be encouraged as a very important factor in balancing demand and supply."

Looking ahead, the long-range problem is one of increased production. The basic necessity to meet tomorrow's demand is a larger supply of crude oil. Only a free and healthy industry can find and develop that supply. The Government cannot do it. Government control cannot increase the quantity of available supplies either present or future. The history of such control demonstrates that it has the reverse effect of retarding and reducing production. At best, it can do nothing more than to alleviate a shortage in one section at the expense of creating a similar or even more serious shortage elsewhere. Government directives cannot produce more oil or put a single gallon of gasoline in the filling station pump. The industry itself accepts its responsibility for equality of treatment to all consumers. It assumes responsibility for finding and developing new sources of crude oil which will be necessary to meet the anticipated demand of the future and at the same time to maintain our reserves at their present high level.

Many of the problems with which the oil industry is faced today grow out of the exercise of arbitrary wartime controls. Refusal of the OPA to follow the repeated and continued recommendations of the Petroleum Administrator for War for a nominal increase in the price of crude oil has had disastrous effects on the national economy. A small price increase at that time would have stimulated the wildcatter to go forth and discover new sources of crude, which would have afforded a comfortable backlog of reserves for the present emergency.

The petroleum industry today, however, is proceeding under its own steam to put its house in order and will do so if there is no interference with the processes of free and competitive enterprise under which the American people have always had the benefits of an adequate supply of petroleum products at reasonable prices.

Temporary bottlenecks, painful and undesirable as they may be, are but a part of our progress toward a fuller and sounder economy. The pathway of achievement is filled with obstacles. It is through the solution of such problems that America has developed its great strength.

The most important essential in solving the long-range problem is the price factor. We know what the problem is. We must increase production in proportion to the anticipated continued increase in demand and we must at least maintain present high levels of reserves in order to safeguard the national defense. The hard lesson of experience furnishes the answer. It is historical in the oil industry that a substantial price increase for crude has always been followed by important new discoveries and by increased production from old fields through the application of costly secondary recovery methods.

The new discoveries following price increases have always brought about temporary oversupplies of crude with resultant effects upon the price structure. Thus we have had the seeming paradox of a higher price bringing about a price reduction. As an example, may I recall the condition that existed in the period immediately following the First World War. There was then a record demand for petroleum products and under the impetus of that demand the price of crude went to a high of $3.50 a barrel in 1920, which, incidentally, is about $1 higher than today's price. The average price for 1920 was $3.07. It is important to note the average price for the two preceding years. In 1918 it was $1.98 and in 1919 it was $2.01. The increase in 1920 was about 75 percent over that of the two preceding years. It must be admitted that this was a very sharp rise within a single year. But what were the results? Let us see what happened. Under the incentive of that increase the wildcatters went forth to find new oil, and as the products of their discoveries reached the market the price began to decline. In 1921, the year immediately following the increase, the price dropped to $1.73 a barrel, even less than it was before the price increase became effective. As more and more oil from these new sources reached the market the price continued to fall. In 1922 the average was $1.61 and in 1923 it was down to $1.34. By 1926 demand had caught up with the greatly increased supply and the price recovered to an average of $1.88. This inspired a new wave of wildcatting and the production from these discoveries drove the price down to $1.30 the following year; to $1.17 in 1928 and by 1931 when the east Texas field had been discovered, the price was down to an average of only 65 cents a barrel.

We had no important discoveries during the recent war because the price structure was arbitrarily frozen at a subnormal level. There was no incentive for exploratory operations. Consequently, production of the last several years has necessarily come almost entirely from development of low cost discoveries in the twenties and early thirties. Only because of this fact were the producing companies able to stay in business. In recent years the cost of finding new oil to replace current production has been in excess of the selling price. Today, with an average price of $2.65 there is again an incentive for the hazardous business of wildcatting for oil. As a result, exploratory and development operations are now going on at a higher rate than at any time for many years. Several important discoveries have been made in the last few months, although it will be some time before this new production reaches the market in sufficient volume to influence the balance between supply and demand. How rapidly these new fields can be developed will depend very largely upon the industry's ability to obtain tubular goods for drilling purposes. More and continued discoveries are necessary in order that production may keep pace.

May I point out to the committee that even with the crude price increases that have been made effective since the end of the war, including the 50-cent increase of a few days ago, crude oil still stands at the very bottom of the commodity price index. It is at the foot of the ladder, standing at only 38 percent above parity while the average of all commodities is 59.8 percent above parity. In a statement before the Joint Committee on the Economic Report on November 26, 1947, Secretary of Commerce Harriman showed that from 1939 to September 1947, fuel contributed only 3 percent to the rise in the consumer's price index, while other major components such as food contributed as much as 61 percent to the increase. In the light of that record it certainly cannot be said that petroleum has contributed to the inflationary spiral. The industry has not taken advantage of the short supply to impose upon consumers. It has been conscious of its public responsibility in this respect. Its principal product, gasoline, is selling today, ex tax for a lower price than it did 20 years ago and I might add that it is a greatly improved product.

Before I close I should like to be permitted to say a brief word about profits. This is pertinent because profits are controlled by the price factor which in turn is linked to productivity. There has been some talk recently about the increased profits of oil companies. Much of this discussion has been uninformed. I see no reason why we should not discuss this profit situation openly and frankly. The petroleum industry has nothing to conceal about its operations. We should be proud rather than apologetic about our profits. They are the lifeblood of our system of free, competitive enterprise.

Insofar as domestic oil producing companies are concerned a very substantial portion of the profits have not been actual. They show up on the books, but not in the cash register. They are, in effect, a return of capital on reserves that were discovered many years ago and which can only be replaced today at a cost approximating the selling price. The profit situation of the oil producer can be illustrated by the story of the pack peddler who bought a supply of trinkets for $10 which he expected to retail from door to door for an aggregate total of $15. This would net him a profit of 50 percent on his investment. Before he started on his rounds the wholesale price of what he had bought went up to $15 and he immediately and gleefully marked up his aggregate selling price to $20. He sold his supply for that amount. He thought he had made 100 percent on his investment instead of 50 percent. If he kept any books they would necessarily show such a profit. But when he went back to the wholesaler to obtain another supply he found that there had been another price increase and it took his entire $20 to refill his pack. His books would show a 100 profit, but he did not have so much as a dime to show for it.

There is another thing about corporate profits as a whole that must not be overlooked. The buying power of the corporate dollar has shrunk in exactly the same proportion as the laborer's dollar and the farmer's dollar. Corporations must buy materials and services in the same inflationary market as everyone else. It must also be remembered that only through profits can

American industry modernize and expand its plant structure. The oil industry alone will be called upon to expend between four and five billion dollars in the next 3 or 4 years in order to keep its house in order. There is no other source for this vast sum except the industry's profit margin, either current or potential.

Mr. Chairman and gentlemen of the committee, I submit that the oil industry has fully met its every responsibility to the Government and the consuming public insofar as it is within its power to do so. It is not now resting upon its oars. It does not propose to do so in the future. It realizes that it cannot be static in a surging and seething society Its horizons were never more fluid and tensile than they are today The industry takes pride in the job it has done, but it is fully aware that an even greater task lies ahead

It has been my desire to portray to this committee the realistic picture of the extraordinary situation which has come to the oil industry in terms of an inordinate increase in demand for all products. Under the handicaps that I have brought to your attention, I think we can say that the industry has gone all-out and has spared no effort to meet the unanticipated situation. If the industry is permitted to work out its problems in a climate of political freedom, without the destructive restraints of Government control, I feel confident that it can adjust itself to its larger responsibilities in serving the American people.

RECESS

Mr. WHITE. Mr. President, I move that the Senate stand in recess, subject to the call of the Chair.

The motion was agreed to; and (at 5 o'clock and 50 minutes p. m.) the Senate took a recess subject to the call of the Chair.

The Senate reassembled at 7 o'clock and 10 minutes p. m., when called to order by the President pro tempore.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4748) making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes.

ADDITIONAL BILL INTRODUCED

Mr. HAYDEN, by unanimous consent, introduced a bill (S. 1924) authorizing and directing the Commissioners of the District of Columbia to prepare plans and subsequently construct a divided highway in Foundry Branch substantially in line of Arizona Avenue between Canal Road and Tenley Circle (Wisconsin Avenue), and for other purposes, which was read twice by its title, and referred to the Committee on the District of Columbia.

THIRD SUPPLEMENTAL APPROPRIATION ACT, 1948—CONFERENCE REPORT

Mr. BRIDGES. Mr. President, I submit the conference report on House bill 4748, the Third Supplemental Appropriation Act, 1948, and I ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. The conference report will be read for the information of the Senate.

The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4748) making Supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6 and 11.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 9, and 10; and agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "$522,000,000, and to enable the President to carry out the provisions of Public Law 84, in respect to China, $18,000,000; in all, $540,000,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$57,500,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$340,000,000"; and the Senate agree to the same.

STYLES BRIDGES,
C. WAYLAND BROOKS,
CLYDE M. REED,
JOSEPH H. BALL,
CARL HAYDEN,
ELMER THOMAS,
Managers on the Part of the Senate.

JOHN TABER,
R. B. WIGGLESWORTH,
ALBERT J. ENGEL,
FRANCIS CASE,
FRANK B. KEEFE,
CHARLES A. PLUMLEY,
CLARENCE CANNON,
JOHN H. KERR,
GEORGE H. MAHON,
Managers on the Part of the House.

The PRESIDENT pro tempore. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. McCARRAN. I wonder if the Senator from New Hampshire would mind giving us just a word of explanation.

Mr. BRIDGES. Mr. President, in general the conferees agreed as follows: On the large item of foreign aid the amount agreed upon for Europe was $522,000,000, which is contrasted with the Senate figure of $550,000,000 and the House figure of $509,000,000, plus $18,000,000 for China, or a total figure of $540,000,000, as contrasted with the figure of $568,000,000 agreed to earlier today by the Senate.

Then, for the item of the Army's expenses in the occupied areas, which was the other large item, the House appropriated $230,000,000. The Senate provided $490,000,000. One of the two items in controversy was the amount for the British zone. The House had previously allowed $100,000,000, telling the Army that if they could come back and justify more, they might do so. On that item the conferees agreed on $137,000,000, with instructions that the department, if they work out an agreement with Great Britain and can justify the item, may come back and request up to $100,000,000 more for inclusion in a future deficiency bill.

The other disputed item was a pipeline agreement, which the House disallowed—$123,000,000 for a pipe line that would continue on after June 30 for 2 months, for aid to occupied areas. They disallowed it entirely. We got a restoration of $73,000,000 of the $123,000,000, with an agreement that the Army could come back and justify anything up to the $123,000,000 in the months ahead, and that the Congress would consider it. Therefore, I think we have protected the occupied areas rather effectively by those agreements.

In regard to the only other major item, the carry-over of wheat, the Senate provision was a compromise on 150,000,000 bushels, with the proviso that if after a certain date the President found the wheat crop was sufficient to warrant it, the carry-over could be reduced to 125,000,000 bushels. We left it at straight 150,000,000.

On the amendment respective the Federal courts having jurisdiction over the petition of either party to interpret by decree any contracts for performance of work, for which the appropriation may be used, we yielded on that, because of very strong opposition by the House, which made it impossible to get a compromise agreement.

On several of the minor amendments they yielded to us. On the figure of the surplus items of the losses incurred by agencies of the Government through sales of commodities in accordance with the terms of subsection (e) of Section 11, the Foreign Aid Act of 1947, the Senate figure was $65,000,000, the House figure was $50,000,000, and the figure agreed on was a split, $57,500,000. Those are the essential items.

Mr. McCARRAN. Did the reclamation items stand as they were?

Mr. BRIDGES. The reclamation items stand.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. MORSE. I understand that the reclamation item so ably presented by the Senator from Washington [Mr. MAGNUSON] and the senior Senator from Oregon [Mr. CORDON] late today, went through as recommended by those two Senators.

Mr. BRIDGES. It did.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

FINAL ADJOURNMENT

The President pro tempore laid before the Senate House Concurrent Resolution 127, which was read, considered

by unanimous consent, and agreed to, as follows:

Resolved by the House of Representatives (the Senate concurring), That notwithstanding the provisions of Senate Concurrent Resolution 33, Eighticth Congress, the two Houses of Congress shall adjourn on Friday, December 19, 1947, and that when they adjourn on said day, they stand adjourned sine die.

AUTHORIZATION FOR SIGNING OF BILLS AND JOINT RESOLUTIONS

The President pro tempore laid before the Senate House Concurrent Resolution 128, which was read, considered by unanimous consent, and agreed to, as follows:

Resolved by the House of Representatives (the Senate concurring), That notwithstanding the adjournment of the first session of the Eighticth Congress, the Speaker of the House of Representatives and the President pro tempore of the Senate be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

AUTHORIZATION FOR MAKING CERTAIN APPOINTMENTS AND RECEIVING MESSAGES

On motion of Mr. WHITE, it was—

Ordered, That notwithstanding the final adjournment of the present session of the Congress, the President pro tempore be, and he is hereby, authorized to make appointments to commissions or committees authorized by law, by concurrent action of the two Houses, or by order of the Senate.

Ordered further, That the Secretary of the Senate be, and he is hereby, authorized to receive messages from the House of Representatives subsequent to the adjournment of the present session.

SUMMARY OF LEGISLATION OF THE SESSION

Mr. WHITE. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a summary, which has been prepared by the senior Senator from Ohio [Mr. TAFT], of legislation passed by the Congress during the special session of the Eighticth Congress.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

ADJOURNMENT SINE DIE

Mr. WHITE. Mr. President, I know of no further business to come before the Senate, and in accordance with the terms of House Concurrent Resolution 127, which was agreed to a moment ago, I move that the Senate stand adjourned sine die.

The motion was agreed to; and (at 7 o'clock and 17 minutes p. m.) the Senate adjourned sine die.

ENROLLED BILL SIGNED AFTER SINE DIE ADJOURNMENT

The PRESIDENT pro tempore, under the authority of House Concurrent Resolution 128, subsequent to the sine die adjournment of the Senate, signed the enrolled bill (H. R. 4748) making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes, which had previously been signed by the Speaker of the House of Representatives.

APPROVAL OF BILL AFTER SINE DIE ADJOURNMENT

The President of the United States, subsequent to the sine die adjournment of the first session of the Eighticth Congress, notified the Secretary of the Senate that on December 27, 1947, he had approved the act (S. 1770) to amend the National Housing Act, as amended.

HOUSE OF REPRESENTATIVES

FRIDAY, DECEMBER 19, 1947

The House met at 10 o'clock a. m.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Thou desire of the nations, whose coming the prophets foretold, as we stand in the foreglow of Thy lowly birth, we pray that we may find the time for communion, meditation, and prayer, for these lead to the wells of peace. Bless us with courage that knows no faltering, with prudence that never wearies. Extend Thy shielding arms about our President, our Speaker, and all Members and employees of the Congress. May no plague come nigh their dwellings. Grant that they may enjoy the blessings of today, and after a while the bliss of eternal year.

As the springs of happiness are renewed within us, we thank Thee for the loveliness of our own fair land. O forgive America's indulgence and complacency; let the choicest gifts of Thy mercy be upon her. O Star of the East, once again climb the midnight sky and again bless the world with the glad news of a Saviour born. In His holy name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 170. Joint resolution authorizing the Secretary of Agriculture to publish the names and addresses of persons transacting business on the boards of trade and the amounts of commodities purchased or sold by them, to furnish to committees of Congress upon request and to make public any such information in his possession, and for other purposes.

COMMUNICATION FROM THE CLERK

The SPEAKER laid before the House the following communication, which was read by the Clerk:

DECEMBER 19, 1947.

The Honorable the SPEAKER,
House of Representatives.

SIR: Pursuant to the authority heretofore granted, the Clerk of the House received from the Secretary of the Senate on December 18, 1947, the engrossed resolution (S. J. Res. 167) entitled "Joint resolution to aid in the stabilization of commodity prices, to aid in further stabilizing the economy of the United States, and for other purposes," attested by the Secretary as having been passed by the Senate on December 18, 1947.

Very truly yours,
JOHN ANDREWS,
Clerk of the House of Representatives.

EXTENSION OF REMARKS

Mr. DONDERO asked and was granted permission to extend his remarks in the Appendix in two instances, one on General Wedemeyer, and in the other to include a letter relative to Hoover Dam.

Mr. BRAMBLETT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a speech given before the California State Chamber of Commerce by WILLIAM F. KNOWLAND, United States Senator from California.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BUFFETT asked and was granted permission to extend his remarks in the RECORD and include some editorial matter.

Mr. VURSELL asked and was granted permission to extend his remarks in the RECORD.

Mr. HESELTON asked and was granted permission to extend his remarks in the RECORD.

Mr. PRICE of Illinois asked and was granted permission to extend his remarks in the RECORD in two instances, in one to include an editorial from the New York Times and in the other an editorial from the East St. Louis Journal.

Mr. PETERSON asked and was granted permission to extend his remarks in the RECORD and include a letter from Capt. James Patrick McGovern and a newspaper clipping.

Mr. BARTLETT asked and was granted permission to extend his remarks in the RECORD and include two letters and an editorial.

Mr. LANE asked and was granted permission to extend his remarks in the RECORD and include an editorial.

Mr. DAVIS of Georgia asked and was granted permission to extend his remarks in the RECORD.

STABILIZATION OF COMMODITY PRICES

Mr. ALLEN of Illinois. Mr. Speaker, I call up House Resolution 412, making in order Senate Joint Resolution 167, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (S. J. Res. 167) to aid in the stabilization of commodity prices, to aid in further stabilizing the economy of the United States, and for other purposes, and all points of order against the said joint resolution are hereby waived. That after general debate, which shall be confined to the joint resolution and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the joint resolution shall be considered as having been read for amendment. No amendment shall be in order to said joint

resolution except amendments offered by direction of the Committee on Banking and Currency, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Banking and Currency may be offered to any section of the joint resolution at the conclusion of the general debate, but such amendments shall not be subject to amendment. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. SMITH of Ohio. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. Obviously there is no quorum present.

Mr. HALLECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 150]

Allen, La.	Engle, Calif	Philbin
Andresen, August H.	Fernandez	Potts
	Fisher	Powell
Andrews, Ala.	Fulton	Preston
Andrews, N. Y.	Gallagher	Price, Fla.
Barden	Gavin	Rabin
Bates, Ky.	Gillie	Rains
Bell	Gossett	Reed, Ill.
Bennett, Mo.	Grant, Ala.	Reed, N. Y.
Bland	Gregory	Richards
Bloom	Griffiths	Rivers
Boggs, La.	Hartley	Rizley
Brooks	Hébert	Rooney
Buckley	Heffernan	Sabath
Busbey	Hendricks	Sadowski
Butler	Hinshaw	Scoblick
Byrne, N. Y.	Hoeven	Scott, Hugh D., Jr.
Chapman	Jackson, Calif.	
Clements	Jarman	Shafer
Clippinger	Javits	Short
Colmer	Jenkins, Pa	Sikes
Corbett	Johnson, Okla.	Smith, Kans.
Coudert	Jones, Ala.	Smith, Wis.
Courtney	Kefauver	Somers
Cox	Kelley	Stanley
Crosser	Kennedy	Stigler
Davis, Tenn.	Keogh	Stratton
Dawson, Ill.	Kilburn	Taylor
Deane	Kunkel	Thomas, N. J.
Delaney	Ludlow	Towe
D'Ewart	McDonough	Trimble
Dirksen	Mitchell	Vail
Dolliver	Morrison	West
Domengeaux	Norblad	Wilson, Ind.
Dorn	O'Hara	Wolverton
Douglas	Patterson	Zimmerman
Drewry	Pfeifer	

The SPEAKER. On this roll call 323 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

STABILIZATION OF COMMODITY PRICES

The SPEAKER. The gentleman from Illinois [Mr. ALLEN] is recognized for 1 hour.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, of course we all know that the Senate passed this bill at 8 to 1 ratio, and there is no question but that this House will pass it about 8 or 10 to 1 ratio, because we all know that if we do not pass this bill there just cannot be any bill passed at this session.

We have brought in a closed rule and we will hear considerable about closed rules today. I want you new Members especially to listen, because of the fact we are going to hear so much about a gag rule. To you new Members let me say this is not the first closed rule that has ever come before the Congress. In preparation for this claim of gag rule, I have compiled a list of the closed rules, similar to the one we are offering today, that were brought out by the majority side since I have been a member of the Rules Committee. I am not going to read all these but will insert them as part of my remarks at this point for your information.

CLOSED RULES IN HOUSE OF REPRESENTATIVES, 1933–46

SEVENTY-THIRD CONGRESS, FIRST SESSION, 1933

1. Agricultural Adjustment Act (H. R. 3835): House Resolution 61 waived all points of order, limited general debate to 4 hours, and provided that after such debate "the previous question shall be considered as ordered on the bill to final passage without intervening motion except one motion to recommit." Rule agreed to March 21, 1933. (CONGRESSIONAL RECORD, vol. 77, pt. 1, pp 665–671.) The AAA passed the House on a roll-call vote, 315 to 98, March 22, 1933

2. Emergency Farm Mortgage Act of 1933 (H. R. 4795): House Resolution 103 waived all points of order, provided for 8 hours of general debate and that no amendment should be in order "except amendments offered by direction of the Committee on Agriculture." Such amendments were not subject to amendment and after Committee rose and reported bill "the previous question shall be considered as ordered in the bill and the amendments thereto to final passage without intervening motion, except one motion to recommit." Rule agreed to April 11, 1933, on a decision vote, 178 to 19, after the previous question was voted on a roll call, 254 to 130 (CONGRESSIONAL RECORD, vol. 77, pt. 2, pp. 1494–1502.) The bill passed the House on April 13, 1933, on a roll call, 387 to 12.

3. Arms and munitions embargo (H. J. Res. 93): House Resolution 101 waived all points of order, limited general debate to 4 hours, and provided that after such debate "the previous question shall be considered ordered on the joint resolution to final passage without intervening motion except one motion to recommit." Rule agreed to April 13, 1933. (CONGRESSIONAL RECORD, vol. 77, pt. 2, pp. 1182–1694.) The resolution passed the House on April 17, 1933, on a roll call, 254 to 109.

4. Tennessee Valley Authority Act (H. R. 5081): House Resolution 111 waived all points of order, provided for 6 hours' general debate, permitted amendments offered by Committee on Military Affairs. If no such amendments, "then the previous question shall be considered as ordered on the bill to final passage without intervening motion except one motion to recommit." Rule agreed to April 22, 1933. (CONGRESSIONAL RECORD, vol. 77, pt. 2, pp. 2176–2181) The TVA Act passed the House on April 25, 1933, on a roll call, 306 to 92.

5. St. Lawrence waterway (providing for use of waters for power purposes by New York State) (H. J. Res. 157): House Resolution 112 waived points of order, limited general debate to 1 hour, and provided that after such debate "the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion except one motion to recommit. Rule agreed to April 25, 1933. (CONGRESSIONAL RECORD, vol. 77, pt. 3, pp. 2348–2357.) House passed the joint resolution April 26, 1933, by voice vote after motion to recommit was rejected, 224 nays to 171 yeas.

6 Independent offices appropriation bill (H. R. 5389): House Resolution 128 waived all points of order, provided 6 hours of general debate, permitted amendments under the 5-minute rule except that no amendments would be in order on sections 4 through 17 (certain economy provisions) except amendments ordered by Committee on Appropriations. Only one motion to recommit authorized. Rule agreed to May 8, 1933, on a roll call, 202 to 156. (CONGRESSIONAL RECORD, vol. 77, pt. 3, pp. 2031–2037) The act passed the House on May 12, 1933, on a roll call, 250 to 117.

7. Sale of securities (First Securities Act) (H. R. 5480): House Resolution 130 waived all points of order, provided for general debate of 5 hours; no amendments to be permitted except offered by direction of the Committee on Interstate Commerce, and previous question ordered without intervening motion except one motion to recommit. Rule agreed to May 5, 1933. (CONGRESSIONAL RECORD, vol. 77, pt. 3, pp. 2910–2916.) The Securities Act was passed May 5, 1933, by voice vote.

8 National Industrial Recovery Act (H. R. 5755): House Resolution 160 waived all points of order, limited general debate to 6 hours, restricted amendments to those offered by direction of the Committee on Ways and Means and such amendments were not subject to amendment, ordered previous question on final passage without intervening motion except one motion to recommit. Rule agreed to May 25, 1933, on roll call, 209 to 187. (CONGRESSIONAL RECORD, vol. 77, pt. 4, pp. 4188–4198.) The NIRA Act passed the House on May 26, 1933, on a roll call, 325 to 76.

SECOND SESSION, 1934

1. Independent offices appropriation bill for 1935 (H. R. 6663): House Resolution 217 waived all points of order on title II (economy provisions) and provided that no amendments to strike out shall be in order to such title except amendments or motions to strike out offered by direction of the Committee on Appropriations. Furthermore "amendments shall not be in order to any other section of the bill, H. R. 6663, or to any section of any general appropriation bill of the Seventy-third Congress which would be in conflict with the provisions of title II of the bill, H. R. 6663, as reported to the House, except amendments offered by direction of the Committee on Appropriations, and said amendments shall be in order, any rule of the House to the contrary notwithstanding." Rule agreed to January 11, 1934, on a roll call, 197 to 192. (CONGRESSIONAL RECORD, vol. 78, pt. 1, pp. 480–512) The bill passed the House on January 12, 1934, by voice vote after a vote to recommit was rejected, 240 nays to 141 yeas.

2. Revenue Act of 1934 (H. R. 7835): House Resolution 266 waived all points of order, authorized 16 hours of general debate, and provided that no amendment should be in order except amendments offered by direction of Committee on Ways and Means. Previous question ordered without intervening motion except one motion to recommit, with or without instructions. Rule agreed to February 14, 1934, on a roll call, 241 to 154. (CONGRESSIONAL RECORD, vol. 78, pt. 3, pp. 2503–2509. The bill passed the House on February 21, 1934, on a roll call, 390 to 7.

SEVENTY-FOURTH CONGRESS, FIRST SESSION, 1935

1. Four billion and eight hundred million dollars work relief appropriation bill (H. J. Res. 117): House Resolution 65 waived all points of order, limited general debate to 3 hours, and restricted amendments to those offered by direction of the Committee on Appropriations and such amendments not subject to amendment. Previous question ordered on resolution to final passage without intervening motion except one motion to recommit, with or without instructions. Rule agreed to January 23, 1935, on a roll call, 249 to 147. (CONGRESSIONAL RECORD, vol. 79, pt. 1, pp. 812–818.) The bill passed the House on January 24, 1935, on a roll call, 329 to 78.

2. Extension of title I of NIRA Act (S. J. Res. 113): House Resolution 256 provided that the resolution with the Senate amendments to the House amendments be taken from the Speaker's table and that the Senate amendments be agreed to. Rule agreed to June 14, 1935, on a roll call, 336 to 31. (CONGRESSIONAL RECORD, vol. 79, pt. 9, pp. 9311-9318.)

SECOND SESSION, 1936

1. Merchant Marine Act of 1936 (H. R. 8555): House Resolution 557 provided that the bill and the Senate amendments be taken from the Speaker's table and that the Senate amendments be agreed to. Rule agreed to June 20, 1936, on division vote 225 to 21. (CONGRESSIONAL RECORD, vol. 80, pt. 10, pp. 10563-10576.)

2. Blue Ridge Parkway (H. R. 12455): House Resolution 559 provided that the bill shall be considered as having been engrossed and read a third time, "and the House shall immediately proceed to vote upon the passage of said bill without any intervening motion except one motion to recommit, with or without instructions." Rule agreed to June 20, 1936, on a roll call, 146 to 139. (CONGRESSIONAL RECORD, vol. 80, pt. 10, pp. 10611-10614.) The bill was then passed 145 to 131. It had previously failed passage under suspension of the rules.

SEVENTY-FIFTH CONGRESS

None.

SEVENTY-SIXTH CONGRESS, FIRST SESSION, 1939

1. Townsend old-age pension bill (H. R. 6466): House Resolution 205 waived all points of order against the bill, limited debate to 4 hours, and shut off the privilege of amendment by anyone by providing that following debate "the Committee shall rise and report the bill to the House and the previous question shall be considered as ordered on the bill to final passage without intervening motion except one motion to recommit." Agreed to (roll-call vote refused) on a division demanded by Mr. TABER, ayes 221 noes 53. May 31, 1939. (CONGRESSIONAL RECORD, vol. 84, pt. 6, pp. 6293, 6367.) On June 1, 1939, the House defeated the Townsend bill, 302 nays to 97 yeas.

2. Amendment to the Fair Labor Standards Act of 1938 (H. R. 5435, the Norton bill): House Resolution 289 waived points of order against the bill, limited debate to 3 hours, and provided that after the reading of the first section of the bill "it shall be in order to move to strike out all after the enacting clause and insert as a substitute the text of the bill H. R. 7349 (Ramspeck bill) and all points of order against such substitute are hereby waived. It shall also be in order to consider without the intervention of any point of order the text of the bill H. R. 7133 (Borden bill) as a substitute for the text of the substitute containing the language of the bill H. R. 7349. No amendments shall be in order to the two substitute amendments herein authorized except one amendment proposing to strike out the word 'not' in line 20 on page 4 of the text of H. R. 7133. At the conclusion of the consideration of the bill H. R. 5435 the Committee shall rise and report the bill adopted and the previous question shall be considered as ordered on the bill and amendments thereto in final passage without intervening motion, except one motion to recommit, with or without instructions." Referred to the House Calendar August 2, 1939. (CONGRESSIONAL RECORD, vol. 84, pt. 10, pp. 10850, 10873.) The Democratic leadership did not call the rule up for consideration and vote.

SECOND SESSION, 1939

None.

THIRD SESSION, 1940

1. 1940 Extension of Sugar Act of 1937 (H. R. 9654): House Resolution 515 waived all points of order against the bill, limited debate to 1 hour and provided that after debate no amendments would be in order "except amendments proposing the extension of any of the provisions of section 207 of the Sugar Act of 1937." Agreed to June 20, 1940. (CONGRESSIONAL RECORD, vol. 86, pt. 7, p. 7803; pt. 8, p. 8720.) Extension act passed the House without roll-call vote on June 20, 1940.

2. Revenue bill of 1940 (H. R. 10039): House Resolution 518 waived all points of order against the bill, limited general debate to 6 hours, and forbade any amendments except those offered by direction of the Committee on Ways and Means, said amendments not to be subject to amendment. Agreed to June 11, 1940. (CONGRESSIONAL RECORD, vol. 86, pt. 7, pp. 7959, 7966.) Revenue bill passed the House, 396 to 6, on June 11, 1940.

SEVENTY-SEVENTH CONGRESS, FIRST SESSION, 1941

1. Revenue Act of 1941 (H. R. 5417): House Resolution 279 waived points of order and provided that after general debate not to exceed 3 days, "no amendment shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means * * * said amendments shall not be subject to amendment." Laid on table, July 30, 1941. (See H. Res. 280.) (CONGRESSIONAL RECORD, vol. 87, pt. 6, pp. 6369, 6487.)

2. Revenue Act of 1941 (H. R. 5417): House Resolution 280 waived points of order and provided that after general debate not to exceed 3 days, "no amendment shall be in order to said bill except one amendment proposing to strike out section 111 (mandatory joint returns) and except amendments offered by direction of the Committee on Ways and Means * * * but such amendments shall not be subject to amendment." Agreed to, roll call vote, yea 204, nay 167, July 30, 1941. (CONGRESSIONAL RECORD, vol. 87, pt. 6, pp. 6459, 6465.) On August 4, the mandatory joint return provision (section 111) was voted down 243 to 159 and the bill then passed 369 to 30.

SECOND SESSION, 1942

1. Revenue bill of 1942 (H. R. 7378): House Resolution 522 waived points of order, limited debate to 3 days, and forbade any amendments except those offered by direction of the Committee on Ways and Means. Agreed to July 16, 1942. (CONGRESSIONAL RECORD, vol. 88, pt. 5, pp. 6197, 6261.) The House passed the bill 395 to 2 on July 20, 1942.

SEVENTY-EIGHTH CONGRESS, FIRST SESSION, 1943

1. Revenue Act of 1943 (H. R. 3687): House Resolution 360 waived all points of order and provided that after general debate not to exceed 2 days, "no amendment shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means * * * but such amendments shall not be subject to amendment * * * the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion, except one motion to recommit. The resolution was agreed to November 24, 1943. (CONGRESSIONAL RECORD, vol. 89, pt. 8, pp. 9907-10.) The bill with committee amendments passed the House November 24, 1943.

SECOND SESSION, 1944

1. Individual income tax bill of 1944 (H. R. 4646): House Resolution 524 waived all points of order, limited general debate to 2 days, and provided that no amendment shall be in order except those offered by direction of the Committee on Ways and Means, and these amendments not subject to amendment. The previous question was ordered on the bill without intervening motion except one motion to recommit. The resolution was agreed to May 3, 1944. (CONGRESSIONAL RECORD, vol. 90, pt. 3, pp. 3968-3973.) The bill passed House on May 5, 1944 by a roll call vote, 358 to 0.

SEVENTY-NINTH CONGRESS, FIRST SESSION, 1945

1. Reconversion revenue bill of 1945 (H. R. 3633): House Resolution 311 waived all points of order, limited general debate to 4 hours, and permitted only one amendment, one that "will make the $25,000 credit against excess-profits tax a credit against 1945 income and a proportionate amount of 1945 income for corporations reporting on a basis of a fiscal year." Previous question ordered and only one motion to recommit permitted. Rule agreed to July 5, 1945, on a roll call, 211 to 131. (CONGRESSIONAL RECORD, vol. 91, pt. 6, pp. 7239-7247.) House passed bill on July 6, 1945, on a roll call, 243 to 91.

2. Revenue bill of 1945 (H. R. 4309): House Resolution 368 waived all points of order, restricted general debate to 4 hours, restricted amendments to those offered by the Ways and Means Committee and provided that after consideration of bill for amendment the previous question was ordered to final passage without intervening motion except one motion to recommit. Rule agreed to October 11, 1945. (CONGRESSIONAL RECORD, vol. 91, pt. 7, pp. 9602-9610.) Bill passed the House October 11, 1945, on a roll call, 343 to 10.

SECOND SESSION, 1946

1. Social Security Act amendments (H. R. 7037): House Resolution 710 waived all points of order, limited general debate to 1 hour and limited amendments to those offered by Ways and Means Committee. At conclusion of committee action and rising the previous question shall be considered as ordered on final passage without intervening motion except one motion to recommit. Rule agreed to July 24, 1946. (CONGRESSIONAL RECORD, July 24, 1946, pp. 9961-9971.) The bill passed the House on July 24, 1946, without a roll-call vote.

Mr. Speaker, we are going to hear so much about the gag rule that many of the new Members will feel that this is the first one we have ever had since the beginning of parliamentary government in this country. I will say that I do not like closed rules, but it was either a closed rule which did not permit the offering of amendments—for amendments would necessitate a conference with the other body and this would mean no bill—it was either a closed rule or no bill. As I say, we are going to hear plenty about it but on final passage you will find at least 10 Members of this House will vote for this bill to every 1 who votes against it.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. KEATING. As a new Member I wanted to inquire whether when the minority brought in these closed rules, the present minority, the rules were brought in on the last day of the session or earlier.

Mr. ALLEN of Illinois. They were brought in at all times, not the last day of the session but at any time they wanted to, as the gentleman will find when he reads the RECORD tomorrow. The New Deal party from 1933 to 1947 brought in rules throughout the entire session.

Mr. VAN ZANDT. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. VAN ZANDT. Is it not true that during the period leading up to World War II we were faced with one gag rule after another?

Mr. ALLEN of Illinois. That is true.

Mr. VAN ZANDT. Based on the necessity of meeting the emergency.

Mr. ALLEN of Illinois. That is true; and further than that I may say that I was called upon to vote on many bills that were not even printed where one

could not even cross a "t" or dot an "i." That was back in 1933.

Mr. COLE of Missouri. Was not that also true of legislation brought in during the railroad strike when the President came here one afternoon and we voted a rule for consideration of a bill that had not been submitted to the Congress and we had to take it or leave it?

Mr. ALLEN of Illinois. The gentleman is correct.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. RANKIN. In order to remind many of what we call the freshmen of the House, I desire to say that that rule prevailed and that practice prevailed during the Harding administration, during the Coolidge administration, and during the Hoover administration. It is not a question of a gag rule, it is a question of what is in the legislation.

Mr. ALLEN of Illinois. I thank the gentleman. I may say that the gentleman from Mississippi was here long before the gentleman from Illinois.

Mr. RANKIN. The average Member of the House does not want to be gagged on a measure he is against, but he does not mind being gagged on a measure he is for.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. HALLECK. Is it not true that in this situation today if changes are made in the measure this in all probability would require the measure's going to conference and likely mean the end of the legislation?

Mr. ALLEN of Illinois. That definitely is correct.

Mr. HALLECK. Is it not also true that under this procedure the minority, of course, has the right to offer a motion to recommit in which they can state their position?

Mr. ALLEN of Illinois. Most certainly.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. McCORMACK. Is it not also true that under the rules of the House when a rule is reported the minority cannot be denied the right to offer a motion to recommit?

Mr. ALLEN of Illinois. I would say that my distinguished friend, the gentleman from Massachusetts, well remembers when he was majority leader——

Mr. McCORMACK. But I asked if there was not always an agreement about the motion to recommit in order to get all aspects of the legislation in? When a rule is reported out under the rules the right of the minority to offer a motion to recommit cannot be taken away, even by the Rules Committee; is that not correct?

Mr. ALLEN of Illinois. I may say that the gentleman from Massachusetts was always fair when he was majority leader but he also knew where he was going at all times.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. As a matter of fact, it has been the custom and the policy to always recognize the minority's right, but the House may adopt any rule that it wishes, even including a rule doing away with minority rights.

Mr. RANKIN. The only way in the world you could shut the minority out from a motion to recommit would be to pass the bill under suspension of the rules, which the Republicans tried the other day and failed.

Mr. McCORMACK. It could be done also by unanimous consent. But the rights of the minority cannot be taken away under the rules. The rules of the House provide for protection of the minority's rights. Those rights can only be taken away by consideration under suspension of the rules.

Mr. ALLEN of Illinois. The gentleman from Massachusetts is a past master in regard to doing the thing we are attempting to do today.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Michigan.

Mr. MICHENER. As a matter of fact, the rules of the House are made by the House. When the House made the rules it recognized that there were occasions when the general rules of the House would not serve the best interests of the country. So the rules provide that when such an occasion does arise it shall be within the power of the House itself, not the Rules Committee, to make the change. Therefore the Rules Committee should not be criticized. It simply submits to the House a rule, under the rules of the House, permitting the House to work its will. A majority of the Representatives of the people will decide.

Mr. ALLEN of Illinois. That is correct.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Will the gentleman tell the House whether or not the language on page 2, lines 10, 11, and 12, covers agricultural commodities?

Mr. ALLEN of Illinois. I would like to have the chairman of the Banking and Currency Committee answer that question, if he will.

Mr. WOLCOTT. I did not hear the gentleman's question.

Mr. CRAWFORD. The inquiry is whether or not the language on page 2 of the bill, lines 10, 11, and 12, covers agricultural commodities?

Mr. WOLCOTT. No. I call the gentleman's attention to the fact that the provision which is found in subsection 2 of section 2 of House Joint Resolution 273 provided that the President is authorized to consult with representatives of industry, business, and agriculture, looking to agreements providing for the marketing of livestock and poultry at weights and grades that represent the most efficient utilization of grain. That provision was in Senate Joint Resolution 167 when it was introduced, but the Senate committee deleted it. The Senate accepted the amendment deleting it. Because of that action the provisions of subsection 2 as contained in the bill which is before us would not be in any way interpreted to include livestock and poultry.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Michigan.

Mr. HOFFMAN. When this matter was before the House the other day under suspension of the rules, I was one of 26 Republicans who deserted my leadership to vote with my Democratic friends over on the other side. I do not like these closed rules, these gag rules, but it certainly is pathetic to hear the gentleman from Massachusetts [Mr. McCORMACK] get up and cry about it, because we all remember well when he was majority leader, and when the gentleman from Texas [Mr. RAYBURN] was in the chair, an occasion when a bill was not even printed, in the first instance it was not even typewritten, passed the House because we had to take it. It was rammed right down our necks.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. McCORMACK. Of course, my friend from Michigan is, as usual, wrong.

Mr. KNUTSON. No; he is not wrong.

Mr. McCORMACK. Now, you keep out of this. The gentleman from Massachusetts never cries, and the observation the gentleman from Massachusetts made, which the distinguished Chairman of the Committee on Rules knows, was on the question of taking away the power of minority to recommit that could not be taken away under a rule. That was our colloquy, was it not? So, my friend, as usual, rambles in the realms that no other human mind could visualize.

Mr. HOFFMAN. The gentleman, for once, is right. I cannot follow him in his rambling. As usual, his memory is nonexistent.

Mr. ALLEN of Illinois. I will say to the gentleman from Massachusetts, he does not cry, and I am certain we are not going to have any crying here today about a closed rule.

Mr. LEMKE. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from North Dakota.

Mr. LEMKE. I have been informed that two wrongs never make a right, and I wonder if two gag rules make it a good one.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Mississippi.

Mr. RANKIN. I cannot let go unchallenged the statement, I believe made by the gentleman from Michigan, that under the provisions of this bill, beginning with line 10, page 2, agricultural commodities and livestock and livestock products could not be affected, because it says "providing for priority allocation and inventory control of scarce commodities which basically affect the cost of living or industrial production."

Now, I cannot see why that could not be made to apply to livestock, grain, or dairy products, or to any other farm products.

Mr. ALLEN of Illinois. I will say to the gentleman that the gentleman from

Michigan will go into that when we go into the resolution itself.

Mr. MULTER. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from New York.

Mr. MULTER. Can the gentleman tell us in how many of the 39 instances he referred to were bills brought before the House without having been heard before the committee, without hearings, and in the form in which it was submitted?

Mr. ALLEN of Illinois. I would say that since I have been a Member of Congress that many times a bill has been brought in when it was not even printed. Talk about hearings! They were not even printed.

Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from North Carolina [Mr. CLARK].

Mr. CLARK. Mr. Speaker, I always have been an admirer of good English. I like to read it when it moves along smoothly and forcefully to its conclusion. In my long years of experience as a lawyer I sometimes had the satisfaction of using language that I knew had those qualities to such an extent as to put my client on sound ground legally. From that angle I greatly admire the resolution under consideration. I congratulate its author. He had a good grip on his pen when he wrote this resolution. It is so skillfully written as by comparison to make the always graphic language of Winston Churchill seem almost obscure and confusing.

This is not just a closed rule. It is shut; shut bang tight. I do not know that this is a very good moment in which to engage in a historical discussion about what has heretofore been done. And I shall not do so. I know that the Democrats have, in times past, brought in some closed rules and maybe some bills that were a little damp, but that occurred, I would respectfuly remind the gentlemen, following some 12 or 14 years of Republican rule after which the situation in this country was pretty desperate and something had to be done in a hurry.

There is this great difference between those closed rules and this one. Those rules had something inside of them. This closed rule, in my judgment, has very little inside of it. We had the same subject over here the other day under suspension of the rules. It got barely a majority. It fell far short of the two-thirds majority that was necessary.

What has happened since then? Well, it has been to the body at the other end of the Capitol, which is all that happened to it, so far as I know. We met in the Committee on Rules yesterday afternoon at 6 o'clock, and I heard no suggestion that this legislation had been back to the Committee on Banking and Currency. It is brought back today to the House just as fixed by the distinguished gentlemen at the other end of the Capitol, and you are going to have to take it or leave it just like that.

You liberal gentlemen on the left, of whom I know there are many, find yourselves today in a position in which, if you have any ideas contrary to what may have been put into this bill at the other end of the Capitol about this tremendously important issue, you are just disfranchised to that extent then. You cannot do anything about it. Under your leadership, you will have to come along like good boys and let your communications on this great subject be "yea, yea" and "nay, nay."

The only reason I have heard advanced why we cannot waive all these technicalities and get down to the heart of this great problem is that we do not have time to do so before we go home. I want to be with my family at Christmas, but I am thinking a little also of Christmas 1948 and 1949 and 1950. I am reminding you that forces are eating at the economic foundation of this Nation every time the sun rises and sets and we had better not center our thoughts too greatly upon Christmas 1947 to the exclusion of subsequent Christmases.

I went to my office a day or two ago and read thoughtfully a message of the Chief Executive of this Nation. I tried to read it impartially. I knew that that message was prepared with full information as to the world-wide situation. I am satisfied it was prepared with the most serious consideration of the condition of the United States at a time when, whether we would have it so or not, we are the leading world power. That is a serious message. It refers to the serious condition in this Nation, which is all too realistic. With all the fairness I can command, I am bound to conclude that the bill we are going to pass today—or you are; I am not—in our haste to get home for Christmas, is no answer to the conditions that obtain in our beloved country; and it is not right. It ought to be here under an open rule, and we should stay here and consider this legislation line by line if it takes night and day until we know that we have done our level best to avoid what I hope may not be a catastrophe in America.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. CLARK. I yield to the gentleman from Pennsylvania.

Mr. RICH. The gentleman was speaking about legislation that came in here in the past 15 years that had something in it. I think a lot of that legislation the gentleman from North Carolina wishes today he had never seen and never heard of, and that it had never been brought in here. I think he wishes he had had an opportunity to change it, because you would not have a lot of things you are having today. In connection with this piece of legislation, the gentleman says he is interested in 1947. What we are trying to do is ease you gradually out of some of the things you have gotten us into in the last 10 or 12 years. If we ease you out gradually you will be happy and the people back home will be happy, too. But if we continue, it will be ruinous.

Mr. CLARK. I want them to be happy. I will say to my distinguished friend, however, that the only piece of legislation which was referred to by the chairman of the Committee on Rules, which was brought in under a closed rule, was the AAA, and if the gentleman from Pennsylvania is not aware of the benefits flowing from that legislation to the people of this country, he ought to go into the great agricultural sections of the country and find out.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. CLARK. I yield.

Mr. RAYBURN. The gentleman from Pennsylvania, like many others, always gets up and talks about the New Deal and the laws that were passed under it. How many bills have they introduced to repeal any of those New Deal laws?

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. CLARK. I yield.

Mr. RANKIN. To attempt to cure our present ills with this legislation reminds me of the old woman who attempted to punish the mole for eating the vegetables in her garden, by taking it out into the middle of her garden and cruelly burying it alive. That is about the effect this legislation will have.

Mr. CLARK. I want to say just one more word about this New Deal proposition. I was not a 100-percent New Dealer. I could not agree with all of its measures. But I remember very well when the doors of every banking institution in the United States were closed, and the streets of this Capital were full of rather angry men and women who were almost ready to break through the store windows and get their children something to eat. Something had to be done to break the log jam, and on the whole even a conservative, somewhat of my own tendencies, can say a good deal for the New Deal.

Mr. MILLER of Nebraska. The gentleman is speaking about a closed rule. On page 2, line 6, it says that the Committee on Banking and Currency may offer amendments to the bill, so the door is not entirely closed.

Mr. CLARK. Well, the gentleman can construe it that way if he sees fit, but I go back to the fundamental proposition that all these technicalities and rules and parliamentary requirements ought to be swept aside and the representatives of the people in the Congress of the United States ought to get down to business and register their unfettered best judgment on this great problem.

Mr. SMITH of Virginia. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, I know it is customary to start a discussion on these serious questions by saying, "We are at the crossroads." I will not use that expression. I think it is about worn out. I do not believe there is a man in the House of Representatives who does not realize the seriousness of the present economic situation in the Nation, and who does not realize the threat to the prosperity and happiness and comfort of every man, woman, and child of our 140,000,000 people. I do not know what good will be done by legislation under these circumstances—I just do not know—but I do feel that it is of such grave importance to every one of the constituents of every one of the Members of the House that we could well afford to declare a moratorium on politics for a week or 10 days and sit here just as good, plain, honest, hard-working American citizens

and endeavor to reach a sensible conclusion to do something, whatever it might be, in an effort to halt the wave of inflation now threatening the economic stability of the country. The bill we have before us, nobody can deny, is merely a piece of shadow boxing. It does not do anything. The bill that comes to us from the other body this morning does less than the bill which the House of Representatives refused to consider a week ago.

Mr. PATMAN. Mr. Speaker, will the gentleman yield for a question?

Mr. SMITH of Virginia. I will be glad to yield later if I have time. Not at this time.

There are two things that confront the people of this country most vitally at the moment, and they are thoroughly alive to it. One is our foreign situation and the necessity, as a great majority of the people of this Nation believe, to do something to alleviate the European situation and to ward off, so far as we can, the threat of further armed conflict.

The other thing that is very close to home to them are these high prices, induced by the evergrowing inflation in prices. It is just a matter of plain, common horse sense that you cannot solve those two major problems without putting some controls over the economy of this Nation. You cannot create a shortage of vital necessities of life in this Nation by shipping them abroad, unless you are going to control the situation at home in some manner or by some method. You know and I know that this little piece of froth here about voluntary controls is not going to do the trick. You Members of this House who have served with me in the years gone by know there has been no Member of this body, on either the Democratic or the Republican side, who has inveighed against, criticized more openly, freely, and harshly the administration of the old OPA than I have. There is not any Member of this House who despises control over the free people of this country any more deeply than I do. But we are today confronted with a condition and not a theory. You are confronted with the proposition that you just cannot create a shortage by shipping great quantities of scarce commodities abroad, without causing inflation unless you put some control on your prices and distribution. Now, think about that for a minute. It just is not common sense and you cannot do it, if you stop to think about it, and you know you cannot do it. God knows I do not want to do anything about it, but we have got to do something about it if we are going to save our people from inflation and if we are going to save the people in the lower-income groups in this Nation from actual privation and hunger, because they cannot pay the prices that we are going to have to pay.

Now, what to do about it? I say I do not know, but we ought to be able to find the answer, if we are capable of enacting the laws that are necessary for the welfare of this great Nation of ours.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I will yield in a minute. Not at this time.

Now, we are going to sit supinely here and fool the American people with a piece of legislation that every Member of this body knows does not accomplish a single solitary thing. The profit system is too deeply ingrained in the Yankee people of this Nation to root it out with some frothy conversation about some voluntary agreement. Now, let us think about the thing sensibly. Let us at least do the thing we are supposed to do, namely, deliberate about the serious problems that confront this Nation. Do you call it deliberation? Is it deliberation? Is it legislative decency to consider a matter of this grave importance, not only to the people of this Nation but to the people of the world, under a gag rule that permits only 1 hour's discussion of a measure brought here from another body, and permit no amendments whatsoever—no opportunity to improve the situation that we all know and all realize is desperate? It does seem to me that we might at least consider the question of why we could not properly, in our desperate situation, put some ceilings on present prices, if we could not at least contrive some method by which we would allocate fairly in the interest of the people of this Nation the vital necessities of life and the vital commodities necessary to keep the wheels of industry turning. If you gentlemen on my left refuse, the responsibility is yours. Do you take that responsibility this morning, in this grave hour?

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. Do you take the responsibility of saying to the American people: "No; we will not permit your duly elected Representatives even to consider the problem that is so vital to your welfare"?

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. RANKIN. As I have pointed out time and time again, these high costs are caused by an inflation of the currency through the Federal Reserve System. The Committee on Banking and Currency is the committee to bring in legislation to curb that inflation; and this kind of legislation will not be worth the paper it is written on if it does not.

Mr. SMITH of Virginia. I will say in that connection that the Committee on Banking and Currency did bring in a clause in that bill that undertook to do something about inflation. It undertook at least to tighten up on credit, but in the bill that is brought here this morning that is cut out. There is no attempt to control credit. There is no attempt to control bank reserves.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. HALLECK. I just wanted to suggest, as has already been pointed out, that the gentleman can offer a motion to recommit if he is opposed to the bill; and he might even offer as a motion to recommit the Spence bill, which, as I understood, is the administration's proposal.

Mr. SMITH of Virginia. We might do that. I am not predicting what we will do on this side; but if we do present a motion to recommit, a motion which we feel will give some relief to the American people and give them some insurance against this disaster that is creeping upon them, I trust sincerely that the gentleman from Indiana will give us his support.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. RICH. The gentleman from Mississippi was talking about legislation to stop inflation of the currency. I ask the gentleman from Mississippi and the gentleman from Virginia who passed the legislation he is criticizing so much?

Mr. SMITH of Virginia. I do not know anything about that. The gentleman from Mississippi and the gentleman from Pennsylvania are talking about inflation of the currency and so forth and so on. I am a banker, but I know less about it than they do, and I do not think either one of them know too much about it.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. DINGELL. The suggestion was made that the minority has the privilege of submitting a motion to recommit. The motion to recommit, however, does not permit any debate on the essentials of the proposition.

Mr. SMITH of Virginia. None whatever.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. WHITTEN. I wish to point out, if the gentleman will permit, that section 7 of this bill provides:

> That the Commodity Credit Corporation is authorized to carry out projects to stimulate and increase the production of foods, agricultural commodities, and products thereof, in non-European foreign countries. Such projects may include procurement, the making of advances and price guaranties, the furnishing of technical information and assistance, the furnishing of seed, fertilizer, machinery, equipment, and other materials.

If this closed rule is adopted it means that under the terms of this bill we are supporting a price support program in South America or may do so; and in addition to that, the only way in the world we could stop it would be by disapproving it by action of the House and Senate. The gentleman knows, in fact every Member knows, that the other body could block it and under the closed rule there is no effective way to oppose or modify such program or even raise the question.

Mr. SMITH of Virginia. I am glad the gentleman has given us some enlightenment on what is in this piece of paper.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Did I understand the gentleman to say that we could not continue to provide relief for other countries without some sort of control in this country?

Mr. SMITH of Virginia. I did. It is just a common sense proposition that you cannot create artificial scarcities in this country by shipping the stuff abroad unless you are willing to do something to control prices at home. The alternative

is inflation and higher prices. You might as well face that proposition now as at a later time when it is too late to do anything about it.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Arkansas.

Mr. HAYS. Mr. Speaker, it seems to me that the point made by the gentleman from Indiana [Mr. HALLECK] only confirms the statement that the gentleman from Virginia has made. That is, that we should not have to choose between the Harriman bill, which has also been referred to as the Spence bill, and the pending bill. That is the very way to deprive the House of getting a better alternative, because there are some of us who feel that the Harriman bill is not in perfect form. It simply confirms the point that the gentleman from Virginia has made. The procedural question is a whole lot more important than some have indicated.

Mr. SMITH of Virginia. The gentleman is entirely right.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Texas.

Mr. PATMAN. Mr. Speaker, is it not a fact that those of us who would like to have a bill which we would consider more effective than this one should vote down the previous question? We should vote down the previous question on the rule in the hope that the previous question may be defeated and then the rule could be amended so that a different bill might be brought in?

Mr. SMITH of Virginia. I am sure on our side we would be happy to follow the wishes of the Banking and Currency Committee on that subject.

Mr. Speaker, I reserve the balance of my time.

Mr. ALLEN of Illinois. Mr. Speaker, I have only one other speaker. May I ask the gentleman if he has any other speakers?

Mr. SMITH of Virginia. Yes.

Mr. ALLEN of Illinois. Will the gentleman use his time then. We have only one over here.

Mr. SMITH of Virginia. Mr. Speaker, I yield the remainder of the time on this side to the gentleman from Pennsylvania [Mr. BUCHANAN].

Mr. BUCHANAN. Mr. Speaker, we have before us a rule which makes in order a modified version of the original House resolution we considered on last Monday, the so-called Republican anti-inflation program. The bill now before us, Senate Joint Resolution 167, contains a 1-year extension of export and transportation control. That is mandatory, not voluntary. The bill also contains authority for voluntary allocation agreements and authority for the Secretary of Agriculture to control the use of grain to the manufacturers of liquor and neutral spirits. That section has been added. That is section 4 (b) on page 5.

It also contains four amendments that were added in the other body and the two deletions that were taken out originally on this side. I want to refer to the amendments in general.

Amendment 1 added on the other side found in section 6 provides that if the President finds that a shortage of some commodity is jeopardizing the national health, safety, or welfare, he may submit a mandatory control program to the Congress and the Joint Congressional Economic Committee must hold hearings on it within 15 days.

A second amendment was added on the other side.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. BUCHANAN. I yield to the gentleman from Texas.

Mr. PATMAN. It is a fact that the Joint Committee on the Economic Report has no power to initiate legislation.

Mr. BUCHANAN. That is true.

Mr. PATMAN. Even though it was to have hearings it would have no power to originate or to initiate any bill along the lines complained of.

Mr. BUCHANAN. The gentleman is correct in his statement.

The second amendment, section 7, added in the other side, authorizes the Commodity Credit Corporation to aid non-European foreign countries in their food production programs, with a provision that Congress could cancel any such programs within 60 days.

Another section added by amendment authorizes $1,000,000 for a voluntary food and feed conservation program.

The fourth section added by amendment, section 2, subparagraph (c) requires that the Attorney General rather than the President must approve any waiving of the antitrust law with respect to voluntary agreements on allocations of scarce materials.

Now, Mr. Speaker, it is too late to unscramble the egg. I do not believe that effective rationing and wage and price controls can be reimposed upon a nation that is so far down the stream in the current of inflation. We have been swept downstream at a terrific pace over the past 18 months. Nothing that we can do now in any limited sense will save the situation.

The resolution we have before us is a slight improvement over the original that we had in here on Monday. Serious and sincere efforts have been made in the other body to improve it. Some few, four in number that I recited, have been accepted, and are contained in this present resolution. Efforts calling for mandatory rather than voluntary allocations for controls were beaten or defeated. The bill has some mandatory features in it now, as I recited, the export and transportation control features.

The bill has four things which the President was interested in and which are recommended in his message to Congress. Provisions which I objected to, and still object to, are those found in section 2 which refer to voluntary agreements and the relaxing of the antitrust law. The joint resolution as a whole represents nothing more than a feeble gesture.

However, I shall support the bill in its final form. I shall support any motion to recommit. I am not willing to put myself in a position of voting against it. It looks as though we, on the Democratic side, will have to eat crow this Christmas 1947, but in 1948 the story may be different.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, there seems to be considerable confusion in the minds of some of the Members of this House as to what should be done concerning the problem of high prices and the high cost of living, as well as to what should be done in considering this legislation.

I think we should get down to fundamental facts for just a moment or two regarding this rule and this resolution.

As every one of us knows, this rule is necessary if the Congress is to vote on this legislation and adjourn tonight as per the agreement which has been made. Some of those who have criticized the leadership for driving ahead on this legislation already have their rail or plane tickets in their pockets and would be the most disappointed of all of us if the House should be held in session through Christmas week.

Yes, there is confusion, and it is to be found in unexpected sectors. I have the highest respect and regard for my good friend the gentleman from Virginia, and I was rather amazed when he stood here in the well of the House and demanded that we take action to reinstitute a completely controlled economy here in America. Then there are others who want no controls of any kind, while some want moderate and helpful legislation such as this. This resolution as it has come to us is a just and fair measure designed only to meet the emergency until further action can be taken. It is not very controversial when you get down to it. I doubt if very many of you can criticize any particular section of this bill. We are simply endeavoring to do something helpful in preparation for the regular session of Congress, when this whole matter will be reviewed again, and when more complete legislation will be enacted.

The facts are that we have been talking about this problem, we have been discussing it among ourselves and in committees, ever since November 17. The facts are that this measure is almost the same as the one approved by the House Committee on Banking and Currency, and approved by a majority of the House, although it failed to receive the two-thirds majority necessary for suspension of the rules the other day. So I think most of us know what this bill is, what it means, and what it will do.

I was amazed and greatly surprised when the gentleman from Mississippi [Mr. RANKIN] severely criticized the amendment of Senator BARKLEY, of Kentucky, the Democratic leader of the Senate, because the section of the bill to which the gentleman from Mississippi spoke, and which he criticized, was the amendment offered by Senator BARKLEY, of Kentucky, and you may find it, if you wish, as a portion of a bill he introduced in the Senate, S. 1882.

I am reminded of an old spiritual. Many of you have heard it. It goes something like this: "Everybody who's talkin' 'bout heaven ain't goin' there."

I am convinced there are a lot of people who have been talking about being

against inflation and high prices who actually are not interested in bringing down high prices, or in stopping inflation. I know some officials who have statutory authority now to take effective action which will reduce high prices, and will certainly put a pinhole, at least, in the inflationary balloon. I am fearful that some of those who speak here today about wanting to open up this legislation, wanting to amend it, and wanting to do this or that to it, are not truly interested in passing any legislation to hold down prices, but instead just do not want any legislation at all. They are giving lip service, but only lip service, to the endeavor that some of us are honestly making to stop the steady increase of prices, and the inflationary boom which is now on, or to level prices off a bit, if we cannot do more.

So, I say to you, that anyone in this House who wants to do something, who wants to take a step in the right direction, toward holding down prices, toward preventing the cost of living from going higher, will support this rule and this legislation. This is your one opportunity at this session of Congress. As you vote, so shall you be judged as to whether you are actually opposed to high prices or want them to continue on their upward spiral.

Mr. ALLEN of Illinois. Mr. Speaker, I yield such time as he may desire to the gentleman from Tennessee [Mr. KEFAUVER].

Mr. KEFAUVER. Mr. Speaker, I hope this resolution may be voted down and that the House will thereafter be granted ample time for debate on this great problem of reducing the cost of living and preventing inflation. I know that the Members are anxious to return home for Christmas; however, the public welfare demands that definite and positive steps be taken at this time to prevent the spiraling cost of living and to check the ruinous inflation which is about to engulf the Nation. We are not fulfilling our duty unless we go into this problem fully and try to work out on a nonpolitical basis a real way of stopping the rising costs which threaten the economy of our country. There is no place for politics in dealing with this measure. Inflation is not a respecter of persons or political parties. It is on the brink of causing disaster to millions of families of all walks of life of all political and religious beliefs. Unless checked it will destroy farmers, industries and workers alike. It is unfortunate that the leadership of the House will not permit amendments to be adopted to Senate Joint Resolution 167 which is the measure we are about to consider. The leadership is not acting in the best interest of the country in refusing to permit amendments which would definitely stop this inflation spiral.

In 1941, I voted and worked for the adoption of the Baruch price-control plan, which was ably presented by my esteemed colleague the gentleman from Tennessee, Representative ALBERT GORE, and other Members of the House. It would have substantially frozen at that time all elements of cost that affected the cost of living. Unfortunately, that proposal was not adopted. We would not have inflated prices now and war would have cost us only one-half as much if it had been.

The OPA, with all its imperfections, held prices fairly well in check, but since the expiration of OPA the cost of living has been going up by leaps and bounds. The situation is almost out of hand, and it will be out of hand unless we act quickly and definitely. This is the time to take affirmative steps. The bill which this resolution makes in order for consideration has a few good features, but it does not get at the heart of the problem. No one contends it will stop rising costs or that it will effectively stabilize the economy of our country. The truth is, with shipments of grain and other commodities to other countries, which must be done for world peace, there is simply a shortage in this country, and the competition to secure that which is left is going to be keen. The result is that prices will go up and up unless definite steps are taken. This means that wages and salaries will rise at the same time and the health of our Nation is going to be destroyed unless the spiraling is stopped, and stopped now.

As desirable as it is to go home for Christmas, I think Congress ought to stay here and work out an effective control program. It could be done if we would get down to business, forget politics, and join in a determination to prevent this boom and bust to which we appear to be heading. The welfare of the world and of this Nation for years to come may be determined by what we do here today.

Admittedly, this bill has some few good points. It does about 10 percent of the things necessary to cut back the cost of living and prevent further spiraling of prices and wages. The people of this country will know that this measure, as it stands, is not effective. They are looking to Congress to use a firm hand. I hope the House may agree to a full debate of this issue and to authorize the submission of amendments which will give us an effective control measure.

Mr. ALLEN of Illinois. Mr. Speaker, I move the previous question.

The SPEAKER. The question is on ordering the previous question.

The question was taken; and on a division (demanded by Mr. SMITH of Virginia) there were—ayes 178, noes 97.

Mr. SMITH of Virginia. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 203, nays 144, not voting 86, as follows:

[Roll No. 151]

YEAS—203

Allen, Calif.	Blackney	Clason
Allen, Ill.	Boggs, Del.	Clevenger
Andersen, H. Carl	Bolton	Coffin
Anderson, Calif.	Bradley	Cole, Kans.
Andresen, August H.	Bramblett	Cole, Mo.
Angell	Brehm	Cole, N. Y.
Arends	Brophy	Corbett
Arnold	Brown, Ohio	Cotton
Auchincloss	Buck	Crawford
Bakewell	Buffett	Crow
Banta	Burke	Cunningham
Barrett	Byrnes, Wis.	Curtis
Bates, Mass.	Canfield	Dague
Beall	Carson	Davis, Wis.
Bender	Case, N. J.	Dawson, Utah
Bennett, Mich.	Chadwick	Devitt
Bishop	Chenoweth	D'Ewart
	Chiperfield	Dolliver
	Church	Dondero
	Eaton	Judd
	Elliott	Kean
	Ellis	Kearney
	Ellsworth	Kearns
	Elsaesser	Keating
	Elston	Keefe
	Engel, Mich.	Kersten, Wis.
	Fellows	Knutson
	Fenton	Landis
	Fletcher	Latham
	Poole	Lea
	Fuller	LeCompte
	Gamble	LeFevre
	Gathings	Lewis
	Gearhart	Lichtenwalter
	Gillette	Lodge
	Goff	Love
	Goodwin	McConnell
	Graham	McCowen
	Grant, Ind.	McCulloch
	Gross	McDowell
	Gwinn, N. Y.	McGarvey
	Gwynne, Iowa	McGregor
	Hagen	McMahon
	Hale	McMillen, Ill.
	Hall, Leonard W.	Mack
	Halleck	MacKinnon
	Hand	Macy
	Harness, Ind.	Maloney
	Harvey	Martin, Iowa
	Herter	Mason
	Hoeselton	Mathews
	Hess	Meade, Ky.
	Hill	Merrow
	Hinshaw	Meyer
	Hoffman	Michener
	Holmes	Miller, Conn.
	Hope	Miller, Md.
	Horan	Miller, Nebr.
	Hull	Morton
	Jenison	Muhlenberg
	Jenkins, Ohio	Mundt
	Jennings	Murray, Wis.
	Jensen	Nicholson
	Johnson, Calif.	Nixon
	Johnson, Ill.	Nodar
	Johnson, Ind.	Norblad
	Jones, Wash.	Owens
	Jonkman	Phillips, Calif.
		Phillips, Tenn.
		Plumley
		Potter
		Potts
		Poulson
		Ramey
		Rees
		Reeves
		Rich
		Richlman
		Robertson
		Robsion
		Rockwell
		Rogers, Mass.
		Rohrbough
		Ross
		Russell
		Sadlak
		St George
		Sanborn
		Sarbacher
		Schwabe, Mo.
		Schwabe, Okla.
		Scott, Hardie
		Scott, Hugh D., Jr.
		Scrivner
		Seely-Brown
		Simpson, Ill.
		Simpson, Pa.
		Smith, Maine
		Snyder
		Stefan
		Stevenson
		Taber
		Talle
		Tibbott
		Tollefson
		Twyman
		Van Zandt
		Vorys
		Vursell
		Wadsworth
		Welchel
		Welch
		Wigglesworth
		Wilson, Ind.
		Wolcott
		Woodruff
		Youngblood

NAYS—144

Abernethy	Gorski	Morris
Albert	Granger	Multer
Almond	Grant, Ala.	Murdock
Andrews, Ala.	Hardy	Murray, Tenn.
Battle	Harris	Norrell
Beckworth	Harrison	Norton
Bell	Hart	O'Brien
Blatnik	Havenner	O'Konski
Bloom	Hays	O'Toole
Bonner	Hedrick	Passman
Boykin	Hobbs	Patman
Brown, Ga.	Holifield	Peden
Bryson	Huber	Peterson
Buchanan	Jackson, Wash.	Pickett
Bulwinkle	Johnson, Tex.	Poage
Burleson	Jones, Ala	Price, Ill.
Camp	Jones, N. C.	Priest
Cannon	Karsten, Mo.	Rankin
Carroll	Kee	Rayburn
Celler	Kefauver	Redden
Chapman	Kelley	Regan
Chelf	Kennedy	Richards
Clark	Kerr	Riley
Combs	Kilday	Rogers, Fla.
Cooley	King	Sadowski
Cooper	Kirwan	Sasscer
Cravens	Klein	Sheppard
Davis, Ga.	Lane	Smathers
Deane	Lanham	Smith, Ohio
Dingell	Larcade	Smith, Va.
Donohue	Lemke	Somers
Doughton	Lesinski	Spence
Douglas	Lucas	Stigler
Durham	Lusk	Stockman
Eberharter	Lyle	Teague
Engle, Calif.	Lynch	Thomas, Tex.
Evins	McCormack	Thompson
Fallon	McMillan, S. C.	Vinson
Feighan	Madden	Walter
Fernandez	Mahon	Wheeler
Flannagan	Manasco	Whitten
Fogarty	Mansfield	Whittington
Folger	Marcantonio	Williams
Forand	Meade, Md.	Wilson, Tex.
Garmatz	Miller, Calif.	Winstead
Gary	Mills	Wood
Gordon	Monroney	Worley
Gore	Morgan	Zimmerman

NOT VOTING—86

Allen, La.	Bennett, Mo.	Buckley
Andrews, N. Y.	Bland	Bushey
Barden	Boggs, La.	Butler
Bates, Ky.	Brooks	Byrne, N. Y.

Case, S Dak.	Harless, Ariz.	Price, Fla.
Clements	Hartley	Rabin
Clippinger	Hébert	Rains
Colmer	Heffernan	Reed, Ill.
Coudert	Hendricks	Reed, N. Y.
Courtney	Hoeven	Rivers
Cox	Jackson, Calif.	Rizley
Crosser	Jarman	Rooney
Davis, Tenn.	Javits	Sabath
Dawson, Ill.	Jenkins, Pa.	Scoblick
Delaney	Johnson, Okla.	Shafer
Dirksen	Keogh	Short
Domengeaux	Kilburn	Sikes
Dorn	Kunkel	Smith, Kans.
Drewry	Ludlow	Smith, Wis.
Fisher	McDonough	Stanley
Fulton	Mitchell	Stratton
Gallagher	Morrison	Sundstrom
Gavin	O'Hara	Taylor
Gillie	Pace	Thomas, N. J.
Gossett	Patterson	Towe
Gregory	Pfeifer	Trimble
Griffiths	Philbin	Vail
Hall, Edwin Arthur	Powell	West
	Preston	Wolverton

So the previous question was ordered.

The Clerk announced the following pairs:

On this vote:

Mr. Thomas of New Jersey for, with Mr. Sabath against.

Mr. Andrews of New York for, with Mr. Boggs of Louisiana against.

Mr. Sundstrom for, with Mr. Trimble against.

Mr. Butler for, with Mr. Hébert against.

Mr. Towe for, with Mr. Heffernan against.

Mr. Gavin for, with Mr. Drewry against.

Mr. Kilburn for, with Mr. Keogh against.

Mr. Hoeven for, with Mr. Delaney against.

Mr. Wolverton for, with Mr. Rains against.

Mr. Reed of Illinois for, with Mr. Rivers against.

Mr. Reed of New York for, with Mr. Jarman against.

Mr. Coudert for, with Mr. Pfeifer against.

Mr. Kunkel for, with Mr. Brooks against.

Mr. Gallagher for, with Mr. Powell against.

Mr. Smith of Wisconsin for, with Mr. Gregory against.

Mr. Hartley for, with Mr. Cox against.

Mr. Short for, with Mr. Pace against.

Mr. Scoblick for, with Mr. Byrne of New York against.

Mr. Rizley for, with Mr. Morrison against.

Mr. Dirksen for, with Mr. Dawson of Illinois against.

Mr. Gillie for, with Mr. Preston against.

Mr. Griffiths for, with Mr. Rooney against.

Mr. Taylor for, with Mr. Gossett against.

Mr. Vail for, with Mr. Domengeaux against.

Mr. Jackson of California for, with Mr. Buckley against.

Mr. Jenkins of Pennsylvania for, with Mr. Bates of Kentucky against.

Mr. Patterson for, with Mr. Davis of Tennessee against.

Mr. Shafer for, with Mr. Philbin against.

Mr. Smith of Kansas for, with Mr. Rabin against.

Mr. Stratton for, with Mr. Stanley against.

Mr. Mitchell for, with Mr. West against.

Mr. Bennett of Missouri for, with Mr. Bland against.

Mr. Edwin Arthur Hall for, with Mr. Johnson of Oklahoma against.

General pairs until further notice:

Mr. Busbey with Mr. Sikes.

Mr. Case of South Dakota with Mr. Colmer.

Mr. Fulton with Mr. Clements.

Mr. McDonough with Mr. Fisher.

Mr. O'Hara with Mr. Barden.

Mr. Clippinger with Mr. Price of Florida.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

SELECT COMMITTEE TO INVESTIGATE TRANSACTIONS ON COMMODITY EXCHANGES

The SPEAKER. Pursuant to the provisions of House Resolution 404, Eightieth Congress, the Chair appoints as members of the Select Committee to Investigate Transactions on Commodity Exchanges the following Members of the House: Mr. AUGUST H. ANDRESEN, chairman; Mr. CRAWFORD; Mr. BUFFETT; Mr. JENKINS of Pennsylvania; Mr. MCCORMACK; Mr. RAINS; and Mr. CARROLL.

COMMITTEE ON PUBLIC LANDS

Mr. WELCH, from the Committee on Public Lands, submitted the following privileged resolution (H. Res. 385), which was referred to the House Calendar and ordered to be printed:

Resolved, That the Secretary of the Interior be requested to furnish the House of Representatives full information in his possession concerning the amount of fuel oil, gasoline, petroleum products, and coal now available in the United States and what steps the Government should take to make the proper and necessary supply available.

COMMITTEE ON HOUSE ADMINISTRATION

Mr. LECOMPTE. Mr. Speaker, I ask unanimous consent that the Committee on House Administration may sit during the session of the House today.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

EXTENSION OF REMARKS

Mr. PLOESER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a letter from the War Department.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. PLOESER. Mr. Speaker, on Sunday, December 14, a radio commentator made the following broadcast:

Prediction No. 3, United States treason: More than a month ago I revealed that an Army lieutenant, Martin James Monti, of St. Louis, of the United States Army in Karachi, India, flew to Italy, stole an airplane there, landed behind the German lines and went over to the enemy. I also revealed that Monti had actually enlisted in Hitler's elite SS corps and had worn its uniform. Despite this, however, the Army recently let him reenlist as a private, all because he had a political friend, Congressman PLOESER, of St. Louis. Believe it or not, this Republican Congressman went to bat for Lieutenant Monti, and the amazing fact is that he is still in the Army. So here is my prediction. The Justice Department, I predict, will now move in on Lieutenant Monti and prosecute him for the worst offense on the statute books—treason against the country.

It is indeed regrettable that inadequate information affords an opportunity for such irresponsible comment. As a result of the broadcast, I have discussed the subject with the highest departmental authorities concerned. I am today in receipt of a letter from the Department of the Army which I am requesting the press to print in full. It follows:

DEPARTMENT OF THE ARMY,
Washington, December 18, 1947.

Hon. WALTER C. PLOESER,
House of Representatives,
Washington, D. C.

DEAR MR. PLOESER: In response to your informal request I take pleasure in summarizing certain of the salient facts concerning the case of Martin J. Monti and concerning your contacts with the War Department in that case.

Monti was formerly a second lieutenant. On August 6, 1945, a general court martial, sitting in Naples, Italy, convicted Monti of absence without leave from his place of duty in Karachi, India, from October 2, 1944, to May 14, 1945, and of misappropriation of a P-38 type aircraft. He was sentenced to dismissal from the service and confinement for 15 years. The sentence was approved in the theater and ordered executed, and Monti was returned to this country as a general prisoner.

Thereafter you and others wrote in his behalf, setting forth the good reputation of his family (who reside in your district, and the records of his brothers in the armed services, and also presenting Monti's contention that his conduct was due to his overanxiety to get into the fighting zone. Your interest in this case was in line with similar action by many other good citizens in behalf of many prisoners.

The case was carefully considered under the regular restoration procedure of the War Department. Because of his previous military record and his exemplary conduct while in confinement, and in light of the facts presented to the Department from various sources, the unexecuted portion of Monti's sentence was ordered remitted on condition that he enlist in the Army. This he did on February 11, 1946. At that time no facts had been presented indicating that Monti was guilty of any crime or misconduct other than that with which he had been charged.

Sometime after Monti enlisted, information reached the War Department indicating that during his period of absence without leave, Monti had participated in German propaganda broadcasts to American troops and had performed other services for the German Government and the German Army. There were possible legal obstacles to his trial by military court martial. So the case was referred by the War Department to the Office of the Attorney General on April 16, 1947. Since that date the case has been under legal and difficult factual investigation, in which the War Department and the Department of the Army have cooperated with the Department of Justice.

On May 7, 1947, you forwarded to the Secretary of War a summary of a conversation between a member of your office staff and Monti, in which Monti stated that he had participated in German broadcasts to Americans during the war. This additional information from you as to an admission by Monti was immediately forwarded by the War Department to the Attorney General. Neither at the time you forwarded this information to the Department nor at any later date have you requested any favorable consideration of Monti's case. This Department appreciates the assistance which you rendered by forwarding us the information in May.

In May when you transmitted this additional information to the War Department, you had not been made aware by this Department of any new action in the Monti case.

The Department of the Army suggests that you publish this letter if you see fit.

Sincerely yours,

KENNETH C. ROYALL,
Secretary of the Army.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, it is axiomatic, as any economic expert will tell you, that prices in a free economy, which means a free country, are governed by two things—the volume of the nation's currency multiplied by the velocity of its circulation.

The gentleman from Virginia [Mr. SMITH] said he did not think the gentleman from Pennsylvania [Mr. RICH] or I either one knew anything about the money question. I do not claim to be an expert, but I have before me the circulation statement of the United States Treasury showing that in 1917 we had $4,172,640,914 in circulation, or $40.49 per capita. On October 31, 1920, the amount of money in circulation rose to $5,698,214,612, or $53.18 per capita.

Now remember that was at the peak of high prices when cotton was around 40 cents a pound and wheat ran up to $2.75 or $3 a bushel.

On October 31, 1947, we had $28,551,870,056 in circulation, or $196.99 per capita.

Of this amount $24,283,461,535, or $167.54 per capita, were Federal Reserve notes. These Federal Reserve notes are legal tender and, therefore, legal money of the United States.

This bill makes no provision for curtailing or restricting the issuance of Federal Reserve notes, or for slowing down, or controlling the inflation of the currency.

Until that is done, we are going to continue to have rising prices of commodities regardless of all the price-fixing, rationing, and regimentation this bill provides.

One of the net results of this bill will be the encouraging of black markets. Today commodities, whose prices are restricted in this country, are selling at much higher prices in our own money in foreign lands.

Until this Committee on Banking and Currency, who reported this bill, and the corresponding committee at the other end of the Capitol wake up and bring out legislation to control the inflation of the currency, the American people are not going to be protected from rising prices.

This is one of the most vital questions now affecting this Nation, or the world for that matter; and I appeal to the Committee on Banking and Currency to take this question up now before this rising tide of prices gets out of hand, and before we find American products driven into black markets by artificial restrictions.

There is not a thing in this bill that will in any way restrict this inflation of the currency, which is the very root of our trouble.

Mr. DAVIS of Georgia asked and was given permission to include a newspaper article in the extension of remarks for which he secured permission earlier today.

Mr. SADOWSKI asked and was given permission to extend his remarks in the RECORD on two occasions and include some excerpts.

Mrs. ST. GEORGE (at the request of Mr. PLUMLEY) was given permission to extend her remarks in the RECORD.

Mr. SADLAK asked and was given permission to extend his remarks in the RECORD and include an excerpt from the Hartford Courant.

Mr. KNUTSON asked and was given permission to extend his remarks in the RECORD and include an article.

STABILIZATION OF COMMODITY PRICES

Mr. WOLCOTT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (S. J. Res. 167) to aid in the stabilizaton of commodity prices, to aid in further stabilizing the economy of the United States, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of Senate Joint Resolution 167, with Mr. PHILLIPS of California in the chair.

The Clerk read the title of the joint resolution.

By unanimous consent, the first reading of the joint resolution was dispensed with.

Mr. WOLCOTT. Mr. Chairman, I yield 4 minutes to the gentleman from Ohio [Mr. SMITH].

Mr. SMITH of Ohio. Mr. Chairman, the time allotted me is entirely too short to make anything like a comprehensive analysis of this bill, Senate Joint Resolution 167, popularized as the Republican anti-inflation bill.

If anything, the measure is worse than the one we refused to consider here in the House a few days ago. It gives the President legal authority to set up as many Luckman committees as he may wish. Before, the President took that responsibility upon himself; under this measure the Congress must bear that responsibility.

This bill, if signed by the President, will bring back in full force the NRA, all denial to the contrary notwithstanding. This measure invites the President to come before the Congress and ask for such controls as he deems necessary.

This so-called Republican anti-inflation bill will do absolutely nothing to check inflation and the spiral of rising prices. It does not even remotely touch upon a single cause of inflation. Indeed, by its very nature, it will aggravate the inflationary spiral, increase shortages, and bring back in full force black markets.

With the passage of this measure every industry in the Nation will be placed in a position of uncertainty, hesitation, and fear, just as took place when the NRA Act was passed in 1933. Business planning for the future will be seriously affected. No one engaged in trade or in industry will be safe in undertaking any future program until he has the sanction of the politicians controlling the Government. It all depends on the extent the law is put into operation.

"Show us something better," says the Republican leadership to those of us who oppose this measure. As I have stated, this is no solution at all for our trouble and cannot possibly do anything but aggravate it.

Forthrightness, good sense, and integrity tell us plainly what the remedy is:

Reduce the Federal pay roll to a number not exceeding five or six hundred thousand employees.

Limit appropriations to the executive departments accordingly.

Reduce income taxes to a level that will restore conditions favorable to the investment of risk capital which is now so crucially necessary for new tools of production. Better still, repeal the whole system of progressive taxation and provide a more equitable system, one which will in any event permit the accumulation of risk capital for replenishing and increasing our productive facilities. Do not forget that Karl Marx made progressive taxation a basic tenet of his program for liquidating private property and ushering in the Socialist or police state.

Start liquidating the so-called Government corporations formed under the New Deal. Sell to the highest private bidder the socialist Tennessee Valley Authority; liquidate the Reconstruction Finance Corporation, the Export-Import Bank, the Commodity Credit Corporation, and so forth.

Reject in its entirety the colossal new lend-lease program called the Marshall plan and prevent it not only from draining away our own resources but prevent it from being used to support the collectivist movement in Europe and elsewhere.

Abandon at once the suicidal policy of sticking our nose into the affairs of almost every country on the face of the globe.

Stop immediately the barbaric policy of destroying by starvation the German people, if not in the name of righteousness then for our own security and preservation.

Take from the Federal Reserve Banking System the powers it now holds over money and credit and return them to private banking institutions.

Restore the gold standard. Take the gold out of the vaults of the mints, recoin it, and give it back to the people to whom it originally belonged and from whom it was wrongfully taken.

These things and many others must be done if we would avoid going the way of the collectivist states of the Old World and resume our progress toward a fuller life and make this Nation secure against external aggression.

This program and this one alone offers the only real remedy for inflation and run-away prices, for restoring the soundness and integrity that are essential to a healthy economy, and for bailing this Nation out of the mess our politicians have gotten us into almost all over the world.

Do what we can to feed the hungry in other lands, of course, but this is another question.

What a pity that the passage of this measure had to come at this particular time—just before Christmas.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. SPENCE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I know how futile it is to discuss this resolution. This is the second act of the legislative travesty which we put on last Monday.

A closed rule sometimes may be justified when measures are highly technical and involve complicated accounts and figures, but a closed rule is somewhat of a totalitarian device which permits a few Members of the House to act for all of them. In this case, the majority of the Rules Committee has prescribed that the other Members may discuss the bill but offer no amendments. Discussion under the circumstances is a futility, and accomplishes nothing.

Mark Twain said, "The weather is always discussed at length, but nothing is ever done about it." That is the attitude in which this Congress finds itself now. The discussion of this bill is mere conversation. It will have no effect. The die is cast. The bill was never considered by the Committee on Banking and Currency of the House. Yet, this resolution that involves the future welfare of the American people, which attempts to solve the greatest peacetime problem of this generation, without consideration by the legislative committee, comes in here under a closed rule that gives 30 minutes on each side for discussion, and no amendments can be offered except by the Committee on Banking and Currency, and, of course, that means the majority of the Committee on Banking and Currency.

Blackstone said municipal law is the rule prescribed by the supreme power of the state, commanding what is right and forbidding what is wrong. This resolution in its essence is not law. It commands nothing, it prohibits nothing, and it provides no penalties for failure to perform the most important provisions of the resolution. The very heart of this resolution is in the realm of morals. It provides that the President can call in representatives of the big interests of the United States and they may sit around the table and make voluntary agreements that tend to solve this momentous question. We expect men to change their habits of a lifetime, to hit the sawdust trail and repent, without any compulsion or penalties of the law—those men who work for profits by day and dream of profits by night. I say the act is futile. It was meant as a futility. You cannot solve this question without penalties of the law. There are no provisions in the act that will punish those who disobey the really essential provisions which are designed to solve our problems. If those men who sit around the table and make agreements do not comply with those agreements, they have violated no law. They cannot be punished.

This resolution is brought up here in the last day of the session, and the majority says, "You shall take this or nothing."

Mr. CHELF. Mr. Chairman, will my colleague yield?

Mr. SPENCE. I yield for a question.

Mr. CHELF. It has been said by one of the outstanding Republican leaders that this particular bill is like putting out a three-alarm fire with a garden hose. At least a garden hose squirts some water. In my opinion, this is like putting out a forest fire with an eyedropper.

Mr. SPENCE. Well, I think it is an imposition upon the President of the United States to give him this resolution and to hold him responsible for its enactment. I think it is an imposition on the people of the United States, but we have nothing else to do. Either vote for it or against it.

Perhaps as a last recourse with the Congress about to adjourn I shall vote for it and put the burden where it belongs, on the Republican Party that is responsible for its enactment and the dictatorial and undemocratic manner in which it was considered.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 3 minutes to the gentleman from Nebraska [Mr. BUFFETT].

Mr. BUFFETT. Mr. Chairman, I came to Congress 5 years ago. The first time I took the floor of this House I talked about the perils and dangers of inflation.

Ever since I have watched with a heavy heart and increasing anxiety the steady increase in inflationary forces. At this point of inflation's ravages I am even more deeply disturbed over the outlook.

And so I would like to vote for a real anti-inflation measure. I want this Congress to take genuine anti-inflation measures.

I think I recognize inflation dangers as well any anyone present here today. But I have this belief; there is one thing Congress can do about inflation that would be worse than no action at all. That is to pass an anti-inflation bill that does not touch the root causes of inflation.

This bill does nothing either to increase the flow of goods or decrease the demand; and supply and demand are the fundamentals that determine prices, and determine the course of economic affairs. On the other hand, this bill has some evils that this Congress should be disturbed about. One of those is that this bill by inference puts the blame for high prices on business. By passing this bill Congress sends a message to the country that if business would only behave then inflation would be restrained and reduced. That, Mr. Chairman, is a misleading impression.

Secondly, this bill glorifies the idea of governmental controls. It dignifies the theory that the Government can control and regulate fundamental economic forces.

Such thinking does no credit to a Republican Congress. We should not approve of that theory, or that philosophy even by inference.

I understand that the Democrats, Mr. Chairman, are going to vote for this bill in large numbers because it will go out to the country as the Republican remedy for inflation.

Then if prices stay high or go higher, we will have created a set-up whereby the administration can go to the country and say, "We gave the Republicans a chance. They brought in their bill, we helped them pass it, but their bill was no good."

That development would not help us or the people of this country.

We need to get at the real causes of inflation, the increased Government expenditures, the foreign handouts, and so forth.

Since the 1st of December there has been about $2,250,000,000 pumped into the inflationary forces affecting prices.

Here are the items at the time this bill is under discussion:

Export-Import Bank loan to Canada	$300,000,000
Release of balance of British loan	400,000,000
Increased authority for FHA title VI loans	750,000,000
Stopgap hand-out to Europe and other appropriations (tentative)	800,000,000
Total	$2,250,000,000

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. BUCHANAN. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas [Mr. HAYS].

Mr. HAYS. Mr. Chairman, I do not want to thresh old straw, but I would like to speak to the point on procedure which was made by the ranking minority member of the committee, the gentleman from Kentucky [Mr. SPENCE]. The fact is that there are property rights involved in the mechanics set up in this bill. One of the fine, rich phrases in our jurisprudence is that property shall not be taken "without due process of law." Whenever that right is invaded, the courts protect it; but whenever there is an invasion of "the due process of lawmaking," the due process of legislating, there is not any relief. Because of that fact, a failure of due process here might mean the forfeiting of rights. Consequently, some of us have emphasized the procedural aspects of this legislation, and I, for one, am not satisfied at all with the response that the minority is given the right to present its alternative.

The gentleman from Kentucky [Mr. SPENCE] would doubtless favor some amendments to the bill he has introduced, sometimes known as the Harriman bill, and he himself is too fairminded to ask the Members of the minority to go along with him on a bill that could be improved. I am not for the Harriman measure any more than I am for this measure, and I think it is highly unfortunate that the House has gotten into the habit of contending that it is democratic procedure to vote "yes" or "no" on a bill merely because the privilege of recommitting is reserved.

I predict that some day we are going to correct this mistake. An excellent statement was made by the gentleman from Virginia [Mr. SMITH] who said we ought to forget about our party affiliations long enough, as honest and intelligent men, to see what we can do in the way of improving this bill. I would not take from the majority the advantage

they have acquired. It is to their advantage to say that they have given the country a law; but remember that in the other body the bill represented a contribution by the minority and I think they have strengthened the majority's bill.

Mr. Chairman, I am going to vote for the pending bill, in spite of my objections to some of its features. I will first vote for a motion to recommit if it is the motion I think will be offered. I hope the motion to recommit will be in the form that it will give to the President the power to issue regulations to accomplish, in case voluntary agreements do not accomplish them, the purposes as outlined and limited in the bill.

Let us not put too much hope in voluntary agreements. The legitimate criticism of the NRA was that often there were combinations of interests which imposed upon small business. If enacted, the administration should be carefully scrutinized as it unfolds to determine if we are nearing the edge of the same pitfall.

One other reason why I support the bill and prefer it to the one which was offered in the House on Monday is that here is a provision that will enable the President to stop the diversion of grain into the manufacture of alcohol. Eight million bushels of grain were used for the making of neutral spirits in the period in which the distillers were supposed to have agreed not to make any liquor; consequently, the alleged voluntary agreement by the distilleries did not accomplish a thing except to give to certain interests of this Nation a chance to use for alcohol 8,000,000 bushels of grain needed for food. I am not fanatical on this question, as all of you know, but in the world's distress today we ought not to withhold from the President a power so desperately needed. One bushel of wheat will keep alive one child 1 month. In considering that fact you will get some idea of the reason the other body put in this bill a provision that will enable the Executive Department to accomplish something which the distillers are unwilling to do.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from California.

Mr. HOLIFIELD. I want to point out, though, that the power expires on January 31; in other words, he has about 30 days.

Mr. HAYS. I think we should have extended it until March 1 at least. However, it is a salutary provision as drawn and in January we can give it attention.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Kentucky [Mr. MORTON].

Mr. MORTON. Mr. Chairman, I shall vote for the anti-inflation bill, but I do so only because in my opinion, the good points of the bill outweigh the bad. I do not believe that the bill goes far enough in attacking the problem of high prices. I sincerely hope that it will stop the upward spiral. The people of this country expect the Congress to enact legislation that will stop the continuing increase in the cost of living. If the cost-of-living index continues to rise, it is our duty to enact legislation which will bring about more stringent controls, even though to all of us controls are distasteful and not in the American tradition.

Human misery transcends partisan politics and I can assure you, Mr. Chairman, that there is much misery and suffering in this country today. This is especially true among those people who are required to live on a fixed income. It is my earnest hope that the legislation which we are passing today will correct the situation. In all frankness and honesty, I must say that I am afraid we are sending a boy to do a man's work.

There is one section of this bill with which I am far from satisfied. That is the section which gives to the Secretary of Agriculture the power to limit and allocate grain for beverage distilling purposes. I am not concerned with the limitation of grain, but I am very deeply concerned with the method of allocation. The Secretary of Agriculture has had this power before and small independent distilleries of this country suffered great hardship under the administration of the former allocation program. Grain was allocated entirely on the basis of capacity. One company in Philadelphia, Publicker Industries, Inc., which was enormously expanded through the expenditure of Government money in order to produce alcohol during the war, received 28 percent of all the grain allocated for beverage distilling purposes. On an historic basis this company actually was entitled to less than 3 percent of the grain. When controls were lifted from the distilling industry, the percentage of grain used by this company dropped off sharply.

If this bill were open for amendment I would attempt to amend this section so as to direct the Secretary of Agriculture to allocate the grain in such a manner as to protect the smaller units in the industry. The Secretary of Agriculture has the power under this act to create a monopoly in the distilling industry. When the taxpayers' money was spent to make Publiker Industries, Inc., one of the largest alcohol plants in the world, it was for the purpose of helping the war effort. It was certainly not spent to create an octopus for the destruction of small business. I sincerely trust that the Secretary will give full expression to the historic basis in the allocation of grain for beverage-distilling purposes.

When the Congress reconvenes in January it will be my purpose to give a full report on this entire subject. In the distilling industry we have a clear example of the evils that can develop from the unimaginative use of controls. In our present economy, with demands so far in excess of supply, certain controls are imperative, but these controls must be established and administered in a manner which will not result in the strangulation of small business and will not reduce competition through the creation of a monopoly.

Mr. WOLCOTT. Mr. Chairman, we have only one speaker on this side. May I request that the gentleman from Kentucky yield his time.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. FOLGER].

Mr. FOLGER. Mr. Chairman, I do not know that it would be of interest to the membership of the House for me to announce how I propose to vote on the pending resolution. May I say, Mr. Chairman, it seems to me nearly tragic that after we have been called here by the power and authority of the President to legislate on a subject that is not only presently vital but promises to grow more serious and acute as the days and weeks come and go, there should be an effort and a desire to do something that will stop the spiral of inflation that threatens the economy of this Nation and the welfare of the world, and we should not abdicate our position and authority and, might I say, our responsibility, by turning it over to those interests in this country who are largely responsible for the plight we find ourselves in today, and to say that the President of the United States shall be authorized to summon industry and some others named by way of incidental recollection to decide whether we shall have control of inordinately high prices in this country, when we know that they themselves, in the beginning, were largely responsible for the position we occupy today, and that they are interested from a profit motive.

You cannot, in my opinion, Mr. Chairman, vest a man, in a minute with a desire to roll back or to stop the spiral of inflation that has crept over this country largely through a desire of men to get rich, to make millions of dollars and put them into their own pockets. I feel that that part of this bill, which provides such machinery to handle something that is of vital importance and concern to every man, woman, and child in this country, condemns the bill in the eyes of the people of this country. The bill, in effect, turns over to interested parties the solution or handling of our inflation problem, and immunizes them from antitrust laws, something I shall always oppose.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Tennessee [Mr. KEFAUVER].

Mr. KEFAUVER. Mr. Chairman, ladies and gentlemen of the Committee, it is unfortunate that this, the greatest domestic problem before the United States today, should be disposed of in such a short time and under the conditions imposed on the House for consideration of this bill. Those of us who have been in foreign countries that have been stricken down with inflation know the kind of conditions that we are flirting with in this country. The fact that the cost of living during the last few months has risen at the rate of 2 percent per month, and with threatened shortages which may double the cost of living within a year, the stability of this Nation is definitely threatened. And yet we are forced to consider a bill without an opportunity of amending it; without an opportunity of enacting any real controls.

So far as I can see, this bill does only three things, and I must say that they are worthy. They go about 10 percent of the way of the distance that we should go: Allocation of transportation facilities, control of exports, and the power in the President to prohibit or to limit the use of grain for the making of distilled spirits. Those are things that should be done. I regret that there is not, at least, a residuary power given to the President to allocate scarce commodities and to control certain prices and wages if they continue to rise.

As was stated by the gentleman from Virginia [Mr. SMITH] this morning, where you have a scarcity of certain commodities, the only way you can handle it and prevent spiraling is by real powers. It cannot be done by these expressions of hope.

The test of democracy, Mr. Chairman, is whether in a time of crisis we can act and act definitely and positively to prevent a national disaster. We are not doing so today. I hope the American people will not get in their minds that this bill is going to give them any real relief, because it is not. Control of a grave situation like we have today requires the giving of real powers to our Executive during the time of the emergency.

The gentleman from Oklahoma [Mr. MONRONEY] is going to offer a motion to recommit. I understand it will give the President workable powers instead of the voluntary agreements that may be passed on to him. If that motion to recommit were passed, we would be on the road toward doing something about this inflation issue, but without it we are expressing largely a pious hope. We cannot fool the American people into believing that this weak measure is really going to hold down the cost of living. It is not going to do any such thing.

The President, in his message to Congress, set forth a 10-point program which would effectively hold down the cost of living and prevent further inflation. The bill we have before us today continues in effect three of the points in the President's program. It authorizes him to control exports and to allocate transportation facilities. The third thing the bill does is to authorize the President to control the amount of grain going into making of distilled spirits. I regret that the bill does not go further but I have pledged my people to do everything within my power to hold down the cost of living and to prevent ruinous inflation. Since this measure does have three good points, I expect to vote for it.

The voluntary agreement of distillers to suspend the manufacture of distilled spirits expires on December 25. Yesterday, Secretary of Agriculture Anderson had a meeting with the distillers and tried to get them to voluntarily agree to continuation of this agreement. Some of the distillers refused to agree and, therefore, valuable grain will be used by them after December 25 unless this law is enacted.

I filed H. R. 4799 which would extend the Second Decontrol Act of 1947 and would prohibit the use of grain for the production of distilled spirits unless the President or Congress, by concurrent resolution, found that a sufficient amount was available without jeopardizing our foreign program or to meet domestic need for food purposes. This bill which I filed was referred to the Judiciary Committee and I had made an application for its early consideration. If, however, the present measure is passed that part of the problem will be taken care of. I think I should point out to the House that the distillers ordinarily use about 55,000,000 bushels of grain annually. The Government, through various methods, is desperately trying to conserve 100,000,000 bushels. The distillers during one recent month, when no limitation was in effect, used 11,000,000 bushels and they would probably use a similar amount during January if they were allowed to operate their distilleries.

The reports show that the distillers now have on hand a sufficient amount of spirits to supply consumer demands until June 1950. In the face of this supply, one cannot justify further production when grain is needed so badly to prevent starvation abroad and to supply domestic food needs. Most of the distillers are far-sighted and appreciate the fact that they would be cutting their own throats to operate under these conditions, therefore I am advised a large part of them are willing to carry on their voluntary agreement, but a few of them are not, and this makes the passage of either the bill I filed or the provision contained in this resolution absolutely imperative.

It is hoped that real measures to save the consumers of the Nation may be passed early in the next session. Let us consider briefly the food situation with which we are faced. According to reliable reports, the disastrous corn crop has reduced the national supply of feed concentrates by 16 percent. In New England, the eastern seaboard, the South, and the far West—feed-deficit areas—the supply of feed concentrates is down as much as 25 percent. Feed prices have already spurted to unheard-of levels. By spring wheat may be at $4 to $5, corn at $3 to $4, oats at $1.50 to $2.

In spite of the voluntary conservation program, we are using up our limited feed supply at a reckless pace. Before the next crops come in feed will not be available in many parts of the country at any price. Dairy herds and poultry flocks will have to be slaughtered in New England, Eastern and Southern States for lack of feed.

Because of shortage of feed and normal seasonal drop in slaughter, the supply of meat will be down next year, and without immediate controls meat prices will rise another 25 to 40 percent.

Butter, milk, and egg supplies will be seasonally high in the spring. This will temper the rise of prices due to decline in supply and rise in the price of feeds. But by summer the rise in these prices will not be far behind the rise in meat prices.

In the year ending November 22, 1947, industrial prices at wholesale rose 32 percent. Hides and leather products rose 26 percent, fuel and lighting materials rose 25 percent, metal and metal products 29 percent, and building materials 31 percent.

According to the Federal Reserve Board, in December one-third of the families of the Nation are using their savings or having to borrow to meet necessary living expenses. This is a grave situation. Think of the white-collar class who cannot keep their earnings up with the rapidly rising cost of the things they must buy. Think of the plight of the people who are living on pensions—they are being squeezed to the limit. The cost of living has been going up at the rate of 2 percent per month. The pace upward is going to be faster and yet we refuse to face the issue today. The plain truth is that allocation and the power to prevent further price rises is necessary if the problem is to be handled effectively. The mere possession of the power the President asked for might enable him to hold the economy in balance. But if the power is not given to him, the spiraling is going to continue.

The gentleman from Kentucky [Mr. SPENCE], has filed a bill, H. R. 4759, which is now before the Banking and Currency Committee. It contains most of the President's recommendations. The provisions of that bill should be gone over carefully and after consideration and some changes by way of amendments, the bill should be enacted into law before we go home for Christmas. If we don't do it now, conditions are going to get worse and we will finally be forced to a similar measure and then it will be even harder to apply.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, as one of the newer Members of the House I dare to rise now and express to you that I came here full of hope. When I listened to the President's message on the first day of my service here I thought that I would have an opportunity to participate in something of real importance and in the making of laws that would really help this country beat down inflation. I return home much disillusioned. I will be able to tell my constituents at home that I had the privilege of seeing the picture of the elephant laboring and bringing forth a mouse. I will be able to tell my constituents that they should pray and pray hard that that mouse does not grow to the proportions of the elephant as it gnaws at the vitals of this country and then destroy that which we have seen grow to be the greatest power in the world. I will have to tell my people that this bill does nothing of real importance to help implement the President's message insofar as control of inflation is concerned.

We have been talking about voluntary agreements for a long time. No one, as far as I have been able to ascertain, has cut the price of a single commodity because of the threat of legislation such as we have before us. You don't need any agreement to cut prices. If you have something to sell and you want to cut the price, all you need do is to sell it for less.

I regret that we do not have the opportunity to offer amendments to this bill, amendments sufficient really to make it

a bill that will work and accomplish something.

It is unfortunate that the Committee on Banking and Currency will not be permitted to take testimony and conduct hearings to establish that if anybody is going to get anything out of this bill it is the small businessman, and he is not going to get any good. He is going to get hurt and hurt terribly.

This Congress has the power to prove that democracy can cure its own ills before they become a devastating plague. It is about to miss that opportunity.

The bill we are now being asked to vote upon, we are told, is but a beginning in the war on inflation. It could be a real all-out effort to stop run-away prices; it could stop unconscionable landlords from aggravating an already intolerable situation. More than 1,000,000 tenants have already been bludgeoned into giving "voluntary" rent increases—thereby decontrolling their homes—because of their fear that even our limited rent controls are about to expire.

This bill as now presented is very much different from the one which was briefly considered by the House Committee on Banking and Currency. Some of the provisions of that bill have been omitted from this one. Other provisions in this bill were not in that one and were not considered by any House committee. Obviously, because of the time limitations put upon us, this bill cannot possibly receive the consideration to which it is entitled.

I will vote for this bill, not because I am satisfied with it but solely because I am now convinced that those in control of this House will not give us an opportunity at this session to consider any other bill to implement the President's program.

As the gentleman from Pennsylvania [Mr. BUCHANAN] said earlier, we will eat crow. I will try to improve the flavor of mine with the hope that the new year will bring better things for us and our country and at a price which we can afford to pay.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Montana [Mr. MANSFIELD].

Mr. MANSFIELD. Mr. Chairman, I am against Senate Joint Resolution 167, the bill now before us because if I voted for it I would be voting for a measure of no value whatever in our fight against inflation. I want to take the floor at this time to protest the adjournment of this special session of Congress. I feel quite strongly that we have failed absolutely to enact any legislation connected with the high cost of living and as a result the spiral of inflation is continuing to move upward. While we did pass the interim-aid bill to stop the advance of communism in western Europe and to give aid and assistance to the people of France, Italy, and Austria, we did not face the problem of inflation because of the fact that the Republican leadership was afraid to do so.

They did, I will admit, bring before the House, House Joint Resolution 273 which they offered as their solution to our inflation dilemma. This resolution instead of effectively legislating on the 10 points which the President asked for in his message to the Congress as necessary to stop inflation, set up instead four very weak provisions which in actuality mean nothing at all and will, in effect, do nothing to stop inflation.

The first provision authorized the President to enter into voluntary agreements with representatives of industry, business, and agriculture so as to provide for allocation of transportation, marketing, and so forth. This provision does not set out any effective penalty or power for the President to enforce such agreements and is, therefore, merely an empty gesture.

The second and third provisions provide for an extension of time from February 29, 1948, to February 28, 1949, on export controls and allocation of transport facilities. These two provisions are meaningless at this time because these controls are still in effect and will be until February 29, 1948.

The fourth and last provision sets up requirements for the Federal Reserve banks. This provision in itself would not have an immediate effect on the high cost of living throughout the country, but eventually would increase the rate of interest on our stupendous national debt.

Furthermore, under this joint resolution the President could not veto this act because a joint resolution does not require his signature to become effective. This, I think, is a pretty cheap piece of political chicanery.

Under section (c) of this joint resolution, the antitrust laws of our country would be weakened or nullified completely, and it is more than a coincidence that the National Association of Manufacturers has been campaigning in the newspapers of this country for this particular outlawing of the antitrust laws. Is it not odd that this attempt to weaken the antitrust laws of our country coincides with the $17,500,000,000 in profits which will be piled up by the American industry in 1947. These profits, by the way, represent more than a 40-percent increase over the previous year of 1946.

The Republican-sponsored joint resolution was brought in under a gag rule. The Republican leadership limited the debate on the so-called inflation solution to 40 minutes—20 on each side.

They tried to bring in a bill which the House could not consider intelligently or in detail, and they tried to force through a bill which would place the responsibility on the President without giving him the courtesy to either sign or veto the measure and without making any provision whatsoever to enforce any agreement entered into if this bill were passed. The Republican leadership of this Congress were in effect telling the people this Congress should have only 40 minutes to consider this most important domestic question and that we could either take it or leave it just as it was, without changing a word, without crossing a "t" or dotting an "i."

The American people who are finding it difficult to pay their everyday bills, to keep their children in school, and to put away something for the future, should remember this legislative measure which the Republican leadership tried to force on us at this session.

I feel also that this Congress should not adjourn until this matter is settled definitively because I know that the American people will demand that something be done about the high cost of living, and the only place anything can be done at this late date is in the Congress of the United States.

Mr. Chairman, I should like to quote from the remarks made by the gentleman from Ohio [Mr. SMITH]:

> Mr. Speaker, the manner in which the Republican leadership is attempting to steamroll through Congress the Wolcott bill, also known as the Republican anti-inflation bill, and the contents of the bill itself, are a shameful repudiation of Republican campaign promises and the confidence voters placed in our party at the last national election.
>
> The whole business is an outrage.
>
> This bill was handled by the House Committee on Banking and Currency, of which I am a member. No open hearings were permitted to be held on it. The only consideration given the bill by the committee was in closed or executive session.
>
> It is my understanding the Republican leadership intends to whip the bill through the House, allowing only 20 minutes of debate on each side of the House.

That is what a Republican had to say about the bill being introduced and pushed by his own party. However, this bill failed in passage because the Democrats voted unanimously and were joined by 26 Republicans who could not swallow the bald-faced attempt of their leaders to push on the Congress and the American people a phony bill which would not stop inflation but in fact give it a boost to go still more. This is no time for shadow boxing. This is time to show real concern over the high prices. This is the time for the Republicans to recognize the fact that they are supposed to represent the people of the United States and not just the select few. They surely must know that the American people are concerned because every day that the people go to the market place, they are faced with the economic fact that the value of their dollar is shrinking and the cost of living is increasing. It is my hope that the people will speak to the Republican Members of this Congress when they go home and tell them in no uncertain terms that they expect legislation which will control inflation and which will give a decent degree of security to the people of America.

It is my impression, Mr. Chairman, that had this bill passed, it would have been the greatest hoax which would have ever been perpetrated on the American people. Today, the Republican leadership and majority has again forced on us the same House Joint Resolution 273—with some minor and dangerous additions and we have again been forced, under a gag rule, to take this or leave it as it is presented to us. Like the previous resolution we cannot amend it or change it one iota.

Mr. Chairman, this bill—Senate Joint Resolution 167—is a fraud and a hoax on the American people. It will no more stop the tides of inflation than Canute could have stopped the waves of the sea. As long as this Congress has failed in its duty to legislate in behalf of the American people and curb inflation I

shall, at the opening of the regular session in January, introduce an income-tax reduction measure which will, if passed, be of benefit to the people in the lower income brackets and will help them, in part at least, to alleviate the high cost of living.

Mr. Chairman, I shall vote against Senate Joint Resolution 167 and I shall oppose the adjournment of this session because I feel strongly that the bill is absolutely inadequate and because I feel it is the duty of Congress to stay in session until this very vital and important matter of inflation is attended to.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Oklahoma [Mr. MONRONEY].

Mr. MONRONEY. Mr. Chairman, aside from the label on this bill, which for some strange reason is called an "anti-inflation bill," there is very little good in the bill. I agree with my colleagues who have said it will have absolutely no effect on the present skyrocketing cost of living. If it is sold to the country on that basis, it is completely a misnomer.

This bill is still a straw man. The 20 percent of the President's 10-point program that are in the bill, namely: the extension of export control and the extension of controls over transportation could pass the House any day by unanimous consent and every Member of the majority party knows it.

Therefore, you are not putting anything genuinely effective in the bill that we could not do here in 5 minutes when the House is in regular session.

You are sending Caspar Milquetoast out to combat the giant of inflation. You might as well know that the bill was doomed to failure in controlling inflation so far as the public is concerned before it was ever brought out.

This bill is a slight improvement over the form in which it was previously considered. The antitrust sections have been strengthened and improved, so it does not give you carte blanche exemption to conspire to eliminate competition. This new bill also eliminates the dangerous provision with reference to the Federal Reserve gold requirements, which had never been discussed and considered by the committee.

It is a great deal weaker on the question of feed. When your dairy farmers need feed and concentrates this winter and nobody in the Government can help by ordering a set aside of the stocks of big quantities of feed so that the farmers can keep their dairy herds alive, you men from the Northeastern States are going to be sorry that you voted for this Caspar Milquetoast bill.

You are going to find out that the voluntary controls are not going to be enough, just the same as they were not enough so far as the voluntary liquor "holiday" is concerned that my colleague from Arkansas so ably described.

You are going to find out that these are actually only voluntary controls to the top-flight layer of our big business. We are actually surrendering to big business groups the power to allocate and the power to ration, because that is what the effect will be on all of the little processors and all of the little manufacturers and all the rest of the people of the country.

This is voluntary only so far as people at the top are concerned, and we as Members of Congress and the policy makers of the Government are not meeting our responsibilities by surrendering compulsory allocation to business groups without proper regulation to insure the public interest.

I yield to my distinguished colleague, the gentleman from New York.

Mr. O'TOOLE. I thank the gentleman from Oklahoma for his kindness in yielding to me at this time. Under the gag rule that this joint resolution has been brought before the House, it would be impossible for me to discuss the resolution if the gentleman had not been so kind.

I cannot in justice to myself or to my constituents support this resolution. It is false in its nature and it is false when termed an "anti-inflation bill," for it gives absolutely no relief to the great mass of our people who are protesting against the high cost of food, clothing, rent, and the other essentials of life.

My feeling on this score is not a mere whim or caprice. I feel very deeply on these questions. On September 8, 1947, shortly after this Congress adjourned, I wrote to the President of the United States and asked that in view of the economic pligh in which the American people found themselves that he call a special session of the Congress to consider legislation that might alleviate the high cost of food, clothing and which would continue and strengthen rent control. I reminded the President in my communication that unless such action was taken the people of the United States could not become interested in foreign relief or the Marshall plan. I reminded him that under existing conditions the average family was slowly but surely being forced into debt and in many instances into poverty.

The President in his response said:

I read your letter of the 8th with a lot of interest. I found it on my desk when I returned from Brazil.

I certainly appreciate your grasp of the situation which we are facing now. I am giving it every consideration and will reach a decision, I hope, sometime soon as to the best manner of approach.

The President was a man of his word. He issued a call for a special session of the Eightieth Congress to begin on November 17. Immediately the Republican spokesmen in both this House and in the Senate raised a hue and cry against any consideration of the high cost of living or the rent situation. The President appeared before this body after we convened and laid out a 10-point program, which if carried out would have afforded genuine relief to the American people and would have brought about a great degree of economic stability. The Republican leadership, taking its cue from the National Association of Manufacturers, immediately determined that the President's program should not pass. In fact, the party's chief spokesman took the air that night and denounced the program in such wild and biased fashion that members of his own group had to take him to task.

The Republican Party, now in control of both the Senate and the House, has the sole say as to what legislation the Congress may consider, and since November 17 to date has steadfastly refused to give any study, any consideration, or brought forth any legislation that would provide genuine relief for our people. It was decided some time ago by the Republican leaders that today, December 19, would be the final day of the special session. On the evening of December 18 they rushed this so-called anti-inflation bill through the Senate and are bringing it out this morning before the House under a gag rule which forbids amendments or deletions. Further, they limit debate to 1 hour on the questions which are of paramount importance to the United States—high cost of living, rent control, and inflation control. With their usual chicanery they have placed a clause in the resolution governing the control of wheat, and because of this clause they call the bill an anti-inflation measure despite the fact that it in no way makes any effort to control the rising prices on any other commodity that the American people must consume or use.

Some of my colleagues are saying that it is a bad measure, but because it contains half a loaf they must vote for it. I say, my friends of the House, that it does not contain a half a loaf, nor does it contain a sixteenth of a loaf. It is merely another effort to fool and deceive the people of this country. Let us have it right out in the open and admit to our constituents that the Republican leadership of this House during the past 6 weeks of the special session has absolutely and unequivocally refused to consider for one moment the question of inflation or the high cost of living.

I warn my friends on both sides of the aisle that this problem is so much a part of American life that it will be impossible to deceive the people and make them think that anything has been done.

In view of my strong feelings on this matter, if given the opportunity, I shall vote to recommit the bill, and, further, I will absolutely vote against it. Then if a motion to adjourn this special session is made, I shall oppose that motion and endeavor to keep this Congress in session until such time as proper thought, consideration, and legislation is developed, and until such time as the President's program in its majority is adopted.

Mr. MONRONEY. I am glad to have the observation of the gentleman from New York.

I might add, you are turning over to the very men, the National Association of Manufacturers, and others, and the heads of all the trades associations who did so much to contribute to our present skyrocketing cost of living, the power to administer this alleged solution.

I am going to offer a motion to recommit. It is a very simple motion. On page 2, line 3, I will propose new language. The bill reads, "The President is authorized", and I will add, "to issue regulations and orders and to" and then pick up the bill's language reading, "consult with industry for voluntary allocations."

Thus we will have not only the so-called hopeful voluntary agreement, but

we give the President the power, within limits already spelled out in the bill, to prescribe as well as voluntary agreements real authority also to allocate scarce materials on which the very foundation of the economy of this country depends. The limits on the voluntary agreements also become the limits on presidential authority in this regard.

Thus it will not be a Milquetoast bill if you give this authority to the Government. If voluntary controls do not work, you will at least be giving the President authority to exercise some power in allocating items spelled out and limited by the terms of the bill.

I yield to my distinguished friend, the gentleman from Tennessee [Mr. GORE].

Mr. GORE. Will the gentleman give us the page and line where he proposes to insert this new language in his motion to recommit so that we can read it into the language of the bill as we now have it?

Mr. MONRONEY. On page 2, starting at section 2, my amendment would make it read as follows:

> In order to carry out the purposes declared in section 1 of this joint resolution, the President is authorized to issue regulations and orders and to consult with representatives of industry, business, and agriculture, with a view to making agreements.

Thus the President will have this authority if you vote for the motion to recommit. If you vote against the motion to recommit, you are just making a gesture and turning over governmental powers of allocation to private business.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from South Carolina [Mr. BRYSON].

Mr. BRYSON. Mr. Chairman, in voting for this bill, House Joint Resolution 167, I fully realize that the measure does not meet the needs. We must be realistic and since the majority party has thus by a second gesture indicated that the pending measure was all that we could expect to get during this session, it is better to take a portion of a loaf than no loaf at all. The bill is not identical to the one we considered in the House same days ago. Some of the more objectionable features have been eliminated.

If for no other reason at all, I vote for this bill because it extends the power of the President to limit the amount of grain used by distilleries and breweries. I regret that this extended authority terminates under the bill on January 31, 1948. The so-called liquor holiday heretofore entered into expires on Christmas Day. Without some authority unprecedented quantities of grain will be used in the distillation of intoxicating beverages. When Congress reconvenes in January, I expect to work for the passage of a measure which will effectively limit the use of grains in the manufacture of liquors at least for the duration of the emergency. The liquor interests have indicated that they will not cooperate voluntarily on any reasonable basis in the limitation of the grain that they use. Their record thus far during this great crisis in which millions of people throughout the world are slowly starving for lack of bread proves that they are devoid of conscience.

The distilleries and breweries have approached this grave problem with the same strategy of lies that has characterized their dealings with the public for time immemorial.

When the present liquor holiday was first proposed, leaders of the industry agreed to close down simply because they were on the spot, and then boasted that the holiday would in no way affect the output of their vile product because of a 6-year supply on hand. Then in a desperate effort to swing public opinion their way, the liquor producers appealed in the name of the 50,000 to 100,000 people who, they claimed, would be put out of work by the shut-down. Yesterday, the President reported that only 414 employees are jobless as a result of the close-down. Of the 965 workers who lost their jobs, 551 already have been placed in new jobs by the United States Employment Service.

There is nothing strange in the fact that the leaders of this nefarious trade should perpetrate falsehoods and half-truths to combat the rising tide of public opinion which will not long countenance the substitution of intoxicating beverages for the bread that is sorely needed around the world. These are the same people who claimed there would be less drinking and less crime after repeal of the eighteenth amendment. These are the selfsame people who now answer the anguished cries for bread with, "Let them have beer."

The Department of Agriculture estimates that next year's wheat crop will be 229,000,000 bushels below this year's production. Even this year the supply was inadequate and it became necessary to invoke voluntary restrictions on the use of wheat as stock feed for human consumption.

The liquor interests are now quibbling over whether they should be allocated 2,500,000 or 3,500,000 bushels of grain per month. Mr. Speaker, not 1 bushel of grain should be allowed to pour down the hoppers of the alcoholic beverage industry until such time as all other needs for grain are met in abundance.

What excuse or justification can we offer for withholding grains from livestock and from human consumption while the distillers and breweries are running and turning millions of bushels of valuable grain into liquor and beer.

As I have stated, this bill does not meet the needs but it is the best we can do now.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, I asked the gentleman to yield so that I might ask if the gentleman would get permission for all Members to extend their remarks in the RECORD.

Mr. WOLCOTT. I will assure the gentleman that when we go back in the House I will make that request.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. McCORMACK. Mr. Chairman, the responsibility for this legislation rests upon the majority party in this body. The Republican Party is in control of the House of Representatives and in control of the United States Senate. The Republican Party controls both branches of the Congress. Therefore, the Republican Party controls all legislative action. Unless the Republican Party permits a bill to come up on this floor or in the other branch, it is impossible for the membership of this body or of the other branch to act upon any legislation. Only legislation that the Republican leadership in its wisdom decides should come up in this branch can come up in this branch. Therefore, the responsibility, absolutely and unconditionally, for this legislation coming up in its present form, and under a closed rule, preventing amendments being offered by a Member, rests entirely upon the shoulders of the Republican Party.

Now, let us see what happened. Only a little over a year ago the people of America were promised that within 60 days after controls were taken off everything would be plentiful, under the normal operation of the law of supply and demand, and at lower prices. That was a definite promise made to the American people last fall before the last election. Now, what has happened? Are there lower prices? For 55 months prior to June 30, 1946, the over-all average increase in the cost of living was 23 percent. From the time of the late President Roosevelt's hold-the-line order in 1943 until June 30, 1946, the average over-all increase in the cost of living was 6.1 percent. Covering the whole 55 months, or nearly 5 years, preceding and during the war, there was an average increase of 23 percent in the cost of living. Within 12 months after controls were taken off, the average increase was 24 percent. In other words, the increase in the cost of living to the American people, the average of all increases, within 12 months after controls were taken off, was more than it had increased during the preceding 55 months.

The promise was made that there would be lower prices. All I can say is that as a result of that increase in the cost of living the American consuming public has paid since July 1, 1946, at least $15,000,000,000 more for the things they purchased than they would have paid if there was justifiable and proper control under the emergency.

Under rent control let us see what has happened. The percentage of change in residential rents from September 1939 to May 1942 was increased 5.2 percent. From May 1942 to December 1942 it was increased 1.7 percent. Then we put through rent control legislation and from December 1942 until June 1947, nearly 5 years, the increase in rent was 1.1 percent.

Decontrol on rent has been in effect for only a few months, from June 1947. That gives us July, August, September, and October—4 months. The increase during that time has been 5.2 percent; and this is based upon a survey made by the Labor Department on the percentage of change in residential rents in 34 large cities. In other words, for a period of nearly 5 years the tenant in this grave emergency that exists in relation to housing was protected and the increase was 1.1 percent, but within 4 months after decontrol, rents increased 5.2 percent. If

there was ever a record of broken promises that is the record, and it is laid right at the door of the Republican Party.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. MURRAY.]

Mr. MURRAY of Wisconsin. Mr. Chairman, I think most of us understand how easy it is for administration spokesmen to pass the blame around. One of the things we have failed to keep in mind is the fact that the subsidies made the consumer believe he was obtaining food for less than he was. Personally, I am getting tired of having anybody on the other side of the aisle hold me responsible for the things they do themselves. This administration has the power and the authority and the money to control prices whether they are high or low anytime they want to assume the responsibility for so doing. They have put some of them up and they have put some down. Now, that is proven and I will yield to any Member on this side of the aisle to say whether they like the price of poultry at the present time. Now the chicken prices were ruined and vegetable oil prices were advanced by direct acts of the administration.

This administration through voluntary agreement, if you please, by voluntary agreement has fixed a set-up whereby chickens today all through the Midwest are selling for from 50 to 60 percent of parity when the law says they shall receive not less than 90 percent of parity. Now who controlled that price? Did the legislative branch of this Government or any Member of it?

Here is another. What I would like to ask the administration here today is why they should blame anyone else because prices of oils and fats are high when their Secretary of Agriculture goes out and puts 150 percent of parity floor price under flax? This was put on last spring after the OPA was dead and buried and all the pallbearers had gone home and taken their white gloves off. The Secretary of Agriculture put 150 percent of parity under this vegetable oil. This act placed a support price of 25 to 30 cents a pound support for a vegetable oil. Indirectly this 25 to 30 cents per pound support price on flaxseed or linseed oil has a tendency to place a comparable support price on other vegetable oils and also animal fats of equal food value. If a pound of lard has equal food value to a pound of vegetable oil that has a 25 to 30 cent per pound support price how does anyone expect to put a ceiling on pork and get any meat? If lard, the cheapest part of the hog, is to have a 25 to 30 cent comparable support price, how do you expect to have cheaper hog prices?

The administration may have pleased the users of linseed oil, and it may have shown Peron that he could not fix the price of linseed oil but the result of the 150 percent parity floor set up for this commodity cost the American consumers millions upon millions of dollars in the grocery bills.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself the balance of the time.

The CHAIRMAN. The gentleman from Michigan yields himself 20½ minutes.

Mr. WOLCOTT. Mr. Chairman——

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. HESELTON. On last Monday we had House Joint Resolution 273 before the House. The gentleman from Michigan was good enough to examine the provisions of that resolution and advise us as to the application of that resolution to a recommendation which had been made by Governor Bradford, of Massachusetts. It is found on page 11392 of the RECORD of that date. The heart of the recommendation was that legislation should be passed promptly to permit the pooling of information and supplies by oil distributors. Having in mind particularly our very critical situation in New England, I have examined the provisions of section 2 of the pending bill. I do not find much essential difference between them. I would like for the RECORD an expression of opinion from the chairman of the committee as to whether this meets the recommendations made by Governor Bradford.

Mr. WOLCOTT. The language in Senate Joint Resolution 167 is not too different in that respect from the language contained in House Joint Resolution 273 which, as noted by the gentleman, was before the House when I made that explanation. So we can give the gentleman assurance that the situation is not changed in Senate Joint Resolution 167 and that these voluntary agreements may be entered into looking into a better distribution of petroleum and other products in the New England States.

Mr. HESELTON. I thank the gentleman.

Mr. WOLCOTT. Mr. Chairman, the gentleman from Massachusetts [Mr. MCCORMACK] implied that there was something wrong with the age-old law of supply and demand, that prices started going up when the controls were taken off. In order to keep the record straight in that respect, however, I believe I should call attention to the committee report on House Joint Resolution 273. On page 3 of that report we called attention to the fact that the President of the United States in his statement of November 9, 1946, had this to say:

> The common control over prices and wages is justifiable only so long as it is an effective instrument against inflation. I am convinced that the time has come when these controls can serve no useful purpose. I am indeed convinced that their further continuance would do the Nation's economy more harm than good. In short, the law of supply and demand operating in the market place will from now on serve the people better than would continued regulation of prices by the Government.

We explained in our report that in consequence of the vague nature of the testimony of Government witnesses before the committee in respect to the President's program we did not have sufficient evidence before us to justify a reversal of the President's position which he had taken on November 9.

The Senate joint resolution that comes before us differs somewhat from the resolution which we had before us on last Monday. The purposes of the two, however, are identical.

In this connection, I would like to touch, briefly, upon the proposed motion to recommit which the gentleman from Oklahoma [Mr. MONRONEY] says he will offer. If you will turn to page 2 of your bill, section 2, you will find that if the motion to recommit prevails it will read, in part, as follows:

> In order to carry out the purposes declared in section 1 of this joint resolution the President is authorized to issue regulations and orders—

Let us stop right there. What goes on after that is in addition to and not in modification of the language which I have just read. So if you adopt the motion to recommit to be offered by the gentleman from Oklahoma you will, by that language, authorize the President, without any restraints, without any standards, without the adoption of any formula which would comply with the Schechter case and write an obviously unconstitutional bill, a bill which would give him unusually large authority over the control and management of our economy, more power, more authority, than any President has ever asked for and under the American form of government more power than any President should have.

I am just wondering how many of the constitutional Democrats are going to vote for a motion to recommit, which will give the President the authority to control our economy by regulation or order, without any limitation whatsoever upon that authority. I do not think that any Member, conscious of the oath which he took to protect and defend the Constitution of the United States, can vote for that motion.

Mr. MONRONEY. Mr. Chairman, will the gentleman yield at that point?

Mr. WOLCOTT. Just a moment. I cannot yield at this time because the gentleman has given us an issue here and I want to develop it.

What are the purposes of this resolution? First, to aid in curbing inflationary tendencies. The President, under the language which will be offered by the gentleman from Oklahoma, by regulation or order can stabilize the economy of the United States or take any action which he deems is necessary to stabilize the economy of the United States. Those are rather broad powers. He may, by regulation or order, aid in the curbing of inflationary tendencies. He may by regulation or order, promote the orderly and equitable distribution of goods and facilities. He may, by regulation or order, aid in preventing the maldistribution of goods and facilities which basically affect the cost of living or industrial production.

Now, that would give him authority to manage our economy, and therein lies the basic, fundamental difference in the thinking between the two extremes. I am a little surprised that the gentleman from Oklahoma should go to that extreme which, under the power contained in his motion, could result in the socialization of our economy. Now, if you on that side want to take the responsibility for giving your President and my President the authority to manage

our economy, then do it in a constitutional way; write some standards in there for his guidance, surely; write a formula by which he can do this job, but until you are willing to do that, do not give us these weasel words. If you want to destroy the American form of government, why do you not come out and directly say so? Why do you use this language which would create the authority to do it indirectly?

Mr. MONRONEY. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Oklahoma.

Mr. MONRONEY. I know the chairman desires to be fair, and does not imply that any Member will violate his oath of office.

Mr. WOLCOTT. I hope not.

Mr. MONRONEY. The modification I am adopting in this case is a modification of the limitation placed on the voluntary agreements.

Mr. WOLCOTT. Listen, I graduated from law school in 1915. I have been rather closely affiliated with the practice of law since then until I came to Congress a long, long time ago—17 years ago. Since I have been in Congress I have had something to do with the drafting of legislation. I think I can read the English language. I think I can read that when you put an "and" in, it is a conjunction. That is a simple answer to the gentleman's contention. You have an "and" in there, so the language following your "and" after the word "order" is not a modification of the language which you write in. Now, you better redraft it if you are going to submit it or take the consequences.

Now, let us get back to the bill. Under section 2 of the Senate joint resolution, it will be noted that they have deleted the section in the House joint resolution which provided for agreements for the marketing of livestock and poultry at weights and grades that represent the most efficient utilization of grain. Now, I think also, as a matter of interpretation, since the Senate committee deleted that language and offered the amendment on the floor of the Senate, which was adopted by the Senate, it follows that it is clearly the intent of the Congress that none of the agreements specified in section 2 and none of the action which might be taken in respect to the suspension of the antitrust laws will in any manner apply to any agreement in respect to the feeding of grain, or will not apply in any way to the regulations and orders providing for the marketing of livestock and poultry or the efficient utilization of grain. So the objection in the House bill in that respect which some of the Members were fearful might result in some management over our agricultural industry, which was not intended, is not in Senate Joint Resolution 167.

The difference in effect between the antitrust provisions of the House bill and the antitrust provisions of Senate Joint Resolution 167 is the difference between tweedle-dee and tweedle-dum. Under the House joint resolution the President would have been given authority without any restraint to delegate the supervision of these consultations and the approval of the agreements to any officer of the Government, which of course would include the Attorney General. The only difference in effect between the language of the Senate joint resolution and the House joint resolution is that we have tied the President's hands a little tighter and provide that the agreements shall not be effective until they are approved by the Attorney General. So I do not think there is any particular reason why we should argue too long about that.

I might also call your attention to another limitation in the language which was suggested by Secretary of Commerce Harriman, and this language in the Senate joint resolution is the language which the Secretary of Commerce sent down. In the House bill we sought as far as possible to postpone the operation of State antitrust laws. We thought about it for a long while when drafting it. We were not just sure whether the Federal Congress could pass any law which would set aside the operation of State antitrust laws, but we did think there might be occasions when the effectiveness of the State law might depend upon a Federal law, and that, as far as we could do so in the Federal Congress, we would set aside the operation of State antitrust laws. Now, of course, you have failed to remove one of the obstacles which might encourage industry to sit down and consult with Government, because if there is a State antitrust law prohibiting their entering into the agreements, then the action in this bill of course does not effect that, even though otherwise under the decisions they could have done so. I do not see much more to that proviso. In effect, it would operate about the same as the House bill.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Texas.

Mr. RAYBURN. I do not know whether or not the gentleman has reached section 7 yet.

Mr. WOLCOTT. No, I have not.

Mr. RAYBURN. However, many of us over here are very curious to know what the gentleman's reaction to that is and what his explanation is.

Under the heading "Production of foods in non-European foreign countries" on page 7 of the bill, among other language, we find the following:

> Such projects may include procurement, the making of advances and price guaranties—

And so forth. Now to whom and to what extent, and where are those price guarantees going to be applied?

Mr. WOLCOTT. I assume that that language was put in by the Senate in keeping with the request of the President.

Mr. RAYBURN. If the gentleman will permit me to interpose, I want to say that those guarantees are much broader than anything that was ever given to the American farmers.

Mr. WOLCOTT. I assume that the action of the Senate is in consequence of the request of the President as contained in his message of November 17. His sixth point reads as follows:

> To enable the Department of Agriculture to expand its program of encouraging the conservation practices in this country and to authorize measures designed to increase the production of foods in foreign countries.

That language is undoubtedly in consequence of the President's request for authority to do that. I think the senior Senator from Kentucky offered it in the other body and it was adopted in the belief that it complied with the President's wishes in that respect.

I might go on to say that that program must be submitted to the Congress and the Congress must approve it or disapprove it within 60 days, or otherwise it becomes law.

Mr. RAYBURN. May I observe that of course that is the gentleman's explanation of the meaning of section 7.

Mr. WOLCOTT. Unless the Congress within 60 days adopts a concurrent resolution, then the program becomes effective. But have in mind, the program is promulgated by the Commodity Credit Corporation. So in addition to the fact that we can prevent the operation of any program by passing a joint resolution within 60 days after we convene next year, because they do not have any program yet, and of course they cannot send it down to us until we reconvene, let us say in 30 days, which will be in January, they cannot put a program into operation before March 1. Have in mind also that before that time the Committee on Banking and Currency or the Committee on Agriculture or both committees must give consideration to whether or not and in what form the Commodity Credit Corporation is to be extended, because the Commodity Credit Corporation expires on June 30, 1948.

The CHAIRMAN. The time of the gentleman from Michigan has expired. All time has expired.

Does the gentleman from Michigan wish to offer any committee amendments?

Mr. WOLCOTT. No, Mr. Chairman.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PHILLIPS of California, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the joint resolution (S. J. Res. 167) to aid in the stabilization of commodity prices, to aid in further stabilizing the economy of the United States and for other purposes, pursuant to House Resolution 412, he reported the joint resolution back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time and was read the third time.

Mr. MONRONEY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MONRONEY. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. MONRONEY moves to recommit the bill to the Committee on Banking and Currency with instructions to report the bill back to the House forthwith, with the following amendment: Page 2, line 4, after the word "authorized" insert "issue regulations and orders and to."

Mr. WOLCOTT. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the motion to recommit.

The question was taken; and on a division (demanded by Mr. MONRONEY) there were—ayes 73, noes 156.

So the motion was rejected.

The SPEAKER. The question is on the adoption of the resolution.

Mr. WOLCOTT. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 282, nays 73, not voting 78, as follows:

[Roll No. 152]

YEAS—282

Allen, Calif.	Ellis	Kilday
Allen, Ill.	Ellsworth	King
Almond	Elsaesser	Klein
Anderson, Calif.	Elston	Knutson
Andresen, August H.	Engel, Mich.	Landis
	Engle, Calif.	Lane
Andrews, Ala.	Evins	Lanham
Angell	Fallon	Latham
Arends	Feighan	Lea
Auchincloss	Fellows	LeCompte
Bakewell	Fenton	LeFevre
Barrett	Flannagan	Lesinski
Bates, Mass.	Fletcher	Lewis
Battle	Fogarty	Lichtenwalter
Beall	Foote	Lodge
Beckworth	Forand	Love
Bell	Fuller	Lyle
Bender	Gamble	Lynch
Bennett, Mich.	Garmatz	McConnell
Bishop	Gary	McCormack
Blackney	Gearhart	McCowen
Bland	Gillette	McCulloch
Bloom	Goff	McDowell
Boggs, Del.	Goodwin	McGarvey
Bolton	Gordon	McGregor
Bonner	Gore	McMahon
Boykin	Gorski	McMillan, S. C.
Bradley	Graham	McMillen, Ill.
Bramblett	Granger	Mack
Brehm	Grant, Ala.	MacKinnon
Brophy	Grant, Ind.	Macy
Brown, Ga.	Gwynne, Iowa	Maloney
Brown, Ohio	Hale	Marcantonio
Bryson	Hall, Edwin Arthur	Mathews
Buchanan		Meade, Ky.
Buck	Hall, Leonard W.	Meade, Md.
Bulwinkle		Merrow
Burke	Halleck	Meyer
Byrnes, Wis.	Hand	Michener
Camp	Hardy	Miller, Md.
Canfield	Harless, Ariz.	Miller, Nebr.
Cannon	Harness, Ind.	Mills
Carroll	Harris	Morgan
Carson	Hart	Morris
Case, N. J.	Harvey	Morton
Case, S. Dak.	Hays	Muhlenberg
Celler	Hedrick	Multer
Chadwick	Herter	Mundt
Chapman	Heselton	Murdock
Chelf	Hess	Murray, Tenn.
Chenoweth	Hill	Nicholson
Chiperfield	Hinshaw	Nixon
Church	Hobbs	Nodar
Clason	Holmes	Norblad
Coffin	Horan	Norrell
Cole, Kans.	Jackson, Wash.	Norton
Cole, N. Y.	Jenison	O'Brien
Combs	Jenkins, Ohio	Owens
Cooper	Jennings	Patman
Corbett	Johnson, Calif.	Phillips, Calif.
Cotton	Johnson, Ill.	Phillips, Tenn.
Cravens	Johnson, Ind.	Ploeser
Crow	Johnson, Tex.	Plumley
Cunningham	Jones, Ala.	Potter
Dague	Jones, N. C.	Potts
Davis, Ga.	Jones, Wash.	Poulson
Davis, Wis.	Jonkman	Price, Ill.
Dawson, Utah	Judd	Priest
Devitt	Karsten, Mo.	Ramey
D'Ewart	Kean	Rayburn
Dingell	Kearney	Redden
Dolliver	Kearns	Rees
Dondero	Keating	Reeves
Donohue	Kee	Regan
Doughton	Keefe	Rich
Durham	Kefauver	Richards
Eaton	Kelley	Riehlman
Eberharter	Kerr	Riley
Elliott	Kersten, Wis.	Robertson
Robsion	Sheppard	Van Zandt
Rockwell	Simpson, Pa.	Vinson
Rogers, Fla.	Smathers	Vorys
Rogers, Mass.	Smith, Maine	Wadsworth
Rohrbough	Smith, Va.	Walter
Ross	Snyder	Welchel
Russell	Somers	Welch
Sadlak	Spence	Whittington
Sadowski	Stefan	Wigglesworth
St. George	Stevenson	Wilson, Ind.
Sarbacher	Stigler	Wolcott
Sasscer	Taber	Wood
Scott, Hardie	Talle	Woodruff
Scott, Hugh D., Jr.	Thompson	Youngblood
	Tibbott	Zimmerman
Scrivner	Tollefson	
Seely-Brown	Twyman	

NAYS—73

Abernethy	Hendricks	O'Toole
Albert	Hoffman	Pace
Andersen, H. Carl	Holifield	Passman
	Hope	Peden
Arnold	Huber	Peterson
Banta	Hull	Pickett
Blatnik	Jensen	Poage
Buffett	Kennedy	Rankin
Burleson	Kirwan	Sanborn
Clark	Larcade	Schwabe, Mo.
Clevenger	Lemke	Schwabe, Okla.
Cole, Mo.	Lucas	Short
Cooley	Ludlow	Simpson, Ill.
Crawford	Lusk	Smith, Ohio
Curtis	Madden	Stockman
Deane	Mahon	Teague
Douglas	Manasco	Thomas, Tex.
Fernandez	Mansfield	Vursell
Folger	Martin, Iowa	Wheeler
Gathings	Mason	Whitten
Gross	Miller, Calif.	Williams
Gwinn, N. Y.	Miller, Conn.	Wilson, Tex.
Hagen	Monroney	Winstead
Harrison	Murray, Wis.	Worley
Havenner	O'Konski	

NOT VOTING—78

Allen, La	Fulton	Powell
Andrews, N. Y.	Gallagher	Preston
Barden	Gavin	Price, Fla.
Bates, Ky.	Gillie	Rabin
Bennett, Mo.	Gossett	Rains
Boggs, La.	Gregory	Reed, Ill.
Brooks	Griffiths	Reed, N. Y.
Buckley	Hartley	Rivers
Busbey	Hébert	Rizley
Butler	Heffernan	Rooney
Byrne, N. Y.	Hoeven	Sabath
Clements	Jackson, Calif.	Scoblick
Clippinger	Jarman	Shafer
Colmer	Javits	Sikes
Coudert	Jenkins, Pa.	Smith, Kans.
Courtney	Johnson, Okla.	Smith, Wis.
Cox	Keogh	Stanley
Crosser	Kilburn	Stratton
Davis, Tenn.	Kunkel	Sundstrom
Dawson, Ill.	McDonough	Taylor
Delaney	Mitchell	Thomas, N. J.
Dirksen	Morrison	Towe
Domengeaux	O'Hara	Trimble
Dorn	Patterson	Vail
Drewry	Pfeifer	West
Fisher	Philbin	Wolverton

So the joint resolution was passed.

The Clerk announced the following pairs:

Additional general pairs:

Mr. Thomas of New Jersey with Mr. Sabath.
Mr. Coudert with Mr. Cox.
Mr. Sundstrom with Mr. Brooks.
Mr. Andrews of New York with Mr. Price of Florida.
Mr. Hartley with Mr. Sikes.
Mr. Jackson of California with Mr. Gregory.
Mr. Rizley with Mr. Keogh.
Mr. Scoblick with Mr. Trimble.
Mr. Smith of Kansas with Mr. Dorn.
Mr. Kilburn with Mr. Colmer.
Mr. McDonough with Mr. Heffernan.
Mr. Kunkel with Mr. Morrison.
Mr. Busbey with Mr. Domengeaux.
Mr. Butler with Mr. Rooney.
Mr. Dirksen with Mr. Hébert.
Mr. Fulton with Mr. Delaney.
Mr. Gallagher with Mr. Drewry.
Mr. O'Hara with Mr. Byrne of New York.
Mr. Mitchell with Mr. Jarman.
Mr. Jenkins of Pennsylvania with Mr. Philbin.
Mr. Hoeven with Mr. Boggs of Louisiana.
Mr. Towe with Mr. Rains.
Mr. Taylor with Mr. Buckley.
Mr. Vail with Mr. Rivers.
Mr. Gavin with Mr. Gossett.
Mr. Wolverton with Mr. Preston.
Mr. Stratton with Mr. Davis of Tennessee.
Mr. Smith of Wisconsin with Mr. Rabin.
Mr. Reed of Illinois with Mr. Dawson of Illinois.
Mr. Gillie with Mr. Stanley.
Mr. Griffiths with Mr. Allen of Louisiana.
Mr. Clippinger with Mr. Pfeifer.
Mr. Bennett of Missouri with Mr. Bell.
Mr. Reed of New York with Mr. Powell.
Mr. Patterson with Mr. Barden.

Mr. PETERSON changed his vote from "yea" to "nay."

Mr. REES changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to revise and extend their remarks on the resolution just passed.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

PROVIDING FOR ADJOURNMENT SINE DIE

Mr. HALLECK. Mr. Speaker, I offer a House concurrent resolution (H. Con. Res. 127) which I send to the Clerk's desk.

The Clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That notwithstanding the provisions of the Senate Concurrent Resolution 33, Eightieth Congress, the two Houses of Congress shall adjourn on Friday, December 19, 1947, and that when they adjourn on said day, they stand adjourned sine die.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING SIGNING OF ENROLLED BILLS AND JOINT RESOLUTIONS

Mr. HALLECK. Mr. Speaker, I offer a House concurrent resolution (H. Con. Res. 128) and ask for its immediate consideration.

The Clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That notwithstanding the adjournment of the first session of the Eightieth Congress, the Speaker of the House of Representatives and the President pro tempore of the Senate be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

SELECT COMMITTEE EXPENDITURES

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I desire to call up a reso-

lution (H. Res. 407) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of the investigation to be conducted by the select committee created by House Resolution 404, not to exceed $25,000, including expenditures for the employment of investigators, attorneys, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman of such committee, and approved by the Committee on House Administration.

With the following committee amendment:

On line 2, after the words "H. Res. 404", insert "Eightieth Congress."

The amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PUBLIC WORKS COMMITTEE

Mr. LECOMPTE. Mr. Speaker, I offer a resolution from the Committee on House Administration (H. Res. 373) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the expenses of conducting the studies and investigations authorized by clauses 1 to 10 (O) of rule XI incurred by the Committee on Public Works, acting as a whole or by subcommittee, not to exceed $25,000, including expenditures for the employment of such experts, special counsel, and such clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by said committee and signed by the chairman of the committee and approved by the Committee on House Administration.

SEC. 2. For the purpose of any such investigation, the Committee on Public Works, or any subcommittee thereof, is authorized to sit and act at such times and places within the United States, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, and to take such testimony, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any subcommittee, or by any member designated by any such chairman, and may be served by any person designated by any such chairman or member.

SEC. 3. The official stenographers to committees may be used at all hearings held in the District of Columbia if not otherwise officially engaged.

With the following committee amendments:

Line 2, strike out the words "clauses 1 to 10 (O) of rule" and insert therefor the words "H. Res. 403, Eightieth Congress."

Line 3, strike out "XI."

Strike out section 2, lines 11 and 12, page 1, and lines 1 to 10, inclusive, of page 2; also, strike out section 3, lines 11 to 13, inclusive, page 2.

The amendments were agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. AUGUST H. ANDRESEN asked and was granted permission to extend his remarks in the Appendix of the RECORD and include a statement by the president of the postal employees.

Mr. MILLER of Nebraska asked and was granted permission to extend his remarks in the RECORD and include a manuscript entitled "National Institute of Industrial Training for Negro Youths," notwithstanding the fact that the total cost would be $189.34.

Mrs. SMITH of Maine asked and was granted permission to extend her remarks in the RECORD and include an editorial on the fuel problem.

Mr. WEICHEL asked and was granted permission to extend his remarks in the RECORD and include a newspaper article.

Mr. MACKINNON asked and was granted permission to extend his remarks in the Appendix of the RECORD and include a speech and a copy of a bill he introduced today.

Mr. JENNINGS asked and was granted permission to extend his remarks in the Appendix of the RECORD and include certain quotations from Monday's RECORD.

Mr. SMATHERS, Mr. SARBACHER, Mr. WOLVERTON, and Mr. LATHAM asked and were given permission to extend their remarks in the RECORD.

Mr. WALTER asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from today's Washington Post.

Mr. JONES of Alabama asked and was given permission to extend his remarks in the RECORD and include a letter.

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks in the RECORD and include a radio address.

THE COAL SHORTAGE

Mr. ROHRBOUGH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. ROHRBOUGH. Mr. Speaker, I have listened with considerable interest during the last few days to discussions on the floor of the House of what has been called the coal shortage. Mr. Speaker, I would like to emphasize that the so-called coal shortage is, in reality, a shortage of railroad cars.

During the Second World War, unprecedented demands were made upon the coal industry of the United States. The industry met that challenge and there was coal for the civilian population as well as for the war machine.

Yet, 2 years later, we are told there is a coal shortage.

Mr. Speaker, the explanation for this anomaly is a simple one. Somehow, somewhere, during the war, we found the coal cars. Now they have disappeared.

West Virginia is the largest producer of bituminous coal among the 48 States. We West Virginians call coal "black gold," for it is the backbone of our State's economy.

The coal car shortage in my State has provoked great concern. An official of one of the largest mines in my district told me not long ago that unless more railroad cars became available at the mine, the company might be forced to suspend operations.

He said there was no shortage of coal in the rich vein running through the mine. Neither was there the shortage of men which posed a real problem during the days of record-breaking wartime production.

Mr. L. Ebersol Gaines, of Mount Hope, W. Va., is president of the National Coal Association. A few days ago, he pointed out to me that coal production this year is second only to its wartime peak year.

Mr. Gaines, while conceding that certain special coals may be temporarily short, asserted that this is due principally to transportation shortage. He added, moreover, that there is no reason for any industry or householder being short of coal for power or heating.

Mr. T. E. Johnson, of Fairmont, W. Va., told me something which may surprise the Members of Congress who have been referring to the coal shortage.

"A shortage of railroad cars," he said, "has made it impossible to work the mines more than 55 or 60 percent of the time."

Black gold lies under the hills of West Virginia in abundant quantity. Our mine operators have the know-how and the capital to work with and we have the men to dig it. These men—operators and miners alike—are anxious to get at the job.

Solve their transportation problem, Mr. Speaker, and you will solve the problem of the so-called coal shortage.

VETERANS' SUBSISTENCE ALLOWANCE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1394) to provide increased subsistence allowance to veterans pursuing certain courses under the Servicemen's Readjustment Act of 1944, as amended, and for other purposes.

A similar bill was reported unanimously by the House Committee on Veterans' Affairs.

Mr. RICH. Mr. Speaker, reserving the right to object, what bill is this?

Mrs. ROGERS of Massachusetts. It is a bill to provide increased subsistence allowance to veterans pursuing certain courses under the Servicemen's Readjustment Act of 1944 as amended and for other purposes. It provides for only a small increase, $10 a month for a single veteran, $15 if he has one dependent, and $15 additional if he has more than one dependent.

This is an emergency situation for many veterans are having to drop out of courses this year because the amount allowed them was too small with costs increasing all the time.

I am sorry to have to call the bill up in this way, but it is necessary to get it passed at this time for we are working against time in the matter. We did not hesitate during wartime to pass measures. We have just passed a bill for aid for foreign countries.

Mr. RICH. I appreciate the fact that not only do the veterans who are in school desire to secure more funds but we have veterans in various other branches of our economy who are anxious to secure more. We not only have the veterans but we have many other people in this country who today are requesting additional funds in order to maintain themselves and their families.

We were called into this special session for two purposes: First, to provide aid to Italy, France, and Austria. That has been taken care of. The second purpose was to discuss the high prices of commodities. We have disposed of these matters as best we can at this time.

If we were now to allow consideration of all the bills Members desire to bring up by unanimous consent to grant increases to one individual or one class of individuals over another, we would be here for a long, long time, way past Christmas.

I made the statement the other day that we were not going to allow any such important bills to come up by unanimous consent. At the next session of Congress, which will take place in a few days, we are going to have full and ample opportunity to discuss the various phases of these veterans' problems and other problems that face the people of this country, and I do not think we should permit any bill to come up here from now on by unanimous consent.

For the foregoing reason, Mr. Speaker, I will have to object.

Mrs. ROGERS of Massachusetts. Will the gentleman reserve his objection?

Mr. RICH. To permit the gentlewoman to make a brief statement, yes.

Mrs. ROGERS of Massachusetts. As the gentleman knows, I have asked for a rule for suspension of the rules. Our Committee on Veterans Affairs has tried to get the bill up for action since last spring; I hope the gentleman will not object to this bill, for we are having to work against time. These boys already are dropping out of their classes. They are the future Americans. They are the men who are going to make our country strong. We have a contract with them. We passed the legislation enabling them to go to school. They cannot continue without help. Pass the bill before it is too late. The next semester begins soon. They do not have the money to stay in school.

Mr. HOFFMAN. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order is demanded. The regular order is, Is there objection to the request of the gentlewoman from Massachusetts?

Mr. RICH. Mr. Speaker, I object.

EXTENSION OF REMARKS

Mr. HOFFMAN asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. BRADLEY asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article from the Long Beach Press-Telegram.

Mr. GAMBLE asked and was given permission to extend his remarks in the Appendix of the RECORD and include tables on the increased price of certain commodities.

AUTHORIZING SECRETARY OF AGRICULTURE TO PUBLISH THE NAMES OF CERTAIN PERSONS

Mr. HALLECK. Mr. Speaker, I hold in my hand a Senate joint resolution that has to do with certain matters involving disclosures by the Secretary of Agriculture. I ask unanimous consent that this joint resolution (S. J. Res. 170) may be considered in the House as in Committee of the Whole under the 5-minute rule.

The SPEAKER. The Clerk will report the Senate joint resolution.

The Clerk read as follows:

Resolved, etc., That section 8 of the Commodity Exchange Act, as amended, is amended by adding at the end thereof the following new paragraph:

"Notwithstanding the foregoing provisions of this section or of any other law, the Secretary of Agriculture may, in his discretion, from time to time disclose and make public the names and addresses of all traders on the boards of trade on the commodity markets with respect to whom the Secretary has information, and any other information in the possession of the Department of Agriculture relating to the amount of commodities purchased or sold by each such trader; and when requested by any committee of either House of Congress, acting within the scope of its jurisdiction, shall furnish to such committee and make public the names and addresses of all traders on such boards of trade with respect to whom the Secretary has information, and any other information in the possession of the Department of Agriculture relating to the amounts of commodities purchased or sold by each such trader."

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. HOFFMAN. Mr. Speaker, reserving the right to object, will this resolution be subject to amendment?

Mr. HALLECK. Yes; it would be.

Mr. HOFFMAN. Mr. Speaker, I have an amendment on the Clerk's desk.

Mr. RANKIN. Mr. Speaker, reserving the right to object, I want to know if this will give the committee the right to investigate charges that certain individuals on the cotton exchange conspired with certain large textile manufacturers to hold down the price of cotton?

Mr. HALLECK. I do not know. The gentleman can read the resolution. I do not know what form it will finally be in when it is adopted, if it is adopted. I would not undertake to say to the gentleman about that.

Mr. RANKIN. The gentleman is not offering the resolution at this time?

Mr. HALLECK. I am asking for its consideration.

Mr. RANKIN. At this time?

Mr. HALLECK. Yes; in the House as in the Committee of the Whole.

Mr. RANKIN. Then I will take that up later.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER. The resolution is now open for amendment.

Mr. HOFFMAN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: On page 1, line 5, of the title, after the semicolon, and following the word "possession" in the fifth line of the title insert the following: "and authorizing and directing the Secretary of the Treasury and/or the Bureau of Internal Revenue to furnish to committees of Congress upon request any information in their possession or under their control."

Mr. HOFFMAN. Mr. Speaker, I have a second amendment which has the same purpose, the first being an amendment to the title, and the second to the body of the resolution. I ask unanimous consent that the other one be read and that they both be considered at the same time.

The SPEAKER. The Clerk will report the other amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: Page 2, line 14, after the period insert the following: "and the Secretary of Agriculture and the Secretary of the Treasury and/or the Bureau of Internal Revenue, notwithstanding the provisions of any other law, are authorized and directed to make available and to furnish when requested by any committee of either House of Congress acting within the scope of its jurisdiction information requested by said committee."

Mr. EBERHARTER. Mr. Speaker, I rise in opposition to the amendment.

Mr. Speaker, this amendment, which would give practically any committee of the House authority to publicize the income-tax returns of certain individuals at the discretion of the committee, comes to the House without any notice whatever to the Members as to how far the amendment goes. I have just been informed that the same kind of proposition was presented to this House quite sometime ago and was overwhelmingly defeated. It seems to me this is a matter that certainly should be considered in a committee. I think the Committee on Ways and Means should have an opportunity to find out how far this would go.

I know none of the Members of the House wants to see himself or any of his constituents singled out and have his income-tax returns looked over by a committee and then publicized in a newspaper. That would invade the privacy of private citizens as well as corporations. While it may be all right to do it later on and have certain restrictions on what may be publicized, I do not believe an amendment of this significance and of this much importance should be adopted without consideration, particularly by the Committee on Ways and Means. I wish the gentleman would withdraw the amendment and give us a chance to look it over in January. If then we think it is all right, we can pass it. But we have thrown around the income-tax payers of this country the protection of this privacy to which they are entitled. I do not think it should be swept away in just the heat of the moment or in a few minutes of deliberation. We remember that for a while there were published in the newspapers the returns of every person who made over a certain income or who paid over a certain amount of tax, and you know what the result was during those few years that act was in existence. We found it advisable to repeal it. So I hope we will not adopt this amendment.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. EBERHARTER. I yield to the distinguished gentleman from Texas.

Mr. RAYBURN. This is an amendment which it is very embarrassing to oppose because one might be misunderstood, but 25 years ago I heard such men as Nicholas Longworth, afterward Speaker of the House, and Harry Hawes, afterwards a distinguished United States

Senator, argue this thing up one side and down the other, and the House decided that this kind of thing was not fair. The law now states that the Committee on Ways and Means can call for these records, as can some other committees, and special committees, if so authorized, to use in executive session, and if something is flagrant enough that it should be submitted to the House, it may be. I do not challenge the purpose of the gentleman from Michigan, but I think he is going a long way in writing this kind of proposition into law on the floor of the House without consideration by some committee. It does not affect me any more than it does anybody else. But I am talking about the question of fair play. It is not fair play to expose the income-tax returns of the people of this country to their enemies or to their competitors. It never has been done and it should not be done now.

Mr. EBERHARTER. I thank the distinguished minority leader for his statement. I do hope the Members of the House on both sides of the aisle will reject the amendment.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Indiana.

Mr. HALLECK. This whole thing is coming up here on rather short notice and in something of an irregular way. If I understand the matter correctly, the action was precipitated by the refusal of the Secretary of Agriculture to disclose certain names to a committee on the other side of the Capitol, except on the condition that all names be disclosed and made public. Now this resolution comes along. Does the gentleman think this is something of an invasion of the rights of a private citizen who is outside the Government? Does he think it is an invasion of the rights of anyone not in the Government, of a citizen who has nothing to do with the Government, to disclose publicly his operations on the grain exchange or commodity exchange?

Mr. EBERHARTER. I think in a way it is an invasion.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 2 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. EBERHARTER. I yield gladly.

Mr. RAYBURN. The Secretary of Agriculture did not disclose these names because he said he did not have legal authority to do so. That is the reason why this resolution is here.

Mr. EBERHARTER. I agree with the distinguished former Speaker of the House absolutely.

The question here is whether or not we should without any consideration, practically, make every citizen, every income tax payer liable to have his income tax returns exposed to the public. I for one must state my objections to such a procedure. I could never support that, especially without committee consideration and generally speaking a good deal of debate on the subject. I think that every citizen of both parties will appreciate it if we go rather slowly on this kind of legislation at this late hour.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield further?

Mr. EBERHARTER. I yield, most certainly.

Mr. RAYBURN. The law now provides that certain standing committees and special committees of Congress have the right to go into these things. Why extend jurisdiction and authority over this matter to all of the 19 committees of the House, or to the special committees?

Mr. EBERHARTER. I hope the majority leader, Mr. HALLECK, will indicate that he is not in favor of this particular amendment. So far he has not stated his position on it. I think the membership of his party would like to know how he stands on it.

Mr. HALLECK. I might say to the gentleman that being in much the same frame of mind as the very distinguished Minority Leader, I feel a concern about this thing, too. But so far as I am concerned, it does not make any difference to me personally.

Mr. EBERHARTER. Of course, we understand that.

Mr. HALLECK. I might also add that without regard to the assertion of the Secretary of Agriculture as to the prohibition contained in the law, the fact yet remains that he said to the committee, as I understand it, "If you will make the names public and put them all in, then I will give them to you." I think he was blowing hot and cold on this whole thing. I am concerned, as I pointed out to the gentleman, about the invasion of the rights of private citizens completely outside of the Government who might be affected by the passage of this resolution without the amendment. As a matter of fact, I have serious doubts in my mind whether or not we need any such resolution as this at all.

But, so far as I am concerned, I am not going to take the responsibility of saying that there is not going to be any action on it.

Mr. EBERHARTER. Certainly the gentleman takes the position, then, that the resolution, if amended as proposed, is dangerous.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for two additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. EBERHARTER. I am glad to yield to a distinguished member of the Ways and Means Committee.

Mr. DINGELL. My good friend, the gentleman from Indiana, the distinguished majority leader, makes reference to the Secretary of Agriculture. I submit to him that we are talking about two different things here. From the discussions we are concerned with regard to the basic resolution, which has to do with gambling in commodities. But as I understand the proposition here, my friend, the gentleman from Michigan [Mr. HOFFMAN] seeks to extend this thing and to broaden it to cover income-tax payers. If we want to open that, why was there such an outcry against the looseness with which income-tax returns were treated and handled when we published the names and amounts of tax liability of income-tax payers?

Mr. EBERHARTER. I thank the gentleman from Michigan [Mr. DINGELL] for his statement.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. EBERHARTER. I yield to my distinguished colleague from Pennsylvania.

Mr. WALTER. As I understand it, the amendment offered by the gentleman from Michigan [Mr. HOFFMAN] relates only to those people who would come within the scope of the original resolution.

Mr. EBERHARTER. The thing that I think every Member should object to is that this is an important amendment and is sprung on us in the afternoon, when practically all Members thought most of the business of this session had been concluded. No committee has had an opportunity to study it. The matter has already been discarded and defeated by a previous Congress after due deliberation. Now, this late in the session, this matter is brought up.

Mr. HALLECK. Will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. HALLECK. Do I understand the gentleman to say he would like to see the whole matter set aside until we come back in January?

Mr. EBERHARTER. No; definitely not. I am in favor of the passage of the resolution as it came from the other body, but I do not think this is the time or the place to pass an amendment of this great importance. I hope the amendment will be defeated.

The SPEAKER. The time of the gentleman from Pennsylvania [Mr. EBERHARTER] has again expired.

Mr. RANKIN. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I regret very much to disagree with my distinguished leader on this proposition.

You may go to your courthouse at home and see the tax returns of every citizen of your county. I have never seen anything sacred about income-tax returns.

But this is not a question of meddling with everybody's income-tax returns. It is a question of certain individuals taking advantage of information they get through official sources or official positions, and using it to speculate, either in person or by proxy on the exchange. As I said the other day, I think you are 20 years late. This should have been done years ago.

You let a man get his ear to the keyhole of, say, even the office of the Secretary of Agriculture, the White House, or the office of the head of the Federal Reserve Board, and he knows what kind of a statement is going to be issued tomorrow. He is not speculating himself. Oh, no. But his silent partner on the exchange may be speculating for him.

He can literally make millions in that way; and it has been done.

I think the cotton market was manipulated this last fall, and it is my hope that this will help us put a stop to that kind of procedure.

A cotton farmer makes 1 cent an hour for every cent pound he gets for his lint cotton. That is the hardest work, you might say, in America—hoeing and plowing and picking cotton in the hot sun. The cotton farmers last year were working for 33 cents an hour, while men in industry were striking to get their wages raised in some cases 50 cents or a dollar an hour.

There was some kind of manipulation on the cotton exchange that held that market far below the cost of production.

Twenty years ago I had the privilege of investigating manipulations on the cotton exchange and I learned a great deal about them. I for one, am not willing for anybody who is on the Federal pay roll or who has the confidence of anybody high up on the pay roll, to take advantage of that confidence to speculate on or to manipulate the grain market or the cotton market or any other commodity market.

I cannot see how anybody can seriously object to this amendment.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. RAYBURN. Mr. Speaker, I rise in opposition to the pro forma amendment just to say that I do not think that legislation as far-reaching as that represented by these amendments should be considered by amendment on the floor of the House. I do not think it is fair, I do not think it is just to millions of people who file income-tax returns, and I do trust that these amendments will be voted down.

The SPEAKER. The question is on the amendments offered by the gentleman from Michigan [Mr. HOFFMAN].

The question was taken; and on a division (demanded by Mr. HOFFMAN) there were—ayes 41, noes 89.

Mr. HOFFMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and twenty-four Members are present, a quorum.

So the amendment was rejected.

A RESOLUTION IS NOT REQUIRED BY LAW FOR THE SECRETARY OF AGRICULTURE TO DIVULGE THE INFORMATION HERE REQUESTED

Mr. MACKINNON. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the gentlemen from Texas and Michigan complain about what they might do to innocent people if the income tax provision were adopted. But, gentlemen, they are not averse to hurting innocent people by this resolution for that is exactly what this resolution does.

There is no doubt about the necessity, in my opinion, of the Secretary of Agriculture divulging this information without this joint resolution. If you look at the law and if you will look at the opinion that the Secretary is hiding behind, you will find it is undated, it is given by an employee in his own department, and based upon obiter dicta throughout. You cannot come to any other conclusion than that the Secretary has a very lame excuse for not giving the information. Please refer to page 11567 and pages 11616–11617 of the CONGRESSIONAL RECORD for this information.

Now, what is proposed to be done by this resolution? Heretofore, we have heard the accusation of wrongdoing by those insiders in Government who have inside information. This is a small group. What this resolution will do will bring in a couple of hundred thousand other people and permit the small group of "insiders" who have really done a moral wrong, by profiting on a confidential relationship, to hide behind the skirts of some 200,000 other people that have been engaging in purely legitimate transactions. Now, that is the purpose of this resolution. To protect the "insiders." That is the reason, in my opinion, that it has been proposed. It is just as clear as a bell.

Now, the general public, if they believe the statements of the Secretary of Agriculture, believes there are some restrictions imposed upon the Secretary of Agriculture that prohibit him from divulging this information; and when this resolution is passed—and I am going to vote for it because I want the information as soon as possible—the story will go out broadcast to the country, "Oh, now Congress has removed the restrictions on the Secretary of Agriculture." But Mr. Speaker, you know, and I know and any person who reads the law knows, that there were no restrictions in the first place which would prohibit the Secretary of Agriculture from giving this information to Congress. Moreover, he has had this information in his possession at all times. Only a short time ago in Chicago the Secretary told reporters who were interviewing him that he had this information and that he could name names. Why, sure, he has had this information all along. But when we pass this bill the public will feel that some restriction has been removed. And when the names of these insiders in the Government come out, the public will feel that the President did not know the names of these insiders any sooner than the public did. But his Secretary of Agriculture knew it and the President must have known it all along. The Administration can then feign surprise and kick the rascals out. This resolution is a cover to protect the insiders who have access to confidential information, by bringing in some 200,000 persons who have no inside information and to provide a colorable excuse for the failure of the Secretary of Agriculture to sooner divulge the information on the "insiders," and for the failure of the administration to take corrective action.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. MACKINNON. I do not have time now, but I will in a moment.

Mr. RANKIN. I will attempt to get the gentleman some additional time.

Mr. MACKINNON. I thank the gentleman.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the gentleman's time be extended three additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Is it not a fact that Secretary Anderson offered to give these names to a committee of another body, and they would not accept them except in secret session?

Mr. MACKINNON. I am not a member of that Senate committee. It may be that he offered to bring in a list of sufficient size so that the real wrongdoers would be well hidden and well protected by the smoke screen.

Mr. RANKIN. The gentleman has no information to that effect.

Mr. MACKINNON. Well, I do have some information to that effect.

Mr. RANKIN. Where did the gentleman get it?

Mr. MACKINNON. If the gentleman is concerned about it, I read the Senate RECORD for yesterday.

Mr. RANKIN. All right; put it in the RECORD.

Mr. MACKINNON. You will have additional information when the Andresen committee gets going.

Mr. RANKIN. I will ask the gentleman to put it in the RECORD now. Congress is entitled to it if the gentleman has it.

Mr. MACKINNON. Well, I do have some information on this whole matter, but I also know that the chairman of the investigating committee has the same information and I prefer to let that committee function and divulge their findings in the manner they consider best calculated to accomplish the purpose for which they were created.

BAD PRECEDENT

There is just one further point. That is, I consider we are setting a very bad precedent by passing a congressional resolution every time a committee of Congress wants some legitimate information when there is no legal bar to the department furnishing it. If we are going to have to go through the machinery of getting a joint resolution passed by the two Houses of Congress, with hearings in both bodies, and then send it to the President for his consent or veto, we are going to put this body in a position where it cannot act. As a matter of fact, that is just about the position the executive departments claim it is in now.

The Secretary of Agriculture said to reporters yesterday that the passage of this joint resolution would preserve the "proper relationship" between the legislative and the executive branches of the Government. What he apparently means by a "proper relationship" is one where it is so difficult for the legislative branch to get information that is not worth the effort—a relationship where the legislative branch is unable to investigate the executive branch effectively. That is what it appears to me that the executive branch wants. I do not think we ought to get ourselves in that position.

I had hoped that the Hoffman amendment would carry. I am sorry it did not. But I say again I am going to vote for this joint resolution. I do not like to dignify a lame excuse—and that is just what the Secretary of Agriculture has

come in here with, in my opinion, and it is very lame, if you will study it—by recognizing it, but in order to get the information as quickly as possible I am going to support this resolution. I just want to let the House know what my study leads me to believe is involved in all the smokescreen that has been going on in the Senate and the House with respect to divulging the names of a few "insiders" who have been speculating in commodities.

The SPEAKER. The question is on the third reading of the joint resolution.

The joint resolution was ordered to be read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

The joint resolution was passed.

A motion to reconsider was laid on the table.

CONSIDERATION OF CONFERENCE REPORTS

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that it may be in order during the balance of today to consider conference reports at any time after they are presented, notwithstanding the provisions of clause 2, rule XXVIII.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. WOODRUFF. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objecton.

Mr. WOODRUFF. Mr. Speaker, the oil shortage in Michigan and other of the North Midwestern States is acute. The winter that has already been severe in that area is not going to abate for many weeks. People there are cold; some are ill and many are entirely without fuel oil. Every day the shortage becomes more and more serious. The suffering cannot be alleviated merely by expressions of condolences by those in a position to do something about it. The Governor of Michgan, the Honorable Kim Sigler, sent a telegram to the President of the United States in which he stated that "hardship cases" are multiplying daily and suggesting a line of action for the moving of more oil supplies to that area. The answer received by the Governor from the President was as follows:

DEAR GOVERNOR: I read your telegram of the 10th with a great deal of interest, and I sincerely hope that the Congress will give me the authority to meet situations such as the one to which you call attention.

HARRY S. TRUMAN.

In the past the great State of Michigan has supplied millions of gallons of oil to other parts of the country and during the war years depleted her reserves in order to keep our fighting machine supplied with fuel and lubricants. The State of Michigan is proud of its record, but it is not proud that this emergency is being used by the Chief Executive as an excuse for the acquisition of additional power.

We are exporting hundreds of thousands of barrels—barrels, not gallons—of petroleum products every day, while a severe shortage exists in this country. We have sent thousands of tons of steel and steel products abroad and now do not have the rolling stock or the tankers to move our oil from areas of plentiful supply to those where shortages occur.

The President's reply to the great Governor of a great State is not very warming to either the hearts or homes of the people who are cold.

Of course, we all know that the Executive's determination to have greater powers and to take away from the legislative branch as much authority as possible sometimes carries him to great lengths. He believes he can use the oil emergency as a means of acquiring power to ration and distribute all goods and bring back a Presidential dominated OPA. That is not the answer to our problem. The principal reason that there is an oil shortage in Michigan is that we have shipped so much steel, so many tank cars and equipment abroad that we cannot now move the products which are in good supply in some areas to the areas where shortages exist. Furthermore, stocks normally held in some areas have been depleted so that foreign nations might have more aviation gasoline and other types of petroleum products. We are currently exporting oil at the rate of almost 13,000,000 barrels per month. This is a great deal of oil. I know, of course, that these exports are somewhat under prewar and I know that current imports are about equal to our exports, but that does not excuse the large exportation of oil from this country. This Nation has become one of the "have nots" because of its great effort to supply foreign countries. We have depleted our resources; we continue to deplete them.

The testimony of Presidential aides before House committees has indicated beyond question that the President has sufficient power to ease the fuel shortage in certain parts of the country. I refer to the testimony of Mr. Harriman, the Secretary of Commerce, before the Committee on Banking and Currency, on December 1, 1947, when he indicated to that committee that petroleum is one of the categories of commodities now "under individual licensing control." He testified further that we do export refined products of petroleum in very substantial quantities.

Referring to the testimony of Mr. Blaisdell, the Director of the Office of International Trade, Department of Commerce, before the Committee on Interstate and Foreign Commerce, there is no question but what the President has all the authority he now needs. In answer to a query by the gentleman from Massachusetts, Congressman HESELTON, as to whether the Executive had the power at the present time to meet this emergency and to get oil to the States that were in short supply, Mr. Blaisdell testified that it could be done now; that the Chief Executive had the authority "as of this moment" to meet that emergency. This testimony is interesting and may be found on pages 395–396 of the recent hearings before that committee.

The President's plea for more power does not ring quite true enough either to convince the people or their representatives in Congress. The manner in which he is handling the almost unprecedented power he now has is not comforting. The Export Control Board is regulating the shipment of petroleum products abroad, but 13,000,000 barrels per month is not very strict control. Shipments to Canada, our neighbor on the north, have not been restricted and oil is flowing by many methods, including pipe lines, to that country. Some of that oil goes through the very communities which are suffering acutely.

I have been told by some of our citizens how they feel as they watched a trainload of tractors or other farm equipment going toward the east coast for shipment to Russia and other countries when their orders of 2 and 3 years' standing were being ignored because of the shortage. I know how some of our citizens feel as they stand cold and fuelless and watch oil as it is carried through their communities headed for the northern boundary.

I do not object at all to "a good neighbor policy" if we interpret that term correctly. I do believe it is high time our President began to do something with the power that he has instead of coddling our present emergency in the hopes that he will acquire more powers. It becomes more evident every day that the Chief Executive has so long wielded emergency powers that he feels himself robbed when the country begins to get back to normal and he must look around to find a new means of inducing a return of those powers to him.

Michigan at one time produced crude oil at the rate of about 70,000 barrels a day. Michigan wells supplied about 15 percent of all the country's petroleum needs. During this period, the oil which otherwise would have been imported into the State found permanent markets elsewhere and now cannot be diverted to home use.

Michigan output now is only about 45,000 barrels a day and this amount cannot be increased because of the depletion of the wells. A considerable portion of the oil originating in Michigan goes by direct pipe line to Toledo and other refining cities and does not come back to Michigan.

The freight rates on oil shipped into the State are so high that many purchasers in that State pay twice as much per gallon as States which have pipe lines and other regular methods of delivery. Michigan never had a pipe line bringing oil into the State because of its former substantial home production.

Michigan was not caught napping by this shortage. Long ago in the heat of the summer, Michigan families filled their oil tanks and the distributors made what plans they could for the alleviation of the impending shortage. A vigorous home program for fuel oil conservation has been put into effect and those that have are sharing with some who do not. The shortage still exists and is serious. One of the large refineries in Toledo has been in the throes of a strike and almost

3,000 barrels of fuel oil normally flowing into Detroit daily has not been refined. Federal oil tankers are still lying idle and the Government is doing nothing to keep the upper Mississippi and Ohio Rivers open to winter navigation.

The governor in his appeal to the President made it clear that he was urging the sale, lease, or loan of idle Federal oil tankers and that attempts be made to keep the rivers open so that oil barges might move over these inland waterways.

The President in effect said to the governor as he has to so many of our citizens—your cause is just but I can do nothing for you unless you will convince Congress that I should have more power.

EXTENSION OF REMARKS

Mr. EBERHARTER asked and was given permission to revise and extend his remarks.

THE HOUSING INDUSTRY

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Speaker, before we recessed last July, a special committee of the Joint Committee of the House and Senate was created to look into the housing industry in this country. That committee was headed by the Honorable RALPH GAMBLE, of New York. For the past 2 or 3 months they have been holding hearings in various cities throughout the country. I rise today to give them credit for what they have done so far throughout the country in establishing better relationships between labor and management and in attacking this problem in a sensible and forthright manner. In the beginning they asked for the cooperation of the building trades of the country, and I am quite certain I am right when I state that they have received that cooperation. We have at the head of the building trades in this country a man by the name of Richard Gray, a former secretary of the Bricklayers' International Union. He, in my opinion, is one of the outstanding labor men of this day and age. He has agreed to cooperate with this committee in all of its work, and the statement just issued by the Honorable Mr. GAMBLE, chairman of that committee, demonstrates conclusively that Mr. Gray did provide the greatest possible measure of genuine cooperation. Since the creation of this committee many, many hitherto vexing situations have been untangled. But I was sorry to see in the RECORD this morning a statement by the chairman of another committee, the gentleman from New York [Mr. GWINN], a statement which was given to the press on yesterday afternoon. He, too, has been going throughout the country as a subcommittee on Education and Labor, to investigate what he calls restrictive, monopolistic, and racketeering practices affecting the scarcity and the high cost of housing. Although he admits his investigation is by no means complete, for some reason he feels called upon to give a partial report. If you will take the time to read this report, you will find it contains nothing but vilification of every union leader in the entire country. He does not see fit in his entire statement to give one bit of credit to any labor organization or to any labor union representative in all the hearings that have been held by his committee. He has certain statements in this RECORD today that are not true statements. He claims that in one city he found that one of the obligations of membership in the carpenters' union was to refrain from attending any meetings for the purpose of making criticism of union officials or representatives, except at the regular union meetings under penalty of expulsion. I do not believe this is a fact.

But, Mr. Speaker, if I made a statement like that I would be man enough to name the labor organization involved and the source of my information. I would be man enough to name the labor union representative. I would be man enough to name the city where this restriction is placed upon these unions.

He gives another example. He claims there is a limitation on the daily work as enforced by labor unions. He claims the union now permits a bricklayer to lay only from 350 to 500 bricks a day as against a limitation of a thousand a day in 1940.

Mr. Speaker, that is no more near the truth than anything in the world. For his benefit, and for the benefit of the membership of this House, there never has been a limitation on the number of brick a bricklayer could lay, whether it was 1900, 1940, or 1946.

I think I know what I am speaking about, Mr. Speaker, when I speak about this subject today, for it was only in the summer of 1940 that I was laying brick in the State of Rhode Island, having been a bricklayer at that time for the past 10 years. I took part in union activities. I served as president of my local union. I still am an official of that union. There is not one single bit of truth in the statements that were given out about the conditions he claims existed in New England, as I understood the statement he made yesterday afternoon.

Mr. HOFFMAN. Mr. Speaker, a point of order. Is the gentleman referring to a Member of this House?

Mr. FOGARTY. In this statement.

Mr. HOFFMAN. Mr. Speaker, I make a point of order. Is it proper for a Member to refer to another Member and say there is not one word of truth in his statement?

The SPEAKER. The gentleman, of course, cannot impugn the motives or character of any individual Member. The gentleman will proceed in order.

Mr. FOGARTY. I did not intend to impugn the motives of any other Member. I am trying to say in the best way I can that the statement that exists in the CONGRESSIONAL RECORD this morning, that there is a union limitation on the number of brick that can be laid, is not so. That is what I am saying.

The SPEAKER. The gentleman, of course, can state the facts as he sees them.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. HOFFMAN. I was not attempting to criticize the gentleman, but I just could not understand from the gentleman's language, as I heard it, whether he was saying that the gentleman from New York [Mr. GWINN] had made a false statement, or just what it was. That is all.

The SPEAKER. As long as the gentleman does not impugn the motives of a Member, he may so state.

Mr. RANKIN. Will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. RANKIN. This question came up very forcibly before the House during the time that James R. Mann was on the floor. Mr. Mann stated, and the Chair held, that a Member of the House had the right to say that another Member had made a false statement, but if he said he knew it was false when he made it, he violated the rule. As long as the gentleman does not say that when he made the false statement he knew it was false, he does not violate the rule.

The SPEAKER. And the Chair has already so stated.

Mr. ENGEL of Michigan. Mr. Speaker, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. ENGEL of Michigan. The gentleman mentioned Mr. Richard Gray, head of the Building Trades and Construction Union of the United States.

Mr. FOGARTY. Yes.

Mr. ENGEL of Michigan. He was in my office this morning for over 1 hour. He is going to confer with General Wheeler, Chief of Engineers, in an attempt to adjust a difficult problem along the building-trades line. I can testify to what the gentleman said, that he is one of the ablest and finest men in the country. Time and again during the war he has adjusted differences between labor and management as far as the war effort was concerned.

Mr. FOGARTY. That is exactly the point I am trying to make today, that this special committee that was set up on housing, in my opinion, is taking the sensible approach. They have asked the cooperation of labor by talking to the building trades and housing industry. They have received that cooperation, and it has contributed in great measure to the success of the committee's investigations.

Mr. ENGEL of Michigan. I think that part of the story regarding the laying of brick has not been told.

During the war contractors were being paid on a cost-plus-a-fixed-fee basis. Sometimes they put so many bricklayers on the job that they got into each other's way and reduced the output per man because of that fact. I think the gentleman will find that is true.

Mr. FOGARTY. I wish I had more time.

Mr. MANSFIELD. Mr. Speaker, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. MANSFIELD. I should like to call the gentleman's attention to the fact that shortly after this so-called special session of Congress was called I listened to a discourse by the junior Senator from Wisconsin on a radio program called Meet the Press. At that time he said that there was a good deal of misconception about the amount of brick being laid at the present time, and he pointed out that his viewpoint had

changed from one where the bricklayer had not done a good job to one where under present conditions of the building industry they were doing a very fine job at this time.

Mr. FOGARTY. There is no question about it. There is a great deal of misconception about the number of brick a man can lay, especially the old idea that a bricklayer could lay a thousand bricks in an 8-hour day. That thousand bricks in an 8-hour day was where they were laying up the wall of an old mill building where the walls are about 3 feet thick and all you had to do was to bend over and stand up and throw bricks into a hole 8 hours a day. That is what they call laying bricks at a thousand per day.

What I am trying to point out here is that on one hand we have a committee saying that there is the greatest cooperation between labor and management and on the other hand we have a committee making a partial report apparently, for the sole purpose of vilifying labor. What kind of reaction can they expect from labor unions?

Mr. HOFFMAN. Mr. Speaker, I make the point of order that the gentleman is out of order if he is referring to a committee of the House. I cannot tell from what he is saying whether the second committee is a committee of the House or not.

Mr. FOGARTY. It is a subcommittee of the Committee on Education and Labor.

Mr. HOFFMAN. The gentleman charges that they are trying to vilify labor? Does the Speaker of the House hold that it is proper for the gentleman to say that a committee of the House is trying to do that?

The SPEAKER. The gentleman from Rhode Island will proceed in order.

Mr. FOGARTY. There is one thing I do want to mention, and that is that the gentleman from New York [Mr GWINN] tried to make much of a nonunion contractor who was called in from up in Long Island. I understand from other sources that they tried to pin this nonunion contractor down by asking such questions as, "Well, did not the union officials intimidate you and picket your place?" And every time he answered "No." Union representatives tried to sell him on the idea that he could do the job better and quicker with union labor, but he stated flatly there was never any hint or threats or intimidation.

But this is what he did say, and this is what is holding up the cost of housing at the present time: He testified that if he could buy his materials at factory prices, he could build a house for $2,500 less. He testified that even though the materials he purchased were shipped in carload lots directly from the factory, he nevertheless had to pay a distributor who had never seen the goods a mark-up of 53 percent. He would have had to pay another mark-up to the retailer, except that in this case he happened to be his own retailer. This, Mr. Speaker, is a subject that these committees could well afford to examine into more fully. Investigations in this field would produce considerable enlightening and constructive information. This is one of the reasons why housing is costing as much as it does at the present time.

The SPEAKER. The time of the gentleman from Rhode Island has expired.

Mr. GAMBLE. Mr. Speaker, with the consent of the gentleman from Michigan [Mr. DONDERO] I ask unanimous consent to insert in the RECORD at this point a joint statement by Mr. Richard J. Gray, president of the building trades department, AFL, and myself.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GAMBLE. Mr. Speaker, the statement is as follows:

Congressman RALPH A. GAMBLE, Republican, New York, chairman of the Joint Committee on Housing, and Richard J. Gray, president of the building trades department of the American Federation of Labor, today announced the appointment of subcommittees to consider labor aspects of the national housing problem.

Anouncement was made jointly by Messrs. GAMBLE and Gray at a press conference in the Congressman's office. At the same time Chairman GAMBLE stated that the building material manufacturers, home builders, realtors, and financial interests had been invited to appoint similar cooperating committees.

The labor committee appointed by Mr. Gray is bipartisan and represents all parts of the country. It consists of: chairman, Richard J. Gray, president, building trades department, AFL, 901 Massachusetts Avenue NW., Washington, D. C.; Harry C. Bates, president, Bricklayers', Masons', and Plasterers' International Union, vice president, AFL and chairman AFL committee on housing, Bowman Building, 815 Fifteenth Street NW., Washington, D. C.; Michael Crow, third vice president, Brotherhood of Painters', Decorators, and Paperhangers, Rice Hotel, Houston, Tex.; C. J. Haggerty, secretary, California Federation of Labor, 870 Market Street, San Francisco, Calif.; Joseph D. Keenan, secretary, Chicago Federation of Labor, 666 Lake Shore Drive, Chicago, Ill.; Howard McSpedon, president, New York Building and Construction Trades Council, 441 Lexington Avenue, New York, N. Y.

The labor subcommittee of the Joint Committee on Housing is bipartisan and consists of Mr. GAMBLE, who will act also as subcommittee chairman; Senators JOSEPH R. MCCARTHY, Republican, of Wisconsin; CHARLES W. TOBEY, Republican, of New Hampshire; and JOHN J. SPARKMAN, Democrat, of Alabama; and Congressmen FRANK L. SUNDSTROM, Republican, of New Jersey; and HALE BOGGS, Democrat, of Louisiana.

The two subcommittees met on Tuesday night.

The joint statement by Congressman GAMBLE and Mr. Gray is as follows:

"The Building Trades Department, American Federation of Labor, and the Congressional Joint Committee on Housing believe that the public interest can be most advantageously served by a joint effort to speed up construction through sustained productivity, and improved distribution and lowered costs of materials.

"Mr. GAMBLE and Mr. Gray first conferred before the congressional joint committee began its hearings last October. Representatives of the organized building trades appeared on invitation, at each of the 25 hearings held by the committee in all parts of the country. They also will participate in the 6 to 10 hearings yet to be held. At one session of the consolidated hearings in Washington, scheduled to begin on Monday, January 12, 1948, the AFL subcommittee will present its findings and make its recommendations. Thereafter the two subcommittees will confer on the make-up of proposed new housing legislation."

Of the cooperation thus far extended through the Building Trades Department, Chairman GAMBLE said: "Our national housing emergency can be successfully met through more men, more money, and more materials. The last is a mechanical and pricing problem already far advanced toward ultimate solution. To obtain more private capital in low-rental housing there must be some inducement. But in labor we are dealing with a combination of attitudes of mind, supply of skilled workers, and competition among employers.

"Everywhere it has gone my committee has found a ready willingness among labor to produce. That it is producing is proven by the fact that the number of dwellings started this year will total 860,000. There is no featherbedding in their minds, and if any remains in isolated cases I have assurances that it will be cleaned out.

"Skilled workers are returning to their trades each month by the thousand, and with the cooperation of government, some 200,000 apprentices are now under training We have found that the housing shortage is worst in urban areas to which great numbers of people were attracted by war industries. In these cities commercial construction is booming. The result is that contractors are bidding for workmen to the disruption of orderly and economical progress. This obstacle can be attacked best through cooperation between our congressional subcommittee, the AFL subcommittee and a subcommittee from the home builders."

The SPEAKER. The gentleman from Michigan [Mr. DONDERO] is recognized for 3 minutes.

STRANGE POLICY IN GERMANY

Mr. DONDERO. Mr. Speaker, in view of the action of the House yesterday in adopting a resolution calling for an investigation of the dismantling and removal of German industrial plants, I have asked for this time for the purpose of asking some questions and making a suggestion.

I understand, for example, that a number of plants scheduled for destruction by our own occupation forces, include those manufacturing such items as soap and other material necessary for welfare and hygiene of the German people and having nothing whatever to do with any possible war potential. In other words, it would seem, that while we are pouring American taxpayers' money into Germany, we are at the same time destroying their means of making themselves self-supporting. This would fit in with the discredited and repudiated Morgenthau plan, which somebody in our occupation forces is still carrying into effect. I would like to know just who this is.

From time to time I have called attention to other pro-Communist and pro-Soviet activities by individuals in our occupation forces in Germany. It is high time that this entire set-up should be investigated from the standpoint of the loyalty of certain individuals who have wormed their way in. I would like to know, for example, how it happens that the AMG Loyalty Board has cleared certain individuals with pro-Communist records. I would like to know who is responsible for a certain degree of favoritism toward representatives of the German Communist Party and its publications. I would like to know who is responsible for the mess in our propaganda in defense of the United States in our zone in Germany. Then, too, I would like

a detailed analysis of the personnel which is today pillorying American industrialists and German officials who are favorable to cooperation with the United States—an operation which is being conducted by those running the Nuremburg trials.

Therefore, Mr. Speaker, I propose that the entire personnel of the AMG forces in Germany be screened forthwith by the FBI and that those of doubtful loyalty be dropped immediately. I would like to recommend to the House Foreign Affairs Committee that this proposal be made a part of its investigation.

GEN. FENG YU-HSIANG

Mr. JUDD. Mr. Speaker, I ask unanimous consent to address the House for 8 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Speaker, when Henry Wallace went abroad to speak against the Government of the United States he was almost unanimously repudiated by both the people and the press of this country. Yet today, when a Chinese official, whose following in his own country is even less than that of Wallace here, comes to America to make similar attacks against the Chinese Government, his statements are accepted as fact.

I have reference to Gen. Feng Yu-hsiang, who is commonly known as the Christian general of China, a title he once deserved. General Feng is abusing the courtesy extended to him as representative of a foreign government by making violent and untruthful attacks upon the Republic of China—our first ally in the war against Japanese aggression. General Feng has been speaking under the auspices of the Committee for a Democratic Far Eastern Policy, cited as a notorious Communist front organization which is working to persuade us to abandon China to the Chinese Communists, which means into the hands of the Kremlin.

General Feng has demanded that the United States repudiate its solemn pledges and obligations to the Chinese Government and the Chinese people—obligations many of which, I regret to report, we have failed to fulfill so far. May I lay before the House a portion of the record of Feng Yu-hsiang to show how little confidence can be placed in his public utterances?

In the turbulent history of China no man has committed a greater number of betrayals. His life is a series of changes of loyalty from one party to another, from one regime to another, from one commander to another. When it was to his personal advantage, Feng allied himself with the most corrupt war lords of China, who plunged that unhappy land into interminable civil strife. Today he is allied with Communist rebels that are trying to turn the Republic of China into a Soviet dependency. Along with other disgruntled politicians and discredited generals, Feng undoubtedly hopes that the Kremlin will restore to him the power he once held as a war lord. Ordinary people in China commonly refer to him as "Mutiny" Feng and as the "slippery head" general.

Feng's career as a professional renegade began with the betrayal of his chief, Wu Pei-fu, during the 1924 wars against the war lord of Manchuria. Instead of marching his troops to the aid of Wu, in accordance with their joint plan of battle, General Feng used the army under his command to seize the city of Peking and to declare himself war lord of northern China. He sacked the imperial palace, selling its priceless treasures of Chinese art to foreign dealers. He is generally considered to have become a multimillionaire and to have large sums of money deposited in American banks, although he maintains in public the pose of humble peasant.

Two years later, Feng himself was forced to face the formidable Manchurian army. Wu—the man he had betrayed, a man of principle—emerged from retirement to come to Feng's assistance. Despite the unexpected help, Feng was crushed and forced to flee the country. It is of particular significance that General Feng found a warm welcome in the Soviet Union, where he was immediately enrolled in the Moscow revolutionary school.

Soviet agents went into action to establish a Communist puppet regime in Inner Mongolia, under the nominal leadership of Feng Yu-hsiang. Headquarters of the conspiracy were in the Soviet Embassy at Peking. Intelligence officers of the Manchurian war lord learned of the plot and raided the Embassy on April 6, 1927. A vast quantity of documents detailing the Soviet plot to communize China were seized, and the evidence proved beyond doubt that Feng was closely allied with the Russians, receiving in return money and armaments to equip his private army.

When Chiang Kai-shek invaded north China in 1927 to wipe out the dissident war lords who were blocking unification of China, Feng sat on the political fence, waiting to see which side would come out on top. He jumped on the Nationalist bandwagon when Chiang's army appeared victorious. The generalissimo has always been grateful for his belated assistance, and has taken him back into the fold on each of Feng's periodic conversions.

In July of 1927, the same year, Feng again made an about-face to join a new rebel coalition in the north, but before the end of the year he abandoned his fellow conspirators to rejoin Chiang Kai-shek. Then, in another lightning reversal, Feng wandered off to attack his old enemy, the war lord of Manchuria. When his military position began to deteriorate under the assault of the Manchurian troops, Feng begged Chiang for support. The negotiations between the two resulted in the incorporation of Feng's private forces into the National Army of China.

Thus reinforced, Chiang was able to bring his northern campaign to a successful conclusion, and he invited his four top generals to a victory service at the tomb of Dr. Sun Yat-sen, the George Washington of China. Feng hurled an open insult at his commander-in-chief by sending a subordinate. However, during the ceremony, he unexpectedly burst into the temple, surrounded by a noisy troop of his personal bodyguard. After the conclusion of the service, Feng and the Generalissimo walked together in the temple garden. Feng finally admitted that he came because he needed money. Hoping that Feng's protestations of loyalty were sincere this time, Chiang Kai-shek made him a member of the State Council, gave him the post of War Minister in 1928, and later elevated him to the vice-presidency of the Executive Yuan, a post of honor but without actual command of troops which he might lead into another rebellion.

In 1929, when the attention of the Chinese Government was diverted by an uprising in the south, Feng seized the opportunity to revolt, destroying vital rail lines and bridges. After an unsuccessful effort at conciliation, Chiang dismissed Feng from all his official posts and sent a punitive expedition against him. Feng was defeated, but Chiang later generously offered again to reinstate him if he would sincerely join in the great task of unifying China.

Although Feng accepted the proffered friendship of the Generalissimo, only a few months passed before he was again in open rebellion against the Chinese Central Government. In 1930, Wang Ching-wei, who later became the Japanese Quisling, organized a new coalition in the north. General Feng became one of the top-ranking leaders of the rebel regime.

Wang's hopes of becoming the ruler of China were shattered on the battlefields upon which the opposing armies lost nearly a quarter-million men. Feng was able to retreat to Chahar, where he resisted all efforts at reconciliation with Chiang Kai-shek. He was finally subdued by one of his own generals and forced to leave the country for a time. Upon his return to China, Feng retired to a Buddhist monastery.

After the outbreak of the war with Japan in 1937, Feng rejoined the government to play a minor military role. He spent most of the war years writing his autobiography and exchanging poetry with Buddhist monks. Feng turned increasingly to politics and became a member of the clique of dissidents who attempted to gain control of China by undermining Chiang Kai-shek, while protesting loudly that Chiang is the only leader who can save China. He actively participated in the work of Communist-front organizations, like the misnamed Democratic League.

This is the man who still casts himself in the role of a "Christian general" and is being paraded by leftists in this country as a hero. No honorable Chinese regards him with other than shame.

EXTENSION OF REMARKS

Mrs. LUSK asked and was given permission to extend her remarks in the RECORD and include two petitions adopted by two American Legion posts in New Mexico recommending universal military training.

Mr. KENNEDY asked and was given permission to extend his remarks in the RECORD.

Mr. CHADWICK asked and was given permission to extend his remarks in the RECORD and include a letter from a constituent, Curtis A. Williams, on a subject of interest to the Congress.

SHORTAGE OF OIL

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, earlier this afternoon when the gentleman from Michigan made some comments on the oil shortage in Michigan and in the other midwestern States, I was present, I was amazed when I heard him read the telegram from the President of the United States to the Governor of Michigan. I want to read that telegram again at this time, and then I want to set the RECORD straight. The telegram reads:

DEAR GOVERNOR: I read your telegram of the 10th—

That is the 10th of this month—

with a great deal of interest and I sincerely hope that the Congress will give me the authority to meet situations such as the one to which you call attention.

The clear implication of that is that the situation confronting the good people of Michigan and the people of New England and Minnesota and North Carolina and the other people who have presented their cases before the House Committee on Interstate and Foreign Commerce is that the responsibility for those shortages rests on this Congress. What is the record? On November 26, the Secretary of Commerce testifying before the House Committee on Banking and Currency in his main statement on page 129 said this:

We have submitted to you detailed information as to the supply, demand, and production situation in the major categories of commodities now under individual licensing controls.

You will note that among the goods still subject to export restrictions are essential foods, including meat products, fats, oils, butter, wheat and other essential grains and preparations, seeds, fertilizer, soap, lumber and lumber products, coal, and petroleum.

Further in his testimony the chairman asked him for detailed information as to the exports of petroleum from this country in this last year. That is contained at page 151 of the committee hearings.

The CHAIRMAN. Do you have the authority now to control the export of petroleum products?

Secretary HARRIMAN. Do we control the export?

The CHAIRMAN. Yes.

Secretary HARRIMAN. Yes; we do control the export of petroleum products.

The CHAIRMAN. Can you give us figures on petroleum comparable to those which we have on steel?

Secretary HARRIMAN. Yes. The exports and imports of petroleum products are substantially in balance, and I think in the fourth quarter our exports will be less than our imports. I think in the last quarter we were exporting about 12,000,000 barrels.

Bear that in mind, if you will.

Last Wednesday afternoon, December 17, about a quarter of 3, before the House Committee on Interstate and Foreign Commerce, Mr. Thomas C. Blaisdell, Jr., testified. He is Director of the Office of International Trade, Department of Commerce. The hearings are not available yet, but I have taken from the transcript at pages 395, 396, and 397 certain questions asked him and his answers to those questions. Mr. Blaisdell is Mr. Harriman's assistant, if I understand it correctly, in charge of the export controls to foreign countries.

I asked this question:

I am interested in just one thing, and that is in getting the oil up there to New England, and I do not know of any other power that exists today except the power in the Executive to do the thing necessary to meet this emergency. I think that should be exercised this afternoon. Am I right about that, that it could be legally exercised at 3 o'clock?

Mr. Blaisdell said, "Yes; it could."

Then I asked this question:

The governors of the New England States have advised the New England delegation that, if they could get one extra tanker load per day into New England, there would be no fuel crisis in New England. Now, I am asking you why cannot that be done through the instrument the Executive has in its own hands.

Mr. BLAISDELL. You have given the answer in your question, that it could be technically done.

I then said, "That is what I wanted to get." Then I said:

We are this very afternoon voting on a bill to provide substantial aid to foreign countries. It is inconceivable to me that the people or governments of those countries would not recognize that we have a situation we must solve. We cannot let our industries drop back 25 percent, as has been indicated, through Mr. Hale's testimony and that of Mrs. Smith, or through their constituents. We cannot let our people working in those industries go cold this winter. We cannot let this become a situation where their health and safety is jeopardized. We have to give serious consideration to an existing situation right here at home if we are going to be able to do the things that we are saying we are going to try to do.

This was answered by Dr. McIntyre, who is thoroughly familiar with the whole export situation. I think his testimony is very significant in terms of the telegram from the President of the United States to the Governor of Michigan on December 10. Mind you, this is last week, December 17.

I was going to say very briefly that last Thursday—

A week ago this Thursday, December 11—

in the first meeting among several agencies on this subject, the Department of the Interior pointed out the development in domestic shortages, especially along the East Coast, and in New England, and urged completion of the Canadian matter.

Apparently, we have no export controls over trade to our good neighbor, Canada.

That is, according to the testimony, because of the so-called Hyde Park agreement early in the war. It has also been testified before our committee, in terms of exports of fuel oil, that in 1947 as compared with a comparable period in 1946, we have exported to Canada about 385 percent more than we did in that year, and Canada, in turn, according to the testimony of the witnesses before our committee, has been reexporting 10 percent more of their refined products than in that period of 1946.

The SPEAKER. The time of the gentleman from Massachusetts [Mr. HESELTON] has expired.

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to proceed for two additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON—

We assembled data over the week end on movements to Canada, and met for the first time in this review committee, which Mr. Blaisdell has described, on Monday afternoon. The review committee embraces not only Interior and Commerce, but also State, Agriculture, ODT and other agencies are concerned. It was the view of most of the agencies represented that the situation called for prompt action and it was the observation of the Department of State that every means ought to be explored short of a Presidential setting of imposition of control on shipments to Canada, that before such action was taken and the Canadian Government has been asked to suggest alternative ways in which the unwarranted and excessive flow of petroleum could be stopped. Those reports are presumed to be available for a meeting on Friday—

That is today—

at which I think it is fair to suspect that the committee will come up with a specific recommendation to Mr. Harriman for action in this matter.

For those of you who represent these areas in the Northwest, for those of you who represent the State of Michigan, for those of us who represent the six States of New England now suffering—and it is going into New York, New Jersey, and already exists in North Carolina, I want to say for the RECORD that the Members of Congress to my knowledge have done everything that they can possibly do, that the sole solution lies in the hands of the President, because of existing law passed by Congress. It is not fair to people whose homes will be cold, whose jobs are in jeopardy, whose health, perhaps, will be involved, to leave the impression that because of some congressional failure to legislate, nothing can be done for them. Surely Secretary Harriman will advise the White House of the existing authority vested in the Executive by congressional action. In behalf of the people of the First District of Massachusetts, I call for Presidential action now.

I urge that other Members, whose districts are confronted with a similar crisis, urge that action. I believe that, if each of us will ask our constituents to make the facts known to the President and the Secretary of Commerce, and urge such action, now, their requests, as American citizens, will be heeded by the Executive.

AMENDMENT OF NATIONALITY AND IMMIGRATION LAW

Mr. JUDD. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Speaker, I am today introducing a bill along lines which I

stated here 4 years ago I hoped some day would become law, but which it was clear could not be acted upon favorably at that time, during the war.

The bill will erase all the discriminations in our nationality and immigration laws, which have so greatly contributed to ill-feeling in many parts of the world, and yet admit per year only a few hundred more persons of Asiatic ancestry who are presently ineligible. It will place all people in the world on an equal footing in their ability to become citizens of the United States. It does not change the quota law in any respect, it merely extends it. I believe in the quota law, and do not wish to change it; but I also believe no decent person should be excluded from its application solely on the basis of his race or ancestry. Once this bill becomes law, no further changes will be needed in the quota law. All people whether in Europe, Africa, the Americas, Asia, or the Pacific islands will be on a basis of equality.

When the Four Hundred and Forty-second Regimental Combat Team—the all Japanese-American outfit—returned from Italy, these men were given a hero's reception, which they richly deserved.

But when the mother of one of these boys, Sadao Munemori, who won the Congressional Medal of Honor, but who did not come back, wanted to become an American citizen, the answer had to be under existing law "No—you and all persons of your race are ineligible for citizenship no matter what your personal attainments or your demonstrated loyalty and devotion to the United States and its ideals."

What then is the measure of citizenship? What further price must Mrs. Munemori pay to prove her worth?

This bill will grant the privilege of citizenship to this humble woman, and to others like her who have lived in our country for 20, 30, and 40 years, and who can meet all the proper qualifications for citizenship.

I do not need to tell you that America faces grave international problems. Our foreign relations have made notable advances in western Europe in these past few weeks. We need to be certain that we prosecute our interests in the Far East as vigorously. We cannot hope to win the needed friendship of the peoples of the Far East if we continue to treat them as biologically inferior beings.

Japan's military machine, which had fattened on the issue of American exclusion, has been smashed. We are now engaged in one of the world's most hopeful projects—that of helping the Japanese people to learn the meaning and the practice of democracy.

We no longer fear Japan. We need and seek the friendship of the best among the Japanese. We need to strengthen them, and all other democratic elements in the Far East. I believe we can greatly serve American interests by removing the stigma contained in our exclusion laws. We have done this for the Chinese, the Filipinos, and the people of India. There is but a short distance to go to complete the task once and for all.

Taking that final step, which involves very little for us but means a great deal to them, will bring rich returns in the stormy years that lie ahead.

It is very possible the Judiciary Committee's subcommittee dealing with this subject will in its careful study find a better formula for accomplishing the desired end. If so, I welcome any and all improvements. The essential thing is that we perform as early as possible this act of justice and wisdom.

EXTENSION OF REMARKS

Mr. KNUTSON asked and was given permission to extend his remarks in the Appendix of the RECORD.

HON. RICHARD J. WELCH

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KNUTSON. Mr. Speaker, on December 15, our good friend, the gentleman from California [Mr. WELCH] included under an extension of remarks a very interesting summary of his activities and interests as a Member of this body which evoked from Newton B. Drury, Director of the National Park Service, a letter of commendation, which I ask unanimous consent to incorporate at this point in my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

(The letter referred to follows:)

UNITED STATES DEPARTMENT
OF THE INTERIOR,
NATIONAL PARK SERVICE,
Washington, D. C., December 17, 1947.

Hon. RICHARD J. WELCH,
House of Representatives.

MY DEAR MR. WELCH: I have read with a great deal of interest your extension of remarks in the CONGRESSIONAL RECORD of December 15. I believe you have very ably presented many of the perplexing problems that are now confronting this country. Many of them I am not too familiar with; however, I was particularly interested in how and why you became chairman of the Committee on Public Lands. I am sure that your decision to take the chairmanship of the Committee on Public Lands has meant a great deal to the conservation of natural resources. Your interest and careful consideration of National Park Service problems is only an indication of your value to the entire conservation field.

With the season's best wishes to you and Mrs. Welch, I am

Sincerely yours,

NEWTON B. DRURY,
Director.

Mr. KNUTSON. I am sure all will join with Mr. Drury in what he says about our beloved colleague the gentleman from California [Mr. WELCH]. I served with the gentleman from California on the old Pension Committee back in the twenties, when as chairman of the committee I came to have a very high regard and deep affection for him. I found him always helpful, always loyal, and I may say parenthetically that many a Spanish War veteran, many an Indian War veteran owe much to the gentleman from California who did so much to make the last years of their lives comfortable and secure. DICK WELCH is a friend of man.

I hope our good friend from California will continue to serve in this body for many years. He is a most valuable representative of that great State, and a most valuable Member of this House. He is a gentleman whom I am proud to call a real friend, as he is a friend to all. May the good Lord give him many more years to serve his fellow man.

The SPEAKER. The time of the gentleman from Minnesota has expired.

VETERANS' SUBSISTENCE ALLOWANCE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, I have asked for this time to inquire of the gentlewoman from Massachusetts [Mrs. ROGERS] whether she has any hope of calling up in the near future the bill H. R. 4214.

Mrs. ROGERS of Massachusetts. The gentleman knows very well that as long as the House is in session, he, I, and everyone interested in legislation have hope of getting it passed.

I believe every Member would vote for this bill if it were to come up for action. I am sure the gentleman realizes that this is a bill that should be passed immediately because the next semester begins very shortly.

Mr. ALBERT. I may say to the membership of the House that my information from veteran constituents in my State, particularly the married veterans, is that the program is going to break down and many veterans are going to have to leave school immediately unless adequate subsistence allowances are made; so I think we should either repeal the law or give the veterans an adequate allowance. We have no right to be hypocritical with those who carried the colors to the enemy in time of war.

There is not a reason in the world why this bill cannot be called up and passed during this special session of Congress. I was awfully sorry that there was objection to the request of the gentlewoman from Massachusetts to let it be called up for a vote today. For many veterans passage of this bill in the next session of Congress will come too late. We do not need any evidence to show that there is a need for this increased subsistence allowance. Everyone knows that prices are skyrocketing and that no one can live on $65 per month. It is inconceivable that we should expect a married man with dependents to live on $90 per month.

We have just passed a huge appropriation for foreign aid. I supported this bill, because I believed it was necessary to preserve the peace. But why should we deny to those who made the peace possible the small increase called for in this bill?

These young men and women are making the finest academic records of any group in the history of American colleges. We all want them to keep up the good work. Many of them are not going to be able to do it unless we pass this bill. I hope we can vote on it today.

FOREIGN AID—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 478)

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

A principal concern of the people of the United States is the creation of conditions of enduring peace throughout the world. In company with other peace-loving nations, the United States is striving to insure that there will never be a World War III. In the words of the Charter of the United Nations, we are "determined to save succeeding generations from the scourge of war."

We seek lasting peace in a world where freedom and justice are secure and where there is equal opportunity for the economic well-being of all peoples.

To this end, the United States played a leading role in the founding of the United Nations. We have supported that organization at all times to the best of our ability and we have advanced a number of proposals for increasing its effectiveness in maintaining peace and security and in establishing the economic, social, and moral foundations of peace.

We are working in the United Nations toward the limitation and control of armaments and, in a step without precedent or parallel, have offered to place our most powerful weapon under international control provided that other nations agree to effective and enforceable safeguards against its use for destructive purposes.

The United States, in the conviction that a prerequisite to peace in the future is the just settlement of past differences, has labored to obtain fair and workable treaties of peace for former enemy states so that they may resume their places in the family of nations.

The United States has taken the lead in world-wide efforts to promote industrial and agricultural reconstruction and a revival of world commerce, for we know that enduring peace must be based upon increased production and an expanding flow of goods and materials among nations for the benefit of all.

Since the surrender of the Axis powers, we have provided more than $15 billion, in the form of grants and loans, for aid to victims of the war, to prevent starvation, disease, and suffering; to aid in the restoration of transportation and communications; and to assist in rebuilding war-devastated economies. This assistance has averted stark tragedy and has aided progress toward recovery in many areas of the world.

In these and many other ways, the people of the United States have abundantly demonstrated their desire for world peace and the freedom and well-being of all nations.

We must now make a grave and significant decision relating to our further efforts to create the conditions of peace. We must decide whether or not we will complete the job of helping the free nations of Europe to recover from the devastation of the war. Our decision will determine in large part the future of the people of that continent. It will also determine in large part whether the free nations of the world can look forward with hope to a peaceful and properous future as independent states, or whether they must live in poverty and in fear of selfish totalitarian aggression.

INTEREST OF THE UNITED STATES IN EUROPEAN RECOVERY

It is of vital importance to the United States that European recovery be continued to ultimate success. The American tradition of extending a helping hand to people in distress, our concern for the building of a healthy world economy which can make possible ever-increasing standards of living for our people, and our overwhelming concern for the maintenance of a civilization of freemen and free institutions, all combine to give us this great interest in European recovery.

The people of the United States have shown, by generous contributions since the end of hostilities, their great sympathy and concern for the many millions in Europe who underwent the trials of war and enemy occupation. Our sympathy is undiminished, but we know that we cannot give relief indefinitely, and so we seek practical measures which will eliminate Europe's need for further relief.

Considered in terms of our own economy, European recovery is essential. The last two decades have taught us the bitter lesson that no economy, not even one so strong as our own, can remain healthy and prosperous in a world of poverty and want.

In the past, the flow of raw materials and manufactured products between western Europe, Latin America, Canada, and the United States has integrated these areas in a great trading system. In the same manner, Far Eastern exports to the United States have helped pay for the goods shipped from Europe to the Far East. Europe is thus an essential part of a world trading network. The failure to revive fully this vast trading system, which has begun to function again since the end of the war, would result in economic deterioration throughout the world. The United States, in common with other nations, would suffer.

Our deepest concern with European recovery, however, is that it is essential to the maintenance of the civilization in which the American way of life is rooted. It is the only assurance of the continued independence and integrity of a group of nations who constitute a bulwark for the principles of freedom, justice, and the dignity of the individual.

The economic plight in which Europe now finds itself has intensified a political struggle between those who wish to remain freemen living under the rule of law and those who would use economic distress as a pretext for the establishment of a totalitarian state.

The next few years can determine whether the free countries of Europe will be able to preserve their heritage of freedom. If Europe fails to recover, the peoples of these countries might be driven to the philosophy of despair—the philosophy which contends that their basic wants can be met only by the surrender of their basic rights to totalitarian control.

Such a turn of events would constitute a shattering blow to peace and stability in the world. It might well compel us to modify our own economic system and to forego, for the sake of our own security, the enjoyment of many of our freedoms and privileges.

It is for these reasons that the United States has so vital an interest in strengthening the belief of the people of Europe that freedom from fear and want will be achieved under free and democratic governments.

ORIGINS OF THE EUROPEAN RECOVERY PROGRAM

The end of the fighting in Europe left that continent physically devastated and its economy temporarily paralyzed. The immediate problem was to prevent widespread starvation and disease and to make a start toward economic recovery. In the first year and a half after VE-day, the people of western Europe, by their own diligent efforts and with the aid of the United States and other nations, made remarkable progress toward these objectives.

At the beginning of 1947, however, they were still short of the goal of economic recovery. Their difficulties were greatly increased during the present year, chiefly by a bitter winter followed by floods and droughts, which cut western Europe's grain crop to the lowest figure in generations and hampered production of many other products.

Nevertheless, it was clear by last spring that Europe had achieved sufficient political and economic stability to make possible an over-all plan for recovery.

European recovery is essentially a problem for the nations of Europe. It was therefore apparent that it could not be solved, even with outside aid, unless the European nations themselves would find a joint solution and accept joint responsibility for its execution. Such a cooperative plan would serve to release the full-productive resources of Europe and provide a proper basis for measuring the need and effectiveness of further aid from outside Europe, and in particular from the United States.

These considerations led to the suggestion by the Secretary of State on June 5, 1947, that further help from the United States should be given only after the countries of Europe had agreed upon their basic requirements and the steps which they would take in order to give proper effect to additional aid from us.

In response to this suggestion, representatives of 16 European nations assembled in Paris in July, at the invitation of the British and French Governments, to draw up a cooperative program of European recovery. They formed a Committee of European Economic Cooperation. The countries represented were: Austria, Belgium, Denmark, France, Greece, Iceland, Ireland, Italy, Luxemburg, the Netherlands, Norway, Portugal, Sweden, Switzerland, Turkey, and the United Kingdom. Although western Germany was not formally represented on the committee, its requirements as well as its ability to contribute to European economic recovery were considered by the committee.

THE RECOVERY PROGRAM PROPOSED BY THE EUROPEAN COUNTRIES

The report of the European Committee was transmitted to the Government

of the United States late in September. The report describes the present economic situation of Europe and the extent to which the participating countries can solve their problem by individual and joint efforts. After taking into account these recovery efforts, the report estimates the extent to which the 16 countries will be unable to pay for the imports they must have.

The report points out that the peoples of western Europe depend for their support upon international trade. It has been possible for some 270,000,000 people, occupying this relatively small area, to enjoy a good standard of living only by manufacturing imported raw materials and exporting the finished products to the rest of the world. They must also import food-stuffs in large volume, for there is not enough farm land in western Europe to support its population even with intensive cultivation and with favorable weather. They cannot produce adequate amounts of cotton, oil, and other raw materials. Unless these deficiencies are met by imports, the productive centers of Europe can function only at low efficiency, if at all.

In the past these necessary imports were paid for by exports from Europe, by the performance of services such as shipping and banking, and by income from capital investments abroad. All these elements of international trade were so badly disrupted by the war that the people of western Europe have been unable to produce in their own countries, or to purchase elsewhere, the goods essential to their livelihood. Shortages of raw materials, productive capacity, and exportable commodities have set up vicious circles of increasing scarcities and lowered standards of living.

The economic recovery of western European countries depends upon breaking through these vicious circles by increasing production to a point where exports and services can pay for the imports they must have to live. The basic problem in making Europe self-supporting is to increase European production.

The 16 nations presented in their report a recovery program designed to enable them, and western Germany, to become economically self-supporting within a period of 4 years, and thereafter to maintain a reasonable minimum standard of living for their people without special help from others. The program rests upon four basic points:

(1) A strong production effort by each of the participating countries.

(2) Creation of internal financial stability by each country.

(3) Maximum and continuing cooperation among the participating countries.

(4) A solution of the problem of the participating countries' trading deficit with the American continents, particularly by increasing European exports.

The nations represented on the European Committee agreed at Paris to do everything in their power to achieve these four aims. They agreed to take definite measures leading to financial, economic, and monetary stability, the reduction of trade barriers, the removal of obstacles to the free movement of persons within Europe, and a joint effort to use their common resources to the best advantage.

These agreements are a source of great encouragement. When the representatives of 16 sovereign nations, with diverse peoples, histories, and institutions jointly determine to achieve closer economic ties among themselves and to break away from the self-defeating actions of narrow nationalism, the obstacles in the way of recovery appear less formidable.

The report takes into account the productive capacities of the participating nations and their ability to obtain supplies from other parts of the world. It also takes into account the possibilities of obtaining funds through the International Bank for Reconstruction and Development, through private investment, and in some instances by the sale of existing foreign assets. The participating countries recognized that some commodities, particularly food, will remain scarce for years to come, and the diet they have set as their goal for 1951 is less adequate in most cases than their prewar diet. The report assumes that many countries will continue restrictions on the distribution of shortage items such as food, clothing, and fuel.

When all these factors had been considered, the European Committee concluded that there will still be a requirement for large quantities of food, fuel, raw materials, and capital equipment for which the financial resources of the participating countries will be inadequate. With successful execution of the European recovery program, this requirement will diminish in each of the 4 years ahead, and the Committee anticipated that by 1952 Europe could again meet its needs without special aid.

APPRAISAL OF THE EUROPEAN PROBLEM

The problem of economic recovery in western Europe is basically of the character described in the report of the 16 nations. A successful European-recovery program will depend upon two essentials. The first is that each nation separately and all the nations together should take vigorous action to help themselves. The second essential is that sufficient outside aid should be made available to provide the margin of victory for the recovery program.

The necessary imports which the 16 countries cannot finance without assistance constitute only a small proportion, in terms of value, of their total national production—some 5 percent over the 4 years of the program. These imports, however, are of crucial importance in generating recovery. They represent the difference between ever-deepening stagnation and progressive improvement.

Most of the necessary outside aid, if it is to come at all, must come from the United States. It is a simple fact that we are the only nation with sufficient economic strength to bridge the temporary gap between minimum European needs and war-diminished European resources.

We expect that other countries which have it within their power will also give what assistance they can to Europe. Canada, for example, has been lending assistance to Europe fully as great in proportion to its capacity as that which we have given. We also expect that international institutions, particularly the International Bank, will provide such assistance as they can within their charters. But the fact remains—only the United States can provide the bulk of the aid needed by Europe over the next 4 years.

It is necessarily a complex and difficult task to determine the extent and nature of this aid.

In some respects, the situation has changed significantly since the report of the 16 countries was completed. Some of these changes have been unfavorable, including price increases in the United States and other countries where Europe makes purchases, a serious drought in Europe, and aggressive activities by Communists and Communist-inspired groups aimed directly at the prevention of European recovery.

There have also been favorable changes. In the last few months coal production in the Ruhr district of western Germany has increased from 230,000 tons a day to 290,000 tons a day. Similarly, coal production in the United Kingdom has risen markedly in recent weeks. Iron and steel production has correspondingly increased. Such increases in production, which lie at the heart of industrial recovery, are of far-reaching importance.

Further changes in the situation, now unpredictable, are to be expected as European recovery progresses.

All our plans and actions must be founded on the fact that the situation we are dealing with is flexible and not fixed, and we must be prepared to make adjustments whenever necessary.

Weather conditions will largely determine whether agricultural goals can be met.

Political events in Europe and in the rest of the world cannot be accurately foreseen. We must not be blind to the fact that the Communists have announced determined opposition to any effort to help Europe get back on its feet. There will unquestionably be further incitements to strike, not for the purpose of redressing the legitimate grievances of particular groups, but for the purpose of bringing chaos in the hope that it will pave the way for totalitarian control.

On the other hand, if confidence and optimism are reestablished soon, the spark they provide can kindle united efforts to a degree which would substantially accelerate the progress of European recovery.

Despite these many imponderables, the dimensions of the necessary assistance by the United States can now be determined within reasonable limits We can evaluate the probable success of a bold concept of assistance to the European economy. We can determine the principles upon which American aid should be based. We can estimate the probable magnitude of the assistance required and judge whether we can, safely and wisely, provide that assistance.

Extensive consideration has been given to these problems. Congressional committees and individual Members of the Congress have studied them at home and abroad during the recent congressional recess. The report of the European na-

tions has been carefully analyzed by officials of our Government.

Committees of the Executive branch and a group of distinguished private citizens have given their best thought to the relationship between Europe's needs and our resources.

PROGRAM FOR UNITED STATES AID

In the light of all these factors, an integrated program for United States aid to European recovery has been prepared for submission to the Congress.

In developing this program, certain basic considerations have been kept in mind:

First, the program is designed to make genuine recovery possible within a definite period of time, and not merely to continue relief indefinitely.

Second, the program is designed to insure that the funds and goods which we furnish will be used most effectively for European recovery.

Third, the program is designed to minimize the financal cost to the United States, but at the same time to avoid imposing on the European countries crushing financial burdens which they could not carry in the long run.

Fourth, the program is designed with due regard for conserving the physical resources of the United States and minimizing the impact on our economy of furnishing aid to Europe.

Fifth, the program is designed to be consistent with other international relationships and responsibilities of the United States.

Sixth, the administration of the program is designed to carry out wisely and efficiently this great enterprise of our foreign policy.

I shall discuss each of these basic considerations in turn.

RECOVERY—NOT RELIEF

The program is designed to assist the participating European countries in obtaining imports essential to genuine economic recovery which they cannot finance from their own resources. It is based on the expectation that with this assistance European recovery can be substantially completed in about 4 years.

The aid which will be required from the United States for the first 15 months—from April 1, 1948, to June 30, 1949—is now estimated at $6.8 billion.

These funds represent careful estimates of the cost of the goods and services which will be required during this period to start Europe on the road to genuine economic recovery. The European requirements as they were stated in the Paris report have been closely reviewed and scaled downward where they appeared to include nonessentials or where limited supplies will prevent their full satisfaction.

The requirements of the remaining 3 years of the program are more difficult to estimate now, but they are expected to decrease year by year as progress is made toward recovery. Obviously, price changes, weather and crop conditions, and other unpredictable factors will influence the over-all cost of our aid. Nevertheless the inherent nature of this enterprise and the long-range planning necessary to put it into effect on both sides of the Atlantic require that this Government indicate its plans for the duration and the general magnitude of the program, without committing itself to specific amounts in future years. The best estimates we can now make indicate that appropriations of about $10.2 billion will be required for the last 3 years.

I recommend that legislation providing for United States aid in support of the European recovery program authorize the appropriation of $17 billion from April 1, 1948, to June 30, 1952. Appropriation for the period from April 1, 1948, to June 30, 1949, should be made in time for the program to be put into effect by April 1, 1948. Appropriations for the later years should be considered subsequently by the Congress on an annual basis.

The funds we make available will enable the countries of Europe to purchase goods which will achieve two purposes—to lift the standard of living in Europe closer to a decent level and at the same time to enlarge European capacity for production. Our funds will enable them to import grain for current consumption, and fertilizer and agricultural machinery to increase their food production. They will import fuel for current use and mining machinery to increase their coal output. In addition they will obtain raw materials, such as cotton, for current production, and some manufacturing and transportation equipment to increase their productive capacity.

The industrial goods we supply will be primarily to relieve critical shortages at a few strategic points which are now curtailing the great productive powers of Europe's industrial system.

The fundamental objective of further United States aid to European countries is to help them achieve economic self-support and to contribute their full share to a peaceful and prosperous world. Our aid must be adequate to this end. If we provide only half-hearted and half-way help, our efforts will be dissipated and the chances for political and economic stability in Europe are likely to be lost.

INSURING PROPER USE OF UNITED STATES AID

A second basic consideration with regard to this program is the means by which we can insure that our aid will be used to achieve its real purposes—that our goods and our dollars will contribute most effectively to European recovery. Appropriate agreements among the participating countries and with the United States are essential to this end.

At the Paris conference the European nations pledged themselves to take specific individual and cooperative actions to accomplish genuine recovery. While some modification or amplification of these pledges may prove desirable, mutual undertakings of this nature are essential. They will give unity of purpose and effective coordination to the endeavors of the peoples of the 16 nations.

In addition, each of the countries receiving aid will be expected to enter into an agreement with the United States affirming the pledges which it has given to the other participating countries, and making additional commitments.

Under these agreements, each country would pledge itself to take the following actions, except where they are inapplicable to the country concerned:

(1) To promote increased industrial and agricultural production in order to enable the participating country to become independent of abnormal outside economic assistance.

(2) To take financial and monetary measures necessary to stabilize its currency, establish or maintain a proper rate of exchange, and generally to restore or maintain confidence in its monetary system.

(3) To cooperate with other participating countries to reduce barriers to trade among themselves and with other countries, and to stimulate an increasing interchange of goods and services.

(4) To make efficient use, within the framework of a joint program for European recovery, of the resources of the participating country, and to take the necessary steps to assure efficient use in the interest of European economic recovery of all goods and services made available through United States aid.

(5) To stimulate the production of specified raw materials, as may be mutually agreed upon, and to facilitate the procurement of such raw materials by the United States for stock-piling purposes from the excess above the reasonable domestic usage and commercial export requirements of the source country.

(6) To deposit in a special account the local currency equivalent of aid furnished in the form of grants, to be used only in a manner mutually agreed between the two governments.

(7) To publish domestically and to furnish to the United States appropriate information concerning the use made of our aid and the progress made under the agreements with other participating countries and with the United States.

The United States will, of course, retain the right to determine whether aid to any country is to be continued if our previous assistance has not been used effectively.

FINANCIAL AGREEMENTS

A third basic consideration in formulating the program of United States aid relates to the financial arrangements under which our aid is to be provided.

One of the problems in achieving the greatest benefit from United States aid is the extent to which funds should be made available in the form of grants as contrasted with loans. It is clear that we should require repayment to the extent that it is feasible and consistent with the objectives of the program, in order that no unnecessary burden be imposed upon the people of the United States. It is equally clear that we should not require repayment where it would impose paralyzing financial obligations on the people of Europe and thus defeat the basic purpose of making Europe self-supporting.

Recovery for Europe will not be achieved until its people are able to pay for their necessary imports with foreign exchange obtained through the export of goods and services. If they were to have additional burdens to bear in the form of interest and amortization payments in future years, they would have to plan for an even higher level of exports to

meet these obligations. This would necessarily increase the requirements of the recovery program, and delay the achievement of economic stability.

It is also important that an increasing portion of the financial needs of Europe be met by dollar loans from the International Bank, and by the revival of private financing. This prospect would be seriously jeopardized if the United States, as part of the recovery program, were to impose all that the traffic will bear in the form of debt obligations.

I recommend that our aid should be extended partly in the form of grants and partly in the form of loans, depending primarily upon the capacity of each country to make repayments, and the effect of additional international debt upon the accomplishment of genuine recovery. No grants should be made to countries able to pay cash for all imports or to repay loans.

At a later date it may prove desirable to make available to some of the European countries special loans to assist them in attaining monetary stability. I am not now requesting authorization for such loans, since it is not possible at this time to determine when or to what extent such loans should be made.

As economic conditions in Europe improve and political conditions become more stable, private financing can be expected to play an increasingly important role. The recommended program of United States aid includes provisions to encourage private financing and investments.

IMPACT ON THE UNITED STATES ECONOMY

A fourth basic consideration is the effect of further aid for Europe upon the physical resources of the United States and upon our economy.

The essential import requirements of the 270 million people of western Europe cover a wide range of products. Many of these requirements can be met by the United States and other countries without substantial difficulty. However, a number of the commodities which are most essential to European recovery are the same commodities for which there is an unsatisfied demand in the United States.

Sharing these commodities with the people of Europe will require some self-denial by the people of the United States. I believe that our people recognize the vital importance of our aid program and are prepared to share their goods to insure its success.

While the burden on our people should not be ignored or minimized, neither should it be exaggerated. The program of aid to Europe which I am recommending is well within our capacity to undertake.

Its total cost, though large, will be only about 5 percent of the cost of our effort in the recent war.

It will cost less than 3 percent of our national income during the life of the program.

As an investment toward the peace and security of the world and toward the realization of hope and confidence in a better way of life for the future, this cost is small indeed.

A committee under the chairmanship of the Secretary of the Interior was appointed last summer to study the effect of a foreign-aid program upon the natural resources of our country. Its study has shown that our resources can safely meet the demands of a program such as I am now recommending. Such demands could not, however, be supplied indefinitely. Our program of aid to Europe recognizes this fact. Our exports to Europe will decrease during the succeeding years of the program as trade is revived along realistic patterns which will make available from other sources an increasing share of Europe's requirements.

Actually, our position with respect to some raw materials of which we have inadequate domestic resources will be improved since, under our program of aid to Europe, an increased amount of these materials will be made available to us.

During recent months the Council of Economic Advisers made an intensive study of the impact of foreign aid on our domestic economy. The council concluded that a program of the size now contemplated is well within our productive capacity and need not produce a dangerous strain on our economy.

At the same time, a group of distinguished private citizens under the chairmanship of the Secretary of Commerce considered the extent and nature of foreign aid which the United States can and should provide. The conclusion of this group was that a program of the scope I am recommending is a proper, wise, and necessary use of United States resources.

The reports submitted to me by the Council of Economic Advisers and the committees under the chairmanship of the Secretary of the Interior and the Secretary of Commerce all emphasized that specific measures should be taken to prevent our foreign-aid program from imposing unnecessary burdens on our economy.

If the United States were to supply from its own production all the essential commodities needed to meet European requirements, unnecessary scarcities and unnecessary inflationary pressures would be created within our economy. It is far wiser to assist in financing the procurement of certain of these commodities from other countries, particularly the other food-producing countries in the Western Hemisphere. The funds we make available to aid European recovery therefore should not be restricted to purchases within the United States.

Under the proposed program of aid to Europe, the total exports to the whole world from this country during the next year are expected to be no greater than our total exports during the past 12 months.

This level of exports will nevertheless have an important impact on our markets. The measures I have already proposed to the Congress to fight general domestic inflation will be useful, as well, in cushioning the impact of the European-aid program.

The effect of aid to Europe upon our economy, as well as its financial cost, will be significantly affected by the arrangements we make for meeting shipping requirements.

The interest of the United States will be served best by permitting the sale or temporary transfer of some of our war-built merchant ships to the European countries. Because of world steel shortages, the sale or temporary transfer of ships should be linked with a reduction or deferment of the projected shipbuilding schedules of the participating countries. These arrangements should be consistent with their long-range merchant-marine requirements. They should also be consistent with our long-range objectives of maintaining an adequate merchant marine and shipbuilding industry for the United States.

Making these vessels available to the European countries will materially reduce the cost of the United States aid both by lowering shipping costs and by reducing the use of scarce materials for new ship construction overseas.

RELATIONSHIP TO OTHER INTERNATIONAL QUESTIONS

A fifth basic consideration is the relationship of our aid to the European recovery program to other international questions.

I have already mentioned that the requirements and resources of western Germany were included in the considerations of the 16 countries at Paris. Our program of United States aid also includes western Germany.

The productive capacity of the highly industrialized areas of western Germany can contribute substantially to the general cooperative effort required for European recovery. It is essential that this productive capacity be effectively utilized, and it is especially important that the coal production of the Ruhr continue to increase rapidly.

Every precaution must, of course, be taken against a resurgence of military power in Germany. The United States has made clear on many occasions its determination that Germany shall never again threaten to dominate Europe or endanger the peace of the world. The inclusion of western Germany in the European-recovery program will not weaken this determination.

As an occupying power in western Germany, the United States has a responsibility to provide minimum essentials necessary to prevent disease and unrest. Separate appropriations will be requested for this purpose for the period through June 30, 1949.

Above this minimum level, amounts needed to assist in the rehabilitation of western Germany are included in the over-all estimates for aid to European recovery.

Another significant area of the world which has been considered in developing the recovery program is eastern Europe. A number of the governments of eastern Europe which were invited to participate in the work of the Paris Conference on Economic Cooperation chose not to do so. Their failure to join in the concerted effort for recovery makes this effort more difficult and will undoubtedly prolong their own economic difficulties.

This should not, however, prevent the restoration of trade between eastern and wetern Europe to the mutual advantage of both areas. Both the report of the 16 nations and the program now submitted to the Congress are based on

the belief that over the next few years the normal pattern of trade between eastern and western Europe will be gradually restored. As this restoration of trade is achieved, the abnormal demands on the Western Hemisphere, particularly for food and fuel, should diminish.

The relationship between this program and the United Nations deserves special emphasis because of the central importance in our foreign policy of support of the United Nations. Our support of European recovery is in full accord with our support of the United Nations. The success of the United Nations depends upon the independent strength of its members and their determination and ability to adhere to the ideals and principles embodied in the Charter. The purposes of the European-recovery program are in complete harmony with the purposes of the Charter—to insure a peaceful world through the joint efforts of free nations. Attempts by any nation to prevent or sabotage European recovery for selfish ends are clearly contrary to these purposes.

It is not feasible to carry out the recovery program exclusively through the United Nations. Five of the participating countries are not yet members of the United Nations. Furthermore, some European members are not participating in the program.

We expect, however, that the greatest practicable use will be made of the facilities of the United Nations and its related agencies in the execution of the program. This view is shared by all the participating countries.

Our intention to undertake a program of aid for European recovery does not signify any lessening of our interest in other areas of the world. Instead, it is the means by which we can make the quickest and most effective contribution to the general improvement of economic conditions throughout the world. The workshops of Europe, with their great reservoir of skilled workers, must produce the goods to support peoples of many other nations.

I wish to make especially clear that our concentration on the task in western Europe at this time will not lessen our long-established interest in economic cooperation with our neighbors in the Western Hemisphere. We are first of all a member of an American community of nations, in which cooperative action, similar to that which the European nations are now undertaking, is required to increase production, to promote financial stability, and to remove barriers to trade. Fortunately we in the Americas are further advanced along this road, but we must not overlook any opportunity to make additional progress. The European recovery program will require procurement of supplies in many nations of this hemisphere. This will act as a stimulant to production and business activity and promote the reestablishment of world trade upon which the prosperity of all of us depends.

While our present efforts must be devoted primarily to western Europe, as the most important area in the world at this time for the future of peace, we also have a special concern for the war-torn areas of Asia. In Japan and Korea, the United States has supplied extensive aid to support life and commence reconstruction. Since the war's end, we have provided China with varied and important assistance which has aided that nation substantially.

The United States should continue to do all it appropriately can to assist in the restoration of economic stability as a basis for recovery in the Far East. Extensive study has been given during the last few months to the means by which we might best aid in meeting the special needs for relief and rehabilitation in China. I expect to make recommendations on that subject to the Congress during its next session.

ADMINISTRATIVE ARRANGEMENTS

I have set forth several basic considerations which should govern our aid to the recovery of Europe. One further consideration which vitally affects all the others is the necessity for effective administrative arrangements adapted to the particular requirements of the program. If the work to be done is not well organized and managed, the benefits of our aid could be largely dissipated.

The administration of our aid will involve the performance of several major functions. The needs of the participating countries must be reviewed in close cooperation with them. Continued relationships must be maintained with the United Nations and with an organization of the participating nations. The requirements for each commodity or service under the program must be carefully evaluated in relation to United States supplies and domestic needs and to the resources of other nations which can help. Decisions must be reached as to the best means of supplying aid and the conditions of aid for each country. Assistance must be given to facilitate the procurement, transportation, and efficient use of goods. A constant review must be maintained over the use of our aid and the execution of agreements. The results of the program must be evaluated and reported to all concerned—the President, the Congress, and the people.

While these activities are complex, they are not comparable in magnitude or in character to our wartime supply activities. Under this program, most of the operations can be carried out through private channels and existing Government agencies.

Nevertheless, the scope and importance of the program warrant the creation of a new organization to provide central direction and leadership. I, therefore, recommend the establishment of a new and separate agency, the Economic Cooperation Administration, for this purpose. It should be headed by an administrator, appointed by the President and directly responsible to him. The Administrator should be subject to confirmation by the Senate.

The Economic Cooperation Administration will sponsor the European aid requirements as they are reviewed and adjusted, with other governmental agencies, to form a practical program in the light of available supplies and capacities. The Economic Cooperation Administration will be responsible for initiating the approved program project by project and nation by nation and for regulations as to supervision, cooperative assistance, and other policy matters which will guide the program at every point. In keeping with the importance and nature of its task, the new agency should have flexibility in the determination of operating methods, the use of funds, and the hiring of key personnel.

The relationship of the Economic Cooperation Administration to the existing governmental establishment is of crucial importance. In the determination of programs for the several countries, the assessment of individual projects, and many other matters involving our activities abroad, the Economic Cooperation Administration must work closely with the Department of State. Similarly on many actions affecting our domestic economy the administration must work with, rather than supplant, existing agencies. For example, the Department of Agriculture should be relied upon for any required Government action in the procurement and allocation of food, and the Department of Commerce for the allocation of certain other commodities in short supply, and for continued administration of export controls. The facilities of these agencies will in some cases need to be strengthened, but no major changes in governmental organization to perform important domestic functions will be required.

Under these circumstances, I expect that the Economic Cooperation Administration will need only a small staff. No vast new agency or corporation is needed to perform functions for which Government facilities now exist.

It is essential to realize that this program is much more than a commercial operation. It represents a major segment of our foreign policy. Day in and day out its operations will affect and be affected by foreign policy judgments. We shall be dealing with a number of countries in which there are complex and widely varying economic and political situations. This program will affect our relationships with them in matters far beyond the outline of the program itself. Its administration must therefore be fully responsive to our foreign policy. The Administrator must be subject to the direction of the Secretary of State on decisions and actions affecting our foreign policy.

The United States activities in Europe under the program will constitute essentially an extension of our present relationships with the participating countries. In order to maintain unity of United States representation abroad, our Ambassador in each country must retain responsibility for all matters requiring contacts with the government to which he is accredited, including operations under this program. Some additional personnel, technically qualified to perform specialized functions arising out of the program, should be placed in the embassies to represent and carry out the responsibilities of the Economic Cooperation Administration abroad.

In addition, I recommend that provision be made for a special United States representative for the European recovery program. He would represent the

United States at any continuing organization of the participating countries and he would exercise general coordination of our operations in Europe under the program. He should be appointed by the President, subject to confirmation by the Senate, and have ambassadorial rank. Because of the joint interest of the Secretary of State and the Administrator in his activities, the special representative must serve both as the President may direct. The activities of this representative in promoting mutual self-help among the European nations will be of the utmost importance in achieving the success of the European recovery program.

The administrative arrangements I have described are in keeping with the character of the job to be done and will provide the most efficient and economical means for its performance.

CONCLUSION

In proposing that the Congress enact a program of aid to Europe, I am proposing that this Nation contribute to world peace and to its own security by assisting in the recovery of 16 countries which, like the United States, are devoted to the preservation of free institutions and enduring peace among nations.

It is my belief that United States support of the European recovery program will enable the free nations of Europe to devote their great energies to the reconstruction of their economies. On this depend the restoration of a decent standard of living for their peoples, the development of a sound world economy, and continued support for the ideals of individual liberty and justice.

In providing aid to Europe we must share more than goods and funds. We must give our moral support to those nations in their struggle to rekindle the fires of hope and strengthen the will of their peoples to overcome their adversities. We must develop a feeling of teamwork in our common cause of combating the suspicions, prejudices, and fabrications which undermine cooperative effort, both at home and abroad.

This joint undertaking of the United States and a group of European nations, in devotion to the principles of the Charter of the United Nations, is proof that free men can effectively join together to defend their free institutions against totalitarian pressures, and to promote better standards of life for all their peoples.

I have been heartened by the widespread support which the citizens of the United States have given to the concept underlying the proposed aid to European recovery. Workers, farmers, businessmen, and other major groups have all given evidence of their confidence in its noble purpose and have shown their willingness to give it full support.

I know that the Members of the Congress have already given much thoughtful consideration to the grave issues now before us. I know that the Congress will, as it should, consider with great care the legislation necessary to put the program into effect. This consideration should proceed as rapidly as possible in order that the program may become effective by April 1, 1948. It is for this reason that I am presenting my recommendations to the Congress now, rather than awaiting its reconvening in January.

I recommend this program of United States support for European recovery to the Congress in full confidence of its wisdom and necessity as a major step in our Nation's quest for a just and lasting peace.

HARRY S. TRUMAN.

THE WHITE HOUSE, *December 19, 1947.*

VETERANS' LEGISLATION

Mr. MONRONEY. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore (Mr. HARNESS of Indiana). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MONRONEY. Mr. Speaker, a while ago the distinguished chairman of the Committee on Veterans' Affairs made an effort to call up under unanimous consent a bill providing for increases in the GI bill of rights to permit these students, who are going to our universities in vast numbers, to remain in school.

I do not know of an element in our Nation, nor in the economy of our Nation, who are being squeezed as hard by the increase in the cost of living as the boys, and girls, in some cases, who are trying to go through school on the present veterans' allowance, which is absolutely insufficient to meet the needs of their subsistence to keep on in school.

As my distinguished colleague the gentleman from Oklahoma [Mr. ALBERT] said a few minutes ago, they must make their decision within a few weeks on whether to remain in school for the next semester or not. I think in the closing days of this Congress, when we are considering many, many costly things, we should also give some thought to these millions of GI's who are now fighting to continue on in the higher-educational institutions of this country.

In a few minutes, perhaps, the other body will pass a sine die adjournment resolution, and under the rules of the House it will then be in order to move to suspend the rules and pass the Senate bill, which has already been reported out by the Committee on Veterans' Affairs, which requires only a two-thirds majority to pass this resolution.

Mr. RAMEY. Mr. Speaker, will the gentleman yield?

Mr. MONRONEY. I yield to the gentleman from Ohio.

Mr. RAMEY. I want to compliment the gentleman on his statement in regard to the GI bill. We have the Wheeler bill and also the Ramey bill pending for raising the amount of allowance in service-connected disability cases. But the entire Veterans' Committee recommended the committee bill, H. R. 70, which has already passed in the other body, so it is only necessary to have action on it in this body.

Mr. MONRONEY. Then if it is permitted to be called up under suspension of the rules, and two-thirds of the Members vote for it, it will become law, and these boys will be assured that they can continue in school. Is that correct?

Mr. RAMEY. That is correct.

Mr. MONRONEY. I thank the gentleman for verifying that information. I think it is highly important. When we passed this GI bill of rights I do not believe any Member of the Congress realized the great record in school that these returning Army boys would make in their academics. It was claimed by opponents that it would be a country club affair.

The record of every college throughout the entire country shows that these students are exceeding the general average in academics and they are doing one of the greatest jobs that has ever been done in the halls of learning.

I think it is cruel and tragic to say that only those boys who are fortunate enough to have a little bit of savings or whose families happen to have a little bit of money to supplement this so-called subsistence allowance can remain in school for the next semester. I think it is up to the Congress to act now.

In these closing hours of the session, I believe we can pass this bill and give assurance to these men that they will be able to continue in school.

Mr. SCRIVNER. Mr. Speaker, will the gentleman yield?

Mr. MONRONEY. I yield.

Mr. SCRIVNER. I am at a loss to understand where the gentleman from Oklahoma got the idea that anyone ever thought that this would be closely related to any country club affair. As one member of the Committee on Veterans' Legislation when the Readjustment Act was passed I knew, and all the other Members knew, that the record that these men would make upon their return to school would be tops in all the schools because it was a case of history repeating itself. After the First World War, those of us who returned to school were the ones who were at the top of the classes. We had no doubt that these young men would make exactly the same exemplary record that the veterans of the First World War made. That is why I cannot understand your statement.

Mr. MONRONEY. I am repeating the arguments made on the floor of the House. I am saying that surely the Congress is going to increase this allowance which was made well over 2 or 3 years ago, when everyone knows how much higher the cost of living has gone. I would like to ask the gentleman if he is in favor of this bill increasing the allowance?

Mr. SCRIVNER. The gentleman's statement was simply that no Member of Congress had any idea that they would make that record when the whole committee had that very idea.

Mr. MONRONEY. I would like to ask the gentleman if he is in favor of supporting this bill.

The SPEAKER. The time of the gentleman from Oklahoma has expired.

TVA, WATER POWER, AND THE FUEL SHORTAGE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes, to revise and extend my remarks, and include therein an address

I made in the House of Representatives on December 4.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, on yesterday and today we heard complaints from the people of Massachusetts and the people of Michigan to the effect that their people are freezing for want of fuel.

Mr. MACKINNON. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Minnesota.

Mr. MACKINNON. Will the gentleman include the State of Minnesota?

Mr. RANKIN. I pointed out on yesterday that the Tennessee Valley Authority was generating more than 12,000,000,000 kilowatt-hours of electricity a year and that it would take 6,000,000 tons of coal to generate that amount of power.

I pointed out the vast amount of power now being generated on the Colorado and Columbia Rivers and their tributaries, and the millions of tons of coal that it would take to generate that amount of power.

I called your attention to the fact that there are 230,000,000,000 kilowatt-hours of electricity now going to waste every year in our navigable streams and their tributaries, from Maine to California, and that it would take 115,000,000 tons of the best bituminous coal to generate that amount of power.

I now call your attention to the fact that there is one commodity you cannot export, and that is our water power. It must be used within 300 or 350 miles of the point where it is generated.

On yesterday I inserted in the RECORD a copy of my bill H. R. 502, asking for the development of all the water power of this Nation, which would cost far less than the amount we are now asked to send to Europe, to countries that are far ahead of us in the development of their water power as well as in the electrification of the farm homes of those countries.

The other day when I was trying to get an appropriation for $200,000,000 for rural electrification included in the bill to give Italy, France, and Austria more than $500,000,000, I pointed out that in 1936, when we had only 10 percent of our farms in America electrified, Italy had 94 percent of her farms electrified. France had 94 percent of her farms electrified. Both Germany and Japan had 90 percent of their farms electrified. So I presume I am not out of order when I reiterate my request that the Congress take up this bill to help us develop the water power of this Nation, the greatest wealth of all America outside of the soil from which we live, and one source of energy produced in this country that cannot be exported or taken away from the American people.

To my surprise, on yesterday the gentleman from Michigan [Mr. DONDERO], where this freezing is going on, came out with an attack on the Tennessee Valley Authority and reiterated certain statements made by our old friend John T. Flynn in the December Reader's Digest. He even inserted Mr. Flynn's article in the RECORD.

On December 4 I took that article up on this floor, analyzed it, and answered it in every respect, and showed that Mr. Flynn was either misinformed or uninformed as to what the Tennessee Valley Authority is doing.

He complains that we do not charge up flood control and navigation on the Tennessee River to the power consumers. We have spent a billion dollars on the Mississippi River, the Missouri River, and the Ohio River on flood control, and navigation, and have never charged a single dollar of it to the power consumers in that area.

I am inserting my speech of December 4 in the RECORD at this point. I hope every Member of the House will read it, because of all the great developments in America, that wrought by the Tennessee Valley Authority is the greatest. I said then, and I say now, that it is the greatest single development of ancient or modern times. Nothing from the building of the Pyramids down compares with it in developing the water power, improving navigation, controlling floods, conserving soil, and other activities that go to enrich the farms of this Nation.

I say it is the greatest single development of all time, and I hope each and every one of you will read this speech again, which I am inserting in the RECORD at this point.

It reads as follows:

THE TENNESSEE VALLEY AUTHORITY

Mr. RANKIN. Mr. Speaker, the December issue of the Reader's Digest carries an article by my old friend John T. Flynn called "The Hidden Red Ink in TVA's Books." In his article Flynn unblushingly declared that I advocated the TVA. And he asks rhetorically, "Do I want TVA destroyed?" And then answers "Certainly not."

Yet that is what he advocates. For the proposals he makes concerning the TVA are just the ones which have been advocated openly by the power trust and its satellites who make no attempt to disguise their hatred for this highly successful regional agency. Mr. Flynn's points and his arguments can be found in any propaganda handbook of the power trust lobby.

Right at the beginning of the article he has a financial analysis which follows down the line on the kind of analysis made by the Edison Electric Institute, the power trust propaganda organization. He seeks to show that the TVA has a deficit by the simple ruse of charging navigation and flood-control costs, with an assumed interest charge, against power revenues. Of course, he shows what he calls a deficit. Yet certainly Mr. Flynn knows that in other parts of the country, on the Ohio and the Mississippi and other rivers which the Government has developed for navigation and flood control, the costs are not borne by the electric consumers.

The navigation dams on the Ohio and the levees on the Mississippi are not paid for by the electricity consumers along their banks. They are paid for by the Federal Government in the interests of the general welfare.

There can be no justification for assuming that things should be different in the Tennessee Valley—that there, unlike any other place in the country, power consumers should not only pay the power costs but those of flood control and navigation as well.

Mr Flynn tries to make several points with respect to TVA power. And for an economist he has a strange notion of what interest is. He says it is an element of cost. But as any regulatory commission could tell him, interest is not a cost but a part of the return on profit. Rates of return are set by regulatory commissions without reference to interest. Out of this return, the utility pays whatever interest it has to pay—depending on the amount of bonded debt in its capitalization and on the interest rate it must pay.

But Mr. Flynn goes further than that. The TVA is required by law to pay back to the Treasury money invested in its power system within 40 years. That is something that private utilities do not do; they usually refund their debts, that is, they replace old bonds by issuing new ones. Mr. Flynn seems to think the TVA ought not only to pay back to the Treasury the money invested in the power system, but to pay interest on the money on top of that.

There is nothing the enemies of TVA would like better than to see the TVA hampered and hamstrung by just such a double burden. It would place the TVA under a handicap which no power system, public or private, could survive. The TVA cannot, like a private utility, go out and borrow money. It has only two sources of funds—appropriations by the Congress and revenues from its power sales. The double burden proposed by the TVA's alleged friend, Mr. Flynn, would tie up this second source of funds, revenues, so that it is doubtful if it could fulfill its obligations to provide electric service to the 750,000 consumers who are dependent upon it.

Mr. Flynn claims that competent engineers have said the dams are almost wholly for power. Of course, some engineers have said that. Every time the utilities have gone to court against the TVA they have rounded up as many such competent engineers as they could lay their hands on and put them on the stand. They did it in the so-called Ashwander case. That is the case that followed Newton D. Baker's $50,000 private opinion, paid for by the Power Trust, that the TVA was unconstitutional. The United States Supreme Court did not uphold that private opinion.

They tried it again in the 18-company case, and after listening at length to the competent engineers, this is what the three-judge Federal district court said:

"Certain expert witnesses, in answer to hypothetical questions, stated that the dams might be operated for the primary purpose of power. Thousands of pages of testimony and numerous exhibits were introduced to show that Congress might have adopted a better plan than the TVA unified system. Experts equally qualified testified to the contrary.

"The court is of the opinion that the relative value of these various plans is immaterial, since it has been established that the TVA project is reasonably adapted to use for combined flood control, navigation, power, and national defense, and that in actual operation the creation of energy is subordinated to the needs of navigation and flood control."

So much for Mr. Flynn's competent engineers.

Mr. Flynn declares that all the nonpower activities of the TVA—agriculture, fertilizer production, forestry, and other projects—should be transferred to appropriate departments of the Government. In that statement Mr. Flynn shows either that he has never read the TVA Act and does not know what the TVA unified development of resources is or that he has read the act, knows it very well, and thus knows just how to go most effectively about destroying it.

Mr. Flynn looks on the TVA as simply another power system, in business solely for the money there is in it. It is true that

power is important in the unified development of the resources of the Tennessee Valley—it is the paying partner, the only activity which brings in revenues in the commercial sense. But power is only a part of the whole regional development program which has done such great work in controlling floods, promoting navigation and commerce, and restoring the soils and forests of one of the great regions of the country. The TVA is much more than a power project. Either Mr Flynn does not know that or he does know it and wants to destroy it.

Mr. Flynn's anxiety to destroy the TVA leads him to some strange conclusions. Former TVA Chairman Lilienthal, he says, "calls attention to the vast growth of Federal power. It has become so great that he says, it cannot be wisely administered from Washington. But the power must not go back to the governors, mayors, legislatures, and councils elected by the people."

Mr. Flynn here has missed the point. The powers Mr. Lilienthal referred to are Federal powers—the power to develop interstate streams and so on—which never could be held or exercised by State and local governments. The TVA, under the direction of Congress, does not exercise new powers, but simply administers in a new, integrated, and much more effective way the powers which the Federal Government has always possessed. Nor does the TVA, as Flynn suggests, have these powers in itself; the powers are exercised by the Congress, which sets the policies; the TVA carries out those policies.

When Flynn suggests that the TVA has taken over State and local powers and functions, he raises a bogy without any substance. If, as he claims, he has spent months investigating TVA and has gone to the TVA country, then he ought to know better. Just the contrary is true. Two years ago, one of the leading newspapers of the country—the St. Louis Post-Dispatch—asked each of the governors of the seven Tennessee Valley States whether the TVA had encroached upon the rights of the States. The consensus was a vigorous "No." Moreover, the governor said, the TVA had in most cases increased the effectiveness of State and local agencies with which it cooperated in the regional program; they were stronger than ever before.

Mr. Speaker, as everyone knows, I was coauthor with Senator Norris, of Nebraska, of the bill creating the Tennessee Valley Authority. I have fought its battles from the beginning. No one could be more jealous of its reputation or more solicitous of its success than I am. I repeat what I have said on this floor time and time again, that it has wrought the greatest development of ancient or modern times.

From the building of the Pyramids down, there has been no single development that compared with that of the Tennessee Valley Authority. It is now generating between twelve and fifteen billion kilowatt-hours of electricity a year that was formerly going to waste. That power is being distributed to the people within the distribution radius at reasonable rates.

Its yardstick, showing what electricity should cost the ultimate consumers, is saving the users of electricity outside of the TVA area hundreds of millions of dollars annually. It is one of the few great developments the Government has ever undertaken that is paying its way. Every dollar of the cost of construction and operation that can be legitimately charged to power, as I said, will be paid back to the Government within 40 years; and in the course of time the revenues derived from this power will return to the Government every dollar invested for all purposes.

It is controlling floods on the Tennessee River and helping to control the floods on the lower Mississippi River, thereby saving untold millions of dollars of such damages as are being experienced along the Missouri and Ohio Rivers almost every year.

It has provided a navigation channel from Paducah to Knoxville, something like 600 miles, enabling the people of that area to use this great stream for transportation purposes.

At the same time it has carried out its program of reforestation, soil conservation, and experiments in the development of fertilizers that have been of untold value to the farmers of the Nation.

But the private power interests that are owned by the vast holding companies, which exact tribute from every power consumer they serve, are turning heaven and earth to destroy the TVA and to take from the people of that area the benefits this great project provides; just as they are trying to take from the people along the Columbia River and the Colorado River and other similar streams their enormous wealths of hydroelectric power.

Out of the Tennessee Valley Authority grew our program of rural electrification. It has already resulted in the lighting of more than 2,000,000 farm homes. The Rural Electrification Administration now has in its files applications for $300,000,000 to build lines to serve the farmers of the Nation, and they are coming in at a rate of from twenty to twenty-five million dollars a month, or more

Instead of attacking the TVA, it would behoove the Members of this Congress to join me in my efforts to secure additional appropriations for rural electrification. We are going to need at least $500,000,000 for that purpose from now to the end of the next fiscal year. We need a deficiency appropriation for that purpose now, and, in my opinion, we are going to have one, either during this short session or in the early part of the session beginning in January.

While this Congress is appropriating billions of dollars for people in foreign lands, let us develop our own national resources, especially our water power, and see that it is distributed at the cheapest possible rates, and at the same time let us provide for the electrification of every farm home in America at rates the farmers can afford to pay.

Let us not permit selfish interests to interfere with this great program by hampering the operations of the Tennessee Valley Authority.

VETERANS' LEGISLATION

Mr. MORRIS. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MORRIS. Mr. Speaker, I join with my distinguished colleagues, the gentlemen from Oklahoma [Mr. MONRONEY and Mr. ALBERT], in expressing the sincere hope and desire that this Congress, before we adjourn, will pass legislation that will raise the subsistence allowance for those participating in the GI training program.

Just because a thing is popular does not mean that it is not wrong. I venture to state that sometimes things that are popular are wrong.

No; just because a thing is popular does not mean it is wrong. There is no question in the world but what it is popular throughout the country that Congress should raise this subsistence allowance, but not only is it popular, it is also right that it should.

Mr. RAMEY. Mr. Speaker, will the gentleman yield?

Mr. MORRIS. I yield.

Mr. RAMEY. Supplementing the remarks of the gentleman from Oklahoma, I notice in the case of one of our subcommittees presided over by the gentlewoman from New Mexico [Mrs. LUSK], that the testimony of every college in this United States, either in person from the deans or the students is to the effect that the cost of living had raised 19.1 percent; and confirming the statement of the gentleman from Oklahoma that the veterans made the best students. In addition to that, the veterans with children made even a higher rating than veterans without children. They were the outstanding students, particularly veterans with children. In addition to that, one member of the subcommittee toured Kentucky and visited the low brackets and the high brackets. He said the high brackets in every school were those of the veterans. That bill is H. R. 70, originally introduced by our chairman, the gentlewoman from Massachusetts [Mrs. ROGERS], and now a committee bill. Am I not right?

Mrs. ROGERS of Massachusetts. It was the Meade bill.

Mr. MORRIS. The point I want to make is that if the amounts fixed originally were fair, and we have a right to assume that they were, then common sense must teach us that we must raise them if we are going to be just. So it is not a matter of maudlin sympathy, Mr. Speaker, it is not a matter of doing something under pressure, it is just a matter of doing a common-sense thing and a just thing. Unless we do raise this subsistence allowance, in my judgment we are recalcitrant to our duty, not to the proposition of trying to soft-soap somebody or to appease somebody, but, I repeat, we are recalcitrant to a duty on our part to furnish the veterans a sufficient sum that they can decently live on while they are participating in the program.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. MORRIS. I yield.

Mr. RANKIN. I was chairman of the committee when this bill was passed. I went to the University of Mississippi where I graduated in 1910 and I addressed the student body. There were seven or eight hundred, or probably a thousand of these boys there, and they were the most alert, the most active, and the brightest students I believe I ever came in contact with. I told some of my friends who went to school with me that they were far more alert than the students were when I was in the institution in 1908, 1909, and 1910, along in those years.

Mr. MORRIS. I thank the gentleman for his contribution.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. MORRIS. I yield to the gentleman from Michigan.

Mr. DINGELL. I wish to ask the gentleman with regard to information which reaches me and about which several Members of the House have from time to time made inquiry to the effect that some of the universities today are raising their tuition fees and that it presages a movement which is likely to cover the entire school field as regards veterans' tuition paid by the Government. Does the gentleman have any information on that?

Mr. MORRIS. None; I am sorry to say I do not. I appreciate the gentleman's raising that very pertinent question.

Mr. DINGELL. I think the membership should be interested to know what the tendency is. I ask what excuse there is, with a double enrollment in almost every college in the United States, what possible excuse there is for an increase in tuition costs?

Mr. MONRONEY. Mr. Speaker, will the gentleman yield?

Mr. MORRIS. I yield.

Mr. MONRONEY. I may say to the gentleman from Michigan that the gentleman from Oklahoma is speaking of the subsistence allowance on which the veteran himself and his family must live.

Mr. DINGELL. I understand that clearly. I am for the Rogers proposal for an increased cost-of-living allowance. The point I brought up was the tendency in many parts of the country for the colleges to raise the tuition fee.

Mr. MORRIS. I understood that the gentleman understood my point.

Mr. DINGELL. And I define tuition costs to mean the tuition costs paid by the Federal Government on behalf of veterans in the educational institution.

Mr. MORRIS. Yes; I believe I see your point.

Mr. MACKINNON. Mr. Speaker, will the gentleman yield?

Mr. MORRIS. I yield.

Mr. MACKINNON. The gentleman is not talking about any proposal that would provide any additional sum for tuition, is he?

Mr. MORRIS. No; I am not. I am speaking only of subsistence.

Mr. DINGELL. And, if the gentleman will permit, I am for the proposal of the gentlewoman from Massachusetts [Mrs. ROGERS] to grant an increased allowance for subsistence, the living costs of the veterans and their families.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. MORRIS. I yield.

Mr. MARCANTONIO. I am supporting the bill of the gentlewoman from Massachusetts. I want to mention in this connection that while I do not know how it is working in other States, in New York City these boys who are supposed to receive these checks do not get them on time. It takes weeks and weeks and weeks before they get them. That means they have to go out and borrow money and pay interest when they should have these checks on time. The delay on the part of the administration in issuing these checks in my opinion is causing undue hardship on these young men to whom this Congress has promised these payments.

Mr. MORRIS. I appreciate the gentleman's contribution. I have had information to that same effect from my own as well as other States I may say to the gentleman from New York.

The SPEAKER. The time of the gentleman from Oklahoma has expired.

VETERANS' AID

Mr. FOLGER. Mr. Speaker, I ask unanimous consent to proceed for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. FOLGER. Mr. Speaker, I could not sit silent here while this matter is being discussed. I know the hour is late, but I do not know of any subject we could discuss with more interest.

In my opinion, we can hardly go home well satisfied until we make a definite, conscientious effort right here in this House today to pass the Senate resolution.

This bill provides for these men who are in college. Perhaps thousands of them will have to turn away and say, "Good-by, I cannot live off of $65, my family cannot live on $90 a month."

We do not have to have any evidence to satisfy ourselves of the truth of this fact. Every one of us knows it. It is absolutely a matter of common knowledge. Some of them will remain, but very likely only those whose parents are able to supplement their allotments.

Mr. Speaker, I trust that we will not content ourselves by only speaking here today but will make a very serious and definite effort to get this bill passed, I hope with success.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. FOLGER. I yield to the gentleman from Georgia.

Mr. PACE. There is very little I can add to the merits of the legislation, but I do want to assure the gentleman I fully share his views and I am glad to join with him in doing anything I can to get the bill passed before the House adjourns tonight.

Mr. FOLGER. I thank the gentleman.

EXTENSION OF REMARKS

Mr. HORAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include a series of letters that passed between myself and the head of the Bureau of Reclamation. I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost $236.70, but I ask that it be printed, notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. MILLER of California asked and was given permission to extend his remarks in the Appendix of the RECORD and include a speech.

RECESS

The SPEAKER. The Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 3 o'clock and 48 minutes p. m.) the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired at 5 o'clock and 2 minutes p. m., the House was called to order by the Speaker.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate insists upon its amendments to the bill (H. R. 4748) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BRIDGES, Mr. BROOKS, Mr. REED, Mr. BALL, Mr. MCKELLAR, Mr. HAYDEN, and Mr. THOMAS of Oklahoma to be the conferees on the part of the Senate.

THIRD SUPPLEMENTAL APPROPRIATION ACT, 1948

Mr. TABER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4748) making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. MARCANTONIO. Mr. Speaker, reserving the right to object, and I shall not object to this request, I want, however, to frankly state my position for the information of my colleagues. When the authorization bill was before the House, it was made abundantly clear as a result of the questioning by the gentleman from Wisconsin [Mr. KEEFE] that there would be no appropriation for Chiang Kai-shek. Appropriations for him have been inserted by the Senate, and I do hope that the House conferees will adhere to the House position and oppose the insertion of an appropriation for Chiang Kai-shek. In the event the conference report comes here with an appropriation, I shall attempt to avail myself of the rules of the House to obtain a record vote on that proposition. I have no other alternative but to oppose the appropriation of funds for this enemy of the Chinese people. He is the Hitler of Asia.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. TABER]? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. TABER, WIGGLESWORTH, ENGEL of Michigan, CASE of South Dakota, KEEFE, PLUMLEY, CANNON, KERR, and MAHON.

EXTENSION OF REMARKS

Mr. MCCORMACK asked and was given permission to extend his remarks in the RECORD and include a report given to the New England delegation by the Office of the Coordinator of Information.

AUTHORIZING CLERK TO RECEIVE MESSAGES FROM SENATE

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House the Clerk be authorized to receive messages from the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

AUTHORIZING SPEAKER TO APPOINT COMMISSIONS, BOARDS, AND COMMITTEES

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the first session of the Eightieth Congress, the Speaker be authorized to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PRIVILEGE OF EXTENDING REMARKS UNTIL LAST EDITION OF CONGRESSIONAL RECORD

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that all Members of the House shall have the privilege, until the last edition authorized by the Joint Committee on Printing is published, to extend and revise their own remarks in the CONGRESSIONAL RECORD on more than one subject, if they so desire, and may also include therein such short quotations as may be necessary to explain or complete such extension of remarks; but this order shall not apply to any subject matter which may have occurred, or to any speech delivered, subsequent to the adjournment of Congress.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent to proceed for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. RAYBURN. Mr. Speaker, I just wish to state that the Speaker, the majority leader, and I are very anxious that Members remain within hearing distance of the bells, because we may need a quorum pretty badly sometime this evening.

EXTENSION OF REMARKS

Mr. WALTER asked and was granted permission to extend his remarks in the RECORD and include the constitution of AMVETS, the cost of which will be $301.75.

Mr. POULSON asked and was granted permission to extend his remarks in the RECORD and include a statement.

Mr. SANBORN asked and was granted permission to extend his remarks in the Appendix of the RECORD and include an article and statement, and a letter from John McBride.

Mr. FOOTE asked and was granted permission to extend his remarks in the RECORD on the subject of the plight of small businessmen.

PERSONAL STATEMENT

Mr. FOOTE. Mr. Speaker, upon the call of the House on December 9, 1947, the gentleman from New Hampshire [Mr. COTTON], the gentleman from Maine [Mr. FELLOWS], the gentleman from Rhode Island [Mr. FORAND], the gentleman from Connecticut [Mr. SADLAK], and I failed to answer. As a committee of the House, we were in attendance from 10 a. m. to 5:30 p. m. on that day with a subcommittee of the Senate Committee on Interstate and Foreign Commerce, at a hearing held in the Senate Banking and Currency Committee room for the purpose of hearing testimony concerning the oil and coal shortage, with particular reference to New England.

INTERIM AID DEFICIENCY APPROPRIATION BILL

Mr. JONKMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. JONKMAN. Mr. Speaker, along with many other Americans, for many years I have wondered at the objectives of the New Deal slogan, "Why worry about the national debt, we owe it to ourselves."

The appropriations for interim aid in the deficiency bill gives a new reason for the slogan, and one which the American people I think will not approve. The new reason the administration does not want the American people to worry about their own national debt is so the administration can pay the national debts of foreign nations with our taxpayers' money.

Some day the American people are going to put a stop to these micawberisms in our financial and economic policies.

EXTENSION OF REMARKS

Mr. FLETCHER asked and was granted permission to extend his remarks in the RECORD and include two articles.

Mr. JONES of Washington asked and was granted permission to extend his remarks in the RECORD and insert a statement on Senate Joint Resolution 167, having to do with the stabilization of commodity prices.

Mr. ELLIS asked and was granted permission to extend his remarks in the RECORD and include a newspaper item.

Mr. SOMERS asked and was granted permission to extend his remarks in the RECORD.

Mr. GRANT of Indiana (at the request of Mr. ARENDS) was granted permission to extend his remarks in the RECORD and include a speech he made at the University of Illinois.

CALL OF THE HOUSE

Mr. ARENDS. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and forty-four Members are present, not a quorum.

Mr. HALLECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 153]

Allen, La.	Bennett, Mo.	Butler
Andresen, August H.	Bland	Byrne, N. Y.
	Boggs, La.	Canfield
Andrews, N. Y.	Brooks.	Celler
Arnold	Buchanan	Chadwick
Barden	Buckley	Chiperfield
Bates, Ky.	Busbey	Clark
Clements	Hedrick	Philbin
Clippinger	Heffernan	Phillips, Tenn.
Cole, Kans.	Hoeven	Ploeser
Colmer	Hull	Powell
Coudert	Jackson, Calif.	Preston
Courtney	Jarman	Price, Fla.
Cox	Javits	Priest
Crosser	Jenkins, Ohio	Rabin
Crow	Jenkins, Pa.	Rains
Dague	Jennings	Redden
Davis, Tenn.	Johnson, Calif.	Reed, Ill.
Dawson, Ill.	Johnson, Okla.	Reed, N. Y.
Delaney	Kearns	Regan
Devitt	Keogh	Rich
Dirksen	Kilburn	Riehlman
Domengeaux	Klein	Rivers
Dorn	Kunkel	Rizley
Drewry	Lanham	Rooney
Durham	Larcade	Sabath
Eaton	LeCompte	Schwabe, Mo.
Ellsworth	Lodge	Scoblick
Fellows	Ludlow	Scott, Hardie
Fisher	Lynch	Shafer
Fogarty	McDonough	Sikes
Fulton	McGarvey	Simpson, Pa.
Gallagher	Maloney	Smith, Kans.
Gavin	Mason	Smith, Wis.
Gillette	Meyer	Stanley
Gillie	Mitchell	Stratton
Gordon	Morgan	Sundstrom
Gore	Morrison	Taylor
Gorski	Morton	Teague
Gossett	Muhlenberg	Thomas, N. J.
Gregory	Norrell	Towe
Griffiths	Norton	Trimble
Gwinn, N. Y.	O'Brien	Vail
Gwynne, Iowa	O'Hara	Vinson
Hagen	O'Toole	Weichel
Hand	Owens	West
Hartley	Patman	Wilson, Ind.
Harvey	Patterson	Wilson, Tex.
Hébert	Pfeifer	Wood

The SPEAKER. On this roll call 285 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. KUNKEL (at the request of Mr. LEONARD W. HALL), for 2 days, on account of illness.

To Mr. JAVITS (at the request of Mr. MORTON), for balance of session, on account of official business attending ITO conference in Havana, Cuba.

To Mr. FULTON (at the request of Mr. SIMPSON), on account of attending as a United States delegate the United Nations Trade and Employment Conference in Havana.

PERMISSION TO ADDRESS THE HOUSE

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. HALLECK. Mr. Speaker, I ask for this time only to say that in view of the circumstances it is necessary that a quorum be maintained. So I urge all Members to be within sound of the bells, at least until the conference report is disposed of.

RECESS

The SPEAKER. The Chair declares the House in recess, subject to the call of the Chair.

Thereupon, at 5 o'clock and 37 minutes p. m., the House stood in recess, subject to the call of the Speaker.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 6 o'clock and 55 minutes p. m.

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1948

Mr. TABER submitted the following conference report and statement on the bill (H. R. 4748) making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4748) "making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6 and 11.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 9, and 10, and agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "$522,000,000, and to enable the President to carry out the provisions of Public Law 84, in respect to China, $18,000,000; in all, $540,000,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$57,500,000"; and the Senate agree to the same

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment, insert the following: "$340,000,000"; and the Senate agree to the same.

JOHN TABER,
R. B. WIGGLESWORTH,
ALBERT J. ENGEL,
FRANCIS CASE,
FRANK B. KEEFE,
CHARLES A. PLUMLEY,
CLARENCE CANNON,
JOHN H. KERR,
GEORGE MAHON,
Managers on the Part of the House.

STYLES BRIDGES
C. WAYLAND BROOKS,
CLYDE M. REED,
JOSEPH H BALL,
CARL HAYDEN,
ELMER THOMAS,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4748) making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes, submit the following report in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments namely:

Amendment No. 1 relates to the Senate. House recedes.

Amendments Nos. 2, 3, and 4 make formal corrections and the House recedes.

Amendment No. 5 appropriates $522,000,000 for Foreign Aid in Europe instead of $509,000,000 as proposed by the House and $550,000,000 as proposed by the Senate and makes $18,000,000 available for relief in China as proposed by the Senate.

Amendment No. 6. Strikes out language proposed by the Senate to reduce the carryover of wheat to 125,000,000 bushels.

Amendment No. 7 limits losses to be incurred under subsection (e) of section 11 of the Foreign Aid Act to $57,500,000 instead of $50,000,000 as proposed by the House and $65,000,000 as proposed by the Senate.

Amendment No. 8 appropriates $340,000,000 for Government and Relief in Occupied Areas instead of $230,000,000 as proposed by the House and $490,000,000 as proposed by the Senate. Of the increase over the House figure, $37,000,000 is for use in the British zone and $73,000,000 for the so-called "pipeline."

Amendment No. 9 inserts clarifying language.

Amendment No. 10 appropriates $72,000 for the Bureau of Reclamation as proposed by the Senate.

Amendment No. 11 strikes out legislative language with respect to the Bureau of Reclamation proposed by the Senate.

JOHN TABER,
R. B. WIGGLESWORTH,
ALBERT J ENGEL,
FRANCIS CASE,
FRANK B. KEEFE,
CHARLES A PLUMLEY,
CLARENCE CANNON,
JOHN H. KERR,
GEORGE MAHON,
Managers on the Part of the House.

Mr. TABER. Mr. Speaker, I call up the conference report on the bill H. R. 4748 and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

The SPEAKER. The question is on the conference report.

The question was taken; and on a division (demanded by Mr. MARCANTONIO) there were—ayes 233, noes 2.

So the conference report was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO EXTEND REMARKS AT THIS POINT

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point and include a few brief excerpts and newspaper items.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, Christmas is near, and in the mood of approaching Christmas it is hard to deal in realities, but one of these days the Congress will find it necessary to take a second look at the figures proposed for foreign relief.

This appropriation bill carried $340,000,000 as a supplemental appropriation for government and relief in occupied areas. That compares with two hundred thirty in the House bill and four hundred and ninety million in the Senate's version. Of the increase from the House figure, thirty-seven is to apply to the increased cost for taking on the dollar cost in the British zone of occupied Germany.

The other body had increased the figure to the total amount of the budget request, apparently, because of the announcement that the signing of the bizonal agreement was announced yesterday. I have here the Washington Post of yesterday morning. In big headlines you see "United States to share British Zone cost," with a subhead, "$400,000,000 outlay in 1948 assumed to govern area in western Germany," followed by this opening paragraph:

After months of negotiation the United States finally agreed yesterday to take over most of the British dollar burdens in the combined zones of western Germany until the end of 1948. The agreement, signed by Acting Secretary Lovett for the United States and Sir William Strang for Great Britain, calls for additional expenditure of about $400,000,000 by the United States in the coming year.

That is on the front page. On page 15 of the same newspaper appears another item—with a London date line. It is headed "Commons votes $200,000 a year to Elizabeth and Philip." Then follows the story which says, in part:

The Commons defeated, 345 to 33, an amendment to deprive the royal couple of any income beyond Elizabeth's present $60,000 * * * and finally approved without a vote an increase in Elizabeth's allowance to $160,000 and creation of $40,000 allowance for Philip.

And perhaps even that might be passed over without mention were it not for actual facts about the new fusion agreement which has been signed. The other day I read on the floor from the report of the British treasury which placed the cost of German occupation at £38,000,000 or about $150,000,000 for the entire year of 1946. Yet here, the newspaper headline states that a "400 million outlay in 1948" was "assumed to govern area in western Germany."

And actually even that is not the case. We do not get the power to determine the conditions which control the rate of German recovery.

The House committee had not allowed the full request in order that Congress might examine the details of the agreement signed. For the RECORD, I want to give the paragraph on this point from the text of the agreement as released yesterday noon. It is paragraph 6, and under the head of "Basis of Economic Planning" says:

Paragraph 5 of the Bizonal Fusion Agreement shall be amended as follows:

"5. The United States and United Kingdom Military Governors in Germany shall, in accordance with the policy of the two Governments, use their best endeavors to develop at the earliest possible date, in that part of Germany which is under their jurisdiction, an economy which can be maintained without further financial assistance from either Government, and which will at the same time contribute to the peaceful rehabilitation of Europe."

There are other provisions of the agreement which would bear reading and study but this is sufficient at this moment. Does the United States get the right to determine the bases of economic planning which will determine the rate of recovery? Not that can be seen.

Here is only a pious hope that the military governors develop an economy that can support itself.

Mr. Speaker, it was my privilege to spend 5 weeks in Germany and Austria in September and October. In many respects the British and the United States are doing a good job; in some respects I feel that mistakes are made but that is not the point now. Sure we have many ardent, capable workers over there, representing the people of the United States, but the simple truth is that he who pays the fiddler should have the right to call the tune.

The British people themselves recognize this. The London Times of October 4, editorially said:

A redistribution of the cost of feeding and maintaining western Germany implies an equal shift in political responsibility between the two powers.

Mr. Speaker, the Congress is about to adjourn over the holidays; this problem will be with us when we return. I earnestly suggest that when we return to it, we seek to work out answers in the light of realities.

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD with reference to action taken by the Committee of Interstate and Foreign Commerce.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WOLVERTON. Mr. Speaker, as I have already reported to the House, the Committee on Interstate and Foreign Commerce has been holding hearings for several days regarding shortages of fuel oil in various sections of the country in an effort to ascertain the causes of such shortages and seeking ways and means to alleviate the situation.

The testimony which has been presented in the course of these hearings proved rather inconclusive. The committee has been told that the shortages are not caused by this but by that, and then in turn told that the reverse is true. The committee, therefore, felt impelled to call before it in conference, representatives of Government departments and agencies and the petroleum industry for the purpose of securing from them a clearer picture of the causes of the shortages and such recommendations as they might care to offer to alleviate such shortages.

As a result of the hearings already held and the conferences conducted during yesterday and today, the committee has adopted a resolution. In the committee's judgment, the measures recommended in the resolution will provide the necessary relief assuming that Federal and State agencies and the oil industry cooperate promptly and wholeheartedly in making the recommendations effective.

The resolution which was unanimously adopted by the committee reads as follows:

Whereas the Committee on Interstate and Foreign Commerce of the House of Representatives has held hearings on current and anticipated shortages of fuel oil; and

Whereas it appears that such shortages threaten the health, welfare, and economy of the people in various sections of the United States; and

Whereas it appears to the Committee that there is urgent need for early action on the part of the President, the departments and agencies of the Government, the Governors of the States affected by such shortages, and the members of the petroleum industry, as well as the Congress, to take specific steps to alleviate such shortages: Therefore be it

Resolved, That the Committee on Interstate and Foreign Commerce of the House of Representatives finds that serious shortages of fuel oil are existing in various sections of the United States and that such shortages threaten to become more serious; and it is the sense of the committee that—

(1) the export control authority granted by section 6 of Public Law 703, Seventy-sixth Congress, as amended, should be exercised to place such prohibitions or curtailments on the exportation of fuel oil and other petroleum products for such period of time, as may be necessary to alleviate such shortages;

(2) wherever possible, the temporary use of naval vessels should be authorized to transport fuel oil to those sections of the United States where such shortages exist;

(3) the Maritime Commission should desist, for such time as such shortages continue to exist, from completing the transfer to foreign purchasers of tankers owned by the Government;

(4) negotiations should be undertaken by the Maritime Commission with the purchasers and owners of tankers formerly owned by the United States, with a view to securing the use of such tankers for the transportation of fuel oil to alleviate such shortages;

(5) the Secretary of the Interior, in the exercise of authority heretofore granted to him by the President, and for the purpose of alleviating such shortages, should take all possible and appropriate action to coordinate the activities of the Department of the Interior and of other departments and agencies of the Government, with those of such State officials as may be designated to handle emergency fuel problems existing in their respective States;

(6) voluntary petroleum industry committees should be established to bring about cooperation in accomplishing the most efficient possible use of equipment available for the production and transportation of fuel oil;

(7) the Office of Defense Transportation should take all possible and appropriate action to accomplish the most efficient possible use of tank cars;

(8) the President and the departments and agencies of the Government should take all other possible and appropriate action to utilize such powers as they now possess to aid in alleviating such shortages; and

(9) the Maritime Commission should be authorized and required by law, to repair any tankers owned by it or to be acquired by it, and to operate such tankers, under charter or otherwise, to the extent necessary to supplement the capacity of petroleum transportation equipment now in use; and adequate funds should be appropriated to the Maritime Commission for such purposes.

Mr. Speaker, in addition, I am of the opinion the House should have the benefit of a report which was submitted by the group of industry representatives which conferred yesterday and today with officials of Government agencies in accordance with the request of the Committee on Interstate and Foreign Commerce. The report reads as follows:

The Chairman and Members of the Committee on Interstate and Foreign Commerce of the House of Representatives.

GENTLEMEN: In accordance with your request, the undersigned members of the oil and transportation industries met today with representatives of the State, Commerce, Defense, and Interior Departments, the Maritime Commission, and the Office of Defense Transportation. The conclusions reached are those of the industry representatives with the advice of the Government representatives.

Because of the limited time available and because of our agreement therewith, we have adopted verbatim part of the language of the report rendered December 17, to Senator CHARLES W. TOBEY of New Hampshire by an industry committee appointed by a special subcommittee to work with the Senate Interstate and Foreign Commerce Committee on fuel shortages.

This committee accepts the findings of the committee reporting to Senator TOBEY and its advisers that there is a gap of approximately 10 percent between supply and demand for distillate fuels, including kerosene, in PAW districts I, II, and III (the area between the Rockies and the Atlantic Coast) for the period from December 1947 through March 1948, despite large increases in supply; that the gap in the New England and Atlantic Coast area between supply and demand is approximately 15 percent for distillate fuels, including kerosene; and that the gap with respect to heavy residual fuels is approximately 10 percent throughout the area.

In order to minimize the emergency and alleviate the resulting hardship, the committee recommends the following:

I. That your committee endorse the campaign now being conducted by the oil industry to induce all users of fuel oil and gasoline in the area affected to reduce consumption by every means possible and that you specifically recommend to the public the following steps to save fuel:

1. Keep the temperature of your home, or store, or office, building or apartment house, or hotel, or factory at 68° or below during waking or working hours and at 60° or below at all other times, and heat no unoccupied rooms or unused space above the minimum required to prevent damage Every degree of decrease in average temperature reduces fuel consumption by approximately 3 percent.

2. Install no equipment for burning oil, gas, or "bottled gas, and make no conversion to these fuels, unless you are sure of an adequate supply of the required fuel.

3. Place in operation immediately all equipment using coal instead of oil.

4. "Winterize" your home or establishment by properly installed insulation, weather stripping, and storm sashes. A Government study has shown fuel savings of as much as 20 percent for weather stripping alone, 30 percent for weather stripping plus storm windows, 40 percent for weather stripping plus insulation, and 50 percent for double windows plus insulation.

5. Keep the shades down and the blinds closed whenever outside light is not needed, and waste no hot water. These measures will effect material savings in fuel.

6. Reduce gasoline consumption by not driving farther or more often than necessary, by not driving at high speeds, by ridesharing, and so far as possible by using public transportation instead of private cars. In oil refining, making more gasoline means making less fuel oil, and vice versa.

7. Do not use premium gasoline in a car that will run satisfactorily on regular grade. In most present refineries, making more

high-octane gasoline reduces the total output of gasoline and fuel oil.

8. Keep your heating equipment, your car, your truck, and your tractor in first-class operating condition.

9. Conserve fuel in every other way that you can. Remember that every gallon of fuel oil or gasoline that you save is a gallon available to a fellow American who may need it urgently. Even though fuel oil and gasoline supply may be adequate in your locality, they may be deliberately needed in some other area to which they can be moved.

The committee recommends that the industry's campaign for public fuel conservation be expedited and intensified by every means practicable and that every effort be made to get the knowledge of the actual situation down to the reseller and local dealer.

II. That the United States Government minimize its consumption of liquid fuels by every means consistent with the national welfare and safety

III. That the industry make immediate and abnormal adjustment of refinery yields to maximize the production of distillate fuel oils at the expense of gasoline for the next 2 or 3 months. It now believes that an increase of distillate fuel supply of 5 to 7 percent is feasible during the next few months. This adjustment in normal refinery yields may cause some spot shortages of gasoline, but the committee believes that adequate heating oil supply is more pressing and immediate.

IV. That the Maritime Commission, Navy, and Coast Guard continue to expedite in every way possible the placing of tied-up tankers in active service, and that the structural strengthening of T-2 tankers be scheduled and conducted in such a manner as to cause a minimum of loss of tanker time.

V. That the authority of the Maritime Commission to charter tankers be extended beyond the present authorized date of February 29, 1948, in order that any ships not actually sold and delivered by that date may continue in service.

VI. That the negotiations now under way to raise the load line for tankers in international service be intensified and expedited.

VII. That the oil industry, in cooperation with the transportation industry, exert every effort to make additional tank cars available through improved loading and unloading operations, including 6- and 7-day loading and unloading schedules, and that additional trucking be adopted in lieu of tank car movements, particularly for the shorter hauls.

VIII. That as facilities for the use of additional crude oil become available, the State conservation commissions review carefully their allowable production rates and increase them to the maximum required to meet the demand within the limits of sound conservation practices.

IX. That through the exercise of export controls, the export of petroleum products be minimized during the next 2 or 3 months, and that no petroleum products be exported beyond the amounts essential to maintain the economies of foreign nations whose economic welfare is essential to that of the United States.

X. That your committee recommend to the Governor of each State east of the Rockies the appointment of an emergency fuel coordinator to facilitate fair and equitable distribution to all classes of consumers in order of need.

XI. That Congress authorize the Oil and Gas Division of the Department of the Interior, in consultation with the National Petroleum Council, to create a coordinating committee of industry representatives, to serve until March 31, 1948, of which the Director of said Oil and Gas Division shall be chairman, to advise and consult with the State coordinators and with the industry as to any action that may tend to increase available supplies or facilitate equitable distribution.

Because of the urgency of the situation, the committee recommends that the parts of the foregoing program susceptible of such action, including the actions recommended to your committee, be put into effect not later than next Monday, December 22.

L. B. DAVIS,
Socony-Vacuum.
C. AUSTIN SUTHERLAND,
American Trucking Association.
RUSSELL B. BROWN,
Independent Petroleum Association.
JAMES V. BROWN,
National Petroleum Council.
GORDON DUKE,
Chairman, Southeastern Oil Co. and President, National Council of Independent Petroleum Associations.
J. C. RICHDALE,
Colonial Beacon Oil Co.

Mr. Speaker, during the recess of Congress, a study will be conducted by the committee, through its staff, not only with respect to the immediate problems arising by reason of shortages of fuel oil and other petroleum products in certain sections of the country, but also as to what should be the Nation's long-range petroleum policy. Further hearings have been scheduled to be held immediately upon the reconvening of Congress.

I assure the House that your Committee on Interstate and Foreign Commerce is aware of the seriousness of the immediate situation, as well as the importance of having a long-range program that will insure an adequate supply of oil for domestic uses and to maintain our national security.

Mr. JUDD. Mr. Speaker, I think the House and the country owe a debt of gratitude to the gentleman from New York [Mr. MARCANTONIO] for clarifying the issue with respect to China. His action cuts through all the barrage of propaganda, the talk about democracy, efficiency, corruption, and makes clear that the basic issue is whether China is to be free and on the side of the United States, or whether it is to be taken over by the Communists and enslaved as a Russian satellite—against us.

EXTRADITION BETWEEN THE STATES

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANHAM. Mr. Speaker, I would not delay the adjournment of the House for even 1 minute except for an article which appeared in the Washington Daily News under today's date entitled "Georgia Justice Flayed in Extradition Refusal." Under a Pittsburgh date line the item reads as follows:

> Judge Samuel Weiss, of the Allegheny County common pleas court yesterday loosed a verbal blast against Georgia justice and refused to extradite a 26-year-old escaped convict to the southern State on the grounds that it would be signing his death warrant.

Now, if the State of Pennsylvania wants to harbor the burglars, murderers, and rapists of Georgia, white or black, that is perfectly all right with me, but when this judge or so-called judge makes a statement like this, that is absolutely without any foundation in fact, and attacks the administration of justice in Georgia, I cannot refrain from speaking. I say that he disgraces the judicial robe that he wears and is unworthy of the position that he holds, because there is absolutely not a word of truth in what he has to say.

Mr. Speaker, the newspapers quote Judge Samuel Weiss as saying that if he permitted James Moreland, of Butts County, Ga., to be returned to Georgia to serve a sentence imposed upon him by a court of my State after conviction of burglary he, the judge, would be signing the Negro's death warrant. The judge is further quoted as saying:

> Until the time comes * * * when all men are considered equal * * * regardless of race, color or creed, this court cannot come to any other conclusion but that James Moreland will suffer death by torture, lynching, or murder upon his return to Georgia.

The statement that James Moreland will suffer death by torture, lynching or murder upon his return to Georgia is entirely without foundation. The facts are that the Negro had been convicted after a trial and was confined in the Greenville Penitentiary Hospital, at Cairo, Ga. It is obvious that there had been no effort to lynch the Negro and that he was being cared for in a hospital instead of being forced to work as this so-called judge says later in condemning Georgia justice, as he calls it.

For 6 years before I was elected to Congress, I served as prosecuting attorney for one of the larger judicial circuits in our State. I had practiced law for 15 years prior to my election as solicitor general. During all of that time I never, at any time, saw a Negro discriminated against in the enforcement of our law. As a matter of fact, if a Negro, who had no attorney to represent him, appeared before the court, the court always appointed counsel to see that he had a fair trial. Moreover, the older members of the bar almost always volunteered to help in the defense if a young attorney was appointed by the court for this task.

Moreover, I have seen on many occasions, white juries accept the testimony of Negroes testifying against white persons charged with crime. As a matter of fact, the white people of my State lean over backwards, so to speak, to see that a Negro is given a fair trial when he is brought before the court.

Not satisfied with the statement I have just quoted that James Moreland would suffer death by torture, lynching, or murder, upon his return to Georgia, this alleged judge charged that:

> Enlightened public opinion must condemn as cruel and unusual punishment the action of Georgia authorities in chaining prisoners * * * in compelling them to work at hard and painful labor from sunrise to sunset * * * in beating and shooting them * * * in placing them in unlighted holes

in the ground * * * and on occasion murdering them in cold blood.

There was a time in Georgia when prisoners were chained but that time has long since passed. There was a time too when prisoners in Georgia wore stripes but that time has also passed. I can cite an incident where the removal of the stripes from Negro prisoners led to the death of an innocent citizen of my county. The prisoners had broken away from the stockade where they were confined. In their effort to make a getaway, they stopped a passing motorist, murdered him and took his automobile and fled. If the prisoners had been wearing stripes, this citizen would not have stopped when he was hailed by the men. It is true that we require in Georgia that our prisoners work, but they are required to work under humane conditions and they are not beaten and shot as alleged by this judge. It is true that occasionally a prisoner who undertakes to overpower his guard and who undertakes to kill the guard, is shot but certainly no one can say that the killing of a fugitive under such circumstances is not fully justified.

I am told that this so-called judge of this alleged court is a prominent official in the National Football League. As a judge I may say that he is a good football referee but by his unwarranted statement about Georgia justice, either through ignorance or by deliberate falsehood, he shows himself unworthy of the high position he holds. It comes with bad grace, for a judge of the State of Pennsylvania to make this charge against the administration of justice in Georgia when in his own State, racketeering and intimidation are so rife and unpunished that a committee of this Congress at this session, felt it necessary to go to that State and make an investigation of conditions brought about by racketeering of gangsters hiding under the guise of a labor organization. I hold in my hand a report of a subcommittee of the Committee on Expenditures in the Executive Departments and I quote from that report:

Hearings on the Dock Street rackets extended over a period of 5 weeks and closed on March 20. They make a volume of some 550 printed pages, which explores many phases and angles of racketeering, shakedown, extortion, and strong-arm intimidation, as employed in the great fruit and produce center of Philadelphia—a market which was the central clearinghouse for fresh food and produce in an area of about 4,000,000 population. This market handled some 5,000 carloads of perishable fruit and produce every month, and every ounce of this food was subject to extortion, exaction, or shake-down by the Dock Street racketeers. The indictment estimates that the total volume of business in this one market was approximately $125,000,000.

My colleague the gentleman from Georgia, the Honorable JAMES C. DAVIS, was the judge of the superior court of one of our circuits in Georgia at the time he was elected to Congress. I am sure that he will confirm what I say about the administration of justice in Georgia and I feel sure that the Members of this great body will join me in condemning the false and malicious statement traducing the good name of our State, one of the Original Thirteen Colonies, a State which has produced such men as Toombs, Grady, Chief Justice Bleckley, and others equally as illustrious.

THE CHINESE SITUATION

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, my intention at this time is not to reopen the argument that has been so overwhelmingly settled. I recognize I am in a very, very small minority here on the issue of aid to Chiang Kai-shek. However, I cannot resist the temptation of stating to the gentleman from Minnesota [Mr. JUDD] that for the last week he has been attacking the Democratic League of China and the Christian general of China simply because those two, one democratic group and one democratic general, have seen fit to attack Chiang Kai-shek.

The gentleman from Minnesota [Mr. JUDD] has reached the point that if a Biblical character jumped out of the Bible and attacked Chiang Kai-shek I am afraid the gentleman from Minnesota would attack the Bible.

Of course, he will tell you that we must aid this Hitler of China to defeat the Soviet Union. We well remember that others advanced the same line to justify aiding and strengthening Hitler. The world is still suffering from the results of that advice.

The SPEAKER. The time of the gentleman from New York [Mr. MARCANTONIO] has expired.

GENERALISSIMO CHIANG KAI-SHEK

Mr. JUDD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Speaker, I would like to advise the gentleman from New York [Mr. MARCANTONIO] that I have on many occasions severely criticized the Government of China and twice to Generalissimo Chiang himself, once about 6 weeks ago, in an hour and three-quarters discussion with him. My concern here is not to defend the Generalissimo; he does not need any defense. His place in history is secure. My concern is to save China, if possible, as a free nation and on the side of the United States against the tide of communism, intrigue, and tyranny sweeping over much of the world. That is the sole reason why I have felt under obligation to expose people like the so-called Christian general and the Democratic League; they are not what they may seem to most Americans to be. The history of the Democratic League is astonishingly like that of the American Labor Party to which the gentleman belongs. It was originally a coalition of labor groups, liberals, and Communists. Then the genuine liberals discovered that it and they were being used as fronts or tools of the Communists, and, as the gentleman from New York is well aware, they broke off and established the Liberal Party. The Democratic Socialists in China, which is a liberal party, and the Young China Party, which is a liberal party, were originally in the Democratic League. They either pulled out or were expelled from the Democratic League because they wanted to cooperate in forming a really democratic government in China. What is left of the Democratic League is just a false front, camouflage for the Communists. That has been proved by the fact that recently many of its leaders have openly taken top positions in the Communist governments being established in the Provinces of Manchuria.

So the facts are plain today, made so with the invaluable assistance of the gentleman from New York. When he alone resists what he calls aid to Chiang Kai-shek all who know the facts of life understand at once that Chiang must be the chief obstacle to the success of the Communists in making China a second Poland or Bulgaria. The reasons why he opposes Chiang are the reasons why most of us must support him with even greater certainty than before.

The SPEAKER. The time of the gentleman from Minnesota [Mr. JUDD] has expired.

EXTENSION OF REMARKS

Mr. KEFAUVER asked and was granted permission to extend his remarks in the RECORD.

COMMITTEE TO NOTIFY THE PRESIDENT

Mr. HALLECK. Mr. Speaker, I offer a resolution (H. Res. 414), and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That a committee of two Members be appointed by the House to join a similar committee appointed by the Senate to wait upon the President of the United States and inform him that the two Houses have completed the business of the session and are ready to adjourn unless the President has some other communication to make to them.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER. The Chair appoints the gentleman from Indiana [Mr. HALLECK] and the gentleman from Texas [Mr. RAYBURN] as members of the committee to notify the President.

RECESS

The SPEAKER. The Chair declares the House in recess, subject to the call of the Chair.

Thereupon, at 7 o'clock and 8 minutes p. m., the House stood in recess, subject to the call of the Speaker.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 7 o'clock and 30 minutes p. m.

STILL FURTHER MESSAGE FROM THE SENATE

A still further message from the Senate by Mr. Laite, its enrolling clerk, announced that the Senate had passed without amendment joint resolutions of the House of the following titles:

H. Con. Res. 127. Concurrent resolution providing for adjournment of the two Houses of Congress on December 19, 1947, sine die; and

H. Con. Res. 128 Concurrent resolution authorizing the Presiding Officers of the two Houses to sign enrolled bills and joint resolution after the adjournment.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill 4748 entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes."

REPORT OF COMMITTEE TO INFORM THE PRESIDENT

Mr. HALLECK. Mr. Speaker, your committee appointed to join the committee of the Senate to inform the President that the Congress is ready to adjourn, and ask him if he had any further communication to make to the Congress, has performed that duty.

The President has directed us to say that he has no further communications to make.

THE OIL SITUATION AND OTHER LEGISLATION

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, numerous reports have come in on the fuel oil situation. A very fine one has been made by the gentleman from New Jersey [Mr. WOLVERTON], and others are coming in. I understand that the gentleman from California [Mr. WELCH] has a resolution which is ready to be considered. I telegraphed President Truman on December 6 asking him to prohibit by embargo the exporting of fuel oil during this emergency, but up to this time he has taken no action. Many Members of the House have told me that they will help secure the passage of legislation for increased subsistence allowance for veterans when we come back in January. I believe the entire House will join me in hoping that this legislation may be speedily passed.

A PERSONAL MESSAGE

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I want to congratulate all of the Members of the House for their splendid work and cooperation in carrying forth the program of the House during this special session. I also want to wish you all a merry Christmas and a happy New Year.

SENATE JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to joint resolutions of the Senate of the following titles:

S. J. Res. 167. Joint resolution to aid in the stabilization of commodity prices, to aid in further stabilizing the economy of the United States, and for other purposes; and

S. J. Res. 170. Joint resolution authorizing the Secretary of Agriculture to publish the names and addresses of persons transacting business on the boards of trade, and the amounts of commodities purchased or sold by them; to furnish to committees of Congress upon request and to make public any such information in his possession; and for other purposes.

ADJOURNMENT

Mr. HALLECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER. In accordance with House Concurrent Resolution 127, the Chair declares the first session of the Eightieth Congress adjourned sine die.

Thereupon (at 7 o'clock and 32 minutes p. m.), pursuant to House Concurrent Resolution 127, the House adjourned sine die.

ENROLLED BILL SIGNED AFTER SINE DIE ADJOURNMENT

Pursuant to the authority granted the Speaker by House Concurrent Resolution 128, Eightieth Congress, he did on December 20, 1947, sign the following enrolled bill:

H. R. 4748. An act making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes.

BILL PRESENTED TO THE PRESIDENT AFTER SINE DIE ADJOURNMENT

Mr. LECOMPTE, from the Committee on House Administration, reported that that committee did on December 20, 1947, present to the President, for his approval, a bill of the House of the following title:

H. R. 4748. An act making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes.

APPROVAL OF BILLS AFTER SINE DIE ADJOURNMENT

A message from the President of the United States, received by the Clerk of the House, reported that, on the following dates, the President approved and signed bills of the House of the following titles:

On December 19, 1947:

H. R. 4469. An act to amend the act of July 7, 1947, so as to authorize the Commission on Organization of the Executive Branch of the Government to procure the temporary or intermittent services of experts or consultants or organizations thereof; and

H. R. 4627. An act to authorize an appropriation for the immediate relief of the Navajo and Hopi Indians, and for other purposes.

On December 23, 1947:

H. R. 4748. An act making supplemental appropriations for the fiscal year ending June 30, 1948, and for other purposes.

EXECUTIVE COMMUNICATIONS, ETC.

1159. Under clause 2 of rule XXIV, a letter from the Postmaster General, transmitting a tabulation showing the number of envelopes, labels, and other penalty inscribed material on hand and on order June 30, 1946; the number of pieces procured; the estimated mailings; and the estimated cost by departments and agencies for the period July 1, 1946, to June 30, 1947, was taken from the Speaker's table and referred to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WELCH: Committee on Public Lands. House Resolution 385. Resolution requesting the Secretary of the Interior to furnish the House of Representatives full information in his possession concerning the amount of fuel oil, gasoline, petroleum products, and coal now available in the United States and what steps the Government should take to make the proper and necessary supply available; without amendment (Rept. No. 1231). Referred to the House Calendar.

Mr. LECOMPTE: Committee on House Administration. House Resolution 407. Resolution to provide funds for the expenses of the investigation and study authorized by House Resolution 404; with an amendment (Rept. No. 1232).

Mr. LECOMPTE: Committee on House Administration. House Resolution 373. Resolution to authorize an appropriation for black-market investigation; with an amendment (Rept. No. 1233). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT:

H. R. 4816. A bill to amend section 624 of the Public Health Service Act so as to provide a minimum allotment of $250,000 to each State for the construction of hospitals; to the Committee on Interstate and Foreign Commerce.

By Mr. BRADLEY:

H. R 4817. A bill to amend the act of July 23, 1947 (61 Stat. 409) (Public Law No. 219 of the 80th Cong.); to the Committee on Merchant Marine and Fisheries.

By Mr. COLE of Missouri:

H. R 4818. A bill relating to the disability pensions payable to veterans of World War II; to the Committee on Veterans' Affairs.

By Mr. DAVIS of Georgia (by request):

H. R. 4819. A bill to amend the Servicemen's Readjustment Act of 1944, as amended, to provide homes for veterans, through veterans' homestead associations, and the public facilities essential therefor; to the Committee on Veterans' Affairs.

By Mr. LANDIS:

H. R. 4820. A bill to repeal the retailers' excise tax on toilet preparations and on luggage, purses, and similar articles; to the Committee on Ways and Means.

By Mr. WELCH:

H. R. 4821. A bill to provide additional compensation for employees of the Federal Government and of the government of the

District of Columbia; to the Committee on Post Office and Civil Service.

By Mr. CASE of South Dakota:

H. R. 4822. A bill to amend the Veterans' Preference Act of 1944 to give the wives of totally disabled veterans preference in employment where Federal funds are disbursed; to the Committee on Post Office and Civil Service.

By Mr. D'EWART:

H. R. 4823. A bill to provide adequate school facilities within Yellowstone National Park, and for other purposes; to the Committee on Public Lands.

By Mr. JUDD:

H. R. 4824. A bill to provide the privilege of becoming a naturalized citizen of the United States to all immigrants having a legal right to permanent residence, and to place all Asiatic and Pacific peoples on the same basis in immigration law as Chinese persons and races indigenous to India; to the Committee on the Judiciary.

By Mrs. ROGERS of Massachusetts (by request):

H. R. 4825. A bill to provide pensions for certain disabled veterans of World War I; to the Committee on Veterans' Affairs.

By Mr. MACKINNON:

H. R. 4826. A bill to prohibit certain officers and employees of the United States from engaging in transactions involving contracts of sale of commodities for future delivery; to the Committee on the Judiciary.

By Mr. TOLLEFSON:

H. R. 4827. A bill for the purpose of erecting in Tacoma, Wash., a post-office building; to the Committee on Public Works.

By Mr. KEFAUVER:

H. R. 4828. A bill to increase the subsistence allowance of veterans pursuing courses of education or training and to increase the monthly maximum allowed to veterans receiving both compensation for productive labor and subsistence allowances for education; to the Committee on Veterans' Affairs.

By Mr CRAWFORD:

H. Con. Res. 129. Concurrent resolution providing for a joint committee composed of members of the Senate and the House Public Lands Committees to make an investigation of our island possessions in the Pacific and trust territories, and report back recommendations for legislation providing for civil government; to the Committee on Rules.

By Mr. JAVITS:

H. Res. 413. Resolution authorizing the Committee on Foreign Affairs to have printed additional copies of a special subcommittee report on displaced persons and the International Refugee Organization; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FARRINGTON:

H. R. 4829. A bill for the relief of Mr. Shinkichi Shimizu, Mrs. Haru Toyama, Mr. Jujiro Muranaka, and Mrs. Haru Muranaka; to the Committee on the Judiciary.

By Mr. HAYS:

H. R. 4830. A bill for the relief of Cooperative for American Remittances to Europe, Inc.; to the Committee on the Judiciary.

By Mr. O'TOOLE:

H. R. 4831. A bill for the relief of Mike A. Tsataronis; to the Committee on the Judiciary

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

996. By Mr. BUFFETT: Petition of Mrs. Ruby Melies, president, Adam Schellinger Unit, No. 8, the American Legion Auxiliary, Department of Nebraska, and 51 Otoe County citizens, favoring legislation establishing a system of universal military training; to the Committee on Armed Services.

997. By Mr. CASE of South Dakota: Petition of 21 members of the American Legion Auxiliary, Perry Strickland Unit, No. 172, Edgemont, S. Dak., urging enactment of legislation to establish a system of universal military training for American young men; to the Committee on Armed Services.

998. Also, petition of Mrs. Earling Johnson and 17 others, of South Shore, S. Dak., urging the enactment of legislation that will prohibit advertising liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

999. Also, petition of Mrs. Wesley Coulter and 13 others, of Estelline, S. Dak., urging passage of legislation to prohibit liquor advertising in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

1000. Also, petition of Mrs. C. M. Peterson and 19 others, of Naples, S. Dak., urging enactment of legislation to prohibit advertising liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

1001. Also, petition of Mrs. P. M Rensvold, Madison, S. Dak., and 35 others, urging enactment of legislation to prohibit advertising liquor in interstate commerce and over the radio; to the Committee on Interstate and Foreign Commerce.

1002. By Mr. CHADWICK: Petitions in 14 identical pieces, signed by more than 270 citizens of Pennsylvania, substantially all of them residents of the Seventh Congressional District, praying for certain legislative remedies with respect to the high cost of living; to the Committee on Banking and Currency.

1003. By Mr. COLE of Missouri: Petition of Mrs. G. V. Swartz, St. Joseph, Mo., and 37 others, for legislation establishing a system of universal military training for American young men, as recommended by the President's Advisory Commission on Universal Training; to the Committee on Armed Services.

1004. Also, petition of George Wymore, commander, Robert H. Baker Post, No. 95, American Legion, Liberty, Mo., and 34 others, for legislation establishing a system of universal military training for American young men, as recommended by the President's Advisory Commission on Universal Military Training; to the Committee on Armed Services.

1005. By Mr. ENGEL of Michigan: Petition of C Robillard and 104 other members of Red Arrow Unit, No. 361, American Legion Auxiliary, of Detroit, Mich., requesting the passage of universal military training legislation; to the Committee on Armed Services.

1006. By Mr. GRAHAM: Petition of 22 residents of Beaver County, Pa., in support of legislation establishing a system of universal military training; to the Committee on Armed Services.

1007. Also, petition of 42 residents of Beaver County, Pa., in support of legislation establishing a system of universal military training; to the Committee on Armed Services.

1008 By Mr. HART: Petition of American Legion Auxiliary of the Charles Cusick Post, No 15, of West New York, N. J., favoring the adoption of universal military training; to the Committee on Armed Services.

1009. Also, petition of American Legion Auxiliary, Joseph Hassenforder Unit, No. 118, or Secaucus, N. J., favoring the adoption of universal military training; to the Committee on Armed Services.

1010. Also, petition of American Legion Auxiliary, Weehawken Unit, No. 18, of Weehawken, N. J., favoring the adoption of universal military training; to the Committee on Armed Services.

1011. By Mr. KILDAY: Petition of Paul Anderson, of San Antonio, Tex., and 123 others, urging enactment of legislation to establish a system of universal military training for American young men; to the Committee on Armed Services.

1012. Also, petition of Louis E. Taubert, of San Antonio, Tex., and 82 others, urging enactment of legislation to establish a system of universal military training for American young men; to the Committee on Armed Services.

1013. By Mr. MARTIN of Massachusetts: Petition of Lawrence C. Foster and sundry citizens of Massachusetts, advocating enactment of universal military training; to the Committee on Armed Services.

1014. By Mr. SMITH of Wisconsin: Petition of members of the Devins-Teehan Post, No. 237, Footville, Wis., urging passage of legislation for universal military training; to the Committee on Armed Services.

1015. Also, petition of residents of the First District of Wisconsin, urging passage of legislation to establish a system for universal military training; to the Committee on Armed Services.

1016. Also, petition of members of Dary-Paulsen Unit, No. 440, Clinton, Wis., urging passage of legislation to establish a system of universal military training; to the Committee on Armed Services.

1017. By Mr. TIBBOTT: Petition of citizens of Armstrong County, Pa., urging legislation establishing a system of universal military training; to the Committee on Armed Services.

1018 By Mr. TOWE: Petition of Mrs. Hilda A. Gonzalez, national defense chairman, Clifford Dunn Post, No. 17, American Legion Auxiliary, Bogota, N. J., and 21 other members of that post; Mrs. M. Moran, Second Unit 97, American Legion Auxiliary of Woodridge, N. J., and 102 other members of that post; Mrs. A. J. Meier, secretary-vice president, Unit 40, Ridgefield Park American Legion Auxiliary. Bogota, N. J., and 105 other members; Mrs. A. V. Cross, president, Parkyn-Schaffroth Unit, No. 48, American Legion Auxiliary, Palisades Park, N. J., and 52 others; all in support of legislation establishing a system of universal military training; to the Committee on Armed Services.

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